

Notice of Public Meeting

City Council Meeting

AGENDA

CITY OF FALLS CITY, OREGON

Meeting Location: 320 N Main Street, Falls City, Oregon 97344

Thursday July 19, 2018 6:00 p.m.

Posted on July 9, 2018

1. Call to Order

- a. Roll Call: Jeremy Gordon, Mayor____ Dennis Sickles ____ Lori Jean Sickles____
- b. Jennifer Drill ____ Tony Meier____ Charlie Flynn ____ Clifford Lauder ____

2. Pledge of Allegiance

3. Motion to Adopt the Entire Agenda

4. Consent Agenda: Motion Action Approving Consent Agenda Items

- a. Approval of the Bills pg. 1-4
- b. Approval of June 14, 2018 Council Meeting Minutes pg.5-8
- c. Approval of June 29, 2018 Special Meeting Minutes pg. 9

5. Public Comments Citizens may address the Council or introduce items for Council consideration on any matters. Council may not be able to provide an immediate answer or response, but may direct staff to follow up on any questions raised. Out of respect to the Council and others in attendance, please limit your comment to five (5) minutes. Please state your name and city of residence for the record.

6. New Business:

- a. Resolution 16-2018: \$2 Republic Recycling Surcharge
 - i. Agenda Report pg. 10-12
 - ii. Exhibit A Resolution 16-2018 Republic Surcharge..... pg. 13
 - iii. Exhibit B Falls City Municipal Code 53.01.070 Rates pg. 14-15
 - iv. Exhibit C Letter from Republic May 8, 2018 pg. 16-17
 - v. Exhibit D Letter from Republic June 11, 2018 pg. 18
 - vi. Exhibit E Republic Services Income Statement..... pg. 19
 - vii. Exhibit F Republic Services Falls City Rate Sheet pg. 20
 - viii. Exhibit G Republic Services Rate Comparison & Comingle Analysis pg. 21
 - ix. Exhibit H Municipalities increasing recycling rates pg. 22
 - x. Exhibit I Q&A with Republic Services..... pg. 23
- b. Resolution 17-2018: Procurement of a Fire Duty Truck
 - i. Agenda Report pg. 24
 - ii. Exhibit A Resolution 17-2018 Authorizing Procurement..... pg. 25
- c. Resolution 18-2018: Sheriff's Office Sub-Station
 - i. Agenda Report pg. 26
 - ii. Resolution 18-2018 pg. 27
- d. August 7, 2018 3rd St closure for National Night Out
 - i. Agenda Report pg. 28
 - ii. Exhibit A Explanation and map of roads to be closed..... pg. 29-30

The City of Falls City does not discriminate in providing access to its programs, services, and activities on the basis of race, color, religion, ancestry, national origin, political affiliation, sex, age, marital status, physical or mental disability, or any other inappropriate reason prohibited by law or policy of the state or federal government. Should a person need special accommodations or interpretation services, contact the City at 503.787.3631 at least one working day prior to the need for services and every reasonable effort to accommodate the need will be made.

- e. CDBG Wastewater Update
 - i. Agenda Report Wastewater Update..... pg. 31
 - ii. Exhibit A Original Property Acquisition Letter pg. 32-33
 - iii. Exhibit B Re-drafted Property Acquisition Letter pg. 34-35
- f. Mayor’s Proclamations
 - i. Agenda Report Proclamations pg. 36
 - ii. Proclamation Ungricht pg. 37
 - iii. Proclamation Kern..... Pg. 38
- g. Late Addition Resolution 19-2018: Pursue 2018 SCAG
 - i. Agenda Report 2018 SCAG pg. 39-40
 - ii. Resolutions 19-2018 pg. 41-42
 - iii. Map of Proposed Paving pg. 43

7. Correspondence, Comments, and Ex-Officio Reports

- a. Mayor Report
- b. Council Reports
- c. Manager’s Report
- d. Staff Report
- e. Sheriff’s Report

8. Council Announcements

- a. Next regular Council Meeting August 9, 2018 6:00 pm.

9. Adjourn

City of Dallas	06/14/2018	INV: 46606	Attorney/Special Council	11 STREET FUND	57.00
Dallas Auto Parts	06/27/2018	INV #02588	Accounts Payable		-300.00
	06/27/2018	INV#02588	Streets Maintenance/Repair	11 STREET FUND	300.00
	06/27/2018		Accounts Payable		-484.86
	06/27/2018	378122- Grader Hydro Fluid	Equipment Maintenance/Repair	11 STREET FUND	393.75
	06/27/2018	377529- Trailer Maintenance	Equipment Maintenance/Repair	11 STREET FUND	12.75
	06/27/2018	378394- Grader	Equipment Maintenance/Repair	11 STREET FUND	30.96
	06/27/2018	377481, 378756- 04 Chevy	Equipment Maintenance/Repair	20 WATER OPERATING FUND	47.40
Department of Environmental Quality	06/27/2018	WC19WSC-0311	Accounts Payable		-80.00
	06/27/2018	WC19WSC-0311	Water System Of Administrative costs	20 WATER OPERATING FUND	80.00
Edge Analytical	06/27/2018	18-20953, 18-20954, 18-22361, 18-	Accounts Payable		-276.00
	06/27/2018	18-20259	Lab Analysis Services	13 SEWER FUND	198.00
	06/27/2018	18-20953, 18-20954, 18-22361	Lab Analysis Services	20 WATER OPERATING FUND	78.00
Home Comfort, Inc	06/27/2018	Inv #24592	Accounts Payable		-50.00
	06/27/2018	Inv #24592	City Hall Maint/Repairs	01 GENERAL FUND:01.01 Administrative	50.00
King's Pumping Service	06/27/2018	14770, 14771, 14772	Accounts Payable		-1,201.75
	06/27/2018	111 3rd, 258 Fairoaks, 379 Alder	Tank Pumping	13 SEWER FUND	1,201.75
Knife River	06/27/2018	Inv. 1922718	Accounts Payable		-436.40
	06/27/2018	Cold Patch 1927718	Maintenance Supplies	11 STREET FUND	436.40
L & L Equipment	06/27/2018	0149959	Accounts Payable		-22.99
	06/27/2018	Weed Eater Harness	Equipment Maintenance/Repair	11 STREET FUND	22.99
Mid Willamette Valley COG	06/27/2018	1718363	Accounts Payable		-1,938.09
	06/27/2018	1718363	Land Use Planning	01 GENERAL FUND:01.01 Administrative	1,938.09
Mountain Valley Monitoring	06/27/2018	INV#2261	Accounts Payable		-90.00
	06/27/2018	Security Monitoring July-Sep 18, im	Professional Services	01 GENERAL FUND:01.01 Administrative	45.00
	06/27/2018	Security Monitoring	Professional Services	01 GENERAL FUND:01.07 Fire Department	45.00
Pacific Power	06/27/2018	multiple accounts, 21091561-006 2	Accounts Payable		-1,709.85
	06/27/2018	May 18	Power/Heat	01 GENERAL FUND:01.07 Fire Department	397.78
	06/27/2018	multiple accounts, 21091561-006 2	Power/Heat	01 GENERAL FUND:01.01 Administrative	146.77
	06/27/2018	multiple accounts, 21091561-006 2	Power/Heat	01 GENERAL FUND:01.03 Parks	126.37
	06/27/2018	multiple accounts, 21091561-006 2	Power/Heat	13 SEWER FUND	334.48
	06/27/2018	multiple accounts, 21091561-006 2	Street Lights	11 STREET FUND	640.88
	06/27/2018	multiple accounts, 21091561-006 2	Power/Heat	20 WATER OPERATING FUND	63.57

07/09/2018	15% St				11 STREET FUND	41.58
07/09/2018	5% P				01 GENERAL FUND:01.03 Parks	13.86
<hr/>						
07/09/2018	Inv: 2018-200240					-797.05
07/09/2018	18-19 Membership Dues				01 GENERAL FUND:01.01 Administrative	797.05
<hr/>						
07/09/2018	66-201806					-11.00
07/09/2018	66-201806				01 GENERAL FUND:01.01 Administrative	11.00
<hr/>						
07/09/2018	Crosswalks					-10.48
07/09/2018	Crosswalks				11 STREET FUND	10.48
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07/09/2018	Light Bar for Eng #122					-1,595.95
07/09/2018	Light Bar for Eng #122				01 GENERAL FUND:01.07 Fire Department	1,595.95

League of Oregon Cities

Net Assets Corporation

Van Well Building Supply

Wire Works LLC

City of Falls City
City Council Regular Meeting Minutes
June 14, 2018 6:00 PM
Meeting Location: 320 N Main Street, Falls City, Oregon 97344

Council Present: Lori Jean Sickles, Jennifer Drill, Tony Meier, Cliff Lauder, Dennis Sickles, Charlie Flynn

Staff Present: Mac Corthell, City Manager, Don Poe, Supervisor Public Works, JoHanna Birr, City Clerk

Mayor Gordon called the meeting to order at 6:01 pm.

A. Roll Call

Clerk Birr took roll call.

B. Pledge of Allegiance

Mayor Gordon led the pledge.

C. Motion to adopt the entire Agenda

A motion was made by Councilor Meier and seconded by Councilor Flynn to adopt the entire agenda. Motion carried 6-0-0. Ayes: Lori Jean Sickles, Jennifer Drill, Tony Meier, Cliff Lauder, Dennis Sickles, Charlie Flynn

D. Consent Agenda

A motion was made by Councilor L. Sickles and seconded by Councilor Meier to adopt the Consent Agenda. Motion carried 6-0-0. Ayes: Lori Jean Sickles, Jennifer Drill, Tony Meier, Cliff Lauder, Dennis Sickles, Charlie Flynn

E. Public Comments

Dawn Taylor, of Waymire Road expressed concerns with the proposed location of the lagoon. She supports the growth of Falls City but doesn't feel the location near to a city entrance is the best option. Her interpretation of the letter received by Ms. Avery and Mr. Atherton was that the issue was decided. The wording in the document is a general form personalized to Falls City. The form contains the following phrase "...sell, gift or condemn".

Ms. Taylor wants to make sure the City looks at all options. Mr. Corthell invited her to come into his office and exchange dialog and ideas.

Mr. Corthell assured her is was a state required legal condition to send this letter before speaking to the landowners in detail. It is a formality meant to be informational and has no legal effect other than to notify a potential party.

Mayor Gordon said there would be a series of public hearings should the project move forward.

Bruce Garrett, of Waymire Road asked if Council would have a public hearing on the matter. Both Mayor Gordon and Councilor Flynn assured him Council is legally required to have public meeting and post notice of such meetings in a particular way. Mr. Garrett was concerned about drainage in such a low-lying area. It was explained the engineer felt it was the most feasible location, however studies have not been initiated yet. Mr. Garrett asked for this to be reflected in the minutes. Staff assured him it would be reflected.

Scott Van Horn of East Ave., had concerns with limited drainage as well. He was concerned with running a sewer line across the river. Mayor Gordon noted sewer is currently running under the Dayton Street footbridge. He said there seems to be a lot of planning but not well thought out. Mr. Van Horn noted his

land is dividable but not worth as much situated next to a sewage plant. He would like to see the City grow and would like to pursue other options. The area is shallow bedrock. A test well was dug and it only reaches down 13 feet before stopping at the bedrock.

Mr. Ungricht of Falls City said the Avery property location required the least amount of pumping and would be most cost efficient to operate using gravity fed lines. Mr. Van Horn requested to receive notice of steps involved. Mr. Corthell offered a copy of the guidebook at the cost of a Records Request. The guidebook will also be put online for the public to view. He assured everyone the City could not earmark the property, purchase etc. without public hearings on the matter. All property owners within a certain distance would be sent notifications of such meetings. All public meetings are noticed in four locations in town and on the city website. Clerk Birr wrote the city web address on the chalkboard.

Beth Parsons, of Bridgeport Road asked if any other land owners received letters. Mayor Gordon said only the Avery/Atherton's were sent a letter. She felt the lagoon was a major concern and asked if it had to be in the UGB to qualify for grant money and how many acres were needed. Mr. Corthell responded 16 acres and no, it does not have to be within the UGB.

Mr. Parsons, of Bridgeport Road requested a list of potential properties the city is looking at.

Vicki Avery of the subject property on Waymire Road handed out a brief letter on behalf of Mike Atherton. (Exhibit A) Ms. Avery had met with Mayor Gordon and Manager Corthell and enjoyed their meeting very much. Once home and reading through the packet they were given, they were taken aback by the wording as it didn't reflect the recent conversation in the meeting. She mentioned the 2013 watershed study done by Todd Jarvis noting elevated ground water levels.

Mayor Gordon said he regrets not discussing the letter during their meeting but legally was not allowed prior to notification.

MS. Avery asked all involved to take a deep breath and examine the situation in totality. She questioned if a lagoon is the welcome mat the city wants to put forth to visitors. She would like to continue dialog and institute trust that was broken in 2013 with the city, step back to a fresh start and find creative solutions. Ms. Avery's land use attorney and he felt the issue is not as transparent as it could have been. She asked for a formal hearing of which staff assured her would take place.

Owen Russell of Falls City approached Council to request a skate park for him and his friends. He noted Terrace was gravel with other roads and he has to carry is board much of the time. Places are very limited where they can ride. Mr. Russell said it is hard for them to get to Dallas and there just are not any good places to ride here in Falls City.

Mayor Gordon was impressed with Mr. Russell and told him they could explore options with grants and not for profits and learn together. He thanked Owen and the other boys for coming.

Councilor Drill thanked citizens for coming and sharing their concerns. She stressed communication and transparency.

F. New Business

A. Resolution 11-2018: 2017-2018 Supplemental Budget #1 Adoption

The Public Hearing opened at 6:50 pm.

No comments.

The Public Hearing closed at 6:50 pm.

A motion was made by Councilor Drill and seconded by Councilor Meier that the City Council of the City of Falls City approve resolution 11-2018, a resolution of the City Council of Falls City, Oregon authorizing appropriations amending the fiscal year 20-2018 budget (Supplemental Budget No. 1). Motion carried 6-0-0. Ayes: Lori Jean Sickles, Jennifer Drill, Tony Meier, Cliff Lauder, Dennis Sickles, Charlie Flynn

B. Resolution 12-2018 2018-2019 Budget Adoption

A motion was made by Councilor D. Sickles and seconded by Councilor Flynn that the City Council of the City of Falls City approve resolution 12-2018, appropriating taxes at the rate of \$2.9202 per \$1,000 .00 of assessed value and adopt the Fiscal Year 2018-2019 Budget in the amount of \$5,504,500.00. Motion carried 6-0-0. Ayes: Lori Jean Sickles, Jennifer Drill, Tony Meier, Cliff Lauder, Dennis Sickles, Charlie Flynn

C. Resolution 13-2018 Republic Services Rate Increase

The Public Hearing opened at 6:59 pm.

Bruce Garret, of Waymire Road stated he pays more for garbage service and is not offered the option of recycling.

Lilli Boechtter, of Falls City feels the fees are too high.

Republic Services' contract with Falls City includes a cost of living increase. Fees will raise approximately \$0.74 per month.

A motion was made by Councilor Lauder and seconded by Councilor D. Sickles that the City Council of the City of Falls City adopt Resolution 13-2018, a resolution establishing a schedule of solid waste rates, fees and charges pursuant to Chapter 53: and repealing all prior fee schedules for solid waste, establishing a schedule to solid waste fees; providing and effective date. Motion carried 6-0-0. Ayes: Lori Jean Sickles, Jennifer Drill, Tony Meier, Cliff Lauder, Dennis Sickles, Charlie Flynn

D. Independence Day Block Party Road Closure

A motion was made by Councilor Flynn and seconded by Councilor Meier that the falls City Council approve the closure of Boundary St. and Prospect Ave. on July 3, 2018 from 12:00 pm to 8:00 pm in accordance with Exhibit A and pending verbal conformation from neighbors. Motion carried 6-0-0. Ayes: Lori Jean Sickles, Jennifer Drill, Tony Meier, Cliff Lauder, Dennis Sickles, Charlie Flynn

E. Variance on Carey Court

A motion was made by Councilor Meier and seconded by Councilor Drill for Council to act as Planning Commission. Motion carried 6-0-0. Ayes: Lori Jean Sickles, Jennifer Drill, Tony Meier, Cliff Lauder, Dennis Sickles, Charlie Flynn

Councilor Drill made the disclosure she was a neighbor of the variance site and daughter of the builder. City Manager Corthell inquired if she felt she could be fair and impartial. Councilor Drill replied yes.

The Public Hearing opened at 7:16 pm.

Mr. Ungricht said he has researched the site and it is an unusual property situated in a cul-de-sac with nothing behind it.

The Public Hearing closed at 7:16 pm.

Councilor Flynn was not in favor of the variance.

A motion was made by Mayor Gordon and seconded by Councilor L. Sickles to approve Variance 2018-01 to allow the roofline extension by no more than 8-feet into the required 20-foot rear setback for tax lot 03800 including criteria paragraphs 1 & 2. Motion carried 5-1-0. Ayes: Lori Jean Sickles, Jennifer Drill, Tony Meier, Cliff Lauder, Dennis Sickles, Nays: Charlie Flynn

F. Mayor’s Report

G. Council Announcements

Councilor Drill thanked staff and volunteers for their work at the Spring Clean. She also thanked Councilor Lauder for his work on the stair handrail at the High School.

H. Manager Report

City Manager Corthell thanked Ms. Avery for coming and expressing her concerns with the wastewater project. He apologized for the tenor of the letter and any misunderstandings. It was a fact-finding mission and there is no action on the table at this stage. Mayor Gordon accepted his share of blame for the misunderstanding.

The Spring Clean went off without a hitch and approximately five- hundred (500) cubic yards of garbage was collected. Republic Services has not released tonnage at this point. There were over 20 volunteers helping to make the event a success.

There will be a few changes next year to eliminate non-residents and streamline the process. He went on to say the coordination was perfect, the volunteers and Republic Services were great. One person stands out and put in a great deal of effort on the event. She coordinated it from the beginning and saw it through to the end, volunteered her time, making sure we were all fed and watered. Mr. Corthell presented Clerk Birr with a certificate of appreciation.

Mr. Corthell recently had meetings with Sheriff Garton, Polk County IT and the City of Independence Finance Director and many others. He has met with Fire Chief Bob Young and has discussed using his office as a substation for law enforcement to keep the town safe. Sheriff Garton seems to be on board at this point and the cost would be minimal. Code enforcement is coming along. This is an added reason to have law enforcement in the area. Mr. Corthell does not want to send Code enforcement to a site without proper protection.

In addition, the City is bringing its IT security in to compliance. He wants to make the town as good as it can be without changing the culture.

Sheriff’s Report

There was no report given.

I. Adjourn

The meeting adjourned at 7.30 pm.

_____ Mayor, Jeremy Gordon

Attested: _____ City Clerk, JoHanna Birr



City of Falls City
City Council Regular Meeting Minutes
June 29, 2018 1:30 PM
Meeting Location: 320 N Main Street, Falls City, Oregon 97344

Council Present: Lori Jean Sickles, Jennifer Drill, Tony Meier, Cliff Lauder, Dennis Sickles, Charlie Flynn

Staff Present: Mac Corthell, City Manager, JoHanna Birr, City Clerk

Mayor Gordon called the meeting to order at 1:28 pm.

A. Roll Call

Clerk Birr took roll call. Jennifer Drill was excused.

B. Pledge of Allegiance

Mayor Gordon led the pledge.

C. Motion to adopt the entire Agenda

A motion was made by Councilor Lauder and seconded by Councilor Flynn to adopt the entire agenda. Motion carried 5-0-0. Ayes: Lori Jean Sickles, Tony Meier, Cliff Lauder, Dennis Sickles, Charlie Flynn

D. Consent Agenda

A motion was made by Councilor L. Sickles and seconded by Councilor Meier to adopt the Consent Agenda. Motion carried 5-0-0. Ayes: Lori Jean Sickles, Jennifer Drill, Tony Meier, Cliff Lauder, Dennis Sickles, Charlie Flynn

E. Public Comments

None.

F. New Business

A. Resolution 14-2018: 2018-2019 Budget Adoption Amendment

Language was added to enable the City to collect Fire Levy taxes.

A motion was made by Councilor D. Sickles and seconded by Councilor Lauder that the City Council of the City of Falls City approve Resolution 14-2018, a Resolution appropriating property taxes at the rate of \$2.2902 per \$1000.00 of assessed value, Fire Levy at the rate of \$1.00 per \$1,000.00 of assessed value and adopt the Fiscal Year 2018-2019 budget in the account of \$2,515,00.00). Motion carried 5-0-0. Ayes: Lori Jean Sickles, Tony Meier, Cliff Lauder, Dennis Sickles, Charlie Flynn

B. Resolution 15-2018 Contract with MWV-COG

A motion was made by Councilor Flynn and seconded by Councilor L. Sickles that the City Council of the City of Falls City adopt Resolution 15-2018, a Resolution establishing a contract for land use planning services with Mid-Willamette Valley Council of Governments. Motion carried 5-0-0. Ayes: Lori Jean Sickles, Tony Meier, Cliff Lauder, Dennis Sickles, Charlie Flynn

G. Adjourn

The meeting adjourned at 1:41 pm. The next Council meeting will be held July 19, 2018.

_____ Mayor, Jeremy Gordon

Attested: _____ City Clerk, JoHanna Birr

AGENDA REPORT

To: City Council
From: City Manager, Mac Corthell
Subject: Resolution 16-2018, Recycling Surcharge
Date: July 19, 2018

SUMMARY

Republic Services is requesting a \$2.00 surcharge per customer, per month for recycling services.

BACKGROUND

Republic Services represents that the requested recycling surcharge is in response to a drop in the allowable contamination level for recycling sent to China from 2% or more, down to 0.5% or less. This switch in Chinese policy has caused changes in local sorting techniques, the time it takes to sort, and the locations recycling can be taken after processing. All of the local changes combined with the new inability to recycle material between 0.5% and 2% contamination has caused cost increases to solid waste recycling. This issue is affecting cities and counties throughout the nation. In Oregon, 60 municipalities have already improved similar surcharges.

The requested surcharge is in addition to the yearly adjustment (mentioned below). Falls City Municipal Code Section 53.01.070(E) prescribes the mechanism to request and consider additional adjustments to solid waste rates. In relevant part the code requires:

- Written notice requesting the rate increase including the new proposed rates, and a statement with relevant facts and justification for the increase. (Exhibit A).
- Within 30 days of the requested rate change the City Administrator must make specific findings of fact considering:
 - Changes in cost of operation
 - Comparative collection rates of other cities
 - Cost of acquiring and replacing equipment
 - Cost of providing for future
 - Added or different service
 - A reasonable operating margin between 8%-12%
- Once the City Administrator's recommendation is made, the City Council may adopt, modify, or reject the recommendation.

PREVIOUS COUNCIL ACTION

Ordinance 533-2013 adopted an agreement between the City of Falls City and Republic Services to provide for solid waste disposal services. That ordinance anticipates a yearly adjustment to rates based on certain consumer price indexes and provides a method by which such adjustments must be calculated in Falls City Municipal Code Sections 53.01.070(C) – (D). This year's regular adjustment of \$0.74 per customer, per month, was approved by the City Council on June 14, 2018.

ALTERNATIVES

Denial of the surcharge will result in **cancellation of recycling services citywide**. This may ultimately prove more costly to customers who would be forced to acquire an additional trash receptacle to dispose of waste that would have gone in recycling. Additionally, this may lend to hoarding of garbage to dispose of at the Spring clean event, or some other way (possibly unlawful dumping).

FINANCIAL IMPLICATIONS

Will increase citizen cost for recycling services by \$2.00 per month.

STAFF REPORT

The following findings of fact are required under Falls City Municipal Code 53.01.070(E)-

Changes in cost of operation

Prior to the Chinese policy change Republic received close to \$4,700 per year for the recycling generated in Falls City. The same amount of recycling this year will actually cost Republic \$6,800 to recycle. This is a total loss of about \$11,500 annually related to Falls City recycling alone. With 262 customers, that is \$3.65 per person, per month. With a \$2.00 offset, Republic is still losing about \$1.65 per customer, per month.

Finding: The change in cost of operations justifies the \$2.00 surcharge.

Comparative collection rates of other cities:

Falls City will remain in the middle of the pack for solid waste disposal costs with the addition of the \$2.00 surcharge.

Finding: The comparative collection rate of other cities justifies the \$2.00 surcharge.

Cost of acquiring and replacing equipment:

Rejection of the surcharge and the resultant loss of recycling services may lead many citizens to need a second trash receptacle to replace their current recycling receptacle. The addition of a second trash can will more than double the collection rate paid for one trash and one recycling now.

Finding: The addition of an additional trash can to continue collecting the same quantity of refuse collected now would result in 10 times greater cost to the citizen than the \$2 surcharge.

Cost of providing for future:

The Chinese policy change that brought about this situation mathematically cannot repeat itself. The contamination rate was lowered to $\frac{1}{4}$ of its original value. The resulting 0.5% contamination rate leaves little room to decrease in the future even if they wanted to. The circumstances cannot mathematically repeat themselves.

Finding: The uniqueness of the circumstances justifying the surcharge are highly unlikely to cause future increases.

Added or different service:

The change in service at the customer level will consist only of asking customers to be more selective with what they recycle and to abide more strictly by the recycling policies already in place regarding contamination. Failure to adopt the surcharge will lead to a cancellation of recycling services.

Finding: The surcharge guarantees the continuation of recycling services.

Reasonable operating margin of between 8%-12% return on revenue:

In 2017 the operating margin was at 9% for a net income of \$9,939. The loss of \$11,500 annually would put the margin at -1.2% or a loss of \$1,500. Approval of the \$2 surcharge would mitigate approximately \$6,400 of the \$11,500 loss making the actual loss of income year over year \$5,100. That would ultimately provide an operating margin of \$4,800 or 4.5% for 2018.

Finding: The surcharge is necessary to allow the franchisee to operate at a gain of 4.5%. Even with the \$2 surcharge the operating margin is lower than what is contemplated in the franchise agreement. If anything, the franchise agreement would call for a higher surcharge.

Recommended Action:

Staff recommends that the City Council adopt the \$2 recycling surcharge in order to continue recycling services, prevent the need for citizens to pay for additional trash receptacles, and prevent potential hoarding.

EXHIBITS

- Exhibit A, Resolution 16-2018 Republic Surcharge
- Exhibit B, Falls City Municipal Code 53.01.070 Rates
- Exhibit C, Letter from Republic May 8, 2018
- Exhibit D, Letter from Republic June 11, 2018
- Exhibit E, Republic Services Income Statement
- Exhibit F, Republic Services Rate Comparison
- Exhibit G, Republic Services Falls City Rate Sheet
- Exhibit H, Republic Services commingle analysis
- Exhibit I, Municipalities increasing recycling rates
- Exhibit J, Q&A with Republic Services

I will open the public hearing for raising the fees for solid waste services. at _____ pm.
Public Comments:

I will close the public hearing for raising the fees for solid waste services. at _____ pm.

PROPOSED MOTIONS

I move that the City Council of the City of Falls City adopt resolution 16-2018, A RESOLUTION ESTABLISHING A \$2.00 SURCHARGE PER CUSTOMER, PER MONTH FOR RECYCLING SERVICES PURSUANT TO CHAPTER 53 SUB-SECTION "E" OF THE FALLS CITY MUNICIPAL CODE.

RESOLUTION 16-2018

A RESOLUTION ESTABLISHING A \$2 RECYCLING SURCHARGE PAYABLE TO REPUBLIC SERVICES PURSUANT TO FALLS CITY MUNICIPAL CODE CHAPTER 53 SUB-SECTION E.

Findings:

1. Falls City Code Section 53.01.070(E) provides the mechanism for “other or additional adjustments in rates” by the City’s solid waste hauler franchisee.
2. Rates for the franchisee’s solid waste services increased by 1.3% in 2017 and 3.5% in 2018 in accordance with the contractually agreed upon indexes.
3. Based upon the procedures and requirements of Falls City Municipal Code, Section 53.01.070(E), the City’s franchisee has provided information to support a \$2 surcharge for recycling and City staff has concurred in the justification for the surcharge.
4. The \$2 recycling surcharge will become effective the next billing cycle after July 19, 2018.
5. The City Council held a public hearing to hear public comment on the revised rates for solid waste services proposed by the franchisee, per ORS 294.160.

NOW THEREFORE, THE COMMON COUNCIL OF THE CITY OF FALLS CITY RESOLVES AS FOLLOWS:

Section 1. The \$2 monthly recycling surcharge presented by the franchisee is accepted by the City Council and hereby adopted effective July 19, 2018.

Section 2. This surcharge is in addition to current solid waste rates, fees and charges.

Section 3. This Resolution shall be effective immediately upon passage.

Date

Jeremy Gordon, Mayor

Attest:

Date

Mac Corthell, City Manager

53.01.070 Rates.

(A) The rates to be charged to all persons by the franchisee shall be adequate, reasonable and uniform based upon the level and type of service rendered.

(B) Nothing in this section is intended to prevent:

(1) The reasonable establishment of uniform classes of rates based on the type of waste collected, transported, disposed of, recycled or resource recovered; or the number, type and location of customers served; or upon other factors so that rates are reasonably based on the cost of the particular service.

(2) The franchisee from volunteering service at reduced cost for a civic, community, benevolent or charitable purpose.

(C) The initial rates established under the authority of this ordinance for collection service charges shall be adjusted effective June 1, 2014, according to the change in the Refuse Rate Index (RRI), as described below for the period January 1, 2013 to December 31, 2013. Thereafter, on and as of June 1 on each year, beginning with June 1, 2015, the rates for collection service charges, as previously adjusted, shall be adjusted according to the change in the RRI for the immediately preceding calendar year, subject to Section 5 below; provided, that the adjustment in collection service charges shall not exceed four percent (4%) in any calendar year.

(D) The Refuse Rate Index described in section (C), above, will be a weighted index based on the following:

(1) The annual Consumer Price Index for Urban Wage Earners and Clerical Workers Falls City, OR Code of Ordinances

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for the Portland-Salem Area, all items, not seasonally adjusted, or successor indices, which will have a weight of seventy-five percent (75%).

(2) The annual adjustments for actual disposal fees and yard wasted processing fees charged to franchisee, which will have a weight of fifteen percent (15%) and ten percent (10%), respectively.

(E) Franchisee or city may request other or additional adjustments in rates pursuant to the following criteria and procedures:

(1) In the event either the city or the franchisee proposes a rate change, written notice shall be given to the city or franchisee, respectively.

(2) The notice of proposed rates shall include the new proposed rates and a statement including relevant facts and/or dates justifying the proposed rate.

(3) Within 30 days following the written request for a rate change, the city administrator shall make specific findings of fact, giving due consideration to the following factors:

(a) Changes in cost of operation, comparative collection rates of other cities, cost of acquiring and replacing equipment, cost of providing for future, added or different service, and a reasonable operating margin of between eight to 12 percent, stated as a "return on revenue."

(b) Based upon the findings, the city administrator shall render a decision recommending to the city council either that the request for a rate change be

approved or denied, or that the rate change requested be approved in a different form.

(4) Within 60 days of the receipt of the city administrator's decision, findings of fact and other materials deemed necessary for a decision, the council shall act upon the proposed rate change. The council may accept, reject or modify the city administrator's decision and enact any resulting rate increase by resolution.

(F) Rates established by the council are fixed and the franchisee shall not charge more or less than the fixed rate except as provided in subsections (B)(2) and C of this section.

(G) When no rate has been established for a service which the franchisee can provide at customer request, the franchisee shall charge a rate based on the factors outlined in subsections (A) and (D)(3)(a) of this section.

(H) By resolution of the council, fees or charges imposed by a governmental body or agency and any increase in disposal fees charged to solid waste collectors shall be passed through to the customers of the franchisee on a proportional basis according to type or class of receptacle.



May 8, 2018

A letter from Republic Services

City of Falls City Council, Mayor, and Staff.

In this letter you will find information necessary to calculate the Refuse Rate Index effective July 1, 2018. As stated in the Rate Modification and Rate Adjustment Statement this calculation is based on the Consumer Price Index, fuel pricing and disposal cost. Based on these factors, the adjustment effective July 1, 2018 will be calculated at 3.5%, or an average of \$0.74 per residential account per month.

You may be hearing, there have been significant changes in processing of all curbside recycled materials. This is due to changes made in China, where 60% of the world and nearly all of the West Coast recyclables are processed. We have been fortunate in Oregon to be a leader in waste recovery and have had plentiful markets for the material collected. This is all changing and what and how we recycle must adapt too. China has severely restricted what is being accepted, causing problems for the sorting facilities in Oregon, across the country and around the world. In the past 2% or more contamination was allowed. The standard is now 0.5% for contamination. Bales of material are randomly searched at Chinese ports and entire ship loads have been rejected as a result of too much contamination. As you can imagine, there is great cost associated with this process and many shippers are hesitant to send material to market.

Locally, we work with a sorting facility in Clackamas called Pioneer Recycling. Pioneer has made changes to the way and speed at which they are able to sort to meet contamination specifications from Asian markets. This means they must slow down the sorting line significantly to remove undesirable material. At the same time, they are looking for and have been able to find new markets in places around the world.

Below is information about recycling in Oregon:

Recycling Laws and Regulation

Oregon's recycling laws and rules begin at the state level. The [Oregon Department of Environmental Quality](#) implements relevant state laws, found in ORS Chapters 459 and 459A. Among other important standards, the law sets forth the economic test for recycling at [ORS 459.005\(19\)](#), which states that "recyclable material means any material or group of materials that can be collected and sold for recycling at a net cost

equal to or less than the cost of collection and disposal of the same material.” If this test is not met, then the material is not recyclable.

Cities and counties have the authority to establish recycling collection programs, including the materials that will be recycled in their communities. If they choose to set recycling collection service standards, they must also set rates that cover the costs of collectors to provide the service. That requirement is found at [ORS 459A.085\(8\)](#).

Rates for recycling have been built with some payment for the resulting material. We have always weathered the ups and downs of that market, but we are now in a unique situation where the cost of recycling is far above the cost to landfill.

In addition to the 3.5% Refuse Rate Increase, based on CPI, Republic Services is taking steps with all franchises to implement a \$2.00 surcharge for recycling rather than landfilling recycling material. The surcharge is based solely on unforeseen and extreme costs to recycle. This would result in an approximately \$2.74 increase for customers.

We will all need to work together to educate the public and endeavor to remove as much contamination as possible to keep future pricing down. Attached is a list of material that is allowed in the recycle cart going forward. This will be inserted in all customer invoices in June and July.

Best Regards,

Julie Jackson
Municipal Manager
Republic Services
ljackson6@republicservices.com



June 11, 2018

Mac,

I've addressed your questions below and attached Statement of Income, Direct Expenses, Current Rate Sheet and area Rate Comparisons. Please feel free to contact me with any questions.

Changes in Cost of Operation:

The changes in cost of operation are based solely on recycle market commodity pricing. Our rates have always assumed a small margin on recycle commodities. As the chart attached shows, what we used to receive payment for is now costing us per ton. The comparisons were generated in March when we began this process in all communities. We are now paying over \$65.00 per ton to recycle. If we recalculated, the cost would be closer to \$2.50. We don't plan to recalculate and will leave the recycling increase request at \$2.00.

*Current Rates for Falls City
Included*

Differences in the service (pre surcharge and post surcharge)

Service will remain the same if the surcharge is approved. Recycling is currently being collected every other Thursday. What goes in the recycle cart has changed, based on what will be recycled. We can no longer allow "wishful" recycling in the cart.

Republic's Operating Margin for Falls City

This is included, but it is important to note that margins for 2016 and 2017 as shown do not reflect the current recycle market. 2018 margins will show an increase in cost of operation and decrease in revenue, based on market prices and likely a negative value for net income.

Best Regards,

Julie Jackson
Municipal Manager
Republic Services
ljackson6@republicservices.com

Republic Services of Corvallis
Falls City
Statement of Income
For the Year Ended December 31, 2016 and 2017

	<u>2016</u>	<u>2017</u>	<u>% Change</u>
<i>Revenue</i>	98,081	110,869	13.0%
<i>Cost of Operations</i>	68,818	80,916	17.6%
<i>Gross Profit</i>	<u>29,263</u>	<u>29,953</u>	2.4%
<i>Sales, General and Administrative</i>	12,345	13,388	8.4%
<i>Operating Income</i>	<u>16,917</u>	<u>16,565</u>	-2.1%
<i>Provision for Income Taxes</i>	6,767	6,626	-2.1%
<i>Net Income</i>	<u>10,150</u>	<u>9,939</u>	-2.1%
<i>Net Income as a Percent of Sales</i>	10.3%	9.0%	

RS of Corvalls

Residential		
Call 35g, 40g, 45g Call RC		
Service	Monthly	1st Monthly
1st Call	NA	
2nd Call	\$19.02	\$39.61
3rd Call	\$39.57	\$79.14
4th Call	\$59.32	\$118.64
5th Call	NA	
6th Call	\$19.52	\$39.14
7th Call	NA	
8th Call	\$32.45	\$64.90
9th Call	NA	
10th Call	NA	
11th Call	NA	
12th Call	NA	
13th Call	NA	
14th Call	NA	
15th Call	NA	
16th Call	NA	
17th Call	NA	
18th Call	NA	
19th Call	NA	
20th Call	NA	
21st Call	NA	
22nd Call	NA	
23rd Call	NA	
24th Call	NA	
25th Call	NA	
26th Call	NA	
27th Call	NA	
28th Call	NA	
29th Call	NA	
30th Call	NA	
31st Call	NA	
32nd Call	NA	
33rd Call	NA	
34th Call	NA	
35th Call	NA	
36th Call	NA	
37th Call	NA	
38th Call	NA	
39th Call	NA	
40th Call	NA	
41st Call	NA	
42nd Call	NA	
43rd Call	NA	
44th Call	NA	
45th Call	NA	
46th Call	NA	
47th Call	NA	
48th Call	NA	
49th Call	NA	
50th Call	NA	
51st Call	NA	
52nd Call	NA	
53rd Call	NA	
54th Call	NA	
55th Call	NA	
56th Call	NA	
57th Call	NA	
58th Call	NA	
59th Call	NA	
60th Call	NA	
61st Call	NA	
62nd Call	NA	
63rd Call	NA	
64th Call	NA	
65th Call	NA	
66th Call	NA	
67th Call	NA	
68th Call	NA	
69th Call	NA	
70th Call	NA	
71st Call	NA	
72nd Call	NA	
73rd Call	NA	
74th Call	NA	
75th Call	NA	
76th Call	NA	
77th Call	NA	
78th Call	NA	
79th Call	NA	
80th Call	NA	
81st Call	NA	
82nd Call	NA	
83rd Call	NA	
84th Call	NA	
85th Call	NA	
86th Call	NA	
87th Call	NA	
88th Call	NA	
89th Call	NA	
90th Call	NA	
91st Call	NA	
92nd Call	NA	
93rd Call	NA	
94th Call	NA	
95th Call	NA	
96th Call	NA	
97th Call	NA	
98th Call	NA	
99th Call	NA	
100th Call	NA	

Mobile Home P / Non-Standard Cart (pan pays for 35g)
Customer pays difference between larger cart and 35g

Temp	1st Dump	Extra Dump
2yd	\$69.03	\$69.04
E.C.T Rates		
1yd	NA	NA
2yd	NA	NA
3yd	NA	NA
4yd	NA	NA
5yd	NA	NA
6yd	NA	NA
7yd	NA	NA
8yd	NA	NA
9yd	NA	NA
10yd	NA	NA
11yd	NA	NA
12yd	NA	NA
13yd	NA	NA
14yd	NA	NA
15yd	NA	NA
16yd	NA	NA
17yd	NA	NA
18yd	NA	NA
19yd	NA	NA
20yd	NA	NA
21yd	NA	NA
22yd	NA	NA
23yd	NA	NA
24yd	NA	NA
25yd	NA	NA
26yd	NA	NA
27yd	NA	NA
28yd	NA	NA
29yd	NA	NA
30yd	NA	NA
31yd	NA	NA
32yd	NA	NA
33yd	NA	NA
34yd	NA	NA
35yd	NA	NA
36yd	NA	NA
37yd	NA	NA
38yd	NA	NA
39yd	NA	NA
40yd	NA	NA
41yd	NA	NA
42yd	NA	NA
43yd	NA	NA
44yd	NA	NA
45yd	NA	NA
46yd	NA	NA
47yd	NA	NA
48yd	NA	NA
49yd	NA	NA
50yd	NA	NA
51yd	NA	NA
52yd	NA	NA
53yd	NA	NA
54yd	NA	NA
55yd	NA	NA
56yd	NA	NA
57yd	NA	NA
58yd	NA	NA
59yd	NA	NA
60yd	NA	NA
61yd	NA	NA
62yd	NA	NA
63yd	NA	NA
64yd	NA	NA
65yd	NA	NA
66yd	NA	NA
67yd	NA	NA
68yd	NA	NA
69yd	NA	NA
70yd	NA	NA
71yd	NA	NA
72yd	NA	NA
73yd	NA	NA
74yd	NA	NA
75yd	NA	NA
76yd	NA	NA
77yd	NA	NA
78yd	NA	NA
79yd	NA	NA
80yd	NA	NA
81yd	NA	NA
82yd	NA	NA
83yd	NA	NA
84yd	NA	NA
85yd	NA	NA
86yd	NA	NA
87yd	NA	NA
88yd	NA	NA
89yd	NA	NA
90yd	NA	NA
91yd	NA	NA
92yd	NA	NA
93yd	NA	NA
94yd	NA	NA
95yd	NA	NA
96yd	NA	NA
97yd	NA	NA
98yd	NA	NA
99yd	NA	NA
100yd	NA	NA

Misc	EP1-Return Temp	NA
Temp		
Prepayment	\$300.00	
30yd Head	\$246.64	
Remt Per Day	PI0 Rated	
Remt Per Month	\$421.31	
Partim		
10yd Head	\$246.64	
20yd Head	\$246.64	
30yd Head	\$246.64	
40yd Head	\$246.64	
50yd Head	\$246.64	
60yd Head	\$246.64	
70yd Head	\$246.64	
80yd Head	\$246.64	
90yd Head	\$246.64	
100yd Head	\$246.64	
110yd Head	\$246.64	
120yd Head	\$246.64	
130yd Head	\$246.64	
140yd Head	\$246.64	
150yd Head	\$246.64	
160yd Head	\$246.64	
170yd Head	\$246.64	
180yd Head	\$246.64	
190yd Head	\$246.64	
200yd Head	\$246.64	
210yd Head	\$246.64	
220yd Head	\$246.64	
230yd Head	\$246.64	
240yd Head	\$246.64	
250yd Head	\$246.64	
260yd Head	\$246.64	
270yd Head	\$246.64	
280yd Head	\$246.64	
290yd Head	\$246.64	
300yd Head	\$246.64	
310yd Head	\$246.64	
320yd Head	\$246.64	
330yd Head	\$246.64	
340yd Head	\$246.64	
350yd Head	\$246.64	
360yd Head	\$246.64	
370yd Head	\$246.64	
380yd Head	\$246.64	
390yd Head	\$246.64	
400yd Head	\$246.64	
410yd Head	\$246.64	
420yd Head	\$246.64	
430yd Head	\$246.64	
440yd Head	\$246.64	
450yd Head	\$246.64	
460yd Head	\$246.64	
470yd Head	\$246.64	
480yd Head	\$246.64	
490yd Head	\$246.64	
500yd Head	\$246.64	
510yd Head	\$246.64	
520yd Head	\$246.64	
530yd Head	\$246.64	
540yd Head	\$246.64	
550yd Head	\$246.64	
560yd Head	\$246.64	
570yd Head	\$246.64	
580yd Head	\$246.64	
590yd Head	\$246.64	
600yd Head	\$246.64	
610yd Head	\$246.64	
620yd Head	\$246.64	
630yd Head	\$246.64	
640yd Head	\$246.64	
650yd Head	\$246.64	
660yd Head	\$246.64	
670yd Head	\$246.64	
680yd Head	\$246.64	
690yd Head	\$246.64	
700yd Head	\$246.64	
710yd Head	\$246.64	
720yd Head	\$246.64	
730yd Head	\$246.64	
740yd Head	\$246.64	
750yd Head	\$246.64	
760yd Head	\$246.64	
770yd Head	\$246.64	
780yd Head	\$246.64	
790yd Head	\$246.64	
800yd Head	\$246.64	
810yd Head	\$246.64	
820yd Head	\$246.64	
830yd Head	\$246.64	
840yd Head	\$246.64	
850yd Head	\$246.64	
860yd Head	\$246.64	
870yd Head	\$246.64	
880yd Head	\$246.64	
890yd Head	\$246.64	
900yd Head	\$246.64	
910yd Head	\$246.64	
920yd Head	\$246.64	
930yd Head	\$246.64	
940yd Head	\$246.64	
950yd Head	\$246.64	
960yd Head	\$246.64	
970yd Head	\$246.64	
980yd Head	\$246.64	
990yd Head	\$246.64	
1000yd Head	\$246.64	

Special Pick Ups - Rt 420 - Within 2 Days of Request		
FLR-Furniture		\$29.31
HA-T-Matress or Box spring		\$25.23
BU-Dead Deer		\$28.89
All-Load Deer Mileage		\$1.30
Special Pick Ups - Rt 420 - Serv Day		
APP-Apppliance Without Freon		\$27.54
APP-Apppliance With Freon		\$35.82
Misc		
ESB Extra 32 gal carboxygol/air/mem		\$8.54
Extra house garbage per yard-EXY		\$19.82
Time per minute to put loose garbage (minute min)		\$1.71
Each Extra Person Req To Put Loose Garbage Per Min		\$0.85
LLK-Locking Cart Set Up		NA
Labor Charges Per Hour (Calculation-Per Min X 60)		\$102.60

Supplemental Service Fees		
Commercial Delivery		\$30.00
Commercial Exchange-EXC		\$19.82
Commercial Dry Run-DRY		\$52.68
Commercial Extra Lin-EXT		See Below EXT
Commercial Extra Y-Exchange-EXY		\$19.82
Commercial Relocate-REL		\$52.68
Commercial Removal		\$52.68
Commercial Relocate-REL		\$52.68
Industrial Delivery		\$52.68
Industrial Exchange-EXC		\$52.68
Industrial Dry Run-DRY		\$52.68
Industrial Relocate-REL		\$52.68
Industrial Removal		\$52.68
Residential Delivery		\$30.00
Residential Removal		NA
Fees		
Late Fee		0.75%
Returned Check Fee		\$25.00
Service Internal Fee		\$30.00
Account Origination Fee		\$0.00
Commercial Container Recovery Fee		Actual Cost
Industrial Container Recovery Fee		Actual Cost
Bin Replacement		NA
32yd Cart Recovery/Replacement		\$75.00
65yd RC Cart Recovery/Replacement		\$75.00
90yd RC Cart Recovery/Replacement		\$75.00

Commercial					
Size	1/week	2/week	3/week	4/week	5/week
1yd	NA	NA	NA	NA	NA
1.5yd	NA	NA	NA	NA	NA
2yd	NA	NA	NA	NA	NA
3yd	NA	NA	NA	NA	NA
4yd	NA	NA	NA	NA	NA
5yd	NA	NA	NA	NA	NA
6yd	NA	NA	NA	NA	NA
Manual					
1yd	\$108.19	\$204.04	\$209.99	\$395.89	\$481.81
1.5yd	\$138.34	\$263.47	\$268.84	\$514.27	\$630.55
2yd	\$168.50	\$323.17	\$327.81	\$632.50	\$787.34

Rate Comparison 2018

Company	Republic Services	Republic Services	Republic Services	Republic Services	Republic Services	Republic Services	All Salem Haulers	Republic Services	Sweet Home Sanitation
Franchise Area	Falls City Current	Falls City w/RRI	Falls City w/\$2.00**	Philomath	Corvallis	Dallas	Marion Co.	Benton Co.	Sweet Home
32-gallon Cart	\$19.52	\$20.34	\$22.34	\$21.45	\$23.09	\$18.50	\$28.05	\$28.48	\$23.49
90-gallon Cart	\$32.45	\$33.81	\$35.81	\$35.77	\$37.06	\$34.46	\$41.87	\$43.60	\$28.84
2 cu/yd container 1 x WK	\$168.20	\$175.26	\$175.26	\$185.23	\$179.67	\$166.21	\$137.70	\$191.99	\$168.45

* RRI Increase @ 4.2%

** Indicates requested \$2.00 to cover cost of increased recycling.

RS of Corvallis Commingle Analysis

March 2017 Commingle Rate	\$ 47.68
March 2018 Commingle Rate	\$ (51.80)
Change in Price	\$ (99.48)
Estimated Annual Commingle Volume	7,500
Annual Lost Revenue	\$ (746,100)
Customer Count	27,898
Annual Per Customer Lost Revenue	\$ (26.74)
Monthly Per Customer Lost Revenue	\$ (2.23)

Increased Recycle Rates

Sherwood	\$1.20 per resident/\$2.86 per commercial/\$5.00 per 32 gallon bag @ depot
Ashland	\$3.00 per resident
Springfield	5.9% across all customers
Eugene	5.9% across all customers
Florence	5.9% across all customers
S. Coast	5%/ \$5.00 at recycle depot
Newport	\$10.00 at recycle depot
Gresham	\$2.50-\$3.10
Jackson Co.	Landfilling Recycling
Josephine Co.	Landfilling Recycling
Medford	Landfilling Recycling
Washington Co.	\$3.00
City of Portland	\$2.55
Beaverton	\$3.00
Hillsboro	\$3.00
Newport	\$3.00
Albany	\$2.00
Philomath	\$2.00
Adair Village	\$2.00
Dallas	\$2.00
Harrisburg	\$2.00
Millersburg	\$2.00
Benton County	\$2.00
Corvallis	\$2.00
Lebanon	\$2.00
Wilsonville	\$2.00
Lake Oswego	\$2.00

Falls City Inquiries Regarding Recycling Surcharge and Republic Services' Answers.

1. How much do we pay separately for garbage and recycling? I would like an itemized cost sheet separating garbage and recycling. If that's not available I'd like to know why.

In Oregon, recycling has intentionally been "included" with solid waste rates to encourage recycling. As an industry and nationwide, we have always told customers that recycling is included with your service. The feeling by DEQ is that if recycling is separated, people will opt not to do it. This is all a part of the re-set in recycling that is happening across the country. It isn't just Republic Services.

2. I'm very confused by the entire proposition that an individual who currently has 1 recycle can and 1 trash can, then loses the recycling can due to rejection of the surcharge will somehow be charged more money, or even the same amount. Shouldn't that person be charged less since he now only has a trash can?

Think of this in terms of total solid waste from any customer. We are the hauler and have to pay to process this where ever it goes. The cost of processing recycling has increased and we would like to pass some of that (\$2.00 of \$3.66) to the customer. Even if we landfill, we would still have a loss of \$4,700 and an increase in cost to landfill of \$3,300 (100 tons @ \$33.00 per ton) This amounts to about \$2.54 per customer. Any way you look at it, we have to collect the same amount of material and process it somewhere. The only real way to save money is for Falls City to produce 100 tons less waste annually. In 2017 we made \$9,939 with a 9.0% margin. Not including any inflation, in 2018 we will lose \$1,500 (-1.2% margin) based entirely on the \$11,500 decrease in commingle price. Asking the franchise holder to operate at a loss, if our request is not granted, is not consistent with the franchise language.

Additionally, if the Council rejects the surcharge all waste would have to be picked up as garbage and landfilled which means the customer would likely need an additional trash container to replace the recycling, and that comes at a much higher cost than the \$2 surcharge.

AGENDA REPORT

TO: CITY COUNCIL
FROM: CITY MANAGER, MAC CORTHELL
SUBJECT: RESOLUTION 17-2018 PROCUREMENT OF A FIRE DUTY TRUCK
DATE: JULY 19, 2018

SUMMARY

Falls City Fire is in need of a Duty truck. This resolution would approve City Staff shopping, purchasing, outfitting and maintaining a new Fire Duty truck so long as it is within the budget and approved by the City Manager.

BACKGROUND

On May 15, 2018 the Falls City Voters approved a Fire Levy intended to bridge gaps left by the cancellation of the Polk Fire District contract. The expected revenue from that Levy is about \$40,000 per year. Chief Young has identified the lack of a proper duty truck as one of the most pressing issues for Falls City Fire. The purchase and outfitting of a new duty truck would use around 25% of total levy funds.

PREVIOUS COUNCIL ACTION

N/A

ALTERNATIVES

Without passage of this resolution Fire will have to find a potential vehicle, set-up to have it built out then come back to Council to request permission to purchase. On the other hand, passage of this resolution allows the Fire Chief and City Manager to locate a deal and act on it expeditiously so long as it is within the budget and approved by the City Manager.

FINANCIAL IMPLICATIONS

Approximately 25% of fire levy funds which can only be spent on fire equipment.

STAFF RECOMMENDATION

adopt

EXHIBIT

A. Resolution 17-2018

PROPOSED MOTION

I move that the City Council of the City of Falls City adopt resolution 17-2018, A RESOLUTION AUTHORIZING THE CITY MANAGER TO CONTRACT ON BEHALF OF THE CITY FOR THE PURCHASE AND BUILD-OUT OF A DEDICATED FIRE DUTY TRUCK.

RESOLUTION 17-2018

A RESOLUTION AUTHORIZING THE CITY MANAGER TO CONTRACT ON BEHALF OF THE CITY FOR THE PURCHASE AND BUILD-OUT OF A DEDICATED FIRE DUTY TRUCK.

Findings:

1. Falls City Fire Department lost a great deal of cash and equipment resources when the Polk County Fire District Agreement was cancelled in 2017.
2. Much of the monetary loss was recouped by the passage of a Fire Levy in May 2018.
3. The Fire Levy money is specially dedicated to use for equipment procurement and operation.
4. The purchase of a Duty Fire Truck will increase the capabilities of Falls City Fire and bridge some of the gaps left by the sudden pull out of Polk County Fire District.
5. Nothing in the City Code or Charter prevents the City Manager from exercising contracting authority on behalf of the City.

NOW THEREFORE, THE COMMON COUNCIL OF THE CITY OF FALLS CITY RESOLVES AS FOLLOWS:

Section 1. City Staff is authorized to shop for and eventually purchase a Fire Duty Truck and appropriate build-out package.

Section 2. The money for any potential Fire Duty Truck purchase shall come solely from the Fire Levy fund.

Section 3. The City Manager has full discretion over the purchase and contracting for a Fire Duty Truck and appropriate build-out.

Section 4. This Resolution shall be effective immediately upon passage.

Date

Jeremy Gordon, Mayor

Attest:

Date

Mac Corthell, City Manager

AGENDA REPORT

TO: CITY COUNCIL
FROM: CITY MANAGER, MAC CORTHELL
SUBJECT: RESOLUTION 18-2018 ESTABLISHING A SHERIFF'S OFFICE SUBSTATION
DATE: JULY 19, 2018

SUMMARY

Passage of this resolution would dedicate the northwestern most office in the Falls City Fire Department as a sub-station for the Polk County Sheriff's Office along with placement of a sign to that end at the Falls City Fire Department (subject to all rules on signage in the FCZDO).

BACKGROUND

Law enforcement in Falls City is generally provided by the Polk County Sheriff's Office (PCSO) and is augmented by an IGA contract with PCSO to enforce certain portions of the Falls City Code of Ordinances. Early in June 2018 City staff began discussions with the Polk County Sheriff to find creative ways to increase law enforcement presence and visibility in the face of Falls City's very strained budget. Those discussions led to the idea of dedicating use of one room in the Falls City Fire Hall for a PCSO sub-station.

Passage of this resolution would provide the Sheriff's Office with a place write reports, conduct interviews and investigations, eat meals, use the restroom, and escape their patrol vehicles. It would provide the City of Falls City with increased law enforcement visibility, increased law enforcement presence, and the ability for our fire first responders to brief, debrief, and assist law enforcement first responders. Finally, this resolution will improve the already improving City/County relations. The room in question is currently used as a storage closet and Chief Young has indicated that moving the stored items is not an issue.

PREVIOUS COUNCIL ACTION

N/A

ALTERNATIVES

Continue with the status quo of having no visible law enforcement presence in Falls City.

FINANCIAL IMPLICATIONS

None.

STAFF RECOMMENDATION

Adopt

EXHIBIT

A. Resolution 18-2018

PROPOSED MOTION

I move that the City Council of the City of Falls City adopt resolution 18-2018, A RESOLUTION AUTHORIZING THE POLK COUNTY SHERIFF'S OFFICE DEDICATED USE OF THE NORTHWEST OFFICE IN THE FALLS CITY FIRE STATION FOR A SUBSTATION.

RESOLUTION 17-2018

A RESOLUTION AUTHORIZING THE POLK COUNTY SHERIFF'S OFFICE DEDICATED USE OF THE NORTHWEST OFFICE IN THE FALLS CITY FIRE STATION FOR A SUBSTATION.

Findings:

1. The City of Falls City does not currently have its own police force. Falls City law enforcement is provided by the Polk County Sheriff's Office (PCSO).
2. The City of Falls City cannot currently afford to pay for dedicated law enforcement coverage.
3. All Cities have a need for law enforcement in order to protect citizens and property, and enforce the laws created by the people and their elected representatives.
4. The addition of a PCSO sub-station in Falls City will increase local law enforcement visibility, presence, and will be a significant benefit to both the citizens of Falls City and PCSO.

NOW THEREFORE, THE COMMON COUNCIL OF THE CITY OF FALLS CITY RESOLVES AS FOLLOWS:

Section 1. PCSO is granted sole use of the northwest most office of the Falls City Fire Hall as a Sheriff's sub-station.

Section 2. City Staff is authorized to make the necessary arrangements to dedicate the northwest most office in the Falls City Fire Hall as a sub-station of PCSO.

Section 3. This agreement to remain in effect until City Council acts to rescind this resolution..

Section 4. This Resolution shall be effective immediately upon passage.

Date

Jeremy Gordon, Mayor

Attest:

Date

Mac Corthell, City Manager

AGENDA REPORT

TO: CITY COUNCIL
FROM: CITY MANAGER, MAC CORTHELL
SUBJECT: NATIONAL NIGHT OUT
DATE: JULY 19, 2018

SUMMARY

The Falls City Fire Department is requesting permission to sponsor a National Night Out event Tuesday August 7, 2018.

BACKGROUND

The National Night Out Block Party is a national event that takes place each year on the first Tuesday of August. The event is designed to bring the Community together and build relationships between law enforcement and EMS services.

The Falls City Fire Department would like to organize the event for our community. The FD is requesting permission from Council to close 3rd Street between Main and Pine Streets from 4:30pm- 9:00pm. The FD will also be renting the Community Center from 5pm -8pm with some additional time for setup and cleanup. One hundred people are expected to show and the Community Center has enough bathrooms stalls to cover that amount, so there will not be a need for extra porta potties. The Department will be sponsoring a luau and children's games like kick the can and providing demonstrations of emergency rescue services. This is a good opportunity for our residents to experience the service our Fire Volunteers provide to the Community.

PREVIOUS COUNCIL ACTION

N/A

ALTERNATIVES/FINANCIAL IMPLICATIONS

N/A

STAFF RECOMMENDATION

Approve motion

EXHIBITS

Exhibit A, Explanation of National Night Out from Fire PIO Megan Sykes.

PROPOSED MOTION

I move that the City of Falls City Council approve the 3rd Street closure between Main and Pine for National Night Out Block Party.

We would like to close down 3rd Street between Main Street and Pine Street on Tuesday, August 7 4:30-9:00PM for our second annual National Night Out Block Party. This year, we're having a luau! We have also reserved the Community Center for our event Our luau will be taking place from 5-8PM, the additional time requested is for set up and clean up.

The National Night Out Block Party is a nationwide event that takes place each year on the first Tuesday of August. It is a night to strengthen community ties and to build better relationships with law enforcement by providing a place for positive interactions.

This year, we have chosen the theme of "Ohana" and we are hosting a public safety fair. We have confirmed with the Polk County Sheriff's Office, Polk County Fire District #1, Willamette Valley Communication Center 9-1-1, Life Flight Network, a local towing company, Polk County Emergency Management Office, and our local Neighborhood Watch. We are also working with local Search and Rescue groups and Oregon Department of Forestry (ODF) to get them involved. Each group will be providing safety information for adult community members and playing with and educating the kids. Dispatch will be teaching kids how to call 9-1-1 and provide the necessary information to get help. Life Flight will be landing a helicopter at the football field. We will also be providing some basic food and some games for the kids.

If we can close 3rd Street, the street will be used for several purposes. 1. We will be doing a motor vehicle crash simulation from the initial 9-1-1 call to Life Flight lift off. The bulk of the demonstration will be done on 3rd St, including an extrication demonstration by Falls City Fire volunteers. 2. ODF is hoping that the wildfire season will allow them to send at least an engine with one firefighter. If wildfire season cooperates, 3rd Street will be used for them to park their engine. They would like to set up a hose and teach the kids how to use the fire hose – also helps to cool the kids down! 3. 3rd Street would give us an expanded area to provide games and such for the kids.

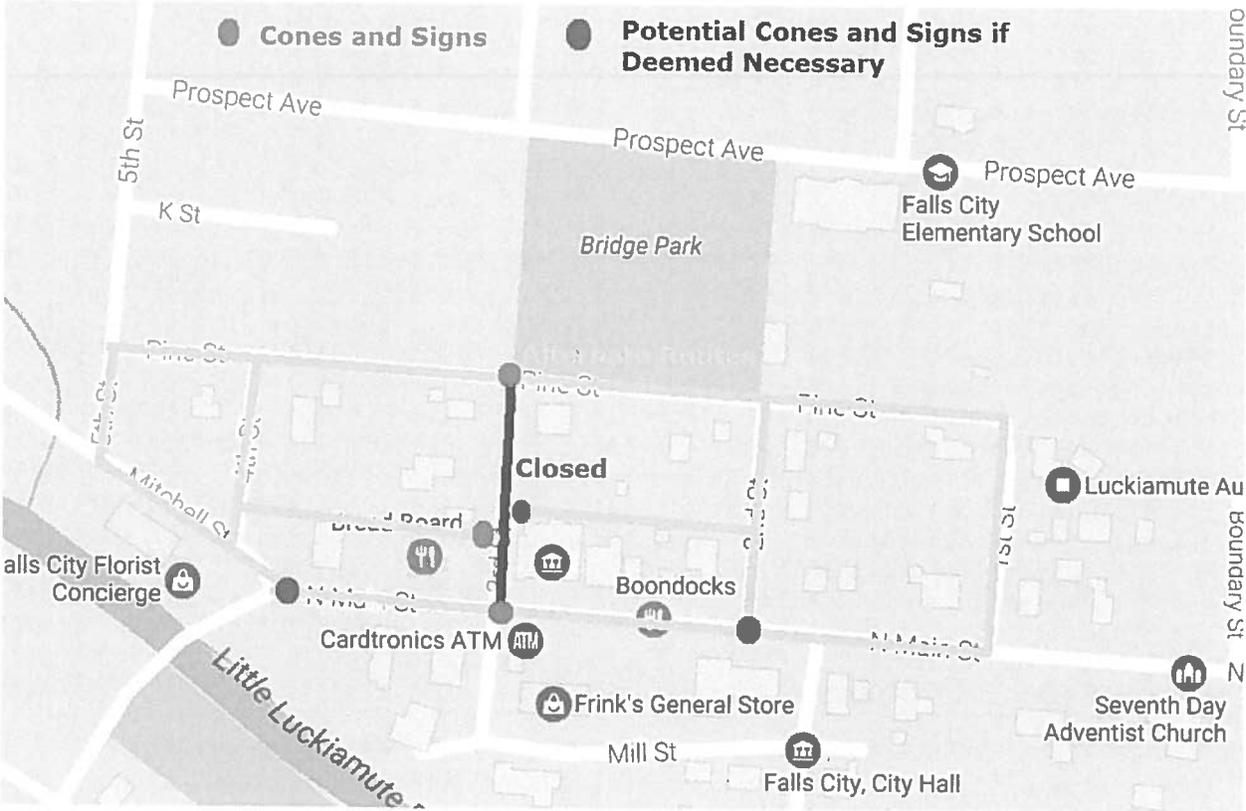
The fire department has four neighbors on 3rd Street. We have been to each of the neighbors to ask their permission and to work out parking and emergency plans. All four neighbors have given us their approval and look forward to watching the events and joining the luau. Each neighbor has access to their home via Pine Street or the alley connecting 3rd Street and 4th Street and we have assured them that in case of an emergency, we would clear the way for them to exit via 3rd Street if necessary.

The department has cones and signs to block off the street at both ends. People will be able to access Pine Street from 1st Street, 2nd Street, 4th Street, and 5th Street. Neighbors on the west side of 3rd Street can access their homes through the alley. People can access the fire department parking lot through the alley behind the Boondocks. If necessary we could put up detour signs at 1st Street and 5th Street to alert people to the closure.

We believe that we will receive about 100 visitors spread out over the four hours of the event and the two event sites. After looking through various recommendations from FEMA, portable toilet companies, and event planners, for a four hour event with no alcohol served and 100-150 guests staying for the majority of the time, we would need 2-4 toilets and 1-2 handwashing stations as well as 1-2 drinking

fountains. The station meets these requirements with 4 toilet stalls, 2 handwashing stations, and 2 drinking fountains.

We strongly believe that this event will be beneficial to the community, as well as a lot of fun and educational, and that closing down a part of 3rd Street will help us accomplish that.



AGENDA REPORT

TO: CITY COUNCIL
FROM: CITY MANAGER, MAC CORTHELL
SUBJECT: CDBG Wastewater Update
DATE: JULY 19, 2018

SUMMARY

The City of Falls City has been awarded a Community Development Block Grant to complete design, engineering, and an environmental study for an enhanced wastewater system. The project is contingent upon locating and acquiring land on which two lagoons would be located.

BACKGROUND

In May of 2018 the City of Falls City executed a grant agreement with Business Oregon in which federal funds were granted to complete the design portion of a new wastewater system. The new system would divert effluent which currently drains under the football field. The land acquisition phase, which we are currently in, requires a letter be delivered to prospective land sellers. Much of the letter is made up of required disclosures, but the tenor of the letter delivered to the owners of land originally identified for the project (Vicky Atherton) created some panic on the part of the owner and neighbors believing the City intended to condemn the land in question. The letter was re-drafted to soften the language.

PREVIOUS COUNCIL ACTION

N/A

ALTERNATIVES

N/A

FINANCIAL IMPLICATIONS

Without the letter, the grant funds cannot be distributed.

STAFF RECOMMENDATION

N/A

EXHIBIT

- A. Original Property Owner Letter
- B. Re-drafted Property Owner Letter



City of Falls City
299 Mill Street
Falls City, OR 97344
Phone: 503.787.3631
manager@fallscityoregon.gov

June 11, 2018

Mike and Vicky Atherton
18035 Bridgeport Road
Dallas, Oregon 97338

Dear Mike and Vicky,

The City of Falls City is participating in a wastewater improvement project with Federal funds from the Oregon Community Development Block Grant program. The City of Falls City needs to acquire the following real property from you for the project.

A tract of land situated in the southeast quarter of Section 21, Township 8 South, Range 6 West of the Willamette Meridian, said tract being a portion of that tract of land described in deed to Michael A. Atherton and Victoria Lynn Avery, recorded October 31, 1996 in Book 325, Page 1783, Polk County Records, the perimeter of said tract being more particularly described as follows: Beginning at a point on the south line of said Book 325, Page 1783 that is South 89°59'04" West 564.77 feet from the southeast corner of the Samuel Gothard Donation Land Claim Number 48 and the southeast corner of said book and page; thence South 89°59'04" West 450.31 feet along said south line to an angle point therein; thence North 50°35'54" West 306.90 feet along said south line to its intersection with the west line of said book and page; thence North 04°15'08" East 856.83 feet along said west line; thence South 85°44'52" East 700.00 feet; thence South 04°15'08" West 1000.00 feet parallel with the west line of Book 325, Page 1783 to the Point of Beginning, containing 15.93 acres, more or less, as shown on attached Exhibit B.

The City of Falls City adopted a new wastewater facility plan that calls for constructing wastewater ponds and to update the DEQ discharge permit. Currently the City wastewater system is draining to a septic field under the High School Football field with a permit to discharge treated water in the winter months to the Little Luckiamute River. The planned project would increase the City's availability to treat waste water and would improve the quality of the discharges to the river helping keep our Little Luckiamute River in a condition that is beneficial to wildlife and keep the Little Luckiamute in excellent condition for our downriver neighbors. Your parcel of Land has been tentatively identified as the best location for the construction of the holding ponds.

Subject to the rights of the public in and to that portion of the above tract of land lying within Bridgeport Road (County Road Number 8604) and Waymire Road (County Road Number 8609). The City of Falls City adopted a new wastewater facility plan that calls for constructing wastewater ponds and to update the DEQ discharge permit. Currently, the City wastewater system is draining to a septic field under the High School Football field with a permit to discharge treated water in the winter months to the Little Luckiamute River. The planned project would increase the City's availability to treat waste water and would improve the quality of the discharges to the river helping keep our Little Luckiamute River in a condition that is beneficial to wildlife and keep the Little Luckiamute in excellent condition for our downriver neighbors. Your parcel of Land has been tentatively identified as the best location for the construction of the holding ponds.

The City of Falls City is required to inform you of your rights under federal law. You are entitled to "just compensation" for the real property the city needs. The definition of "just compensation" and a description of your other rights are contained in the enclosed brochure "When a Public Agency Acquires Your Property." Please read it carefully. The City of Falls City may exercise its right of eminent domain to acquire the easement or property if negotiations should fail.

The City of Falls City will send you a separate offer of just compensation after it has obtained an independent appraisal of the fair market value. You have the right to accompany the appraiser when he or she conducts the appraisal of your property. Please let us know within 15 days or not later than Tuesday, June 26 2018 if you desire to accompany the appraiser.

You have the right to donate the real property. To donate, you must sign a written statement that says you have been informed of your rights under federal law. It is very important to understand that the City of Falls City cannot offer you any special benefits in

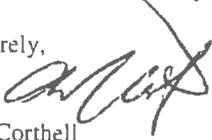
connection with a donation. If you would like to donate the real property, please let us know no later than 15 days or no later than Tuesday, June 26 2018. The City of Falls City will include the donation language in an acquisition document specific to your property.

This notice is to inform you that, if assistance is provided and the real property is acquired you will not be displaced. Therefore we urge you not to move anywhere at this time. If you elect to move for reasons of your choice, you will not be provided with relocation assistance.

We will very much appreciate your cooperation in this matter because the project will benefit all residents of the community. These steps are essential for the City of Falls City to receive federal grant funds necessary to complete the project.

Please feel free to call Mac Corthell at 503-787-3631 if you have any questions or specific requests to make regarding the appraisal or donation of your property.

Sincerely,



Mac Corthell
City Manager
City of Falls City

Enc: Subject to Donation
When a Public Agency Acquires Your Property Brochure
Map of proposed ponds on property



City of Falls City
299 Mill Street
Falls City, OR 97344
Phone: 503.787.3631
manager@fallscityoregon.gov

Date

Name of Owner
Address of Owner
Address of Owner

Dear Name Of Owner,

The City of Falls City (The City) is participating in a wastewater improvement project with Federal funds from the Oregon Community Development Block Grant program. The project will require construction of two lagoon style wastewater holding ponds and The City is interested in acquiring real property from you for that purpose.

You might not be aware that The City's current wastewater system is substandard in many ways, but most notably in location and environmental impact. Currently, the system drains to a septic field located underneath the Falls City High School football field with a DEQ discharge permit to release treated waste water to the Little Luckiamute River during the Winter months. Each year effluent seeps onto the field from the septic system beneath leaving School Administrators with two options: shut down the field or allow the children of Falls City to play sports in wastewater. As you can imagine, this leads to the field shutting down on a regular basis. The proposed new system would take the field completely out of the wastewater system, rendering it usable year-round without wastewater contaminating it. And, while effluent would still be discharged into the Little Luckiamute during the Winter months, the toxicity of the effluent would be much lower than the current discharge. The improved quality of the discharges will help keep our Little Luckiamute River in a condition that is more beneficial to both wildlife and our downriver neighbors. A parcel of your land has been identified as a viable location for the construction of the lagoon style holding ponds for the new system.

That property is specifically described as Property Legal Description/ May reference attachment as well.

In order for The City to show interest in your property for this project it is required to you of your rights under federal law. You are entitled to "just compensation" for any real property The City is able to acquire from you for this project. The definition of "just compensation" and a description of your other rights are contained in the enclosed brochure "When a Public Agency Acquires Your Property." Please read it carefully. Though The City is not considering eminent domain as an option at present it is required to advise you that the option exists.

If you are amenable to the property acquisition, The City of Falls City will send you a separate offer of just compensation after it has obtained an independent appraisal of the fair market value. You have the right to accompany the appraiser when he or she conducts the appraisal of your property. Please let us know within 15 days or not later than Deadline if you desire to accompany the appraiser.

You may also donate the real property if you desire. To donate, you must sign a written statement that says you have been informed of your rights under federal law. It is very important to understand that the City of Falls City cannot offer you any special benefits in connection with a donation. If you would like to donate the real property, please let us know no later than 15 days or no later than Deadline. The City of Falls City will include the donation language in an acquisition document specific to your property.

This notice is to inform you that, if assistance is provided and the real property is acquired you will not be displaced. Therefore we urge you not to move anywhere at this time. If you elect to move for reasons of your choice, you will not be provided with relocation assistance.

We would very much appreciate your cooperation in this matter because the project will benefit all residents of the community. These steps are essential for the City of Falls City to receive federal grant funds necessary to complete the project.

Please feel free to call Mac Corthell at 503-787-3631 if you have any questions or specific requests to make regarding the appraisal or donation of your property.

Sincerely,

Mac Corthell
City Manager
City of Falls City

Enc: Subject to Donation
When a Public Agency Acquires Your Property Brochure
Map of proposed ponds on property

AGENDA REPORT

TO: CITY COUNCIL
FROM: MAYOR JEREMY GORDON
SUBJECT: PROCLAMATIONS OF APPRECIATION
DATE: 07/19/2018

SUMMARY

Falls City benefits from the volunteer service of its citizens on a daily basis.

BACKGROUND

The Mayor expressed the desire to show appreciation for outstanding volunteers who served and continue to serve the Falls City community.

Terry Ungricht served as volunteer City Manager, Mayor, City Councilor, and member on various committees for many years and brought exemplary service and value to our community.

Jeremy Kern organized the removal of over 20 abandoned vehicles as well as other refuse in March 2018.

The Mayor welcomes Council members to initiate proclamations of appreciation and can aid in the process.

PREVIOUS COUNCIL ACTION

N/A

ALTERNATIVES/FINANCIAL IMPLICATIONS

N/A

STAFF RECCOMENDATION

N/A

EXHIBIT

Exhibit A – Proclamation for Terry Ungricht

Exhibit B – Proclamation for Jeremy Kern

City of Falls City

Proclamation

Whereas: Municipal governments need citizens to actively participate as elected officials and committee volunteers in order to create thriving and livable communities for our citizens; and,

Whereas: The City of Falls City has a process for electing public officials and appointing City committee members; and,

Whereas: Terry Ungricht was elected to the City Council in 2013, Mayor of Falls City in 2014 and appointed as volunteer City Manager in 2015 and provided valuable leadership to the community, local committees, and spear-headed needed community projects during his tenure; and, committed himself to a smooth transition of leadership upon his retirement in 2018.

Whereas: Terry Ungricht volunteered his time and labor on many projects outside of his duties as City Manager and Mayor including Public Works projects and emergencies, Spring Clean events, the HEAL project to rehabilitate the City stairs and countless others.

Whereas: Terry Ungricht completed his tenure as Mayor of Falls City on November 20, 2017 and City Manager on May 10, 2018.

Now, Therefore, Be It Proclaimed that I, Jeremy Gordon, by virtue of the authority vested in me as Mayor of Falls City, in the State of Oregon, do hereby proclaim that the City of Falls City is grateful to Terry Ungricht for his past and continuing service to the community.

In Witness Whereof, I have hereunto set my hand and caused the seal of the City of Falls City to be affixed on this 19th day of July, 2018.

Jeremy Gordon , Mayor

City of Falls City

Proclamation

Whereas: Municipal governments depend on volunteer services from its citizens; and,

Whereas: The City of Falls City prides itself for its natural beauty; and,

Whereas: Jeremy Kern approached the City and offered to contact residents with abandoned vehicles and appliances and collect and dispose of them; and

Whereas: Jeremy Kern successfully disposed of over 20 abandoned vehicles and other refuse thereby cleaning properties within the City and saving residents from possible code violations.

Now, Therefore, Be It Proclaimed that I, Jeremy Gordon, by virtue of the authority vested in me as Mayor of Falls City, in the State of Oregon, do hereby proclaim that the City of Falls City is grateful to Jeremy Kern for his past and continuing service to the community.

In Witness Whereof, I have hereunto set my hand and caused the seal of the City of Falls City to be affixed on this 19th day of July, 2018.

Jeremy Gordon , Mayor

AGENDA REPORT

TO: COUNCIL
FROM: CITY MANAGER CORTHELL
SUBJECT: RESOLUTION 19-2018 SMALL CITY ALLOTMENT FOR FAIROAKS
DATE: JULY 19, 2018

SUMMARY

A resolution of the Council authorizing the City Manager to apply to ODOT for \$100,000 in SCA funds to pave Fair Oaks St. from Wood St. to Ellis St., and Boundary St. from Prospect St. to Fair Oaks St. Applications and a resolution are due before August 1, 2018.

BACKGROUND

The SCA program provides grants for use on city streets not associated with the state highway system. The program is reserved for cities with fewer than 5,000 residents, and for streets that are inadequate for the capacity they serve, or are in a condition detrimental to safety.

The City has already been awarded a Small City Allotment (SCA), not to exceed \$50,000, from the Oregon Department of Transportation (ODOT) to overlay 5th St. The City has 2 years from the date the grant agreement was executed to spend the money. The 5th St. agreement was executed in May of 2018 giving us until May of 2020 to expend the funds.

Through conference with the City Engineer and County Public Works Director, City Administration has determined that it would be beneficial to delay paving of 5th St until Summer of 2019. Due to the miniscule size of the project it would be beneficial to delay until the City can join the County on a paving contract which the County has assured will take place in the Summer of 2019. This avoids payment of some set-up and breakdown costs, sets a lower price for materials/construction due to higher volume, and increases the City's bargaining position. Thus the City will be able to achieve the maximum benefit per dollar. Additionally, both City Engineer Staff and County Public Works believe it may be difficult to even get quotes for a \$50k job in the current market.

With all of this in mind, City Administration would like to apply for \$100,000 more dollars (the limit went up this year) to pave Fair Oaks and Boundary (see attached map) Streets. This would not only provide for repair of a very damaged street that directly benefits the elementary school, it would aid the City in acquiring paving services in case the County's paving contract falls through or is otherwise unpalatable.

City Staff offered Fair Oaks, Prospect, and Boundary as major areas of need for additional paving funds. The City Engineer calculates that roughly 2000 ft. of paving can be completed for \$100k (without sidewalks/curbs). Thus we cannot pave all three with the potential additional funds. I have assessed both Prospect and Fair Oaks and feel that Fair Oaks is in need of the most attention. City Staff has advised that the current poor state of Fair Oaks will continue to degrade this Winter to the extent that it will likely require replacement of some sections, not just overlay.

Ultimately, if this grant is awarded the City will be in great position to get the most out of our dollar while making significant, needed improvements to arteries that have a direct effect on our elementary school.

Note: This resolution was not on the original notice due to very late receipt of the application documents. It was added to this agenda because it must be completed prior to August 1.

PREVIOUS COUNCIL ACTION

None.

ALTERNATIVES/FINANCIAL IMPLICATIONS

The SCA would provide up to \$100,000 for paving Fair Oaks and Boundary. This would likely meet the cash resources needed for the project.

STAFF RECOMMENDATION

Adopt.

ATTACHMENTS

A- Resolution 19-2018

B- Map showing roads to be paved if this SCA is granted.

PROPOSED MOTION

I MOVE THAT THE CITY COUNCIL OF THE CITY OF FALLS CITY ADOPT RESOLUTION 19-2018, A RESOLUTION OF THE CITY COUNCIL OF FALLS CITY, OREGON TO PURSUE A SMALL CITY ALLOTMENT GRANT TO PAVE FAIROAKS STREET FROM WOOD STREET TO ELLIS STREET, AND BOUNDARY STREET FROM FAIROAKS STREET TO PROSPECT AVENUE.

RESOLUTION 19-2018

A RESOLUTION OF THE CITY COUNCIL OF FALLS CITY, OREGON TO PURSUE A SMALL CITY ALLOTMENT GRANT TO PAVE FAIROAKS STREET FROM WOOD STREET TO ELLIS STREET, AND BOUNDARY STREET FROM FAIROAKS STREET TO PROSPECT AVENUE.

Findings:

1. Under the provisions of ORS 366.800 and 366.805, there has been withdrawn from state highway funds appropriated for allocation to all the cities of the State of Oregon the sum of Two Million Five Hundred Thousand and No/100 (\$2,500,000.00) Dollars, and in addition there has been withdrawn from monies available to the Department of Transportation from the State Highway Fund the sum of Two Million Five Hundred Thousand and No/100 (\$2,500,000.00) Dollars. As provided in ORS 366.805, said sums have been set up in a separate account to be administered by the Oregon Transportation Commission and to be allotted each year by said commission to be spent, within cities of 5,000 or fewer persons, upon streets not a part of the state highway system that are inadequate for the capacity they serve, or are in a condition detrimental to safety.
2. The City of Falls City is an incorporated city of the State of Oregon and has a population of less than 5,000 as given by the latest official federal census. The following streets of said City, Fair Oaks Street from Wood Street to Ellis Street, and Boundary Street from Fair Oaks Street to Prospect Street, meet the conditions required in ORS 366.805.

NOW, THEREFORE, the members of the City Council, in regular session assembled, do hereby find, declare, and resolve:

Section 1. That the aforementioned named streets of said City are inadequate for the capacity they serve or are in a condition detrimental to safety.

Section 2. That said streets of said City are in need of repair, reconstruction, or other major improvement.

Section 3. That said streets are not part of the state highway system, and are under the jurisdiction and control of the City.

Section 4. That the Oregon Transportation Commission hereby is respectfully requested to consider and declare said streets as qualified for reconstruction, repair, or other improvements out of funds allocated and made available by and through the said \$5,000,000 appropriation of revenues which is to be administered and spent by the Transportation Commission.

Section 5. That the City of Falls City does hereby offer to the Transportation Commission and does hereby pledge complete cooperation and assistance to the

end, that said City may share and participate in the use and benefit of said special fund and appropriation; and therefor does designate City Manager, Mac Cortell as the official representative of the City in all negotiations resulting from this request.

Section 6. There is attached hereto and made a part of hereof, a city map on which is indicated the street, streets, road or roads, described in this resolution.

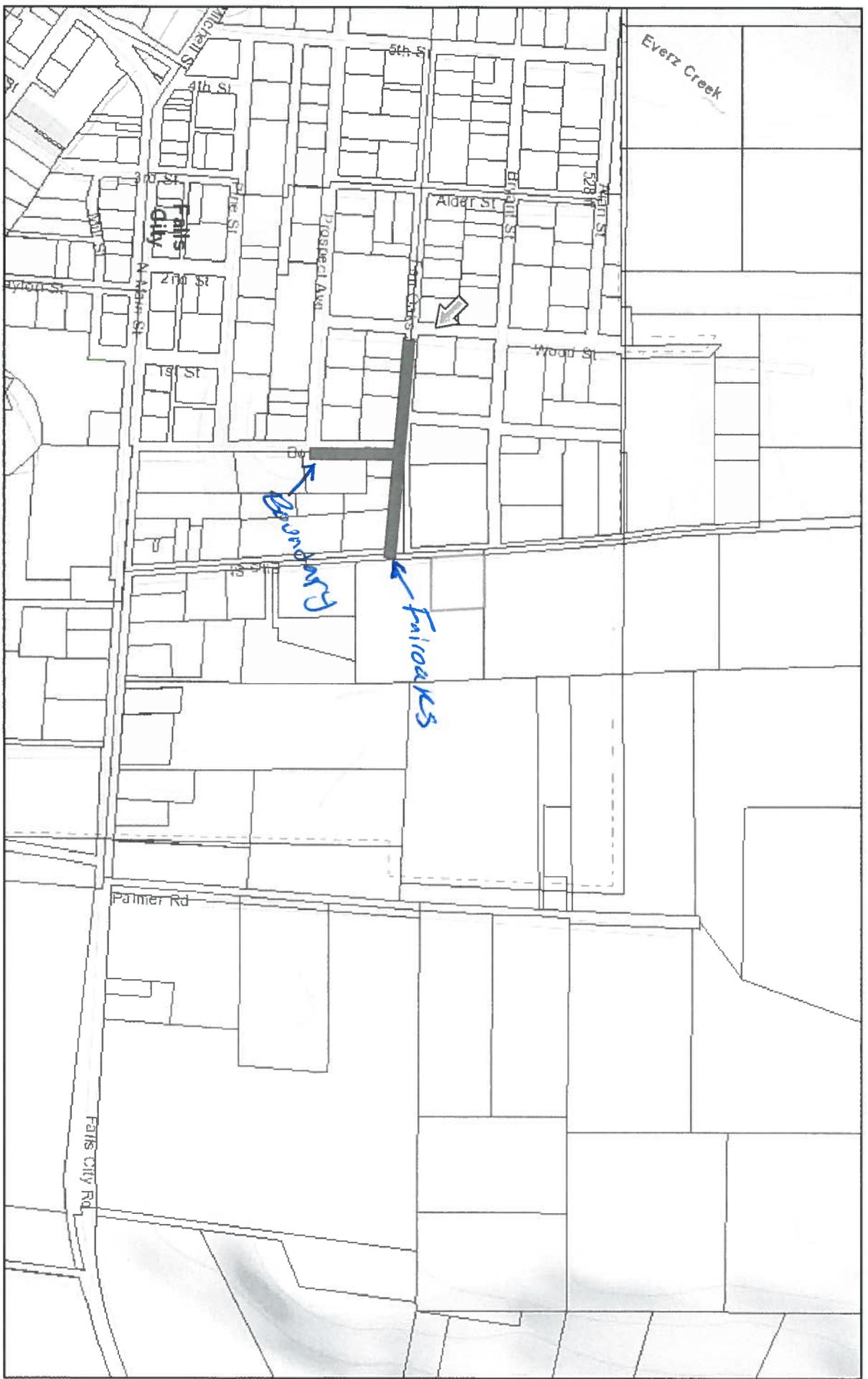
Section 7. This resolution was duly PASSED and ADOPTED by the City of Falls City this 19th Day of July, 2018.

Date Jeremy Gordon, Mayor

Attest:

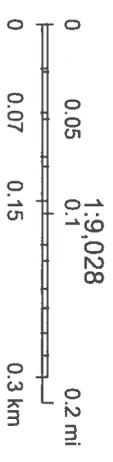
Date JoHanna Birr, City Clerk

ArcGIS Web Map



July 18, 2018

- City Limits
- Urban Growth Boundaries
- Taxlots



Sources: Esri, HERE, Garmin, Intermap, Increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, Geobase, IGN, Kadaster NL, Ordnance Survey, Esri, Peik County GIS
DOT, State of Oregon GEO, Esri, HERE, Garmin, INCREMENT P, Intermap, USGS, METI/NASA, EPA, USDA | NRCS, USDA, Peik County Assessor, Peik County GIS | U.S. Fish and Wildlife Service, National Standards and Support Team, wetlands_team@tws.gov | Peik County GIS