



# PUBLIC NOTICE

## City Council Meeting

A regular meeting of the City Council of Falls City, OR will be held as follows:

**Posted:** 12/6/19- Frink's, City Hall, Community Center, Website

**Meeting Date:** Monday, December 9, 2019

**Time:** 6:00 pm

**Location:** Falls City Community Center

**Address:** 320 N Main Street, Falls City, Oregon 97344

### AGENDA

1. CALL TO ORDER

2. ROLL CALL

Jeremy Gordon, Mayor \_\_\_ Dennis Sickles \_\_\_ Lori Jean Sickles \_\_\_

Jennifer Drill \_\_\_ Tony Meier \_\_\_ Cliff Lauder \_\_\_ David Radke \_\_\_

3. PLEDGE OF ALLEGIANCE

4. MOTION TO ADOPT THE ENTIRE AGENDA

5. ANNOUNCEMENTS , APPOINTMENTS, APPRECIATION, & PROCLAMATIONS

Announcements:

a. Next City Council Meeting: Goal Setting scheduled for January 6, 2019 at 5:00pm

b. Falls City Fire Christmas Dinner/Toy Deliveries December 18, 2019

c. Santa Delivers Presents to Falls City Schools December 19, 2019

d. Christmas Cheer Food Boxes December 23, 2019

Appointments: None

Appreciation: None

Declarations: None

6. COMMUNITY & GOVERNMENT ORGANIZATIONS

a. Falls City Public Works Report -----pg. 1

b. Polk County Sheriff's Report -----pg. 2

c. Falls City Fire Report -----pg. 3

7. REPORTS

a. Mayor's Report

b. Council Reports

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.

- c. Manager's Report & Goal Setting Prep -----pg. 4-4a
- 8. CONSENT AGENDA-
  - a. Approval of the Bills -----pg. 5-7
  - b. Approval of Public Meeting Minutes
    - i. 11/19/19 CC Regular Session Minutes ----- pg. 8-34

9. APPEAL FROM PERSONNEL ACTION

- a. The Falls City Council may go into **EXECUTIVE SESSION** as permitted by ORS 192.660(2)(b): To consider the dismissal or disciplining of, or to hear complaints or charges brought against, a public officer, employee, staff member or individual agent who does not request an open hearing.

Executive Sessions are closed to the public, all discussions are confidential, and those present shall not disclose anything from the session. Representatives of the news media are allowed to attend Executive Sessions, as provided by ORS 192.660(4), but must not disclose any information discussed. No Executive Session may be held for the purpose of taking any final action or making any final decision. At the conclusion of the Executive Session, we will return to open session and welcome the audience back in the room.

- b. Pursuant to ORS 192.660(2)(b) The employee has requested an **OPEN HEARING**

10. PUBLIC COMMENTS & LETTER COMMUNICATIONS

- a. Elected Volunteer Needed!
  - i. Mid-Willamette Valley Area Commission on Transportation----- pg. 35

This is the time set for Citizens to address the Council regarding items not already on the agenda.

- Please limit your commentary to five (3) minutes or less.
- Please state your name and city of residence for the record.
- Letters: None.

11. NEW BUSINESS

- a. Ordinance 557-2019 Master Utility Right of Way Ordinance, 1<sup>st</sup> Reading -----pg. 36-55
- b. Resolution 25-2019 Surplus Property -----pg. 56-60
- c. Resolution 26-2019 Section 31(b) Vacancies -----pg. 61-66

12. CITIZEN COMMITTEES

Parks & Recreation

- a. PR Meetings 3rd Wednesday, 11am, in the Community Center.

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.

Public Works

- b. PW Meetings 4<sup>th</sup> Thursday, 6pm, in the Community Center.

Historic Landmarks

- c. At least 4 meetings per year.

**13. OLD BUSINESS**

- a. Little Luckiaumute Clinic -----pg. 67-68
- b. City Council Mill Visit
  - i. Scheduled for Wednesday 12/18/19, time TBD -----pg. 69-70

**14. ADJOURN**

Public Works Staff Report for November, 2019

Friday, 1 Water sample taken down to Corvallis, park maintenance.

Saturday, 2 & Sunday, 3 Routine water and sewer.

Monday, 4 Finish ditch's on East Ave.

Tuesday, 5 Did ditch's West Blvd. Estelle.

Wednesday, 6 Shoulder work and leaf pick up on Clark, Lombard and Lewis.

Thursday, 7 Put out door hangers for septic tank inspection, took sewer sample to Covallis.

Friday, 8 Put flags out for holiday, ditch work Bridge.

Saturday, 9 & Sunday, 10 Routine water and sewer, also Monday, 11 which was a holiday.

Tuesday, 12 & Wednesday, 13 Septic tank inspection.

Thursday, 14 Finish septic tanks, finish picking piles at upper cemetery.

Friday, 15 Grade Chamberlain.

Saturday, 16 & Sunday, 17 Routine water and sewer.

Monday, 18 Gravel East Ave. working on list for tank pumping.

Tuesday, 19 Graded and graveled Fifth and Alan.

Wednesday, 20 Lower cemetery maintenance, sewer samples to Corvallis.

Thursday, 21 Meter reading.

Friday, 22 Rereads, office cleaning.

Saturday, 23 & Sunday, 24 Routine water and sewer.

Monday, 25 Preparation for possible snow, switch out vehicles Jay last day.

Tuesday, 26 Working on sewer paper work, new format work orders for better tracking .

Wednesday, 27 Did routine rounds, office lunch, had to retake sewer sample lab made a mistake.

Thursday, 28 & Friday, 29 Holiday, Routine water and sewer.

Saturday, 30 & Sunday, 1 Routine water and sewer.

### November 2019 Falls City Stats

Falls City Calls for Service				
Animal	2	Harassment	Misc Crime	Susp Activity
Area Chk		Drug	Miss Person	Susp Person
Discon		Domestic Dist	Noise	Susp Vehicle
911 Hangup		fraud	EDP	Theft
Burglary		FIR	Prowl	Warrants
Assist Other Agency	5	Fire/EMS	Overdose	traffic assist
ATL (attempt to locate)		Follow up	premeter check	Reckless Driving
DUI		Uncon	runaway	Trespass
Citizen Contact	6	Hit and Run	sex offense	
Civil Paper Service	4	Gen Disturb	Shots Fired	Vandalism
Criminal Misch	1	Comm Event	Stolen Veh	Welfare Check
				RO Violations

Falls City Calls for Service	46	Of the FC Calls for Service	13	involved crimes
Total Calls for Service (county wide)	1974	FC Cases Cleared by Arrest	9	69.2% clearance
Falls City % of Total Calls	2.3%	Total Arrests in Falls City	8	7.9% of total arrests

Total Service Calls (polk County)	1974	Crimes Occ	Juvenile Arrests	2	(county wide)
Cases Cleared by arrest	106	57.6%	Juvenile Arrests	0	(Falls City)
Total Arrests (county wide)	101		(only true crimes reported here)		

## Mac Corthell

---

**From:** Sharon <pookie122917@aol.com>  
**Sent:** Thursday, December 5, 2019 4:38 AM  
**To:** manager@fallscityoregon.gov

**Flag Status:** Flagged

Mac, here are the fire dept call totals for November, 2019. The Chief has appointed Lori who will be taking over the fire call reports again to you from now on. I will let her know that you would like them by the first Thursday before the second Monday for Council meetings. We are not sure if there is a program on the dept computer to make the pie chart as you have been getting, but will work on something for next month. This one is not as pretty, but wanted to get it to you by the time frame.

Thank you for your patience!

Sincerely,

Sharon

-----Original Message-----

**From:** lorilect <lorilect@aol.com>  
**To:** pookie122917 <pookie122917@aol.com>  
**Sent:** Thu, Dec 5, 2019 12:26 am  
**Subject:** Stats report

Sharon, could you please forward this to Mac?

Mac - here are the numbers for November; I was handed this project this afternoon at work, so it's not as detailed as you're used to having. Let me know what date this is needed by next month and I'll have it ready -

Sincerely,  
Lori Albert

### November 2019 Falls City Fire/EMS Call Report

Medic calls - 15  
Fire calls - 6  
Rescue/MVA - 3  
Public service - 2  
**Total - 21 calls**  
3 fire trainings  
1 medic drill

#### Upcoming Events

Toys for Tots (Toy Drive at Walmart) 12/7  
Christmas dinner/ toy deliveries 12/18  
Santa Delivers toys to children at Falls City Schools 12/19  
Christmas Cheer food boxes 12/23



## CITY MANAGER'S REPORT DECEMBER 9, 2019

CITY MANAGER'S  
OFFICE

Dear Reader,

Our projects, initiatives, and compliance efforts continue to forge ahead. This month's Managers Report will focus primarily on preparation for the strategic planning/goal setting session scheduled for January 6, 2019 at 5pm in the Community Center. All members of the public are welcome to attend!

### INSIDE COUNCILOR WORKBOOKS

- I. Goal Setting Preparation Packet (League of Oregon Cities)
  - a. Looking Back
    - i. January 29, 2018 Goals (City Council/City Staff)
  - b. Gathering Information
    - i. 2019 Economic Roadmap & Resiliency Plan (Community/RDI/City Staff)
    - ii. Graphs & Narrative of Falls City Survey Results (Community/RDI/City Staff)
  - c. Down The Road
    - i. Major Issues for 5, 10, 20 years (Falls City Councilors)
  - d. Criteria for Effective Goals
    - i. Specific, Performance, Involvement, Realism, Observability
  - e. Top 10 goals for Next Year
    - i. Most pressing issues for next year (Falls City Councilors)
  - f. The Effective City Council & Working Together
    - i. Goals for the Council to be more effective (Falls City Councilors)

### RESTRUCTURING PROJECT: COUNCILOR INQUIRIES

- I. Councilor Drill
  - a. When would surplus vehicles/equipment go up for sale?
    - i. The Council will likely vote whether or not to surplus a given item at tonight's (12/9/19) meeting. If surplus is approved, the items would go up for sale as indicated in the resolution.
  - b. My concern I would like to address is with contracting all of this out and we get rid of everything that we own what happens if contracts do not work?
    - i. The only thing that would be outsourced/contracted is road grading. Due to the disrepair and age of our grader we had to outsource much of last year's grading while pouring money into fixing the grader, so we are confident that contracting works at least as well as owning a 40 year old grader.
  - c. Dump truck- we need for water line breaks, ditches, hauling gravel and hauling brush?
    - i. Dump truck would be replaced by a hydraulic lift trailer that would be used consistently where the dump is rarely used and no one on City Staff is currently licensed (Class B CDL) to operate it.
  - d. My other concerns with contracts are the emergency costs/after hour costs.
    - i. Emergency/After Hours Costs- These will be the same as always, nothing being outsourced has emergency or after hours possibilities. The only time we use that is when there's a main break or the like, and we will have the same capabilities we have now to deal with those.
  - e. Snowplow- it was given to us- we should at least take off truck and keep to put on another truck
    - i. I too want to keep it and put it on our next vehicle, we just need to determine if it's cheaper/more feasible to transfer it or to purchase the new vehicle already outfitted.
  - f. My last question is what is our city crew going to be doing if we are contracting all of our needs out.

- i. Our City crew has more than enough work to keep them busy. The job descriptions are in the Councilor's workbooks which we'll be bringing to the Monday meeting, these can more accurately answer your question on that issue.
  - g. I am requesting that the department heads be available and part of a discussion forum for council to determine what is best moving forward with the equipment and building on mill lot.
    - i. The surplus equipment is already on the agenda, and will be discussed at the December meeting.
    - ii. There's nothing on the agenda to make any changes with the building at this point, just very preliminary consideration of a potential business use. If you disagree with investigating other uses, that can be added to a future agenda.
- II. Councilor Meier- If we surplus the snow plow truck and a big snow comes, even if we have an agreement, we will be last priority to be plowed?
  - a. Staff's intent is to keep the snow plow truck (it's paid off) until the next PW truck is purchased. At that time staff will ensure the new rig is outfitted appropriately to serve as a snow plow when needed.
- III. Councilor Meier- If we get rid of the dump truck, how will we move gravel for the roads and for main break repairs, etc...?
  - a. Staff's intent is to acquire a trailer with hydraulic lift capability. The life-span is open ended on such equipment and it comes at a fraction of the purchase price and maintenance costs as a full dump truck, and only requires a basic license.

#### **OTHER UPDATES**

- I. Parry Rd. Main Project
  - a. Going out for bids in early January to drive down cost (good winter project)
- II. Public Works Worker
  - a. Many applications received... intending to hire around Mid-January
- III. City Website Update/Overhaul
  - a. Nearing Completion, expect to go online in late December or early January
- IV. Parks & Recreation
  - a. Regional Solutions Team, Working to develop Trail from Parks Master Plan
    - i. Governor's Office, Falls City Community, Oregon Parks and Rec, Oregon Department of Transportation, Business Oregon, Falls City Staff
  - b. Oregon Solutions Team, Working on Access to Valley of the Giants
    - i. Governor's Office (higher up) and City of Falls City working to engage other interested parties in opening up/developing access to VOG.

City of Falls City  
Paid Bills Report

	Date	Memo	Account	Class	Amount
<b>A-Team Locksmiths, Inc.</b>					
	11/18/2019	Inv. 20190375	Accounts Payable		-325.00
	11/18/2019	File Cabinet Locks at FD	Facilities O & M	82 FIRE EQUIPMENT/OP LEVY	325.00
					0.00
<b>Total A-Team Locksmiths, Inc.</b>					
<b>CenturyLink</b>					
	11/18/2019	Acct 50378737679658; 50378747195621	Accounts Payable		-239.87
	11/18/2019	10/19 Telephone/Net- Fire	Utilities	82 FIRE EQUIPMENT/OP LEVY	157.79
	11/18/2019	10/19 Telephone- WTP	Utilities	20 WATER OPERATING FUND	82.08
					0.00
<b>Total CenturyLink</b>					
<b>Consumers Power Inc</b>					
	11/18/2019	Account # 1155301; Oct '19	Accounts Payable		-222.14
	11/18/2019	Oct '19 Power- WTP	Power	20 WATER OPERATING FUND	222.14
					0.00
<b>Total Consumers Power Inc</b>					
<b>Grove, Mueller &amp; Swank, PC</b>					
	11/18/2019	Inv. 91970	Accounts Payable		-13,150.00
	11/18/2019	18-19 Budget/Financial Audit	Audit Fees	SHARED SERVICES	13,150.00
					0.00
<b>Total Grove, Mueller &amp; Swank, PC</b>					
<b>Guardian Fire Protection</b>					
	11/18/2019	Inv 140977, 140978, 140979	Accounts Payable		-876.00
	11/18/2019	Service Call & Servicing- Water Plant	Professional Services	20 WATER OPERATING FUND	94.50
	11/18/2019	Service Call & Servicing- City Hall	Professional Services	SHARED SERVICES	72.00
	11/18/2019	Service Call, 8 services, 2 replacements	Professional Services	82 FIRE EQUIPMENT/OP LEVY	709.50
					0.00
<b>Total Guardian Fire Protection</b>					
<b>John W. Gilbert</b>					
	11/18/2019	Inv# 3201	Accounts Payable		-350.00
	11/18/2019	Community Center floors	Facilities O & M	01 GENERAL FUND:01.01 Administrativ	250.00
	11/18/2019	File Floors	Facilities O & M	82 FIRE EQUIPMENT/OP LEVY	100.00
					0.00
<b>Total John W. Gilbert</b>					
<b>Pacific Power</b>					
	11/18/2019	multiple accounts, 21091561-006 2	Accounts Payable		-2,061.48
	11/18/2019	10/19 Parks Power	Utilities	01 GENERAL FUND:01.03 Parks	186.34
	11/18/2019	10/19 Sewer Power	Utilities	13 SEWER FUND	304.06
	11/18/2019	10/19 Fire Power	Utilities	82 FIRE EQUIPMENT/OP LEVY	621.41
	11/18/2019	10/19 Street Power	Utilities	11 STREET FUND	629.95
	11/18/2019	10/19 Water Power	Utilities	20 WATER OPERATING FUND	62.39
	11/18/2019	10/19 City Hall Power	Utilities	SHARED SERVICES	257.33
					0.00
<b>Total Pacific Power</b>					
<b>Petty Cash</b>					
	11/18/2019	Petty Cash Refill 11/18/19	Accounts Payable		-151.54
	11/18/2019	Polk Cem Savers Mig Supplies	Council Approved Projects	01 GENERAL FUND:01.02 City Council	4.17
	11/18/2019	Water for CC Meeting	Operational Expenses	SHARED SERVICES	9.81
	11/18/2019	Jon + Jamie Trng Lunch	Travel/Training/Dues/Statutory	20 WATER OPERATING FUND	14.14
	11/18/2019	Jon Trng Dinner	Travel/Training/Dues/Statutory	20 WATER OPERATING FUND	12.08
	11/18/2019	Polk Cem Savers Work Supplies	Council Approved Projects	01 GENERAL FUND:01.02 City Council	8.94
	11/18/2019	Interns Breakfast	Operational Expenses	SHARED SERVICES	11.99
	11/18/2019	Spring Clean Supplies	City Events	01 GENERAL FUND:01.03 Parks	69.42
	11/18/2019	William Welcom Donuts	Operational Expenses	SHARED SERVICES	6.00
	11/18/2019	TP for park restroom	Operational Expenses	01 GENERAL FUND:01.03 Parks	10.00
	11/18/2019	Jo get well card	Operational Expenses	SHARED SERVICES	4.99
					0.00
<b>Total Petty Cash</b>					
<b>Spectrum Business</b>					

**City of Falls City  
Paid Bills Report**

Date	Memo	Account	Class	Amount
11/18/2019	Inv. 001908811019	Accounts Payable	SHARED SERVICES	-119.95
11/18/2019	11/10/19-12/9/19 Phone&Net- City Hall	Utilities	SHARED SERVICES	119.95
				0.00
<b>Total Spectrum Business</b>				
<b>US Bank St. Paul</b>				
11/18/2019	Acct-180150135135, Trust Acct-274930K	Accounts Payable	20 WATER OPERATING FUND	-700.00
11/18/2019	10/2019-09/2020 Admin Fees	2017 Water Bond Interest		700.00
				0.00
<b>Total US Bank St. Paul</b>				
<b>US Bank Visa</b>				
11/18/2019	Account: 4798531214981146	Accounts Payable	SHARED SERVICES	-846.39
11/18/2019	bluhost	Operational Expenses	SHARED SERVICES	299.88
11/18/2019	city hall office supplies	Operational Expenses	SHARED SERVICES	69.62
11/18/2019	fire hall office supplies	Operational Expenses	82 FIRE EQUIPMENT/OP LEVY	76.89
11/18/2019	.Gov registration	Professional Services	SHARED SERVICES	400.00
				0.00
<b>Total US Bank Visa</b>				
<b>Walter E. Nelson Co.</b>				
11/18/2019	Inv 77546, 77547	Accounts Payable	SHARED SERVICES	-333.67
11/18/2019	Floor seal and consumables for CC & FH Fire Hall	Community Center	SHARED SERVICES	158.32
11/18/2019	Paper towel, tp, urinal cakes			175.35
				0.00
<b>Total Walter E. Nelson Co.</b>				
<b>City of Dallas</b>				
11/25/2019	Inv02847, 5506	Accounts Payable	82 FIRE EQUIPMENT/OP LEVY	-883.93
11/25/2019	Eng-122 Service	Equipment O & M	11 STREET FUND	583.93
11/25/2019	St Sweeping Nov '19	Professional Services		300.00
				0.00
<b>Total City of Dallas</b>				
<b>City of Salem</b>				
11/25/2019	Inv 2304546	Accounts Payable	82 FIRE EQUIPMENT/OP LEVY	-2,371.77
11/25/2019	2nd qtr 911-Fire	Professional Services		0.00
<b>Total City of Salem</b>				
<b>Macahan Corthell</b>				
11/25/2019	Travel Mileage	Accounts Payable	SHARED SERVICES	-32.83
11/25/2019	Mac Mileage 10/8/19-11/25/19	Travel/Training/Dues/Statutory		32.83
				0.00
<b>Total Macahan Corthell</b>				
<b>MNOP</b>				
11/25/2019	CL08851	Accounts Payable	82 FIRE EQUIPMENT/OP LEVY	-78.88
11/25/2019	Fire Fuel	Equipment O & M		78.88
				0.00
<b>Total MNOP</b>				
<b>University of Oregon</b>				
11/25/2019	Falls City RARE Member Dues	Accounts Payable	01 GENERAL FUND:01 Administrativ	-23,500.00
11/25/2019	RARE dues	19 Ford Family Grant (Admin)		10,000.00
11/25/2019	RARE dues	19 Pac-Pow Grant (Admin)		3,000.00
11/25/2019	RARE dues	RARE Project	01 GENERAL FUND:01 Administrativ	10,500.00
				0.00
<b>Total University of Oregon</b>				
<b>William Sullivan</b>				
11/25/2019	Meeting Expense Reimbursement	Accounts Payable	01 GENERAL FUND:01 Administrativ	-41.00
11/25/2019	Meeting Expense	Travel/Training/Dues/Statutory		41.00
				0.00
<b>Total William Sullivan</b>				
<b>Branom Instrument Co.</b>				
12/02/2019	INV2019-S081-37	Accounts Payable	13 SEWER FUND	-990.00
12/02/2019	WWTP Flow Meter Test & Cal	Equipment Maintenance/Repair		990.00

City of Falls City  
Paid Bills Report

	Date	Memo	Account	Class	Amount
Total Branom Instrument Co.					0.00
<b>Great American Financial Services</b>					
	12/02/2019	Inv: 25943035	Accounts Payable		-189.00
	12/02/2019	Copier Lease Payment 10/19	Professional Services	SHARED SERVICES	189.00
Total Great American Financial Services					0.00
<b>Hach Company</b>					
	12/02/2019	11732369	Accounts Payable		-405.73
	12/02/2019	CL-17 for WTP	Operational Expenses	20 WATER OPERATING FUND	405.73
Total Hach Company					0.00
<b>King's Pumping Service</b>					
	12/02/2019	Inv 17408	Accounts Payable		-395.00
	12/02/2019	Tank Pumping 150 Bridge St	Professional Services	13 SEWER FUND	395.00
Total King's Pumping Service					0.00
<b>Neopost</b>					
	12/02/2019	Acct: 7900044080647419	Accounts Payable		-646.90
	12/02/2019	Postage Nov & Dec '19	Operational Expenses	SHARED SERVICES	646.90
Total Neopost					0.00
<b>Oregon Health Authority- Cashier</b>					
	12/02/2019	Water Sys ID 41-00297; 2020 Cross Cor	Accounts Payable		-75.00
	12/02/2019	2020 Cross Connection fee	Administrative costs	20 WATER OPERATING FUND	75.00
Total Oregon Health Authority- Cashier					0.00
<b>Petro Card</b>					
	12/02/2019	C515675	Accounts Payable		-178.41
	12/02/2019	PW Fuel	Equipment O & M	SHARED SERVICES	178.41
Total Petro Card					0.00
<b>Polk County Sheriff's Office</b>					
	12/02/2019	Inv 77347	Accounts Payable		-269.25
	12/02/2019	2nd Quarter 19-20 Radio Comm	Professional Services	82 FIRE EQUIPMENT/OP LEVY	269.25
Total Polk County Sheriff's Office					0.00
<b>Van Well Building Supply</b>					
	12/02/2019	Acct: 160503; Nov '19 Statement	Accounts Payable		-26.72
	12/02/2019	Handicap Blue Paint	Operational Expenses	11 STREET FUND	26.72
Total Van Well Building Supply					0.00
<b>West Coast Cross Connection</b>					
	12/02/2019	Inv #11	Accounts Payable		-270.00
	12/02/2019	FY 19-20 Backflows (12)	Professional Services	20 WATER OPERATING FUND	270.00
Total West Coast Cross Connection					0.00
<b>Xerox Financial Services</b>					
	12/02/2019	Inv 1865869	Accounts Payable		-180.75
	12/02/2019	Old Copier Lease Buyout Reimbursable	Professional Services	SHARED SERVICES	180.75
Total Xerox Financial Services					0.00

---

City of Falls City  
City Council Regular Meeting Minutes  
November 19, 2019 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

**Staff Present:** Mac Corthell, City Manager; William Sullivan, Community Development & Outreach Coordinator; Jamie Ward, City Clerk

**1. Councilor Photographs**

William Sullivan has begun work on the new city website and took photographs of City Councilors.

**2. Meeting called to order**

Mayor Gordon called the meeting to order at 6:00pm.

**3. Roll Call**

Clerk Ward took roll call. Councilor Radke was absent

Council had a brief discussion about Councilor Radke having missed five (five) meetings in the past five (5) months. The subject will be readdressed at the December 9, 2019 meeting.

**4. Pledge of Allegiance**

Mayor Gordon led the pledge.

**5. Motion to accept the entire agenda**

A motion was made by Councilor Meier and seconded by Councilor D. Sickles to adopt the entire agenda with changes to the next City Council Meeting date. Motion carried 5-0-0-1. Ayes: Lori Jean Sickles, Jennifer Drill, Tony Meier, Cliff Lauder

**6. Announcements and Appointments**

- a. William Sullivan updated council on the Falls City Greenway project, a project tying outdoor activities together throughout the city. (See exhibit A). Sullivan discussed the Regional Solutions meeting that was hosted in the community center on Friday November 15, 2019. Regional Solutions Mid-Valley Region is a department of the Governor's office made up of eight to ten different Solutions coordinators ranging from Oregon Department of Transportation, Oregon Parks and Recreation, and Business Oregon. Regional Solutions is designed to help with local and economic development. Sullivan stated that they discussed funding options and hopefully can help cut some red tape that may come up in the future projects the City may want to engage in.

Mayor Gordon wanted to take a brief moment of to indicate all the wonderful work that is being done by the Falls City Steering committee.

Councilor D. Sickles mentioned that point out that the Mayor and Sullivan went up to the school board meeting and appreciates the relationship that is being formed between the City and the School district.

- b. Next City Council Meeting December 9, 2019 at 6:00pm.  
Mayor Gordon wanted to remind council that special meetings can be called either by the Mayor, the City Manager or three (3) Councilors.
- c. A Certificate of Appreciation was awarded to Jay Epperson for his dedicated service to the City of Falls City as a Public Works employee from August 2019 to November 2019. Epperson not only filled is responsibilities of his position, but used his mechanical expertise to save the city untold amounts of money and time. Epperson was not present to receive his certificate; his final day with the city will be November 25, 2019.

#### **7. Community and Government Organizations**

- a. Public Works  
None
- b. Sheriff's Report  
None
- c. League of Oregon Cities  
League of Oregon municipal training classes are being held this month in multiple different cities. Registration is open now at [www.orcities.org](http://www.orcities.org). Mayor Gordon wanted to encourage Council to attend if they have not in the past. Gordon feels that it was really worthwhile and informative in understanding the roll as a city councilor.
- d. Falls City Fire Report  
None

#### **8. Reports**

- a. Mayors Report  
Wanted to remind council that the Annual Community Thanksgiving dinner is Saturday November 21, 2019 from 11am-3pm and that his wife Dana Schowalter his running the event. He stated that donations they have received have been plentiful.
- b. Council Report  
Councilor Drill wanted to report that the Annual Christmas tree lighting will be held December 7, 2019 at 5:30pm at Mountain Gospel Fellowship.
- c. Manager Report  
Corthell went over his managers' report (See exhibit B) before leading into his presentation regarding the Falls City Financial Condition Project. (See exhibits C, D and E)

Councilor D. Sickles wanted to thank Corthell for his presentation and say that even though it was a lot of information to process he can see where we are going and that he really appreciates all that is being done by staff.

Councilor Lauder asked a question regarding the cost of outsourcing. Corthell stated that he has looked into the different costs of outsourcing that we do not currently use will have a better assessment of those costs when it gets closer to time to implement the City Manager job description changes.

Mayor Gordon would like to see the organizational structure on the divisional level to be visible to the public, possibly on the website. Gordon also wanted to ask if the department heads still report to the manager. Corthell responded that absolutely the City Manager will oversee all those departments still.

Councilor Drill asked Corthell when his last day would be and if he plans on going down to part time while training.

Corthell responded that as of now he is shooting for the July to August range and that he does not have a secession plan in place yet.

#### **9. Consent Agenda**

A motion made by Councilor Meier and Seconded by Councilor Drill to adopt the consent agenda. Motion carried 5-0-0-1. Ayes: Lori Jean Sickles, Jennifer Drill, Tony Meier, Cliff Lauder, Dennis Sickles.

#### **10. Public Comments**

- a. FY 18-19 Audit Summary & Letter (see exhibits F and G)

#### **11. New Business**

- a. Mill Lot Proposal

The City of Falls City was approached by Rick Taylor regarding interest in establishing a small mill in the old mill lot. Taylor advised staff that he would need some assistance getting established in Falls City due to costs associated with setting up a mill. Corthell advised Taylor that it's possible the City could assist with the location, and with locating and applying for business grants and loans, but that city would not be able to assist him with any sort of cash. Taylor currently is a Medical Doctor who works one (1) week a month at a clinic in Texas and operates a small mill on Estelle Rd. Corthell showed Taylor two (2) potential city owned sites for the mill. One was the old dump site, and that was deemed infeasible due to excessive startup cost, . The second was the current public works building on the Mill lot which was deemed ideal for the business.

A motion was made by Councilor Drill and seconded by Councilor D. Sickles that the City of Falls City table the decision until after the field trip to Taylors existing mill on Estelle Rd. Motion carried 5-0-0-1. Ayes: Lori Jean Sickles, Jennifer Drill, Tony Meier, Cliff Lauder, Dennis Sickles.

#### **12. Citizen Committees**

None

#### **13. Old business**

a. Code Services Update

Corthell impression from the most recent goal setting session is that Council all agreed that Code enforcement was a common goal amongst council. Corthell feels that with the impending changes in city structure and personnel, that initiative has been moved to the back burner. However, some significant code issues exist around town, some which present a danger to the community, and/or an exploitative situation to community members. City Staff has determined that the violations occurring at Greenhaven RV Park are the most egregious due to the number of persons affected, the variety of potential violations, the exploitative nature of potential violations, and the lack of compliance with a conditional use permit issued by the City.

Councilor Drill asked City Manager Corthell if he had seen the last Conditional use permit on how it was supposed to be maintained, and if it was still in effect?

Corthell stated that it is still as long as the conditional use is in operation the conditions on the conditional use will be in effect.

Councilor Meier stated that he feels that Greenhaven RV Park has never been in compliance of the condition use permit. He feels that they were supposed to have a six (6) foot fence around the property and that has never happened.

Councilor Lauder is curious to see if Corthell idea is to enforce the Greenhaven RV Park to follow the conditional use permit or pull their conditional use permit?

Corthell wanted to make it clear this is not just about this property solely I but that it stands out in the most egregious way. He would approach each land owner with code enforcement violations and arrange an agreement to clean up the property or be forced to take stronger enforcement actions. The City has municipal court action in place to help enforce ticketing. Each situation will be assessed accordingly.

**14. Adjourn**

No motion was made to Adjourn

The meeting adjourned at 7:59 pm.

\_\_\_\_\_ Mayor, Jeremy Gordon

Attested: \_\_\_\_\_ City Clerk, Jamie Ward



City of Falls City  
299 Mill Street  
Falls City, OR 97344  
Phone: 503-787-3631

## Greenway Project Scope of Work & Timeline

The Falls City Greenway consists of three sections:

### Connecting the Falls to Main Street

**Overview:** This portion of the Greenway begins at the Little Luckiamute River Falls, where new fencing and signage is required to prevent visitors from jumping over the Falls and injuring themselves. Residents have also expressed a desire to have a footbridge built between the Falls site and the Michael Harding Park to connect the two areas and provide a scenic view from above the Falls. Restroom facilities, benches and tables, and a parking area will enhance visitors' experiences and should also be added. A paved pathway would lead out to Parry Road, along which a sidewalk would be installed to link up with an existing sidewalk that starts at the intersection of Parry Road and Bridge Street. On the opposite side of Bridge Street, directly in front of the bridge, a portion of the guard rail would be removed and an ADA-accessible ramp down to an 8' pedestrian path would lead to the basketball court in Fay Wilson Memorial Park. No improvements need to be made to the area around the basketball court or to the 3<sup>rd</sup> Street Footbridge. The short path between 3<sup>rd</sup>/Mill Streets and the footbridge will need to be paved. Mill and 3<sup>rd</sup> Streets (south of North Main Street) will be repaved in the upcoming months with funds from the recently awarded ODOT Small City Allotment grant.

**Plans:** This proposal is in alignment with Riverwalk proposed in Falls City's Master Parks Plan, adopted in December 2017. This portion of the Greenway would help Falls City, as a low-income community, in meeting the State of Oregon's priority of providing close-to-home outdoor recreation (as laid out in the Oregon Parks and Recreation Department's 2019-2023 Statewide Comprehensive Outdoor Recreation Plan)

**Stakeholders:** Falls City community, Falls City Steering Committee, Falls City Parks & Recreation Committee, Falls City Public Works Committee, Falls City City Council, Westech Engineering, Inc., Polk County officials, Oregon Parks and Recreation Department, Oregon Department of Transportation Small City Allotment Program

### Revitalizing the Main Street Business Area

**Overview:** Our North Main Street business area is the center of Falls City's community, but has fallen into decline. Landscaping along this strip (particularly towards Bridge Street) is needed. Business owners are interested in taking steps to make the grass strips along the sidewalk and the bump-outs more inviting spaces to congregate through the addition of seating and pocket parks that harkens back to Falls City's identity as a logging town. Separately from the Greenway Project, the Falls City Steering Committee is considering rehabilitation of the old Luckiamute Clinic and conversion into an innovation hub, which would serve as a community center and anchor to the North Main Street business area. To tie in the City's parks and outdoor recreation spots, wayfinding signage should also be added along North Main and Bridge Streets, directing visitors to the Falls, Black Rock Mountain Bike Area, and Valley of the Giants. A grant application to provide bike racks and a repair station to the City from Cycle Oregon is currently pending; the goal is to encourage visitors to the Black Rock Mountain Bike Area to stop and patronize Falls City's businesses.

Stakeholders: Falls City community, Falls City Steering Committee, Falls City Public Works Committee, Falls City City Council, North Main Street business owners, Kate Schwarzler (Independence business owner/landscape architect), Cycle Oregon

### Connecting Falls City Schools

Overview: The wooded area that students cut through between the Elementary School and the High School is currently unsafe. There is no visibility from the street and no paving or lighting along the route. Rusted vehicles have been abandoned at the bottom of the hill and there have been reports of known predators loitering in the wooded area. The City aims to pave and connect Boundary Street through the wooded area and add lighting. This will provide the Polk County Sheriff's deputy a straight line of vision between North Main Street and Prospect Avenue. Lighting and adequate sidewalks should also be installed on Prospect Avenue between the Elementary School and Boundary Street. The City also seeks to make North Main Street and Bridge Street sidewalks ADA-accessible and add a traffic island at the city's most troublesome intersection (at Mitchell & Bridge Streets).

Plans: A local road and sidewalk on Boundary Street between North Main Street & Prospect Avenue and a traffic island and pedestrian crosswalks at Bridge & Mitchell Streets were proposed as a potential priority in Falls City's Transportation Systems Plan, adopted in July 2013.

Stakeholders: Falls City community, Falls City Public Works Committee, Falls City City Council, Falls City School District, Oregon Department of Transportation's Safe Routes to Schools Program, Polk County Sheriff's Office

Chronologically, there are three phases to the project:

1. The City needs to finalize the design and planning for the project. To achieve this, the City seeks technical assistance funding to cover a portion of the engineer's fees.
2. Once the design phase is complete and the planning documents are in hand, the City will apply for a patchwork of grants to cover the Greenway. Fundraising can also be undertaken by the Falls City Steering Committee.
3. When funding is secured, construction may begin. Easily achievable portions, such as the landscaping on North Main Street can be completed by the end of next Summer, but more ambitious sections, such as the pathway between schools may take 2-3 years to complete (given scheduling of grant cycles).

Timeline

November 2019	<ul style="list-style-type: none"> <li>• Regional Solutions Team meets in Falls City</li> <li>• School Board provides letter of support for portion of pathway between schools</li> </ul>
December 2019	<ul style="list-style-type: none"> <li>• Application(s) for technical assistance grants are submitted</li> <li>• Falls City Steering Committee completes action planning and will begin action on prioritized portions of this project</li> <li>• Grant decisions from Cycle Oregon announced</li> </ul>
January – March 2020	<ul style="list-style-type: none"> <li>• Technical assistance grant recipients are announced and engineering/design plans completed</li> <li>• 2020-2021 Safe Routes to School Infrastructure Program schedule announced in January</li> </ul>
February – April 2020	<ul style="list-style-type: none"> <li>• Grant applications are submitted for Parks &amp; Main Street portions of the Greenway               <ul style="list-style-type: none"> <li>○ Main Street portion may not require outside funding</li> <li>○ Best funding opportunities for Parks portion has not been identified yet, so timeline is not yet clear; construction will likely take 6-18 months, depending on what is ultimately included (footbridge, restrooms, etc.)</li> </ul> </li> </ul>
July 2020	<ul style="list-style-type: none"> <li>• Letter of Inquiry to be submitted for Safe Routes to Schools Program and application assembled</li> <li>• Estimated completion of the landscaping portion on North Main Street</li> </ul>
October 2020	<ul style="list-style-type: none"> <li>• Final application is submitted for Safe Routes to Schools Program</li> </ul>
December 2021	<ul style="list-style-type: none"> <li>• Estimated completion of the schools pathway construction</li> </ul>



City of Falls City  
299 Mill Street  
Falls City, OR 97344  
Phone: 503-787-3631

## Greenway Project Potential Funding Sources

### Main Street Portion

#### **ODOT Small City Allotment Grant**

Overview: Eligible projects are those on streets within a city that are not part of the state highway system, streets that are "inadequate for the capacity they serve, or streets that are in a condition detrimental to safety". Awards are made up to \$100,000.

Deadline: 2019 Cycle is closed.

Status: Falls City awarded \$100,000 in late October 2019

### Parks Pathway Portion

#### **OPRD Local Community Grant**

Overview: Project types: development, rehabilitation, acquisition, acquisition & development, and planning; 20% match

Deadline: Applications open on January 1, 2020; large grant applications due on April 1, 2020; small grant applications due on May 1, 2020; planning grant applications due on May 15, 2020; announcements made in Fall 2020

Status: No contact made yet; 2020 cycle workshops in February 2020

#### **OPRD Recreational Trails Grant**

Overview: RTP grant funds are used to provide, expand and improve public recreational trails for both motorized and non-motorized trail users. Types of projects include: Building new recreation trails, including building trail bridges and installing wayfinding signs; Restoring existing trails, including trail bridges and signing; Developing and rehabilitating trailhead facilities; Acquiring land and permanent easements; and Water trails. Program requires 20% match if project cost is under \$250,000 or 40% if the project cost exceeds \$250,000.

Deadline: 2020 Cycle schedule not posted, but in 2019, LOI were due in April and application in June

Status: No contact made yet

#### **Oregon Community Foundation Community Grant**

Overview: Evaluation criteria includes the strength of local support for the project, the strength of the applicant organization, and whether the project addresses a significant community need. Grants generally range from \$5,000 to \$50,000, but \$20,000 is the average award amount.

Deadline: Applications due January 15, 2020; announcements in May 2020

Status: Falls City hosted OCF Leadership Board on October 4, 2019. OCF has funded Falls City School District, but not City projects. Contact has not been made with grant administrator.

### **Travel Oregon Grants**

Overview: These grant projects support Travel Oregon's mission of 'a better life for all Oregonians through strong, sustainable local communities that welcome a diversity of explorers.' To be eligible for funding, projects must be for tourism purposes and demonstrate a direct tie to the mission of Travel Oregon.

Deadline: Small grants closed; medium grants expected to re-open in April 2020; large grants only opened at discretion of Oregon Tourism Condition

Status: No contact made yet

### **PeopleForBikes Community Grant**

Overview: PeopleForBikes focuses most grant funds on bicycle infrastructure projects such as bike paths, lanes, trails, and bridges, mountain bike facilities, bike parks and pump tracks, BMX facilities, and end-of-trip facilities such as bike racks, bike parking, bike repair stations and bike storage. PeopleForBikes will fund engineering and design work, construction costs including materials, labor, and equipment rental, and reasonable volunteer support costs. For advocacy projects, we will fund staffing that is directly related to accomplishing the goals of the initiative.

Deadline: Online application opens on December 9, 2019; Online Letter of Interest due on January 17, 2020, Notification of LOI status on February 21, 2020; Full Applications due on April 3, 2020; Grant award notifications by May 22, 2020

Status: No contact made yet

### Schools Pathway Portion

#### **ODOT Safe Routes to Schools Infrastructure Grant**

Overview: The Infrastructure Competitive Grant Program funds safety projects on the public road right of way, consistent with jurisdictional plans, supported by the school or school district, are within a one-mile radius of a school, and that positively affects the ability of children to walk and bicycle to school. Project examples include sidewalks, median refuge islands, rapid flashing beacons, etc. Match for communities of under 5,000 and with Title I schools is 20%.

Deadline: Next cycle will open in July 2020

Status: Mac & William will meet with Infrastructure Program Director LeeAnne Ferguson on November 25, 2019

### Planning and Technical Assistance

#### **Department of Housing and Urban Development Distressed Cities Technical Assistance Grant**

Overview: HUD technical assistance funds aim to meet three goals: Adopt effective, efficient, and sustainable financial management practices. This includes the management of disaster recovery and resilience funds; Build capacity for financial management, economic revitalization, affordable housing, and disaster recovery and resilience by building partnerships with public agencies, community members, non-profits, and private organizations; and Improve knowledge of federal development programs. This includes indirect subsidy sources, such as Opportunity Zones and the Low-Income Housing Tax Credit.

Deadline: N/A

Status: No contact made yet

### **Ford Family Foundation Technical Assistance Grant**

Overview: Has previously provided funding to: Hire a consultant to assist your organization in developing a strategic plan; Hire a trainer to train board and staff on effective fundraising strategies; Pay for staff members to attend a training or conference that builds their skills and capacity; and to Hire an outside accountant to help build financial systems to make your organization eligible for governmental grants.

Technical Assistance Grant requests need to: Meet the Foundation's eligibility and readiness requirements; Serve communities in rural Oregon or Siskiyou County, Calif., with less than 35,000 in population not adjacent to or part of an urban or metropolitan area. The recipient organization's mission must align with one of the following Foundation program areas: Children, Youth and Families; Postsecondary Success; Ford Institute for Community Building; and Community Economic Development.

Deadline: N/A, applications accepted year-round

Status: FFF funding of RARE position does not preclude City from applying for a Technical Assistance grant. However, FFF TA grants are not commonly granted to Cities. William has been in conversation with FFF Community Economic Development department.

### **Salem Foundation by Pioneer Trust Bank**

Overview: Funds variety of projects between \$1,000 and \$5,000

Deadline: December 1, 2019; next cycle is due May 1, 2020

Status: No contact made yet

### **USDA Community Facilities Technical Assistance and Trainings Grant**

Overview: Funds can be used to: Assist communities in identifying and planning for community facility needs; Identify resources to finance community facility needs from public and private sources; Prepare reports and surveys necessary to request financial assistance to develop community facilities; Prepare applications for Agency financial assistance; Improve the management, including financial management, related to the operation of community facilities; or Assist with other areas of need identified by the Secretary.

Deadline: Not currently open

Status: No contact made

### **Walmart Community Grant**

Overview: General grants between \$250 and \$5,000

Deadline: December 31, 2019

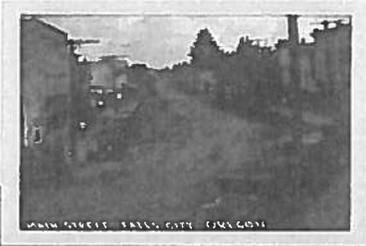
Status: No contact made

**FALLS CITY FINANCIAL CONDITION PROJECT: Corrective Action**

**Highlights: Total savings estimated FY20-21: \$171k**

1. Public Works Department: **Total savings estimated FY20-21: \$104k scheduled + \$21k unscheduled**
  - a. Don will begin phase out in 1/2020; full retirement at the fiscal year 7/2020.
  - b. Jay has resigned effective 11/25/2019.
  - c. PW staffing philosophy: 1 water/sewer/director, 1 worker, 0.5 Utility Biller.
    - i. Cost of water/sewer certified too high to pay for 1, much less 2;
    - ii. Will increase turnover in unskilled position, create sustainability and consistency in skilled position;
  - d. Surplus
    - i. 2 PW Trucks; 1 PW Grader; 1 Dump truck
  - e. Outsource
    - i. Grading,
    - ii. Capital Improvements,
    - iii. Net DMR temporarily (water/sewer monitoring)
2. Administrative Department: **Total savings estimated FY20-21: \$40k.**
  - a. Administrative Staffing Philosophy: 1 City Manager, 1 City Clerk.
    - i. Clerk assumes a supervisory role over biller, and operates as a front office manager. City Manager focus on Finance, Project Management, and Grants... in other words, Capital Improvements.
    - ii. Will increase turnover in unskilled position, create sustainability and consistency in skilled position;
3. Fire Department: **Total savings estimated FY20-21: \$6k**
  - a. Surplus Pumper Truck and SUV
  - b. Remove Inactive from Roster
4. Additional Financial Benefits
  - a. **Surplus Sale of Equipment \$50k-\$125k**
  - b. Life-Cycle Capital planned and accounted for

### Falls City Financial Conditioning Project: Corrective Action



Prepared by:  
Mac Corthell  
City Manager  
Falls City, OR

### Financial Conditioning Project: Review

- i. Organizational Development**
  - I. Assess
  - II. Make Findings
  - III. Corrective Action
    - i. Physical Organization Development
    - II. Create and Define Overall Structure
    - III. Create and Define Roles
    - IV. Optimize departments and resources
- ii. Correcting, and Creating revenue streams**
  - I. MUROW, SDC's, Rate Study, Administrative, CPI, Assessments

### Organizational Development Condition Assessment

- ▶ What Departments, Divisions, Programs, Tasks?
- ▶ How are they organized, what resources do they need, how do we know?
- ▶ What issues exist from the top (Citywide) down (Departmental, Divisional, Programmatic, Task)
- ▶ Which issues are the most concerning or emergent, which ones can wait?

Inventory & Immerse

Identify & Triage

### Organizational Development Assessment Findings

- ▶ Organizational Structure is largely undefined leading to:
  - ▶ Disorganization;
  - ▶ Ambiguity in roles;
  - ▶ Lack of accountability;
  - ▶ Inefficient use of human and capital resources;
  - ▶ Inability to modernize;
  - ▶ Paying more and getting less;
  - ▶ Reactionary approach

**Optimize: Public Works**  
 Total Savings Approximately: \$125k...\$104k scheduled

Falls City  
SUSTAINABILITY  
PROPOSAL

**New Equipment Model**

- ▶ Surplus 2 PW trucks, 1 grader, 1 dump truck
  - ▶ \$3k Insurance savings, \$10k maintenance and operation savings, \$21k/year life-cycle capital savings (\$70k/10 years for 2 trucks, \$60k/15 years for 1 dump, \$150k/15 years for 1 grader), plus a one-time injection of funds from surplussing
- ▶ Outsource
  - ▶ Road Grading by TRTL or IGA, (Approx \$10k cost max)

**New Operations and Capital Improvement Model**

- ▶ PW Staff focus on operations, maintenance, emergencies, small capital projects as able.
- ▶ City Management focus on executing major capital plans and funding major capital projects
- ▶ PW Vehicles on 5 year life-cycle, budgeted at 1/5 new cost per year
- ▶ PW Equipment on 15 year life-cycle, budgeted at 1/15 replacement cost per year
- ▶ Outsource
  - ▶ Major capital improvement projects in accordance with need and capital improvement plans (e.g. Water Master Plan)

**Optimize: Public Works**  
 Total Savings Approximately: \$125k...\$104k scheduled

<ul style="list-style-type: none"> <li>• 1 PW Director, 2 PW Workers, 0.75 PW Clerical- Approximately \$260k</li> <li>• Worker's Compensation- Approximately \$9k</li> <li>• Vehicle/Equipment Insurance- Approximately \$3k</li> <li>• Vehicle/Equipment Operations/Maintenance- Approximately \$10k</li> <li>• Life-Cycle Capital Outlay- Approximately \$45k</li> </ul>	<ul style="list-style-type: none"> <li>• 1 PW Director, 1 PW Worker, 0.5 PW Clerical- Approximately \$147k (\$113k)</li> <li>• Worker's Compensation- Approximately \$6k (\$3k)</li> <li>• Vehicle/Equipment Insurance- Approximately \$1.5k (\$1.5k)</li> <li>• Vehicle/Equipment Operations/Maintenance- Approximately \$3k (\$7k)</li> <li>• Life-Cycle Capital Outlay- Approximately \$24k (\$21k)</li> <li>• Outsourcing- \$20k</li> </ul>
--	---

Current Costs Affected

New Model Costs

**Optimize: Administrative**  
 Total Savings Approximately: \$35k

- ▶ **Events**
  - Delayed Resignation of City Manager circa August, 2019
  - Streamlining, Standardization, Technology, Outsourcing
- ▶ **New Personnel Model**
  - ▶ City Manager (\$70k up to \$85k cost)
    - ▶ Focus on Leadership, Finance, Special Projects, Administration, Planning, and Supervision of City Clerk and PW Director
  - ▶ City Clerk (\$60k up to \$70k cost)
    - ▶ Focus on Public Bodies, Community Development, Supervision of PW Clerical
  - ▶ PW Clerical (Paid in PW)
    - ▶ Utility Billing and Clerical
  - ▶ Outsource
    - ▶ Planning & Land Use, Legal, IT, Muni Court Accounting, some grant management some project management, human resources (when available), code services (when feasible)

**Optimize: Administrative**  
 Total Savings Approximately: \$35k

<ul style="list-style-type: none"> <li>• Current 1 City Manager, 1 Clerk, 0.5 Code Services- \$170k</li> <li>• Optimized 1 City Manager (reduced), 1 City Clerk- Approximately \$130k (\$40k)</li> </ul>	<ul style="list-style-type: none"> <li>▶ Streamlining processes to reduce staff time and costs                             <ul style="list-style-type: none"> <li>• Elimination of staff time and supplies used creating useless and/or redundant records</li> <li>• Calendaring to improve organization, efficiency, and communication</li> <li>• Questioning status quo's</li> </ul> </li> <li>▶ Technology &amp; Outsourcing                             <ul style="list-style-type: none"> <li>• Utilizing technology to promote organization, and efficiency</li> <li>• Reducing outsource costs through technology</li> <li>• Outsourcing to reduce costs for technical work</li> </ul> </li> </ul>
--	---

What?

How?

**Optimize: Fire**

Total Savings Approximately \$6k

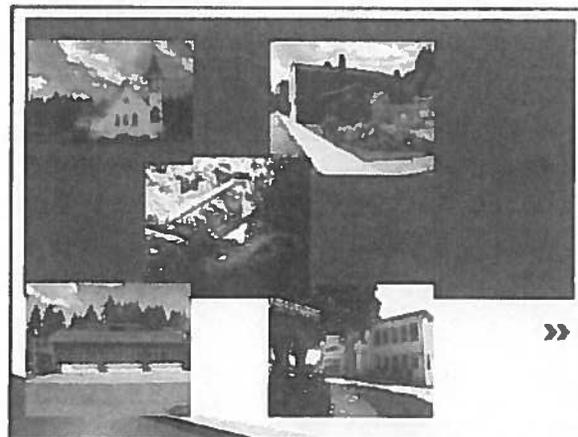
- ▶ **Events**
  - ▶ Three more years of \$40k/year fire levy
  - ▶ Agreement between City and Department Leadership that joining a district is inevitable, under the right circumstances is ideal
- ▶ **Apparatus Plan**
  - ▶ Chief to Develop and Present a Capital Improvement Plan
  - ▶ Surplus Pumper Truck and SUV (\$1,500 Insurance, \$3,500 maintenance and operation)
  - ▶ Remove inactive volunteers from roster (\$1,000)
    - ▶ Worker's Comp, Outfitting Gear, Outfitting Uniforms, Training

**REVENUES... Again**

- ▶ **Already In-Work:** MUROW, SDC's, Utility Rate Study
- ▶ **New Found Administrative Revenues and Savings:**
  - ▶ **Revenues:** Costs associated with chargeable work orders not tracked, Planning & Land Use fees not tracked and often waived
  - ▶ **Savings:** Planning & Land Use costs mitigated through internal processing, staff time & associated material costs to produce unnecessary records and to perform prohibited and risky tasks (e.g. work on customer side of water/sewer connections)
  - ▶ **Lost Savings:** Planning & Land use will be returned to outsource
- ▶ **Recommendation:** Create automatic annual inflation increases for water and sewer rates
- ▶ **Reminder:** Utility Assessments can pay for parks, street lights, drainage, public safety (code services), operations.

**Summary of Main Points**

- ▶ **Physical Organization Addressed (a continuous undertaking)**
- ▶ **Organizational Structure and Roles Defined**
- ▶ **Fire Department Management and City Management agree that joining a fire district is inevitable**
- ▶ **Administration and Public Works Optimized**
  - ▶ \$145k saved through Departmental Optimization
- ▶ **Staff recommends considering the following with saved funds:**
  - ▶ Lack of dedicated law enforcement to enforce city rules (Foundational- manage relationships/provide services)
  - ▶ The need for capital outlay in Utility Divisions
  - ▶ The need for community development to help increase revenue



# CITY OF FALLS CITY PUBLIC WORKS DIRECTOR

## POSITION DETAILS

**Position Title:** Public Works Director  
**Pay Range:** \$41,600-\$50,000/Year  
**FLSA Status:** Exempt  
**Probation Period:** 6 Months  
**Assignment Category:** Regular, Full-Time, Salary  
**Location:** Falls City Hall, 299 Mill St. Falls City, OR 97344  
**Position Type:** Staff  
**Hours:** M-F, 6:30am-3:00pm, alternating weekends  
**Weekend Work:** Every other weekend

**Position Summary:** The Public Works Director is responsible for Administration of, and staff-work in all Public Works Divisions including: Water, Sewer, Streets, Wastewater (TMDL), Parks, Cemeteries, Facilities Maintenance, and Interdepartmental. The Public Works Director provides supervision and training to Public Works employees, and coordinates contractors for outsourced work and projects. Also, the Public Works Director assists the City Manager in preparation and management of the Public Works budget, and capital improvement planning and execution. The Public Works Director will be expected to become qualified for Water and Sewer daily monitoring and testing within 2 years of hire, and will cooperate with the Utility Biller to insure bills and invoices are timely and accurate. The Public Works Director will assist in project management and compliance with the City Code relevant to public works.

A qualified candidate for this role should have a valid state driver's license with acceptable driving record. At least a High School Diploma, two years of experience in Public Works (preferably in Water and/or Sewer), strong verbal and written communication skills, and an ability to work well with a team.

**Special Demands:** Vision, hearing and speech are required along with manual dexterity. Position requires extensive physical exertion, constant exposure to the elements, and movement of heavy materials. Will also operate vehicles and heavy equipment on occasion.

## POSITION DUTIES

The listed duties are a summary of those typically performed by the City Clerk. Additional accountabilities and duties may be assigned from time to time. This list is not meant to be a comprehensive accounting of each duty or task performed.

Key Accountability	PUBLIC WORKS ADMINISTRATION (Managerial)
Duty Statement	Responsible to ensure daily operational and legal/regulatory requirements of all public works divisions (water, sewer, wastewater, streets, parks, cemeteries, facilities, interdepartmental, and all associated programs. Engages with City Clerk to prepare appropriate staff reports for Parks and Public Works Committees. Serves as subject matter expert on the City's various public works functions. Ensures all relevant records are properly created, maintained, and filed. Anticipates divisional needs outside of existing plans, and budgets/prepares accordingly. Responds to emergencies in the Public Works Department and takes appropriate action to remedy them. Supervises and trains public works personnel. Ensures proper maintenance and upkeep of all city assets within the public works

	Other:
Performance Standards	

## POSITION FACTORS

<b>Minimum Education and Experience</b>	High School Diploma required. Prefer two years of public works experience, preferably in water and/or sewer, and an Associate's Degree.
<b>Supervision Received</b>	Incumbent will report directly to the City Manager. After probationary faze, incumbent will receive cooperative guidance from the City Manager, but is expected to perform basic duties independently.
<b>Analytical Skills Required</b>	This position requires excellent analytical and communication skills based both on the main functions, and the breadth of the role.
<b>Financial Accountability</b>	Accountable for management of the public works discretionary budget, and for providing public works budget inputs yearly.
<b>Impact of Actions Carried by This Position</b>	Poor execution of the tasks associated with this role could lead to liability for the city and the incumbent. Also may lead to inadvertent administrative, legislative, and quasi-judicial decisions. Finally, may lead to adulteration of drinking water, and/or violation of state and federal permits.
<b>Supervision Exercised</b>	This position will supervise all public works staff and volunteers. Responsible for ensuring PW staff and volunteer conduct is in compliance with city personnel policies, and for assisting City Manager in conducting yearly reviews, and remedial action plans as necessary.
<b>Human Resources Impact of this Position</b>	Occasionally responsible for assisting with interviewing and providing input on hiring.
<b>Internal Contacts</b>	Has regular contact and interaction with Committee members, Council Members, the Mayor, the City Manager, the Utility Biller, and Public Works Staff.
<b>External Contacts</b>	Regular contact and interaction with outside City, County, and State Staff and Officials. Also has regular contact with contract City Staff, and City Contractors. Finally, has extensive contact with the public.

# CITY OF FALLS CITY

## PUBLIC WORKS WORKER

### POSITION DETAILS

**Position Title:** Public Works Worker  
**Pay Range:** \$13.50-\$17.00/hour  
**FLSA Status:** Non-Exempt  
**Probation Period:** 6 Months  
**Assignment Category:** Regular, Full-Time, Hourly  
**Location:** Falls City Hall, 299 Mill St. Falls City, OR 97344  
**Position Type:** Staff  
**Hours:** M-F, 8:30am-5:00pm, alternating weekends

**Position Summary:** The Public Works Worker is responsible for performing a plethora of tasks under the supervision of the Public Works Director. This position will be responsible to perform work in the Water, Sewer, Wastewater, Streets, Parks & Cemeteries, Facilities, and Interdepartmental Divisions. The work will consist of both planned and unplanned maintenance, and project work. Additionally, the Public Works Worker will be the program manager for several low-impact public works programs.

A qualified candidate for this role should have a valid state driver's license with acceptable driving record. At least a High School Diploma, experience working with their hands, a desire to learn, an ability to take direction, and a desire to ensure the success of the City and the Department.

**Special Demands:** Vision, hearing and speech are required along with manual dexterity. Position requires extensive physical exertion, constant exposure to the elements, and movement of heavy materials. May operate heavy equipment and/or vehicles on occasion.

### POSITION DUTIES

The listed duties are a summary of those typically performed by the City Clerk. Additional accountabilities and duties may be assigned from time to time. This list is not meant to be a comprehensive accounting of each duty or task performed.

Key Accountability	PUBLIC WORKS LABOR
Duty Statement	Perform various public works labor intensive tasks including Water and Sewer system monitoring and maintenance, parks and cemeteries maintenance and improvements, street maintenance and improvements, and facilities maintenance and improvements. The tasks will be of both a scheduled and unscheduled nature, and at times will require emergency response.
Percentage of Time	80% (32 Hours/Week)

Key Accountability	OTHER DUTIES
Duty Statement	<p><b>Program Management:</b> Will be the primary manager of the Parks &amp; Cemeteries Maintenance program. Will take on management of additional programs at the discretion of the Public Works Director.</p> <p><b>Program Development:</b> Makes recommendations to the Public Works Director on increasing program efficiency, and/or decreasing program waste.</p>

# CITY OF FALLS CITY CITY CLERK

## POSITION DETAILS

---

**Position Title:** City Clerk  
**Pay Range:** \$15.00-\$22.00  
**FLSA Status:** Non-Exempt  
**Probation Period:** 6 Months  
**Assignment Category:** Regular, Full-Time  
**Location:** Falls City Hall, 299 Mill St. Falls City, OR 97344  
**Position Type:** Staff  
**Hours:** M-F, 8:30am-5:00pm  
**Weekend Work:** Rarely

**Position Summary:** The City Clerk is responsible for administration of the Public Bodies Division. This includes, but is not limited to, coordination and administration of all public meetings, keeping minutes, preparing agendas, writing staff reports, educating committees, and attending all City Council meetings. The Clerk bears additional responsibility for administering city elections, and city events. The Clerk is also a point of contact for customers both in-person and via telephone, and takes payments as needed. Finally, the Clerk will have primary or secondary responsibility for other programs, and will perform other tasks and projects as assigned by the City Manager.

A qualified candidate for this role should have at least a High School Diploma, two years of experience in local government, strong verbal and written communication skills, and an ability to work well with a team.

**Special Demands:** Vision, hearing and speech are required along with manual dexterity. Position requires prolonged sitting, reaching, twisting, turning, kneeling, bending, and stooping in the performance of daily activities. Must be able to drag, lift, and push materials weighing up to 35 pounds.

## POSITION DUTIES

---

The listed duties are a summary of those typically performed by the City Clerk. Additional accountabilities and duties may be assigned from time to time. This list is not meant to be a comprehensive accounting of each duty or task performed.

Key Accountability	PUBLIC BODIES DIVISION
Duty Statement	<p> <b>Elections program.</b> Ensures electors are qualified and appropriate documentation is submitted. Liaisons with Polk County to ensure electors are placed on the ballot, ballot titles are correct, and all city responsibilities are covered.         </p> <p> <b>City Committees program.</b> Manages the program and ensures City Committees are meeting with regulatory requirements, have the information they need, and are operating efficiently. Composes and posts meeting minutes and shares recommendations with the City Council. Main point of contact for city committees. Prepares agendas, performs limited research, prepares staff reports.         </p> <p> <b>City Council program.</b> Coordinate, attend and take minutes at all City Council meetings. Ensure materials are prepared and provided, maintain meeting related records, manage ordinance and resolution logs. Process and disseminate information and documents related to council decisions. Ensures notices are posted, and council/committee related records are properly retained. Keeps         </p>

	<p>necessary information is present, and all is valid.</p> <p><b>Key Control Program:</b> Issues, tracks, and recovers keys for all City Facilities and equipment. Maintains a log of key possessors, and ensures appropriate documentation has been signed and filed for receipt of keys.</p> <p><b>Calendars:</b> Manages the City's events, rentals, permits, and public meetings calendars.</p> <p><b>Public Information Clerk:</b> Maintains the city website, posts Council and Committee related documents, and other items as directed by the City's Public Information Officer. Manages the City Facebook page, and is the central hub for collection of proposed inputs from the public and elected officials.</p> <p><b>Program Development:</b> Assists in creation of operating procedures, standardized forms, and "how to" guides in all areas of accountability. Provides technical support to other city staff in all areas of accountability.</p> <p><b>Other:</b> Cross Trains with Utility Biller and serves as secondary on all Utility Biller accountabilities. Other tasks and projects as assigned.</p>
<b>Percentage of Time</b>	37% (15 hours/week)

## PERFORMANCE STANDARDS

<b>Key Accountability</b>	<b>PUBLIC BODIES DIVISION</b>
<b>Task List</b>	
<b>Performance Standards</b>	

<b>Key Accountability</b>	<b>COMMUNITY DEVELOPMENT DIVISION</b>
<b>Task List</b>	
<b>Performance Standards</b>	

<b>Key Accountability</b>	<b>OTHER DUTIES</b>
<b>Task List</b>	
<b>Performance Standards</b>	

## POSITION FACTORS

<b>Minimum Education and Experience</b>	High School Diploma required. Prefer two years of local government experience, and an Associate's Degree.
<b>Supervision Received</b>	Incumbent will report directly to the City Manager. After probationary faze, incumbent will receive general direction from the City Manager, but is

# CITY OF FALLS CITY UTILITY BILLER

## POSITION DETAILS

---

**Position Title:** Utility Biller  
**Pay Range:** \$12.50-\$17.00  
**FLSA Status:** Non-Exempt  
**Probation Period:** 6 Months  
**Assignment Category:** Regular, Part-Time (20 hours/week)  
**Location:** Falls City Hall, 299 Mill St. Falls City, OR 97344  
**Position Type:** Staff  
**Hours:** M-F, 9am-1pm or 1pm-5pm  
**Weekend Work:** Rarely

**Position Summary:** The Utility Biller is responsible for administering the Utility Billing Program, and providing administrative and/or clerical support to the Public Works Department. This includes, but is not limited to utilizing the utility billing system to issue bills, process payments, and issue notices (late, shut-off, non-sufficient funds, etc.). The Utility Biller will also be the main point of contact for customers both in-person and via telephone. Additionally, the Utility Biller will have primary responsibility for the clerical aspects of non-utility accounts payable and receivable. The Utility Biller will also have primary or secondary responsibility for other programs, and will perform other tasks and projects as assigned by the City Manager.

A qualified candidate for this role should have at least a High School Diploma, and cash handling experience. Prefer experience with book keeping or utility billing, and customer service.

**Special Demands:** Vision, hearing and speech are required along with manual dexterity. Position requires prolonged sitting, reaching, twisting, turning, kneeling, bending, and stooping in the performance of daily activities. Must be able to drag, lift, and push materials weighing up to 35 pounds.

## POSITION DUTIES

---

The listed duties are a summary of those typically performed by the City Clerk. Additional accountabilities and duties may be assigned from time to time. This list is not meant to be a comprehensive accounting of each duty or task performed.

Key Accountability	UTILITY BILLING
<b>Duty Statement</b>	Performs all aspects of the utility billing process. Prepares monthly meter reading routes and maintains hand-held meter reader. Utilizes utility billing software to issue monthly bills and process payments. Main point of contact for several software suites related to utility billing. Issues appropriate notices and correspondence related to utility billing. Prepares all necessary reports to ensure proper information is available for deposits, monthly reconciliations, yearly audits, utility billing inquiries, reporting requirements, and budget preparation. Issues, monitors, and closes all utility work orders. Serves as the administrative assistant for the Water and Sewer Divisions. Issues liens and lien payoff amounts for past due accounts. Provides reception services at City Hall by answering telephone, fax, email, and in-person inquiries. Ensures all billing supplies and equipment are stocked and functional; takes corrective action if not.

	communication skills to problem solve billing issues.
<b>Financial Accountability</b>	Extensive cash handling, financial documentation, and financial reporting responsibilities. Funds in a given transaction or set of transactions will typically be \$15,000 or less, but may exceed \$100,000 on occasion.
<b>Impact of Actions Carried by This Position</b>	Poor execution of the tasks associated with this role could lead to liability for the city and the incumbent. Also may lead to loss or misapplication of funds.
<b>Supervision Exercised</b>	This position will exercise occasional supervision over interns, volunteers, and/or community service workers.
<b>Human Resources Impact of this Position</b>	None.
<b>Internal Contacts</b>	Has regular contact and interaction with Public Works Staff, the City Manager, and the City Clerk.
<b>External Contacts</b>	Regular contact and interaction with outside City, County, and State Staff and Officials. Also has regular contact with contract City Staff, and City Contractors. Finally, has extensive contact with the public.

# CITY OF FALLS CITY CITY MANAGER

## POSITION DETAILS

---

**Position Title:** City Manager  
**Pay Range:** \$45,000-\$60,000  
**FLSA Status:** Exempt  
**Probation Period:** 6 Months  
**Assignment Category:** Regular, Full-Time, Salaried  
**Location:** Falls City Hall, 299 Mill St. Falls City, OR 97344  
**Position Type:** Management  
**Hours:** Negotiable  
**Weekend Work:** As needed

**Position Summary:** The City Manager serves as the Chief Executive Officer of the City, responsible for operations and compliance of the City's three Departments (Administration, Public Works, Fire). The City Manager will serve as the Budget Officer, Procurement Officer, Public Information Officer, Elections Officer, Grant and Program Manager. The City Manager is also responsible for the hiring, training, and conduct of all City Employees. The City Manager also serves as advisor, and provider of information to the City Council, and assists with legislative, administrative, and quasi-judicial functions of the City Council. The City Manager bears ultimate responsibility for all city operations and responsibilities.

A qualified candidate for this role should have at least a Bachelor's Degree, preferably in Public Administration, Finance, or some other related field. An additional two years of local government experience and two years of project and personnel management are preferred. Strong verbal and written communication skills, and an ability to work well with a team are required.

**Special Demands:** Vision, hearing and speech are required along with manual dexterity. Position requires prolonged sitting, reaching, twisting, turning, kneeling, bending, and stooping in the performance of daily activities. Must be able to drag, lift, and push materials weighing up to 35 pounds.

## POSITION DUTIES

---

The listed duties are a summary of those typically performed by the City Clerk. Additional accountabilities and duties may be assigned from time to time. This list is not meant to be a comprehensive accounting of each duty or task performed.

Key Accountability	FINANCE DIVISION
Duty Statement	<p> <b>Budget Development, Compliance, Management programs:</b> Responsible for all aspects of the mentioned programs. Develops and promulgates annual budget to the Budget Committee and City Council. Ensures the budget process and budget product are compliant with federal, state, and local requirements. Manages the adopted budget, makes adjustments and amendments as needed.         </p> <p> <b>Accounts Payable &amp; Receivable programs:</b> Responsible for all aspects of A/R and A/P. Ensures appropriate invoices are generated and sent out, monitors A/R index, and classifies payments upon receipt. Ensures all bills are legitimate, classifies and issues payments, and ensures accounting software is appropriately updated.         </p>

<b>Percentage of Time</b>	25% (10 Hours per Week)

<b>Key Accountability</b>	<b>OTHER DUTIES</b>
<b>Duty Statement</b>	<p><b>City Council Program:</b> Coordinate, attend and take minutes at all City Council meetings. Ensure materials are prepared and provided, maintain meeting related records, manage ordinance and resolution logs. Process and disseminate information and documents related to council decisions. Main point of contact for city committees. Prepares agendas, performs limited research, prepares staff reports. Ensures notices are posted, and council/committee related records are properly retained. Keeps calendar of all public meetings, and waypoints to ensure all meeting related tasks are complete. Train and/or assist other city staff in composing staff reports and making recommendations.</p> <p><b>Program Development:</b> Creates operating procedures, standardized forms, and "how to" guides in all areas of accountability. Provides technical support to other city staff in all areas of accountability.</p> <p><b>Code Services Program:</b> Primary staff member for limited code services program.</p> <p><b>Other:</b> Exercises supervision and management over all city staff.</p>
<b>Percentage of Time</b>	12% (5 hours/week)

### PERFORMANCE STANDARDS

<b>Key Accountability</b>	<b>FINANCE DIVISION</b>
<b>Task List</b>	
<b>Performance Standards</b>	

<b>Key Accountability</b>	<b>ADMINISTRATIVE DIVISION</b>
<b>Task List</b>	
<b>Performance Standards</b>	

<b>Key Accountability</b>	<b>SPECIAL PROJECTS DIVISION</b>
<b>Task List</b>	
<b>Performance Standards</b>	

<b>Key Accountability</b>	<b>OTHER DUTIES</b>
<b>Task List</b>	
<b>Performance Standards</b>	



# Summary of Revenues and Expenditures

Please refer to instructions on next page.

**A. Municipal corporation information**

Municipality name: City of Falls City

Address line 1: 299 Mill Street Reporting period: From 07/01/2018

Address line 2: \_\_\_\_\_ To 06/30/2019

City, state, ZIP: Falls City OR 97344 Report type: Audit

Check if new address:  Opinion issued: Unmodified

If this is the final report, please enter the last date of operations: \_\_\_\_\_ Basis of accounting: Modified cash

**B. Financial statement audit – Reported deficiencies**

1. Regarding internal controls over financial reporting, how many significant deficiencies and material weaknesses were reported?  
0

2. Of those control deficiencies reported, how many resulted in the following:  
Accounting errors/Misstatements: \_\_\_\_\_  
Noncompliance: \_\_\_\_\_

3. How were deficiencies communicated? Check all that apply.  
 Report issued in accordance with Government Auditing Standards  
 Communication in accordance with Statements on Auditing Standards AU-C 265 "Communicating Internal Control Related Matters Identified in an Audit"  
 Other (specify communication): \_\_\_\_\_  
 No deficiencies

Per OAR 162-010-0230, a copy must be filed with Secretary of State.

## C. Summary of revenues and expenditures

Revenues and/or receipts		Expenditures and/or disbursements	
a. Revenues from government-wide statement of activities:	\$ 1,009,793	a. Expenditures from government-wide statement of activities:	\$ 934,929
b. Fiduciary fund additions:	\$ 0	b. Fiduciary fund deductions:	\$ 0
<b>c. Gross revenues subtotal (a + b):</b>	<b>\$ 1,009,793</b>	<b>c. Gross expenditures subtotal (a + b):</b>	<b>\$ 934,929</b>
d. Revenues of component units:	\$ 0	d. Component unit expenditures reported with primary government:	\$ 0
e. Taxes, assessments and other collections to be distributed to other governments:	\$ 0	e. Turnovers to other municipal corporations:	\$ 0
<b>f. Exempt revenue subtotal (d + e):</b>	<b>\$ 0</b>	<b>f. Exempt expenditures subtotal (d + e):</b>	<b>\$ 0</b>
<b>g. Net revenues (c – f):</b>	<b>\$ 1,009,793</b>	<b>g. Net expenditures (c – f):</b>	<b>\$ 934,929</b>

**D. Filing fee:** \$ 200

**E. Submitted by**

Auditor name: Devan W. Esch Municipal license number: 1097

Firm name: Grove, Mueller & Swank, P.C. Date: 11/01/2019

Municipal contact name, title: Macahan Corthell, City Manager Municipal phone: (503) 787-3631

**Submit:** Click the "Submit" button on the right to submit this form via email. Save a copy for your records.

**Submit**

Within 30 days of delivering the audit report to the municipal corporation, one copy of this summary must be filed with the Secretary of State, Audits Division, and one copy must be delivered to the municipal corporation. If deficiencies are communicated in a separate letter or in a report issued in accordance with *Government Auditing Standards*, a copy of that communication must also be filed. (OAR 162-010-0230)

31



**GROVE, MUELLER & SWANK, P.C.**

CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS  
475 Cottage Street NE, Suite 200, Salem, Oregon 97301  
(503) 581-7788

November 1, 2019

City Council  
City of Falls City  
299 Mill Street  
Falls City, Oregon 97344

We have audited the financial statements of the City of Falls City (the City) as of and for the year ended June 30, 2019, and have issued our report thereon dated November 1, 2019. Professional standards require that we advise you of the following matters relating to our audit.

**Our Responsibility in Relation to the Financial Statement Audit**

As communicated in our engagement letter dated June 24, 2019, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with the modified cash basis of accounting. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of the City solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

**Planned Scope and Timing of the Audit**

We conducted our audit consistent with the planned scope and timing we previously communicated to you in our letter dated June 24, 2019.

**Compliance with All Ethics Requirements Regarding Independence**

The engagement team, others in our firm, as appropriate, and our firm have complied with all relevant ethical requirements regarding independence.

## **Qualitative Aspects of the Entity's Significant Accounting Practices**

### *Significant Accounting Policies*

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the City is included in the notes to the financial statements.

### *Significant Accounting Estimates*

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

The financial statement disclosures are neutral, consistent, and clear.

### **Significant Difficulties Encountered during the Audit**

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

### **Uncorrected and Corrected Misstatements**

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole and each applicable opinion unit. Management has corrected all identified misstatements, and there are no uncorrected financial statement misstatements.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. The following material misstatements that we identified as a result of our audit procedures were brought to the attention, and corrected by, management:

- Community Services income in the amount of approximately \$26,900 had not been recorded.

### **Disagreements with Management**

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the City's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

### **Representations Requested from Management**

We have requested certain written representations from management, which are included in the management representation letter dated November 1, 2019.

### **Management's Consultations with Other Accountants**

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

### Other Significant Matters, Findings, or Issues

In the normal course of our professional association with the City, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, operating and regulatory conditions affecting the City, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the City's auditors.

We were engaged to report on supplementary information, which accompanies the financial statements but is not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

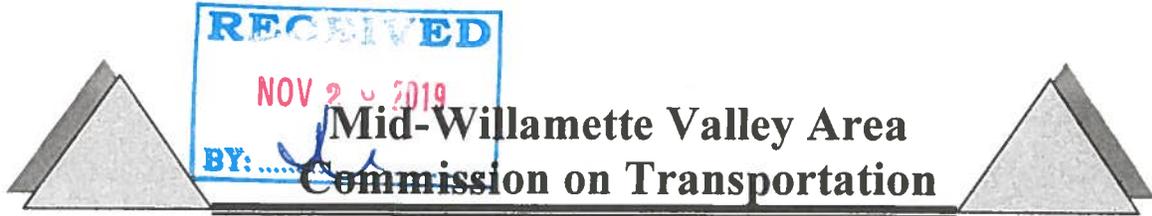
We were not engaged to report on the management's discussion and analysis, which accompanies the financial statements but is not RSI. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

### Restriction on Use

This report is intended solely for the information and use of the City Council and management of the City of Falls City and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

  
CERTIFIED PUBLIC ACCOUNTANTS



A local advisory body chartered by the Oregon Transportation Commission

Chair  
Councilor Ken Woods, Jr.  
City of Dallas

Vice Chair  
Mayor Cathy Clark  
City of Keizer

November 25, 2019

Mayor Cecelia Koontz, City of Monmouth  
Mayor Brian Dalton, City of Dallas  
Jeremy Gordon, City of Falls City ✓  
Mayor John McArdle, City of Independence

**Your Representation on the Mid-Willamette Valley Area Commission on Transportation (MWACT)**

MWACT is comprised of 12 elected and 5 non-elected officials from throughout Marion, Polk, and Yamhill Counties. The purpose of MWACT is to assist the Oregon Transportation Commission in setting transportation policy and priorities in the three-county area. The elected officials on MWACT represent several cities along the major corridors. There is one position that represents the above listed cities along Highways 22W/99W/51 in Polk County.

Councilor Ken Woods of Dallas has been your representative. His term expires at the end of December 2019. Councilor Woods is willing to serve another term, if that is the desire of the represented cities.

If you wish to nominate a different mayor or councilor other than Councilor Woods to fill this position, please notify Mike Jaffe at the Council of Governments (100 High St. SE, Suite 200; Salem, OR 97301, 503-540-1606, [mjaffe@mwvcog.org](mailto:mjaffe@mwvcog.org)) by December 15, 2019. If other nominations are received, you will be polled regarding your preference.

MWACT meetings are normally held on the first Thursday of each month at 3:30 p.m. in the conference room at the COG. Agendas are mailed one week prior to the meeting.

If you have any questions, please call me at 503-540-1606.

Respectfully,

Michael Jaffe  
MWVCOG Transportation Planning Director

MJ:lm

cc: Ken Woods, Jr., MWACT Chair  
John Huestis, ODOT  
Dan Fricke, ODOT

h:\transport\MWACT\recruitment\evenyears\2019\hwy22W\_99W\_51 2019.docx

---

---

## STAFF REPORT

---

---

**TO:** HONORABLE MAYOR AND CITY COUNCIL  
**FROM:** CITY MANAGER, MAC CORTHELL  
**SUBJECT:** MASTER UTILITY RIGHT OF WAY ORDINANCE, FIRST READING  
**DATE:** DECEMBER 9, 2019

---

### SUMMARY

First reading of Master Utility Right of Way Ordinance.

### BACKGROUND

In July of 2019 as part of the Financial Conditioning Project, the City Council discussed a Master Utility Right of Way Ordinance (MUROW) to ensure Falls City residents are appropriately compensated when businesses utilize their public rights of way to make money.

In August of 2019 City Staff provided the Council with a draft MUROW developed by the City Attorney and City Manager.

In September 2019 the Council discussed the draft MUROW and accompanying resolution setting fees.

After the September 2019 meeting City Staff sent the resolution out to local telecommunications providers for comment on the ordinance, with a due date for comments of November 2019. Having received no comments from local telecomm providers, no modifications were made.

City Staff provided the Council with a draft MUROW for review during the August 2019 Work Session.

### STAFF RECCOMENDATIONS

1. Ordinance- 1<sup>st</sup> reading, 2<sup>nd</sup> reading, adoption.
2. Fee Resolution- adopt in conjunction with second reading.
3. Implementation- Staff to develop forms, policy, and procedures to administer the Ordinance.

### ATTACHMENTS

1. Ordinance 557-2019, Master Utility Right of Way Ordinance

### PROCESS FOR ADOPTION

12/9/19- First Reading, by title only, unless a Councilor requests a full reading (may adopt at one meeting if unanimous. Ordinance was posted for public viewing on 12/2/2019).

1/13/20- Second Reading, by title only, unless a Councilor requests a full reading.

1/13/20- Motion to adopt the ordinance.

2/10/20- Adopt Resolution Setting Fees.

**ORDINANCE NO. 557-2019**

**AN ORDINANCE OF THE CITY OF FALLS CITY, OREGON, GOVERNING THE USE AND OCCUPATION OF THE PUBLIC RIGHT OF WAY BY COMMUNICATIONS PROVIDERS AND ESTABLISHING AN APPLICATION PROCESS, FEES, AND TERMS FOR SUCH USE**

**The City of Falls City ordains as follows:**

**Section 1. Short Title.** This Ordinance shall be referred to as the “Right of Way Management Ordinance.”

**Section 2. Jurisdiction and Management of the Public Rights of Way.**

- A. The City has jurisdiction and exercises regulatory management authority over all City Public Rights of Way pursuant to the City Charter and State law. The City’s purpose for exerting its management authority over the Public Rights of Way is to protect and efficiently manage the public’s resources and to ensure fair and non-discriminatory access to the Public Right of Way.
- B. The City has jurisdiction and exercises regulatory management over each Public Right of Way whether the City has a fee, easement, or other legal interest in the Right of Way. The City has jurisdiction and regulatory management of each Right of Way whether the legal interest in the Right of Way was obtained by grant, dedication, prescription, reservation, condemnation, annexation, foreclosure or other means.
- C. No Person may occupy or encroach on a Public Right of Way without the permission of the City. The City grants permission to use Rights of Way through Franchise Agreements and Construction permits.
- D. The exercise of jurisdiction and regulatory management of a Public Right of Way by the City is not official acceptance of the Right of Way, and does not obligate the City to maintain or repair any part of the Right of Way.
- E. The City retains the right and privilege to cut or move any Communications Facilities located within the Public Rights of Way as the City may determine to be necessary, appropriate or useful in response to a public health or safety Emergency.
- F. The City desires the ready availability of Communication services for all its residential and commercial citizens by providing infrastructure and amenities that make Falls City a better place to do business. The City is committed to authorizing the private access and use of the Public Right of Ways for such services so long as such use is consistent with and does not unduly burden or interfere with the principal purpose of the Public Ways, which is to facilitate the free transit of Persons and goods in commerce.
- G. The City holds the health, safety, quality of life and opportunities to prosper, as well as such physical assets such as the Public Right of Way, in trust for all of its citizens and has a fiduciary responsibility to assure that any use of City resources, especially its Public Ways, benefits all of the citizens and, where it is deemed appropriate, allows for the recovery of a fair and reasonable compensation from private entities using public resources.

- H. If Communications Providers make "percentage of gross revenue" payments which include only portion of the communications services they provide within the City, then they are not compensating the City fairly for their private use and enjoyment of public assets and resources. Such Communications Providers may derive an unfair advantage and their failure to compensate may place similarly-situated Communications Providers in an inferior and unfair competitive position. Unfair competition does not foster the City's desired technological and business growth. Among the purposes of this chapter is not only to ensure that the public is properly compensated for the private use and enjoyment of City assets and resources, but also to ensure that all similarly-situated Communications Providers are treated similarly and fairly in order to foster technological growth and innovation.

### **Section 3. Regulatory Fees and Compensation Not a Tax.**

- A. The fees and costs addressed in this Ordinance, and any compensation charged and paid for regarding the use of the Public Rights of Way addressed in this Ordinance, are separate from and in addition to any and all other federal, State, local, and City fees, taxes, or charges as may be levied, imposed, or due from a Communications Provider, its customers or subscribers, or on account of the lease, sale, delivery, or transmission of Communications Services.
- B. The City has determined that any fee provided for by this Ordinance is not subject to the property tax limitations of Article XI, Sections 11 and 11b of the Oregon Constitution. These fees are not imposed on property or property owners.
- C. The fees and costs provided for in this Ordinance are subject to applicable federal and State laws.

### **DEFINITIONS**

**Section 4. Definitions.** For the purpose of this Ordinance the following terms, phrases, words and their derivations shall have the meaning given herein. When not inconsistent with the context, words used in the present tense include the future, words in the plural number include the singular number and words in the singular number include the plural number. The words "shall" and "will" are mandatory and "may" is permissive. Words not defined herein shall be given the meaning set forth in the Communications Act of 1934, as amended, the Cable Act, the Cable Television Consumer Protection and Competition Act of 1992, and the Telecommunications Act. If not defined there, the words shall be given their common and ordinary meaning.

**Cable Act** - shall mean the Cable Communications Policy Act of 1984, 47 U.S.C. § 521, *et seq.*

**Cable Service** - is to be interpreted consistent with federal law and means the one-way transmission to subscribers of video programming or other programming service and subscriber interaction, if any, required for the selection or use of such video programming or other programming service.

**Cable Service Provider** - means any provider of Cable Service.

**City** - means the City of Falls City, an Oregon municipal corporation, and individuals authorized to act on the City's behalf.

**City Council** - means the elected governing body of the City of Falls City, Oregon.

**Control** - means actual working control in whatever manner exercised.

**City Property** - means and includes all real property owned by the City and all property held in a proprietary capacity by the City but does not include Public Rights of Way and Utility Easements as defined herein.

**Communications Facilities or Facilities** - means all plant, equipment and systems, other than customer premises equipment, used by any Communications Provider. For the purposes of this Ordinance, Facilities used by Cable Service Providers to provide Cable Service are Communications Facilities.

**Communications Provider(s) or Provider(s)** - means any provider of Communications Services and includes, but is not limited to: every Person who directly or indirectly owns, controls, operates or manages Communications Facilities within the City and Cable Service Providers.

**Communications Service(s) or Service(s)** - any Service provided for the purpose of transmission of information including, but not limited to, voice, video, or data, without regard to the transmission protocol employed, whether or not the transmission medium is owned by the Provider itself. Communications Services includes all forms of telephone services and voice, video, data or information transport and expressly includes Cable Service offered by a Cable Service Provider, but does not include: (1) open video system service, as defined in 47 C.F.R. 76; (2) private Communications System services provided without using the Public Rights of Way; (3) over-the-air radio or television broadcasting to the public-at-large from Facilities licensed by the Federal Communications Commission or any successor thereto; and (4) direct-to-home satellite service within the meaning of Section 602 of the Telecommunications Act.

**Conduit** - means any structure, or portion thereof, containing one or more Ducts, Conduits, manholes, bolts, cables, fiber, or other infrastructure used by or for any telegraph, telephone, electrical utility, conductors, or Cable Service.

**Construction** - means any activity in the Public Rights of Way resulting in physical change thereto, including excavation or placement of structures, but excluding routine maintenance or repair of existing Facilities.

**Days** - means calendar Days unless otherwise specified.

**Duct** - means a single enclosed raceway for conductors or cable.

**Emergency** - has the meaning provided for in ORS 401.025.

**Facilities** - means Communications Facilities as defined herein.

**Federal Communications Commission** - means the federal administrative agency, or its lawful successor, authorized to regulate and oversee Communications or Cable Service Providers on a national level.

**Franchise or Franchise Agreement** - means an agreement between the City and a Communications Provider which grants a privilege to the Communications Provider to use Public Right of Way within the City for a limited, dedicated purpose and in return for specific compensation.

**Franchisee** – means a Communications Provider who is a non-breaching party to an unexpired Franchise Agreement.

**OPUC** - means the statutorily created State agency in the State of Oregon responsible for licensing and regulation of certain Communications Providers as set forth in Oregon law, or its lawful successor.



**Overhead Facilities** - means utility poles, Utility Facilities and Communications Facilities above the surface of the ground, including the underground supports and foundations for such Facilities.

**Person** - means an individual, corporation, company, association, joint stock company or association, firm, partnership, or limited liability company.

**Private Communications Network** - means a system, including the Construction, maintenance or operation of the system, for the provision of a service or any portion of a service which is owned or operated exclusively by a Person for their own use and not for resale, directly or indirectly. "Private communications network" includes services provided by the State of Oregon pursuant to ORS 190.240 and 283.140.

**Public Rights of Way or Right of Way** - include, but are not limited to: City streets, roads, highways, bridges, alleys, sidewalks, trails, paths, public easements, and other public ways generally open to travel, including the subsurface under and air space over these ways; but does not include parks, parkland or other City Property not generally open to the public for travel. This definition applies only to the extent of the City's right, title, interest or authority to grant a Franchise to occupy and use such areas for Communications Facilities. "Public Rights of Way or Right of Way" shall also include Utility Easements as defined below.

**Right of Way Use Fee**- means the fee imposed upon a Communications Provider for its occupation of or use of the City's Public Right of Way without an unexpired Franchise Agreement which authorizes all Communications Services provided and imposes a Franchise Fee on such services.

**State** - means the State of Oregon.

**Telecommunications Act** - means the Communications Policy Act of 1934, as amended by subsequent enactments including the Telecommunications Act of 1996, 47 U.S.C. § 151 *et seq.*

**Underground Facilities** - means Utility and Communications Facilities located under the surface of the ground, but does not include underground foundations or supports for "Overhead Facilities."

**Utility Easement** - means any easement granted to or owned by the City and acquired, established, dedicated, or devoted for public utility purposes. "Utility Easement" does not include any easement dedicated solely for City use or Facilities or any easement where the proposed use is inconsistent with the terms and conditions of the easement granted to or owned by the City.

**Utility Facilities** - means the plant, equipment and property, including but not limited to the poles, pipes, mains, Conduits, Ducts, cable, wires, plant and equipment located under, on, or above the surface of the ground within the Public Right of Way of the City and used or to be used for the purpose of providing utilities, Cable or Communications Service.

**SCOPE OF CHAPTER; REGISTRATION OF COMMUNICATIONS PROVIDERS**

**Section 5. Scope of Ordinance; Purpose of Registration.** This Ordinance shall apply to all Communications Providers who use or occupy the Public Rights of Way whether or not they provide Communications Services to Persons within the City. The purpose of registration is:

- A. To assure that all Communications Providers who have Facilities within the City Rights of Way and/or who provide Communications Services within the City using the Public Right of Way comply with the ordinances, rules and regulations of the City.

40

- B. To provide the City with accurate and current information concerning Communications Providers who offer Communications Service within the City or who own or operate Communications Facilities within the City.
- C. To assist the City in the enforcement of this Ordinance, management and caretaking of the Public Right of Way, and the collection of any City Franchise fees or Right of Way Use Fees or charges.

**Section 6. Registration Required.**

- A. Unless excepted in this Section 6. B., all Communication Providers who own, operate or use Facilities within the City's Public Right of Way and all Communication Providers who provide Communication Services to any customer within the City, shall register with the City, on a form provided by the City, within forty-five (45) Days of the effective date of this Ordinance. Any prospective Communications Providers who want to install or use Communications Facilities within the City's Public Right of Way or want to provide Communications Services within the City after the effective date of this Ordinance shall register with the City, on a form provided by the City, prior to installing Facilities or providing Services.
- B. After registering with the City pursuant to subsection 6.A, the Communication Provider shall, by December 31<sup>st</sup> of each year, file with the City a new annual registration form if it intends to maintain Facilities or provide Services at any time in the following calendar year.
  - 1. Communications Providers who file an initial registration pursuant to subsection 6.A on or after September 30<sup>th</sup> shall not be required to file an annual registration until December 31<sup>st</sup> of the following year.
  - 2. Communications Providers who are a non-breaching party to an unexpired Franchise Agreement which obligates the Provider to pay a Franchise Fee on all the Services it provides within the City are not required to file an annual registration during the term of the Franchise Agreement.
- C. In lieu of filing the City's registration form, a Communications Provider may submit to the City a copy of the its application and approved license from either: a) the Oregon Public Utility Commission (PUC); or b) the Federal Communications Commission. To the extent not included in the application and license materials submitted pursuant to this subsection 6.C, registrants also shall provide the following information:
  - 1. The identity and legal status of the registrant, including the name, address, and telephone number of the duly authorized officer, agent, or employee responsible for the accuracy of the registration information.
  - 2. The name, address, and telephone number for the duly authorized officer, agent, or employee to be contacted in case of an Emergency.
  - 3. A description of the registrant's existing or proposed Facilities within the City, a description of the Facilities that the registrant intends to construct, and a description of the Communications Service that the registrant intends to offer or provide to Persons, firms, businesses, or institutions within the City.

**Section 7. Registration Fee.** Unless excepted in Section 7. A., each registration form shall be accompanied by a nonrefundable registration fee in an amount to be determined by resolution of the City Council. The registration fee required by this Section shall be subject to all applicable limitations imposed by federal or State law.

- A. Communications Providers who are a non-breaching party to an unexpired Franchise Agreement which obligates the Provider to pay a Franchise Fee on all the Services it provides within the City shall not be required to pay a Registration Fee.

**Section 8. Exemptions from Registration.** The following Communications Providers and Facilities are exempted from registration:

- A. Communications Facilities owned and operated exclusively by the State or a political subdivision of this State, for their own use.
- B. A Private Communications Network, provided in a manner that does not occupy any Public Rights of Way.

### **CONSTRUCTION STANDARDS**

**Section 9. General.** No Person shall commence or continue with the Construction, installation or operation of Facilities within a Public Right of Way except as provided in Sections 12 through 28, and in compliance with all applicable City and State codes, rules, and regulations.

**Section 10. Construction Codes.** Facilities shall be constructed, installed, operated and maintained in accordance with all applicable federal, State and local codes, rules and regulations including the National Electrical Code and the National Electrical Safety Code.

**Section 11. Construction Permits Requests.** Except in the event of an emergency, no Person shall construct or install any Facilities within a Public Right of Way without first obtaining a Construction permit and paying the Construction permit fee as established by resolution of the City Council. No permit shall be issued for the Construction or installation of Communications Facilities within a Public Right of Way unless:

- A. The requestor, if so required, has first filed a registration form with the City as required by Sections 5 through 8 of this Ordinance; and
- B. The requestor has applied for and received a Franchise pursuant to Sections 29 through 45 of this Ordinance.

In the event of an emergency and in compliance with City Code, a permittee or its contractor may perform work on its Facilities to address the emergency without first obtaining a permit from the City provided it attempts to notify the City prior to commencing the emergency work and in any event applies for a permit from the City and pays any applicable permit fee as soon as reasonably practicable. As used in this Section 11, "emergency" means a circumstance in which immediate repair to damaged or malfunctioning Facilities is necessary to restore lost service or prevent immediate harm to Persons or property.

**Section 12. Construction Permits.** Requests for permits to construct Communications Facilities shall be submitted upon forms to be provided by the City and shall be accompanied by drawings, plans and specifications in sufficient detail to demonstrate:

- A. That the Facilities will be constructed in accordance with all Federal, State, and City applicable codes, rules and regulations.
- B. That the Facilities will be constructed in accordance with any applicable Franchise Agreement.
- C. The location and route of all Facilities to be installed aboveground or on existing utility poles.
- D. The location and route of all Facilities on or in the Public Rights of Way to be located under the surface of the ground, including the line and grade proposed for the burial at all points along the route within the City. Existing Facilities shall be differentiated on the plans from new Construction. If requested, a cross section shall be provided showing new or existing Facilities in relation to the street, curb, sidewalk or Right of Way.
- E. The Construction methods to be employed for protection of existing structures, fixtures, and Facilities within or adjacent to the Public Rights of Way, and description of any improvements that applicant proposes to temporarily or permanently remove or relocate.

**Section 13. Verification.** All Construction permit requests shall be accompanied by the verification of a registered professional engineer, or other qualified and duly authorized representative affirming that the drawings, plans and specifications submitted comply with applicable technical codes, rules and regulations.

**Section 14. Construction Schedule.** All Construction permit applications shall be accompanied by a written Construction schedule, which shall include an estimated date for completion of Construction. The Construction schedule is subject to approval by the Public Works Director.

**Section 15. Construction Permit Fee.** Prior to issuance of a Construction permit, the requestor shall pay a permit fee in an amount established by resolution, otherwise, by the City Council. Such fee shall be designed to defray the costs of City administration of the Construction. The City shall waive the Construction Permit Fee if the requestor is a non-breaching party to an unexpired Franchise Agreement with the City and that Franchise Agreement obligates the Franchisee to pay a Franchise Fee on all the Services it provides within the City or if the requestor is a Provider acting in compliance with this Chapter, including Right of Way use Fee payment obligations.

**Section 16. Issuance of Permit.** If satisfied that the plans and documents submitted comply with all requirements of this Ordinance and with any applicable Franchise Agreement, the Public Works Director shall issue a permit authorizing Construction of the Facilities, subject to such further conditions affecting the time, place and manner of performing the work.

**Section 17. Notice of Construction.** Except in the case of an Emergency, the permittee shall notify the Public Works Director not less than two (2) working Days in advance of any excavation or Construction in the Public Rights of Way.

**Section 18. Compliance with Permit.** All Construction practices and activities shall be in accordance with the permit and the approved final plans and specifications for the Facilities. The Public Works Director and representatives shall be provided access to the work site and such further information as they may require to ensure compliance with such requirements.

**Section 19. Noncomplying Work.** Subject to the notice requirements in Section 27, all work which does not comply with the permit, the approved or corrected plans and specifications for the work, or the requirements of this Ordinance, shall be removed at the sole expense of the permittee. The City is authorized to stop work in order to assure compliance with the provision of this Ordinance.

**Section 20. Completion of Construction.** The permittee shall promptly complete all Construction activities so as to minimize disruption of the Public Rights of Way and other public and private property. All Construction work within Public Rights of Way, including restoration, must be completed within one hundred twenty (120) Days of the date of issuance of the Construction permit unless an extension or an alternate schedule has been approved by the appropriate City official.

**Section 21. As-Built Drawings.** Unless otherwise provided in an unexpired Franchise Agreement, if requested by the City, the permittee shall furnish the City with up to two (2) complete sets of plans drawn to scale and accurately depicting the location of all Facilities constructed pursuant to the permit. These plans shall be submitted to the City Manager or designee within sixty (60) Days after completion of Construction, in a format acceptable to the City.

**Section 22. Restoration of Public Rights of Way and City Property.**

- A. When a permittee, or any Person acting on its behalf, does any work in or affecting any Public Rights of Way or City Property, it shall at its own expense promptly restore such ways or property to as good an order and condition as existed prior to the work, unless otherwise directed by the City. Repairs guaranteed by permittees shall meet all of the following conditions in order to remain in conformance with this ordinance:
1. The entire area shall be free from delamination of the approved surface material.
  2. No distortion of one-half inch (1/2") or greater shall exist over more than five percent (5%) of the total surface area of the repair.
  3. No cracks of one-quarter inch (1/4") or greater shall exist in the surface or edges of the repair totaling more than five percent (5%) of the repair perimeter.
  4. Distortion conditions over one inch may necessitate that full repairs be completed within twenty-four (24) hours of notification by the City.

Unless otherwise provided in an unexpired Franchise Agreement, the permittee shall, for a period of five (5) years thereafter, be fully liable for all defects in materials and workmanship relating to such Construction or Restoration.

- B. If weather or other conditions do not permit the complete restoration required by this Section, the permittee shall temporarily restore the affected Rights of Way or property. Such temporary restoration shall be at the permittee's sole expense and the permittee shall promptly undertake and complete the required permanent restoration when the weather or other conditions no longer prevent such permanent restoration.
- C. If the permittee fails to restore Rights of Way or property to good order and condition, the City shall give the permittee written notice and provide the permittee a reasonable period of time not exceeding thirty (30) Days to restore the Rights of Way or property. If, after notice, the permittee fails to restore the Rights of Way or property to as good an order and condition as existed before the work was undertaken, the City shall cause such restoration to be made at the expense of the permittee.

- D. A permittee or other Person acting on its behalf shall use suitable barricades, flags, flagging attendants, lights, flares and other measures as required for the safety of all members of the general public and to prevent injury or damage to any Person, vehicle or property by reason of such work in or affecting such Rights of Way or property.

**Section 23. Performance and Completion Bond.** Unless otherwise provided in an unexpired Franchise Agreement, a performance bond or other form of surety acceptable to the City equal to at least 100% of the estimated cost of Constructing permittee's Facilities within the Public Rights of Way of the City shall be provided to the City before Construction is commenced.

- A. Unless otherwise provided in an unexpired Franchise Agreement , the surety shall remain in force until sixty (60) Days after substantial completion of the work, as determined in writing by the City, including restoration of Public Rights of Way and other property affected by the Construction.
- B. Unless otherwise provided in an unexpired Franchise Agreement, the surety shall guarantee, to the satisfaction of the City:
1. Timely completion of Construction;
  2. Construction in compliance with applicable plans, permits, technical codes and standards;
  3. Proper location of the Facilities as specified by the City;
  4. Restoration of the Public Rights of Way and other property affected by the Construction; and
  5. Timely payment and satisfaction of all claims, demands or liens for labor, material, or services provided in connection with the work.

## **LOCATION OF FACILITIES**

**Section 24. Location of Facilities.** All Facilities located within the Public Right of Way shall be constructed, installed and located in accordance with the terms of the Construction permit and approved final plans and specifications for the Facilities, and all applicable City codes, rules and regulations. Whenever any existing electric utilities or Communications Facilities are within a Public Right of Way and are located underground or required to be located underground by City Code, a Communications Provider occupying or proposing to occupy the same Public Right of Way must also locate its Facilities underground at its own expense.

**Section 25. Interference with the Public Rights of Way.** No Communications Provider may locate or maintain its Facilities so as to interfere with the City's use of the Public Rights of Way or to unreasonably interfere with use by the general public or by other Persons authorized to use or occupy the Public Rights of Way. All use of Public Rights of Way shall be consistent with City codes, ordinances and regulations.

## **Section 26. Relocation or Removal of Facilities.**

- A. A Communications Provider shall, at no cost to the City, temporarily or permanently remove, relocate, change or alter the position of any Facilities within the Public Rights of Way, including relocation of aerial Facilities underground, when requested to do so in writing by the City.

- B. Nothing in this Section 26 shall be deemed to preclude a Communications Provider from requesting reimbursement or compensation from a third party, pursuant to applicable laws, regulations, tariffs or agreements, provided that the Communications Provider shall timely comply with the requirements of this Section 26 regardless of whether or not it has requested or received such reimbursement or compensation.
- C. The City shall provide at least 30 days written notice of the time by which the Communications Provider must remove, relocate, change, alter or underground its Facilities. The City may grant extensions upon the Communications Provider's request. If a Communications Provider fails to remove, relocate, alter or underground any Facility as requested by the City and by the date established by the City, the Communications Provider shall pay all costs incurred by the City due to such failure, including but not limited to costs related to project delays. Upon such failure, the City may cause the Facility to be removed, relocated, altered or undergrounded at the Communications Provider's sole expense and shall use qualified personnel or contractors consistent with applicable State and federal safety laws and regulations. Upon receipt of a detailed invoice from the City, the Communications Provider shall reimburse the City for the costs the City incurred within thirty (30) Days.

**Section 27. Removal of Unauthorized Facilities.** Within thirty (30) Days following written notice from the City or at a later date agreed upon by the parties, any Communications Provider or other Person who owns, controls or maintains any unauthorized system, Facility, or related appurtenances within the Public Rights of Way shall, at its own expense, remove such system, Facilities and/or appurtenances from the City Public Rights of Way. A system, Facility, or appurtenance is subject to removal under this Section in the following circumstances:

- A. One (1) year after the expiration or termination of the Communications Provider's Franchise Agreement, unless the City has provided written authorization for abandonment in place.
- B. Upon abandonment of a Facility within the Public Rights of Way. A Facility will be considered abandoned when it is deactivated, out of service, or not used for its intended and authorized purpose for a period of ninety (90) Days or longer. A Facility will not be considered abandoned if it is temporarily out of service during performance of repairs or if the Facility is being replaced. The City shall contact the Provider before concluding that a Facility is abandoned. A Facility may be abandoned in place and not removed if the City authorizes such abandonment and non-removal in writing and there is no apparent risk to the public safety, health, or welfare.
- C. If the Facility was Constructed or installed without the appropriate prior authority at the time of Construction or installation.
- D. If the Facility was Constructed or installed at a location not authorized by the Communications Provider's Franchise or other legally sufficient permit.

**Section 28. Coordination of Construction Activities.** A Communications Provider is required to make a good faith effort to cooperate with the City.

- A. By January 1 of each year, a Communications Provider shall provide the City with a schedule of their known proposed Construction activities in or near the Public Rights of Way or affecting the Right of Way.
- B. If requested by the City, a Communications Provider shall meet with the City to schedule and coordinate Construction in the Public Rights of Way.

- C. All Construction locations, activities and schedules shall be coordinated, as ordered by the City Engineer or designee, to minimize public inconvenience, disruption or damages.

**COMMUNICATIONS FRANCHISE AGREEMENTS REQUIRED**

**Section 29. Registration, Franchise Application and Franchise Agreement Required.**

- A. Prior to occupying City Public Rights of Way, all Communications Providers shall register with the City pursuant to Section 6, shall file a Franchise Application with the City pursuant to Section 30 below, and shall enter into a Franchise Agreement with the City.
- B. Multiple Franchises Not Required. Notwithstanding anything to the contrary in this Ordinance, a Communications Provider who is a non-breaching party to an unexpired Franchise Agreement for a Service it provides within the City shall not be required to enter into a multiple or different Franchise Agreements for its provision of a different Service within the City as long as the Provider has registered all its Services with the City pursuant to Section 6 of this Ordinance. Further, nothing in this subsection waives a Provider's duty to pay Franchise Fees or Right of Way Use Fee as required under Section 36 of this Ordinance
- C. Any Person whose Communications Facilities occupy the Public Right of Way, with or without a valid Franchise Agreement from the City, must comply with all provisions of this Ordinance, specifically including payment of any applicable Right of Way Fees pursuant to Section 36.

**Section 30. Franchise Application.**

- A. Any Person who desires a Franchise Agreement with the City must first file a Franchise Application with the City Manager. The purpose of a Franchise Application is to provide the City with necessary information regarding the Communications Provider's Services and Public Right of Way needs. The Franchise Application shall include, at minimum, the following information:
  - 1. The identity of the applicant.
  - 2. A description of the services to be offered or provided by the applicant over its Facilities, including an indication of whether the applicant will provide solely Cable Service.
  - 3. Engineering plans, specifications, and a network map in a form customarily used by the applicant of the Facilities located or to be located within the Public Rights of Way in the City, including the location and route requested for applicant's proposed Facilities.
  - 4. The area or areas of the City the applicant desires to serve and a preliminary Construction schedule for build-out to the entire Franchise area.
  - 5. Information to establish that the applicant has obtained all other governmental approvals and permits to construct and operate the Facilities and to offer or provide the Communications Service proposed.
  - 6. An accurate map showing the location of any existing Facilities in the City that applicant intends to use or lease.

47

- B. Any Communications Provider occupying the Public Rights of Way without a Franchise Agreement as of the effective date of this Ordinance shall file a Franchise Application pursuant to this Section within forty-five (45) Days of the effective date of this Ordinance.

**Section 32. Determination by the City.** The City shall issue a written preliminary determination granting or denying the Franchise application in whole or in part. If the Franchise Application is denied, the written determination shall include the reasons for denial. The City shall evaluate the Franchise Application based upon: the continuing capacity of the Public Rights of Way to accommodate the prospective Franchisee's proposed Facilities; the prospective Franchisee's legal, technical and financial ability to comply with the provisions of this Ordinance; and the prospective Franchisee's compliance with applicable Federal, State and local laws, rules, contractual obligations and regulations.

**Section 33. Scope of Franchise Agreement; Effect of Ordinance on Franchise Agreement.**

- A. No Franchise granted pursuant to this Ordinance shall convey any right, title or interest in the Public Rights of Way, but shall be a non-exclusive grant to use and occupy the Public Rights of Way for the limited purposes, terms, and conditions provided in the Franchise Agreement.
- B. The rights granted by any Franchise Agreement are limited to the right to use the Public Rights of Way for the provision of Communications Services as defined herein. Nothing in the Franchise shall be construed to prevent the City from grading, paving, repairing and/or altering any Public Rights of Way, constructing, laying down, repairing, relocating or removing City infrastructure or establishing any other public work, utility or improvement of any kind, including repairs, replacement or removal of any City Infrastructure. If a Franchisee's Facilities interfere with the Construction, repair, replacement, alteration or removal of any Public Rights of Way, public work, City utility, City improvement or City infrastructure, except those used to provide competing Communications Services, such Facilities shall be removed or relocated as provided in Section 26 and 27 of this Ordinance, in a manner acceptable to the City and consistent with industry standard engineering and safety codes.
- C. Application to Franchise Agreements Adopted After this Ordinance. A Franchise Agreement granted hereunder shall at all times comply with the requirements of this Ordinance unless this Ordinance expressly authorizes different terms. In this Ordinance, such authorization is indicated by the introductory phrase, "Unless otherwise specified in an unexpired Franchise Agreement..."
- D. Application to Franchise Agreements Adopted Prior to this Ordinance. To the extent that this Ordinance can be implemented consistently with an unexpired Franchise Agreement adopted prior to this Ordinance, the terms of this Ordinance shall prevail. To the extent that this Ordinance conflicts with and cannot be implemented consistently an unexpired Franchise Agreement adopted prior to this Ordinance, the terms of the unexpired Franchise Agreement shall prevail.

**Section 34. Term of Grant.** Unless otherwise provided in an unexpired Franchise Agreement, a Franchise granted hereunder shall be in effect for an initial term of five (5) years and may be renewed subject to Sections 38 and 39 of this Ordinance.

**Section 35. Franchise Territory.** Unless otherwise provided in an unexpired Franchise Agreement, a Communications Franchise granted hereunder shall be limited to a specific geographic area of the City to be served by the Franchisee and the Public Rights of Way necessary to serve such areas and may include the entire City.

**Section 36. Franchise Fee and Right of Way Use Fee.**

- A. A Franchise Agreement granted hereunder shall require the Franchisee to pay a Franchise Fee in an amount determined by resolution of the City Council.
- B. Every Communications Provider occupying or using the Public Rights of Way without an unexpired Franchise Agreement which imposes a Franchise Fee, whether or not the Provider owns the Facilities used to provide its Services, shall pay a Right of Way Use Fee in the amount of the Franchise Fee determined by resolution of the City Council.
- C. Credit and Waiver.
  - 1. The City shall provide a Right of Way Use Fee Credit to any Communications Providers who, pursuant to a Franchise Agreement, pays to the City Franchise Fees due and owing. The amount of the Right of Way Use Fee Credit shall be equal to the Franchise Fees paid to the City during that Right of Way Use Fee billing period.
  - 2. The City Manager or designee may, at his or her sole discretion and through the adoption of a written rules, grant a full or partial Right of Way Use Fee annual waiver for a Communications Provider who can demonstrate that it has received, earned, or derived (or expects to receive, earn or derive) little or no gross revenues from its use or occupation of the Right of Way during that year. Such written rule shall establish the maximum threshold gross revenue amounts necessary for such waiver to apply.
- D. If the Communications Provider's sole use of the Public Right of Way is to place wireless Facilities above the ground on existing poles or similar structures in the Public Right of Way and the operator does not install or use lines, wires or cables, such Communications Provider is not required to pay a Right of Way Use Fee or a Franchise Fee under this Section, as long as it complies with all other applicable requirements of this Ordinance and all other applicable City codes, regulations and rules. Nothing in this Subsection C limits the City's authority to charge reasonable rental or pole attachment rates for the private use of City property.
- E. Unless otherwise specified in an unexpired Franchise Agreement, the Franchise Fees required by this Section shall be paid within thirty (30) Days after the end of each calendar quarter. Each payment shall be accompanied by an accounting of gross revenues and a calculation of the amount payable. Unless otherwise specified in an unexpired Franchise Agreement, the Franchisee shall pay interest at the rate of nine percent (9%) per year for any payment made after the due date.
- F. The Franchise Fee or Right of Way Use Fee required in this Section remain subject to any applicable limitations imposed by federal or State statutes.

**Section 37. New Facilities or Services.**

- A. A new registration shall be required of any Franchisee who desires to extend or locate its Facilities within Public Rights of Way if such Facilities are not previously included in an unexpired Franchise Agreement with the City.
- B. A new registration shall be required of any Franchisee who desires to provide an additional Communication Service which was not previously included in an unexpired Franchise Agreement with the City.

**Section 38. Franchise Term Renewals.** Unless otherwise provided in an unexpired Franchise Agreement and unless prohibited under State or federal law, a Franchise, if renewed, shall be renewed in the following manner. Franchisees who desire to renew an unexpired Franchise under this Ordinance shall, not less than one hundred eighty (180) Days before expiration of the current Franchise Agreement, file a request for renewal with the City, which shall include the following information:

- A. The information required pursuant to Section 30 of this Ordinance.
- B. Any additional information required pursuant to the existing Franchise Agreement between the City and the Franchisee.
- C. Any desired amendments to the existing Franchise Agreement, including the desired renewal term, provided that such amendments do not violate or conflict with this Ordinance.

**Section 39. Renewal Determinations.** Within ninety (90) Days after receiving a complete renewal request under Section 38, the City shall issue a written determination granting or denying the renewal request in whole or in part. Such renewal shall be for a renewal term or terms to be mutually decided on by the parties. If the renewal request is denied, the written determination shall provide the reasons for non-renewal. The City shall evaluate the renewal based upon the capacity of the Rights of Way to accommodate the Franchisee's Facilities; the Franchisee's legal, technical and financial ability to comply with the provisions of this Ordinance; and Franchisee's compliance with any applicable federal, State and local laws, contractual obligations, rules, or regulations.

**Section 40. Obligation to Cure As a Condition of Renewal.** The City shall not renew a Franchise Agreement unless the Franchisee has cured any violations or defaults in the Franchisee's performance of the Franchise Agreement, this Ordinance, or has provided the City with a City-approved plan detailing the corrective action to be taken.

**Section 41. Assignments or Transfers of Franchise.** A Franchise granted under this Ordinance may not be directly or indirectly transferred, assigned or disposed of by sale, lease, merger, consolidation or by other act of the Franchisee, by operation of law or otherwise, without the prior written consent of the City, which consent shall not be unreasonably withheld or delayed. City consent conditions shall include, but shall not be limited to:

- A. The Franchisee and the proposed assignee or transferee of the Franchise shall agree in writing to assume and abide by all of the provisions of the Franchise Agreement.
- B. No transfer shall be approved unless the City determines the assignee or transferee has the legal, technical and financial ability to comply with the provisions of this Ordinance and applicable Federal, State and local laws, rules, regulations.
- C. The Franchisee shall reimburse the City for all direct and indirect fees, costs, and expenses reasonably incurred by the City in considering a request to transfer or assign a Franchise, unless City is expressly prohibited from requesting such reimbursement by state or federal statutes.
- D. Any transfer or assignment of a Franchise, system or integral part of a system without prior City approval or without a valid Franchise Agreement shall be void and is cause for revocation of the Franchise.

**Section 42. Termination of Franchise Agreement.** A Franchise Agreement to use or occupy Public Rights of Way may be terminated by the City for the following reasons:

- A. Construction or operation in the City or in the Public Rights of Way without a Construction permit.
- B. Construction or operation at an unauthorized location or in violation of any required City approvals or permits.
- C. Failure to comply with Section 41 herein with respect to sale, transfer or assignment of a system or Franchise.
- D. Misrepresentation by or on behalf of a Franchisee to the City in any Registration request or Franchise Application or Franchise Renewal Request.
- E. Unauthorized abandonment of Facilities in the Public Rights of Way.
- F. Failure to relocate or remove Facilities as required in this Ordinance.
- G. Failure to pay taxes, compensation, fees or costs when and as due the City under this Ordinance or under an applicable Franchise Agreement.
- H. Insolvency or bankruptcy of the Franchisee.
- I. Violation of material provisions of this Ordinance.
- J. Violation of the material terms of a Franchise Agreement.

**Section 43. Notice and Duty to Cure.** In the event that the City believes that grounds exist for termination of a Franchise Agreement, the City shall give the Franchisee written notice of the alleged violation and shall provide a short and concise statement of the nature and general facts of the violation. City shall provide the Franchisee a reasonable period of time, not exceeding thirty (30) Days, to furnish evidence that:

- A. Corrective action has been or is being expeditiously pursued to remedy the violation;
- B. Rebuts the alleged violation; and/or
- C. Explains why it would be in the public interest to impose a penalty or sanction less than termination.

**Section 44. Public Hearing.** In the event that a Franchisee fails to provide evidence reasonably satisfactory to the City as provided in Section 43, the City Manager shall refer the alleged violation to the City Council. The City Council shall provide the Franchisee with notice and a reasonable opportunity to be heard concerning the matter.

**Section 45. Standards for Termination or Lesser Sanctions.** If persuaded that the Franchisee has violated a material provision of this Ordinance or of a Franchise Agreement or has committed the violations listed in Section 42 above, the City Council may terminate the Franchise or may establish some lesser sanction and cure, including but not limited to the assessment of penalties pursuant to Section 60. In doing so, the City Council shall consider the nature, circumstances, extent, and gravity of the violation as reflected by one or more of the following factors, whether:

- A. The violation was egregious.
- B. Substantial harm resulted.

51

- C. The violation was intentional or repeated.
- D. There is a history of prior violations of the same or other requirements.
- E. There is a history of overall compliance.
- F. The violation was voluntarily disclosed, admitted or cured.

**Section 46. Other City Costs.** All Franchisees or Communications Providers shall, within thirty (30) Days after City's written demand therefore, reimburse the City for all reasonable direct and indirect costs and expenses incurred by the City in connection with any modification, amendment, renewal or transfer of the Franchise or any Franchise Agreement, unless the City is expressly prohibited from requesting such reimbursement by federal or state statute.

**Section 47. Damage to Communication Provider's Facilities.** Unless otherwise provided in an unexpired Franchise Agreement, the City shall not be liable for any damage or injury to or loss of any Facility, property, or Person as a result of or in connection with any City public works, public improvements, Construction, excavation, grading, filling, or work of any kind in the Public Rights of Way by or on behalf of the City, or for any consequential losses resulting directly or indirectly therefrom unless such damage or injury is directly caused by the City's negligent, intentional or malicious acts. City liability hereunder shall at all times be limited by Oregon's statutory and constitutional tort claim limits.

**Section 48. Duty to Provide Information.**

- A. Except in emergencies, within sixty (60) Days of the City's written request, a Communications Provider shall provide the City with the following:
  - 1. Information sufficient to demonstrate that Communications Provider has complied with all requirements of this Ordinance and any applicable Franchise Agreement, including but not limited to the Franchise Fee or Right of Way Use Fee payments required by Section 36.
  - 2. Unless otherwise provided in an unexpired Franchise Agreement, all books, records, maps, and other documents, maintained by the Communications Provider with respect to its Facilities within the Public Rights of Way.
- C. Unless otherwise provided in an unexpired Franchise Agreement, if the City's audit or review of the Communications Provider's books, records and other documents or information demonstrates that the Communications Provider has underpaid the applicable Franchise Fee or the Right of Way Use Fee by three percent (3%) or more in any one fiscal year, the Communications Provider shall reimburse the City for the cost of the audit or review, in addition to correcting the underpayment and paying any interest or penalties owed. Any underpayment, including any interest or audit cost reimbursement, shall be paid within thirty (30) Days of the City's notice to Communications Provider of such underpayment, unless other payment timelines are otherwise provided in an unexpired Franchise Agreement.

**Section 49. City Use of Provider's Services or Facilities.** Unless otherwise provided in an unexpired Franchise Agreement, if the City contracts for the use of a Communications Provider's Facilities, services, installation, or maintenance, the Communications Provider shall offer the City its' most favorable current rate charged to similar Oregon users for similar services. With the City's written

52

permission, the Communications Provider may deduct the agreed-upon applicable City charges for such City use of the Provider's Facilities or services any Franchise Fees or Right of Way Use Fees due and owing. The terms and conditions of the City's use of such services or facilities shall be specified in a written Franchise Agreement or other agreement between the City and the Communications Provider.

**Section 50. Compensation for City Property.** If any right is granted by lease, Franchise Agreement, or other manner, to use and occupy City Property (not Right of Way) for the installation of Facilities or other infrastructure, the compensation to be paid for such right and use shall be fixed by the City through a separate agreement with the Communications Provider.

**Section 51. Cable Franchise.** Cable Service Providers shall be subject to this Ordinance to the extent not inconsistent with the Cable Act. The City and the Cable Provider shall enter into a Cable Franchise Agreement with the City, subject to all applicable provisions of State and federal law, including the Cable Act.

**Section 52. Leased Capacity.** A Communications Provider may, without prior City approval, offer or provide capacity or bandwidth to its customers by lease, use agreements or otherwise, provided that the Communications Provider shall notify the City of the following: that such lease or use agreement has been granted and the type or nature of the use or lease granted.

**Section 53. Insurance.** Unless otherwise provided in an unexpired Franchise Agreement, each Communications Provider shall, as a condition of the grant, secure and maintain liability insurance policies in amounts and types satisfactory to the City which insure both the Communications Provider and the City and its elected and appointed officers, officials, agents and employees as additional insured. Unless otherwise provided in an unexpired Franchise Agreement, the liability insurance policies required by this Section shall be maintained by the Communications Provider throughout the term of the Franchise Agreement, and any such other period of time during which the Communications Provider is operating or has Facilities within the Public Rights of Way. Unless otherwise provided in an unexpired Franchise Agreement, each Communications Provider shall maintain continuous uninterrupted coverage and shall provide such policies upon City's request. As an alternative to the insurance requirements contained herein, a Communications Provider may provide evidence of self-insurance, subject to written acceptance by the City.

**Section 54. General Indemnification.** Each Franchise Agreement shall include, unless prohibited by law, the Franchisee's express promise to defend, indemnify and hold the City and its officers, employees, agents and representatives harmless from and against any and all damages, losses and expenses, including reasonable attorneys' fees and costs of suit or defense, arising out of, relating to, resulting from or alleged to arise out of, relate to or result from the negligent, careless or wrongful acts, omissions, failures to act or misconduct of the Franchisee or its affiliates, officers, employees, agents, contractors or subcontractors in the Construction, operation, maintenance, repair or removal of its Facilities or related to the Communication Provider's provision of Services over the Facilities, whether or not such acts or omissions are authorized, allowed or prohibited by this Ordinance or by a Franchise Agreement.

**Section 55. Performance Surety.** Unless otherwise provided in an unexpired Franchise Agreement, before a Franchise granted pursuant to this Ordinance is effective, and as necessary thereafter, the Communications Provider shall provide a performance bond, in form and substance acceptable to the City, as security for the full and complete performance of a Franchise Agreement granted under this Ordinance, including any costs, expenses, damages or loss the City pays or incurs because of any failure attributable to the Franchisee to comply with the City Code, ordinances, rules, regulations or permits. This obligation is in addition to the performance surety required by Section 23 for Construction of Facilities.

**GENERAL PROVISIONS**

**Section 56. Governing Law.** Any Franchise Agreement granted under this Ordinance is subject to the provisions of the constitutions and laws of the United States and the State of Oregon and the ordinances and Charter of the City.

**Section 57. Written Agreement.** No Franchise Agreement shall be granted hereunder except by a writing duly executed by the Franchisee and the City.

**Section 58. Nonexclusive Grant.** No Franchise Agreement granted under this Ordinance shall confer any exclusive right, privilege, license or Franchise to occupy or use the Public Rights of Way for delivery of Communications Service or any other purposes.

**Section 59. Severability and Preemption.** If any article, section, subsection, sentence, clause, phrase, term, provision, condition, covenant or portion of this Ordinance is for any reason held to be invalid or unenforceable by a court of competent jurisdiction, or superseded by State or federal legislation, rules, regulations or decision, the remainder of the Ordinance shall not be affected thereby but shall be deemed as a separate, distinct and independent provision, and such holding shall not affect the validity of the remaining portions of the Ordinance, and each remaining section, subsection, sentence, clause, phrase, provision, condition, covenant and portion of this Ordinance shall be valid and enforceable to the fullest extent permitted by law. In the event that federal or State laws, rules or regulations preempt a provision or limit the enforceability of a provision of this Ordinance, then the provision shall be read to be preempted only to the extent required by law. In the event such federal or State law, rule, or regulation is subsequently repealed, rescinded, amended or otherwise changed so that the provision hereof that had been preempted is no longer preempted, such provision shall thereupon return to full force and effect, and shall thereafter be binding, without the requirement of further action on the part of the City.

**Section 60. Penalties.** Any Person found guilty of violating, disobeying, omitting, neglecting or refusing to comply with any of the provisions of this Ordinance or a valid Franchise Agreement shall be subject to penalties pursuant to the Falls City Municipal Code. A separate and distinct offense shall be deemed committed each day on which a violation occurs.

**Section 61. Other Remedies.** Nothing in this Ordinance shall be construed as limiting any judicial remedies that the City may have, at law or in equity, for enforcement of this Ordinance.

**Section 62. Captions.** The captions to sections throughout this Ordinance are intended solely to facilitate reading and reference to the sections and provisions contained herein. Such captions shall not affect the meaning or interpretation of this Ordinance.

**Section 63. Compliance with Laws.** Any Communications Provider under this Ordinance shall comply with all federal and State laws and regulations, as well as all ordinances, resolutions, rules and regulations of the City.

**FIRST READING** by the Council this 9th day of December, 2019.

**SECOND READING** by the Council this \_\_\_\_ day of \_\_\_\_\_, 2020.

**ADOPTED** by the City Council this \_\_\_\_ day of \_\_\_\_\_, 2020.

**APPROVED** by the Mayor this \_\_\_\_ day of \_\_\_\_\_, 2020.

**ATTEST:**

Ordinance No. 557-2019

54

---

Jamie Ward, City Clerk

---

Jeremy Gordon, Mayor

55

---

---

## STAFF REPORT

---

---

**TO:** HONORABLE MAYOR AND CITY COUNCIL  
**FROM:** CITY MANAGER, MAC CORTHELL  
**SUBJECT:** SURPLUS PROPERTY  
**DATE:** DECEMBER 9, 2019

---

### SUMMARY

A proposal to declare some city owned vehicles and equipment surplus property.

### PROPOSED SURPLUS

1989 International Dump Truck- This vehicle is rarely used, and generally only to move gravel from one location to another for road maintenance and for water/sewer system repairs. The vehicle requires a class B commercial driver's license to operate and no city staff have held such a license for at least 2 years. City staff will replace the capability of this vehicle with a hydraulic lift trailer.

1978 Grader- This equipment is used one or two times per year to maintain the City's unpaved roads. It has had constant mechanical issues since its arrival two years ago, costing over \$8,000 last year to get/keep it running, and the City still had to outsource some of our road grading due to the machine breaking down on the road.

2004 Chevy Pickup- This vehicle is no longer used and is not needed by any city department. Failure to surplus as soon as possible will lead to a decline in value + insurance costs + maintenance costs.

2006 Ford F-350 with Plow- City Staff plans to keep this vehicle through the winter season in order to plow roads in case of snow. In the future, the City's public works vehicle will be equipped with snow plow capability and full plow services will be sought via IGA.

1996 Chevy Tahoe- With the addition of the new Fire brush rig, this vehicle became more or less obsolete. Chief Young has said this vehicle is not needed and rarely used.

Staff intends to retain grader and dump truck through rainy (road maintenance) season, and snow plow through winter season. Thereafter, Staff will retain 2017 PW truck as PW and Fire backup and/or duty truck when needed, and will purchase a new PW truck and trailer outfitted for plowing, towing and dumping.

### PREVIOUS COUNCIL ACTION

1986 Ford L9000 Fire Pumper- Declared surplus by the Council in January 2019 (\$9000)

### FINANCIAL IMPLICATIONS

The City gains the proceeds from the sales, approximately \$55k-\$70k.

The City saves \$3,508 per year in insurance.

The City saves on all maintenance performed on these vehicles (over \$12,000 last year).

The City minimizes depreciation by selling sooner rather than later.

**STAFF RECOMMENDATION**

Adopt.

**EXHIBIT**

Resolution 25-2019 and Attachment "A" thereto.

**PROPOSED MOTION**

I move the City Council of the City of Falls City adopt Resolution 25-2019, A RESOLUTION DECLARING CERTAIN CITY VEHICLES SURPLUS PROPERTY AND AUTHORIZING THE SALE OR DISPOSITION THEREOF.

RESOLUTION 25-2019

A RESOLUTION DECLARING CERTAIN CITY VEHICLES SURPLUS PROPERTY AND AUTHORIZING THE SALE OR DISPOSITION THEREOF

Whereas:

1. Property is considered "surplus" when it no longer serves the needs of the city and, therefore the public; and
2. Surplus property should be disposed of when doing so is in the public interest; and
3. The City of Falls City is currently in possession of property that no longer serves the needs of the city and, therefore the public; and
4. Nothing in the City's governing documents delineates a procedure for declaration or disposition of Surplus City Property.

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

Section 1. The items listed in attachment "A" are declared surplus property. The surplus property listed in attachment "A" shall be disposed of in the manner delineated in said attachment.

Section 2. The City Manager shall determine and utilize the most advantageous method of sale for all surplus property to be disposed of by sale. The methods include, but are not limited to, State Surplus Property, Craigslist, Facebook, Community Boards, and direct contact with City Hall.

Section 3. The City Manager shall determine appropriate pricing based on comparable sales and valuation tools like Kelly Blue Book, for all surplus vehicles and equipment delineated in attachment "A."

Section 4. Monies received from the sale of Surplus Property will be allocated to the City's General Fund.

Section 5. This Resolution shall be effective immediately upon passage.

Continued on next page...

ADOPTED BY THE FALLS CITY COUNCIL ON THIS 9th day of December, 2019.

Vote: AYE\_\_\_\_\_ NAY\_\_\_\_\_ ABSTAIN\_\_\_\_\_ ABSENT\_\_\_\_\_

\_\_\_\_\_  
Date

\_\_\_\_\_  
Jeremy Gordon, Mayor

Attest:

\_\_\_\_\_  
Date

\_\_\_\_\_  
Jamie Ward, City Clerk

**Resolution 25-2019**

**Attachment A**

<b>Department</b>	<b>Description</b>	<b>Year</b>	<b>Manner of Disposal</b>
Public Works	Chevy Pickup	2004	Sale
Public Works	Ford F-350 w/plow	2006	Sale after snow season
Public Works	International Dump Truck	1989	Sale after road maintenance season
Public Works	Clark Grader	1978	Sale after road maintenance season
Fire	Chevy Tahoe	1996	Sale

---

---

## STAFF REPORT

---

---

**TO:** HONORABLE MAYOR AND CITY COUNCIL  
**FROM:** CITY ATTORNEY, ROSS WILLIAMSON AND CITY MANAGER, MAC CORTHELL  
**SUBJECT:** RESOLUTION 26-2019 SECTION 31(B) VACANCIES  
**DATE:** DECEMBER 9, 2019

---

### SUMMARY

City Attorney's interpretation and proposed process for declaring a Council Vacancy under Falls City Charter Section 31, Paragraph B.

Resolution 26-2019 giving effect to the City Attorney's recommendations and interpretations on the issue.

### BACKGROUND

Councilor Radke has missed the following meetings this year:

June 24, 2019 Special Meeting;  
August 27, 2019 Special Meeting;  
September 9, 2019 Regular Meeting;  
September 23, 2019 Special Meeting;  
November 19, 2019 Regular Meeting.

### RELEVANT LAW

Section 31 of the Falls City Charter deals with vacancies, and states the following (relevant clause in bold and italic):

The mayor or a council office becomes vacant:

(a) Upon the incumbent's:

(1) Death, (2) Adjudicated incompetence, or (3) Recall from the office.

(b) Upon declaration by the council after the incumbent's:

(1) Failure to qualify for the office within 10 days of the time the term of office is to begin,  
(2) Absence from the city for 30 days without council consent **(3) Absence from all council meetings within a 90-day period, (4) Absence from 5 council meetings in a calendar year** (5) Ceasing to reside in the city, (6) Ceasing to be a qualified elector under state law, (7) Conviction of a public offense punishable by loss of liberty, (8) Resignation from the office, or (9) Removal under Section 33(i).

### ISSUE

Handling of vacancy declarations under Section 31(b) of the Falls City Charter.

**STAFF RECOMMENDATION**

The City Attorney was asked to provide an opinion on this issue. The opinion is attached to this Staff Report and City Staff concurs with that opinion.

**EXHIBIT**

1. City Attorney's Opinion on Section 31 of the Falls City Charter.
2. Resolution 26-2019 Section 31(b) Vacancies

**PROPOSED MOTION**

I move the City Council of Falls City adopt resolution 26-2019, A RESOLUTION DECLARING A PROCEDURE FOR DECLARING VACANCIES UNDER SECTION 31(b) OF THE FALLS CITY CHARTER.

## Mac Corthell

---

**From:** Ross Williamson <ross@localgovtlaw.com>  
**Sent:** Thursday, December 5, 2019 12:03 PM  
**To:** Mac Corthell  
**Subject:** Charter interpretation

**Flag Status:** Flagged

Mac:

Here are my thoughts on the Charter interpretation question.

The question raised concerns how a Council seat becomes vacant due to absences from Council meetings. This question invokes an interpretation of City Charter Section 31, which provides in full:

Section 31. Vacancies: The mayor or a council office becomes vacant:

(a) Upon the incumbent's:

- (1) Death,
- (2) Adjudicated incompetence, or
- (3) Recall from the office.

(b) Upon declaration by the council after the incumbent's:

- (1) Failure to qualify for the office within 10 days of the time the term of office is to begin,
- (2) Absence from the city for 30 days without council consent
- (3) Absence from all council meetings within a 90-day period,
- (4) Absence from 5 council meetings in a calendar year
- (5) Ceasing to reside in the city,
- (6) Ceasing to be a qualified elector under state law,
- (7) Conviction of a public offense punishable by loss of liberty,
- (8) Resignation from the office, or
- (9) Removal under Section 33(i).

Overall, Section 31 of the City Charter sets out a number of ways that a Council position becomes vacant. Once a vacancy arises under Section 31, the seat then becomes subject to being filled under the procedures set out in Section 32 (procedures for filling vacant seats on the Council).

Section 31 of the City Charter breaks up the list of vacancy creating occurrences into two separate lists. The first list under Section 31(a) provides that a vacancy occurs "upon" the happening of specific events (death, incompetence, or recall). So, if a Councilor suffers from one of those three occurrences under Section 31(a), the subject Councilor's seat becomes vacant once the listed event occurs. For example, a Council seat would become vacant at the time a Councilor is recalled from office under the election recall procedures set out in state law (ORS 249.865 - 249.877).

The second list is found under Section 31(b). This list has a list of occurrences, like Section 31(a), but unlike the list under Section 31(a), the list under Section 31(b) is preceded by the provision that a vacancy is only created "upon declaration by the council...."

So, a vacancy under Section 31(b) is only created after a two-step process happens. The first step is the occurrence of one of the listed events (e.g., ceasing to reside in the city). The second step is the declaration of the Council that the

occurrence has occurred and the seat is vacant. Because the declaration is an action of the Council, the declaration by the Council should occur at a public meeting and via a vote of the Council.

Removing someone from office is a serious event. As a result, I recommend the Council undertake some procedures before making the declaration called for under Section 31(b). These procedures are not required by the City Charter, but they would provide the vacancy determination with a level of process that fits the seriousness of the event.

The first step I recommend is a written reminder to the subject Councilor. A Councilor that is facing possible removal under Section 31(b) should be reminded of the Councilor's attendance obligations and reminded that the Council has the authority to declare a seat vacancy for the events set out in Section 31(b). Ideally, this reminder would allow the subject Councilor to remedy the possible vacancy occurrence before it fully ripens and allow the Council its full complement of Councilors to conduct City business.

If a reminder notice does not cure the absentee problem (whether through resignation or through adhering to the attendance requirements), and the Council wants to proceed with declaring the position vacant, I recommend that the subject Councilor be notified of the upcoming Council discussion, and be invited to appear and present the subject Councilor's position as to why the Council should not declare the seat vacant under Section 31(b). Basically, this notice would be similar in form to a pre-termination notice used in the employment context. The notice would set out the events that give rise to the vacancy occurrence under Section 31(b), describe that the Council will be considering a vacancy declaration under Section 31(b) at a public meeting set for a specific date and time, and that the subject Councilor is invited to appear and present the Councilor's position at the meeting.

Again, these procedural recommendations are not required by the Charter, but they are borne out of the seriousness of declaring a vacancy under Section 31(b) and the serious deliberation that should be afforded such a decision.

-Ross

RESOLUTION 26-2019

A RESOLUTION DECLARING A PROCEDURE FOR DECLARING VACANCIES UNDER SECTION 31(b) OF THE FALLS CITY CHARTER

Whereas:

1. The City Charter is the instrument governing the required and discretionary acts, and the authority of the City Council; and
2. Section 31 of the City Charter describes how a Council Seat becomes or may be declared vacant; and
3. Nothing in the City's governing documents delineates a procedure for declaring a council seat vacant; and
4. It is in the best interest of the City to have a fully staffed City Council conducting business and representing the constituency; and
5. The serious nature of removing an elected official from office begs for some reasonable process to be followed.

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

Section 1. Prior to declaring a vacancy under section 31(b)(3) or 31(b)(4) the City Manager or their designee shall provide a written reminder to the Council member in question reminding them of the various obligations under Section 31(b)(3) or 31(b)(4) of the Falls City Charter.

- a) The written reminder shall be delivered prior to the meeting at which an absence would constitute a violation of the mentioned rules.
- b) In case of failure to deliver the written reminder prior to the meeting at which an absence would constitute a violation of the mentioned rules, a reminder will be delivered as soon as practicable thereafter.

Section 2. If a council member violates, or continues to violate section 31(b)(3) or 31(b)(4) of the Falls City Charter, after being delivered the written reminder in Section 1 of this resolution, that Council member shall be delivered a notice of intent to declare their seat vacant, and an opportunity to speak on the issue at the same public meeting in which the declaration will be considered by the City Council.

- a) Such notice shall be delivered to the Councilor's residence in Falls City, or to the Councilor in-person, at least 7 days prior the public meeting at which the declaration will be considered by the City Council.
- b) The notice shall contain a listing of the events leading to the proposed declaration of vacancy, and the charter sections alleged to have been violated.

Section 3. If a Council member commits a perceived violation of any other paragraph of Section 31(b), other than Sections 31(b)(3) and 31(b)(4), no written reminder will be required, but the notice and opportunity provisions contained in section 2 of this resolution do apply.

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

ADOPTED BY THE FALLS CITY COUNCIL ON THIS 9th day of December, 2019.

Vote: AYE \_\_\_\_\_ NAY \_\_\_\_\_ ABSTAIN \_\_\_\_\_ ABSENT \_\_\_\_\_

\_\_\_\_\_  
Date

\_\_\_\_\_  
Jeremy Gordon, Mayor

Attest:

\_\_\_\_\_  
Date

\_\_\_\_\_  
Jamie Ward, City Clerk

---

---

## STAFF REPORT

---

---

**TO:** HONORABLE MAYOR AND CITY COUNCIL  
**FROM:** CITY MANAGER, MAC CORTHELL  
**SUBJECT:** LUCKIAUMUTE CLINIC PROPERTY  
**DATE:** DECEMBER 9, 2019

---

### SUMMARY

Update on status and options for Luckiaumute Clinic Property.

### BACKGROUND

In 2017 Dr. Steele donated the Old Luckiaumute Clinic Property to the City of Falls City. Since then the buildings on the property have been sitting vacant and degrading. At one point an appraisal and inspection were completed on the property.

In 2018 a citizen advisory committee was commissioned by the Mayor to hear proposals on the property and craft a recommendation to the City Council. In addition, a request for proposals was circulated locally (and to a lesser extent regionally) in hopes of finding a proposal that would be beneficial to the city and pass muster with the City Council.

Nearly a year later in 2019 only two proposals had been received, and only one had even an appearance of feasibility. That proposal would have seen the owners of Turning Earth Farms providing in-kind restoration work in lieu of rent for a period, then managing the building as a quasi-community center/multi-use property in exchange for some portion of the proceeds. The moving parts and contingencies ended up being infeasible to overcome for all parties involved and the potential agreement was scrapped along with the citizen advisory committee.

### CURRENT

The City owns two buildings in a prime Main St. business location that are sitting vacant, and in turn, degrading. This causes several issues:

- 1) Blight in a given area tends to drive down property values. When blight and low property values occur in a retail business area it drives away business and disincentivizes entrepreneurship not only in the blighted property, but the entire area.
- 2) Degradation of the buildings and property mean a larger upfront investment to make it habitable for a business, and/or to make a business go operational. This both shrinks the pool of potential business occupants to those willing and able to make the larger investment, and may require a larger front side investment by the city to incentivize development.
- 3) Unused assets become liabilities. In this case, the only function the property serves is cost and risk. The costs are associated with holding and depreciation through degradation, and the risk is that some casualty would befall the property or some accident would occur on it that could cost the city the financial benefit of the buildings on the property, or a great deal more in liability for harm.

- 4) The loss of income to the city. This would be seen through a lease, property taxes, business licensure, and/or outright sale.

#### **FUTURE**

While the initial attempt at purposing the property was not successful, several valuable lessons were learned, and when one door closes another opens up. City Staff is in the process of getting 3 quotes to determine how much it would cost to make the building habitable.

Once quotes have been received City Staff will bring them to the Council along with a proposal to fund the repairs. It has become clear that grants to fund restoration of a city owned building are nearly non-existent and not a reliable source to depend on for funding. As such, City Staff will likely ask the Council to approve a loan or withdrawal from the Falls City Revolving Loan fund to bring the building up to habitability.

Additionally, City Staff will reach out to Polk County in an effort to partner with them on an Economic Development proposal that would see the city providing value in the form of temporarily reduced/subsidized rents on the now-habitable buildings, and the county providing value in the form of an economic development grant to start up the business with the winning proposal.

This opportunity would be competitive and broadcast as widely as possible with the help of community partners such as SEDCOR, Polk County, Travel Salem, and local municipalities. Only a proposal agreed upon by both Falls City and Polk County would be feasible, and if the plan fails the building could be put up for sale on the open market.

#### **THIS MEETING**

City Staff is asking for any feedback on the VERY tentative plan discussed above. The Council would hear a formalized, fully-developed proposal at next month's meeting should this project be prioritized in Council Goal Setting.

# Vitality



## Community rallies to rebuild historic mill

**Butte Creek Mill, an economic driver, rises from the ashes in Eagle Point**

**B**utte Creek Mill has been a mainstay of the economy in Eagle Point and its surroundings since it first opened its doors in 1872. Its customers then were farmers, who came with wagons filled with grain, townspeople, who gathered to socialize at the mill's general store and traders, who came bearing leather goods and berries.

More recently, the mill — still in commercial operation — was a popular destination for tourists, who came by the

busload to tour the mill, visit the gift shop and walk over the Little Butte Creek covered bridge into town. People from throughout Oregon came to buy Butte Creek Mill's specialty pancake and muffin mixes, which were also marketed nationally.

But all of that changed on Christmas Day 2015, when Eagle Point residents awoke to learn that the 143-year-old mill had burned down, a victim of antique wiring. "I just assumed since it was there for a hundred years, it would be there forever," recalls resident Sue Kupillas. "The mill was the heart of Eagle Point."

"Everyone was so upset when it burned," says Leon Sherman, former police chief and mayor of the town. "It's not just a part of history, it was a part of our community and an important community attraction that went up in smoke."

### Community rallies

The community quickly rallied behind mill owner Bob Russell, forming lines to clean up the daunting mess. Although the mill was insured,

*Continued on page 12*



Storytelling. See page 6.

### I N S I D E

- Mental health:** Youth programs expand to rural Oregon ..... **2**
- Radio Tierra:** Giving a voice to Hispanic communities .... **4**
- Oregon by the Numbers:** 2019 edition available..... **5**
- The Hearth:** Telling stories to bring people together..... **6**
- Seafood:** Value chain has potential to improve economy..... **8**
- Scholar:** Finding fulfillment through art ..... **10**
- Select Books:** Resources available at no charge ..... **11**
- Hallie Ford Fellows:** Artists recognized ..... **13**
- Visual arts:** Artist-run exhibition space..... **14**
- Book Review:** *The Nurture Effect* ..... **16**

### Community Vitality

**Join our mailing list.**  
See page 11.



**Butte Creek Mill before the fire in 2015 that destroyed it.**

PHOTO: JOHN TRAX

# Mill

Continued from page 1

most of the insurance proceeds were used to mitigate the fire damage. Recognizing the importance of the mill to the community's economic vitality, a group of residents formed the Butte Creek Mill Foundation and came to an agreement with Russell to buy the mill.

## National Historic Register

Enough of the mill survived to maintain its status on the National Historic Register, which recognizes it as the last water-powered grist mill still commercially operating west of the Mississippi. The millstones, brought by ship from France and then carried over the mountain by wagon, were unharmed, and the basement was largely intact.

The foundation's goal is to rebuild the mill with careful attention to historical accuracy, and operate it as a commercially viable, tourist-friendly enterprise. So far, \$2.1 million of the \$2.5 million goal has been raised, much of it through private donations. Eagle Point resident and entertainer Jim Belushi has hosted two benefit concerts.

"We had people from all over the U.S. sending checks," says Kupillas, president of the Butte Creek Mill Foundation board of directors. "We did quite a bit of fund raising without even asking for money. It was totally amazing."

Mill construction has proceeded as money allows. "We had a unique situation because of the urgency to get the building closed in to avoid damage by water and weather," Kupillas says. "Most projects, you raise



money and then you do it, but we had to raise money and build at the same time. It was pretty hand to mouth for a while."

The mill is being reconstructed just as it was originally built in 1872, with contributions from craftsmen from all over Oregon. The two-foot-square pillars are hand-hewn with a broad ax from local wood. The frames for the mill walls were put together on the ground with wooden pegs and raised up to create the walls and roof trusses.

## Tourism country

The mill sits between two of the state's largest tourist attractions — Crater Lake and



**Top: The rebuild and restoration of the 1872 Butte Creek Mill in Eagle Point continues after a devastating fire in December 2015. Above: The week after the fire, the community came out in force to sort through and save anything that survived.**

TOP PHOTO: MEDFORD MAIL TRIBUTE. ABOVE PHOTO: BUTTE CREEK MILL FOUNDATION

**The Butte Creek Mill Foundation's goal is to rebuild the mill with careful attention to historical accuracy, and operate it as a commercially viable, tourist-friendly enterprise.**

Ashland's Oregon Shakespeare Festival. The nearby covered bridge is a popular destination for people touring Oregon's covered bridges. "Between the mill and the covered bridge, literally thousands of people came through every year," Kupillas says.

The foundation received a grant from Travel Oregon for ADA modifications, which include access to the lower level, where people can watch the mill stones grind the wheat. The Butte Creek General Store will

reopen, and an exhibit room will showcase local culture, Native American history and milling history. The room itself will be an exhibit as its vaulted ceiling showcases the mill's timber frame construction.

A few more chores remain — hiring a miller, installing the electrical system, HVAC and plumbing — but organizers hope to open the mill doors late this year. "Eagle Point is a nice town and everybody is going to be thrilled when that mill is finally done," Sherman says. ■