CITY OF OREGON CITY
PLANNING COMMISSION HEARING

December 12, 2011, 07:00 P.M.
City Commission Chambers - City Hall

1. CALL TO ORDER

Chair Kidwell called the meeting to order at 7 p.m.

Roll Call:
Chair Charles Kidwell
Commissioner Zachary Henkin
Commissioner Damon Mabee
Commissioner Paul Espe
Commissioner Denyse McGriff

Staff Present:
Tony Konkol, Community Development Director
Pete Walter, Associate Planner
Carrie Richter, Assistant City Attorney
Nancy Kraushaar, City Engineer and Public Works Director

2. PUBLIC COMMENT ON ITEMS NOT LISTED ON AGENDA

There was no public comment on items not listed on the agenda.

3. ADOPTION OF PLANNING COMMISSION MINUTES

PC 6.27.2011 Minutes

Motion by Commissioner Denyse McGriff, second by Commissioner Paul Espe to to approve the minutes of the June 27, 2011 Planning Commission meeting as written.

A roll call was taken and the motion passed with Chair Charles Kidwell, Commissioner Zachary Henkin, Commissioner Damon Mabee, Commissioner Paul Espe, Commissioner Denyse McGriff voting aye. [5:0:0]

4. PLANNING COMMISSION PUBLIC HEARING

L 08-01: Water Master Plan Update (Continued from October 24, 2011).

Commission Report

Staff Report

A. Comments from Commissioner McGriff

B. Staff Responses to Planning Commission Questions, dated 12/05/2011

C. SFWB Conservation Plan

D. Nov 21 Public Meeting Presentation

E. CIC 12-5-2011 Presentation

Pete Walter, Planner, said this hearing had been continued from October 24, 2011. The applicant was the City's Public Works department. He discussed the list of questions dealing with the more technical aspects of the Water Master Plan received from Commissioner McGriff and staff's response. He gave a PowerPoint presentation on the Master Plan including an overview of the process, review considerations, staff's findings, and recommendation of approval to the City Commission for their consideration at the January 18, 2012 public hearing. There would be a joint Work Session with the Planning Commission and City Commission on December 13 to discuss the Water Master Plan and financing scenarios.

Commissioner McGriff appreciated the language in the staff report stating whatever financing plan was chosen, it could be met by the plan.

Commissioner Mabee asked under financing plan Scenario 2, either a or b, it did not look like the City could meet its obligations.

Mr. Walter said as a physical infrastructure plan, the projections that had been made determined physical pipe sizes that were incorporated into a capital improvement program or System Development Charge that developers would pay when growth occured.

Nancy Kraushaar, City Engineer and Public Works Director, stated the master plan and capital improvement program could be adopted and the actual finance strategy could be selected afterward for both SDCs and rates.

Carrie Richter, Assistant City Attorney, said this was a planning document to plan for future growth, not serving existing customers. The City's obligation to serve existing customers was a separate question. If the developer could not fund it, the development would not be approved. The only obligation the Planning Commission had was to identify feasible conceptual financing mechanisms.

Commissioner Mabee was concerned that the plan showed if something was not done in 2015, the City would not be able to provide water to residents. The other element of Scenario 2 was the SDCs would be too high no one would build. He thought they should strongly encourage using alternatives to Scenario 2 as it was a non-viable option.

Tony Konkol, Community Development Director, explained what was shown in the plan was what was needed for growth and the funding was a separate process.

Commissioner Kidwell said the funding for operations and maintenance had nothing to do with the capital improvement projects, yet there was a shortfall if there was a roll back. He thought the Water Master Plan worked and made sense. If the Planning Commission was also going to be voting on the financing options, he thought one of the options should allow for the roll back and still meet the budget obligations of the City, and it did not do that.

Ms. Kraushaar said the Planning Commission was not being asked to select one of the funding scenarios. The City Commission would be voting on the funding system to produce a sustainable water system.

Commissioner Kidwell was concerned about the large amount of money being set aside into a building reserve for a future Public Works facility. He thought it was a significant amount that was being set aside for something that was not directly related to water maintenance or service delivery.

Ms. Kraushaar gave a background on the City Commission's decision for a new Public Works facility. She was taking money out until the rate roll back. A new building would be funded through all of the utilities and it was acceptable to use the rates to pay for facilities. The money could be used to off-set rate increases if directed by the City Commission.

Commissioner Kidwell asked if it was possible to approve the master plan without endorsement of any of the funding scenarios.

Mr. Konkol said the Commission simply had to identify funding options, they were not asked to adopt the funding sources at this point. The Planning Commission could recommend the plan go to the City Commission absent a recommendation for any of the funding scenarios.

Commissioner Mabee said regarding the well water rights question, staff's recommendation was not to deal with it right now.

Ms. Richter said it was difficult to find out the extent of groundwater rights. Most of them came from licenses which were not transferrable to the City. Anyone with an actual right rather than a license would be a large land holder, and there weren't that many large land holders in the expansion areas. There was also a question of rough proportionality that would have to follow in order to take those rights as part of an annexation proposal. Staff decided not to look into it further if it wasn't going to result in much.

Commissioner Mabee thought it was a necessary protection for emergency situations.

Mr. Konkol said there were many issues with this, one was proportionality issues associated with exacting water rights from a property owner to annex into the City and the second was how much time they wanted staff to put into it.

Commissioner Mabee suggested recommending the City explore the feasibility of adding or acquiring wells to supplement the water supply system.

Ms. Kraushaar thought it was a prudent suggestion to know the potential for an alternative. It could be a project the Public Works department looked into after adoption of the Water Master Plan.

Commissioner McGriff suggested a global utility master plan that incorporated all of the utilities for future planning.

Motion by Commissioner Denyse McGriff, second by Commissioner Paul Espe to to recommend adoption of the Water Master Plan to the City Commission without a recommendation on the financing scenarios.

A roll call was taken and the motion passed with Chair Charles Kidwell, Commissioner Zachary Henkin, Commissioner Damon Mabee, Commissioner Paul Espe, Commissioner Denyse McGriff voting aye. [5:0:0]

Motion by Commissioner Damon Mabee, second by Commissioner Denyse McGriff to to direct the City to explore the feasibility of adding well sources to the City's water sourcing.

A roll call was taken and the motion passed with Chair Charles Kidwell, Commissioner Zachary Henkin, Commissioner Damon Mabee, Commissioner Paul Espe, Commissioner Denyse McGriff voting aye. [5:0:0]

5. ADJOURN

Chair Kidwell adjourned the meeting at 7:56 p.m.