



CITY OF OREGON CITY

CITY COMMISSION WORK SESSION

MINUTES

Virtual Meeting

Tuesday, July 13, 2021 at 6:45 PM

CONVENE WORK SESSION AND ROLL CALL

Mayor Rachel Lyles Smith called the meeting to order at 7:00 PM.

PRESENT: 5 - Mayor Rachel Lyles Smith, Commissioner Adam Marl, Commissioner Denyse McGriff, Commissioner Frank O'Donnell, and Commissioner Rocky Smith, Jr.

STAFFERS: 12 - City Manager Tony Konkol, Finance Director Matt Zook, Community Development Director Laura Terway, City Recorder Kattie Riggs, Planner Kelly Reid, Public Works Director John Lewis, Economic Development Manager James Graham, Library Director Greg Williams, Parks & Recreation Director Kendall Reid, Police Chief Jim Band, City Attorney Bill Kabeiseman, Assistant Parks and Recreation Director Denise Conrad, Human Resources Director Patrick Foiles, Project Engineer Bob Balgos

FUTURE AGENDA ITEMS

1. List of Future Work Session Agenda Items

City Manager Konkol reviewed the upcoming agenda items. Commissioner O'Donnell asked about an upcoming item regarding the Willamette Falls Trust. Mr. Konkol elaborated regarding this item.

DISCUSSION ITEMS

2. Geologic Hazards Code 17.44 Revisions

Public Works amendments have been discussed at multiple work sessions over the past 9 months. Those amendments have been adopted by the City Commission in January 2021 and April 2021. The remaining proposed code amendment related to proposed revisions to Oregon City Municipal Code 17.44 – Geologic Hazards. This item was most recently discussed in a Work Session with the City Commission on May 24, 2021. The unresolved issue to be discussed in this Work Session include the appropriate criteria for the disturbance and density of land with a specific slope. Current City Code requires any property with slope at 25% or greater, not meeting any exemptions, to be regulated through a Type II land use process which requires that a geotechnical engineer provide analysis and recommendations to meet the requirements of Oregon City Municipal Code 17.44.

Josh Wheeler, Assistant City Engineer, provided an overview of the expectation for the presentation asking the Commission for direction as the end of the presentation. Staff understands the outstanding issue with the Geologic Hazard Code definition is related to slope. Mr. Wheeler reviewed various percentage of slopes throughout the City. He also reviewed what the City's current regulation is regarding slope percentages and the process for each of the categories. Mr. Wheeler reviewed the correlation between slope and landslide deposits across the City. He provided data regarding the impact to acreage impacted by slope percentage and compared that data to the acres impacted by landslide deposits. Mr. Wheeler addressed the public comment received and provided data to address the specific area. He reviewed the Park Plan Concept Plan area and tree regulations in geologic hazard areas.

Commissioner McGriff asked the City Attorney how to expedite this Code change. Bill Kabeiseman provided the Commission with their options.

Mr. Kabeiseman provided additional legal explanations of enacting immediately including through declaring an emergency.

Professor Scott Burns with the PSU Geology Department, felt the City's approach to the Ordinance was very good and emphasized a property may have a low-slope angle, but if situated on a prior landslide, the property should be examined.

Commissioner O'Donnell asked if soil liquefaction was a consideration. Professor Burns commented that liquefaction is typical around rivers and is typically an issue in landslide areas.

Commissioner McGriff expressed support for lowering the slope percentage subject to the Ordinance and felt there are areas of the City that should not be built on and are there other things that should be considered for the Ordinance that will provide additional protection? Professor Burns felt the inclusion of the 25% slope and landslide review components were more than sufficient to provide protection.

Commissioner McGriff asked clarifying questions on what qualifies for review and Mr. Wheeler and Professor Burns provided further examples and explanations.

There was discussion regarding the reduction of available building density with adoption of a 20% slope and comparisons between building types.

Commissioner McGriff recommended that this Geologic Hazard Code changes be adopted immediately and be effective immediately.

Staff will be bringing this item back to the Commission potentially at the August 4, 2021 meeting.

3. Water Ballot Measure Update and Discussion

Water rates and water system development charges (SDCs) support the City's Capital Improvement Plan (CIP). The City amended the 2012 Water Distribution System Master Plan to include the updated 2019 CIP in January 2021. With the adoption of the Amendment to the 2012 Water Master Plan, the City must update water rates and water system development charges (SDCs) to support that plan. Water rates pay for system improvements needed for the existing system, while SDCs are one-time charges and pay for system improvements needed to support development/growth. A Water Rate and SDC Study was completed by FCS Group in 2019 with results presented to the City Commission in October 2019 and again in July 2020. The subject report identifies the need to exceed the 3% limit set by the City Charter for a rate increase; therefore, voter approval is needed. Water SDC modifications are not limited by City Charter and are paid for by developers, as development occurs. At the September 2020 Work Session, the City Commission supported proceeding with a financing plan to support the capital improvements and directed staff to proceed with water SDC increases followed by a water ballot measure to seek support for the needed water rate increases. A public hearing was held on March 3, 2021, on modifications to the water SDC methodology and adoption of new water SDC fees. The City Commission subsequently adopted updated water SDC rates, via Resolution No. 21-14, which went into effect July 1, 2021. At the January 12, 2021, work session, the City Commission confirmed interest in pursuing voter support for needed water rate increases. At that time, the City Commission Page 2 of 6 decided to defer pursuit of voter approval to November 2021, recognizing the difficult year the community has had. In preparation for the November 2021 ballot measure, the City entered into an agreement with Barney & Worth, Inc (BW) in May 2021 for professional services to assist with community engagement. BW has completed their opinion research which will inform the ballot measure language and community engagement strategy.

Patty Nelson, Senior Project Engineer, provided background on the Capital Improvements and what was needed and why there is a Charter amendment needed.

Clark Worth, from Barney and Worth, Inc., discussed the opinion research and what has been learned up to this point. The key take-aways were that awareness was low and that water was not at the top of their mind as an issue. There was little information about the need for the rate increase or debt option. There needs to be voter education and leadership. They conducted focus group discussions, stakeholder interviews, telephone survey, and reached out to likely voters. The results were consistent across all the methods used. The public's perception is there are no issues with the existing water systems and there was little interest in increasing water rates to repair old systems. Increases in water rates were better expressed and understood when displayed in dollar amounts instead of percentage increases. The survey results clearly showed the need for robust public education regarding this topic. Mr. Worth provided slides showing that when the public is provided more information and history on the topic, the more support there is for a rate increase. Because of available federal loan programs, there is more public acceptance of public debt to pay for repairs and improvements.

Ms. Nelson commented that the City Charter does not allow for incurring a public debt scenario.

Mr. Worth reviewed the outreach methods for community engagements.

Ms. Nelson discussed the options of two ballot measures; one for public approval of rate increase and the other a debt measure.

Commissioner O'Donnell asked Ms. Nelson regarding the proposed rate increase amount and there was discussion with Mr. Konkol on the specifics of how the ballot measures would be worded to address this.

Commissioner McGriff also asked clarifications of how the proposed rate increase will be presented.

Mayor Lyles Smith asked regarding why the two ballot measures and the water rates. Ms. Nelson explained the rationale.

Commissioner O'Donnell felt it would be better to express the rate increase in dollar amount rather than percentages.

4. Resolution No. 21-38, Cross Street Banners and Street Light Pole Banners Policy Update

The City adopted Resolution No. 15-09, which established a policy for cross street banners and banners on street light poles. The policy addressed limitations of the type, quantity, size, material, placement, etc. of signage allowed on public and private property in Chapter 15.28 of the Oregon City Municipal Code. Four area zones were created within the city for placement of banners, and applicants could not have banners placed in more than one zone at a time. Generally, this policy update includes changes intended to add clarity, to simplify the application and ongoing maintenance process, and to better align with how the City's banner program is being managed today. In the updated policy, the single zone limitation has been changed to allow a streetlight banner applicant the option to place banners throughout the City. Citywide events like the Farmers Market may elect to place banners in the downtown, along Washington, and along Molalla Avenue versus a Main Street event which may choose to limit banner placement to a smaller focus area. The available locations for banner placement are documented on maps that are available on the City's website. Public Works staff will maintain and update the maps as locations are added and as the locations are obligated for specific banners. The policy updates also increase the maximum amount of time a banner can reside at a specific location. The previous policy allowed banners to be deployed for a period of 30 days, with the option to extend an additional 30 days, with a maximum of two consecutive times in a 12-month period if no other applications are received for the same location. The proposed updated policy allows banners to be deployed for a period of four months and gives the option to extend for an additional 2 four-month consecutive times in a 12-month period if no other applications are received for the same location. The policy updates also address the elimination of several cross-street banner locations that are no longer viable or allowable for use. The policy updates also include language to address the new location on Molalla Avenue near Char Diaz Dr. and any future locations approved for development by the City Commission.

John Lewis, Public Works Director, provided what the current Oregon City Municipal Code 15.28 has regarding banners and signs. There was a banner policy adopted in 2015 through Resolution No. 15-08. There are currently four different banner zones around the City and there are currently four banners up. There was language clean-up and fixing inconsistencies and grammar. A potential increase to the liability insurance. There was a new location added, time limits, and more flexibility.

Commissioner McGriff asked about the liability insurance increase. Mr. Lewis did not have immediate information but that will be provided at the next regular commission meeting.

Mayor Lyles Smith asked clarification on the insurance amount pertaining to a banner and the support system belongs to the City. Mr. Lewis indicated an issue resulting in a hazard is usually the banner itself and not the city-owned system/poles.

Commissioner Smith asked if the Farmers Market or the Downtown Association was involved in the review of the insurance amount and Mr. Lewis indicated they were not. Commissioner Smith would like to see consistency in banners and placement. Also, flexibility so available locations are used. Commissioner Smith brought up the issue of inconsistent street lighting and would like this to be a future topic. Mr. Lewis briefly discussed some of the current lighting issues.

Commissioner Marl asked about the issues with the Molalla Avenue project banner that the Gaffney Lane Neighborhood Association has expressed. Mr. Lewis provided background on the issue and a resolution has not been reached.

Mayor Lyles Smith commented that she would like to see designated locations for City-owned banners for tourism purposes. She would like to see more information on the reason for the liability insurance increase. Mr. Konkol indicated that the increase is to match the maximum amount the City can be held liable. There was further discussion regarding issues with cross-street banners.

There was discussion of whether the insurance requirement should be less for streetlight banners.

CITY MANAGER'S REPORT

There was no City Manager's report.

COMMISSION COMMITTEE REPORTS

- A. Beaver Creek Employment Area Blue Ribbon Committee** - Commissioner Frank O'Donnell
- B. Citizen Involvement Committee Liaison** - Commissioner Adam Marl
- C. Clackamas County Coordinating Committee (C4)** - Appointed: Mayor Rachel Lyles Smith
Alternate: Commissioner Adam Marl
- D. Clackamas County I-205 Tolling Diversion Committee** - Appointed: Commissioner Adam Marl
Alternate: Commissioner Frank O'Donnell
- E. Clackamas Heritage Partners** - Commissioner Rocky Smith, Jr.
- F. Clackamas Water Environment Services Policy Committee** -
Appointed: Commissioner Rocky Smith, Jr.
- G. Downtown Oregon City Association Board** - Commissioner Denyse McGriff

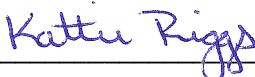
- H. **Metro Policy Advisory Committee (MPAC)** - Appointed: *Mayor Rachel Lyles Smith* Alternate: *Commissioner Denyse McGriff*
- I. **OC 2040 Project Advisory Team** - Appointed: *Commissioners Adam Marl and Denyse McGriff*
- J. **Oregon Governor's Willamette Falls Locks Commission** - *Vacant until State Appoints Mayor Rachel Lyles Smith*
- Federal funding has been approved. There is a need to seek additional funding to address the maintenance issues.*
- K. **Oregon City Tourism Stakeholder's Group** - Appointed: *Commissioners Frank O'Donnell and Rocky Smith, Jr.*
- L. **Oregon City/West Linn Pedestrian and Bicycle Bridge Concept Plan Project Advisory Committee** - Appointed: *Commissioner Denyse McGriff*
- M. **South Fork Water Board (SFWB)** - *Mayor Rachel Lyles Smith, and Commissioners Frank O'Donnell and Rocky Smith, Jr.*
- N. **Willamette Falls and Landings Heritage Area** - Appointed: *Commissioner Denyse McGriff* Alternate: *Commissioner Frank O'Donnell*
- O. **Willamette Falls Legacy Project Liaisons** - *Mayor Rachel Lyles Smith and Commissioners Frank O'Donnell*

Mayor Lyles Smith provided an update that Clackamas County received funding from the State for the new County Courthouse and also a mobile health van. There may be grant opportunities for enhanced broadband service.

ADJOURNMENT

Mayor Lyles Smith adjourned the meeting at 9:30 PM.

Respectfully submitted,



Kattie Riggs, City Recorder