

LA PINE UTILITIES COMMITTEE MEETING AGENDA

Tuesday, August 24, 2010 - 5:00 p.m.
51340 Highway 97, La Pine, Oregon 97739
South County Building Meeting Room

1. Call to Order
2. Pledge of Allegiance
3. Introductions
4. Approval of Minutes
June 17, 2010 - Utilities Committee Meeting Minutes
5. Added Agenda Items
Any matters added to the Agenda at this time will be discussed during the “Other Matters” portion of this Agenda or such other time selected by the Utilities Committee.
6. Update on Performa Budget

Jayne Benner, Vice Chair
7. Update on the Intergovernmental Agreement between the City and the Special Districts

Adele McAfee, Councilor
8. Update on the Water and Sewer Districts and Biogreen
9. Outline for Committee Duties

Adele McAfee, Councilor
10. Public Comments for Items Not on the Agenda
11. Other Matters
Only those matters properly added to this Agenda under line item No. 4 will be discussed at this time.
12. Adjourn

Pursuant to ORS 192.640, this notice includes a list of the principal subjects anticipated to be considered or discussed at the above-referenced meeting. This notice does not limit the ability of the Utilities Committee to consider or discuss additional subjects. The meeting is subject to cancellation without notice. The meeting is open to the public and interested citizens are invited to attend. The meeting location is accessible to persons with disabilities. A request for an interpreter for the hearing impaired or for other accommodations for persons with disabilities should be made at least 48 hours before the meeting to Luana K. Damerval at (541) 536-1432.

LA PINE UTILITIES COMMITTEE MEETING MINUTES

Tuesday, August 24, 2010 - 5:00 p.m.
51340 Highway 97, La Pine, Oregon 97739
South County Building Meeting Room

1. Call to Order

Chair Ted Scholer called the meeting to order at 5:04 pm

2. Pledge of Allegiance

Chair Scholer led the Pledge of Allegiance.

3. Introductions

There was a brief introduction of the members present: Planning Commissioner Virginia Classen, Tony Debone, Ken Mulenex, Vice Chair Jayne Benner, Councilor Adele McAfee and City Manager Rick Allen.

Chair Scholer announced that the meeting will be a Work Session with general discussion and the Agenda items after Agenda item number four will not be discussed.

4. Approval of Minutes

June 17, 2010 - Utilities Committee Meeting Minutes

Correction to Minutes, add Virginia Classen as present at meeting and also to the vote on the motion to approve the May 20th Meeting Minutes.

A motion was made by Vice Chair Benner and seconded by Ken Mulenex to Approve the June 17, 2010 meeting minutes with corrections as noted.

<i>Vote as follows:</i>	<i>AYE</i>	<i>NAY</i>
<i>Chair Ted Scholer</i>	<i>X</i>	
<i>Vice Chair Jayne Benner</i>	<i>X</i>	
<i>Planning Cmsr. Virginia Classen</i>	<i>X</i>	
<i>Tony DeBone</i>	<i>X</i>	
<i>Ken Mulenex</i>	<i>X</i>	

Motion passed unanimously.

5. Work Session – General Discussion

City Manager Allen stated that the City Council will need to do an ordinance for the withdrawal of the Districts. He said Public Hearings will need to be held and the Council will need to officially approve the withdrawal by March 1, 2011 so the Water and Sewer Districts can become part of the City on July 1, 2011. City Manager Allen said that the Utilities Committee will probably complete their work by the end of the year.

Councilor McAfee stated that the committee can serve as a vehicle for the Districts to come to the table and vet their issues or concerns. Chair Scholer stated that City Attorney Green and City Manager Allen were already working on the ordinance that will be used for the withdrawal of the Districts. The committee members were all in agreement to have the Water and Sewer Districts become part of the City of La Pine.

City Manager Allen stated that withdrawal is the best way to go because it is the simplest and easiest method. He said annexation would require a vote of the people and is more complicated than other methods and would probably take about one year to complete and is also expensive. City Manager Allen also said that no later than March 31, 2011 the ordinance must be enacted and approved so the Districts can become part of the City at the next fiscal year, July 1, 2011.

Councilor McAfee stated that the withdrawal would include everything within the City limits. City Manager Allen said the City is not absolving the Districts, it is just taking what is inside the City out. He said that when a part of the Districts is withdrawn, the Districts must turn over to the City its water mains, service installations, structures, facilities, improvements and other property in the area of the Districts.

City Manager Allen stated that the debts of the Districts will transfer to the City. He said the income stream is what guarantees the debt and the income stream would be the same. City Manager Allen stated that Deschutes County told him that the City could assume the one loan that the District has with them. He said he wants to work on the debt and make sure the transition is smooth.

City Manager Allen stated that the City can put sewer services outside the City and outside the UGB (Urban Growth Boundary). He also said that the customers outside the City limits may have to pay larger fees because they are not paying the City taxes.

A motion was made by Ken Mullenex and seconded by Vice Chair Benner to recommend the City of La Pine's withdrawal method in terms of the Water and Sewer Districts becoming part of the City.

Vote as follows:

AYE

NAY

Chair Ted Scholer

X

Vice Chair Jayne Benner

X

Planning Cmsr. Virginia Classen

X

Tony DeBone

X

Ken Mullenex

X

Motion passed unanimously.

A motion was made by Tony Debone and seconded by Ken Mulenex to recommend the City of La Pine's Council hold a Public Hearing prior to March 31, 2011 for the withdrawal to be executed and also for the assuming of the Districts to occur on July 1, 2011.

<i>Vote as follows:</i>	<i>AYE</i>	<i>NAY</i>
<i>Chair Ted Scholer</i>	<i>X</i>	
<i>Vice Chair Jayne Benner</i>	<i>X</i>	
<i>Planning Cmsr. Virginia Classen</i>	<i>X</i>	
<i>Tony DeBone</i>	<i>X</i>	
<i>Ken Mulenex</i>	<i>X</i>	

Motion passed unanimously.

City Manager Allen stated that the City does not want to say if they are going to raise or lower SDCs (System Development Charges) that should not be a reason for the withdrawal; it is more for efficiency reasons than anything else.

00:58:32

Public Comments

Vicky Jackson, 17346 Mink Court, stated she was concerned that the Water and Sewer Districts were going to rush into an annexation in order to delay the withdrawal. She also said that a lot of people have complained about the amount of their water and sewer bills and she supports the withdrawal.

Ken Mulenex said he remembered a discussion, in regard to the Cagle Subdivision annexation, that there was enough density there to provide a money stream to support a loan for the expansion of the sewer system.

City Manager Allen outlined some things he planned to review in the next few months:

- Preliminary financing from USDA (United States Department of Agricultural)
- Employee's payroll benefits, etc.
- Business Office
- Bank accounts
- Transfer of all assets, i.e., automobiles, etc.
- Liquid assets in excess of \$500,000
- Insurance Issues
- System's issues
- Transfer of the water rights, does it follow the customer?
- DEQ permits for putting the effluent onto the field

6. Adjourn

Chair Scholer adjourned the meeting at 6:12 pm. Next meeting will be held on Tuesday, September 21st at 5 pm.

Chair Ted Scholer

Attest:

City Recorder Luana Damerval