

**MILLERSBURG CITY COUNCIL
MARCH 10, 2015**

PRESENT: Councilors Scott Cowan, Jim Lepin, Darrin Lane, Lisa Metz-Dittmer,
Mayor Clayton Wood, City Engineer Janelle Booth, City Attorney Forrest
Reid, City Planner Don Driscoll, City Administrator/Recorder Barbara
Castillo

The Millersburg City Council was called to order at 7:30 p.m. by Mayor Clayton Wood. The Pledge of Allegiance was said.

MINUTES OF FEBRUARY 10, 2015

Scott Cowan moved, seconded by Jim Lepin to approve the minutes of February 10, 2015. The motion passed unanimously.

FLAKEBOARD PROCESS WASTE WATER DISCHARGE

The Millersburg City Council reviewed a technical memo prepared by City Engineer Janelle Booth regarding upcoming changes to Flakeboard's process water discharge location, and to obtain the Council's direction regarding estimated costs for Flakeboard's decision making process.

Process waste water from Flakeboard (Arauco) is currently discharged to the International Paper (IP) treatment lagoons. As part of IP's closure, the lagoons will no longer be operated by IP. Flakeboard has evaluated several options for its future process waste water discharge, and narrowed down to two alternatives. One alternative is to acquire from IP the land containing the lagoons and take over operation of the lagoons. The second alternative is to send process waste water flows to the Albany/Millersburg Wastewater Reclamation Facility (AM-WRF). Flakeboard has a deadline of May 1st, 2015 to provide notice of intent to IP. This means they need to understand the options well ahead of this due date including capital expenditures, operating costs, and liabilities.

As part of their evaluation, Flakeboard has requested the City of Millersburg provide costs associated with connecting the process waste water flow to the city sewer system.

Questions and Recommendations

- AM-WRF capacity - *Will Millersburg allow Flakeboard to use this portion of the City's treatment capacity share?* With the addition of Flakeboard's process waste water, the City would be utilizing about 87% of its share during peak BOD loading. The City is already paying for this capacity, whether or not Millersburg uses it. However, at some point in the future, this could become a limiting factor for commercial and residential development. In addition, the City would have no remaining capacity for a future industry to discharge high BOD process waste water.
- Connection Fees – *If connection is allowed, will Millersburg charge Flakeboard a connection fee based on their expected flow and load allocation? If so, how much?* Based on the sampling and testing data, Flakeboard would account for roughly 70% of Millersburg's allocated BOD treatment capacity and 17% of its total flow capacity. Millersburg's capital investments in the AM-WRF and Talking Water Gardens total

approximately \$11.8 million. The City of Millersburg could choose to assess connection fees of up to 70% of its investment, which would be approximately \$8.26 million. Conversely, Millersburg could charge a little as 17% based on flow only, which would be approximately \$2.01 million.

- Lift Station Upgrades – *Will Millersburg charge Flakeboard for upgrades to the existing ATI lift station? If so, how much?* The existing lift station is currently at capacity and adding flow from Flakeboard would require upgrades to increase the capacity of the pump station. A preliminary estimate of the cost of the upgrades is around \$500,000. Flakeboard would be contributing approximately 17% of the peak flow, therefore the City could require they pay 17% of the upgrade cost, or \$85,000. However, the City could choose to assign more of the cost to Flakeboard because the addition of flow would require the pump station upgrade to take place sooner than it would otherwise.

Summary

Flakeboard is engaged in a comparison of alternatives for future discharge of process waste water. As a part of that evaluation, Flakeboard needs Millersburg to provide capital expenditures and operating costs associated with connecting to the City's wastewater system. Millersburg needs to determine these costs and communicate them to Flakeboard as soon as possible so Flakeboard can decide whether to purchase IP's treatment lagoons or connect to the city's wastewater collection system. IP has set a date of May 1st, 2015 as the last day for Flakeboard to give notice of intent to purchase the lagoons.

Darrin Lane said for the sake of giving them a number, if they want to connect to our system, they can pay for their percentage of the BOD which is \$8.62 million dollars, and their contribution to the lift station upgrade would be their percentage of the flows. If they can't afford to pay the cost of the \$8.62 million, they still have the option of getting the lagoons in operation.

It was brought up that representatives of Flakeboard had asked both the City's of Albany and Millersburg if they would share in the liability of IP's storm water lagoons if Flakeboard chose to continue with them.

After much discussion, it was the consensus of the council that they need more time to discuss this issue and they set up a work session to be held Monday, March 30, 2015 at 3 p.m. at the Millersburg City Hall. Invited to the work session will be the Millersburg City Council and staff, representatives of Flakeboard (Arauco), Representatives of City of Albany, DEQ, and IP.

FEE FOR PUBLIC RECORDS REQUEST

Darrin Lane moved, seconded by Lisa Metz-Dittmer to approve ORDINANCE NO. 111 WHICH IS AN ORDINANCE REGARDING THE PROCEDURE FOR MAKING PUBLIC RECORDS REQUESTS AND ASSOCIATED FEES? The motion passed unanimously.

CONSER ROAD WATER LINE UPDATE

Janelle Booth reported that the design is almost completed for the Conser Road Water Line Project. They are still waiting for comments on the design from the City of Albany. When they have those comments, they can update their cost estimates and put the project out for bid.

FILL AND EXCAVATION ORDINANCE

The council reviewed a preliminary draft ordinance of a grading, fill and excavation ordinance prepared by Don Driscoll.

The term Grading or Grading Permit means any excavation or fill, or any combination thereof.

The draft addresses when the grading permits are not required and when they are required. There would be exemptions for:

1. Grading of less than 50 cubic yards
2. Routine farming activities
3. Grading incidental to construction requiring a building permit or landscaping
4. Grading incidental to development of an approved subdivision or land partition
5. Grading incidental to public works, roads, utilities and wells
6. Grading not impacting wetlands, riparian areas, waterways, drainage ways, flood hazard areas or greenways
7. Cemetery grave sites
8. Other areas with no impact on adjacent properties as determined by the city

Grading permits would be required for the following activities:

1. Grading in excess of 50 cubic yards
2. Grading potentially impacting wetlands, riparian areas, waterways, drainage ways, flood hazard areas or greenways
3. Grading that could possibly impact adjacent properties
4. Grading proposed over public storm drains, sanitary sewers or water lines
5. Grading requiring tree removal
6. Other areas with potential impacts as determined by the city

Darrin Lane suggested charging a minimum fee of \$100 for 51-500 cubic yards up to \$1,000 for 5,000 cubic yards.

Scott Cowan said he knows there are other property owners besides himself that have areas they want to fill that have zero impact on the surrounding areas. Cowan said he doesn't agree with this proposed ordinance.

Janelle Booth said the application form would be a screening process to determine if it would have an impact.

Both Jim Lepin and Don Driscoll recommended marking up the draft with the idea of simplifying it as much as we possibly can.

FEBRUARY 2015 LINN COUNTY SHERIFF'S REPORT

The council briefly reviewed the February 2015 Linn County Sheriff's Report.

CAPITAL IMPROVEMENT PLAN

Scott Cowan said he talked to Jon Thomas of H & R Homes about setting aside some property in the Becker Ridge Subdivision for a park. Thomas said he will look around and get back to him.

MEASURE 22-132

Measure 22-132 passed with 519 votes in favor of the measure and 64 votes against the measure.

DRAINAGE ISSUES

Barbara Castillo reported that she hired Poe's Backhoe to clean out the ditches on Amanda Lane that have never been cleaned since the city took ownership of them several years ago.

Castillo also reported that Denny Welker replaced fourteen filters that were in a storm water vault just east of Crooks Creek on Millersburg Drive. The vault and filters were put in at the request of DEQ when the Millersburg Drive Road Improvement Project was done a few years ago. The filters had never been cleaned or replaced before. Castillo said she asked Welker if he would check these out every year. Denny Welker also cleaned out the storm drains and catch basins on Millersburg Drive.

PROPERTY TAX ABATEMENT

Darrin Lane moved, seconded by Scott Cowan to approve RESOLUTION NO. 2015-1 WHICH IS A RESOLUTION APPROVING AN EXTENDED PROPERTY TAX ABATEMENT AGREEMENT BETWEEN THE CITY OF MILLERSBURG, A COSPONSOR OF THE SOUTH SANTIAM ENTERPRISE ZONE AND ATI/PACIFIC CAST TECHNOLOGIES, INC. The motion passed with Lisa Metz-Dittmer abstaining from voting.

BILLS OF THE CITY

Scott Cowan moved, seconded by Jim Lepin to approve the bills of the City. The motion passed unanimously.

AUDIT REPORT

Dick Perdue of Koontz, Perdue & Blasquez reported that the City of Millersburg had a clean audit, was managed well and revenues were more than expenditures.

Perdue explained some of the items in their management letter dated February 24, 2015.

CHECKS

Barbara Castillo reported there have been four checks with only one signature that have gone through the bank since July 2014. Checks #12994, 13007, 13061, and 13107.

Darrin Lane moved, seconded by LisaMetz-Dittmer to approve those checks listed after the fact. The motion passed unanimously.

COMMENTS FROM THE PUBLIC

- Jason Yutzie asked about the status of the request for a crosswalk on Alexander Lane. Yutzie was told that after the council received a description of the preliminary design, they added it to their list of future Capital Improvement Projects. Yutzie reminded the Council that there was another small subdivision approved that evening on Alexander Lane, and there needed to be a safe place to cross the street to get to the park.

- Steve Vogler asked if the city had an ordinance regulating the political signs and was told they do not have one.
- Jim Lepin asked if the “tube” across the highway in front of International Paper would be removed. Darrin Lane said that one way or another it will come down.

CITY’S WEBSITE

Barbara Castillo reported that the city’s website is up and running. The address is www.cityofmillersburg.org.

The meeting adjourned at 9:05 p.m.

Respectfully submitted,

Barbara Castillo
City Administrator/Recorder