

Agenda

CITY OF MILLERSBURG City Council Regular Meeting & PUBLIC HEARING

Electronic Meeting
June 08, 2021 @ 6:30 PM

This meeting will be held remotely. Instructions for joining the meeting can be found at <https://www.cityofmillersburg.org/citycouncil/page/city-council-regular-meeting-9>. If you do not have access to a phone or computer, or need additional support, please contact City Hall prior to 5:00 p.m. on Monday, June 7.

Meeting link to join via computer:

<https://aspenuc.accessionmeeting.com/j/1161717173>

Phone number to join meeting: 503-212-9900

Meeting ID: 116 171 7173

CALL TO ORDER

ROLL CALL

CHANGES AND ADDITIONS TO THE AGENDA

CONSENT AGENDA

- 1) Approval of May 11, 2021 City Council Meeting & Public Hearing Minutes
- 2) Approval of May 25, 2021 City Council Work Session Minutes

Action: _____

GUEST PRESENTATIONS

- 3) Linn County Sheriff's Office Monthly Report
- 4) Albany Fire Department Quarterly Report

PUBLIC COMMENT

The public has the opportunity to address the Council during "Public Comment" while in the virtual meeting by virtually signaling by unmuting first, then those who call in will be acknowledged, or if the public prefers, may send written comments by email to cityclerk@cityofmillersburg.org. Please limit comments to one page and include your name and address. Emails received before 5:00 p.m. on the day of the meeting will be included and read into the record for comments by the Council.

PUBLIC HEARING

5) State Sharing Revenue Funds

a. Resolution 2021-10 - Certifying Eligibility to Receive State Sharing Revenue Funds

Action: _____

b. Resolution 2021-11 - Election to Receive State Sharing Revenue Funds

Action: _____

6) FY 2021-22 Budget - Resolution 2021-12 - Adopting Budget & Making Appropriations

Action: _____

7) Proposed Lease of City-Owned Property

Action: _____

COUNCIL MEMBER AND STAFF COMMENTS

CITY MANAGER'S REPORT

8) Project Updates

Action: _____

CITY ATTORNEY'S REPORT

UNFINISHED BUSINESS

NEW BUSINESS

9) Cost of Living Adjustment

Action: _____

10) Adoption of 2021-2025 Capital Improvements Program (CIP)

Action: _____

CLOSING PUBLIC COMMENT

CLOSING COUNCIL COMMENT

ADJOURNMENT

Note: Council may adjourn to executive session in accordance with ORS 192.660.

Upcoming Meetings & Events:

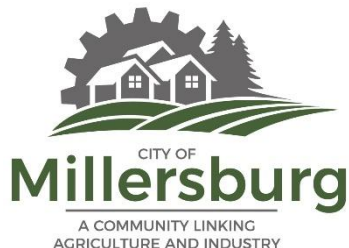
June 10, 2021 @ 6:00 p.m. - Events Planning Committee Meeting

June 15, 2021 @ 6:00 p.m. - Planning Commission Meeting

Rules of Conduct for Public Hearings

- 1. No person shall be disorderly, abusive, or disruptive of the orderly conduct of the hearing.*
- 2. Persons shall not testify without first receiving recognition from the presiding officer and stating their full name and residence address.*
- 3. No person shall present irrelevant, immaterial, or repetitious testimony or evidence.*
- 4. There shall be no audience demonstrations such as applause, cheering, display of signs, or other conduct disruptive of the hearing.*

The location of the meeting is accessible to the disabled. If you have a disability that requires accommodation to attend or participate, please notify the Millersburg City Hall in advance by calling 458-233-6300.



CITY COUNCIL MEETING & PUBLIC HEARING MINUTES

May 11, 2021 @ 6:30 p.m.

A. CALL TO ORDER Meeting called to order by Mayor Lepin at 6:33 p.m.

B. ROLL CALL

Councilors Present: Mayor Jim Lepin, Councilors Scott Cowan, Scott McPhee, John Sullivan

Councilors Absent: Councilor Dave Harms

Staff Present: Kevin Kreitman, City Manager; Janelle Booth, Assistant City Manager/City Engineer; Forrest Reid, City Attorney; Kimberly Wollenburg, City Recorder

Presenters: Sergeant Beth Miller, Linn County Sheriff's Office
Division Chief Will Bauscher, Corvallis Fire

C. CHANGES AND ADDITIONS TO THE AGENDA

None

D. CONSENT AGENDA

- 1) Approval of April 13, 2021 City Council Meeting & Public Hearing Minutes
- 2) Acceptance of City Accounts Payable Report

Action: **Motion to Accept Consent Agenda as Presented made by Councilor Scott Cowan; seconded by Councilor John Sullivan.**

Mayor Jim Lepin:	Aye
Councilor Scott Cowan:	Aye
Councilor Dave Harms:	Absent
Councilor Scott McPhee:	Aye
Councilor John Sullivan:	Aye

Motion PASSED: 4/0

E. GUEST PRESENTATIONS

- 1) Linn County Sheriff's Office Monthly Report

Captain Michelle Duncan reviewed the April 2021 monthly report. She also updated the Council regarding the shooting in Millersburg noting there has been an arrest of a 17-year old for the shooting. She shared that most of the thefts were from vehicles and that there were a lot of false alarms in April. Also in April, there were a lot of extra patrols in areas that were seeing more thefts. She spoke about the increasing scams involving gift cards and cautioned residents to be aware of this and be cautious. There was some lengthy discussion regarding various incidents at Love's.

2) Ambulance Service Area Meeting Update

City Manager Kreitman introduced Division Chief Will Bauscher with Corvallis Fire. Chief Bauscher provided an update regarding Millersburg's request for an Ambulance Service Area (ASA) boundary change request and shared that based on the results of the meeting, the ASA committee would be forwarding a recommendation to the Linn County Board of Commissioners recommending a boundary change effective July 1, 2022, with all of the City of Millersburg being moved into the Albany Fire Department ASA for Ambulance transport to correspond with our fire and emergency service provider.

F. PUBLIC COMMENT

None

Mayor Lepin opened the public hearing on the Millersburg Charter Amendments at 6:58 p.m.

G. PUBLIC HEARING – Millersburg City Charter Amendments

Mayor Lepin reviewed the process for the approval of the Charter amendments which were presented on screen during the review. There was no public comment.

Mayor Lepin closed the public hearing at 7:00 p.m.

H. COUNCIL MEMBER AND STAFF COMMENTS

- 1) Councilor Cowan noted that he saw equipment in the field for the construction of the Millersburg Fire Station, and it was nice to see the construction starting.

I. CITY MANAGER'S REPORT

- 1) Project Updates

Assistant City Manager/City Engineer Booth provided an update regarding the Fire Station Project. Wildish has mobilized to the site and construction will begin with earthwork and preparation for the building pad. She also shared some pictures from the site. She shared information about the Parks Systems Development Charges and provided dates for the implementation. City Manager Kreitman shared that other things are happening with regard to the City property and that this information will be shared later once it's been finalized. Assistant City Manager/City Engineer Booth also shared about the status of the Sarah Meadows subdivision and City Manager Kreitman provided an update regarding the Pacific Power substation status.

J. CITY ATTORNEY'S REPORT

None

K. UNFINISHED BUSINESS

- 1) Millersburg City Charter Amendments

- i. Ordinance 183-21 Amending Section 12 of the Millersburg City Charter
Action: **Motion to Accept Consent Agenda as Presented made by Councilor Scott Cowan; seconded by Councilor Scott McPhee.**

Mayor Jim Lepin: Aye
Councilor Scott Cowan: Aye
Councilor Dave Harms: Absent
Councilor Scott McPhee: Aye
Councilor John Sullivan: Aye

Motion PASSED: 4/0

- ii. Ordinance 184-21 Amending Section 20 of the Millersburg City Charter
Action: **Motion to Adopt Ordinance 184-21 Amending Section 20 of the Millersburg City Charter made by Councilor John Sullivan; seconded by Councilor Scott McPhee.**

Mayor Jim Lepin: Aye
 Councilor Scott Cowan: Aye
 Councilor Dave Harms: Absent
 Councilor Scott McPhee: Aye
 Councilor John Sullivan: Aye

Motion PASSED: 4/0

- iii. Ordinance 185-21 Amending Section 23 of the Millersburg City Charter
Action: **Motion to Adopt Ordinance 185-21 Amending Section 23 of the Millersburg City Charter made by Councilor Scott Cowan; seconded by Councilor Scott McPhee.**

Mayor Jim Lepin: Aye
 Councilor Scott Cowan: Aye
 Councilor Dave Harms: Absent
 Councilor Scott McPhee: Aye
 Councilor John Sullivan: Aye

Motion PASSED: 4/0

- iv. Ordinance 186-21 Amending Section 24 of the Millersburg City Charter
Action: **Motion to Adopt Ordinance 186-21 Amending Section 24 of the Millersburg City Charter made by Councilor Scott Cowan; seconded by Councilor John Sullivan.**

Mayor Jim Lepin: Aye
 Councilor Scott Cowan: Aye
 Councilor Dave Harms: Absent
 Councilor Scott McPhee: Aye
 Councilor John Sullivan: Aye

Motion PASSED: 4/0

- v. Ordinance 187-21 Amending Section 31 of the Millersburg City Charter
Action: **Motion to Adopt Ordinance 187-21 Amending Section 31 of the Millersburg City Charter made by Councilor Scott Cowan; seconded by Councilor Scott McPhee.**

Mayor Jim Lepin: Aye
 Councilor Scott Cowan: Aye
 Councilor Dave Harms: Absent
 Councilor Scott McPhee: Aye
 Councilor John Sullivan: Aye

Motion PASSED: 4/0

- vi. Ordinance 188,21 Amending the Entirety of the Millersburg City Charter
Action: **Motion to Adopt Ordinance 188-21 Amending the Entirety of the Millersburg City Charter made by Councilor Scott Cowan; seconded by Councilor John Sullivan.**

Mayor Jim Lepin: Aye
Councilor Scott Cowan: Aye
Councilor Dave Harms: Absent
Councilor Scott McPhee: Aye
Councilor John Sullivan: Aye

Motion PASSED: 4/0

L. NEW BUSINESS

- 1) ADS Contract Amendment

Assistant City Manager/City Engineer Booth reviewed the need for the amendment to the technical services agreement with ADS.

Action: **Motion to Approve and Authorize the City Manager sign Amendment 14 to the Agreement for Technical Services with ADS Environmental Services made by Councilor John Sullivan; seconded by Councilor Scott Cowan.**

Mayor Jim Lepin: Aye
Councilor Scott Cowan: Aye
Councilor Dave Harms: Absent
Councilor Scott McPhee: Aye
Councilor John Sullivan: Aye

Motion PASSED: 4/0

- 2) David Evans and Associates Contract Amendment

Assistant City Manager/City Engineer Booth reviewed the proposed amendment and the background behind the request and work with contractor.

Action: **Motion to Approve and Authorize the City Manager sign Amendment 4 to David Evans and Associates Contract for Professional Services made by Councilor Scott McPhee; seconded by Councilor Scott Cowan.**

Mayor Jim Lepin: Aye
Councilor Scott Cowan: Aye
Councilor Dave Harms: Absent
Councilor Scott McPhee: Aye
Councilor John Sullivan: Aye

Motion PASSED: 4/0

- 3) Jacobs (CH2H Hill) Contract Amendment

Assistant City Manager/City Engineer Booth explained the reasons for both amendments for engineering services and an update of the City's Water Management and Conservation Plan.

Action: **Motion to Approve and Authorize the City Manager sign Amendments 13 and 14 to CH2M Hill, Inc. Contracts for Professional Services made by Councilor Scott Cowan; seconded by Councilor Scott McPhee.**

Mayor Jim Lepin: Aye
Councilor Scott Cowan: Aye
Councilor Dave Harms: Absent
Councilor Scott McPhee: Aye
Councilor John Sullivan: Aye

Motion PASSED: 4/0

4) Proposed Revision to Transportation System Development Charges – Resolution 2021-08

Assistant City Manager/City Engineer Booth reviewed the history and the background for the proposed transportation systems development charges particularly related to commercial development. There was lengthy discussion regarding having more businesses along Old Salem Road and the traffic impacts and discussion regarding how the rates are applied consistently.

Action: **Motion for the Adoption of Resolution 2021-08 Modifying the Fee Schedule for Transportation Systems Development Charges as modified during the Council meeting made by Councilor Scott McPhee; seconded by Councilor John Sullivan.**

Mayor Jim Lepin:	Aye
Councilor Scott Cowan:	Aye
Councilor Dave Harms:	Absent
Councilor Scott McPhee:	Aye
Councilor John Sullivan:	Aye

Motion PASSED: 4/0

5) Adoption of Supplemental Budget for FY 2020-2021 - Resolution 2021-09
City Manager Kreitman reviewed the reason for proposing a supplemental budget adoption related to acquisition of property for a public park.

Action: **Motion for the Adoption of Resolution 2021-09 a Resolution to Adopt Supplemental Budget for FY 2020-2021 made by Councilor Scott Cowan; seconded by Councilor Scott McPhee.**

Mayor Jim Lepin:	Aye
Councilor Scott Cowan:	Aye
Councilor Dave Harms:	Absent
Councilor Scott McPhee:	Aye
Councilor John Sullivan:	Aye

Motion PASSED: 4/0

M. CLOSING PUBLIC COMMENT
None

N. CLOSING COUNCIL COMMENT

- 1) Mayor Lepin spoke about Governor Brown's announcement regarding the opening of the state after a certain vaccination level is reached and asked if City Council meetings could then be held in person. City Manager Kreitman mentioned that the governor said that masks and distancing might still be required which will affect in-person meetings. He noted that if the Council would be agreeable to wearing masks and practicing distancing, the City could hold in-person meetings. The Council supports and would like to see the return to in-person meetings.
- 2) Councilor McPhee mentioned it was great to see so many kids from the JBO participating at the ballfields and asked about how often the restrooms are cleaned. Assistant City Manager/City Engineer Booth noted that restrooms are cleaned at least once a day and there has been an issue with the soap at the restrooms. She confirmed that new dispensers and soap are on order. Councilor

McPhee shared that he was in Saturday about 10 a.m. and noted the restrooms were messy. Assistant City Manager/City Engineer Booth said she would verify the cleanings were being done.

O. ADJOURNMENT Mayor Lepin adjourned the meeting at 8:14 p.m.

Respectfully submitted:

Reviewed by:

Kimberly Wollenburg
City Recorder

Kevin Kreitman
City Manager

DRAFT



CITY COUNCIL WORK SESSION MINUTES

Millersburg City Hall
via Virtual Meeting
May 25, 2020 @ 4:00 p.m.

- A. CALL TO ORDER Mayor Lepin called meeting to order at 4:04 p.m.
- B. ROLL CALL
 - Councilors Present: Mayor Jim Lepin, Councilors Scott Cowan, Dave Harms, Scott McPhee, John Sullivan
 - Councilors Absent: None
 - Staff Present: Kevin Kreitman, City Manager; Janelle Booth, Assistant City Manager/City Engineer; Kimberly Wollenburg, City Recorder
 - Presenters: Deb Galardi, Galardi Consulting Group
- C. WORK SESSION ITEMS
 - 1) Parks System Development Charges (SDCs) – Presentation and Discussion
Assistant City Manager/City Engineer Booth opened then introduced Deb Galardi of Galardi Consulting Group who gave a PowerPoint presentation (attached to minutes) to review the proposed System Development Charges methodology for Parks.
- D. CLOSING PUBLIC COMMENT
No public present.
- E. CLOSING COUNCIL COMMENT
 - 1) Mayor Lepin asked for the Council's opinion regarding a survey he recently received from the Oregon Cascades West Council of Governments (COG) regarding non-criminal bias and the state of current affairs on things such as racial and social equality and if the City is interested in COG leading regional efforts to explore ideas on how to respond to non-criminal bias incidents. The Council agreed that at this point, the City does not appear to have any issues and agreed to watch carefully to ensure incidents are addressed appropriately if they arise. City Manager Kreitman will reach out to the Linn County Sheriff's Office to see if there have been any issues or concerns reported.
- F. ADJOURNMENT. Meeting adjourned at 4:47 p.m.

Respectfully submitted:

Reviewed by:

Kimberly Wollenburg
City Recorder

Kevin Kreitman
City Manager

Upcoming Meetings & Events:

June 8, 2021 @ 6:30 p.m. – City Council Meeting & Public Hearing



LINN COUNTY SHERIFF'S OFFICE

Jim Yon, Sheriff

1115 S.E. Jackson Street, Albany, OR 97322
Albany, OR. 97322
Phone: 541-967-3950
www.linnsheriff.org

2021

MONTHLY REPORT TO THE CITY OF MILLERSBURG FROM THE LINN COUNTY SHERIFF'S OFFICE

FOR THE MONTH OF: **May**

TRAFFIC CITATIONS: _____	10
TRAFFIC WARNINGS: _____	15
TRAFFIC CRASHES: _____	0
ADULTS CITED/VIOLATIONS: _____	0
ADULTS ARRESTED: _____	3
JUVENILES CITED/VIOLATIONS: _____	0
JUVENILES ARRESTED: _____	0
COMPLAINTS/INCIDENTS INVESTIGATED: _____	177

TOTAL HOURS SPENT: MILLERSBURG 163.25

CONTRACT HOURS = 153 HOURS

**Jim Yon,
Sheriff, Linn County**

By: Sergeant Beth Miller



CITY OF MILLERSBURG QUARTERLY REPORT JUNE 8, 2021



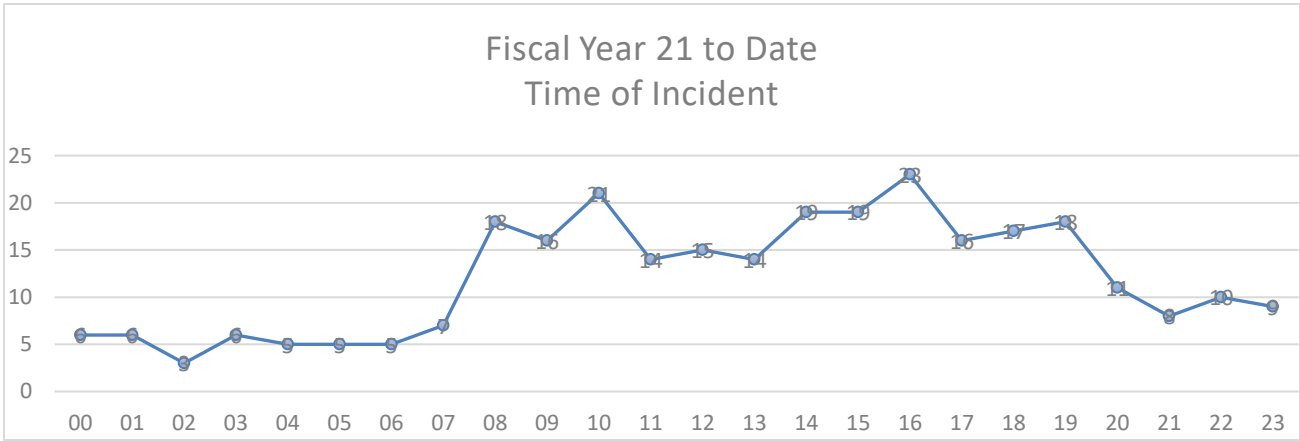
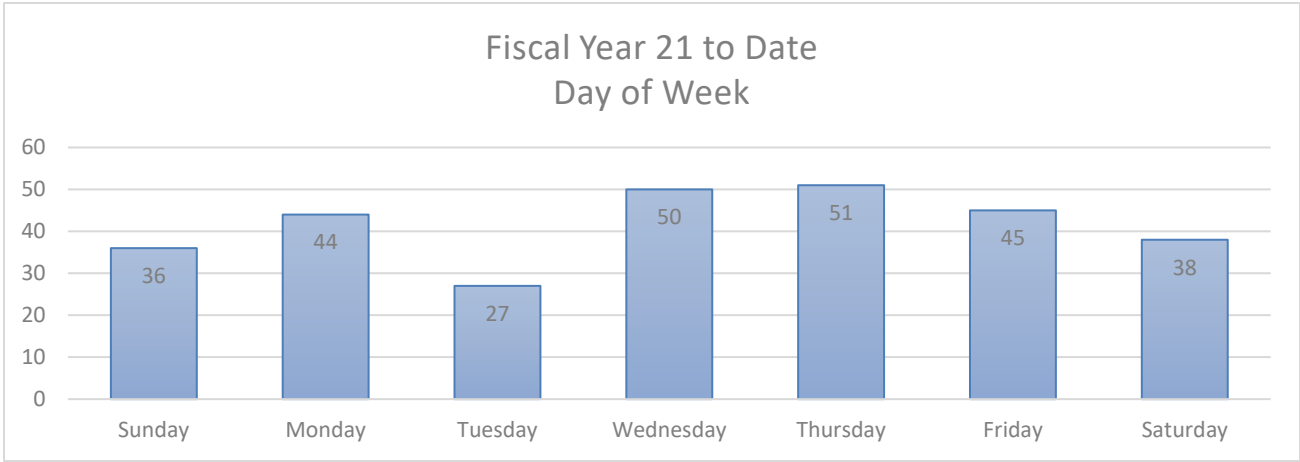
City of Millersburg Total Responses		
Month	Fiscal Year 20	Fiscal Year 21
July	18	17
August	26	26
September	15	28
October	30	29
November	14	21
December	23	30
January	24	29
February	28	26
March	28	21
April	18	28
May	16	36
June	17	
Total	257	291

Millersburg Response Times 911 Call Received to Arrival Time		
	FY 20 Average	FY 21 – To Date
All Incidents	7:41	7:38



<i>Type of Call</i>	<i>Count</i>
SICK PERSON	41
FIRE ALARM ACTIVATION	38
LIFT ASSIST	34
FALL	25
BREATHING PROBLEMS	17
UNCONSCIOUS FAINTING	15
STROKE	12
PUBLIC ASSISTANCE	11
CHEST PAIN	11
MVC INJURY	10
BURN COMPLAINT	9
SEIZURE	7
HEMORRHAGE BLEED	6
SMOKE INVESTIGATION	5
TRAUMA INJURY	5
UNKNOWN MEDICAL PROBLEM	5
PSYCHIATRIC SUICIDE ATTEMPT	4
WIRE DOWN	3
HEART PROBLEMS	3
DIABETIC PROBLEM	3
STRUCTURE FIRE	2
ASSAULT, RAPE, VIOLENT TRAUMA	2
PD CODE 3 EMS RESPONSE	2
ABDOMINAL PAIN OR PROBLEMS	2
SMALL MISC FIRE	2
CARDIAC OR RESPIRATORY ARREST	2
CARBON MONOXIDE INHALATION	2
OD INGESTION POISONING	2
SMALL NATURAL COVER FIRE	1
CAR FIRE	1
HAZMAT INCIDENT	1
CHOKING	1
PD CODE 1 EMS RESPONSE	1
OB, CHILDBIRTH, MISCARRIAGE	1
MEDICAL CALL STARTED	1
ALLERGY, HIVES, REACTION, STING	1
FIRE AGENCY ASSIST	1
TREE FIRE	1
ODOR INVESTIGATION	1
Grand Total	227

CUSTOMER SERVICE · DIVERSE ORGANIZATION · INTEGRITY ·
HEALTH & WELFARE · PROFESSIONALISM & TEAMWORK



City of Millersburg Fire & Life Safety Evaluations	
July	5
August	4
September	1
October	1
November	2
December	15
January	6
February	10
March	16
April	1
May	3
Total	64

City of Millersburg Community Paramedic Referrals	
July	0
August	4
September	2
October	2
November	0
December	0
January	2
February	0
March	0
April	2
May	0
Total	12

RESOLUTION 2021-10

A RESOLUTION CERTIFYING THAT THE CITY OF MILLERSBURG PROVIDES THE MUNICIPAL SERVICES REQUIRED BY OREGON REVISED STATUTES 221.760 IN ORDER TO RECEIVE STATE SHARED REVENUES

WHEREAS, ORS 221.760 provides as follows:

Section 1. The officer responsible for disbursing funds to cities under ORS 323.455, 366.785 to 366.820 and 471.805 shall, in the case of a city located within a county having more than 100,000 inhabitants according to the more recent federal decennial census, disburse such funds only if the city provides four or more of the following services:

- 1) Police Protection
- 2) Fire Protection
- 3) Street Construction, Maintenance, Lighting
- 4) Sanitary Sewer
- 5) Storm Sewer
- 6) Planning, Zoning, Subdivision Control
- 7) One or More Utility Services

and,

WHEREAS, the City of Millersburg recognizes the desirability of assisting the State officer responsible for determining the eligibility of cities to receive State Shared Revenues under ORS 323.455, 366.785 to 366.820 and 471.805; and,

WHEREAS, the City of Millersburg is a city located within a county having more than 100,000 inhabitants;

NOW, THEREFORE, BE IT RESOLVED BY THE MILLERSBURG CITY COUNCIL AS FOLLOWS:

Section 1. The City of Millersburg hereby certifies it provides the following four or more municipal services enumerated in Section 1, ORS 221.760:

1. Police Protection
2. Fire Protection
3. Street Construction, Maintenance, and Lighting
4. Sanitary Sewer
5. Planning, Zoning, and Subdivision Control
6. Water Utility System

Section 2. The City Recorder shall take all steps necessary to carry out the intent of this Resolution, including transmitting a certified copy of this Resolution to the State of Oregon, Department of Administrative Services, to establish the City’s eligibility for State Shared Revenues.

ADOPTED this 8th day of June, 2021.

Jim Lepin, Mayor
City of Millersburg

ATTEST:

Kimberly Wollenburg
City Recorder

DRAFT

RESOLUTION NO. 2021-11

**A RESOLUTION DECLARING THE CITY OF MILLERSBURG'S
ELECTION TO RECEIVE STATE SHARING REVENUE FUNDS
PURSUANT TO SECTION 221.770 OF THE OREGON REVISED
STATUTES**

WHEREAS, ORS 221.770 requires the City Council adopt a resolution declaring the City of Millersburg's election to receive State Sharing Revenue Funds; and

WHEREAS, the 2020-21 budget for the City of Millersburg contains State Sharing Revenue Funds as a resource; and

WHEREAS, the Budget Committee held a public hearing to discuss the possible uses of State Sharing Revenue Funds on May 4, 2021, and the City Council held a public hearing on June 8th 2021 to discuss the proposed use of the funds for fiscal year 2021-22, giving citizens an opportunity to comment on use of State Sharing Revenue Funds; and,

WHEREAS, the City levied a property tax for the preceding fiscal year, beginning July 1, 2020;

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MILLERSBURG, a municipal corporation of the State of Oregon, as follows:

Section 1. Pursuant to ORS 221.770, the City of Millersburg elects to receive state revenues for fiscal year 2021-22.

Section 2. The City Recorder of the City of Millersburg is hereby directed to file a copy of this Resolution with the Department of Administrative Services of the State of Oregon.

ADOPTED this 8th day of June, 2021.

Jim Lepin, Mayor
City of Millersburg

ATTEST:

Kimberly Wollenburg
City Recorder

RESOLUTION 2021-12

A RESOLUTION ADOPTING THE 2020-2021 BUDGET, MAKING APPROPRIATIONS, IMPOSING AND CATEGORIZING TAXES FOR FISCAL YEAR 2021-2022

ADOPTING THE BUDGET

BE IT RESOLVED, that the City Council of the City of Millersburg hereby adopts the budget for fiscal year 2021-2022 in a total \$ 21,412,844 now on file at City Hall.

MAKING APPROPRIATIONS

BE IT RESOLVED, that the amounts for the fiscal year beginning July 1, 2021 and for the purposes shown below, are hereby appropriated.

	Proposed	Approved	Adopted
GENERAL FUND	9,804,273	9,804,273	9,804,273
STREET FUND	1,297,987	1,334,987	1,334,987
STORMWATER FUND	186,960	196,960	196,960
SEWER ENTERPRISE UTILITY FUND	2,209,859	2,234,859	2,234,859
SEWER DEBT SERVICE	432,070	432,070	432,070
SEWER SDC DEBT SERVICE	68,000	88,000	88,000
WATER ENTERPRISE UTILITY FUND	1,611,171	1,646,171	1,646,171
WATER DEBT SERVICE	422,571	422,571	422,571
WATER SDC DEBT SERVICE	360,000	380,000	380,000
Total 2020-2021 Appropriated Funds	15,110,250	15,217,250	15,217,250
Total Unappropriated Funds	868,566	868,566	868,566
Total Reserve Funds	5,434,028	5,327,028	5,327,028
Total 2020-2021 Adopted Budget	21,412,844	21,412,844	21,412,844

IMPOSING AND CATERGORIZING TAXES

BE IT RESOLVED, that the City Council of the City of Millersburg hereby imposes the taxes provided for in the adopted budget in the amount, or at the rate, per \$1,000 of assessed value of \$3.50 for operations, and that these taxes are hereby imposed and categorized for purposes of Article XI Section 11b for tax year 2021-2022 upon the assessed value of all taxable property within the City.

General Fund \$3.50/\$1,000 - General Government Limitation

Resolved and adopted by the Council this 8th day of June, 2021.

ATTEST:

Jim Lepin, Mayor
City of Millersburg

Kimberly Wollenburg
City Recorder

NOTICE OF BUDGET HEARING

A public meeting of the Millersburg City Council will be held virtually on June 8, 2021 at 6:30 pm. Visit www.cityofmillersburg.org for information and instructions on how to join the virtual meeting. The purpose of this meeting is to discuss the budget for the fiscal year beginning July 1, 2021 as approved by the City of Millersburg Budget Committee. A summary of the budget is presented below. A copy of the budget, as well as this notice, may be inspected or obtained at City Hall, 4222 NE Old Salem Rd., Albany, Oregon, between the hours of 8 a.m. and 5 p.m or online at www.cityofmillersburg.org. This budget is for an annual budget period. This budget was prepared on a basis of accounting that is the same as the preceding year.

Contact: Kimberly Wollenburg, City Recorder

Telephone: 458-233-6300

Email: kwollenb@cityofmillersburg.org

FINANCIAL SUMMARY - RESOURCES

TOTAL OF ALL FUNDS	Actual Amounts 2019-20	Adopted Budget This Year 2020-21	Approved Budget Next Year 2021-22
1. Beginning Fund Balance/Net Working Capital	13,373,268	15,291,626	14,263,904
2. Fees, Licenses, Permits, Fines, Assessments & Other Service Charges	4,867,982	3,983,880	3,421,840
3. Federal, State & All Other Grants, Gifts, Allocations & Donations	255,052	358,552	846,741
4. Revenue from Bonds & Other Debt	0	0	37,000
5. Interfund Transfers / Internal Service Reimbursements	935,564	536,262	542,936
6. All Other Resources Except Current Year Property Taxes	440,480	270,336	195,458
7. Current Year Property Taxes Estimated to be Received	2,495,243	1,938,685	2,104,965
8.Total Resources -add lines 1 through 7	22,367,589	22,379,342	21,412,844

FINANCIAL SUMMARY-REQUIREMENTS BY OBJECT CLASSIFICATION

9. Personnel Services	667,773	829,384	881,389
10. Materials and Services	4,327,586	4,395,390	4,121,884
11. Capital Outlay	164,872	3,582,200	7,916,400
12. Debt Service	857,305	1,099,940	854,641
13. Interfund Transfers	905,363	536,262	542,936
14. Contingencies	0	900,000	900,000
15. Special Payments	-	-	-
16. Unappropriated Ending Balance and Reserved for Future Expenditure	15,444,690	11,036,166	6,195,594
17. Total Requirements -add lines 9 through 16	22,367,589	22,379,342	21,412,844

FINANCIAL SUMMARY-REQUIREMENTS AND FULL TIME EQUIVALENT EMPLOYEES (FTE) BY ORGANIZATIONAL UNIT OR PROGRAM *

Name of Organizational Unit or Program FTE for Unit or Program			
Name: General Fund	11,534,601	11,877,946	10,808,980
FTE	6	6	6
Name: Street Funds	3,326,433	3,651,716	3,301,778
FTE	0	0	0
Name: Stormwater Funds	483,991	321,515	208,338
FTE	0	0	0
Name: Sewer Funds	3,690,432	3,444,741	3,592,257
FTE	0	0	0
Name: Water Funds	3,332,132	3,083,424	3,501,491
FTE	0	0	0
Total Requirements	22,367,589	22,379,342	21,412,844
Total FTE	6.00	6.00	6.00

STATEMENT OF CHANGES IN ACTIVITIES and SOURCES OF FINANCING *

A rise in housing has led to an increase in total tax assessed value in Millersburg, which is the primary driver of the increases in total revenue. Increases in Personnel Services is due to the City hiring an additional employee and the increases in PERS. The City plans on beginning construction on a new fire station which has led to an increase in planned Capital Expense.

PROPERTY TAX LEVIES

	Rate or Amount Imposed	Rate or Amount Imposed	Rate or Amount Approved
Permanent Rate Levy (rate limit 3.50 per \$1,000)	3.50	3.50	3.50
Local Option Levy	0	0	0
Levy For General Obligation Bonds	0	0	0

STATEMENT OF INDEBTEDNESS

LONG TERM DEBT	Estimated Debt Outstanding on July 1	Estimated Debt Authorized, But Not Incurred on July 1
General Obligation Bonds	\$4,986,824	\$0
Other Bonds		\$0
Other Borrowings		\$0
Total	\$4,986,824	\$0



TO: Millersburg City Council
 FROM: Kevin Kreitman, City Manager
 DATE: June 1, 2021, for the June 8, 2021, City Council Meeting
 SUBJECT: Lease Agreement with Wilbur-Ellis Company LLC

Action Requested: Approval of proposed lease agreement with Wilbur-Ellis Company LLC for approximately 25 acres of City-owned property.

Discussion: On January 28, 2021, the City entered into a Letter of Intent (LOI) for the lease of approximately 25 acres of land with the Wilbur-Ellis Company LLC. With direction from Council, staff, legal counsel, and Wilbur-Ellis have finalized a lease agreement. The proposed leased property is identified as the southern 25 acres of tax lot 10S03W29 00203, also advertised as Zone C, of available City-owned industrial land. Staff and legal counsel have negotiated the proposed terms of the lease agreement, which includes an "Initial Term" of 18-months for a due diligence period. During this Initial Term, Wilbur-Ellis has the right to terminate the lease with a 30-day notice.

At or prior to the completion of the Initial Term, Wilbur-Ellis has an option to enter into a 30-year lease (Operating Term), followed by two 10-year renewal periods.

The Initial Term rate for the lease is \$100.00 per acre per month, which equates to \$2,500.00 per month, \$30,000.00 annually. The Operating Term rate for the lease is \$500.00 per acre per month, or \$12,500 per month, \$150,000 annually; with the base lease rate of the Operating Term being subject to increases based on the Producer Price Index by Commodity: All Commodities (PPIACO) once every five (5) years.

Budget Impact:

The Initial Term of the lease could result in \$45,000.00 in revenue for the 18-month Initial Term period. The Operating Term of the lease will result in \$150,000 annually for the first five (5) years of the lease, with annual lease rates adjustment every 5 subsequent years based upon PPIACO.

Recommendation:

Staff recommends Council approve the attached Order authorizing the lease of approximately 25 acres of City of Millersburg, Oregon, real property, known as tax lot 203 of Linn County assessor map 10 south, range 3 west, section 29 (the parent parcel), to Wilbur-Ellis Company LLC, a California limited liability company; and authorize the City Manager to sign all documents on behalf of the City of Millersburg necessary to convey said property via lease to Wilbur-Ellis Company LLC, a California limited liability company and to conduct business and sign documents necessary to implement and fulfill terms of this lease in the future.

Attachment(s):

Lease Agreement
 Order Authorizing Lease

LEASE AGREEMENT

This Lease Agreement (“*Lease*”) is entered into as of _____, 2021 (the “*Effective Date*”), by and between Wilbur-Ellis Company LLC, a California limited liability company with its principal place of business at 345 California Street, 27th Floor, San Francisco, California 94104 (“*Lessee*”), and the City of Millersburg, Oregon (“*Lessor*”). Lessor and Lessee are collectively referred to herein as the “*Parties*” and individually as a “*Party*.”

1. Property. Lessor hereby leases to Lessee, and Lessee leases from Lessor, for the term of this Lease, an area of land commonly known as the southern 25 acres of Zone C of Millersburg Industrial Park as depicted on *Exhibit A*, which is attached hereto and incorporated by this reference herein (the “*Property*”) that is located within the real property commonly known as tax lot 203 of Linn County Assessor Map 10 South, Range 3 West, Section 29, as more particularly described on *Exhibit B* attached hereto (the “*Parent Parcel*”). Prior to the end of the Initial Term, (a) the Parties shall agree to an addendum adopting a metes and bounds legal description of the Property to be prepared by an Oregon licensed professional surveyor and (b) Lessee shall apply to the Linn County tax assessor to create a separate tax lot comprising the Property on or before the date that Lessee exercises the Operating Option.

2. Term.

2.1 Initial Term. This Lease shall have an initial term (the “*Initial Term*”) of eighteen (18) months commencing on _____, 2021 (the “*Initial Rent Commencement Date*”).

2.2 Early Termination.

a. At any time during the Initial Term, Lessee shall have the right to terminate this Lease, without cause and without any further obligation to pay rent, by providing at least thirty (30) days’ prior written notice thereof to Lessor pursuant to Section 18 below.

b. If the Linn County tax assessor does not create a separate tax lot comprising the Property within sixty (60) days of the commencement of the Operating Term, Lessee shall have the right to terminate this Lease, without cause and without any further obligation to pay rent, by providing written notice thereof to Lessor within ninety (90) days of the commencement of the Operating Term.

2.3 Operating and Renewal Terms.

a. Subject to Lessee obtaining land use approval (at Lessee’s sole cost and expense) from the City of Millersburg and final plat approval from Linn County to divide the Parent Parcel into two units of land (of which one will be the Property), applying to the Linn County tax assessor to create a separate tax lot comprising the Property, obtaining site plan approval for the Property from the City of Millersburg, obtaining approval from Oregon Department of Transportation for rail access at the Property, and obtaining any other governmental authority necessary for Lessee to perform the Business (as defined below) at the Property, Lessee shall have one (1) option (the “*Operating Option*”) to renew this Lease for a period of thirty (30) years after the Initial Term (the “*Operating Term*”). In order to exercise the Operating Option, Lessee must notify Lessor in writing at least thirty (30) days prior to the expiration of the Initial Term that: (i) Lessee is exercising the Operating Option, (ii) Lessee has waived all contingencies with respect to the commencement of the Operating Option, and (iii) Lessee has no claims against Lessor regarding the Property or arising therefrom.

b. If Lessee is not in default under this Lease, Lessee shall have two (2) options (each, a “*Renewal Option*”) to renew this Lease for a period of ten (10) years each (each, a “*Renewal Term*”) after the Operating Term. In order to exercise a Renewal Option, Lessee must notify Lessor in writing at least one hundred and twenty (120) days prior to the expiration of the Operating Term or the first Renewal Term, as the case may be, that Lessee is exercising a Renewal Option. Upon exercise of this option to extend, the term of this Lease will be extended through the expiration date of the Renewal Term, on the same terms and conditions as contained in this Lease, except for rent (which will be determined in accordance with Section 4.3 below) and except that Lessee will no longer have the corresponding extension option(s).

3. Due Diligence; Early Termination. During the Initial Term, Lessee and its employees and agents shall be granted full access to the Property in order to perform due diligence, feasibility, environmental, and related studies, site assessments, and any general engineering and permitting work which may be necessary or advisable for Lessee to use the Property for Lessee’s Business; provided that Lessee will not construct any improvements on the Property or conduct the Business on the Property during the Initial Term, and Lessee shall indemnify, defend, and hold Lessor harmless for any and all claims arising from Lessee’s due diligence activities on the Property.

4. Rent.

4.1 Base Rent. Starting on the Initial Rent Commencement Date and continuing during the remainder of the Initial Term, Lessee shall pay monthly on or before the first of the month base rent at a rate of \$100/acre (herein the “*Initial Base Rent*”). Starting on the first day of the Operating Term (the “*Operating Term Commencement Date*”) and continuing for the remainder of the term of this Lease subject to Base Rent Increases (as defined below), Lessee shall pay monthly on or before the first of the month base rent at a rate of \$500/acre (herein the “*Operating Base Rent*”). Rent for any partial month shall be pro-rated. Rent shall be payable in lawful money of the United States to Lessor at the address stated herein or to such other persons or at such other places as Lessor may designate in writing.

4.2 Base Rent Increases. Starting at the five (5) year anniversary of the Operating Term Commencement Date and every five (5) years thereafter, during the term of this Lease (including any Renewal Terms), the Operating Base Rent will increase by an amount equal to the product of (i) the then-current base rent and (ii) the percentage by which the Index increased over the same period (the “*Base Rent Increases*”). “*Index*” means the Producer Price Index by Commodity: All Commodities (PPIACO); however, in no event shall the rent be decreased. If the publication of the PPIACO of the U.S. Bureau of Labor Statistics is discontinued, comparable statistics published by a responsible financial periodical agreed upon between the Parties shall be used. In no event shall the Operating Base Rent decrease. In the event the the Index rate decreases over a five year period, the rent shall remain the same, and the rental calculation at the next five year term shall be measured over the previous ten years (or additional periods if applicable) to determine the Base Rent Increase. For example, in the event the Index was 100 during at the Operating Term Commencement Date, 90 at the five year anniversary, and 105 at the ten year anniversary, the Operating Base Rent would remain unchanged after five years and increased five percent at the ten year anniversary.

4.3 Renewal Term – Appraisal Notice and Standard Base Rent for Renewal Term. In the event the Lessee elects to renew this Lease pursuant to Section 2.3(b) above, Lessee shall also state whether Lessee intends to engage an appraiser to determine the fair market rental rate based on the fair market value of Property, excluding the value of onsite improvements and subject to the terms further provided in Section 4.4 below. Lessor shall provide Lessee notice within thirty (30) days of Lessor’s receipt of Lessee’s intent to renew this Lease stating whether Lessor intends to engage an appraiser to determine the fair market rental rate based on the fair market value of the Property, excluding the value of onsite improvements and subject to the terms further provided in Section 4.4 below. If either Party elects to engage an appraiser pursuant to Section 4.4 below, the Operating Base Rent rate for the first five (5) years of the Renewal Term shall be that rate provided in the appraisal, regardless of whether the adjusted Operating Base Rent increases or decreases (“*Adjusted Operating Base Rent*”). The Adjusted Operating Base Rent shall then be subject to Base Rent Increases in accordance with Section 4.2 above on the fifth (5th) year anniversary of the commencement date of the Renewal Term and every five (5) years thereafter until the end of the Term of this Lease.

If neither Party provides notice electing to engage an appraiser subject to the terms of Section 4.4 below, the base rent rate for the Rental Term shall be adjusted according to the index methodology of Section 4.2 above at the commencement of the Renewal Term and at each five (5) year anniversary thereafter.

4.4 Appraisal Procedures. In the event that either Party elects to exercise its right to engage an appraiser to determine the fair market rental rate based on the fair market value of the Property, excluding the value of onsite improvements, the appraisal (or appraisals, if applicable) shall be governed by the terms of this Section 4.4.

a. The Parties agree to instruct the appraiser to determine the fair market rental rate based on the fair market value of the Property, excluding the value of onsite improvements, including, but not necessarily limited to, all personal property, equipment, and fixtures of the Lessee, the building, foundation, parking areas, and all other improvements located on the Premises; provided, however, any and all offsite improvements, including those located within the right-of-way and adjoining developments that affect the value of the Premises shall be included in the increased value of the Premises and fair market rental rate. The Parties intention being to allow any increases or decreases in fair market value of the ground – excluding improvements – to be reflected in the appraisal, but not any onsite improvements.

b. The Parties shall attempt to agree upon an appraiser whose decision as to the value shall be binding; if the Parties are unable to agree within ten (10) days upon an appraiser, each Party shall engage an appraiser within three (3) business days. If the appraised fair market value of the Property is equal or less than ten (10) percent of each other, the Parties agree the fair market value of the Property shall be deemed the average value of the two appraisals. If the appraised fair market value of the Property is greater than ten (10) percent of each other, the appraisers selected by the Parties shall appoint a third appraiser. If the two so selected are unable to agree within seven (7) days on a third appraiser, the third appraiser shall be appointed by the presiding judge of the Circuit Court in Linn County, Oregon, upon application of either Party; a decision as to the value by a majority of the appraisers shall be binding upon both Parties; provided, however, if a majority of the appraisers are unable to agree on a value, then the average of the appraisals of the two closest appraisers shall be binding on both Parties.

c. All appraisal decisions shall be rendered within forty-five (45) days after the appointment of the necessary appraiser(s). Expenses of the appraisals by an appraiser agreed to by the Parties or appointed by the Parties respective appraisers or the Presiding Judge shall be paid one-half (1/2) by Lessor and one-half (1/2) by Lessee.

d. Appraisals by an appraiser exclusively engaged by a Party shall be borne solely by such Party. All appraisers appointed pursuant to this Section 4.4 shall be MAI appraisers or equivalent.

5. Use.

5.1 During the Initial Term, Lessee may use the Property only for the limited purpose of inspecting the Property and conducting its due diligence. Lessor will cooperate, at no cost to Lessor, and sign necessary documents that allow the permitting and construction of any Lessee Improvements (as defined below); provided that any such cooperation shall be subject to all applicable laws including land use regulations, building code, fire code, and environmental laws and further provided that Lessee shall be prohibited from commencement of construction of any improvements or buildings until commencement of the Operating Term. Following any physical testing performed during Lessee's inspection, Lessee shall promptly restore the Property to its original condition. Lessee shall indemnify, hold harmless, and defend Lessor from all liens, claims, costs, and expenses, including reasonable attorneys' fees and experts' fees, and damage to persons or property arising from or relating to Lessee's, and/or its agents, employees, assigns or anyone acting on behalf of Lessee, inspection of the Property.

5.2 During the Operating Term, and any Renewal Term thereafter, the Property shall be used only for the manufacture, distribution, sale, and application (or any segment thereof) of agricultural inputs (the "**Business**"). Lessor will cooperate, at no cost to Lessor, and sign necessary documents that allow the permitting and construction of any Lessee Improvements; provided that any such cooperation shall be subject to all applicable laws including land use regulations, building code, fire code, and environmental laws.

5.3 The Property shall not be used or occupied in violation of any law, ordinance, order, rule, regulation, certificate of occupancy, or other governmental requirement, and Lessee will comply with all laws, ordinances, orders, rules, regulations, and other governmental requirements relating to the use, condition, or occupancy of the Property.

6. Representations and Warranties

6.1 Lessee represents and warrants that it has full right and authority to enter into this Lease, and that each person signing on behalf of Lessee is authorized to do so.

6.2 Lessor represents and warrants that:

a. it has full right and authority to enter into this Lease, and that each person signing on behalf of the Lessor is authorized to do so.

b. it has good and marketable title to the Property and, except as expressly set forth in this Lease and in *Exhibit C* (“*Schedule of Liens and Encumbrances*”), the Property is not subject to any existing mortgage, pledge, right, lien, security interest, conditional sale, or other title retention agreement, lease, encumbrance, restriction, due and unpaid taxes, or charge whatsoever.

c. no claims have been made and no presently outstanding citations or notices have been issued under the Environmental Laws with respect to the Property. Lessor has not been subject to any legal or administrative action, suit, claim, hearing, written notice of violation, investigation, inquiry or proceeding for failure to comply with, or received written notice of any violation or potential liability under the Environmental Laws with respect to the Property, nor is Lessor aware of any information, whether or not confirmed or reported, which could reasonably be expected to give rise to any such potential liability.

d. Lessor has delivered to Lessee true, complete and correct copies of results of any reports, studies, audits, assessments, analyses, tests or monitoring in the possession of or initiated by Lessor pertaining to the existence of Hazardous Materials on the Property or concerning compliance with or liability under the Environmental Laws regarding Lessor’s operations on the Property.

6.3 Subject to Lessor’s actual knowledge and without a duty of inquiry, Lessor represents and warrants that: to the actual knowledge of Lessor and excluding any matter disclosed to Lessee in writing or matter which Lessee discovers during the Initial Term, (i) there is no Hazardous Material at, under or on the Property, (ii) there is no ambient air, surface water, groundwater or land contamination within, under or originating from the Property which was caused by Lessor; (iii) the Property has not been used to distribute, process, store, handle, or transport Hazardous Material, (iv) Lessor has no currently pending or existing court- or agency-ordered remediation obligation or monetary liability entered against it under any Environmental Laws, relating to the manufacture, processing, distribution, use, treatment, storage, generation, disposal, transport or handling of Hazardous Material at or from the Property, (v) there are no specific facts or circumstances that would indicate that any operations on the Property are not in compliance in all material respects with the Environmental Laws, the provisions of the Federal Occupational Safety and Health Act, and other applicable law, (vi) the Property is not (1) listed or proposed for listing on the National Priority List, or (2) listed on the Comprehensive Environmental Response, Compensation, Liability Information System List (“*CERCLIS*”) promulgated pursuant to CERCLA, or to Lessor’s knowledge, any comparable list maintained by any state or local government authority, and (vii) there are no underground storage tanks at the Property.

As used in this Lease, “*Hazardous Material*” shall mean: (1) any “hazardous substance” as now defined pursuant to the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (“*CERCLA*”), 42 U.S.C. § 9601(14), (2) any “pollutant or contaminant” as defined in 42 U.S.C. § 9601(33), (3) any material now defined as “hazardous waste” pursuant to 40 C.F.R. pt. 261, (4) any petroleum, including crude oil and any fraction thereof, (5) any “hazardous chemical” as defined pursuant to 29 C.F.R. pt. 1910, and (6) any asbestos, polychlorinated biphenyl, or isomer of dioxin, or any material or thing containing or composed of such substance or substances.

As used in this Lease, “*Environmental Law*” shall mean all applicable federal, state, foreign or local laws (including common law and statutes), ordinances, regulations and rules, now or hereafter in effect and as amended, and any judicial or administrative interpretation thereof, including any judicial or administrative order, consent decree or judgment, relating to the environment, health, safety, natural resources or Hazardous Materials.

6.4. All representations and warranties of Lessor shall exclude any and all matters disclosed to Lessee in writing or otherwise discovered by Lessee during the Initial Term but waived expressly or impliedly by Lessee upon the commencement of the Operating Term.

6.5. Neither Lessor nor Lessee are represented by any brokers in this Lease.

6.6. **AS-IS.** LESSEE SHALL INSPECT THE PROPERTY TO BE LEASED FROM LESSOR TO LESSEE, AND SHALL ACCEPT THE SAME IN THE CONDITION THE SAME ARE NOW IN. THERE ARE NO VERBAL OR IMPLIED PROMISES, AGREEMENTS, STIPULATIONS, REPRESENTATIONS OR WARRANTIES OF ANY CHARACTER WHATSOEVER, EXCEPT THOSE SET FORTH IN WRITING IN THIS AGREEMENT.

7. Obligations of Lessee.

7.1. **Expenses.** During the term of this Lease, Lessee will pay all operating expenses associated with the Property, including without limitation, insurance costs, utilities, and maintenance and upkeep of any improvements on the Property. Lessee shall reimburse Lessor for all real estate taxes levied (including any special assessments related to termination of Oregon Exclusive Farm Use Farm Deferral under ORS Chapter 308A), payable, or imposed against the Property by any governmental authority.

7.2. **Construction and Modification of Improvements.** During the Operating Term and any Renewal Term, Lessee shall have the right, subject to the terms of this Lease, to make any alterations, improvements, additions, and/or utility installations in, on or about the Property, without the need for Lessor's consent. All alterations, improvements, additions, trade fixtures, machinery, equipment and utility installations, which may be made on the Property during the term of this Lease (collectively, the "*Lessee Improvements*"), shall become the property of Lessee, provided that Lessee removes the Lessee Improvements in accordance with Section 27.6 below. Lessor hereby waives its rights, statutory or otherwise, to any lien on the Lessee Improvements. Unless Lessee is in default under this Lease, Lessor shall permit Lessee to remove the Lessee Improvements in accordance with Section 27.6 below. The Parties agree that any Lessee Improvements that remain on the Property following the expiration or termination of the Lease shall become the property of Lessor. Title to the Lessee Improvements that remain on the Property after the expiration or termination of this Lease (whether as a result of Lessee's default under this Lease or otherwise) shall automatically vest in, revert to, and become the property of Lessor without compensation to, or requirement of consent or other act of, Lessee, and without the necessity of deed, bill of sale, conveyance or other act or agreement of Lessee, and without any payment of any kind or nature by Lessor to Lessee or to any other person, including any Lender who has a lien against all or any portion of Lessee's interest. Lessee shall thereafter have no further rights thereto or interest therein.

7.3. **Conformance with Laws.** All Lessee Improvements including, but not limited to, buildings, structures, sidewalks and parking areas shall be constructed to conform to, and maintained in accordance with, all applicable rules and regulations of the City of Millersburg and the State of Oregon. Lessee shall furnish Lessor with a set of "as built" drawings and specifications for all construction and subsequent Lessee Improvements (excluding the building) which accurately reflect the nature and extent of the Lessee Improvements (excluding the building). For buildings and structures, Lessee shall furnish Lessor with a set of approved construction drawings and/or plans.

7.4. **Financing.** Lessor shall not be required to subordinate or subject its fee or leasehold interest in the Property to the lien of any person or entity providing financing to Lessee in connection with the design or construction of the Lessee Improvements or the maintenance and operation thereof. All such financing shall be the sole responsibility of Lessee.

7.5. **Construction Liens.** Lessee covenants to keep the Premises and Lessee Improvements free from all construction liens and all other liens of any type whatsoever arising out of Lessee's repair, alteration,

maintenance, and use of the Premises and Lessee Improvements. If a lien is filed, Lessee will, within 30 days after knowledge of the filing, secure the discharge of the lien or deposit a sufficient corporate surety bond in an amount required by Oregon law to remove the lien. If Lessee fails to discharge or bond off the lien, Lessor will have the right to pay the amount of the lien and Lessee will promptly reimburse Lessor for any such payment by Lessor, together with all costs and fees (including attorney fees) that Lessor incurred in connection with the lien. Lessor reserves the right to post notices of nonresponsibility under the lien laws of the state of Oregon. Notwithstanding the foregoing, Lessee may contest, diligently conducted in good faith, without cost or expense to Lessor, the validity of any liens filed or established, and in such event may permit the items so contested to remain undischarged and unsatisfied during the period of such contest; provided, however, if such lien remains undischarged and unsatisfied for 30 days or more, Lessee shall furnish Lessor with security, reasonably acceptable to Lessor, against any loss or injury by reason of the lien.

7.6. **Payment of Taxes.** Commencing on the beginning of the Operating Term, Lessee agrees to timely pay any taxes imposed on the real property including the Property and any improved areas (e.g., parking, landscaping) associated with the Property subject to this Lease and the Lessee Improvements thereon or on Lessee's personal property located on the Property, assessments (including local improvement district assessments), water, sewer or other utility charges on the Property as they become due provided Lessee may in good faith contest any such liability filed or established, and in such event may permit the items so contested to remain undischarged and unsatisfied during the period of such contest. Real property taxes, assessments and personal property taxes for the tax year in which the due diligence period expires or is waived shall be prorated as of the end of the due diligence period.

7.7. **No Hazardous Substances.** Lessee shall not use or occupy, or permit or suffer all or any part of the Property or the Lessee Improvements or facility to be used or occupied, for any purpose or in any way in violation of any Legal Requirement of any state or federal law or regulation respecting Hazardous Substances. The term "**Hazardous Substance**" means any hazardous, toxic, or dangerous substance, waste, or material that is the subject of environmental protection, including but not limited to the items listed in the United States Department of Transportation Hazardous Materials Table (49 CFR §172.101) or designated as hazardous substances by the United States Environmental Protection Agency (40 CFR pt 302). Lessee acknowledges and agrees that the term "**Legal Requirements**" includes but is not limited to all environmental protection laws such as the Comprehensive Environmental Response, Compensation and Liability Act (42 USC §9601 et seq.), the Federal Water Pollution Control Act (33 USC §1251 et seq.), and the Clean Air Act (42 USC §7401 et seq.).

8. Indemnification.

8.1 Lessee agrees to indemnify, hold harmless and defend Lessor and Lessor's directors, officers, employees, independent contractors, and agents from, against, for or with respect to all claims and actions and all expenses and fees (including but not limited to reasonable attorney, accountant, paralegal, expert and escrow fees), fines and costs and penalties (collectively, "**Costs**") which may be imposed upon or claimed against Lessor to the extent arising from or connected with (a) any act, omission or negligence of Lessee or Lessee's sublessees on the Property during the term of this Lease; (b) Lessee's use, occupancy, management or control of the Property or the Lessee Improvements to be constructed by Lessee or Lessee's sublessee during the term of this Lease; (c) any condition created in or about the Property by any party other than Lessor or its employees, independent contractors, or agents, including any accident, injury or damage occurring on or about the Property during the term of this Lease; and (d) any default, violation or nonperformance of any of Lessee's obligations under this Lease. For purposes of this section, Lessee shall include Lessee, Lessee's partners, officers, directors, employees, invitees, customers, agents and contractors.

8.2 Lessor agrees to indemnify, hold harmless and defend Lessee and Lessee's directors, officers, employees, independent contractors, and agents, subject to the limitations of the Oregon Constitution and the Oregon Tort Claims Act, and subject to ORS Chapter 180, from, against, for or with respect to all Costs which may be imposed upon or claimed against Lessee to the extent arising from or connected with Lessor's breach of this Lease.

8.3 Indemnity provisions set forth herein shall survive the expiration or earlier termination of this Lease and shall be fully enforced thereafter.

9. Insurance.

9.1 **Liability Insurance - Lessee.** Lessee shall, at Lessee's expense, obtain and keep in force during the term of this Lease: (i) workers' compensation insurance with no less than the minimum limits required by law; (ii) employer's liability insurance with such limits as required by law; and (iii) a policy of Combined Single Limit Bodily Injury and Property Damage Insurance insuring Lessee and Lessor against any liability arising out of the use, occupancy, management, control, or maintenance of the Property. Such insurance shall include all coverages included in a standard commercial general liability policy including but not limited to broad form property damage, independent contractors, products and completed operations and broad form contractual liability. The insurance required in Section 9.1(iii) shall be in an amount not less than \$2,000,000 per occurrence.

9.2 **Property Insurance – Lessee.** Lessee will, at all times that this Lease remains in effect and at Lessee's sole expense, maintain property insurance against all risks of loss to the Lessee Improvements or the facility, at the full replacement cost thereof. Lessee will also, at Lessee's sole expense, maintain insurance covering loss or damage to Lessee's equipment and other personal property on the Property. Lessee (on behalf of Lessee and Lessee's insurers, heirs, successors, and assigns) releases Lessor and Lessor's directors, officers, employees, independent contractors, and agents from liability for any damage to or loss of the Lessee Improvements or Lessee's personal property on the Property that are caused by or result from risks or perils insured against under any property insurance policies required by this Lease to be carried by Lessee, or that would have been covered by such policies if Lessee fails to maintain the property insurance required by this Section 9. Lessee will notify the companies issuing its property insurance policies of the release set forth in this Section 9 and will have its property insurance policies endorsed, if necessary, to evidence a waiver of subrogation by the insurance carrier. This provision applies regardless of whether or not Lessee has received a waiver of subrogation endorsement from its insurer.

9.3 **No obligation of Lessor.** The required insurance policies under this Section 9 shall provide that the coverage is primary and will not require any contribution from any insurance or self-insurance carried by Lessor.

9.4 **Insurance Rating.** The policies set forth above shall (i) be provided by a company or companies duly licensed by the state in which the Property is located, and possessing a current A.M. Best, Inc. rating of A VII or its equivalent and (ii) include Lessor as additional insured and be primary and non-contributory. Lessee shall deliver certificates of all such insurance policies to Lessor upon Lessor's request, and Lessee shall notify Lessor at least 30 days' prior to any cancellation or material change to such policies.

9.5 **Certificate of Insurance.** Concurrent with Lessee's notice exercising Lessee's election of the Operating Term and on the fifth (5th) year anniversary thereafter, Lessee shall also provide proof of such compliance with all insurance obligations under this Lease by giving Lessor an updated certificate of insurance.

10. **Estoppel Certificate.** Upon Lessee's written request, Lessor shall execute, acknowledge, and deliver to Lessee a written statement certifying: (i) that none of the terms or provisions of this Lease have been changed (or if they have been changed, stating how they have been changed); (ii) that this Lease has not been cancelled or terminated; (iii) the last date of payment of rent, and any other charges under this Lease and the time period covered by such payment; (iv) that Lessee is not in default under this Lease (or, if Lessee is claimed to be in default, stating why); and (v) such other matters as may be reasonably required by Lessee or Lessee's lender. Lessor shall deliver such statement to Lessee within five (5) business days after Lessee's request.

11. **Lease and Right of First Offer Memorandum.** Concurrently with the execution of this Lease, Lessor and Lessee shall execute a memorandum ("*Memorandum of Lease and ROFO* ") that shall include: (i) the names and addresses of Lessor and Lessee, a description of the Property, the term of the Lease, and

the terms of any options to extend the term of this Lease but shall omit a discussion of rent and (ii) the terms of the ROFO (as defined below). Lessee shall record the Memorandum of Lease and ROFO in the Linn County, Oregon recorder’s office.

12. Right of First Offer.

12.1 **ROFO.** During the Operating Term or Renewal Term, Lessor grants to Lessee, and Lessee hereby accepts from Lessor, a right of first offer to purchase the Property and any portion of Lessor’s property in which the Property is located subject to the terms and conditions contained in this Lease (collectively the “**ROFO**”).

12.2 **Conditional Grant.** So long as Lessee is not then in default under this Lease, Lessee shall have the ROFO upon the terms and conditions set forth in this Lease.

12.3 **Restrictions on Listing and Sale.** Except as provided below, Lessor shall not list the Property (or any portion of Lessor’s property that includes the Property) with a broker or otherwise market the Property (or any portion of Lessor’s property that includes the Property) for sale, accept any unsolicited offer, or sell all or a portion of the Property (or any portion of Lessor’s property that includes the Property) without first making an offer (“**Lessor’s Offer**”) to Lessee for a price and on terms and conditions acceptable to Lessor and allowing Lessee 60 days from the date Lessee receives Lessor’s Offer to respond. If Lessee accepts Lessor’s Offer in writing, then the Parties will be bound by the contract formed by such offer and acceptance. If Lessee fails to accept Lessor’s Offer in writing within such 60-day period, then Lessor may market and sell the Property (or any portion of Lessor’s property that includes the Property) to any person for such price and pursuant to terms substantially similar to those set forth in Lessor’s Offer without further notice to Lessee for a period of 365 days following the date of Lessor’s Offer. If Lessee makes a counteroffer within 60 days of receipt of Lessor’s Offer (“**Lessee’s Counteroffer**”), Lessor will have the option of accepting or rejecting Lessee’s Counteroffer at any time during the 90 days after it is delivered to Lessor. Lessee may not withdraw Lessee’s Counteroffer during such 90-day period. If Lessor does not accept Lessee’s Counteroffer, then for a period of 365 days following the date of Lessee’s Counteroffer, Lessor may market and sell the Property (or any portion of Lessor’s property that includes the Property) to a third party at a price (net of any broker commissions or other similar fees) and such other terms as are no more favorable to the purchaser than those set forth in Lessor’s Offer. Notwithstanding anything to the contrary in this Section 12.3, Lessor shall have the right to structure Lessor’s Offer to include the Property as a separate legal lot or include the Property in a larger portion of Lessor’s property.

12.4 **Termination of ROFO.** If Lessor does not sell the Property (or any portion of Lessor’s property that includes the Property) to a third party within either of the 365-day periods set forth in Section 12, then Lessee’s ROFO will be reinstated upon the expiration of the applicable 365-day period. As used in this Section 12, the term “sell” means actually conveying Lessor’s interest in the Property (or any portion of Lessor’s property that includes the Property) to a third party, any agreement between Lessor and a third party for a future conveyance of Lessor’s interest in the Property (or any portion of Lessor’s property that includes the Property), or any transaction that is the substantial equivalent of such a conveyance or agreement for such a conveyance. Upon the sale of the Property (or any portion of Lessor’s property that includes the Property) to a party other than Lessee pursuant to this Section 12, Lessee’s ROFO shall expire and Lessee shall have no further right to purchase the Property (or any portion of Lessor’s property that includes the Property) under this Section 12.

13. Assignment and Subletting; Permitted Transfers.

13.1 Other than a Permitted Transfer (as defined below), Lessee shall not, directly or indirectly, voluntarily or by operation of law, sell, assign, encumber, mortgage, pledge, or otherwise transfer or hypothecate all or any part of the Property, or Lessee’s leasehold estate hereunder, or sublet all or any portion of the Property or permit the Property to be occupied by anyone other than Lessee (each such act herein

referred to as a “**Transfer**”), without Lessor’s prior written consent in each instance, which consent shall not be unreasonably withheld, conditioned, or delayed. Lessee shall provide Lessor with reasonable documentation regarding such purchaser’s qualifications, which documentation may include evidence of the purchaser’s net worth or multi-family property operating experience. Any assignee or sublessee shall assume, in written instrument acceptable to Lessor, all of the obligations of Lessee hereunder.

13.2 Notwithstanding the foregoing, Lessee may, without the consent of Lessor make a Transfer (a “**Permitted Transfer**”) to any person or entity which shall: (i) Control; (ii) be under the Control of; or (iii) be under common Control with Lessee. As used herein, “**Control**” shall mean ownership, whether directly or indirectly, of more than fifty percent (50%) of the outstanding voting stock of a corporation or other majority equity and control interest if not a corporation and the possession of power to direct or cause the direction of the management and policy of such corporation or other entity, whether through the ownership of voting securities, by statute, or according to the provisions of a contract.

14. Defaults; Remedies.

14.1 **Defaults.** The occurrence of any one or more of the following events shall constitute a material default and breach of this Lease by Lessee (each, an “**Event of Default**”):

- a. The abandonment of the Property by Lessee.
- b. The failure by Lessee to make any payment of rent as and when due, where such failure shall continue for a period of five (5) days after written notice thereof from Lessor to Lessee.
- c. The failure by Lessee to make any payment, other than rent, required to be made by Lessee hereunder, as and when due, where such failure shall continue for a period of thirty (30) days after written notice thereof from Lessor to Lessee.
- d. The failure by Lessee to observe or perform any of the covenants, conditions or provisions of this Lease to be observed or performed by Lessee, other than described in paragraph (b) above, where such failure continues for a period of thirty (30) days after written notice thereof from Lessor to Lessee; provided, however, that if the nature of Lessee’s default is such that more than 30 days are reasonably required for its cure, then Lessee shall not be deemed to be in default if Lessee commenced such cure within said 30-day period and thereafter diligently prosecutes such cure to completion.
- e. Any of the following: (i) Lessee becomes a “debtor” as defined in 11 U.S.C. § 101 or any successor statute thereto (unless, in the case of a petition filed against Lessee, the same is dismissed within 60 days); or (ii) the appointment of a trustee or receiver to take possession of substantially all of Lessee’s assets located at the Property or of Lessee’s interest in this Lease, where such seizure is not discharged within 30 days. Notwithstanding the foregoing, in the event that any provision of this Section 14.1(e) is contrary to any applicable law, such provision shall be of no force or effect.

14.2 **Remedies.** In the event of any such Event of Default by Lessee, Lessor may, in addition to its other remedies available at law or in equity, terminate Lessee’s right to possession of the Property by any lawful means, in which case this Lease shall terminate and Lessee shall immediately surrender possession of the Property to Lessor. Subject to Lessor’s obligation to mitigate its damages in accordance with Oregon law, in the event of an Event of Default by Lessee, Lessor’s claim for damages shall include recovery of the Property immediately, without waiting until the due date of any future rent or until the date fixed for expiration of the term, and the following amounts as damages: the reasonable costs of reentry and reletting (excluding brokerage commissions and advertising costs) including without limitation the cost of any clean up, refurbishing, removal of Lessee’s property and fixtures, or any other expense occasioned by Lessee’s failure to quit the Property upon termination and to leave them in the required condition, including any repair and restoration costs, attorneys’ fees, and court costs; and the loss of reasonable rental value from the date of default until a new tenant has been, or with the exercise of reasonable efforts could have been secured. Lessee shall vacate the Property immediately, remove any personal property of Lessee, perform any clean up

alterations or other work required at the end of the term, and deliver all keys to Lessor. Lessor may reenter, take possession of the Property, and remove any persons and property by legal action.

14.3 **Default by Lessor.** Lessor shall not be in default unless Lessor fails to perform obligations required of Lessor within a reasonable time, but in no event later than thirty (30) days after written notice by Lessee to Lessor in writing, specifying wherein Lessor has failed to perform such obligation. In the event of such default by Lessor, Lessee may, in addition to its other remedies available at law or in equity, terminate this Lease without any further liability to Lessee.

14.4 **Right to Sue More than Once.** Either Party may sue periodically to enforce this Lease or recover damages during the period corresponding to the remainder of the term, and no action for specific performance or damages will bar a later action for damages subsequently accruing for other breaches of this Lease.

14.5 **Remedies Cumulative.** The foregoing remedies will be in addition to and will not exclude any other remedy available to the non-defaulting Party under applicable law and may be exercised concurrently or successively in such order or combination as non-defaulting Party in its sole discretion may elect.

15. **Eminent Domain.** If the Property, or any such portion thereof as will make the Property unusable for the purposes herein leased, is taken by any legally constituted authority for any public use or purpose or by right of eminent domain, or be conveyed in lieu of or in anticipation of such taking or the exercise of such right, then in any of said events this Lease and all rights of Lessee hereunder shall cease and terminate from the time possession thereof is taken by public authorities, and rental shall be accounted for as between Lessor and Lessee as of that date. Any lesser condemnation, including, but not limited to, any dedication of right-of-way or easement necessary for the development of the Property, shall in no way affect the respective rights and obligations of Lessor and Lessee hereunder.

16. **Severability.** The invalidity of any provision of this Lease as determined by a court of competent jurisdiction, shall in no way affect the validity of any other provision hereof.

17. **Incorporation of Prior Agreements; Amendments.** This Lease contains all agreements of the Parties with respect to any matter mentioned herein. No prior agreement or understanding pertaining to any such matter shall be effective. This Lease may be modified in writing only, signed by the Parties in interest at the time of the modification.

18. **Notices.** Any notice required or permitted to be given hereunder shall be in writing and may be given by personal delivery or by certified mail and shall be deemed given when received or refused after an attempted delivery. The Parties' addresses for notice are as follows, provided that either Party may by notice to the other specify a different address for notice purposes:

Lessor: Wilbur-Ellis Company LLC
345 California Street, 27th Floor
San Francisco, California 94104
Attn: General Counsel

Lessee: The City of Millersburg, Oregon
4222 NE Old Salem Road
Albany, OR 97321
Attn: City Manager

19. **Waivers.** No waiver by either Party of any provision hereof shall be deemed a waiver of any other provision hereof or of any subsequent breach by such Party of the same or any other provision.

20. Costs and Attorney Fees. In the event suit or action is brought, or an arbitration proceeding is initiated, to enforce or interpret any of the provisions of this Lease, or that arise out of or relate to this Lease, the prevailing Party shall be entitled to reasonable attorneys' fees in connection therewith. The determination of who is the prevailing Party and the amount of reasonable attorneys' fees to be paid to the prevailing Party shall be decided by the arbitrator(s) (with respect to attorneys' fees incurred prior to and during the arbitration proceedings) and by the court or courts, including any appellate court, in which such matter is tried, heard, or decided, including a court that hears a request to compel or enjoin arbitration or to stay litigation or that hears any exceptions or objections to, or requests to modify, correct or vacate, an arbitration award submitted to it for confirmation as a judgment (with respect to attorneys' fees incurred in such court proceedings).

21. Cumulative Remedies. No remedy or election hereunder shall be deemed exclusive but shall, wherever possible, be cumulative with all other remedies at law or in equity.

22. Binding Effect; Choice of Law. This Lease shall bind the Parties, their personal representatives, and all permitted successors and assigns. This Lease shall be governed by and interpreted in accordance with the laws of the State of Oregon, without regard to its conflicts of laws rules.

23. Quiet Possession. Upon Lessee paying the rent for the Property and observing and performing all of the material covenants, conditions and provisions on Lessee's part to be observed and performed hereunder, Lessee shall have quiet possession of the Property for the entire term of this Lease subject to all of the provisions of this Lease.

24. No Broker. Lessor and Lessee represent that they have not used a broker to arrange this transaction.

25. Confidentiality.

a. From time to time either Party (the "**Disclosing Party**") may disclose to the other Party (the "**Receiving Party**") information that, under the circumstances, would be understood to be confidential or proprietary by a person exercising reasonable business judgment, together with any reports, analyses, compilations, forecasts, memoranda, notes, studies, interpretations and any other oral, written or electronic materials prepared by or for Receiving Party that contain, reflect or are based upon, in whole or in part, such information ("**Confidential Information**"). Information conforming to the foregoing definition does not cease to be Confidential Information solely because it has been commingled with other information, transcribed, summarized, compiled, modified, analyzed or reconstituted by Receiving Party in any manner.

b. During the term of this Lease and for three (3) years following the expiration or termination of this Lease, the Receiving Party agrees not to disclose any Confidential Information to any third party unless such disclosure shall be approved in writing by the Disclosing Party prior to disclosure, and the Receiving Party shall not use any such Confidential Information except as is reasonably necessary to carry out its responsibilities under this Lease.

c. The obligations of confidentiality under this Lease shall not apply to information which: (a) is already known to the Receiving Party at the time of disclosure without obligation of confidentiality; (b) is or becomes publicly known through no wrongful act of the Receiving Party; (c) is rightfully received by the Receiving Party from a third party without restriction on disclosure and without breach of this Lease; (d) was developed by or for the Receiving Party independently and without the use or benefit of the Confidential Information; or (e) is required to be disclosed by the Receiving Party pursuant to any order or requirement of a court, administrative agency, or any other governmental agency, provided that the Receiving Party shall give the Disclosing Party prompt written notice of such order or requirement and an opportunity to contest or seek an appropriate protective order.

d. The Receiving Party may disclose Confidential Information to those of its affiliates, employees, agents, consultants, and advisors (collectively, "**Representatives**") who have a need to know the information disclosed hereunder and who are subject to confidentiality obligations no less restrictive than

those set forth herein. The Receiving Party shall be responsible for compliance by its Representatives with the provisions hereof.

e. The Parties recognize that any violation of the confidentiality obligations in this section may not be adequately compensable by monetary damages, and the Disclosing Party shall be entitled to seek an injunction or other appropriate decree specifically enforcing the Receiving Party's obligations pursuant to this section.

26. Counterparts. This Lease may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed an original for all purposes, and all such counterparts shall together constitute but one and the same instrument.

27. Termination.

27.1. Clear Title. Unless this Lease is terminated in accordance with Section 2.2 above, Lessee shall, upon the expiration or termination of this Lease, without charge to Lessor, promptly execute, acknowledge and deliver to Lessor a bargain and sale deed and bill of sale which (a) conveys all of Lessee's right, title and interest in and to the Property and Lessee Improvements that remain on the Property following the expiration or termination of this Lease; (b) assigns, without representation or warranty and to the extent assignable by the terms of such contracts, all contracts designated by Lessor, relating to the operation, management or maintenance of the Property or any part thereof; and (c) conveys, without representation or warranty and to the extent assignable by the terms of such contracts, all plans, records, registers, permits, and all other papers and documents which may be necessary or appropriate for the proper operation and management of the Property and facility, and shall deliver all of the foregoing to Lessor.

27.2. Removal of Realty Fixtures Not Permitted. Except for Lessee Improvements removed in accordance with Section 27.6, Lessee is not required or permitted to demolish Lessee Improvements that are on the Property at the time of the expiration or termination of the Lease. Except as provided in Section 27.6, Lessee shall not have the right to remove fixtures, and such fixtures shall automatically become the property of Lessor without payment of any kind to Lessee.

27.3. Surrender of Lien-Free Title. Unless otherwise provided herein, upon the expiration or earlier termination of this Lease, Lessee shall deliver possession of the Property, and every part thereof, to Lessor, cure all material defaults and shall grant and convey all right, title, and interest in the Lessee Improvements that remain on the Property in accordance with this Lease, and every part thereof, in good and broom-clean condition subject to ordinary wear and tear, free and clear of all liens and encumbrances created or suffered by Lessee, excepting (i) those created by Lessor, and (ii) those liens and encumbrances approved in writing by Lessor with the express agreement of Lessor that such may survive the expiration or earlier termination of this Lease. This obligation includes the obligation to discharge all liens and encumbrances which may exist upon early termination of this Lease. Notwithstanding the foregoing, Lessee may contest, diligently conducted in good faith, without cost or expense to Lessor, the validity of any liens filed or established, and in such event may permit the items so contested to remain undischarged and unsatisfied during the period of such contest; provided, however, if such lien remains undischarged and unsatisfied for 30 days or more, Lessee shall furnish Lessor with security, reasonably acceptable to Lessor, against any loss or injury by reason of the lien.

27.4. Surrender of Fixtures. Lessee's obligation under this Section 27 includes the obligation to deliver lien-free possession and title to all fixtures attached to the Lessee Improvements that are not removed by Lessee in accordance with Section 27.6.

27.5. Failure to Surrender. If Lessee fails to surrender the Property, or any part thereof, as required hereunder, at the expiration or sooner termination of this Lease, Lessee shall indemnify, defend and hold Lessor and Lessor's directors, officers, employees, independent contractors, and agents harmless from all liability and expense resulting from the delay or failure to surrender, including, without limitation, claims made by any succeeding tenant, founded on or resulting from Lessee's failure to surrender, and any direct damages which the indemnified Parties may incur as a result thereof.

27.6. **Lessee’s Right to Remove Lessee Improvements and Personal Property.** At the expiration or earlier termination of this Lease, provided Lessee is not then in default under this Lease, Lessee may remove any or all of the Lessee Improvements and Lessee’s personal property from the Property, so long as (a) such Lessee Improvements are removed on or prior to the expiration or termination date of the Lease and personal property and trade fixtures are removed within thirty (30) days following such expiration or earlier termination of this Lease, and (b) all resultant injuries to the Property and any Lessee Improvements that are not removed by Lessee are promptly and substantially remedied and Lessee takes reasonable steps necessary to preserve the appearance of the Property and any Lessee Improvements that are not removed by Lessee. Upon request of Lessor, Lessee shall remove all of Lessee’s personal property from the Property and Lessee Improvements within thirty (30) days of the expiration or earlier termination of this Lease. Any Lessee Improvements, personal property and trade fixtures remaining on the Property after said thirty (30) day period shall automatically vest and become the sole property of Lessor without any payment by Lessor and without any further action or agreement required in connection therewith, including the necessity of a bill of sale, deed, conveyance or other act or agreement of Lessee, and without payment of any kind or nature by Lessor to Lessee or to any other person.

28. **Mediation and Arbitration.** Any dispute or claim that arises out of or that relates to this Lease, or to the interpretation or breach thereof, or to the existence, validity, or scope of this Lease or the arbitration agreement, shall be resolved by arbitration in accordance with the then effective arbitration rules of (and by filing a claim with) Arbitration Service of Portland, Inc. or its successor in accordance with the filing rules of the organization selected, and judgment upon the award rendered pursuant to such arbitration may be entered in any court having jurisdiction thereof. The Parties acknowledge that mediation usually helps parties to settle their dispute. Therefore, any Party may propose mediation whenever appropriate through the organizations named above or any other mediation process or mediator as the Parties may agree upon.

LESSOR AND LESSEE HAVE CAREFULLY READ AND REVIEWED THIS LEASE AND EACH TERM AND PROVISION CONTAINED HEREIN AND, BY EXECUTION OF THIS LEASE, SHOW THEIR INFORMED AND VOLUNTARY CONSENT THERETO. THE PARTIES HEREBY AGREE THAT, AT THE TIME THIS LEASE IS EXECUTED, THE TERMS OF THIS LEASE ARE COMMERCIALY REASONABLE AND EFFECTUATE THE INTENT AND PURPOSE OF LESSOR AND LESSEE WITH RESPECT TO THE PROPERTY.

IN WITNESS WHEREOF, the Parties hereto have executed this Lease by their duly authorized representatives to be effective as of the date first set forth above.

THE CITY OF MILLERSBURG, OREGON

WILBUR-ELLIS COMPANY LLC

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

EXHIBIT A

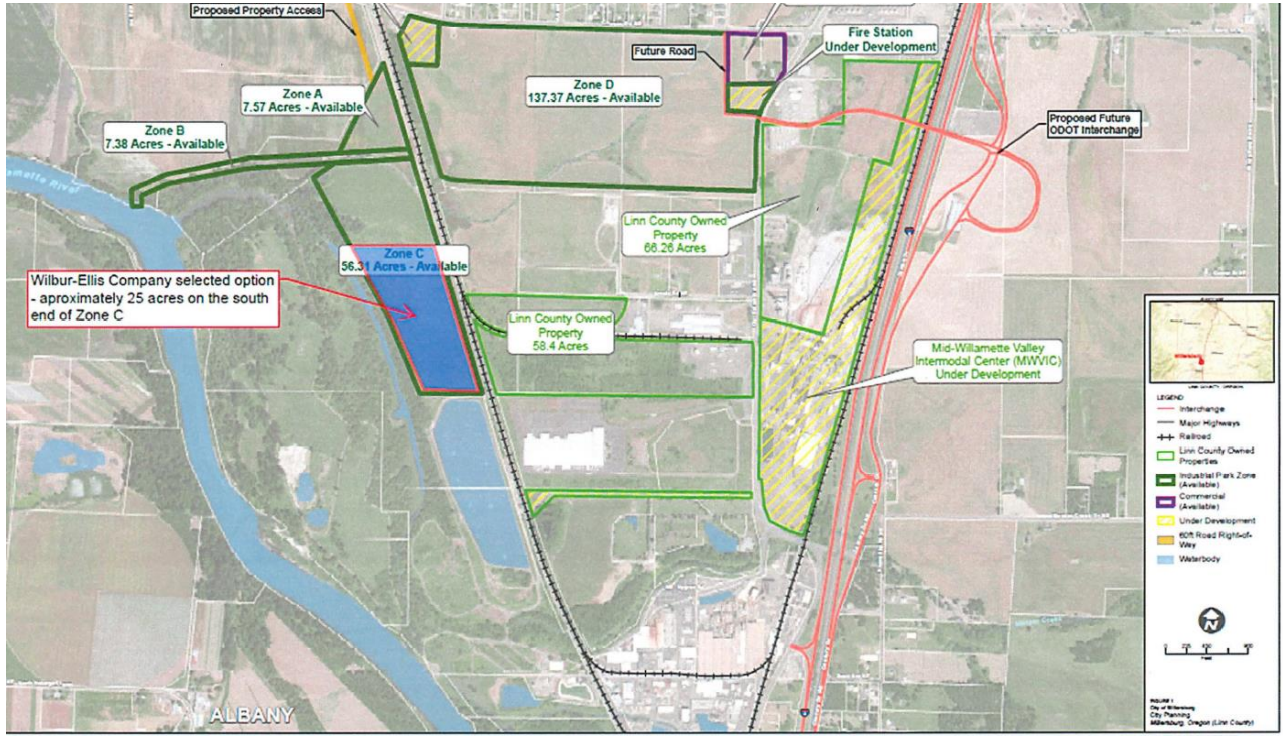


EXHIBIT B

EXHIBIT C

4849-3392-0993, v. 23

AN ORDER AUTHORIZING THE LEASE OF APPROXIMATELY 25 ACRES OF CITY OF MILLERSBURG, OREGON, REAL PROPERTY, KNOWN AS TAX LOT 203 OF LINN COUNTY ASSESSOR MAP 10 SOUTH, RANGE 3 WEST, SECTION 29 (THE PARENT PARCEL), TO WILBUR-ELLIS COMPANY LLC, A CALIFORNIA LIMITED LIABILITY COMPANY, AND FURTHER AUTHORIZING THE CITY MANAGER TO SIGN ALL DOCUMENTS ON BEHALF OF THE CITY OF MILLERSBURG NECESSARY TO CONVEY SAID PROPERTY VIA LEASE TO WILBUR-ELLIS COMPANY LLC, A CALIFORNIA LIMITED LIABILITY COMPANY AND TO CONDUCT BUSINESS AND SIGN DOCUMENTS NECESSARY TO IMPLEMENT AND FULFILL TERMS OF THIS LEASE IN THE FUTURE

WHEREAS, this matter coming before the Millersburg City Council on June 8, 2021, for a public hearing to determine whether the City should lease the following City of Millersburg owned real-property known as Tax Lot 203 of Linn County Assessor Map 10 South, Range 3 West, Section 29, located south of Conser Road and west of the Burlington Northern railway in Millersburg, Oregon, to Wilbur-Ellis Company LLC, a California Limited Liability Company; and,

WHEREAS, testimony was presented to the Council by any person or party that desired to present, and questions were asked by Councilors of presenters; and,

WHEREAS, after the closure of public testimony the Councilors deliberated and asked questions of staff; and,

WHEREAS, the Council and public had Exhibit #1, also known as the Lease Agreement, available to them for review, prior to the hearing;

THE COUNCIL HAVING VOTED, MAKES THE FOLLOWING FINDINGS:

- 1) A public hearing was held before the Millersburg City Council on June 8, 2021, to determine whether to lease City of Millersburg owned real property known as Tax Lot 203 of Linn County Assessor Map 10 South, Range 3 West, Section 29, located south of Conser Road and west of the Burlington Northern railway in Millersburg, Oregon, to Wilbur-Ellis Company LLC, a California Limited Liability Company.
- 2) Testimony was presented by any person or party that desired to present, and questions were asked by Councilors of presenters.
- 3) After the closure of public testimony, the Councilors deliberated and asked questions of staff.
- 4) The Council and public had Exhibit #1, also known as the Lease Agreement, available to them for review prior to the hearing.
- 5) Said property is not needed for public use within the period of the lease.

- 6) The lease of said property to Wilbur-Ellis will generate revenue to the City of Millersburg and may provide jobs to local residents.
- 7) The lease of said property to Wilbur-Ellis is in the best interest of the City of Millersburg.
- 8) The Millersburg City Manager is tasked with day to day operations of running the City of Millersburg.

NOW, THEREFORE, IT IS HEREBY ORDERED THAT:

- 1) The above FINDINGS are hereby adopted.
- 2) The Millersburg City Council will lease the following City of Millersburg owned real property known as Tax Lot 203 of Linn County Assessor Map 10 South, Range 3 West, Section 29, located south of Conser Road and west of the Burlington Northern railway in Millersburg, Oregon, to Wilbur-Ellis Company LLC, a California Limited Liability Company, pursuant to the terms of attached Exhibit #1, also known as the Lease Agreement.
- 3) The Millersburg City Manager is authorized to sign all documents on behalf of the City of Millersburg necessary to convey said property via lease to Wilbur-Ellis Company LLC, a California Limited Liability Company, and to conduct business and sign documents necessary to implement and fulfill terms of this lease in the future.

IT IS HEREBY ORDERED by the Council this 8th day of June, 2021.

Jim Lepin
Mayor

ATTEST:

Kimberly Wollenburg
City Recorder



TO: Millersburg City Council

VIA: Kevin Kreitman, City Manager

FROM: City Staff

DATE: June 3, 2021 for Council Meeting June 8, 2021

SUBJECT: Project Updates Memo

Monthly Update on Projects:

Staff are currently in the process of implementing many projects and activities in the City to address objectives of the Strategic Plan, direction from Council, and needs staff have identified. In order to facilitate tracking these tasks, a Gantt chart has been developed. As staff continue to work on these tasks, the Gantt chart will be periodically updated and provided for Council and public information. The most recent version of the Gantt chart is attached to this memo. Tasks in blue are complete, tasks in yellow are in progress, and tasks that are not colored have not been started.

There are many tasks currently in progress. An overview of several specific tasks and projects is provided below.

Fire Station Project

Construction began in May with earthwork and preparation for the building pad and roadways, followed by road and utility work. Wildish has set up a jobsite trailer for their office, and the project identification sign will be installed soon. The building pad is now being formed, and under slab utilities are being installed. It is anticipated that the foundation will be poured later in June.

MS4 Permit

Millersburg and the other four cities who had filed for judicial review on the original MS4 Permit issued in 2018 have reached settlement with the Department of Environmental Quality (DEQ). Per the settlement agreement, staff submitted an application for coverage under the revised MS4 Phase 2 General Permit on May 21, 2021. We received notification of permit issuance on June 2, 2021. Now that the permit is issued, City staff will begin working with DEQ staff to meet the permit requirements.

Farmers Market

The first Farmers' Market took place in the City Park on June 3. The market organizer reported that it was a great success and 10 of the 13 vendors sold out.

ID	Task Mode	Task Name	Duration	Start	Finish	Predecessors	Resource Names	Gantt Chart (February to September)																											
1	?	Millersburg Tasks																																	
2	?																																		
3	✓	Charter and Council	261 days	Fri 1/1/21	Fri 12/31/21																														
4	✓	Update of charter	60 days	Wed 2/17/21	Tue 5/11/21		Kevin, Forrest																												
5	?																																		
6	?	Ordinances and Code	261 days	Fri 1/1/21	Fri 12/31/21																														
7	✓	Update water code	48 days	Fri 1/1/21	Tue 3/9/21																														
8	?	Review and update building section of code	173 days	Fri 1/1/21	Tue 8/31/21		Kevin, Janelle																												
9	?	Comprehensive Plan Update	521 days	Fri 1/1/21	Fri 12/30/22		Matt, John																												
10	?																																		
11	?	Policies, Procedures, and Standards	260 days	Fri 1/1/21	Thu 12/30/21																														
12	?	Billing policies					Kim																												
13	?																																		
14	?	Safety procedures and training	261 days	Fri 1/1/21	Fri 12/31/21																														
15	?	Safety manual	236 days	Fri 1/1/21	Fri 11/26/21		Kevin, Janelle																												
16	?	Staff training plans	261 days	Fri 1/1/21	Fri 12/31/21		Kevin, Janelle																												
17	?	Ergo evaluations	261 days	Fri 1/1/21	Fri 12/31/21		Kevin, Janelle																												
18	?																																		
19	?	Budget	113 days	Fri 1/1/21	Tue 6/8/21																														
20	?	2021-2022 Budget	92 days	Mon 2/1/21	Tue 6/8/21		Jake, Kevin, Janelle																												
21	✓	Develop proposed budget	62 days	Mon 2/1/21	Tue 4/27/21																														
22	?	Adopt budget	30 days	Wed 4/28/21	Tue 6/8/21																														
23	?	CIP update	92 days	Mon 2/1/21	Tue 6/8/21		Janelle																												
24	?		1 day	Mon 2/1/21	Mon 2/1/21																														
25	?	Equipment life/replacement costs tracking	261 days	Fri 1/1/21	Fri 12/31/21																														
26	?	Parks/Maintenance Equipment	261 days	Fri 1/1/21	Fri 12/31/21																														
27	?	City Hall Equipment	261 days	Fri 1/1/21	Fri 12/31/21																														
28	?	Fire Station	153 days	Wed 6/1/22	Fri 12/30/22																														
29	?																																		
30	?	City Hall work	260 days	Fri 1/1/21	Thu 12/30/21																														
31	✓	City Hall Parking Lot	68 days	Fri 1/1/21	Tue 4/6/21		Janelle																												
32	?	Emergency generator	129 days	Fri 1/1/21	Wed 6/30/21																														
33	?																																		
34	?	Planning, Building, and Development	261 days	Fri 1/1/21	Fri 12/31/21																														
35	?	Consider UGB expansion	261 days	Fri 1/1/21	Fri 12/31/21		John, Kevin, Janelle																												
36	✓	Buildable Lands Inventory	41 days	Fri 1/1/21	Fri 2/26/21																														
37	?	Housing Needs Analysis	129 days	Fri 1/1/21	Wed 6/30/21																														
38	?	Implementation of Caselle community development mod	261 days	Fri 1/1/21	Fri 12/31/21		Kevin, Janelle																												
39	?																																		
40	?	Economic Development	261 days	Fri 1/1/21	Fri 12/31/21																														
41	?	Consider transient room tax	261 days	Fri 1/1/21	Fri 12/31/21		Kevin																												
42	?	City property conceptual layout/Industrial Park	261 days	Fri 1/1/21	Fri 12/31/21		Kevin, Janelle																												
43	?	Design of utilities and access to city property west of track	261 days	Fri 1/1/21	Fri 12/31/21		Janelle																												
44	?	Complete and submit RSIS application	101 days	Wed 2/10/21	Wed 6/30/21		Kevin																												
45	?																																		
46	?	Fire Station	368 days	Fri 1/1/21	Tue 5/31/22																														
47	✓	Bidding and Award	51 days	Tue 1/26/21	Tue 4/6/21		Kevin, Janelle																												
48	?	Construction	301 days	Tue 4/6/21	Tue 5/31/22		Kevin, Janelle																												
49	?																																		
50	?	Parks	195 days	Fri 1/1/21	Thu 9/30/21																														
51	?	Coating of walls and floors in restrooms			Thu 9/30/21		Sean																												
52	?																																		
53	?	Parks SDC analysis and update	131 days	Tue 2/9/21	Tue 8/10/21		Janelle																												
54	?																																		
55	?	Transportation/Streets	261 days	Fri 1/1/21	Fri 12/31/21																														
56	✓	Kathryn Lane Repair	86 days	Fri 1/1/21	Fri 4/30/21																														
57	?	Multiuse Path along Woods Road	261 days	Fri 1/1/21	Fri 12/31/21																														
58	?	Beauty Strips Along Woods Road North	261 days	Fri 1/1/21	Fri 12/31/21																														

Project: Task List
Date: Fri 6/4/21

Task	Summary	Inactive Milestone	Duration-only	Start-only	External Milestone	Manual Progress
Split	Project Summary	Inactive Summary	Manual Summary Rollup	Finish-only	Deadline	
Milestone	Inactive Task	Manual Task	Manual Summary	External Tasks	Progress	

ID	Task Mode	Task Name	Duration	Start	Finish	Predecessors	Resource Names
59							
60		Stormwater	261 days	Fri 1/1/21	Fri 12/31/21		
61		Crooks Creek north trib project	261 days	Fri 1/1/21	Fri 12/31/21		
62		Becker Ridge Detention Ponds Modifications	308 days	Mon 4/27/20	Wed 6/30/21		Janelle
63							
64		Water	261 days	Fri 1/1/21	Fri 12/31/21		
65		Water Management and Conservation Plan Update	197 days	Tue 5/25/21	Wed 2/23/22		Janelle
66		Water Master Plan - submit finance component	238 days	Tue 5/4/21	Thu 3/31/22		Janelle
67							
68		Sewer	261 days	Fri 1/1/21	Fri 12/31/21		
69		Morningstar Lift Station emergency repair	195 days	Fri 1/1/21	Thu 9/30/21		Janelle
70		Crooks Creek Lift Station controls upgrade	154 days	Mon 3/1/21	Thu 9/30/21		
71							
72		Miscellaneous	261 days	Fri 1/1/21	Fri 12/31/21		
73		Change city name for addressing	261 days	Fri 1/1/21	Fri 12/31/21		Kevin

Project: Task List
Date: Fri 6/4/21

	Task		Summary		Inactive Milestone		Duration-only		Start-only		External Milestone		Manual Progress
	Split		Project Summary		Inactive Summary		Manual Summary Rollup		Finish-only		Deadline		Progress
	Milestone		Inactive Task		Manual Task		Manual Summary		External Tasks		Progress		



TO: Millersburg City Council
FROM: Kevin Kreitman, City Manager
DATE: May 19, 2021, for the June 13, 2020 City Council Meeting
SUBJECT: Cost of Living Wage Increase Consideration

Action Requested: Adoption of Cost of Living Wage Increase (COLA) for 2021 effective July 1, 2021.

Discussion: Based on the Council adopted Benefits and Compensation Policy for staff (excluding the City Manager and Assistant City Manager/City Engineer Position), we are presenting for Council consideration the annual wage adjustments effective July 1 based on the Consumer Price Index (CPI-W) to account for inflation for the period of January 2020 to January 2021 as identified in the policy. The CPI-W for this period was 1.6%. Staff included the cost of living increase in the proposed budget for consideration. However, Council does have the option, based on the policy, to elect an amount lower or higher than the CPI at your discretion.

Budget Impact:

Cost to the City associated with the 1.6% COLA increase was included in the 2021-22 budget for personnel.

Recommendation:

Staff recommends Council consideration for the adoption of a COLA for fiscal year 2021-22.

Attachment(s):

None



TO: Millersburg City Council
VIA: Kevin Kreitman, City Manager
FROM: Janelle Booth, Assistant City Manager/City Engineer
DATE: June 3 for the June 8, 2021 City Council Meeting
SUBJECT: Adoption of the Capital Improvements Program

Action Requested:
Council approval of the 2021-2025 Capital Improvements Program.

Discussion:
The Capital Improvements Program (CIP) was previously presented and reviewed at the Budget Committee meetings. Minor edits were incorporated to address comments from the Budget Committee and staff. No additional comments were received after the budget meetings. Council approval of the 2021-2025 CIP is requested.

Recommendation: Adoption of the 2021-2025 Capital Improvements Program.

Attachment(s):
• 2021-2025 Capital Improvements Program



CITY OF
Millersburg

A COMMUNITY LINKING
AGRICULTURE AND INDUSTRY

Capital Improvements Plan

City of Millersburg

2021-2025

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Introduction

Strategic Planning and Decisions

The City of Millersburg Strategic Plan consists of a mission statement, vision, and six strategic priorities, which are each supported by goals and objectives. Our mission statement and vision are founded on basic values that guide our decisions.

Mission Statement: Providing a strong industrial base to maintain a quality, small-town atmosphere.

Vision: A community which values its strong industrial base and economic development that supports its ability to maintain a small-town atmosphere by providing funding for excellent services, resulting in a safe and healthy environment for residents

The six Strategic Priorities are:

1. **Governance** – Millersburg is governed in a way that supports the needs of its growing residential base, businesses, and industry.
2. **Safety** – Provide effective emergency services to the community.
3. **Development** – Development of residential, commercial, and industrial properties as a planned and managed process.
4. **Public Infrastructure** – City infrastructure systems are designed, constructed, and maintained to meet current and future needs.
5. **Recreation** – A community that supports recreational and social activities for all ages.
6. **Environmental Stewardship** – Millersburg promotes sustainability through efficient management of natural resources.

Our principle and vision statements must be upheld by and guide the decision-making process when determining planned projects and expenditures. The visions and values of the Strategic Plan are the basis for the projects proposed in this Capital Improvement Program (CIP).

Financial Planning

The Capital Improvement Program (CIP) is a planning document that identifies capital projects in the next five-year horizon for elected officials, citizens, and staff. The first year of the CIP will be the basis for developing the capital portion of the forthcoming City Budget for the year. This CIP shows the total cost of a project in the year it is funded. Once a project appears in the first year of the CIP and makes it into the budget, it does not appear again in the CIP because the project has moved beyond the planning phase.

How to Use This Report

Each section of the report deals with a major infrastructure service the City provides. You will find separate sections for parks, public facilities, transportation, stormwater, wastewater, and water.

Each project scheduled over the next five years is individually identified. Each project shows the total cost and the sources of money used to pay for it. Each project has a unique CIP identification number attached to it.

The CIP Process

This report is distributed to the City Council and Budget Committee, and copies are made available to the public at City Hall and on the City's website. During the first Budget Committee meeting the proposed project list will be reviewed and an opportunity will be provided to ask questions to clarify issues and information. The CIP will be revised as necessary and the final Program adopted along with the City Budget. This final version is the basis for projects found in the City Budget.

Finances

Paying for Capital Projects

The City has operating and reserve funds which can be used to fund projects, however there is not enough money for all the projects the City needs or would like to do. In most cases the source of money determines which projects get included. For instance, Water Fund revenue can only be spent on water projects. The money each of these funds receives must be spent for the purposes for which the fund was created.

Sources of Funding

The table below shows the relative breakdown of funding sources for all the projects contained in the 2021-2025 CIP.

This chart shows a projection of funds needed for projects in any given year. Any given project can have funding from more than one source. For instance, a sewer upgrade project may be funded by a combination of Sewer Rate revenue and Sewer System Development Charges (SDC) revenue. Each project in this CIP will have funding sources identified.

A fund is an accounting term that denotes a stand-alone operation that has its own set of accounting books. Even though it is part of the City, for financial purposes it operates as a separate service.

Projected Cost Totals by Funding Source

FUNDING SOURCE	2021-22	2022-23	2023-24	2024-25	2025-26	TOTAL
GF Beginning Balance	\$2,048,000	\$322,000	\$72,000	\$69,000	\$0	\$2,511,000
Fire Facility Reserve	\$3,500,000	\$0	\$0	\$0	\$0	\$3,500,000
SDC-I Streets	\$908,000	\$289,000	\$0	\$0	\$786,000	\$1,983,000
SDC-R Streets	\$0	\$0	\$0	\$0	\$124,000	\$124,000
SDC-I Sewer	\$88,000	\$203,000	\$0	\$0	\$0	\$291,000
SDC-I Water	\$247,000	\$158,000	\$0	\$0	\$0	\$405,000
SDC-R Water	\$133,000	\$0	\$0	\$0	\$0	\$133,000
SDC-I Parks	\$0	\$0	\$0	\$27,000	\$477,000	\$504,000
SDC-R Parks	\$0	\$0	\$0	\$0	\$48,000	\$48,000
Highway Use Tax	\$0	\$0	\$0	\$0	\$0	\$0
Highway Use Tax – Bike/Ped	\$0	\$16,000	\$0	\$0	\$0	\$16,000
Street Reserves	\$40,000	\$181,000	\$0	\$0	\$496,000	\$717,000
Suniga Millersburg Drive Reservation	\$0	\$0	\$0	\$0	\$341,000	\$341,000
Stormwater Reserves	\$20,000	\$0	\$0	\$0	\$0	\$20,000
Sewer Rates/Operating Revenues	\$388,000	\$0	\$0	\$0	\$0	\$388,000
Water Rates/Operating Revenues	\$34,000	\$417,000	\$0	\$0	\$0	\$451,000
Settlement Proceeds	\$420,000	\$0	\$0	\$0	\$0	\$420,000
TOTAL:	\$7,826,000	\$1,586,000	\$72,000	\$96,000	\$2,272,000	\$11,852,000

The Five-Year Plan

The following table shows the total cost of projects authorized in each of the next five years for each major category of capital projects.

Occasionally new issues, changing cost and revenue realities, or shifts in City priorities will cause a project, or a number of projects, to be either bumped forward or back in the five-year schedule. Any changes of this nature would be reflected in future CIP documents.

Projected Cost Totals by Category

CATEGORY	2021-22	2022-23	2023-24	2024-25	2025-26	TOTAL
Parks	\$10,000	\$87,000	\$72,000	\$96,000	\$525,000	\$790,000
Public Facilities	\$5,538,000	\$30,000	\$0	\$0	\$0	\$5,568,000
Transportation	\$948,000	\$486,000	\$0	\$0	\$1,747,000	\$3,181,000
Stormwater	\$20,000	\$205,000	\$0	\$0	\$0	\$225,000
Wastewater	\$896,000	\$203,000	\$0	\$0	\$0	\$1,099,000
Water	\$414,000	\$575,000	\$0	\$0	\$0	\$989,000
GRAND TOTALS:	\$7,826,000	\$1,586,000	\$72,000	\$96,000	\$2,272,000	\$11,852,000

Parks

A Path Forward

Strategy 5 of the Strategic Plan states, “Millersburg is a community that strives to support community recreational and social activities for all ages.” In accordance with this goal the Millersburg City Council formed a Parks Committee in 2017 and began development of a Parks Master Plan in 2018.

The Parks Master Plan was completed and adopted in April 2020. Now that the Parks Master Plan is complete, it will guide the City's investment in park acquisition, renovation, and facility improvements. A System Development Charge (SDC) study will be completed based on the results of the Parks Master Plan and the current Parks SDC rates will be updated. Parks projects may be funded by a mix of funds from outside grants, private donations, Parks SDCs, and the general fund.

The capital projects from the Parks Master Plan are included in this CIP. The Parks Commission will evaluate the project list and guide implementation of projects going forward, as funding becomes available.

Projected Cost Totals

FUNDING SOURCE	2021-22	2022-23	2023-24	2024-25	2025-26	TOTAL
GF Operating	\$0	\$0	\$0	\$0	\$0	\$0
GF Beginning Balance	\$10,000	\$87,000	\$72,000	\$69,000	\$0	\$238,000
SDC-R Parks	\$0	\$0	\$0	\$0	\$48,000	\$48,000
SDC-I Parks	\$0	\$0	\$0	\$27,000	\$477,000	\$504,000
GRAND TOTALS:	\$10,000	\$87,000	\$72,000	\$96,000	\$525,000	\$790,000

Funded Projects Summary & Detail

The following projects have been identified for inclusion in this five-year Capital Improvement Program.

Each project shown below is explained in detail on the pages that follow. Projects are listed in the fiscal year order they are planned to occur, and in CIP ID# order within a given fiscal year set.

CIP #	Phase Title	Projected Total
Plan Year: 2021 – 2022		
1102	CITY PARK TREE REPLACEMENT/LANDSCAPE ENHANCEMENTS	\$10,000
Total for FY 2021-2022		\$10,000
Plan Year: 2022-2023		
1100	CITY PARK ADDITIONAL PAVED ACCESS PATHWAYS	\$27,000
1101	CITY PARK BENCHES REPLACEMENT	\$11,000
1102	CITY PARK TREE REPLACEMENT/LANDSCAPE ENHANCEMENTS	\$17,000
1105	CITY PARK TENNIS COURT RESURFACING	\$32,000
Total for FY 2022 - 2023		\$87,000
Plan Year: 2023 – 2024		
1106	CITY PARK TENNIS COURT LANSCAPE RENOVATION	\$21,000
1108	ACORN PARK PAVED PATHWAYS	\$16,000
1109	ACORN PARK PLAYGROUND UPGRADES	\$21,000
1110	ACORN PARK ACCESSIBLE BENCHES AND PICNIC TABLES	\$11,000
1112	ACORN PARK PICNIC TABLE PADS	\$3,000
Total for FY 2023 – 2024		\$72,000
Plan Year: 2024 – 2025		
1103	CITY PARK NORTH BALLFIELD RENOVATION	\$53,000
1104	CITY PARK SOUTH BALLFIELD INFIELD MIX	\$16,000
1111	ACORN PARK PICNIC SHELTER	\$27,000
Total for FY 2024 – 2025		\$96,000
Plan Year: 2025 – 2026		
1107	CITY PARK ADDITIONAL SHELTER	\$48,000
1117	ACQUISITION OF PROPERTY ON EAST OF CITY PARK	\$477,000
Total for FY 2025 – 2026		\$525,000
Grand Total for Parks:		\$790,000

Plan FY: 2022-2023 CITY PARK ADDITIONAL PAVED ACCESS PATHWAYS
CIP Project #: 1100

Master Plan: Parks Master Plan **Plan Element:**
Category: Parks and Recreation **Classification:** Parks

Total Cost: \$27,000

This project will add paved access pathways within City Park to improve accessibility for all.

Operating Budget Impact: Minor additional parks maintenance expenses.

Funding Sources for This Project:

<u>Funding Source</u>	<u>Projected Amount</u>
GF BEGINNING FUND BALANCE	\$27,000
	<hr/>
Total:	\$27,000

Plan FY: 2022-2023 CITY PARK BENCH REPLACEMENT
CIP Project #: 1101

Master Plan: Parks Master Plan **Plan Element:**
Category: Parks and Recreation **Classification:** Parks

Total Cost: \$11,000

This project will replace existing benches at City Park with ADA compliant benches.

Operating Budget Impact: None.

Funding Sources for This Project:

<u>Funding Source</u>	<u>Projected Amount</u>
GF BEGINNING FUND BALANCE	\$11,000
	<hr/>
Total:	\$11,000

Plan FY: 2020-2023 CITY PARK TREE REPLACEMENT/LANDSCAPE ENHANCEMENTS
CIP Project #: 1102

Master Plan: Parks Master Plan **Plan Element:**
Category: Parks and Recreation **Classification:** Parks

Total Cost: \$37,000

This project will replace existing trees along east and west sides of the City Park, which are doing poorly or dying and conduct additional landscaping enhancements within the park. Anticipate \$10,000 in FY 2020-21, \$10,000 in FY 2021-22 and \$17,000 in FY 2022-23.

Operating Budget Impact: None.

Funding Sources for This Project:

<u>Funding Source</u>	<u>Projected Amount</u>
GF BEGINNING FUND BALANCE	\$37,000
	<hr/>
Total:	\$37,000

Plan FY: 2024-2025 CITY PARK NORTH BALLFIELD RENOVATION
CIP Project #: 1103

Master Plan: Parks Master Plan **Plan Element:**
Category: Parks and Recreation **Classification:** Parks

Total Cost: \$53,000

This project will construct drainage improvements in the north ball field at City Park.

Operating Budget Impact: None.

Funding Sources for This Project:

<u>Funding Source</u>	<u>Projected Amount</u>
GF BEGINNING FUND BALANCE	\$53,000
	<hr/>
Total:	\$53,000

Plan FY: 2024-2025 CITY PARK SOUTH BALLFIELD INFIELD MIX
CIP Project #: 1104

Master Plan: Parks Master Plan **Plan Element:**
Category: Parks and Recreation **Classification:** Parks

Total Cost: \$16,000

This project will install a new infield mix to improve the condition of the south ball field at City Park.

Operating Budget Impact: None.

Funding Sources for This Project:

<u>Funding Source</u>	<u>Projected Amount</u>
GF BEGINNING FUND BALANCE	\$16,000
	<hr/>
Total:	\$16,000

Plan FY: 2022-2023 CITY PARK TENNIS COURT RESURFACING
CIP Project #: 1105

Master Plan: Parks Master Plan **Plan Element:**
Category: Parks and Recreation **Classification:** Parks

Total Cost: \$32,000

This project will resurface the existing tennis court at City Park.

Operating Budget Impact: None.

Funding Sources for This Project:

<u>Funding Source</u>	<u>Projected Amount</u>
GF BEGINNING FUND BALANCE	\$32,000
	<hr/>
Total:	\$32,000

Plan FY: 2023-2024 CITY PARK TENNIS COURT LANDSCAPE RENOVATION
CIP Project #: 1106

Master Plan: Parks Master Plan **Plan Element:**
Category: Parks and Recreation **Classification:** Parks

Total Cost: \$21,000

This project will remove existing hedges and vegetation around the tennis court at City Park and replace it with new vegetation to provide better visibility into tennis court area and reduce hedge maintenance needs.

Operating Budget Impact: Long-term reduction in hedge maintenance costs.

Funding Sources for This Project:

<u>Funding Source</u>	<u>Projected Amount</u>
GF BEGINNING FUND BALANCE	\$21,000
	<hr/>
Total:	\$21,000

Plan FY: 2025-2026 CITY PARK ADDITIONAL PICNIC SHELTER
CIP Project #: 1107

Master Plan: Parks Master Plan **Plan Element:**
Category: Parks and Recreation **Classification:** Parks

Total Cost: \$48,000

This project will construct an additional picnic shelter at City Park.

Operating Budget Impact: Additional parks maintenance expenses.

Funding Sources for This Project:

<u>Funding Source</u>	<u>Projected Amount</u>
PARKS – SDC – REIMBURSEMENT FUND	\$48,000
	<hr/>
Total:	\$48,000

Plan FY: 2023-2024 ACORN PARK PAVED ACCESS PATHWAYS
CIP Project #: 1108

Master Plan: Parks Master Plan **Plan Element:**
Category: Parks and Recreation **Classification:** Parks

Total Cost: \$16,000

This project will add paved access pathways within Acorn Park to improve accessibility for all.

Operating Budget Impact: Minor additional parks maintenance expenses.

Funding Sources for This Project:

<u>Funding Source</u>	<u>Projected Amount</u>
GF BEGINNING FUND BALANCE	\$16,000
	<hr/>
Total:	\$16,000

Plan FY: 2023-2024 ACORN PARK PLAYGROUND UPGRADES
CIP Project #: 1109

Master Plan: Parks Master Plan **Plan Element:**
Category: Parks and Recreation **Classification:** Parks

Total Cost: \$21,000

This project will upgrade playground equipment at Acorn Park.

Operating Budget Impact: None.

Funding Sources for This Project:

<u>Funding Source</u>	<u>Projected Amount</u>
GF BEGINNING FUND BALANCE	\$21,000
	<hr/>
Total:	\$21,000

Plan FY: 2023-2024 ACORN PARK ACCESSIBLE BENCHES AND PICNIC TABLES

CIP Project #: 1110 and 1112

Master Plan: Parks Master Plan **Plan Element:**
Category: Parks and Recreation **Classification:** Parks

Total Cost: \$14,000

This project will install accessible benches and picnic tables at Acorn Park, including concrete pads for picnic tables.

Operating Budget Impact: Minor additional parks maintenance expenses.

Funding Sources for This Project:

<u>Funding Source</u>	<u>Projected Amount</u>
GF BEGINNING FUND BALANCE	\$14,000
	<hr/>
Total:	\$14,000

Plan FY: 2024-2025 ACORN PARK PICNIC SHELTER (SMALL)
CIP Project #: 1111

Master Plan: Parks Master Plan **Plan Element:**
Category: Parks and Recreation **Classification:** Parks

Total Cost: \$27,000

This project will construct a new, small picnic shelter at Acorn Park.

Operating Budget Impact: Additional parks maintenance expenses.

Funding Sources for This Project:

<u>Funding Source</u>	<u>Projected Amount</u>
PARKS – SDC – IMPROVEMENTS FUND	\$27,000
	<hr/>
Total:	\$27,000

Plan FY: 2025-2026 PROPERTY ACQUISITION FOR EXPANSION OF CITY PARK EAST
CIP Project #: 1117

Master Plan: Parks Master Plan **Plan Element:**
Category: Parks and Recreation **Classification:** Parks

Total Cost: \$477,000

This project will acquire additional property on the east side of the existing City Park.

Operating Budget Impact: Ongoing park maintenance expenses.

Funding Sources for This Project:

<u>Funding Source</u>	<u>Projected Amount</u>
PARKS – SDC – IMPROVEMENTS FUND	\$477,000
	<hr/>
Total:	\$477,000

Unfunded Projects

The following projects have been identified as needed repairs and/or improvements to the City's infrastructure. In most cases, these projects are the result of a master plan process, which attempts to systematically look at the needs for public infrastructure over the next 10 to 20 years. These projects are considered "Unfunded" because either a source of funding has not been made available, or they will not be implemented within the five-year window this plan covers.

Parks System

CIP #	Phase	Year	Title	Projected Total
1115	0		NEW NEIGHBORHOOD PARK MASTER PLAN AND DEVELOPMENT	\$795,000
1116	0		PICKLEBALL COURT	\$64,000
1114	0		PROPERTY ACQUISITION FOR ADDITIONAL PARK	\$424,000
1118	0		RECONFIGURE CITY PARK LAYOUT TO ACCOMMODATE ADDITIONAL FACILITIES	\$1,325,000
1119	0		ACORN PARK REPLACE GRASS WITH NATIVE GROUNDCOVER IN SHADY AREAS	\$27,000
1120	0		SPORTS FIELDS AND PARKING ON PROPERTY BEHIND CITY HALL	\$1,590,000
1121	0		CITY PARK SPLASH PAD	\$371,000
1123	0		MULTI-USE PATH SOUTH OF CONSER	\$901,000
1124	0		NATURE TRAILS THROUGH WETLAND AREAS	\$318,000
1125	0		MULTI-USE PATH BETWEEN CITY PARK AND CITY HALL	\$371,000
Total for Unfunded Parks System:				\$6,186,000

Grand Total for Unfunded Parks: \$6,186,000

Parks SDC Account Balances and Projections

Parks SDC Tracking			
SDC per EDU = \$1,200		SDC-R	SDC-I
% of total SDC (from 2006/2008 methodology)		23%	77%
			Notes
FY 2017-2018			
SDC Revenues			
BOY (per previous auditor workpaper)	331,250		
BOY SDC R/I	76,188	255,063	
SDCs Received (revenue)		151,375	
SDC Revenue R/I	34,816	116,559	
Total SDC R/I Resources for FY	111,004	371,621	
SDC Expenditures			
Parks Capital Improvements	18,984		100% SDC-R because not listed in 2006/2008 SDC methodology
Total SDC R/I Expenditures for FY	18,984	0	
SDC Balance EOY R/I	92,020	371,621	
SDC Balance EOY Total	463,641		
FY 2018-2019			
SDC Revenues			
BOY (per previous auditor workpaper)	463,641		
BOY SDC R/I	92,020	371,621	
SDCs Received (revenue)		116,400	
SDC Revenue R/I	26,772	89,628	
Total SDC R/I Resources for FY	118,792	461,249	
SDC Expenditures			
Parks Capital Improvements	0	0	
Parks Master Plan	23,723	0	100% SDC-R because not listed in 2006/2008 SDC methodology
Total SDC R/I Expenditures for FY	23,723	0	
SDC Balance EOY R/I	95,069	461,249	
SDC Balance EOY Total	556,318		
FY 2019-2020			
SDC Revenues			
BOY (per previous auditor workpaper)	556,318		
BOY SDC R/I	95,069	461,249	
SDCs Received (revenue)		122,404	
SDC Revenue R/I	28,153	94,251	
Total SDC R/I Resources for FY	123,222	555,500	
SDC Expenditures			
Parks Capital Improvements			
Parks Master Plan	26,081	0	100% SDC-R because not listed in 2006/2008 SDC methodology
Total SDC R/I Expenditures for FY	26,081	0	
SDC Balance EOY R/I	97,141	555,500	
SDC Balance EOY Total	652,642		
Parks SDC Tracking			
SDC per EDU = \$1,200		SDC-R	SDC-I
% of total SDC (from 2006/2008 methodology)		23%	77%
			Notes
FY 2020-2021 - ESTIMATED			
SDC Revenues			
BOY	652,642		
BOY SDC R/I	97,141	555,500	
SDCs Received (revenue)		66,000	Estimated based on 55 EDUs, \$56,400 collected as of 4/15/21
SDC Revenue R/I	15,180	50,820	
Total SDC R/I Resources for FY	112,321	606,320	
SDC Expenditures			
New Park Property Acquisition	109,000	600,000	100% SDC-I eligible in 2006/2008 SDC methodology
Total SDC R/I Expenditures for FY	109,000	600,000	
SDC Balance EOY R/I	3,321	6,320	
SDC Balance EOY Total	9,642		Estimated
Parks SDC Tracking			
SDC per EDU = \$1,200		SDC-R	SDC-I
% of total SDC (from 2006/2008 methodology)		23%	77%
			Notes
FY 2021-2022 - PROJECTED			
SDC Revenues			
BOY	9,642		
BOY SDC R/I	3,321	6,320	
SDCs Received (revenue)		24,000	Estimated based on 20 EDUs
SDC Revenue R/I	5,520	18,480	
Total SDC R/I Resources for FY	8,841	24,800	
SDC Expenditures			
	0	0	
Total SDC R/I Expenditures for FY	0	0	
SDC Balance EOY R/I	8,841	24,800	
SDC Balance EOY Total	33,642		projected

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Public Facilities

Moving Toward the Future

Emergency Facilities

The City of Millersburg's emergency fire service is provided by the City of Albany through an Intergovernmental Agreement (IGA) for the incorporated limits of the City, which became effective July 1, 2018. To support this service, the City of Millersburg constructed a temporary fire station to provide a facility within the City of Millersburg from which the City of Albany Fire Department could respond.

Construction of the permanent fire station begins in April 2021 and is anticipated to be completed in the late spring or early summer of 2022.

City Buildings

Millersburg currently has a small number of City buildings, including City Hall and the Maintenance Shop. Staff continue to evaluate the needs of these facilities and equipment replacement programs. Some needs have been identified and are included in this CIP. As these facility needs are further identified, projects will be added to the CIP in future years.

Funding Summary

The following table shows the total amount of projects scheduled in each of the five years of this CIP, broken down by the source of the funding. The costs shown are the projected construction costs in the year the project is proposed. Each year we take the estimated cost of the projects and bring them up to current year costs by applying the change in the Engineering News-Record (ENR) construction cost index for Seattle.

Projected Cost Totals

FUNDING SOURCE	2021-22	2022-23	2023-24	2024-25	2025-26	TOTAL
Fire Facility Reserve	\$3,500,000	\$0	\$0	\$0	\$0	\$3,500,000
GF Beginning Balance	\$2,038,000	\$30,000	\$0	\$0	\$0	\$2,068,000
GRAND TOTALS:	\$5,538,000	\$30,000	\$0	\$0	\$0	\$5,568,000

Funded Projects Summary & Detail

The following projects have been identified for inclusion in this five-year Capital Improvement Program.

Each project shown below is explained in detail on the pages that follow. Projects are listed in the fiscal year order they are planned to occur, and in CIP ID# order within a given fiscal year set.

CIP #	Phase Title	Projected Total
Plan Year: 2021 – 2022		
1004B	PERMANENT FIRE STATION CONSTRUCTION	\$5,538,000
Total for FY 2021 - 2022		\$5,538,000
Plan Year: 2022 - 2023		
1006	CITY HALL SIDEWALKS AND ADA RAMP	\$30,000
Total for FY 2022 – 2023		\$30,000
Plan Year: 2023 – 2024		
	NONE IDENTIFIED	\$0
Total for FY 2023 – 2024		\$0
Plan Year: 2024 – 2025		
	NONE IDENTIFIED	\$0
Total for FY 2024 – 2025		\$0
Plan Year: 2025 – 2026		
	NONE IDENTIFIED	\$0
Total for FY 2025 – 2026		\$0
Grand Total for Public Facilities:		\$5,568,000

Plan FY: 2022-2023 CITY HALL SIDEWALKS AND ADA RAMP
CIP Project #: 1006

Master Plan:

Plan Element:

Category: Public Facilities

Classification: City Hall

Total Cost: \$30,000

This project will replace the ADA ramp at the front entrance to the building and construct a new sidewalk around the north end of the building for access to the north office space.

Operating Budget Impact: This project will reduce maintenance costs over the long term by reducing the amount of maintenance of the deteriorated pavement.

Funding Sources for This Project:

<u>Funding Source</u>	<u>Projected Amount</u>
GENERAL FUND BEGINNING BALANCE	\$30,000
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Total:	\$30,000

Unfunded Projects

The following projects have been identified as needed repairs and/or improvements to the City's infrastructure. In most cases, these projects are the result of a master plan process, which attempts to systematically look at the needs for public infrastructure over the next 10 to 20 years. These projects are considered "Unfunded" because either a source of funding has not been made available, or they will not be implemented within the five-year window this plan covers.

Public Facilities

CIP #	Phase	Year	Title	Projected Total
1008		0	CONSER ROAD BUFFER	\$1,000,000
Total for Unfunded Public Facilities:				\$1,000,000

Grand Total for Unfunded Public Facilities: \$1,000,000

Transportation

Investing in our Infrastructure

The City's transportation system consists of City and Linn County roads. The City maintains approximately 33 lane miles of improved streets, associated signs, four bridges, and one crosswalk with flashing beacons.

Federal regulations require that communities with populations greater than 50,000 and adjacent communities within the "urbanized area" of the larger community form Metropolitan Planning Organizations (MPOs). As a result, in 2013 the Albany Area Metropolitan Planning Organization (AAMPO) was formed with the cities of Albany, Millersburg, Tangent, and Jefferson and Linn and Benton counties. AAMPO provides a platform for Albany and its neighboring communities to work together on regional planning efforts.

In past years, Millersburg's street capital projects have primarily been funded from state gas tax revenues (highway use tax), street SDCs, and the general fund.

Addressing Maintenance Needs

Millersburg's Strategic Plan identifies an objective to develop and implement a proactive maintenance plan for City streets. In 2018 Millersburg invested in an inventory and condition assessment of City streets and a pavement management system. Based on this information, projects and maintenance activities are being prioritized. If the appropriate steps are taken at this time, the life of the streets can be extended, deferring more costly improvements. Maintenance activities such as crack sealing and striping are included in the annual budget, but are not included in this Capital Improvements Plan.

The City and Linn County have entered into an agreement for realignment of and improvements to a portion of Morningstar Road, to be constructed by Linn County prior transfer of jurisdiction to Millersburg. The City is responsible for costs associated with construction of public water and sewer infrastructure within the new roadway alignment. These utility costs are identified in the Wastewater and Water sections.

Funding Summary

The following table shows the total value of projects scheduled in each of the five years of this CIP, broken down by the source of the funding. The costs shown are the projected total costs in the year the project is proposed.

Each year the estimated cost of the projects are brought up to current year costs by applying the change in the Engineering News-Record (ENR) construction cost index for Seattle.

Projected Cost Totals

FUNDING SOURCE	2021-22	2022-23	2023-24	2024-25	2025-26	TOTAL
General Fund Beginning Balance	\$0	\$0	\$0	\$0	\$0	\$0
Streets SDC-Improvements	\$908,000	\$289,000	\$0	\$0	\$786,000	\$1,983,000
Streets SDC-Reimbursement	\$0	\$0	\$0	\$0	\$124,000	\$124,000
Highway Use Tax	\$0	\$0	\$0	\$0	\$0	\$0
Highway Use Tax – Bike/Ped	\$0	\$16,000	\$0	\$0	\$0	\$16,000
Street Reserves and Street Beginning Fund Balance	\$40,000	\$181,000	\$0	\$0	\$496,000	\$717,000
Suniga Millersburg Drive Reservation	\$0	\$0	\$0	\$0	\$341,000	\$341,000
Grants	\$0	\$0	\$0	\$0	\$0	\$0
<u>GRAND TOTALS:</u>	\$948,000	\$486,000	\$0	\$0	\$1,747,000	\$3,181,000

Funded Projects Summary & Detail

The following projects have been identified for inclusion in this five-year Capital Improvement Program.

Each project shown below is explained in detail on the pages that follow. Projects are listed in the fiscal year order they are planned to occur, and in CIP ID# order within a given fiscal year set.

CIP #	Phase Title	Projected Total
Plan Year: 2021 – 2022		
2010	WEST INDUSTRIAL PROPERTY ACCESS ROAD	\$222,000
2039	WOODS ROAD SHARED USE PATH	\$40,000
2050	TRANSITION PARKWAY	\$686,000
Total for FY 2021 - 2022		\$948,000
Plan Year: 2022 – 2023		
2039	WOODS ROAD SHARED USE PATH	\$486,000
Total for FY 2022 – 2023		\$486,000
Plan Year: 2023 – 2024		
	NONE	\$0
Total for FY 2023 - 2024		\$0
Plan Year: 2024 – 2025		
	NONE	\$0
Total for FY 2024 - 2025		\$0
Plan Year: 2025 – 2026		
2016	MILLERSBURG DRIVE WEST OF WOODS ROAD FULL STREET IMPROVEMENTS	\$1,747,000
Total for FY 2025 - 2026		\$1,747,000
Grand Total for Transportation:		\$3,181,000

Plan FY: 2025-2026 MILLERSBURG DRIVE FULL STREET IMPROVEMENTS WEST OF WOODS ROAD
CIP Project #: 2016

Master Plan: **Plan Element:**
Category: Transportation **Classification:** Streets

Total Cost: \$1,747,000

This project will construct full street improvements on Millersburg Drive west of Woods Road to the railroad tracks.

In 2017, the developer of the Eagle's Nest project paid street frontage fees which must be returned, with associated interest, to the developer if street improvements are not constructed within 20 years.

Operating Budget Impact: None at this time.

Funding Sources for This Project:

<u>Funding Source</u>	<u>Projected Amount</u>
SUNIGA MILLERSBURG DRIVE RESERVATION	\$341,000
STREET SDC-IMPROVEMENTS FUND	\$786,000
STREET SDC-REIMBURSEMENT FUND	\$124,000
STREET FUND RESERVES	\$496,000
	<hr/>
Total:	\$1,747,000

Plan FY: 2021-2022 WOODS ROAD SHARED USED PATH
CIP Project #: 2039

Master Plan:
Category: Transportation

Plan Element:
Classification: Pedestrian and Bikeways

Total Cost: \$526,000

This project will construct a multi-use path adjacent to Woods Road between Alexander Lane and Sonora Dr.

This project is budgeted to span over two fiscal years (FY 21-22 and FY 22-23). The first phase of the work (FY 21-22) is budgeted for \$40,000 to begin preliminary design and right-of-way acquisition.

Operating Budget Impact: None at this time.

Funding Sources for This Project:

<u>Funding Source</u>	<u>Projected Amount</u>
HIGHWAY USE TAX – BIKE/PED	\$16,000
STREET SDC-IMPROVEMENTS FUND	\$289,000
STREET FUND RESERVES	\$221,000
	<hr/>

Total:	\$526,000
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Plan FY: 2021-2022 **TRANSITION PARKWAY**
 CIP Project #: 2050

Master Plan:**Category:** Transportation**Plan Element:****Classification:** Streets**Total Cost:** **\$686,000**

This project will include design and construction of a new access road off of Old Salem Road to serve the fire station and industrial property.

Operating Budget Impact: Development of new roads increases operating expenses for road maintenance.

Funding Sources for This Project:

<u>Funding Source</u>	<u>Projected Amount</u>
STREET SDC-IMPROVEMENTS FUND	\$686,000
	—————
Total:	\$686,000

Unfunded Projects

The following projects have been identified as needed repairs and/or improvements to the City's infrastructure. In most cases, these projects are the result of a master plan process, which attempts to systematically look at the needs for public infrastructure over the next 10 to 20 years. These projects are considered "Unfunded" because either a source of funding has not been made available, or they will not be implemented within the five-year window this plan covers.

Street Reconstruction/Improvements Projects

CIP #	Phase	Year	Title	Projected Total
2018	0		WOODS ROAD FULL STREET IMPROVEMENTS	\$1,795,000
2019	0		PARKER LANE FULL STREET IMPROVEMENTS	\$628,000
2020	0		WAVERLY FULL STREET IMPROVEMENTS	\$483,000
2021	0		AMANDA FULL STREET IMPROVEMENTS	\$304,000
2022	0		BAIN AND TONI FULL STREET IMPROVEMENTS	\$483,000
2023	0		ZUHLKE EXTENSION EAST	\$479,000
2024	0		ZUHLKE EXTENSION WEST	\$1,123,000
2025	0		CONSER ROAD FULL STREET IMPROVEMENTS	\$1,087,000
2026	0		FUTURE ROAD THROUGH CITY INDUSTRIAL PROPERTY	\$3,622,000
Total for Unfunded Street Projects:				\$10,004,000

Bridges

CIP #	Phase	Year	Title	Projected Total
2028	0		BRIDGE REPLACEMENT WAVERLY DRIVE AT COX CREEK	\$2,527,000
Total for Unfunded Bridges:				\$2,527,000

Miscellaneous - Transportation

CIP #	Phase	Year	Title	Projected Total
2029	0		STREET LIGHTING WOODS ROAD AND CONSER ROAD	\$28,000
2030	0		SIGNAL LIGHT CONSER AND OLD SALEM ROAD (SHARED WITH LINN CO.)	\$562,000
2049	0		MILLERSBURG GATEWAY TREATMENTS (NORTH AND SOUTH ENDS OF CITY)	\$350,000
Total for Unfunded Miscellaneous - Transportation:				\$624,000

Pedestrian & Bikeway Projects

CIP #	Phase	Year	Title	Projected Total
2032	0		WIDEN SHOULDER AND PROVIDE BIKE LANES ALONG OLD SALEM ROAD	\$60,000
2033	0		EXTEND BICYCLE LANES ON CONSER WEST TO CITY LIMITS (PAINT ONLY)	\$12,000
2034	0		SIDEWALKS ON SOUTH END OF OLD SALEM RD (SHARED WITH LINN CO.)	\$239,000
2035	0		SIDEWALK ON EAST SIDE OF KATELYN, SOUTH END (440 FT)	\$10,000
2036	0		SIDEWALKS ALONG CONSER (WEST TO CITY LIMITS)	\$299,000
2037	0		PEDESTRIAN WALKWAY FROM CITY HALL TO SOUTH SIDE OF CONSER	\$112,000
2039	0		WOODS ROAD SHARED USE PATH	\$526,000
2049	0		OLD SALEM ROAD MULTI-USE PATH	\$1,060,000
Total for Unfunded Pedestrian & Bikeway Projects:				\$2,318,000
Grand Total for Unfunded Transportation:				\$15,473,000

Transportation SDC Account Balances and Projections

Streets SDC Tracking			
SDC per EDU = \$3,542			
% of total SDC (from 2006/2008 methodology)	SDC-R	SDC-I	Notes
	4%	96%	
FY 2017-2018			
SDC Revenues			
BOY (per previous auditor workpaper)		1,110,218	In previous audits, \$410,390 in other restricted funds was included in the SDC balance, for a total of \$1,520,608. The amount in other restricted funds should be subtracted from the SDC BOY balance.
BOY SDC R/I	44,409	1,065,809	
SDCs Received (revenue)		446,592	
SDC Revenue R/I	17,864	428,728	
Total SDC R/I Resources for FY	62,272	1,494,538	
SDC Expenditures			
Solar Speed Signs	20,823	0	100% SDC-R because not listed in 2006/2008 SDC methodology
Woods Road Construction (north end)	20,967	74,338	Total amount for FY 17-18 was \$95,305, 78% improvement per 2006/2008 SDC methodology
Total SDC R/I Expenditures for FY	41,790	74,338	
SDC Balance EOY R/I	20,482	1,420,200	
SDC Balance EOY Total		1,440,682	
FY 2018-2019			
SDC Revenues			
BOY (per previous auditor workpaper)		1,440,682	
BOY SDC R/I	20,482	1,420,200	
SDCs Received (revenue)		340,032	
SDC Revenue R/I	13,601	326,431	
Total SDC R/I Resources for FY	34,084	1,746,630	
SDC Expenditures			
Streets Capital Projects	0	0	
Total SDC R/I Expenditures for FY	0	0	
SDC Balance EOY R/I	34,084	1,746,630	
SDC Balance EOY Total		1,780,714	
FY 2019-2020			
SDC Revenues			
BOY (per previous auditor workpaper)		1,780,714	
BOY SDC R/I	34,084	1,746,630	
SDCs Received (revenue)		376,515	
SDC Revenue R/I	15,061	361,454	
Total SDC R/I Resources for FY	49,144	2,108,084	
SDC Expenditures			
Street Capital Projects	0	0	
Total SDC R/I Expenditures for FY	0	0	
SDC Balance EOY R/I	49,144	2,108,084	
SDC Balance EOY Total		2,157,229	
FY 2020-2021 - old methodology for permits issued through mid-September, then switch to new			
SDC Revenues			
BOY (per previous auditor workpaper)		2,157,229	
BOY SDC R/I	49,144	2,108,084	
SDCs Received (revenue)		148,764	Based on 43 EDUs
SDC Revenue R/I	5,951	142,813	
Beginning mid-September SDC per EDU = \$5723	SDC-R	SDC-I	
% of total SDC (from 2020 methodology)	38%	62%	
SDC Revenue R/I	26,172	42,504	Estimated based on 12 EDUs
Total Revenue for FY	32,123	185,317	
Total SDC R/I Resources for FY	81,267	2,293,402	
SDC Expenditures			
Access Road for Industrial Property West of RR Tra	0	0	100% SDC-I in 2020 SDC methodology
Fire Station and Industrial Property Access Road	0	0	100% SDC-I in 2020 SDC methodology
Woods Road Shared Use Path	0	0	55% SDC-I in 2020 SDC methodology (project cost for 20-21 is \$40,000, remainder in following years)
Total SDC R/I Expenditures for FY	0	0	
SDC Balance EOY R/I	81,267	2,293,402	
SDC Balance EOY Total		2,374,669	projected
Streets SDC Tracking - beginning July 1, 2021			
SDC per EDU = \$5723			
% of total SDC (from 2020 methodology)	SDC-R	SDC-I	Notes
	38%	62%	
FY 2021-2022 - PROJECTED			
SDC Revenues			
BOY		2,374,669	
BOY SDC R/I	81,267	2,293,402	
SDCs Received (revenue)		114,460	Estimated based on 20 EDUs
SDC Revenue R/I	43,620	70,840	
Total SDC R/I Resources for FY	124,887	2,364,242	
SDC Expenditures			
Access Road for Industrial Property West of RR Tra	0	209,000	100% SDC-I in 2020 SDC methodology
Fire Station and Industrial Property Access Road	0	656,000	100% SDC-I in 2020 SDC methodology
Woods Road Shared Use Path	18,000	22,000	55% SDC-I in 2020 SDC methodology (project cost for 20-21 is \$40,000, remainder in following years)
Total SDC R/I Expenditures for FY	18,000	887,000	
SDC Balance EOY R/I	106,887	21,477,242	
SDC Balance EOY Total		1,584,129	projected

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Storm Water

Protecting our Resources

Millersburg receives an average annual rainfall of approximately 42 inches. During rain events, it is important to have infrastructure in place to manage the storm water runoff. Infrastructure for storm water includes pipes and ditches and facilities to hold and reduce the peak storm water discharge in a safe and efficient manner that protects against flooding while also minimizing impacts to the environment.

In order to properly operate and maintain the storm water system, it is important the City understand how the existing storm water system performs, plan for future infrastructure needs, adapt to new regulatory requirements, and understand new methods and technologies for protecting Millersburg's valuable water resources.

Evaluating Our System and Planning for the Future

In 2018, Millersburg hired a consultant to create a Storm Water Master Plan. The purpose of the plan was to evaluate the storm water patterns and needs of the City on a holistic level. The Storm Water Master Plan is now used to identify storm water improvement and maintenance projects, as well as provide valuable information to help guide development within the City. The master plan's project list has been added to this section of the CIP.

One of the storm water challenges now facing the City is how to respond to new regulatory requirements mandated by the Environmental Protection Agency (EPA) and the Oregon Department of Environmental Quality (DEQ). Millersburg currently has an approved five-year plan for complying with the Willamette River Total Maximum Daily Load (TMDL). Millersburg is also now required to comply with requirements of the National Pollution Discharge Elimination Standards (NPDES) Municipal Separate Storm Sewer System (MS4) Phase II General Permit from DEQ. To comply with the approved TMDL plan and NPDES MS4 Phase II permit, the City will need to make significant changes to our storm water management practices within the five-year window of this CIP.

Taking steps to address the Funding Challenge

Unlike the street, wastewater, and water utilities, storm water management and maintenance activities do not currently have a dedicated funding source. Potential sources of funding could include establishing a storm water utility charge in the future.

Projected Cost Totals

FUNDING SOURCE	2021-22	2022-23	2023-24	2024-25	2025-26	TOTAL
General Fund Beginning Balance	\$0	\$205,000	\$0	\$0	\$0	\$205,000
Stormwater Fund Beginning Balance	\$20,000	\$0	\$0	\$0	\$0	\$20,000
GRAND TOTALS:	\$20,000	\$205,000	\$0	\$0	\$0	\$225,000

Funded Projects Summary & Detail

The following projects have been identified for inclusion in this five-year Capital Improvement Program.

Each project shown below is explained in detail on the pages that follow. Projects are listed in the fiscal year order they are planned to occur, and in CIP ID# order within a given fiscal year set.

CIP #	Phase Title	Projected Total
Plan Year: 2021 – 2022		
3001	NORTH TRIBUTARY OF CROOKS CREEK IMPROVEMENTS	\$20,000
3002	BECKER RIDGE DETENTION POND OUTFALL MODIFICATIONS	\$20,000
Total for FY 2020 – 2021		\$40,000
Plan Year: 2022 – 2023		
3001	NORTH TRIBUTARY OF CROOKS CREEK IMPROVEMENTS	\$185,000
Total for FY 2021 - 2022		\$185,000
Plan Year: 2023 – 2024		
	NONE IDENTIFIED	\$0
Total for FY 2022 – 2023		\$0
Plan Year: 2024 – 2025		
	NONE IDENTIFIED	\$0
Total for FY 2023 – 2024		\$0
Plan Year: 2025 – 2026		
	NONE IDENTIFIED	\$0
Total for FY 2024 – 2025		\$0
Grand Total for Stormwater:		\$225,000

Plan FY: 2021-2022 BECKER RIDGE DETENTION PONDS MODIFICATIONS

CIP Project #: 3002

Master Plan:

Category: Storm Water Stations

Plan Element:

Classification: Conveyance

Total Cost: \$20,000

Emergency overflow designs for two of the three detention basins present in the Becker Ridge development do not adequately prevent flooding in the adjacent or upstream roadways.

This project will install a secondary emergency overflow structure in each of the ponds to ensure the system has the capacity to pass design flows up to the 25-year storm without flooding the roadway.

Operating Budget Impact: This project will reduce maintenance costs over the long term and reduce the risk of flooding roads adjacent to the detention basins.

Funding Sources for This Project:

<u>Funding Source</u>	<u>Projected Amount</u>
STORMWATER FUND BEGINNING BALANCE	\$20,000
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Total:	\$20,000

Unfunded Projects

The following projects have been identified as needed repairs and/or improvements to the City's infrastructure. In most cases, these projects are the result of a master plan process, which attempts to systematically look at the needs for public infrastructure over the next 10 to 20 years. These projects are considered "Unfunded" because either a source of funding has not been made available, or they will not be implemented within the five-year window this plan covers.

Collection and Conveyance System

CIP #	Phase	Year	Title	Projected Total
3003	0		MORNINGSTAR ESTATES OUTFALL MODIFICATION	\$224,000
3004	0		HOFFMAN ESTATES STORW WATER CAPACITY IMPROVEMENTS	\$173,000
3005	0		UMPQUA LANE DETENTION PIPES MODIFICATION	\$121,000
3006	0		WOODS ROAD DRAINAGE CAPACITY INCREASE	\$616,000
3007	0		CROOKS CREEK SEDIMENTATION STUDY	\$77,000
3008	0		KATHRYN ST AND KNOX BUTTE AVE STORM IMPROVEMENTS	\$240,000
3014	0		SW IN WOODS ROAD EXTENSION	\$1,280,000
3015	0		SW IN ZUHLKE LANE EXTENSION	\$463,000
3016	0		SW IN 54 TH AVENUE EXTENSION	\$326,000
3017	0		SW IN CONSER ROAD IMPROVEMENTS	\$225,000
3018	0		OLD SALEM ROAD BUILD-OUT CAPACITY IMPROVEMENTS	\$779,000
3019	0		OLD SALEM ROAD EXISTING CAPACITY IMPROVEMENTS	\$4,085,000
Total for Unfunded Collection and Conveyance System:				\$8,609,000

Grand Total for Unfunded Stormwater: \$8,609,000

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Wastewater

Establishing a Maintenance Program

The City's wastewater system consists of a collection system that is made up of approximately 20 miles of gravity flow pipes, 3 miles of pressure pipes, over 350 manholes, and 5 sewer lift stations. Millersburg is a joint owner with the City of Albany in the Water Reclamation Facility and Talking Water Gardens wetlands; the City of Albany holds the discharge permit with DEQ.

In 2016 and 2017, the City performed a Sanitary Sewer System Master Plan. The Master Plan identified recommended capital improvement projects. The Morningstar and ATI Pump Station Upgrades were completed in 2018 and 2019. Additional recommended projects are included in this CIP. In addition, the Master Plan recommended performing a condition assessment of the collection system.

Millersburg contracts with the City of Albany for operation and maintenance of the sewer collection system through an Intergovernmental Agreement (IGA). The wastewater projects identified in this year's five-year window include those recommended by the City's adopted Sanitary Sewer System Master Plan and needs identified by City of Albany operations staff. Maintenance of the collection system helps reduce infiltration of groundwater and inflow of storm water into the collection system, which can impact capacity requirements within the system and require additional capital improvements for conveyance and treatment of sewer flows. Maintenance activities that consist of cleaning and inspecting of the system are not included in the CIP. Significant repairs required to address unsatisfactory inspection results are included in the CIP.

Future projects will be required to address issues at both the Water Reclamation Facility and Talking Water Gardens. These projects are currently in preliminary planning phases. Some have been incorporated into this CIP and others will be incorporated into future CIPs once more detailed information is available.

Funding Summary

The following table shows the total value of projects scheduled in each of the five years of this CIP, broken down by the source of the funding. The costs shown are the projected total project costs in the year the project is proposed.

Each year the estimated cost of the projects is adjusted to current year costs by applying the change in the Engineering News-Record (ENR) construction cost index for Seattle.

Projected Cost Totals

FUNDING SOURCE	2021-22	2022-23	2023-24	2024-25	2025-26	TOTAL
Sewer SDC-R	\$0	\$0	\$0	\$0	\$0	\$0
Sewer SDC-I	\$88,000	\$203,000	\$0	\$0	\$0	\$291,000
Sewer Rates/Operating Revenues	\$388,000	\$0	\$0	\$0	\$0	\$388,000
Settlement Proceeds	\$420,000	\$0	\$0	\$0	\$0	\$420,000
GRAND TOTALS:	\$896,000	\$203,000	\$0	\$0	\$0	\$1,099,000

Funded Projects Summary & Detail

The following projects have been identified for inclusion in this five-year Capital Improvement Program.

Each project shown below is explained in detail on the pages that follow. Projects are listed in the fiscal year order they are planned to occur, and in CIP ID# order within a given fiscal year set.

CIP #	Phase Title	Projected Total
Plan Year: 2021 – 2022		
4009	WRF SOLIDS HANDLING PROJECT	\$319,000
4013	CROOKS CREEK PUMP STATION UPGRADES	\$20,000
4023	DEWATERING EQUIPMENT REPLACEMENT PROJECT	\$439,000
4024	INFLUENT VFDS	\$10,000
4042	REPAIR MHS AT BURKHART AND ATI FM DISCHARGES	\$20,000
4043	TRANSITION PARKWAY SEWER MAIN	\$88,000
Total for FY 2021 - 2022		\$896,000
Plan Year: 2022 – 2023		
4028	SEWER FOR MORNINGSTAR ROAD REALIGNMENT	\$203,000
Total for FY 2022 - 2023		\$203,000
Plan Year: 2023 – 2024		
	NONE IDENTIFIED	\$0
Total for FY 2023 – 2024		\$0
Plan Year: 2024 – 2025		
	NONE IDENTIFIED	\$0
Total for FY 2024 - 2025		\$0
Plan Year: 2025 – 2026		
	NONE IDENTIFIED	\$0
Total for FY 2025 - 2026		\$0
Grand Total for Wastewater:		\$1,099,000

Plan FY: 2021-2022 ALBANY-MILLERSBURG WATER RECLAMATION FACILITY SOLIDS HANDLING
CIP Project #: 4009

Master Plan: Plan Element:
Category: Wastewater **Classification:** Water Reclamation Facility

Total Cost: \$319,000

This project will perform the planned solids handling modifications at the wastewater treatment facility. The project will include a composting facility at the wastewater treatment facility. Millersburg's cost for this project is 10% of the total anticipated project cost of \$3,190,000.

Operating Budget Impact: The design effort will help to address long-term operational costs associated with solids handling.

Funding Sources for This Project:

<u>Funding Source</u>	<u>Projected Amount</u>
SEWER RATES/OPERATING REVENUES	\$0
SETTLEMENT PROCEEDS	\$319,000
	<hr/>
Total:	\$319,000

Plan FY: 2021-2022 CROOKS CREEK PUMP STATION UPGRADES

CIP Project #: 4013

Master Plan:

Category: Wastewater

Plan Element:

Classification: Pump Stations

Total Cost: \$20,000

This project will upgrade the controls at the Crooks Creek Pump Station, including a new manual transfer switch for emergency power.

Operating Budget Impact: This project will reduce the risk of sewer overflows.

Funding Sources for This Project:

<u>Funding Source</u>	<u>Projected Amount</u>
SEWER RATES/OPERATING REVENUES	\$20,000
	<hr/>
Total:	\$20,000

**Plan FY: 2021-2022 ALBANY-MILLERSBURG WATER RECLAMATION FACILITY DEWATERING
EQUIPMENT REPLACEMENT
CIP Project #: 4023**

Master Plan: **Plan Element:**
Category: Wastewater **Classification:** Water Reclamation Facility

Total Cost: \$439,000

This project will perform the planned dewatering equipment replacement at the wastewater treatment facility. Millersburg's cost for this project is 10% of the total anticipated project cost of \$5,230,000.

Operating Budget Impact: The design effort will help to address long-term operational costs associated with solids handling.

Funding Sources for This Project:

<u>Funding Source</u>	<u>Projected Amount</u>
SEWER RATES/OPERATING REVENUES	\$338,000
SETTLEMENT PROCEEDS	\$101,000
	<hr/>
Total:	\$439,000

Plan FY: 2019-2022 INFLUENT VFDS
 CIP Project #: 4024

Master Plan:

Category: Wastewater

Plan Element:

Classification: Miscellaneous - Wastewater

Total Cost: \$30,000

This project will replace aging variable frequency drives (VFDs) on influent pumps at the wastewater treatment facility. Millersburg's cost for this project is 10% of the total remaining project cost of \$300,000. It is anticipated that 2 of the 6 VFDs will be replaced each year beginning in FY 2019-20 at a cost of \$100,000 per year for three years.

Operating Budget Impact: This project will address a maintenance need at the WRF.

Funding Sources for This Project:

<u>Funding Source</u>	<u>Projected Amount</u>
SEWER RATES/OPERATING REVENUES	\$30,000
Total:	\$30,000

Plan FY: 2022-2023 MORNINGSTAR ROAD REALIGNMENT SEWER
CIP Project #: 4028

Master Plan: Plan Element:
Category: Wastewater **Classification:** Collection System

Total Cost: \$203,000

This project will install approximately 1000 ft of new sewer main in Morningstar Road along with the Morningstar Road realignment project to be conducted by Linn County.

Operating Budget Impact: This project will expand sewer service within the City, which may increase operational costs over the long term.

Funding Sources for This Project:

<u>Funding Source</u>	<u>Projected Amount</u>
SEWER SDC – IMPROVEMENTS FUND	\$203,000

Total:	\$203,000

Unfunded Projects

The following projects have been identified as needed repairs and/or improvements to the City's infrastructure. In most cases, these projects are the result of a master plan process, which attempts to systematically look at the needs for public infrastructure over the next 10 to 20 years. These projects are considered "Unfunded" because either a source of funding has not been made available, or they will not be implemented within the five-year window this plan covers.

Interceptors/Collectors

CIP #	Phase	Year	Title	Projected Total
4015		0	EXPANSION OF SYSTEM TO UNDER SERVED INDUSTRIAL AREAS	\$137,000
4044		0	SYSTEM EXPANSION TO INDUSTRIAL PROPERTY SOUTH OF CONSER ROAD	\$364,000
Total for Unfunded Interceptors/Collectors:				\$501,000

Lift Stations

CIP #	Phase	Year	Title	Projected Total
4016		0	ATI PUMP REPLACEMENT	\$72,000
4017		0	MORNINGSTAR PUMP IMPELLER REPLACEMENT	\$36,000
Total for Unfunded Lift Stations:				\$108,000

Water Reclamation Facility

CIP #	Phase	Year	Title	Projected Total
4029		0	INFLUENT PUMP STATION EXPANSION	\$1,878,000
4030		0	HEADWORKS 4 TH CHANNEL EQUIPMENT AND SCREENING EQUIPMENT	\$232,000
4031		0	HEADWORKS GRIT REMOVAL EQUIPMENT	\$363,000
4032		0	VLR NO. 1A	\$166,000
4033		0	VLR NO. 2A	\$404,000
4034		0	VLR NO. 9 – NO. 14	\$2,913,000
4035		0	BLOWER BUILDING #2	\$728,000
4036		0	SECONDARY CLARIFIER #4	\$652,000
4038		0	CHLORINE CONTACT BASIN EXPANSION	\$344,000
4039		0	SLUDGE COMPOSTING AND DEWATERING FACILITIES	\$3,155,000
4041		0	OUTFALL AND DIFFUSER NO. 2	\$599,000
Total for Unfunded Water Reclamation Facility:				\$11,434,000

Talking Water Gardens

CIP #	Phase	Year	Title	Projected Total
4019		0	TALKING WATER GARDENS: COMPLETE ENTRANCE/PARKING LOT LANDSCAPING	\$15,000
4020		0	TALKING WATER GARDENS: COMPLETE BRIDGE IMPROVEMENTS AND LANDSCAPING	\$14,000
4021		0	TALKING WATER GARDENS: REROUTE OVERHEAD POWER LINES	\$45,000
4022		0	TALKING WATER GARDENS: ENTRANCE ROAD IMPROVEMENTS	\$79,000
Total for Unfunded Talking Water Gardens:				\$153,000

Grand Total for Unfunded Wastewater: \$12,196,000

Wastewater SDC Account Balances and Projections

Wastewater SDC Tracking			
SDC per EDU = \$2,658		SDC-R	SDC-I
% of total SDC (from 2006/2008 methodology)		46%	54%
			Notes
FY 2017-2018			
SDC Revenues			
BOY (per previous auditor workpaper)	1,047,542		
BOY SDC R/I	481,869	565,673	
SDCs Received (revenue)		318,034	
SDC Revenue R/I	146,296	171,738	
Total SDC R/I Resources for FY	628,165	737,411	
SDC Expenditures			
WRF Capital Projects	0	0	
Wetland Capital Projects	2,304	0	100% SDC-R because not listed in 2006/2008 SDC methodology
Sewer Lift Station Projects	625,861	0	100% SDC-R because not listed in 2006/2008 SDC methodology
Total SDC R/I Expenditures for FY	628,165	0	
SDC Balance EOY R/I	0	737,411	
SDC Balance EOY Total		737,411	
FY 2018-2019			
SDC Revenues			
BOY (per previous auditor workpaper)	737,411		
BOY SDC R/I	0	737,411	
SDCs Received (revenue)		216,713	
SDC Revenue R/I	99,688	117,025	
Total SDC R/I Resources for FY	99,688	854,436	
SDC Expenditures			
WRF Capital Projects	0	0	
Wetland Capital Projects	0	0	
WRF Debt Service	66,023	234,080	Total amount for FY 18-19 is \$300,103, 78% improvement per 2006/2008 SDC methodology
Sewer Lift Station Projects	33,665	0	100% SDC-R because not listed in 2006/2008 SDC methodology
Total SDC R/I Expenditures for FY	99,688	234,080	
SDC Balance EOY R/I	0	620,356	
SDC Balance EOY Total		620,356	
FY 2019-2020			
SDC Revenues			
BOY (per previous auditor workpaper)	620,356		
BOY SDC R/I	0	620,356	
SDCs Received (revenue)		241,617	
SDC Revenue R/I	111,144	130,473	
Total SDC R/I Resources for FY	111,144	750,829	
SDC Expenditures			
WRF Capital Projects	0	0	
Wetland Capital Projects	0	0	
WRF Debt Service	67,183	238,194	Total amount for FY 19-20 is \$305,377, 78% improvement per 2006/2008 SDC methodology
Wetlands DEQ Loan	11,000	39,000	Total amount for FY 19-20 is \$50,000, 78% improvement per 2006/2008 SDC methodology
Total SDC R/I Expenditures for FY	78,183	277,194	
SDC Balance EOY R/I	32,961	473,635	
SDC Balance EOY Total		506,596	
FY 2020-2021 - old methodology for permits issued through mid-September, then switch to new			
SDC Revenues			
BOY (per previous auditor workpaper)	506,596		
BOY SDC R/I	32,961	473,635	
SDCs Received (revenue)		114,294	Based on 43 EDUs
SDC Revenue R/I	52,575	61,719	
SDC per EDU = \$4499			
% of total SDC (from 2020 methodology)		SDC-R	SDC-I
		57%	43%
SDC Revenue R/I	30,744	23,244	Estimated based on 12 EDUs
Total Revenue for FY	83,319	84,963	
Total SDC R/I Resources for FY	116,281	558,598	
SDC Expenditures			
WRF Capital Projects	0	0	
Wetland Loan Payment to DEQ	50,000	0	
WRF Debt Service	66,281	242,381	Total amount for FY 20-21 is \$310,745, 78% improvement per 2006/2008 SDC methodology
Total SDC R/I Expenditures for FY	116,281	242,381	
SDC Balance EOY R/I	0	316,217	
SDC Balance EOY Total		316,216	projected
FY 2021-2022 - PROJECTED			
SDC Revenues			
BOY	316,216		
BOY SDC R/I	0	316,217	
SDC's received (revenue)		89,980	Estimated based on 20 EDUs
SDC Revenue R/I	51,240	38,740	
Total SDC R/I Resources for FY	51,240	354,957	
SDC Expenditures			
AM-WRF Capital Projects	0	0	
Fire Station and Industrial Property Sewer Main	0	68,000	100% SDC-I in 2020 SDC methodology
Total SDC R/I Expenditures for FY	0	0	
SDC Balance EOY R/I	51,240	286,957	
SDC Balance EOY Total		338,196	projected

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Water

Maintaining Ongoing Operations

As a result of the City's partnership with Albany in the Albany-Millersburg Water Treatment Plant (A-M WTP) and relatively new distribution system, Millersburg water customers benefit from a safe, reliable source of drinking water, a distribution system with capacity to serve growth, and stable operation and maintenance expenses.

The City's water system consists of a network of pipes, with a reservoir and pump station located at the A-M WTP. The water system is made up of over 20 miles of pipes, one pump station, one reservoir, service lines, hydrants, valves, and a water treatment plant. Over 90% of the distribution system consists of ductile iron and HDPE pipe. The remaining less than 10% is asbestos cement (AC) and steel pipe. All of the AC and steel pipe is located along Old Salem Road, south of the Viewcrest interchange. One long-term goal of the City is to eliminate the remaining AC and steel pipe in the system.

Millersburg employs a Direct Responsible Charge (DRC) Operator and contracts with the City of Albany for operation and maintenance of the water distribution system through an Intergovernmental Agreement (IGA). The water projects identified in this plan include those recommended by the City's adopted Water Master Plan and needs identified by City of Albany operations staff; they represent the projects necessary for continued consistent quality water services and to support growth and economic development in the City.

A water rate and SDC study was recently completed. This resulted in increases to SDC fees, a restructuring of water rates, and future planned inflationary increases to water rates. These changes are an important part of funding the projects listed in this CIP, as well as ongoing operations of the water system.

Funding Summaries

The following table shows the total value of projects scheduled in each of the five years of this CIP, broken down by the source of the funding. The costs shown are the projected total project costs in the year the project is proposed.

Each year the estimated cost of the projects is adjusted to current year costs by applying the change in the Engineering News-Record (ENR) construction cost index for Seattle.

Projected Cost Totals

FUNDING SOURCE	2021-22	2022-23	2023-24	2024-25	2025-26	TOTAL
SDC – Improvement – Water	\$247,000	\$158,000	\$0	\$0	\$0	\$405,000
SDC – Reimbursement – Water	\$133,000	\$0	\$0	\$0	\$0	\$133,000
Water Rates/Operating Revenues	\$34,000	\$417,000	\$0	\$0	\$0	\$451,000
GRAND TOTALS:	\$414,000	\$575,000	\$0	\$0	\$0	\$989,000

Funded Projects Summary & Detail

The following projects have been identified for inclusion in this five-year Capital Improvement Program.

Each project shown below is explained in detail on the pages that follow. Projects are listed in the fiscal year order they are planned to occur, and in CIP ID# order within a given fiscal year set.

CIP #	Phase Title	Projected Total
Plan Year: 2021 - 2022		
5004	ABANDON AC PIPE IN OLD SALEM ROAD NORTH OF TRUAX CREEK	\$83,000
5015	TRANSITION PARKWAY WATER MAIN	\$247,000
5019	AM-WTP SEISMIC VALVE REPLACEMENT	\$50,000
5020	AM-WTP RAW WATER VFD REPLACEMENT	\$34,000
Total for FY 2021 - 2022		\$414,000
Plan Year: 2022 - 2023		
5005	ABANDON AC PIPE IN OLD SALEM ROAD SOUTH OF TRUAX CREEK	\$417,000
5012	MORNINGSTAR ROAD REALIGNMENT WATER	\$158,000
Total for FY 2022 - 2023		\$575,000
Plan Year: 2023 - 2024		
	NONE IDENTIFIED	\$0
Total for FY 2023 - 2024		\$0
Plan Year: 2024 - 2025		
	NONE IDENTIFIED	\$0
Total for FY 2024 - 2025		\$0
Plan Year: 2025 - 2026		
	NONE IDENTIFIED	\$0
Total for FY 2025 - 2026		\$0
Grand Total for Water:		\$989,000

Plan FY: 2021-2022 ABANDON AC PIPE IN OLD SALEM ROAD NORTH OF TRUAX CREEK
CIP Project #: 5004

Master Plan: Water Master Plan **Plan Element:**
Category: Water **Classification:** Water Mains

Total Cost: \$83,000

This project will replace 3 services currently connected to an existing AC pipe with connections to the 20" ductile iron (DI) water main. Approximately 2,800 feet of asbestos cement (AC) pipe will be abandoned.

Replacement services are to 3 industries located on Old Salem Road, north of Truax Creek.

Operating Budget Impact: Abandonment of the AC pipe may reduce the amount of water loss from the system and will reduce the risk of an AC pipe failure.

Funding Sources for This Project:

<u>Funding Source</u>	<u>Projected Amount</u>
WATER SDC-REIMBURSEMENT FUND	\$83,000
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Total:	\$83,000

Plan FY: 2022-2023 ABANDON AC PIPE IN OLD SALEM ROAD SOUTH OF TRUAX CREEK
CIP Project #: 5005

Master Plan: Water Master Plan **Plan Element:**
Category: Water **Classification:** Water Mains

Total Cost: \$417,000

This project will replace approximately 15 services currently connected to an existing AC pipe with connections to the 20" ductile iron (DI) water main. Approximately 3,000 feet of asbestos cement (AC) pipe will be abandoned.

Replacement services are located on Old Salem Road, south of Truax Creek.

Operating Budget Impact: Abandonment of the AC pipe may reduce the amount of water loss from the system and will reduce the risk of an AC pipe failure.

Funding Sources for This Project:

<u>Funding Source</u>	<u>Projected Amount</u>
WATER RATES/OPERATING REVENUES	\$417,000

Total:	\$417,000

Plan FY: 2022-2023 MORNINGSTAR ROAD REALIGNMENT WATER
CIP Project #: 5012

Master Plan: **Plan Element:**
Category: Water **Classification:** Water Mains

Total Cost: \$158,000

This project will install approximately 1000 ft of new 12" water main in Morningstar Road along with the Morningstar Road realignment project to be conducted by Linn County.

Operating Budget Impact: This project will expand water service within the City, which may increase operational costs over the long term.

Funding Sources for This Project:

<u>Funding Source</u>	<u>Projected Amount</u>
WATER SDC-IMPROVEMENTS FUND	\$158,000
Total:	\$158,000

Plan FY: 2021-2022 AM-WTP RAW WATER VFD REPLACEMENT

CIP Project #: 5020

Master Plan:

Plan Element:

Category: Water

Classification: Water Supply

Total Cost: \$34,000

This project will replace the existing variable frequency drives (VFDs) on the raw water intake pumps at the AM-WTP.

Operating Budget Impact: None.

Funding Sources for This Project:

<u>Funding Source</u>	<u>Projected Amount</u>
WATER RATES/OPERATING REVENUES	\$34,000
Total:	\$34,000

Unfunded Projects

The following projects have been identified as needed repairs and/or improvements to the City's infrastructure. In most cases, these projects are the result of a master plan process, which attempts to systematically look at the needs for public infrastructure over the next 10 to 20 years. These projects are considered "Unfunded" because either a source of funding has not been made available, or they will not be implemented within the five-year window this plan covers.

Water

CIP #	Phase	Year	Title	Projected Total
5003		0	AM WTP INTAKE GENERATOR	\$106,000
5006		0	STEELHEAD MAIN SIZE INCREASE	\$200,000
5011		0	AM-WTP EXPANSION (MEMBRANES)	\$1,847,000
5014		0	SYSTEM EXPANSION UNDER SERVED NE INDUSTRIAL AREAS	\$428,000
5017		0	AM-WTP EXPANSION (STORAGE)	\$1,899,000
5018		0	SYSTEM EXPANSION TO INDUSTRIAL PROPERTY SOUTH OF CONSER	\$5,391,000
Total for Unfunded Water:				\$9,871,000

Grand Total for Unfunded Water: \$9,871,000

Water SDC Account Balances and Projections

Water SDC Tracking			
SDC per EDU = \$1,921	SDC-R	SDC-I	Notes
% of total SDC (from 2006/2008 methodology)	81%	19%	
FY 2017-2018			
SDC Revenues			
BOY (per previous auditor workpaper)	988,287		
BOY SDC R/I	800,512	187,775	
SDC's received (revenue)	295,832		
SDC Revenue R/I	239,624	56,208	
Total SDC R/I Resources for FY	1,040,136	243,983	
SDC Expenditures			
Water Treatment Plant Capital Projects	40,882	0	100% SDC-R because not listed in 2006/2008 SDC methodology
Total SDC R/I Expenditures for FY	40,882	0	
SDC Balance EOY R/I	999,254	243,983	
SDC Balance EOY Total	1,243,237		
FY 2018-2019			
SDC Revenues			
BOY (per previous auditor workpaper)	1,243,237		
BOY SDC R/I	999,254	243,983	
SDC's received (revenue)	216,787		
SDC Revenue R/I	175,597	41,190	
Total SDC R/I Resources for FY	1,174,852	285,172	
SDC Expenditures			
Water Treatment Plant Capital Projects	0	0	
Water Plant Loan, principal payment	362,271	0	100% SDC-R because not listed in 2006/2008 SDC methodology
Total SDC R/I Expenditures for FY	362,271	0	
SDC Balance EOY R/I	812,581	285,172	
SDC Balance EOY Total	1,097,753		
FY 2019-2020			
SDC Revenues			
BOY (per previous auditor workpaper)	1,097,753		
BOY SDC R/I	812,581	285,172	
SDC's received (revenue)	192,962		
SDC Revenue R/I	156,299	36,663	
Total SDC R/I Resources for FY	968,880	321,835	
SDC Expenditures			
Water Treatment Plant Capital Projects	0	0	
Water Plant Loan, principal payment	360,000	0	100% SDC-R because not listed in 2006/2008 SDC methodology
Total SDC R/I Expenditures for FY	360,000	0	
SDC Balance EOY R/I	608,880	321,835	
SDC Balance EOY Total	930,715		
FY 2020-2021 - old methodology for permits issued through mid-September, then switch to new			
SDC Revenues			
BOY (per previous auditor workpaper)	930,715		
BOY SDC R/I	608,880	321,835	
SDC's received (revenue) until mid-September	82,603		Based on 43 EDUs
SDC Revenue R/I	66,908	15,695	
Beginning mid-September SDC per EDU = \$2,985	SDC-R	SDC-I	
% of total SDC (from 2020 methodology)	65%	35%	
SDC Revenue R/I	23,328	12,492	Estimated based on 12 EDUs
Total Revenue for FY	90,236	28,187	Total of 55 EDU
Total SDC R/I Resources for FY	699,117	350,022	
SDC Expenditures			
Water Treatment Plant Capital Projects	0	0	
Fire Station and Industrial Property Water Main	0	0	100% SDC-I in 2020 SDC methodology
Water Plant Loan, principal payment	369,000	0	100% SDC-R
Total SDC R/I Expenditures for FY	369,000	0	
SDC Balance EOY R/I	330,117	350,022	
SDC Balance EOY Total	680,138		projected
FY 2021-2022 - PROJECTED			
SDC Revenues			
BOY	680,138		
BOY SDC R/I	330,117	350,022	
SDC's received (revenue)	59,700		Estimated based on 20 EDUs
SDC Revenue R/I	38,880	20,820	
Total SDC R/I Resources for FY	368,997	370,842	
SDC Expenditures			
Water Treatment Plant Capital Projects	50,000	0	
Fire Station and Industrial Property Water Main	0	227,000	100% SDC-I in 2020 SDC methodology
Abandon AC Pipe North of Truax Creek	83,000	0	100% SDC-R
Total SDC R/I Expenditures for FY	133,000	227,000	
SDC Balance EOY R/I	235,997	143,842	
SDC Balance EOY Total	379,838		projected