



## City of Tigard

# Tigard City Council Meeting Minutes

May 20, 2014

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### 1. WORKSHOP MEETING

A.  Mayor Cook called the City Council meeting to order at 6:31 p.m.

B. City Recorder Wheatley called roll:

<u>Name</u>	<u>Present</u>	<u>Absent</u>
Mayor Cook	✓	
Council President Henderson	✓	
Councilor Buehner	✓	
Councilor Snider	✓	
Councilor Woodard	✓	

C. Mayor Cook led the Pledge of Allegiance.

D. Mayor Cook asked Council for any Communications & Liaison Reports

 Councilor Buehner reported she attended an Intergovernmental Water Board meeting last week. Two new members of the IWB were present so there was discussion about how the system works and some training information regarding budgeting. Additional training will be made available to new members of the board.

 Councilor Buehner advised she is a member of the League of Oregon Cities (LOC) Transportation Committee. Policy committees meet in the spring before the legislative session to recommend legislative priorities to LOC. She explained how priorities are established with input from member cities. Councilor Buehner will make the policy report available to council when it is ready. There is a shortage of funding at the federal level. The federal transportation trust fund will run out of money between July and September. This means that projects will stop. Funding will consist only of remaining gas tax dollars. ODOT has been proactive through their actions so they will have enough money available to finish projects they have started. ODOT is very concerned about getting a new transportation bill passed at the federal level.

Mayor Cook noted the federal transportation situation means a delay for some of the grants anticipated.

Councilor Buehner noted a priority of the LOC Transportation Committee was for highway funding/policy. The committee was held back somewhat because the Governor is working

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### **TIGARD CITY COUNCIL MEETING MINUTES – MAY 20, 2014**

on his transportation tax proposal to take to the legislature next year. The Committee does not want to see rules changed on how transportation dollars are distributed to the state, counties and cities. The Committee called for a review of rate increases for areas such as city gas taxes and license fees. There has been discussion of whether there should be an inflation factor attached to gas taxes. The Committee would like to see the VMT program expanded which is a tax based on mileage rather than gasoline consumption.

The Committee wants to take a look at continuing funding for the Connect Oregon program.

 Council President Henderson attended the Willamette River Water Coalition (WRWC) last week along with Councilor Buehner. Next week they will discuss the future direction of the WRWC. Wilsonville, Beaverton and Hillsboro will be joining the WRWC.

  
2. RIVER TERRACE FINANCE STRATEGIES UPDATE

Councilor Buehner advised she has clients in the River Terrace area. She recused herself from participating in this discussion and left the meeting.

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- Finance and Information Services Director LaFrance introduced the staff and consultant team working on the River Terrace Community Plan:
    - Brian Ginter and Brian Casey from Murray Smith and Associates (MSA)
    - Susan Shanks, City of Tigard Senior Planner
    - Todd Chase, consultant to review financing strategies.
    - Debbie Smith-Wagar, City of Tigard Asst. Finance and Information Services Director

 Finance and Information Services Department Director LaFrance advised council this is the first of a series of monthly meetings to review the River Terrace project. The purpose of tonight's discussion is to talk about the water and sewer portion of the infrastructure for this area, including amendments to the Water and Sewer Master Plans.

-  Senior Planner Shanks distributed a schedule, "River Terrace Adoption Process (Draft), 5/20/14" and reviewed the upcoming meetings planned for updates to the City Council. She reviewed the process established to receive public comments including those from stakeholders. Two sets of comments were received for tonight's briefing:
  - A consultant associated with a developer who is a member of the stakeholder working group commented on the water and sewer plans. He commented on allowing temporary pump stations (sewer plan). Senior Planner Shanks said this is a policy decision that Clean Water Services would make and would not be included in Tigard's Master Plan. She will communicate this to the person who offered the

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**TIGARD CITY COUNCIL MEETING MINUTES – MAY 20, 2014**

- comment. The second comment on the Water Master Plan was more about implementation and she will communicate this to the commenter.
- Clean Water Services commented on the Sewer Master Plan. Brian Casey of MSW will be going over these comments with the City Council to discuss how these might change the Master Plan in a slight way.
- At a future meeting, after the briefings and council questions are satisfied, council will be asked to approve amendments to the master plans by resolution.

### **Water System Master Plan Addendum**

- Brian Ginter of MSA reviewed the Water System Master Plan Addendum:
  - The 2010 City Water System Master Plan considered the River Terrace community area (West Bull Mountain concept plan area); however, it did not include an evaluation of specific water system infrastructure that would be needed. The addendum before the City Council addresses how to serve the River Terrace customers.
  - He reviewed the basis for planning, which is to estimate how much water customers would be using on the hottest day in the summer. This area is estimated to need about 1.4 million gallons per day (mgd) on a peak day; this is a little more than 10 percent of the amount of water used by existing city customers on a peak day.
  - Using the basis, they looked at water supply, pressure zones, storage needs and transmission needs.
    - The partnership with Lake Oswego addresses the water supply needs for the long term.
    - Pressure zones and how they function were reviewed. The city is divided into three major pressure zones: 410 Zone, 550 Zone and 713 Zone. All three zones extend into the River Terrace area, so there is a need for infrastructure in each zone.
    - Storage is provided for three purposes – operational, fire suppression and emergency. There is adequate storage now for the 410 and 713 Zones in River Terrace. There is need for additional storage in the 550 Zone.

 Councilor Snider inquired about the issues for the 550 Zone. Mr. Ginter confirmed that this zone could be served with water from the 713 Zone and a number of the locations in the 550 Zone will be served from the 713 Zone. Mr. Ginter advised River Terrace has a very small area in the 713 Zone (about 10 percent). The River Terrace 550 Zone is about 50 percent of the area.

 Discussion followed about the economics of building water infrastructure to closely match the elevation of the area. The big issue is a lot of energy is expended to pump water to a higher elevation.

 Mr. Ginter reviewed the alternatives for the 550 Zone. The recommendation is for Alternative 2 – construct 550 pump station and reservoir to deliver water from

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## **TIGARD CITY COUNCIL MEETING MINUTES – MAY 20, 2014**

existing 410 Menlor Reservoir and connect River Terrace transmission piping to existing 550 Zone transmission.

 Mr. Ginter reviewed the improvements needed for the three zones.

 Mr. Ginter reviewed estimated improvement costs:

- 410 Zone - \$7.6 million (two piping improvements and a pressure reducing valve).
- 550 Zone - \$10 million (pump station, reservoir and transmission piping). This will also benefit existing city customers.

Mayor Cook asked about the phasing on infrastructure improvements based on where development will start. The assumption is the north area of River Terrace will start first. Most of the 550 Zone is southerly. Mr. Ginter said there are existing connections and piping to the 550 Zone. In the short-term, it is possible to make connections and continue to serve the same way as is done now for existing 550 Zone customers. As the area starts to develop more (especially the school property), there will be a need for the additional storage and pump station.

 Mr. Ginter confirmed for Councilor Woodard that the 550 Zone is the Cach property. There is no existing water infrastructure on that property. For the foreseeable future, the 550 Zone would be served by the Cach Reservoir. The rest of the 550 Zone would be served by the Price reservoir.

#### **Sewer System Master Plan Addendum**

- Brian Casey of MSA reviewed the Sanitary Sewer System Master Plan Addendum:
  - He referred to Figure 4 in the addendum taking advantage of gravity flow to minimize operational issues. The area is broken into River Terrace North and River Terrace South.
  - It is recommended that the River Terrace Community be divided along SW Bull Mountain Road (Alternative 1) since the average pipe depth and lengths are more practical compared to the depth and lengths from Alternative 2.
  - He reviewed Figure 5, River Terrace North Sub-Basin Sewer Service, citing topography and natural drainage to the west and south. All of the city's sewer services need to send flow to Clean Water Services. The available trunks that Clean Water Services has are on the north end of Bull Mountain. Along the south end, there are no facilities going up and over the hill. A pump station will be needed at the low points. The pump station is a regional facility and will not serve just the City of Tigard. Most of the flow will come from the South Cooper Mountain development area (9 mgd). Major trunk lines are identified on Figure 5. A small pump station will also be located in the South Cooper Mountain area.

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### **TIGARD CITY COUNCIL MEETING MINUTES – MAY 20, 2014**

- He reviewed Figure 6, River Terrace South Sub-Areas. The topography is such that it is more challenging for a gravity system. This area is broken into several sub-areas. He described how these systems would work by maximizing the use of existing infrastructure. In response to a question from Council President Henderson, Mr. Casey said gravity structures will be built as development occurs.
- He reported that pump stations are affected by land use laws. Above-ground stations would alter the land-use category; therefore (as shown on Figure 9) in the southwest corner of Urban Reserve Area 6C (South) a proposed pump station is shown in an area that is currently zoned for exclusive farm use. They have been successful in obtaining permits for pipelines across these areas because the land can still be used for farming. In response to a question from Mayor Cook, Mr. Casey said the city would want to make sure the gravity sewers are at a proper depth so flow could be sent to the south to avoid needing a pump station.
- Discussion followed on the design of the system and how to size the system for build-out flows.
- Comments were received from Clean Water Services (CWS):
  - Additional checking is required on an existing 8-inch line, which is inadequate and might have to be an addition to the project.
  - All comments will be reviewed with city staff to determine the comments that will need to be addressed and incorporated into the addendum. The addendum is for the city's use and does not require approval by CWS; however, the city will make every effort to coordinate with CWS and will continue to work with them.
- Senior Planner Shanks said two things will change before the council is asked to approve the addendum:
  - Addition of a project.
  - Size of one of the pump stations.
- Councilor Snider said when it comes time to consider shared facilities, he will have questions about how South Cooper Mountain will be contributing towards the costs.

### **Water and Sewer Financing Strategy**

-  Todd Chase of FCS Group presented information on water and sewer infrastructure financing.
  - His firm has been working on an independent review of the city's enterprise funds for water and sewer.
  - Water – the city has already been working hard on the potential funding required to build all of the projects associated with the Lake Oswego/Tigard Water Partnership. Rates have been designed appropriately in advance of the bond issues that are going to be required. Because of the way the water rates are structured that when accompanied by the connection and SDC fees, the

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## **TIGARD CITY COUNCIL MEETING MINUTES – MAY 20, 2014**

water fund should be in good shape to take on the additional capacity of the bond proceeds. SDC fund balances should be experienced in the next few years that would allow the city to be proactive in investing in trunk line improvements in River Terrace. Developments can take a long time to “get going” and occur in different sections. There is some capacity available to handle some growth; however, the city will need to move forward on the design and construction of the new reservoir and the pressure reducing valve. He mentioned other components of the system that will need to be constructed. Some of the infrastructure cannot be constructed until it is known where development will occur. He spoke to developers advancing payment for some of the infrastructure; this upfront expenditure could be offset with SDC fee credits.

-  Sewer – with or without the River Terrace development, the city has significant capital improvement projects (\$8.5 million) over the next five years. The operating and maintenance requirements for the sewer system are increasing. The city maintains about 167 miles of sanitary sewer lines that require periodic inspections. The sewer fund is projected to shrink and could have a negative fund balance by fiscal year 2017/18. The city needs to consider a local sewer surcharge that many Washington County cities have.

Finance and Information Services Department Director LaFrance confirmed for Councilor Snider that the sewer fund situation has been reviewed by Tigard’s Budget Committee and the city is already working on addressing it.

- River Terrace development will not affect fund balances significantly. SDCs are virtually nil; sewer connection fees are nominal. The good news is that Clean Water Services would be taking on the majority of the investments for the pump stations and the pressure main lines that connect to them. The only other cost to the city would be the gravity mains that feed into those trunk lines. Those tend to be provided by the developers and are eligible for SDC credits.

In response to a question from Councilor Snider, Asst. Finance and Information Services Director Smith-Wagar advised she has talked extensively to Clean Water Services about their plans to keep pace with the area’s sewer needs. CWS has the north River Terrace pump station on their capital improvement project list. This station is currently in the design stage. The south pump station will be included in the CWS CIP list. CWS has participated in the planning meetings for the River Terrace area.

Finance and Information Services Department Director LaFrance noted council directed, at a January 2014 meeting, the focus should be on what will be needed for the first five years. The list of facilities in the master plan addendum represents what will be needed in the first five years and whether or not financing has been identified. When financing strategies are discussed later this

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## **TIGARD CITY COUNCIL MEETING MINUTES – MAY 20, 2014**

year, five-year needs will be discussed as well as River Terrace as wholly developed.

Senior Planner Shanks referred to Tables 11 and 12 listing total cost estimates. Not all of the \$16 million (approximate) of costs for sewer service will be borne by the City of Tigard. The financing strategy to be discussed later will identify projects and costs that will be the city's responsibility.

 Discussion followed about the planning and coordination activities to date among all stakeholders, including CWS.

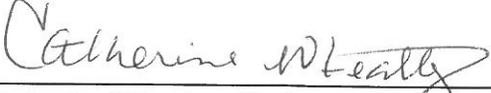
 Senior Planner Shanks referred to the one-page funding analysis summaries. She asked council members if this level of information is adequate. Mayor Cook said the summaries give the essential information contained in the larger master plan addendum documents. Councilor Snider suggested placing this summary information in front of the master plan addendums.

- 3. COUNCIL LIAISON REPORTS: None.
- 4. NON AGENDA ITEMS: None.
- 5. EXECUTIVE SESSION: Not held.
- 6. ADJOURNMENT – 7:39 p.m.

 Motion by Councilor Snider, seconded by Councilor Woodard, to adjourn the meeting.

The motion was approved by a unanimous vote of City Council present:

Mayor Cook	Yes
Council President Henderson	Yes
Councilor Buehner	Absent
Councilor Snider	Yes
Councilor Woodard	Yes

  
Catherine Wheatley, City Recorder

Attest:

  
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Mayor, City of Tigard

Date: July 8, 2014

**TIGARD CITY COUNCIL MEETING MINUTES – MAY 20, 2014**