

GLADSTONE CITY COUNCIL SPECIAL MEETING AND WORK SESSION MINUTES OF MARCH 28, 2023

Meeting was called to order by Mayor Milch at 5:30 P.M. – (Via Zoom and In Person)

ROLL CALL:

Mayor Michael Milch, Councilor Alexander, Councilor Garlington, Councilor Huckaby, Councilor Reichle, Councilor Roberts

ABSENT:

None

STAFF:

Jacque Betz, City Administrator; Darren Caniparoli, Public Works Director; Cathy Brucker, Finance Manager; Tami Bannick, City Recorder;

Mayor Milch called the meeting to order. He explained that the City is abiding by guidelines set forth in House Bill 2560, which requires that they make all meetings accessible remotely, through technologic means and provide the opportunity for the public to participate to the best of their ability. This meeting will be open to the public, both in person and virtually, using the Zoom platform. He went over the procedures that will be followed for the meeting and the meeting agenda. Public comment will not be part of the agenda and is not allowed during the Work Session.

SPECIAL MEETING AGENDA

1. CONSIDER APPOINTMENT TO THE VACANT CITY COUNCIL POSITION #4:

Mayor Milch gave some background information regarding the process they have gone through. They have interviewed three candidates (Cierra Cook, Maria Mitchell, Trevor Taylor). They have not deliberated or discussed the applicants. He asked the Councilors if they were ready to make a decision tonight – they were.

Councilor Alexander made a motion to nominate all three applicants for the open position on the City Council. Motion was seconded by Councilor Huckaby. (No vote was taken)

Mayor Milch explained that they will vote for one of the three applicants and if one applicant gets a majority of the votes, then he would entertain a motion to appoint that person to the Council, and they would take a separate vote on that.

Councilor Huckaby wanted to note that Trevor Taylor was not present at the meeting.

Councilor Alexander asked if an applicant is already serving on two committees/boards can they still serve after being appointed to the Council – Mayor Milch said a City Councilor cannot serve on any committees/boards, except the Budget Committee, which they serve on by virtue of being a City Councilor. They would have to give up their seats on those committees/boards, which would create vacancies.

Councilor Reichle wanted to thank each applicant for engaging in this process, and no matter how the vote goes she hopes they will continue to be involved and continue to pursue seats on the Council.

Ms. Bannick took a roll call vote: Councilor Huckaby – Cook. Councilor Alexander – Mitchell. Councilor Reichle – Mitchell. Councilor Roberts – Cook. Councilor Garlington – Mitchell. Mayor Milch – Cook. There was a 3-3 tie, which means there isn't a consensus.

Mayor Milch said there needed to be more discussion in order to reach a consensus.

Councilor Garlington said she appreciated Mr. Taylor and Ms. Mitchell coming forward in a timely manner and she thinks that's important. She appreciates the things that Ms. Cook has been involved in.

Councilor Huckaby said she is voting for Ms. Cook because she has had her thumb on the pulse of this Council for years – she is aware of all the issues that they need to address, she's present at every meeting, she has committed time to two committees, and she does tremendous volunteer work in the community as well. Councilor Huckaby appreciated that during her interview, instead of making her own goals for the Council, Ms. Cook recognized that this is an interim position, and she will be focused on the goals that the Council has already set.

Mayor Milch said he was most impressed that Ms. Cook had kept track of what was going on in the City, had already served on some important committees and City work, and had a strong awareness of the issues and the role of an interim Councilor.

Councilor Alexander wanted to echo everything that Councilor Garlington said. He doesn't want to have to fill empty seats on the committees that Ms. Cook is serving on.

Councilor Huckaby said they lose committee members throughout the entire year, and part of the job of the Council is to fill those vacancies, no matter when they occur. She said the Council decided to reopen the application process.

Councilor Alexander said he believes when they asked applicants if they would run again that Ms. Mitchell said yes. He believes Ms. Cook said she'd just have to see how it goes. He would like someone in there for the long-term. Councilor Huckaby said Ms. Mitchell said she would make that decision closer to the time of the election.

Councilor Roberts said he voted for Ms. Cook because he thought she brought forth a more knowledgeable perspective of what the issues that are facing Gladstone currently are, and he felt that based off the responses that that would be a more absolute helping them move forward in a more streamlined and productive fashion.

Councilor Reichle said her reasons for voting for Ms. Mitchell are her longevity in the community and her dedication. She believes Ms. Mitchell has a good understanding of what's happening in the community.

Mayor Milch said that if no one receives a majority vote on the first ballot, they vote again on the two candidates who received the highest number of votes. So Councilors will vote for either Ms. Cook or Ms. Mitchell. Councilor Roberts asked how they proceed if they have another stalemate. Mayor Milch said the charter says they *will* appoint someone. He is open to suggestions.

Ms. Bannick took another roll call vote: Councilor Garlington – Mitchell. Councilor Roberts – Cook. Councilor Reichle – Mitchell. Councilor Alexander – Mitchell. Councilor Huckaby – Cook. Mayor Milch – Cook. There was a 3-3 tie, which means there isn't a consensus.

Ms. Betz suggested tabling this, adjourn, go through the work session, and reconvene and have more deliberations. Or they could decide that they want to do follow up interviews with the top two candidates at a later date and reconsider again. She said if no applicant receives a majority vote on the first ballot, the Council will continue to vote on the two applicants who received the most votes until an applicant receives a majority of the votes.

Councilor Roberts made a motion to table it until after the work session. Motion was seconded by Councilor Huckaby. Ms. Bannick took a roll call vote: Councilor Garlington – yes. Councilor Roberts – yes. Councilor Reichle – yes. Councilor Alexander – yes. Councilor Huckaby – yes. Mayor Milch – yes. Motion passed with a unanimous vote.

ADJOURN

WORK SESSION AGENDA

2. WATER ENVIRONMENTAL SERVICES (WES) ANNUAL REPORT:

Director Greg Geist gave a presentation. He said the City owns/operates their pipes around the City, but those pipes collect wastewater in the City and send it to WES. Their job is to take what goes down your toilet and make clean water, energy, and natural fertilizer. He said they are proud of the work they do – it's all about clean water, community, economic development, and protection of public health. They have 115 employees who serve approximately 190,000 people in the urbanized area of Clackamas County, treat about 7 billion gallons of wastewater per year, have about 360 miles of pipe in the ground, and 23 large pump stations. They have two main wastewater treatment facilities that serve this area (Tri-City and Kellogg). They have two rate zones within their service district (1 – Gladstone/West Linn/Oregon City, and 2 – Milwaukie/Happy Valley/Unincorporated Clackamas County). They are governed by the Board of County Commissioners. They also have a 20-member advisory committee that includes members from the development community, environmental community, education, business owners, rate payers, and elected officials.

He introduced a committee member, Christopher Bowker – a Gladstone resident/rate payer and civil engineer. He has been on the committee since it started in 2017. His hope/goal is that his experiences (asset management, capital improvement project planning, project management) could help guide and influence some of the infrastructure decisions being made at WES that ultimately trickle back and impact him and his community. He is pretty happy with what WES has done – demonstrated that they'll take the feedback from the committee and respond to it. They have made/changed policy and project decisions based on their feedback.

Mr. Geist said for every dollar that is paid into WES through rates, approximately 66% goes to operations/maintenance. 25% goes to infrastructure financing/reserves. 9% overall in debt payments for projects. They are committed to keeping rates affordable and competitive with their peers. They have some of the newest and oldest sewers in the state.

In 2022 they implemented a new federal low income household water systems program that will raise the amount of income necessary to qualify and make it much simpler for people to get assistance.

Last year they had an average rate increase of 3.2%. For Gladstone, who only receives wholesale sewer service, there was an increase of 4.9%. By 2031 they want to have rates harmonized across the district so no matter where you are you're paying the same as everybody else. The plan is to increase rates from \$26.55 to \$39.25 between now and 2031.

Councilor Roberts asked, at the treatment facility that was built, what the additional unused capacity for the growing boundaries within Happy Valley/Damascus is. Mr. Geist said it is capable of handling flows through 2035. There is no more room for expansion at the Kellogg facility. They will be remodeling the administrative building next year (\$3.5 million). The Tri-City facility has expanded and will continue to expand in the future. They recently completed a \$37 million dollar project there. They are now able to produce almost half of the electricity that the facility uses on an annual basis. It also gives them the solids handling capacity that they need through 2037.

He went over their five-year plans and future projects. The current five-year capital improvement plan is \$192 million.

He went over the Good Neighbor agreement they have with Gladstone/Oregon City. They are excited to help fund future projects.

They have wet weather/capacity issues at the Tri-City facility so they will be building a second outfall – a \$54 million-dollar project.

They will have an I&I rehab project for \$485,000 in Gladstone – WES will contribute \$160,000 toward that. This will come before the City Council in April. The 82nd Drive pump station is at the end of its useful life. WES is looking at rehabilitating some of their pump stations and they are able to partner with Gladstone to get this one included in the design work – they will come back to the Council once the design work is done to have an IGA on how to construct/maintain it moving into the future.

They have a clean-up event with SOLV on May 18th at Meldrum Bar Park at 9:00 A.M. They want to continue to sponsor events like the Community Festival – they welcome suggestions on other events that they can help with. He urged everyone to tour their facilities.

Councilor Garlington asked what WES dollars have done for the parks. Ms. Betz said they haven't expended any of the funds from the Good Neighbor program yet. This is the kick-off year when they will be putting in playground equipment at Meldrum Bar Park (approximately \$50,000).

Councilor Roberts asked what percentage of the expansion at the Tri-City facility will be necessary for Gladstone's facilities – Mr. Geist said very little. He explained that there is some rate payer impact for Gladstone, but since it is coupled with capital reserves and SDC's, it would be negligible. The economy of scale makes it fair for everybody.

3. **GLADSTONE PAVEMENT MANAGEMENT PLAN AND STRATEGIES FOR STREET FUNDING MAINTENANCE:**

Ms. Betz gave some background information. The City has not done slurry seal or pavement management since COVID, and prior to 2019 they couldn't recall any systemic plan in place for pavement management. They have updated their plan and they have gotten buy-in from the City Council that they are going to be committed to improving the streets. Now they would like to adopt a pavement condition index (PCI) standard for Gladstone. The average in Gladstone is 67 PCI, which is fair condition. The consultant said they need to spend \$21 million in the next five years to bring the entire street network into optimal condition (86 PCI). That is not financially possible in Gladstone. Staff has come up with some options/solutions.

Mr. Caniparoli went over a map showing which streets have been paved since the pavement management went into effect in 2016. The majority of them were done last year. He went over

which streets had slurry seal done. They currently have \$400,000/year that they put into pavement management. If they continue at that pace they will no longer be able to keep a PCI of 67 – it will go down.

The process of the pavement management program is keeping the roads that are in good condition good. Keeping the roads that are in fair condition in fair. Some of the roads that are in poor and very poor condition – there is not a lot you can do because it is so expensive to do anything where you have to do a full replacement. The whole idea is keep what you have in the fair and good categories there and not let them slip down into poor or very poor categories. Mr. Caniparoli explained that they will piggy-back with the City of Hillsboro's contract in order to get better pricing for slurry sealing projects this summer. Once the bid comes back next week they will know how much it will cost. Slurry sealing boosts the PCI about 5-7 points. Mayor Milch asked how they determine which streets to focus on – Mr. Caniparoli said it's based on funds. Do the most you can do with the funds you have to keep everything in check. Ms. Betz said another factor is future infrastructure projects that will be done.

Ms. Brucker said she went back the last four bienniums (8 fiscal years) and determined what they had been able to budget for systems/improvements, along with what they have actually paid for slurry seal, which come out of maintenance monies and not capital monies. They spend an average of \$1,816,500 per biennium and an average of just over \$900,000 per fiscal year. She forecasts approximately \$900,000 - \$1 million/year that would go toward street improvements. They can combine/utilize the funds from the capital side (approximately \$600,000) and maintenance/operational side (approximately \$400,000). Mr. Caniparoli said that in order to get to a 70 PCI they would need approximately \$722,000/year. To get to a 71 PCI they would need approximately \$794,000/year. To get to a 72 PCI is approximately \$1 million/year. These numbers include the \$400,000/per year in maintenance funds (slurry seal/crack seal) and the capital side.

Councilor Garlington asked what percentage of the package that was approved by the previous Council were they able to complete. Mr. Caniparoli said they completed everything in the package under budget. Councilor Garlington asked how much the current outlay is – Ms. Brucker said that for the 2021/2023 biennium they had a total of \$1.5 million in capital money and \$279,000 spent on crack seal/slurry seal out of the maintenance side – a total of \$1.8 million. She is forecasting \$1.9 million in capital and \$400,000 in maintenance monies for the 2023-2025 biennium – a total of \$2.3 million. They are targeting \$1 million every year because of other situations that may come up, such as water/sewer line breaks that have to be repaired.

Ms. Betz said the software program can provide numbers for the preventative maintenance versus the rehabilitation for the next five years based on the desired PCI range. They will come back to City Council with a resolution in August or September.

ADJOURN – RECONVENE TO SPECIAL MEETING

1. CONSIDER APPOINTMENT TO THE VACANT CITY COUNCIL POSITION #4:

Ms. Betz said she had more options: have the candidates tell the Council why they should be selected, draw straws, pick a name from a hat, etc. They must make a selection unless the majority of them decide to consider this at a later date or extend the application again. Mayor Milch asked the candidates if they would be willing to give them one more reason to select them – they agreed.

Ms. Cook said the reason she applied for the position is that she thinks her background of involvement with the City of Gladstone makes her a strong candidate. She spent two years on the Audit and Budget Committees. She volunteered with the Gladstone Mutual Aid group getting food to families during/after the ice storm. She has done work with Happy Rock Families, trying to promote the business of the City and involvement in the City, and promote the City of Gladstone to the greater Portland Metro area. She is excited for the future for Gladstone – she thinks there are a lot of great things ahead.

Ms. Mitchell said she has longevity in Gladstone and an interest in Gladstone politics. She attends most meetings online. She has lived here for ten years, she went to school here, and worked here before she lived here, so she has a vested interest. Her community involvement has been with the Library and getting the new one built. She is interested in the social media aspects to show what's happening/what people want so she feels she has her ear to the ground to those things. She feels like she represents those interests.

Councilor Garlington asked if there is a timeline for making an appointment. Ms. Betz said there isn't a timeline, but in her conversations with the City Attorney he said as long as they are actively seeking applications, interviewing, and progressing to a decision.

Ms. Bannick took another roll call vote: Councilor Garlington – Mitchell. Councilor Roberts – Cook. Councilor Reichle – Cook. Councilor Alexander – Mitchell. Councilor Huckaby – Cook. Mayor Milch – Cook. Cierra Cook was selected with a 4-2 vote.

Councilor Huckaby made a motion to appoint Cierra Cook to the Gladstone City Council until the November election certification. Motion was seconded by Councilor Roberts. Ms. Bannick took a roll call vote: Councilor Garlington – yes. Councilor Roberts – yes. Councilor Reichle – yes. Councilor Alexander – yes. Councilor Huckaby – yes. Mayor Milch – yes. Motion passed with a unanimous vote.

Ms. Betz performed the oath of office for Ms. Cook.

Mayor Milch asked for a motion to adjourn the meeting.

ADJOURN:

Councilor Huckaby made a motion to adjourn the meeting. Motion was seconded by Councilor Alexander. Ms. Bannick took a roll call vote: Councilor Huckaby – yes. Councilor Alexander – yes. Councilor Reichle – yes. Councilor Cook – yes. Councilor Roberts – yes. Councilor Garlington – yes. Mayor Milch – yes. Motion passed with a unanimous vote.

Meeting was adjourned at 7:31 P.M.

Approved by the Mayor this 11th day of April, 2023.

ATTEST:



Michael Milch, Mayor



Tami Bannick, City Recorder