

AGENDA
CITIZENS UTILITY ADVISORY BOARD

WEDNESDAY, JANUARY 5, 2005
6:00 p.m.

JOHNSON CREEK FACILITY CONFERENCE ROOM
6101 SE JOHNSON CREEK BLVD.

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| I. | CALL TO ORDER | CUAB Chair |
| II. | INTRODUCTIONS | CUAB Chair |
| III. | CONSENT AGENDA | CUAB Board |
| | A. October 6, 2004, Minutes (provided at meeting) | |
| IV. | REPORTS | |
| | A. Midyear progress report on capital projects
(provided at meeting) | Paul Shirey |
| V. | DISCUSSION | |
| | A. CIP timeline | Paul Shirey |
| VI. | MATTERS FROM THE BOARD | CUAB Members |
| VII. | OTHER | |
| VIII. | INFORMATION SHARING | ALL |
| IX. | FUTURE MEETING DATE/AGENDA ITEMS | ALL |
| X. | ADJOURN | |

CUAB MEETING MINUTES
Wednesday, October 6, 2004
Johnson Creek Facility Conference Room
6101 SE Johnson Creek Blvd.

Members Present

Bob Hatz, Chair
Charles Bird, Vice Chair
Ed Miller

Members Absent

Betty Chandler

Staff Present

Paul Shirey, Engineering Director

I. CALL TO ORDER

Chair Hatz called the meeting to order at 6:10 p.m.

II. INTRODUCTIONS

None.

III. CONSENT AGENDA

September 8, 2004, Minutes approved as presented.

IV. REPORTS

A. Direction from City Council on sewer rate issues

Shirey shared with the Board that the Council reacted very tentatively to the prospect of providing up to \$5 million to help finance the consolidation of wastewater treatment services at the Tri-County facility in Oregon City. Council expressed concern that the rates needed to support this one-time payment would be too much for most ratepayers to endure, especially when combined with regular rate increases. The Council was supportive of the need to adjust rates for inflation in the cost of providing service.

The Board discussed this issue and a couple of questions were asked regarding the consolidation plan:

1. What needs to happen at the Kellogg plant in the next ten years to meet growth requirements?

2. The cost implications of the three-plant, do-nothing alternative need to be clearly demonstrated. If there is an extra cost to consolidate, maybe the ratepayers should not be asked to bear that cost.
3. Does the County have annexation authority to expand the Kellogg facility into the Island Station neighborhood?
4. What exactly does Kellogg need in ten years, in terms of capital and operations and maintenance?

Other broad-based, utility-rate questions that were raised in the meeting included:

1. What steps are being taken to manage costs of providing wastewater treatment service in Milwaukie?
2. What thought is being given to running these plants more efficiently?
3. How is the City keeping costs down or reducing costs?

V. DISCUSSION

A. Annexation of unsewered areas

Annexations proposed for certain areas within Milwaukie's urban growth management area include an area of industrial and residential uses that has no wastewater service. This area is bounded generally by Bell Avenue, Johnson Creek Boulevard, 82nd Avenue, and King Road. The proposed sanitary sewer master plan update includes cost estimates for providing sewer service to these areas and suggests phasing for construction of the improvements.

One member of the Board questioned the logic of annexing the lower-value, unsewered areas before annexing the higher-value, commercial district along 82nd Avenue. The point is well taken when considering the need for a larger revenue base to help support the more costly, infrastructure-needy areas.

B. Wastewater consolidation study status

The County continues to work on the consolidation plan and it remains unclear when they will make a decision on this issue.

C. Transportation SDC status

The final proposal for the transportation SDC changes will go to Council for consideration on November 2.

D. Stormwater Master Plan and stormwater rates

The master plan is completed, and stormwater rates need to increase about 6% per year over the next six years to support the capital cost of the plan. The plan and the rate increase are scheduled for City Council consideration in December.

VI. MATTERS FROM THE BOARD

None.

VII. OTHER

None.

VIII. INFORMATION SHARING

None.

IX. FUTURE MEETING DATE/AGENDA ITEMS

Wednesday, December 8, 2004

X. ADJOURN

The meeting adjourned at 7:40 p.m.

Bob Hatz, Chair

Paul Shirey, Scribe

CUAB/Engineering Department Work Plan 2004-2005

Six Month Status Report 01/05/05

Item	Definition	Status	Complete Date
1. Street maintenance fee	Explore options for establishing a fee, based on use of the roads. Revenues will be used to maintain the City's street system. Make recommendations to Council.	Intent is to raise this issue at Council work session scheduled for late this month.	Make decision by end of 2005.
2. Street light fee or utility privilege tax	Consider creating a street light fee or a privilege tax to provide more state gas tax revenue for transportation capital projects.	(Same as above.)	(Same as above.)
3. 2005-2010 CIP	Review and make recommendations to Council on the Capital Improvement Plan for next 5 years. Make recommendations to City Council.	First draft due late January 2005.	Present to CUAB February 2005; forward to Budget Committee February 2005; City Council May 2005.
4. System development charge (SDC) study and revisions	Complete work on 3-utility SDC update by April 2005. Transportation SDC update adopted November 2004.	Water/sewer/storm on hold pending adoption of sanitary sewer and stormwater master plan updates (see below).	Will present results to CUAB in April/May 2005.
5. Stormwater Master Plan	Update master plan and review stormwater rates.	Master plan and rate recommendations scheduled for Council on March 15, 2005.	March 15, 2005
6. Annexation project	Boundaries defined; includes unsewered areas east/south of Milwaukie; requires negotiation with current service providers and feasibility for extending new services.	Consultant retained and beginning work.	Will present updates to CUAB as they become available.
7. Pavement management system	Provide input on efforts to implement a pavement management system to better manage maintenance of street system.	Work completed by consultant.	Presentation at February 2005 CUAB and to Council in March 2005.
8. Sanitary Sewer Master Plan	Update master plan, review fiscal health, and make rate recommendations.	Master plan complete; rate recommendations finalized.	On hold pending status of Kellogg decommission.
9. Wastewater consolidation study	Study costs and feasibility of consolidating north Clackamas area treatment facilities at Tri-City wastewater plant.	Public outreach by County completed in December 2004; OLSD vote in March 2005.	March 2005