



COUNCIL WORK SESSION

City Hall Council Chambers, 10722 SE Main Street
& Zoom Video Conference (www.milwaukieoregon.gov)

MINUTES

APRIL 5, 2022

Council Present: Councilors Lisa Batey, Angel Falconer, Desi Nicodemus, Council President Kathy Hyzy, and Mayor Mark Gamba

<p>Staff Present: Steve Adams, City Engineer Joseph Briglio, Community Development Director Kelly Brooks, Assistant City Manager Bonnie Dennis, Administrative Services Director Justin Gericke, City Attorney Nicole Madigan, Deputy City Recorder Keith McClung, Assistant Finance Director Ann Ober, City Manager</p>	<p>Peter Passarelli, Public Works Director Mary Quinn, Court Clerk Natalie Rogers, Climate & Natural Resources Manager Scott Stauffer, City Recorder Samantha Vandagriff, Building Official Laura Weigel, Planning Manager</p>
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Mayor Gamba called the meeting to order at 4:02 p.m.

1. Master Fee Schedule Review – Discussion

McClung presented the proposed biennium Master Fee Schedule (MFS) for fiscal years 2023 and 2024 (FY23 and FY24) starting with administrative costs, noting no changes had been proposed to billable hourly rates. **McClung** continued to review changes in building fees noting that the fees were based on the Consumer Price Index (CPI) range of 4.8 to 5.2 percent as approved by the State of Oregon. **Briglio** and **Vandagriff** explained how CPI had increased over the last two years and the city's proposed increase is standard. **Councilor Batey** and **Vandagriff** discussed how the 2.5% increase mentioned in the annual adjustment section of the draft MFS had been decided and how it corresponds with the CPI.

McClung explained that the standard base fee for business registrations would be increased to \$165 for FY23 and \$175 for FY24, and the base fee for starting a business between July 1 and December 31 would increase to \$83 for FY23 and \$88 for FY24. **Councilor Batey** asked why fees for full time employees (FTE) were not increased, and **McClung** advised that Dennis would be evaluating business registrations in June and FTE fees may be updated at that time.

McClung explained how increases in the cost of managing downtown parking and staff time had influenced the decision to increase parking fees. **Councilor Falconer** reminded the group of a previous conversation that monthly parking should not be less than a TriMet monthly pass and observed that the proposed increase would satisfy that idea. **McClung** concluded parking fees by mentioning that no changes were made to the parklet use fees.

McClung began reviewing engineering changes noting the omission of the tree removal fee which would be included in the new section of tree code fees. All proposed engineering fee changes were flat increases and within a range of 9% to 11%. **McClung** reminded the group that engineering fees had not been increased in the last two biennium. The group started discussing residential and commercial demolition permits and how a demolition permit differs from a clearing/construction permit

McClung, Passarelli, and Mayor Gamba discussed changes to utility fees, including fixed rates based on meter size, residential versus commercial, water consumption, and wastewater fixed and consumption rates with **Passarelli** noting all proposed changes were in alignment with previous years. **Mayor Gamba** and **Passarelli** discussed opportunities for credits on stormwater bills in relation to trees, bioswales and rain gardens for commercial, industrial, and some residential customers who meet certain requirements for green space and landscaping. **Passarelli** agreed to report back to Council as to what the criteria are and whether trees are included towards the stormwater credit. **Councilor Batey** did not realize the city offered stormwater credits and asked how the credit is promoted. **Passarelli** responded there is some information on the city's website. **Councilor Batey** posed the idea of incentive programs for disconnecting downspouts, like City of Portland had offered – which affects the city's inflow and infiltration (I&I) issues as discussed with Clackamas County Water Environment Services (WES).

The group paused the conversation to test Zoom video conference functions.

Passarelli resumed the utility fees discussion by addressing a question that was raised during the last Budget Committee meeting regarding max rates on both Safe Access for Everyone (SAFE) and the Street Surface Maintenance Program (SSMP). SSMP was established in 2008 with a cap of \$250 for nonresidential accounts and the cap had been increased each year in conjunction with rate increases based off the CPI. The SSMP cap is now around \$350. **Mayor Gamba** asked how many entities hit the cap, **Passarelli** replied only a handful, but more - such as schools, parks, cemeteries, libraries, government offices, , and multifamily residential properties, qualify for the SAFE cap which is around \$450.

Ober and **Passarelli** noted that Council would discuss system development charges (SDCs) for wastewater on May 17 and any changes made then would result in changes to the budget. **Councilor Batey** inquired if there had been much response from SDC stakeholders and **Passarelli** reported there had been no response.

McClung reported that minimal changes had been proposed to library fees, and shared what services had been eliminated such as CD-ROMs and kindle kits.

McClung presented the proposed changes to the miscellaneous fees, including an increase to fees for lien docket searches - which had not increased last biennium, and a new fee for renting the South Downtown (SODO) Plaza. **Councilor Batey** voiced concerns regarding the cost of the plaza rental, wanting the city to encourage people to have events there, and suggested a lesser fee around \$100 might entice others to promote or bring events in. **Council President Hyzy** pointed out the fee could be waived at the discretion of the city manager. **Council** discussed previous conversations and research around the rental fee, noting the need to see if the current fee might be a barrier, and wanting to promote the use of the space. **Brooks** provided insight on how the fee amount had been reached, citing parking and labor costs related to public works staff and police, and suggesting that if the fee were to cover those costs, it would be around \$1500. City staff knew the higher fee wasn't in line with what Council had wanted, so to make the fee accessible it was reduced for the first year to only parking costs but may need to be reevaluated. **Councilor Batey** and **Brooks** discussed that how long the plaza was rented did not affect the cost of using the space and that the space is only available on the weekends. **Council President Hyzy** remarked that the proposed fee is already on the low end. **Brooks** reiterated this lower, parred down cost is for the first year to incentivize people to use the space, then will be modified as

needed. **Councilor Nicodemus** echoed Councilor Batey's concern about the fee being a barrier but wanted to point out that neighborhood district association (NDA) grant program dollars could be used to offset these costs as well.

Ober brought the conversation back to the rental fee associated with the SODO Plaza and asked where Council stood on the fee. It was Council consensus to keep the proposed plaza use fee, noting the city manager could waive the fee, and NDA grant funds could be used. **Council** also agreed on the importance of encouraging the use of the plaza. **Brooks** verified Council's thoughts had been heard and informed the group that the city's events and emergency management coordinator would be before Council in May to provide an events update.

McClung continued to review miscellaneous fees and presented a new credit card fee as a pass through had been added due to the city paying with credit card fees and did not have a written rule to discourage multi-thousand dollar permits from being purchased with a credit card – which would cost the city several thousand dollars per paid permit. **Council President Hyzy** and **McClung** discussed who used credit cards for large permit purchases and the fee being used as a deterrent for credit cards and to encourage payment of such fees by check.

Councilor Batey readdressed the request for clarity between building demolition permits and engineering clearing/construction permits. **Adams** clarified that clearing a site is like grading – the removal of grass and shrubs from a lot – it is not a demolition as no structure is involved. The group commented on updating the text to reflect clearing for construction or clearing and grading for construction. **Council President Hyzy** noted the proposed Tree Code would have a development section that may intersect with the engineering fees. **Vandagriff** had never seen the clearing permit used and was unsure what it is for, the grading permit is used primarily for larger commercial lots – a single family house is not charged to ready a lot for construction. **Adams** and **Council President Hyzy** confirmed the clearing/construction permit for both single and multi-family residential can be deleted from the fee schedule.

Adams stated that fees-in-lieu of construction (FILOC) were raised strictly based on the Construction Cost Index (CCI) percentage that SDCs were raised on. **Mayor Gamba** and **Adams** clarified that a max FILOC increase depended on street design and what is and isn't present like curbs and sidewalks.

McClung presented changes for court fees, mentioning minor increases and a reduced failure to appear (FTA) fee to incentivize clearing backlogged cases and reducing payoff barriers. **Mayor Gamba** asked if the FTA reduction was retroactive, and **McClung** believed the fee reduction would be retroactive. **McClung** cited no increase in traffic and parking fines.

McClung continued to planning fees and noted updated verbiage related to Oregon House Bill (HB) 2001, and an addition/expansion to the replat area of the fee schedule.

Councilor Batey requested to return to the court fees due to a possible typo on the boot release fee which read as \$450 but wanted to confirm if the fee was to be reduced to \$45. **McClung** explained the fee originally was \$40 now \$50. **Stauffer** summarized a clarification from staff regarding the retroactive FTA fee – explaining that during the pandemic the FTA fee had been dropped to \$25, the proposed \$40, that would take effect on July 1, would increase the fee but not to the original \$75.

McClung and **Councilor Batey** confirmed that empty replats are not charged a fee.

McClung mentioned the new tree code fee section noting that staff would present the proposed fees during the April 5 regular session. **Ober** reminded Council the tree portion would be adopted prior to the Master Fee adoption.

McClung reported there were no changes to police fees.

McClung continued to SDCs noting increases were due to CCI as Adams had mentioned earlier. **Councilor Batey** asked for clarification on the upcoming SDC discussion as to whether the topic would be on water or wastewater, **Passarelli** confirmed the discussion would be about wastewater SDCs.

McClung reviewed proposed changes to right-of-way (ROW) fees that were set by the Milwaukie Municipal Code (MMC) to increase by 3% each year.

McClung reported that no changes were proposed to violations of the MMC.

McClung advised that the city is in the process of reviewing solid waste rates and will have further updates to incorporate changes into the fee schedule. **Councilor Batey** and **McClung** discussed the how long solid waste rates were in effect, confirming they were updated annually.

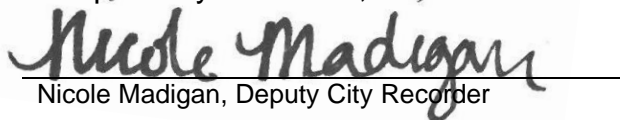
Councilor Batey pointed out motor vehicle fuel tax penalties and questioned when the listed situations would arise. X

2. Adjourn

Mayor Gamba announced that after the meeting Council would meet in executive session pursuant to Oregon Revised Statute (ORS) 192.660 (2)(h) to consult with counsel concerning the legal rights and duties of a public body with regard to current litigation or litigation likely to be filed.

Mayor Gamba adjourned the meeting at 4:56 p.m.

Respectfully submitted,


Nicole Madigan, Deputy City Recorder