



## Harrisburg City Council Minutes June 28, 2017

The Harrisburg City Council met on this date at City hall, located at 120 Smith St., at the hour of 6:30pm. Presiding was Mayor Robert Duncan. Also present were as follows:

- Kimberly Downey
- Mike Caughey
- Robert Boese
- Sarah Puls (Arrived 6:40pm)
- John Loshbaugh
- Adam Keaton
- City Administrator Brian Latta
- City Recorder/Asst. City Administrator Michele Eldridge
- Public Works Director Chuck Scholz
- Finance Officer Tim Gaines

### The matter of a Proclamation by Mayor Robert Duncan, and Award of the Mayors Distinguished Service Award to HART Community Center Director Edie Moro

**Mayors Proclamation:** The Mayor read aloud the proclamation for Director Edie Moro, for all the hard work she has done on behalf of the HART Community Center, and declared her an honorary citizen of the City of Harrisburg. (Please see Addendum No. 1 for a copy of the proclamation).

- Edie Moro thanked him for the proclamation, and said that she's not done working; she is simply moving back to volunteering. She told the City Council that she was part of the Friends of Junction City Library, and they were holding a presentation tonight with Dorcas Smucker as the speaker.
- Mayor Duncan said that he was pleased to give out the award to Moro. There are a lot of people who do different things, but you've really focused on the one that included HART. He just recently awarded a proclamation for former Elementary School Principal, Carol O'Conner. It's people like Edie & Carol, who make Harrisburg the way it is.
- Moro invited everyone to come on Friday when we have an open house to celebrate the appointment of Maggie Cooley as Executive Director of the HART Community Center.

The matter of Approving the Minutes for May 24, 2017

- Caughey **motioned to approve the minutes, and was seconded** by Downey. **The City Council then voted unanimously to approve the minutes of May 24, 2017.**

The matter of Approving Ordinance No. 954, “**AN ORDINANCE AUTHORIZING FULL FAITH AND CREDIT BONDS FOR MULTIPLE PURPOSES**”

**Staff Report:** Latta explained that the bond we will be assigning is for multiple purposes. The Ordinances and Resolutions that we are adopting tonight are for the bonds that we will be pursuing. We will be proceeding with refinancing the 2000 USDA Water System GO Bond and the 2005 USDA Sewer Revenue Bond. The proposed ordinance addresses the 2005 USDA Sewer Revenue Bond. The ordinance also addresses the \$2.6 million in bonds for the street and infrastructure projects identified in the Harrisburg Redevelopment Agency Plan. Because they are paid through bond revenue, as opposed to property taxes, it must be addressed through an ordinance, so that can be referred to the voters. It is also not allowed for it to be passed via an emergency clause. In addition, it must be adopted via a second reading of the ordinance title. As such, we will be adopting this tomorrow night, at the 2<sup>nd</sup> City Council meeting this week.

**Councilor Puls arrived at the hour of 6:40pm, at this point of the City Council meeting.**

- Caughey **motioned to approve Ordinance No 954, “AN ORDINANCE AUTHORIZING FULL FAITH AND CREDIT BONDS FOR MULTIPLE PURPOSES”**. He was **seconded** by Downey.
- Latta noted that because this ordinance is not effective until the 2<sup>nd</sup> reading, there should not be a vote at this time. The vote should be held after the 2<sup>nd</sup> meeting. The vote was therefore delayed until the next meeting.

The matter of Approving Resolution No. 1163, “**A RESOLUTION OF THE CITY OF HARRISBURG, LINN COUNTY, OREGON, AUTHORIZING THE SALE OF GENERAL OBLIGATION REFUNDING BONDS**”

**Staff Report:** Latta explained that because the refinancing of the 2000 USDA Water System Bond was already approved by the voters, then it only requires a regular resolution. This is the resolution that will allow the City to proceed with selling the General Obligation Refunding Bonds.

- Downey remarked that it was interesting that these were handled this way. In the 12 years she’s been on the Council, she hasn’t seen this done. She then **motioned to approve Resolution No. 1163, “A RESOLUTION OF THE CITY OF HARRISBURG, LINN COUNTY, OREGON, AUTHORIZING THE SALE OF GENERAL OBLIGATION REFUNDING BONDS.”**
- She was **seconded by Caughey, and the City Council vote unanimously to approve Resolution No. 1163, that then authorized the sale of general obligation refunding bonds in order to refinance the 2000 USDA Water System Bond.**

The matter of Approving the City Budget for Fiscal Year 2017; and

1. Resolution No. 1164, **“A RESOLUTION ESTABLISHING WATER RATES FOR USERS OF THE HARRISBURG MUNICIPAL WATER SYSTEM, REPEALING RESOLUTION NO. 1138, AMENDING RESOLUTION NO 578, SECTION 5, AND ESTABLISHING AN EFFECTIVE DATE;”** and
2. Resolution No. 1165, **“A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF HARRISBURG ESTABLISHING A SEWER USER FEE, REPEALING RESOLUTION NO. 1139, AMENDING RESOLUTION NO. 579, AND ESTABLISHING AN EFFECTIVE DATE;”** and
3. Resolution No. 1166, **“A RESOLUTION MAKING APPROPRIATIONS FOR THE CITY OF HARRISBURG, OREGON, FOR THE FISCAL YEAR 2017-18.”**

**Staff Report:** Latta said the Budget Committee has already approved the budget documents. The budget must also be adopted this week. The only thing that changed was the former SDC fund lines. Because they had already gone past the three year inclusion point, we didn't need to include it in this budget document.

- Gaines noted that personnel services also changed in order to reflect the wage and salary update.
- Latta added but that was approved.
- Keaton asked if we had done all of our motions at the Budget Committee meeting, correct? After being told that it was, he **motioned to approve Resolution No. 1164, “A RESOLUTION ESTABLISHING WATER RATES FOR USERS OF THE HARRISBURG MUNICIPAL WATER SYSTEM, REPEALING RESOLUTION NO. 1138, AMENDING RESOLUTION NO 578, SECTION 5, AND ESTABLISHING AN EFFECTIVE DATE.”** He was **seconded** by both Downey and Caughey at the same time. **The City Council then voted unanimously to approve Resolution No. 1164, and thereby the new rates for municipal water services for fiscal year 2017-2018.**
- Keaton then **motioned to approve Resolution No. 1165, “A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF HARRISBURG ESTABLISHING A SEWER USER FEE, REPEALING RESOLUTION NO. 1139, AMENDING RESOLUTION NO. 579, AND ESTABLISHING AN EFFECTIVE DATE.”** He was **seconded** by Downey, and the **City Council voted unanimously to approve Resolution No. 1165, and thereby approving the Sewer User Rates for FY 2017-2018.**
- Keaton then **motioned to approve Resolution No. 1166, “A RESOLUTION MAKING APPROPRIATIONS FOR THE CITY OF HARRISBURG, OREGON, FOR THE FISCAL YEAR 2017-2018.”** He was **seconded** by both Downey and Caughey at the same time. **The City Council therefore motioned to approve Resolution No. 1166, and thereby appropriating the Fiscal Year Budget for 2017-2018.**

The matter of Approving State Revenue Sharing Resolutions:

1. Resolution No. 1167, **“A RESOLUTION CERTIFYING THE CITY OF HARRISBURG IS ELIGIBLE TO RECEIVE STATE REVENUE SHARING MONEY IN FY 2017-2018;”** and,
2. Resolution No. 1168, **“A RESOLUTION DECLARING THE CITY OF HARRISBURG’S ELECTION TO RECEIVE STATE REVENUES IN FY 2017-2018”**

- Puls **motioned to approve Resolution No. 1167, “A RESOLUTION CERTIFYING THE CITY OF HARRISBURG IS ELIGIBLE TO RECEIVE STATE REVENUE SHARING MONEY IN FY 2017-2018.”** She was **seconded** by Downey, and the **City Council vote unanimously to approve Resolution No. 1167, and thereby certifying to the State of Oregon that the City of Harrisburg meets the requirements for eligibility to receive state revenue sharing.**
- Puls then **motioned to approve Resolution No. 1168, “A RESOLUTION DECLARING THE CITY OF HARRISBURG’S ELECTION TO RECEIVE STATE REVENUES IN FY 2017-2018”**, and was **seconded** by Caughey. **The City Council then voted unanimously to approve Resolution No. 1168, and thereby informing the State of Oregon that the City of Harrisburg does wish to collect state revenue sharing monies for FY 2017-2018.**

#### The matter of Reviewing the Transit Survey Results

**Staff Report:** Latta told the City Council that unfortunately, he was unable to review the results of the survey live for the City Council tonight, but we can push it to the next meeting.

- Downey thought that was fine, as we had plenty to discuss in the HRA Meeting.
- Mayor Duncan asked him what his thoughts were after getting the results?
- Latta told him that it's his recommendation to pursue the investigation further on the bus availability, and on the details of a program. Overall, we had fairly positive responses; most people were willing to spend about \$2 a trip. Most of them want to go to Junction City, Albany, and Eugene.
- Keaton added that going to Junction City, that they would have access to LTD services.
- Gaines asked if the survey was closed yet?
- Latta told him yes. We had gotten fairly good results for a survey.

Other:

#### Water System Upgrade Requirements:

**Staff Report:** Latta told the City Council that Scholz has paperwork to talk about tonight, as Scholz handed out paperwork for the City Council to review. (Please see Addendum No. 2 for a copy of the handout.) This is in reference to getting on the ballot for new water upgrades to the voters in time for the fall elections. The management team met this morning, to strategize about what needed to be done. There is a specific date in which City Council must give the ballot information to Michele as the City Elections Clerk (August 10). After election requirements are met, that measure then goes to the county, by September 7 at the latest. That gives us roughly 2 months in which staff is still allowed to promote this. Once it goes to the County Elections Clerk, then staff is no longer able to promote the measure. After that date, only Council members can do so. He will have a timeline to give them in the future.

- Scholz told the Council that his handout is based on the guidelines that were given from the final report. The study we had gave recommendations, but they weren't certain about what Council wanted to see. Basically, if we want to fix the water system then we need to proceed. His suggestion was to add treatment plants, determine how to treat the water coming into the system, how to store it, and how to fix the main distribution

lines. The summary is here. This puts a new treatment facility at the water plant. We can build a treatment plant there, and add a new .5 million gallon tank there: that's the same size as the newer storage facility at the water plant. The concrete tank is put out of service, plus we replace the generator, and most of the electrical equipment. The concrete storage tank will then be used as part of the treatment facility. At the other end of the town, we need another well. In this case, we already have the area, and the water rights. More importantly, we have the property completely owned by the City, so there will be no further Well No. 5 scenario's. We build exactly the same size and type of treatment facility as what is added at the water plant. Not only does that give us plenty of storage, but it also gives some redundancy, since both systems can be run independently from each other. It's designed to give telemetry, so that both systems can talk to each other. These are automated systems; they recognize that there are issues. He can make adjustments to the water system from here, or at home. Once we have the treatment systems built, along with the additional storage reservoirs, then it's time to proceed to the distribution system upgrades. The water distribution lines have carried the stuff from our wells into the distribution system for a long time.

We have upgraded in other areas in town, but unfortunately, we do have a lot of old pipes, especially the little ones. The system has become one that we can't perform cost effective maintenance on any longer. The core of town is all base sized pipes, and it will all be replaced with new systems, except for some small sections. In the long run, we can't contract out for all of our work in the system, because it's too expensive. Our crew will do a lot of the work themselves. Based on the recent Moore St. replacement, and our work on N. 8<sup>th</sup> St., we have great experience, and the numbers he's used to calculate all of this is based on current numbers. He wouldn't get too focused on the type of facility and products we'll need; those will come up as part of the contract basis. Most of the companies that do this will want to probably do their own pilot test, so please don't get hung up on the previous pilot test. The Capital Outlay requirements for all of this work will need to be financed.

- Caughey asked what the timeline would be for the project, if we obtain approval from the voters. How long will it take to get the engineering done, make a decision on what to do, and then install, transfer water rights, and do everything else needed for this big of a project?
- Scholz told him that watching the Fire/Rescue District as they deal with the bonds they received, he would assume it would take about a year to get going on the project. But in that year, we can start the engineering, which he assumes would likely take at least 18 months, depending upon what time of the year it is being worked on, and then likely another six months, depending upon what month of the year we are in. It would really take 3 to 5 years to get everything in place, with financing, moving forward, and probably 6 years until final of the entire project. But there are some options for us. For instance, we can split the projects. We can have a contractor who just specializes in tanks, and another who specializes on filtration systems, etc. We could have three different types of contractors.
- Mayor Duncan commented that \$7.4 million is so much better than what we were told it would take 14 years ago.

- Downey said we are looking at it from a completely different angle.
- Scholz said that if we had tried to treat Well No. 5 using older technologies, then we would need to add multiple treatment facilities, and have 3 to 4 sub-plants, and yes, it would be extremely, extremely expensive.
- Downey asked then if we wouldn't actually go out for \$7.481 million; we would instead ask for \$7 ½ million?
- Scholz told her correct. This is just an estimate. He does have contingency written into these estimates, but he's pretty confident on the numbers, based on the current projects the City has going.

Downey was worried about how Well No. 9 will taste, since we have Well No. 5 with the biggest flow, and the worst taste. Or conversely, what the flows will be like on Well No. 9. Scholz told her that we don't know until we proceed, but because it's near Well No. 8, we hope to have a similar aquifer with adequate flow. Mayor Duncan asked if that was around 170gpm. Scholz told him it can go far higher. We looked at several treatment options on Well No. 5, and it's so over the top; we would have the only desalination plant not built on an ocean in the world. Its poor water and its well water. We just don't have enough capacity without it to maintain through the summer. Mayor Duncan asked if we could hold onto our water rights that were obtained for Well No. 5. Scholz told him we can transfer that, and maybe we can do some rehabilitation work, such as what was done on Well No. 4 back in 1966. We can transfer some of the rights from there to ½ of Well No. 6. Well No. 7 is also there, and is separated from Well No. 5. We could transfer water rights to that as well; the aquifer for Well No. 6 isn't the same as Well No. 7. Council liked the redundancy that would be built into the new system.

Scholz noted that the state will really like this plan; he's confident it will do well. We don't concentrate on specifics at this point, because that's done at the design phase. We've done enough pilot testing to know what will work. Dr. Douglas Bailey was in the audience, and commented that people want a glass of water that they can trust. For a long time, we've been told that the water is improving, but it hasn't. If we want to really sell it to people, then we should be allowing them to taste it before they vote on it. They are otherwise going to be afraid that this is another boondoggle. Scholz told him that we could set something up like a pilot test. Dr. Bailey said as a voter, he wants people to show him the money. Mayor Duncan asked if the distribution lines played into all of this, and Scholz told him yes. We can replace some of the main lines. However, he should note that the service lines from the mains to the homes would still have accumulations. Mayor Duncan said then that affects everyone when the lines are flushed. Scholz wanted to remind them that there is no fix at all, unless we pass the bond. We did have a taste test, if everyone will remember. Latta said yes, and Well No. 5 was awful, while Well No. 8 was great. It was a good comment, and we do need to figure out the next steps. We need to hold some Town Hall Meetings; we can do that on the week of the 17<sup>th</sup>, or the week of the 24<sup>th</sup> of July. We should have two town hall meetings that day. One during the day, and one during the evening; we need to capture as many people as we can. Then in August, we can meet again, and start providing more details.

Latta then asked what dates made sense for Council? A few of them should be there at the very least; it wouldn't be a formal Council meeting. The Council gave their availabilities. Boese was concerned about people being thrilled about the changes, but then if they are still getting water they don't like out the taps, they are going to be complaining. Latta noted that it's

important to educate the public. We can't replace the entire distribution system, but we will replace main lines that have the built up sediments. That way those lines aren't continually feeding sediment into private service lines. It will take some time for all the sediments to go away, and people need to know that. We need to be up front and honest with them. This is a long term solution. Here are the short term benefits, and drawbacks, but really, this is a fix that will be realized in the long term. We will need to get out flyers, brochures, notices in utility billing, etc. Council might want to put together a PAC (Political Action Committee) to support the ballot as well. We are learning from the success of the Fire/Rescue District in getting their last ballot passed; we want to mimic that. Getting the citizens on board is crucial to getting the bond passed. That's why we need to get this put together, and ready to go. On September 7, City staff will not be able to do anything anymore, and we'll have to remove stuff from the website.

Downey said that we as Councilors can still talk about it, correct? Latta said she was. He added that we (staff) can answer fact based questions. Keaton thought that the City staff could be expert witnesses, just not advocates. Latta said we can read them the ballot title and summary. Caughey thought it was important to not undertake changing the distribution lines until after the new system is in and functional, because we don't want that water going into our new lines.

Mayor Duncan wanted to know what the cost per person was. His water bill is \$150 during the summer and \$80 in the winter. He wants to know how much his costs will go up. If it affects the property taxes, then how much would it be affected by house value? Scholz said that there will be some additional costs that are regular operations and maintenance, at about \$200,000 a year. That would likely affect rates. However, it will likely be a few hundred dollars on property taxes. Mayor Duncan said that for the town hall, he wants to see cost effective suggestions. Like how much is it costing a house for replacing appliances' such as water heaters, dishwashers, and washing machines, compared to the costs of the bond broken out by month? Latta said that he felt we could come up with an estimated number, and asked Gaines if he could put together something that would show an impact on people? Gaines said yes, and probably rate information on this as well. Mayor Duncan asked if that was set by them, or by us. Latta said by the City Council. He felt that we could come up with a cost per capita for property, based on every \$1,000 of the assessed value. That is something we need to come up with anyway, because it will be part of the ballot language.

Council and staff strategized further, on what numbers could be provided. Latta invited Council to think about other answers that they'd like, and to shoot him ideas and thoughts on educating the public. It's important to come together outside this space, and to get neighbors and friends who care about getting the system fixed. Scholz felt we could get that done before the 20<sup>th</sup>. Caughey thought it was important for people to understand that we are not going to raise the water bill every month by a few hundred dollars, that it's funded largely by property taxes. \$200,000 is a doable figure for costing out the ongoing support costs.

#### Crime Prevention Forums

- Downey reminded the City Council that the next crime prevention forum will be held on July 13<sup>th</sup>, at the old City Hall. We just recently had more car break-ins again in town,

because once again, people weren't locking their doors. Harrisburg is the worst in the county for people not locking their doors.

**At the hour of 7:28pm, the City Council adjourned in order to start the Harrisburg Re-development Agency Meeting.**

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**Mayor**

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**City Recorder**





# Mayor's Proclamation

## Honorary Citizen and Distinguished Service Award

Whereas, HART Community Center Executive Director Edith Moro has been an ardent community advocate for the cities of Harrisburg, Junction City and Monroe for many years; and,

Whereas, her many years of public service has been marked by exemplary dedication and doing what is best for the children, low-income families, and senior residents of our City; and,

Whereas, her work as the Executive Director of the HART Community Center, writer for the tribune news, and public servant on many community boards and committees directly impacts the lives of hundreds of families, individuals and organizations in our community; and,

Whereas, her loyal and dedicated service is in effect a service to all citizens of Harrisburg.

Now, Therefore, I, Robert C. Duncan, Mayor of the City of Harrisburg, name Edith Moro as an Honorary Citizen of the City of Harrisburg, and present to her the Mayor's Distinguished Service Award. As the Mayor of the City of Harrisburg, I would ask all our citizens and those affiliated with the HART Community Center to join with me in thanking Edith Moro for her exemplary service.

Attest:

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Michele Eldridge, Recorder

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Robert C. Duncan, Mayor

# WATER SYSTEM UPGRADE RECOMMENDATIONS

## BACKGROUND

The Water Supply System Taste and Odor Report and Pilot Study was presented to the City Council at the February 22, 2017 City Council meeting. Staff and the City Engineer have reviewed and discussed the Supply System Taste and Odor Report and Pilot Study Results and have concluded:

- Converting to a surface water supply does not appear to be a cost effective alternative.
- Well #5 will be difficult if not impossible to effectively treat.
- Well #8 had good results from the pilot test and is treatable at a reasonable cost.

The report is conceptual in nature and shows that it is feasible to pursue treating well #8, discontinuing regular use of well #5 and transferring some if not all of well #5 water rights, and adding another well.

## SUMMARY

After extensive consideration of the relevant factors it is concluded that the following upgrades should be constructed to begin the process of effectively removing taste and odor issues from the Harrisburg Water System.

### AT CURRENT WATER TANK SITE

- Build a 26' wide by 32' long by 10' high filter building containing four 48" diameter water filters, De-Aerator unit, new electrical system and operator interface, telemetry system, chemical injection, booster pumps, above and below ground process piping.
- New 500,000 gallon reservoir and take concrete tank out-of-service
- Electric generator and related appurtenances  
Estimate \$1,466,734

### AT WELL #8 SITE

- Build a 26' wide by 32' long by 10' high filter building containing four 48" diameter water filters, De-Aerator unit, new electrical system and operator interface, telemetry system, chemical injection, booster pumps, above and below ground process piping.
- Construct new well (#9) in area and process piping to treatment building
- New 1,500,000 gallon reservoir  
Estimate \$3,183,466

## WATER PIPE SUPPLY DISTRIBUTION SYSTEM (footages are approximate)

- Replace 1000' of main waterline on Diamond Hill
- Replace 600' of main waterline on Dempsey
- Replace 1200' of main waterline on Burton
- Replace 2600' of main waterline on Territorial
- Replace 800' of main waterline on on Smith
- Replace 800' of main waterline on Kesling
- Replace 1500' of main waterline on Schooling
- Replace 700' of main waterline on Fountain
- Replace 700' of main waterline on Macy
- Replace 3800' of main waterline on 9<sup>th</sup>
- Replace 1400' of main waterline on LaSalle
- Replace 800' of main waterline on 8<sup>th</sup> Street
- Replace 900' of main waterline on Greenway/Park
- Replace 1000' of main waterline on 6<sup>th</sup>
- Replace 700' of main waterline on Eighth place

Estimate \$ 2,830,800

## TOTALS

Capital outlay costs that would need to be financed: \$7,481,000

Annual O & M costs that would need to be funded by a water rate increase: \$ 200,000