



**Molalla City Council –Meeting Agenda**  
**Meeting located at: Molalla Adult Center**  
**315 Kennel Ave, Molalla, OR 97038**

**October 28, 2015**

**Business meeting will begin at 7:00PM.** The Council has adopted Public Participation Rules. Public comment cards are available at the entry desk. Request to speak must be turned into the Mayor prior to the start of the regular Council meeting.

**Executive Session : 6:30PM then after the regular session**

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**1. CALL TO ORDER – 1,067<sup>th</sup> Regular Meeting**

- A. Call the meeting to order
- B. Flag Salute and Roll Call

**2. COMMUNICATIONS AND PUBLIC COMMENT**

- A. Minutes: September 10, 2015

**3. AWARDS, RECOGNITIONS & PRESENTATIONS**

**4. PROCLAMATIONS**

**5. PUBLIC HEARINGS**

**6. NEW BUSINESS**

- A. Library Advisory Board Citizen Appointment - Rogge
- B. Item Exceeding \$10,000 – Cline/Huff
- C. City Manager Re-evaluation – Rogge
- D. Financials – Penni

**7. CONTINUING BUSINESS**

- A. Utility Fee Increases - Discussion Huff/Cline

**8. RESOLUTION**

- A. 2015-11: Adopting Updates to the City of Molalla Addendum to the Clackamas County Multi-Jurisdictional Natural Hazards Mitigation Plan – Huff
- B. 2015-12: A Resolution Increasing Fees For The City of Molalla Utility Billing- Penni

**9. ORDINANCES**

- A. 2015-05: An Ordinance Adding Chapter 9.16 To Title Nine Of The Molalla Municipal Code Prohibiting The Establishment Of Marijuana Facilities Within The City And Declaring An Emergency. – Huff **DISCUSSION ITEM ONLY. POSSIBLE ADOPTION AT A LATER DATE**

**10. REPORTS AND ANNOUNCEMENTS**

- A. City Manager/Staff Reports – Dan Huff
  - Special Council Meeting and Town Hall Meeting – November 4, 2015

**11. EXECUTIVE SESSIONS**

PER ORS. 192.660 (2)(e) – Real Property Transaction(s) and ORS 192.660(2) (f) to consider information or records that are exempt by law from public inspection

**12. ADJOURNMENT**



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**ATTENDANCE:** Mayor Rogge, Present; Councilor Pottle, Present; Councilor Thompson, Present; Councilor Griswold, Present; Councilor Satter, Present; Councilor Riggs, Present. Councilor Clark, Present.

**STAFF IN ATTENDANCE:** City Manager Dan Huff, Present; City Recorder Sadie Cramer, Present; Public Works Director Jen Cline, Present; Library Director Diana Hadley, Present.

**MINUTES**

- A. Councilor Thompson motioned to approve the minutes of September 10, 2015. Griswold seconded. Motion carried 7-0.
- B. Library Minutes – Information only
- C. TAC Minutes – Information only

**PUBLIC COMMENT**

Susan Hansen, representing Bear Creek Recovery Group, PO Box 50, Molalla, OR – (passed out a handout to each member of City Council, recorded as Exhibit A) says since the city of Molalla's legal fees were 4-5 times more than those of Bear Creek Recovery it is understandable that the city leaders are trying to whitewash the lawsuit outcome. Statements made by city officials must be challenged. Federal statutes for the Clean Water Act encourage private enforcement by citizens in the public interest as state and federal agencies may not have the resources they need to do the job. Examination of years of DEQ's records and field observations showed several violations by Molalla that DEQ had not enforced. In fall of 2014, a highly placed DEQ official wrote "I agree with you that we need to do a better job of holding Molalla accountable for meeting all of their permit conditions." Compliance with the increasingly complex Clean Water Act is mandatory. On October 5, DEQ met with PWD Cline and City Manager Huff and their lawyer, Jeff Ring, to discuss the need for a funded 5-year capital improvement plan, a facility plan, and recycled water delivery expansion. Hopefully city officials can begin to work with DEQ without the ongoing need for expensive legal support. Clearly given the chain of DEQ emails regarding this meeting, Molalla city officials are not confident in their legal standings with DEQ and are still spending significant money for legal support. Molalla's lawyers waiting until the end of the 60 day period in March 2014 to contact them, BCR's lawyer wrote that to preserve the process the complaint would be filed and, "we are open to discussing the potential for settlement negotiations with the City." The City's attorney Ring wrote back stating, "our inquiry was about negotiations prior to filing any suit." The City's attorneys did not attempt to further negotiate for months once the complaint was filed. The City spent a great deal of unnecessary money including flying in Ring/Bender lawyers from other parts of the nation. The consent decree requires extra compliance and procedures by Molalla above and beyond its permit. Molalla was required to develop an irrigation checklist for every irrigation cite and only City employees may operate the irrigation system using additional monitoring and reporting. Because the city has violated reporting requirements of its permit, the consent decree requires the City to post all reports on its website to improve transparency. Several DEQ warning letters were issued in 2013 detailing wastewater irrigation violations. The raw sewage spill in May and its tardy report to DEQ resulted in a civil penalty of \$4,350.00. That incident delayed the settlement. Under the consent decree, every violation will now result in a \$500.00 penalty which Molalla must add to the funds stipulated in the consent decree for biosolid removal and I&I. The first such violation occurred on September 7 when a required coliform test was not performed. The most disturbing thread running through the documents in DEQ, is Molalla's ongoing claims it cannot afford to upgrade its equipment and tests. I&I reports were not filed, biosolids were built up. The mandated lagoon leak test filed with DEQ on September 28<sup>th</sup> is being questioned by DEQ because of technical difficulties including a broken isolation valve and a broken valve inside an effluent line that is "cost prohibitive to repair at this time due to its age and location." If Molalla city officials had been sincere about an early settlement to avoid huge legal bills, they would have immediately have asked

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for settlement negotiations to begin when the 60 day notice of intent letter was received in January 2014. Molalla officials have no one to blame but themselves for the loss of over half a million dollars due to their delayed realization that this was a valid and necessary Clean Water Act lawsuit.

Ryan Weishan, owner of Smokey Bones BBQ, 202 N Ross Street, Molalla – opened in May 2015, approached city about being able to open a drive-thru to his restaurant and was told the city wanted \$1,700.00 to sit down and talk about whether or not they would allow him to do that. Everything is there already, all he'd have to do is fix a fence, turning that fence into a gate. There is already an entrance, an exit. Was told that there would have to be a traffic flow review. Says that his business will unlikely affect traffic, that it is not an In-N-Out or Sonic, that he's just trying to keep his business open. He does not currently have a place that is warm and cozy for people to sit. Current patrons stand in the pouring rain sometimes to get their food as they were really busy. Says his business is very weather-driven. He is a small business, cannot afford to spend fee to just discuss the drive-thru option. Molalla has a stigma of being un-friendly to businesses, even though signage coming into town from both sides says otherwise. Spoke with City Planner Lennartz who told him he has many things on his desk and will get to it when he can. Lennartz told him he'd be there tonight to support a fee schedule change. He was there tonight to answer any questions that there might be. His business is good, clean, has an impeccable reputation, and provides jobs to several people in town. Was surprised Lennartz was not present. Weishan said he asked Lennartz what would happen if he just went ahead and added the drive thru and Lennartz said that he would be fined \$1,000 daily. Said he was frustrated that Lennartz would rather fine him than fight for his business and that he thought that was Lennartz's job as a City Planner.

Mayor Rogge replied by saying he will still have to go through the planning process and because his business does face a main artery through town, there are laws we have to go by, setbacks, standards, etc. Encourages Weishan to continue to work with City Hall to the best of his ability and that when presented with something official, City Council will consider the variance.

### **PROCLAMATION**

#### **A. Domestic Violence Awareness Month –**

Mayor Rogge read the Domestic Violence Awareness Proclamation from the Office of the Governor, Kate Brown, as presented in the agenda packet.

### **NEW BUSINESS**

#### **A. Library Advisory Board –**

Mayor Rogge has invited Sandy Nelsen, who represents our Library Board and sits on the Library District Board to come forward to update Council on current issues and to suggest she visits on a semi-annual basis in the future around budget season.

Sandy Nelsen, 12012 S. Wildcat Rd, Molalla – currently holds office of President of the Library Advisory Board. Has been a member of the board since 2005, a member of the Friends of the Molalla Library since 2002, and a reader before most of you were born. Has been asked to provide an overview of the relationship between the Molalla Public Library and the Clackamas County Library District. In 2009, voters voted to establish the Clackamas County Library District to provide permanent operational funding for libraries in the county. While these libraries, except for two county libraries, are city libraries, the majority of the operational funds come from the Library District. Some cities provide funding for their libraries themselves, while some smaller cities depend entirely on district funds, Molalla being one of those few. Before the voters brought in the District, 10 individual cities bought in with an initial investment of \$10,000. After the measure passed, the city administrators and the county commissioners

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jointly created the intergovernment agreement, which is the IGA, which would set down the guidelines on how the district would operate. As part of that IGA, the Library District Advisory Committee was established, which is referred to as the LDAC. Each city has a representative to the LDAC, she represents Molalla and has from its inception. LDAC is responsible for oversight of the libraries and reports to the Board of Commissioners. The funds come to the City for their disbursement to the library. While the library employees are considered City employees under guidelines of city personnel policies, the programs and collections of the library are connected to the District, working with the District Network to share the funds amongst the other libraries of the county. It allows our small library to be much more than it has means for and opens up the entire district to patrons. Possibilities are unlimited and everyone benefits from the collaboration. The network also supports the computer systems for all libraries along with its own IT support staff. District funding is vital to small libraries allowing them to prosper and grow. The service area is very large, serving a population of over 23,000. Only 8,820 is within Molalla proper. Patronage grows continually. Their goal, as established by the IGA, is to strive to meet the Oregon Library Association standards, and continue to work towards those.

Mayor Rogge informs the Council that we currently have two IGAs that dictate what we're doing with the library, one is for moneys that flow through the county, and the other is with the district. The reasoning of bring Sandy close to Council is that we will need to look at having a new library built in the near future, depending what the school board does with their property. Council will have to make some decisions in the future in regards to library funding, etc. Wants Sandy to continue to report to Council for those reasons. Councilor Thompson suggests consulting the LDAC via Finance Director Penni prior to the budget formation process, so that any plans can be worked into the budget in lieu of waiting for Council, as it might be too late in the budgetary process. Nelsen states that Library Director Hadley currently does work closely with FD Penni keeping her updated on necessary numbers involved. Mayor Rogge expresses appreciation for everything the board does and has done for several years.

**B. C800 Bond Measure - Huff**

City Manager Huff says he has given the Mayor and Council a letter of support for the C800 Bond Measure, as provided in the agenda packet. This bond measure replaces radio towers and radios for our public safety communication system, something that a group of people have been working on for quite awhile. The information has been slow to come forward, and the group he meets with quarterly, no formal name for the group, but consists of area-wide, Clackamas County city managers, continues to ask the group working on the radio system was what was to be done about the actual radios that are in the service vehicles or being carried on the persons of the public servants. The verbiage including the radios have been added to the bond and would cover replacement of radios in addition to the radio towers. The letter he wrote is in support of this. The Molalla Fire District was included in the letter as they are involved in public safety for the community. Councilor Pottle asks how much the bond was for and City Manager Huff says he has the figure, but not on him, but the amount is substantial, approximately \$10 million. The cost to the city for outright purchasing radios was going to be approximately \$75,000, which would have been necessary as the they wouldn't work as soon as the new radio towers were in place. CM Huff asks for Council blessing before sending the letter. Mayor Rogge says she is in support of the letter, and a poll to the Councilors reflects unanimous support and encourages CM Huff to sign the letter and send it.

**C. CCTV Bids - Cline**

PWD Cline says that CCTV which is video inspection for our sanitary collection system. The agenda bill was not to exceed \$90,000.00. Went out for an RFP a few weeks back and have received 3 proposals. The

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3 contractors that submitted proposals were Pacific Int-R-Tek, ProPipe, and American Industrial & Municipal Services (AIMS). All information is as stated in Exhibit B. The selection PWD Cline recommends to perform services is Pacific Int-R-Tek, reasoning is stated in the Exhibit. Pacific Int-R-Tek came in as the middle bid as far as cost, but upon review, the lowest bid did not include any mobilization or traffic control costs, which was asked for in the RFP. Proposes not to exceed the \$90,000.00, will not be able to CCTV the entire system this year, it will only be a portion, but if more can be done with the \$90,000.00, then more CCTV will be done. Councilor Clark asks what percentage of the pipelines this would cover, PWD Cline says about 50%, possibly more. CM Huff says we will first look at the major problem areas, and PWD Cline says they will look at the major trunk lines first and areas in town that are the oldest. The recommendations came from our contracted engineer, Brown & Caldwell, for the I/I repair work. Mayor Rogge states we will be paying out to see how much work we have to do. PWD Cline says yes, this is still part of the investigation phase, that they will move forward next year with smoke testing in the areas they see will be most effective for smoke testing including older areas in town, with older laterals that fail frequently due to falling in on themselves. This is a portion of the investigation phase that needs to be done to work towards the final report to identify areas that need repairing first. Mayor Rogge asks that as diagnostics come in, when do they visualize starting actual work towards repair other than new development. PWD Cline says investigation will continue into the next fiscal year until the report is finalized. Doesn't anticipate major repairs happening until 2017-18. Mayor Rogge asks if we are preparing the budget for these costs, and PWD Cline says we are already preparing. Councilor Riggs asks if the testing needs to be done during the winter or rainy season to get an accurate evaluation and PWD Cline confirms that yes, we are headed into that season and are scheduling to get started on the work. Due to Molalla's high ground water level, we will see inflow coming in earlier than most cities will. Councilor Clark wants to make sure we will be able to visualize the testing during the rainy season to see the inflow. Councilor Clark asks how many pump stations we have pumping into main lines, PWD Cline replies that we have 5 lift stations, and confirms monitoring of hours of run-time of the pumps. Inflow run-time is easily detectable and spikes are seen during the rainy seasons, especially in the South Molalla areas. Also see spikes in influent at the WWTP will go from 1 million gallons a day to up to 3-6 million gallons during those rain events. Councilor Pottle asks whether the company we recently had out here videoing the lines was the same company we decided to hire. Confirms that there were no problems and videos were provided to all necessary parties. Councilor Clark motions to accept Pacific Int-R-Tek as our contractor to do our camera work, Councilor Pottle seconds. Councilor Thompson clarifies to set the amount not to exceed \$90,000.00, Councilor Clark seconds. All in favor, 7-0.

**D. Aquatic Discussion – Riggs, Pottle, Thompson**

Councilor Thompson says he, Councilor Riggs, Councilor Pottle, and a few members of Friends of the Molalla Pool had a meeting last Wednesday with sub committee of the school board. They had requested a starting point for negotiation from the school district, working with finance director for guidance, at meeting came back with that information and have now started negotiations. Meeting was good, both sides respectful of each other, looking forward to a resolution that will satisfy everyone's needs. Meeting again next Wednesday, will update Council on any new information received. Mayor Rogge asks if the meetings were open to the public, Councilor Thompson says they are now open to the public.

**CONTINUING BUSINESS**

**A. Utility Fee Increases and Possible Town Hall Meeting – Huff/ Cline**

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CM Huff says a couple things will be discussed; schedule for town hall meeting and the 2006 and 2009 rate increases that were provided to Council for water and sewer. Included in those rate increases there were a few incremental rate increases that should have happened in later years, but were not implemented. Reasons cities do that with their utility rates is so that there are not big jumps. Has brought Gerald Fisher, who prepared the report, there tonight, to discuss the report, information supplied and conclusions he drew. On back of report is a comparison provided. CM Huff states initially when he came to Molalla he was told Molalla has some of the highest rates around, and has since discovered this is not true based on the comparisons provided by Fisher. In addition, some of the cities listed are looking at increasing rates again. Introduces Fisher.

Gerald Fisher, Senior Project Manager, Project Delivery Group, an engineering and land surveying firm located in Salem, Oregon. Fisher says Huff and Cline asked him to come in and give Council a review of the report. Report is included as Exhibit C. First part will be the sewer side, second part the water side. Encourages Council to ask any questions as they have them. Says we need to look at what the City's budget is currently vs. what it was in the past, observing what the trends were in expenditures and revenues. That information helped them build a projected budget for the next fiscal year. Tells how much revenue we're expected to get, how much expenditures will be with personnel and maintenance requirements, also CIP (Capital Improvement Plan). Out of that information, based on what current rates are, there is a shortfall, or gap, and that is how they determine what the rate increase needs to be. He began by looking at the consumer price index from 2006 and came up with a 30% increase in cost of goods. Average inflation rate on per year basis in past 10 years has been about 2.9%, also went back 15 years and 20 years, noticing rates at 2.3% and 2.4%. In the near term, increase has been almost 3%, and that is the rate they used as average inflation rate for future line items in the budget. Fisher states that League of Oregon Cities recently published through their weekly report the legislative portion; PERS has a shortfall coming, ranging between 16.5 to 19.5%. Used the 16.5% in PERS to carry forward for next year. A couple other line items that were about a 5% increase so those were adjusted too. Out of the sewer fund in 2006 you had Donovan Enterprises, Inc. do a rate study for the City. The City had no rate increases in 2004. Raised rates 5.5% in 2005, and 9.3% in 2006. Rate increase recommendation was for 29.9% in 2007 for waste water. Council did pass that increase in 2006; rate was recommended as \$24.69 per EDU (Equivalent Dwelling Unit) and usage rate per 100 CF (Cubit Foot) of \$2.44. References second page of report (Exhibit C), current fiscal year budget 2015-16 broken down by department. When those numbers are carried forward to the next fiscal year, a shortfall in the budget is reflected of 27-35%. Has not calculated using SDC's due to using those funds to pay sewer debt. Explains that SDC funds usually are not included in the master plan, as the rate of recovery for SDC's is inconsistent. Goes over different scenarios on how to pay sewer debt, either using 100% SDC's solely for the principal balance due and revenue from user rates for interest and admin costs; or only using user rates for the entire sewer debt (principal/interest/admin), eliminating the use of SDC's for that purpose. States that SDC's are not able to keep up with what is due, says that SDC's are not guaranteed money, cannot depend on it from year to year. Using SDC's to pay the principal, will constantly deplete that fund. Recommends, in the interim or short-term, to use user rates to pay for the sewer debt, so the SDC fund is able to be built up again. Only when the SDC fund is built up, then does the City move forward with any capacity increasing projects. At the time, use the SDC funds to pay for such projects, eliminating the need to take out debt and/or increase user rates to cover costs. Fisher recommends the second option, eliminating the use of SDC's to pay off sewer debt, then do an updated Capital Improvement Plan for the next 5 years and do a rate study for the sewer for that 5 year period. Revenues and rates will be able to be forecasted, also allowing PWD Cline to balance out her future projects, cost-wise. Councilor Clark asks why Fisher is estimating the sewer revenue to go down \$2,000 over the next couple years. Fisher responds saying that the income forecasted in the budget is a combination of user fees, late fees, misc income, and carry over from the previous year.

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The carry over amount will be used up this year, therefore not reflected in the next year(s). Fisher says he researched what our revenue is coming in at, which is about a 1% increase per year, when additional people move into the community, adding to that revenue stream. He took that 1% and carried it forward to the next year, but the figure is assuming we are not getting the revenue that this year had originally anticipated. The figure is being very conservative with how much revenue will come in to avoid over-spending in the case revenue is not received. Councilor Clark says he does not understand how the sewer fund can go down. Councilor Thompson explains that what the report is looking at is the sewer fund specifically, including the left-over balance from the previous year. So in the future figure, since there will be no left-over balance, the future figure will be lower as there was no balance to carry over from the previous year. Fisher explains that the City's expenditures are not keeping up with the revenue, putting the City in the position of a short-fall. Fisher states that this is a snapshot look of the two prior years' actual, last year, and the current year's budget, and taking those actual numbers to project forward what the next years' figures would be. Important thing to note about 5 year plan is that there are constant variables that will cause changes each year and its important to go back and re-review annually to ensure projected rates will be sufficient. It is important to address any changes annually vs. after the 5 years to avoid drastic changes in rates. Monitoring these changes more often, and increasing rates more often, will make the changes more managable for users than one big jump in rates. Fisher summarizes the water rates as listed in Exhibit C. In 2009, Donovan Enterprises set up a forecast in their report for the next 5 years. 6% initial increase for 2009-10, about 2% in two following years, 0% in the third year, and about 2% in the two subsequent years after that, through 2014-15. What actually happened is the City Council implementing the 6% increase, but did not make any of the other changes going forward. Good news is in the next few years, the City will be paying off some of its debts. A general obligation bond in water and a water revenue bond. The GEO bond is set to expire in fiscal year 2018-19 and the revenue bond in 2017-18. The money currently paying out now to cover those bonds, will be able to be placed back into the budget for future capital projects. Since there are no SDC's being used currently on debt, there will be no Option 2, leaving only one option. The funding gap they anticipate will be about 20%. They recommend the option listed and doing the 5 year plan and monitoring in annually, making any necessary adjustments, to ensure the City stays on track with the budget. Another thing Huff and Cline wanted was a comparison of different cities as shown in Exhibit C. The result is that most agencies have made rate increases as of July 1 last year, this year, and will do so again in the upcoming year. They had 5 year financial plans in place, but what they did differently was make those incremental increases automatic, avoiding having to go back each time for approval. Recommends that Council let staff monitor the fluctuations within that timeframe. Molalla's current rates are among the lowest out there. The proposed rates will bring Molalla to the mid-range, but as of July 1 when other city's rates increase, Molalla's rates will be lower again. Mayor Rogge asks if the rates in the study included the park and rec fee that was previously on the water bills. CM Huff says that the park and rec fee would not show up on this particular report. Councilor Thompson thanked Fisher for his work, says it was exactly what they needed to make a determination on this issue. Recommends doing an in-depth review every 3 years instead of 10, avoiding drastic rate increases in the future. CM Huff asks Council to pick a date for the town hall meeting discussing the rate increases prior to implementation. He recommends that January 1, 2016 should be the time the sewer rate increase goes into effect and that the water rate increase could wait until July 1, 2016 in the next fiscal year. Stresses the importance of establishing regular reviews of the capital improvement plan and implementing small changes more often rather than large ones less often to stay on top of funding for much needed future projects. Mayor Rogge recommends that a suggested date for a town hall meeting would be between council sessions in November, allowing time to notify people. Councilor Thompson expresses concern that the date of November 18 would not allow enough notice to people for a January 1<sup>st</sup> increase. CM Huff says there is an urgency for the rate increase due to nothing being done in the last 10 years and dire need for improvements on the sewer system now. Mayor Rogge recommends



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making this an agenda item at the next council meeting to discuss a more in-depth discussion regarding the dates to implement the rate increases. Councilor Satter agrees that the rate increase would be hard for people to take on with local businesses already struggling to pay their bills. PWD Cline responds by saying, yes, the percentage of the increase seems high, but in reality it works out to be \$12 per month. Councilor Riggs states that the total increase including both water and sewer rates would equal about \$17 per month. Also that the increase can be user-controlled by conserving more water. Councilor Clark asks how business usage is calculated vs. residential. PWD Cline responds saying it is a formula calculation, to which wasn't readily available, but different than residential. Mayor Rogge confirms that the rate increase would be effective for businesses in addition to residences. CM Huff offers to bring back more details on how business usage is calculated; Councilor Clark would like this. It is determined that the town hall date will be November 4, 2015 @ 7:00 pm at the Adult Center. Discussion is made stressing the importance of informing the public, and how this increase will benefit them and their city. Fisher says that Molalla is not alone in this process, that other cities have experienced the same issues. Councilor Thompson asks if staff can have the ordinances needed to put this process in place available at the next meeting so discussion can be done at that point since time is sensitive. CM Huff says yes this is possible.

**B. STIP Funding – Cline/ Huff**

CM Huff says this is more of an update. Included in agenda packets is information from ODOT, and amongst that information is item #54. Item #54 is OR-213 @ Toliver Road. This means ODOT is continuing to keep these hot spot areas in line for potential of future funding. Part of this has to do with our diligence in keeping ODOT informed of these areas to keep them on this project list. Hwy 211 from Safeway to Ona Way is another area on this list that is pending, and may be for awhile, as other projects take precedence. Was contacted a couple weeks ago by ODOT staff proposing taking some of the money they're trying to leverage for Molalla, increase it by one million and just give it to the city as ODOT fix-it funds, having the city do the work to correct these hot spot areas. We would re-pave all of the highway from beginning to end of the town and make all sidewalks ADA compliant that currently exist. They would also give the city another million dollars and the rights to the road. Huff states that there are many people out there who don't realize Hwy 211 is not a city right-of-way, and that is ODOT who owns and maintains it. Huff says this could be both a good and bad thing with all the new developments coming down the pike. He says it is a good thing ODOT is thinking about Molalla and that the decisions the Council is making to make Molalla a better place is making an impact and that people outside of the town are starting to notice. Mayor Rogge says that when CM Huff and herself went to Senator Gerard's office in Salem about a year ago, Gerard told her that it is important to have their engineers ready to use any extra funds from other projects that ODOT may throw their way, otherwise that money will go elsewhere. Mayor Rogge says that is what public works has been doing is preparing these projects in anticipation of ODOT funds coming their way. ODOT realizes now that Molalla is preparing and has done the work needed to be ready to receive said funds. Mayor Rogge commends the work that city administration and public works have done to prepare Molalla for these opportunities.

**RESOLUTION**

**A. Fee increase for Fix-It Ticket Program – Penni/ Cramer**

CR Cramer says that while reviewing rates and fees in the municipal court as they were with water/sewer rates, they found gap with the fix-it ticket fee. A fix-it ticket fee is currently \$25.00 per offense for fixable offenses such as fail to carry proof of insurance and expired tags. The fee was implemented in 2004 and has not had an increase since. The current rate does not cover cost of the process of issuing the citation through actual processing of the citation and eventual adjudication of the ticket. CR Cramer says they are

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proposing increasing the fee \$50.00 to cover expenses. No profit would be made, the increase would hope to balance out the costs. Mayor Rogge asks where the funds from the fix-it ticket goes to, and CR Cramer says it is an administrative fee collected by the muni court to the general fund, benefiting the police department. Councilor Clark asks if someone was cited for not having a bumper on their car, who confirms that the bumper has been reinstalled and signs off on the correction. CR Cramer says it would be one of our officers. Councilor Clark asks then if the ticket makes it to the court. CR Cramer says it does, as the ticket needs to be processed administratively, entered in the computer system, and handled by Maeghan, the court clerk. The defendant is advised at the time of the stop to go into the court prior to their court date. If the offense is fail to furnish proof of insurance, and the defendant brings in proof, CC Maeghan has authorization to dismiss the ticket with a fix-it fee. CM Huff says this prevents the defendant from having to appear in court. Councilor Clark says he was cited personally for fail to carry proof of insurance and the fee was a lot more than \$25.00 for not have a piece of paper in his car. He personally does not want to have to pay \$75.00 if he has a tail light out to be told I have to replace a \$1.00 tail light. CM Huff says what happens most of the time is if you get pulled over for a brake light being out, most officers will make a judgement call, giving a warning, saying you're in the system, if they see you again, they'll impose the fee. Mayor Rogge asks what is the volume is per year of fix-it tickets, CR Cramer responds saying numbers vary per year, but approximately 125. Councilor Thompson points out that there is an Oregon Revised Statute for each offense fixable through the fix-it ticket program that costs more than the proposed fee, goes on your driving record, and can cause your vehicle to be towed. The fix-it ticket program allows you to fix the offense, pay a fee, have the charge dismissed so it doesn't go on your driving record. Councilor Satter suggests that people who get pulled over for such violations may be economically disadvantaged already and could be why the issue wasn't fixed. Therefore tripling the fee won't help the issue of fixing the offense. CM Huff says that receiving a fix-it is a better deal for the recipient because of the lower fine and that it doesn't go on your driving record, possibly affecting future insurance rates. The problem we're having is that costs to process the fix-it ticket are more than the fix-it ticket itself. Mayor Rogge asks if the fix-it program needs to be in place at all. CR Cramer answers saying it would be less advantageous to eliminate the program altogether, as it would be a disadvantage to those who might not be able to pay the full fine. The fee is still less than what the fine would be and is desirable to first time offenders by being a reduced amount and not reflecting on their driving record therefore their insurance company. It gives those the opportunity to fix the problem before being issued a citation, that might lead to failure to pay, and suspension of their license, amongst other issues. Mayor Rogge clarifies saying the little old lady on a fixed income who only drives in Molalla, gets a fix-it ticket, pays the fee, gets pulled over again, is found to have previously offended, gets an actual ticket, then that whole process starts. CM Huff and CR Cramer confirms this is correct. Mayor Rogge says that its an early correction warning. CM Huff adds that the other thing this program does is provide funding for our municipal court, keeping it local. If not, then the little old lady will have to drive to Clackamas Town Center to take care of the ticket. The muni court is a great service, but it does cost money. Councilor Pottle says he understands that things need to be paid, but we're talking about the people of Molalla. If a light bulb goes out, most know a mechanic to be able to get it fixed. And also in Molalla, the officers have the discretion to inform people of their offense and choose whether or not to cite them. Councilor Clark says that coming from a big city, in his youth he had a lot of fix-it tickets. One thing they would do was bring the car to the police station, prove whatever needed fixed was fixed to a police officer, then the whole problem goes away. No cost. It wouldn't go through the court system. Cost would only be the officer writing the ticket and throwing the piece of paper away. If, at that date, the person had not fixed the violation of the vehicle, then he would be in support of a penalty. CM Huff says that this is a process that is already in place and does not know the factors the officer considers when deciding whether or not to issue the fix-it ticket. Councilor Thompson suggests that when Councilor Clark was younger, and experiencing his own fix-it tickets, that it was likely before the time of Measure 5 and Measure 50 when the general funds which

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actually pay for the police are healthy, whereas the people's property taxes were actually subsidizing the cost of him going in to get your fix-it ticket resolved. CR Cramer says that she has been reviewing the various fix-it tickets coming in and very few are simple things as burnt out lightbulbs. The ones she's seeing are no proof of insurance. Mayor Rogge adds that we are paying a police officer to stop the car and waiting for the defendant to decide when they are fixing the offense. If we have two officers on duty, either on a call or running someone to Clackamas, there may not be an officer available when the defendant comes in to get his violation signed off on. Councilor Clarks asks if there is a police officer in city hall at all times, Mayor Rogge responds no. Councilor Satter said when she had a fix-it ticket it was a lady in the office that verified the correction, not necessarily an officer. Mayor Rogge asks for a motion. Councilor Thompson motions to adopt Resolution 2015-10; Councilor Pottle seconded. Motion passes 5-2 with Councilors Satter and Clark each as nays.

**REPORTS AND ANNOUNCEMENTS**

CM Huff and CR Cramer report nothing at this time.

PWD Cline updates Council on Urban Renewal Projects. Yesterday, the first lift of Heintz street was paved. The new portion of the street will remain closed until substantial completion has been done. It may look ready to open, but due to unfinished items such as man hole covers sticking up, unfinished sidewalks, it needs to remain closed. Should be able to open in a few weeks as long as everything is on schedule. An open house has been scheduled for the Molalla Urban Renewal project, the next project they'll start, that is scheduled for November 5, 2015 from 4-7:00 pm. This is for Molalla Avenue, currently in the design phase, is about 90% complete, should be going out to ad beginning of January 2016 to hire a contractor for construction. CM Huff states that Gary Deardorff has graciously allowed them to use his corner building on Molalla and Main as it is in the general location of the project. Councilor Riggs says a lot of residents ask why that road was so extensive in the way it was built (Heintz) and asks if it is the city or the county that dictates that. Cline says it was the city who determines it and asks in what way. Councilor Riggs says they ask why it was done so expensively, fancy sidewalks, that roads don't match others in Molalla. Cline and Huff clarify that the road/sidewalks they're comparing the new ones to are likely ones that don't meet current standards, and ones that we are looking to improve in the future. Looking at Heintz as a main pedestrian and bike way, so the sidewalks must be able to accommodate that activity, hence the 6 ft width. Huff says that the reasons some of the other roads in the city are failing, such as in Big Meadow, are because they followed those standards that were used on other roads in Molalla causing the roads to not last as long. Huff clarifies that the street standards within the city limits are the city's standards, that county has nothing to do with streets inside city limits. Councilor Riggs asks how the city's standards are determined. Cline responds by saying we use geo technical investigations prior to building a road and that geo technical engineer designs what the road structure should be. Sidewalk widths are determined by the use of the road. Mayor Rogge says that because Heintz will be a major artery running parallel to Hwy 211, diverting a lot of traffic, this road needed to be of a better grade. Councilor Pottle asks a question on behalf of some citizens as to why the road in front of Columbia Bank had to be made so wide as to not offer parking in front of the bank anymore. Cline responds that the roadway meets standards, that it is a 12 foot wide lane with a 2 foot shy distance to the curb for protection. The center line in the left turn lane can be adjusted over a foot, but at this point in time, has not done so as it is a new road. In the future, when striping needs to be redone, that

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adjustment will be made. Mayor Rogge confirms that parking in front of the bank that parking would still not be allowed. Cline confirms this, that the bank does provide its own parking for customers. Councilor Pottle relays concerns that there are many elderly people who frequent the bank and are concerned about no more handicapped parking in the front on the street. Cline clarifies that it is a public street, it is not to be used for handicapped parking. Councilor Pottle says he will give Cline's contact information to those parties who were concerned.

Councilor Satter reports that foundations were poured for the bridge, Bear Creek Bi Way. Now waiting 28 days for the testing. Mayor Rogge asks if they have funds to complete the bridge; Councilor Satter confirms yes they do. Projected completion is 28 days, or whenever testing determines the final product is ready. Cline adds that they still need to construct the pathway, only the sub product is down at this time. Councilor Satter says funding is still needed for the asphalt portion of the pathway, approximately \$8,000.00. The bridge is constructed and will arrive in pieces via truck to be assembled at the site.

Councilor Riggs reports that he's in cohort 3 with the Ford Institute and have done some narrowing, down to three, one is the issue of a dog park, and second is better communication needed with the City of Molalla so all parties are informed, and third is improvements (lighting, fencing) at the basketball court by the library.

Mayor Rogge reports she's been busy with disaster programs. All of October is the Great Shakeout where we prepare for earthquakes. It is a national push. Had shelter training at Foothills church, 32 participants who learned how to work with Red Cross to set up shelter and whatever church is designated. Tuesday, attended training on CPOD where you learn how to distribute, food, water, tarps and ice in the event of an emergency. Practiced exercises on where in Molalla the CPODS would be set up to prepare to feed people in the event of a disaster. On October 23<sup>rd</sup> at Grace Church, from 1-4 pm, we'll be building and assembling a Red Cross shelter complete with cots and everything else needed. The next morning from 9-1 pm, dignitaries from all over county coming to Molalla to Grace Church, 7 venues for these dignitaries to determine what is needed to prepare for a disaster. Molalla is test sight, people are impressed with trainings provided, cooperation with the fire department, church leaders and helpers. Stresses the importance of the pre-planning and preparation, as without it, it creates chaos. Commends Molalla, wants all possible community leaders/ Councilors to attend the event. Wants to approach re-writing the Emergency Preparedness Plan in the first quarter, after the holidays, so that it can be ready to go in the event of an emergency, hopefully by May.

**ADJOURNMENT**

Councilor Thompson made the motion to adjourn; Councilor Riggs seconded. Motion carried 7-0.



RECEIVED  
OCT 21 2015

BY: .....

### City of Molalla Application for Appointment to Citizen Committee

Date: 10.20.15

Board/Committee of Interest: Library Advisory Board

Name:	Sandy Nelson
Address:	12012 S. Wildcat Rd Molalla OR
State/Province:	
Zip/Postal Code:	97038
Home Phone:	503-829-8057 Both h & work
Work Phone:	
*E-Mail:	Sandy Nelson loans@yahoo.com
Years of Residence Inside City / outside	15

**Current or Previous Community Affiliations or Activities:**

Library Advisory Board
Friends of the Library
Library District Rep
ACHIEVE

**Why would you like to serve on this committee and give any other background you might have in this area.**

I would like to continue to make a difference in the community through volunteering at the library
--

**If applying for re-appointment to this Commission/Board/Committee/Task Force, please indicate what has been the key accomplishment of the group during your service.**

Library District vote	Board ethics + conduct Policies
Strategic Plan	By-law updates

**If you could make any improvement to the Commission/Board/Committee/Task Force, what would it be?**

more active members
---------------------

\*Signature:

Sandy Nelson

my appointment (current) expires 12-31-15

117 Molalla Ave/PO Box 248 Molalla Oregon 97038  
Ph: 503.829.6855 Fax: 503.829.3676 [www.cityofmolalla.com](http://www.cityofmolalla.com)

# City Of Molalla

## City Council Meeting

### Agenda Category: New Business

**Subject:** Public Works Dump Truck Purchase

**Recommendation:** Pre-Approval for Purchase

**Date of Meeting to be Presented:** October 28, 2015

**Fiscal Impact:** Not to exceed budgeted amount of \$85,000.00

**Background:**

*The current Fiscal Year 2015/16 budget includes a purchase of Public Works Dump Truck not to exceed \$85,000.00 with expenditure shared between departments in the Capital Improvement Plan as follows:*

- *Streets – \$25,000.00*
- *Water – \$25,000.00*
- *Sewer – \$25,000.00*
- *Storm – \$5,000.00*

*Pre-approval for purchase of a dump truck will improve negotiation ability and prevent loss of the purchase.*

SUBMITTED BY: Jennifer Cline, Public Works Director  
APPROVED BY: Dan Huff, City Manager

# City Of Molalla

## City Council Meeting

### Agenda Category: Discussion

**Subject:**     *Wastewater and Water Rates*

**Recommendation:**     *Discussion*

**Date of Meeting to be Presented:**     *October 28, 2015*

**Fiscal Impact:**     Variable

**Background:**

Included with this memo are copies of potential Resolutions that Council may consider for Wastewater and Water Rate increases. Council is fully aware that wastewater rates have not experienced and increase since 2006 and water rates have not been examined since 2009. Also included is the report provided during the October 14<sup>th</sup> regular meeting identifying the basis of the rate proposal. We have coordinated the use of the Adult Center for a Town Hall meeting on November 4, 2015 in order to publicly discuss these proposals.

SUBMITTED BY:     Dan Huff, City Manager

APPROVED BY:     Dan Huff, City Manager



Office of Financial Management  
117 N Molalla Avenue  
PO Box 248  
Molalla, Oregon 97038  
Phone: (503) 829-6855  
[finance@cityofmolalla.com](mailto:finance@cityofmolalla.com)

October 20, 2015

To: Molalla City Council  
Dan Huff, City Manager  
From: Heather Penni, Finance Director

**RE: 1st Quarter 2015/2016 Report**

In spite of the understood difficulties faced by the City of Molalla overall we are in a moderately healthy position and continue to plan for the future and needed government operations to meet community needs. Molalla is growing and the adage of we have always done it that way will not carry us successfully into the future. Infrastructure improvement/repairs and public safety remain at the top of the priority list for all departments.

Merina & Company are currently in process with the FY 2014/2015 audit and are trending to meet the December 31, 2015 deadline for completion. Currently, an appointment to meet with the City Council has not been confirmed.

Emphasis still remains to seek out alternative revenue sources for projects but City staff is looking at our services and fees associated to determine if or what adjustments are needed. In some cases adjustments have not been made in over a decade, however the cost of providing those services have not experienced the same lack of adjustment.

General Fund

The general fund has hit a milestone not seen in many years – the fund will remain in the black through tax assessment in November. This has been a difficult road to get to this point but is now at a level that should be a baseline. There are current negotiations in play that may threaten this savings level but regardless of the outcome we have a proven plan to regain a healthy general fund.

In the Office of Governance and Management the City Council will notice an addition to the staffing. In an effort to retain the highly skilled services of the needed GIS mapping technician, that position was re-categorized into administrative position with the GIS as a half time marker and administrative planning and code services for the other half. This was not budgeted for but



should be offset by the PERS adjustments with UAL to be cost allocated and the unemployment liability. We need to watch this appropriation as we move through the fiscal year.

The police department is trending well below markers for the sergeant and officer categories. Each category had a new staff member allocated at budget time. Currently, those positions have been frozen and the funds are being held to cover potential arbitration over the inflated benefit package through the CCPOA union agreement. These positions are not scheduled to be filled until negotiations and associated costs are resolved. The police chief and sergeants are doing a remarkable job managing overtime costs as these two open positions are sorely needed.

Future financial issues exist as the County is revamping the radio system that will have costs for all agencies (including us) that use this service. Chief is diligently working to minimize the effects on Molalla of this pending change as well as managing the costs associated with the new database reporting system.

The municipal court is an area of concern that management is watching closely. Municipal Courts need to be self-sustaining, our court has not been for a few months. The lack of citations and associated revenue has consistently dipped below the breakeven point. Administration has a plan for repair to maintain this service because if it is lost the community will have to travel to Clackamas County for crimes and near Clackamas Town Center for traffic court. This will come as a tremendous cost in overtime to the PD, as officers are needed to testify in many cases. This scenario is not cost effective or community beneficial.

### Library

The library continues to be a very healthy fund with a sustainable revenue source and frugal fiscal management. The Molalla River School District has hinted that they might need this property in the future for the creation of another elementary school. Currently, we are identifying potential re-location property opportunities as close to the downtown as possible.

### Public Works

The street fund is accomplishing as much as possible using as few resources as they can to rest this fund as we discussed during the budget process. The overage experienced from the unknown underground during the Grange and Stowers project will keep this resting requirement in play for the entire fiscal year. A large focus for this fiscal year is parks and sidewalks – community livability.

The sewer fund is in a very different position and is financially in critical condition for a myriad of reasons. This expedites the need adjust the sewer fees, that have not been adjusted in ten

years. Research shows the local misconception that Molalla's utility fees are high is proving to be incorrect. We need to raise fees and continue to minimize spending but on the other hand we must continue to fully comply with the DEQ permits and the consent decree. This fund will require special attention as we move forward through the year. 48.8% of the O&M budget as well as 233.8% of the professional services budget has already been expended. A supplemental budget will be coming soon.

The water fund is financially in a good position although the lack of winter snow and summer rains have accelerated the need to look at a NW quadrant storage tank and/or well source. The costs associated with these projects will be high.

### Aquatic Center

The aquatic center is currently in a deficit position as the insurance costs and the amount of time being spent on the maintenance and potential contract resolution issue has exceeded budgeted projections. The budget approved general fund transfer of \$20K is planned for November 2015 receipt of tax assessments.

### SDC Funds

SDC revenues are trending higher than budgeted projection, this is to be expected and we should anticipate the seasonal slow down over the winter months. Building activity is holding strong and modestly growing each month validating the data that economic repair is in Molalla and Molalla is growing!

City Council should expect increased activity in the SDC funds as we move through this year with land acquisition for parks space and transportation projects.

### Urban Renewal

The Heintz Street project is progressing well! City Council should note the engineering costs associated with the Heintz project and the preparation for the Molalla Avenue project have exceeded expectations mainly due again to unanticipated underground construction. The Molalla Avenue project will not be able to be completed by Urban Renewal funds alone, rather a fund partnership with SDC's and URA monies will be needed.

Bonding will only cover these two projects and the first repayment installment will be due in February 2016.

- Exhibits:
- (a) Quarterly report with % of budget by appropriation
  - (b) April - June 2015 Warrant Register for checks exceeding \$10,000.00

<b>GENERAL FUND</b>	<b>Budget</b>	<b>Actual</b>		
Beginning Balance	\$ 885,000.00	\$ 951,559.68		
<b>Resources</b>	<b>Budget</b>	<b>1st Quarter</b>	<b>YTD Total</b>	<b>% of Budget</b>
Property Taxes	\$ 2,700,000.00	\$ 16,163.79	\$ 16,163.79	0.60%
Fees/Licenses/Permits/Fines	\$ 852,160.00	\$ 195,210.92	\$ 208,893.18	24.51%
Fed/State/Grant Allocation	\$ 160,000.00	\$ 36,553.36	\$ 47,484.31	29.68%
All Other Resources	\$ 100,500.00	\$ 22,651.05	\$ 22,651.05	22.54%
<b>TOTAL RESOURCES</b>	<b>\$ 3,812,660.00</b>	<b>\$ 270,579.12</b>	<b>\$ 295,192.33</b>	<b>7.74%</b>
<b>Requirements</b>	<b>Budget</b>	<b>1st Quarter</b>	<b>YTD Total</b>	<b>% of Budget</b>
<b><u>Personnel Services</u></b>				
Office of Governance & Mgmt.	\$ 517,500.00	\$ 107,558.82	\$ 107,558.82	20.78%
Police Service	\$ 1,789,750.00	\$ 377,318.88	\$ 377,318.88	21.08%
Municipal Court	\$ 141,650.00	\$ 33,970.51	\$ 33,970.51	23.98%
<b><u>Materials &amp; Services</u></b>				
Office of Governance & Mgmt.	\$ 323,800.00	\$ 98,134.84	\$ 106,398.61	32.86%
Police Service	\$ 488,250.00	\$ 101,352.89	\$ 121,263.22	24.84%
Municipal Court	\$ 93,200.00	\$ 21,059.95	\$ 21,059.95	22.60%
<b><u>Capital Expenditures</u></b>				
Office of Governance & Mgmt.	\$ 250,000.00	\$ -	\$ 4,138.00	1.66%
Police Service	\$ 55,000.00	\$ -	\$ -	0.00%
<b><u>Transfers</u></b>				
Office of Governance & Mgmt.	\$ 20,000.00	\$ -	\$ -	0.00%
<b>General Fund Contingency</b>	\$ 150,000.00	\$ -		
<b>General Fund Reserve</b>	\$ 400,000.00	\$ -		
<b>TOTAL REQUIREMENTS</b>	<b>\$ 4,229,150.00</b>	<b>\$ 739,395.89</b>	<b>\$ 771,707.99</b>	<b>18.25%</b>
Net Resources over Requirements	\$ 468,510.00			
Net ROR Accumulative		\$ 482,742.91		
Unappropriated Ending Balance	\$ 468,510.00			
Balance	\$ -			

<b>LIBRARY FUND</b>	Budget	Actual		
Beginning Balance	\$ 1,161,068.41	\$ 1,274,843.19		
<b>Resources</b>	<b>Budget</b>	<b>1st Quarter</b>	<b>YTD Total</b>	<b>% of Budget</b>
Fees/Licenses/Permits/Fines	\$ 24,000.00	\$ 6,069.57	\$ 6,307.07	26.28%
Fed/State/Grant Allocation	\$ 1,603,500.00	\$ -	\$ -	0.00%
All Other Resources	\$ 1,000.00	\$ 839.14	\$ 839.14	83.91%
<b>TOTAL RESOURCES</b>	<b>\$ 1,628,500.00</b>	<b>\$ 6,908.71</b>	<b>\$ 7,146.21</b>	<b>0.44%</b>
<b>Requirements</b>	<b>Budget</b>	<b>1st Quarter</b>	<b>YTD Total</b>	<b>% of Budget</b>
Personnel Services	\$ 550,500.00	\$ 117,107.38	\$ 117,107.38	21.27%
Materials & Services	\$ 246,650.00	\$ 55,390.22	\$ 57,972.32	23.50%
Capital Expenditures	\$ 426,000.00	\$ 13,818.57	\$ 15,635.55	3.67%
Library Contingency	\$ 100,000.00	\$ -	\$ -	0.00%
Library Reserve	\$ 1,400,000.00	\$ -	\$ -	0.00%
<b>TOTAL REQUIREMENTS</b>	<b>\$ 2,723,150.00</b>	<b>\$ 186,316.17</b>	<b>\$ 190,715.25</b>	<b>7.00%</b>
Net Resources over Requirements	\$ 66,418.41			
Net ROR Accumulative		\$ 1,095,435.73		
Unappropriated Ending Balance	\$ 66,418.41			
Balance	\$ 0.00			

<b>STREET FUND</b>	Budget	Actual		
Beginning Balance	\$ 197,500.00	\$ 218,183.24		
<b>Resources</b>	<b>Budget</b>	<b>1st Quarter</b>	<b>YTD Total</b>	<b>% of Budget</b>
Fees/Licenses/Permits/Fines	\$ 220,000.00	\$ -	\$ -	0.00%
Fed/State/Grant Allocation	\$ 1,015,000.00	\$ 162,550.70	\$ 162,550.70	16.01%
All Other Resources	\$ 42,500.00	\$ 8,102.75	\$ 8,102.75	19.07%
<b>TOTAL RESOURCES</b>	<b>\$ 1,277,500.00</b>	<b>\$ 170,653.45</b>	<b>\$ 170,653.45</b>	<b>13.36%</b>
<b>Requirements</b>	<b>Budget</b>	<b>1st Quarter</b>	<b>YTD Total</b>	<b>% of Budget</b>
Personnel Services	\$ 327,400.00	\$ 63,962.78	\$ 63,962.78	19.54%
Materials & Services	\$ 479,600.00	\$ 95,857.99	\$ 98,765.59	20.59%
Capital Expenditures	\$ 557,000.00	\$ 22,000.00	\$ 22,000.00	3.95%
Contingency	\$ 100,000.00	\$ -	\$ -	0.00%
<b>TOTAL REQUIREMENTS</b>	<b>\$ 1,464,000.00</b>	<b>\$ 181,820.77</b>	<b>\$ 184,728.37</b>	<b>12.62%</b>
Net Resources over Requirements	\$ 11,000.00			
Net ROR Accumulative		\$ 207,015.92		
Unappropriated Ending Balance	\$ 11,000.00			
Balance	\$ -			

<b>SEWER FUND</b>	Budget	Actual		
Beginning Balance	\$ 416,675.00	\$ 403,415.04		
<b>Resources</b>	<b>Budget</b>	<b>1st Quarter</b>	<b>YTD Total</b>	<b>% of Budget</b>
Fees/Licenses/Permits/Fines	\$ 1,602,000.00	\$ 408,542.48	\$ 408,542.48	25.50%
All Other Resources	\$ 2,500.00	\$ 24,642.75	\$ 24,642.75	985.71%
<b>TOTAL RESOURCES</b>	<b>\$ 1,604,500.00</b>	<b>\$ 433,185.23</b>	<b>\$ 433,185.23</b>	<b>27.00%</b>
<b>Requirements</b>	<b>Budget</b>	<b>1st Quarter</b>	<b>YTD Total</b>	<b>% of Budget</b>
Personnel Services	\$ 482,330.00	\$ 137,618.94	\$ 137,618.94	28.53%
Materials & Services	\$ 888,850.00	\$ 432,339.11	\$ 436,297.74	49.09%
Transfers Out	\$ 315,928.56	\$ -	\$ -	0.00%
Capital Expenditures	\$ 160,500.00	\$ 94,192.80	\$ 94,192.80	58.69%
Contingency	\$ 100,000.00	\$ -	\$ -	0.00%
<b>TOTAL REQUIREMENTS</b>	<b>\$ 1,947,608.56</b>	<b>\$ 664,150.85</b>	<b>\$ 668,109.48</b>	<b>34.30%</b>
Net Resources over Requirements	\$ 73,566.44			
Net ROR Accumulative		\$ 172,449.42		
Unappropriated Ending Balance	\$ 73,566.44			
Balance	\$ -			

<b>WATER FUND</b>	Budget	Actual		
Beginning Balance	\$ 615,875.00	\$ 670,171.77		
<b>Resources</b>	<b>Budget</b>	<b>1st Quarter</b>	<b>YTD Total</b>	<b>% of Budget</b>
Fees/Licenses/Permits/Fines	\$ 1,477,000.00	\$ 457,131.47	\$ 457,131.47	30.95%
All Other Resources	\$ 3,000.00	\$ 10.50	\$ 10.50	0.35%
<b>TOTAL RESOURCES</b>	<b>\$ 1,480,000.00</b>	<b>\$ 457,141.97</b>	<b>\$ 457,141.97</b>	<b>30.89%</b>
<b>Requirements</b>	<b>Budget</b>	<b>1st Quarter</b>	<b>YTD Total</b>	<b>% of Budget</b>
Personnel Services	\$ 521,650.00	\$ 133,749.14	\$ 133,749.14	25.64%
Materials & Services	\$ 585,750.00	\$ 108,437.69	\$ 114,053.09	19.47%
Transfers Out	\$ 250,000.00	\$ -	\$ -	0.00%
Capital Expenditures	\$ 232,000.00	\$ 22,000.00	\$ 22,000.00	9.48%
Water Contingency	\$ 100,000.00	\$ -	\$ -	0.00%
<b>TOTAL REQUIREMENTS</b>	<b>\$ 1,689,400.00</b>	<b>\$ 264,186.83</b>	<b>\$ 269,802.23</b>	<b>15.97%</b>
Net Resources over Requirements	\$ 406,475.00			
Net ROR Accumulative		\$ 863,126.91		
Unappropriated Ending Balance	\$ 406,475.00			
Balance	\$ -			

<b>STORM WATER FUND</b>					
		Budget	Actual		
Beginning Balance	\$	39,721.96	\$	53,150.24	
Resources		Budget	1st Quarter	YTD Total	% of Budget
Fees/Licenses/Permits/Fines	\$	95,000.00	\$	23,795.33	\$ 26,837.83 28.25%
<b>TOTAL RESOURCES</b>	\$	95,000.00	\$	23,795.33	\$ 26,837.83 28.25%
Requirements		Budget	1st Quarter	YTD Total	% of Budget
Personnel Services	\$	54,800.00	\$	13,916.71	\$ 13,916.71 25.40%
Materials & Services	\$	44,800.00	\$	10,200.43	\$ 10,301.37 22.99%
Capital Expenditures	\$	20,000.00	\$	13,756.95	\$ 13,756.95 68.78%
Storm Contingency	\$	15,000.00	\$	-	\$ - 0.00%
<b>TOTAL REQUIREMENTS</b>	\$	134,600.00	\$	37,874.09	\$ 37,975.03 28.21%
Net Resources over Requirements	\$	121.96			
Net ROR Accumulative			\$	39,071.48	
Unappropriated Ending Balance	\$	121.96			
Balance	\$	-			

<b>AQUATIC CENTER FUND</b>					
		Budget	Actual		
Beginning Balance	\$	12,600.00	\$	12,165.83	
Resources		Budget	1st Quarter	YTD Total	% of Budget
Fees/Licenses/Permits/Fines	\$	-	\$	60.20	\$ 60.20 #DIV/0!
Transfers In	\$	20,000.00	\$	-	\$ - 0.00%
<b>TOTAL RESOURCES</b>	\$	20,000.00	\$	60.20	\$ 60.20 0.30%
Requirements		Budget	1st Quarter	YTD Total	% of Budget
Personnel Services	\$	14,100.00	\$	3,562.94	\$ 3,562.94 25.27%
Materials & Services	\$	18,500.00	\$	13,266.63	\$ 13,266.63 71.71%
<b>TOTAL REQUIREMENTS</b>	\$	32,600.00	\$	16,829.57	\$ 16,829.57 51.62%
Net Resources over Requirements	\$	-			
Net ROR Accumulative			\$	(4,603.54)	
Balance	\$	-			

<b>GRANT FUND</b>					
		Budget	Actual		
Beginning Balance	\$	-	\$	-	
Resources		Budget	1st Quarter	YTD Total	% of Budget
Federal/State/Intergovernment	\$	20,000.00	\$	-	\$ - 0.00%
<b>TOTAL RESOURCES</b>	\$	20,000.00	\$	-	\$ - 0.00%
Requirements		Budget	1st Quarter	YTD Total	% of Budget
Materials & Services	\$	20,000.00	\$	-	\$ - 0.00%
<b>TOTAL REQUIREMENTS</b>	\$	20,000.00	\$	-	\$ - 0.00%
Net Resources over Requirements	\$	-			
Net ROR Accumulative			\$	-	
Balance	\$	-			

<b>PD RESTRICTED REVENUE</b>	Budget	Actual		
Beginning Balance	\$ 36,873.47	\$ 33,865.01		
<b>Resources</b>	<b>Budget</b>	<b>1st Quarter</b>	<b>YTD Total</b>	<b>% of Budget</b>
Other Resources Except Taxes	\$ 20,580.00	\$ 9,507.70	\$ 9,507.70	46.20%
<b>TOTAL RESOURCES</b>	<b>\$ 20,580.00</b>	<b>\$ 9,507.70</b>	<b>\$ 9,507.70</b>	<b>0.00%</b>
<b>Requirements</b>	<b>Budget</b>	<b>1st Quarter</b>	<b>YTD Total</b>	<b>% of Budget</b>
Materials & Services	\$ 57,453.47	\$ -	\$ -	0.00%
<b>TOTAL REQUIREMENTS</b>	<b>\$ 57,453.47</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0.00%</b>
Net Resources over Requirements	\$ -			
Net ROR Accumulative Balance		\$ 43,372.71		
	\$ -			

<b>UTILITY DEPOSIT FUND</b>	Budget	Actual		
Beginning Balance	\$ 4,129.60	\$ 1,035.78		
<b>Resources</b>	<b>Budget</b>	<b>1st Quarter</b>	<b>YTD Total</b>	<b>% of Budget</b>
Other Resources Except Taxes	\$ 10,000.00	\$ 7,254.00	\$ 8,754.00	87.54%
<b>TOTAL RESOURCES</b>	<b>\$ 10,000.00</b>	<b>\$ 7,254.00</b>	<b>\$ 8,754.00</b>	<b>0.00%</b>
<b>Requirements</b>	<b>Budget</b>	<b>1st Quarter</b>	<b>YTD Total</b>	<b>% of Budget</b>
Materials & Services	\$ 14,129.60	\$ 4,700.00	\$ 5,900.00	41.76%
<b>TOTAL REQUIREMENTS</b>	<b>\$ 14,129.60</b>	<b>\$ 4,700.00</b>	<b>\$ 5,900.00</b>	<b>0.00%</b>
Net Resources over Requirements	\$ -			
Net ROR Accumulative Balance		\$ 3,589.78		
	\$ -			

<b>BONDED DEBT</b>	Budget	Actual		
Beginning Balance	\$ 65,700.50	\$ 66,526.00		
<b>Resources</b>	<b>Budget</b>	<b>1st Quarter</b>	<b>YTD Total</b>	<b>% of Budget</b>
Property Taxes	\$ 65,725.50	\$ -	\$ -	0.00%
<b>TOTAL RESOURCES</b>	<b>\$ 65,725.50</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0.00%</b>
<b>Requirements</b>	<b>Budget</b>	<b>1st Quarter</b>	<b>YTD Total</b>	<b>% of Budget</b>
Debt Service	\$ 66,463.00	\$ -	\$ -	0.00%
Reserve	\$ 64,963.00	\$ -	\$ -	0.00%
<b>TOTAL REQUIREMENTS</b>	<b>\$ 131,426.00</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0.00%</b>
Net Resources over Requirements	\$ -			
Net ROR Accumulative Balance		\$ 66,526.00		
	\$ -			

<b>SEWER DEBT RETIREMENT</b>	Budget	Actual			
Beginning Balance	\$ 318,771.44	\$ 318,021.44			
<b>Resources</b>	<b>Budget</b>	<b>1st Quarter</b>	<b>YTD Total</b>	<b>% of Budget</b>	
Transfers In	\$ 315,928.56	\$ -	\$ -	0.00%	
<b>TOTAL RESOURCES</b>	<b>\$ 315,928.56</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0.00%</b>	
<b>Requirements</b>	<b>Budget</b>	<b>1st Quarter</b>	<b>YTD Total</b>	<b>% of Budget</b>	
Debt Service	\$ 318,150.00	\$ 49,075.00	\$ 49,075.00	15.43%	
Reserve	\$ 316,550.00	\$ -	\$ -	0.00%	
<b>TOTAL REQUIREMENTS</b>	<b>\$ 634,700.00</b>	<b>\$ 49,075.00</b>	<b>\$ 49,075.00</b>	<b>0.00%</b>	
Net Resources over Requirements	\$ -				
Net ROR Accumulative		\$ 268,946.44			
Unappropriated Ending Balance	\$ -				
Balance	\$ -				

<b>WATER DEBT RETIREMENT</b>	Budget	Actual			
Beginning Balance	\$ 480,169.92	\$ 485,294.92			
<b>Resources</b>	<b>Budget</b>	<b>1st Quarter</b>	<b>YTD Total</b>	<b>% of Budget</b>	
Transfers In	\$ 250,000.00	\$ -	\$ -	0.00%	
<b>TOTAL RESOURCES</b>	<b>\$ 250,000.00</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0.00%</b>	
<b>Requirements</b>	<b>Budget</b>	<b>1st Quarter</b>	<b>YTD Total</b>	<b>% of Budget</b>	
Debt Service	\$ 339,250.00	\$ 324,625.00	\$ 324,625.00	95.69%	
Rate Stabilization Reserve	\$ 45,969.92	\$ -	\$ -	0.00%	
Reserve	\$ 344,950.00	\$ -	\$ -	0.00%	
<b>TOTAL REQUIREMENTS</b>	<b>\$ 730,169.92</b>	<b>\$ 324,625.00</b>	<b>\$ 324,625.00</b>	<b>0.00%</b>	
Net Resources over Requirements	\$ -				
Net ROR Accumulative		\$ 160,669.92			
Unappropriated Ending Balance	\$ -				
Balance	\$ -				

<b>CWSRF DEBT RETIREMENT</b>	Budget	Actual			
Beginning Balance	\$ 187,978.00	\$ 187,978.00			
<b>Resources</b>	<b>Budget</b>	<b>1st Quarter</b>	<b>YTD Total</b>	<b>% of Budget</b>	
Transfers In	\$ 187,343.00	\$ -	\$ -	0.00%	
<b>TOTAL RESOURCES</b>	<b>\$ 187,343.00</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0.00%</b>	
<b>Requirements</b>	<b>Budget</b>	<b>1st Quarter</b>	<b>YTD Total</b>	<b>% of Budget</b>	
Debt Service	\$ 187,978.00	\$ 89,307.00	\$ 89,307.00	47.51%	
Reserve	\$ 187,343.00	\$ -	\$ -	0.00%	
<b>TOTAL REQUIREMENTS</b>	<b>\$ 375,321.00</b>	<b>\$ 89,307.00</b>	<b>\$ 89,307.00</b>	<b>0.00%</b>	
Net Resources over Requirements	\$ -				
Net ROR Accumulative		\$ 98,671.00			
Unappropriated Ending Balance	\$ -				
Balance	\$ -				
<b>SEWER SDC FUND</b>	<b>Budget</b>	<b>Actual</b>			



Beginning Balance	\$ 147,834.00	\$ 238,034.00		
<b>Resources</b>	<b>Budget</b>	<b>1st Quarter</b>	<b>YTD Total</b>	<b>% of Budget</b>
Fees/Licenses/Assessments	\$ 202,950.00	\$ 76,670.00	\$ 76,670.00	37.78%
<b>TOTAL RESOURCES</b>	<b>\$ 202,950.00</b>	<b>\$ 76,670.00</b>	<b>\$ 76,670.00</b>	<b>0.00%</b>
<b>Requirements</b>	<b>Budget</b>	<b>1st Quarter</b>	<b>YTD Total</b>	<b>% of Budget</b>
Materials & Services	\$ 10,000.00	\$ -	\$ -	0.00%
Transfers	\$ 187,343.00	\$ -	\$ -	0.00%
Reserve	\$ 153,441.00	\$ -	\$ -	0.00%
<b>TOTAL REQUIREMENTS</b>	<b>\$ 350,784.00</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0.00%</b>
Net Resources over Requirements	\$ -			
Net ROR Accumulative		\$ 314,704.00		
Unappropriated Ending Balance	\$ -			
Balance	\$ -			

<b>WATER SDC FUND</b>	<b>Budget</b>	<b>Actual</b>		
Beginning Balance	\$ 1,427,646.83	\$ 1,501,546.83		
<b>Resources</b>	<b>Budget</b>	<b>1st Quarter</b>	<b>YTD Total</b>	<b>% of Budget</b>
Fees/Licenses/Permits/Assessments	\$ 159,750.00	\$ 60,350.00	\$ 60,350.00	37.78%
<b>TOTAL RESOURCES</b>	<b>\$ 159,750.00</b>	<b>\$ 60,350.00</b>	<b>\$ 60,350.00</b>	<b>0.00%</b>
<b>Requirements</b>	<b>Budget</b>	<b>1st Quarter</b>	<b>YTD Total</b>	<b>% of Budget</b>
Materials & Services	\$ 25,000.00	\$ -	\$ -	0.00%
Capital Improvements	\$ 1,000,000.00	\$ -	\$ -	0.00%
Reserve	\$ 562,396.83	\$ -	\$ -	0.00%
<b>TOTAL REQUIREMENTS</b>	<b>\$ 1,587,396.83</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0.00%</b>
Net Resources over Requirements	\$ -			
Net ROR Accumulative		\$ 1,561,896.83		
Unappropriated Ending Balance	\$ -			
Balance	\$ -			

<b>STREET SDC FUND</b>	<b>Budget</b>	<b>Actual</b>		
Beginning Balance	\$ 365,099.35	\$ 323,482.65		
<b>Resources</b>	<b>Budget</b>	<b>1st Quarter</b>	<b>YTD Total</b>	<b>% of Budget</b>
Fees/Licenses/Permits/Assessments	\$ 142,290.00	\$ 46,248.00	\$ 46,248.00	32.50%
<b>TOTAL RESOURCES</b>	<b>\$ 142,290.00</b>	<b>\$ 46,248.00</b>	<b>\$ 46,248.00</b>	<b>0.00%</b>
<b>Requirements</b>	<b>Budget</b>	<b>1st Quarter</b>	<b>YTD Total</b>	<b>% of Budget</b>
Materials & Services	\$ 10,000.00	\$ -	\$ -	0.00%
Capital Improvements	\$ 250,000.00	\$ -	\$ 96,901.70	38.76%
Reserve	\$ 247,389.35	\$ -	\$ -	0.00%
<b>TOTAL REQUIREMENTS</b>	<b>\$ 507,389.35</b>	<b>\$ -</b>	<b>\$ 96,901.70</b>	<b>0.00%</b>
Net Resources over Requirements	\$ -			
Net ROR Accumulative		\$ 369,730.65		
Unappropriated Ending Balance	\$ -			
Balance	\$ -			

<b>PARK SDC FUND</b>	<b>Budget</b>	<b>Actual</b>			
Beginning Balance	\$ 569,816.76	\$ 947,629.60			
<b>Resources</b>	<b>Budget</b>	<b>1st Quarter</b>	<b>YTD Total</b>	<b>% of Budget</b>	
Fees/Licenses/Permits/Assessments	\$ 245,700.00	\$ 92,820.00	\$ 92,820.00	37.78%	
<b>TOTAL RESOURCES</b>	<b>\$ 245,700.00</b>	<b>\$ 92,820.00</b>	<b>\$ 92,820.00</b>	<b>0.00%</b>	
<b>Requirements</b>	<b>Budget</b>	<b>1st Quarter</b>	<b>YTD Total</b>	<b>% of Budget</b>	
Materials & Services	\$ 50,000.00	\$ -	\$ -	0.00%	
Capital Improvements	\$ 500,000.00	\$ -	\$ -	0.00%	
Reserve	\$ 265,516.76	\$ -	\$ -	0.00%	
<b>TOTAL REQUIREMENTS</b>	<b>\$ 815,516.76</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0.00%</b>	
Net Resources over Requirements	\$ -				
Net ROR Accumulative		\$ 1,040,449.60			
Unappropriated Ending Balance	\$ -				
Balance	\$ -				

<b>STORM SDC FUND</b>	<b>Budget</b>	<b>Actual</b>			
Beginning Balance	\$ 181,269.37	\$ 203,934.37			
<b>Resources</b>	<b>Budget</b>	<b>1st Quarter</b>	<b>YTD Total</b>	<b>% of Budget</b>	
Fees/Licenses/Permits/Assessments	\$ 33,525.00	\$ 12,665.00	\$ 12,665.00	37.78%	
<b>TOTAL RESOURCES</b>	<b>\$ 33,525.00</b>	<b>\$ 12,665.00</b>	<b>\$ 12,665.00</b>	<b>0.00%</b>	
<b>Requirements</b>	<b>Budget</b>	<b>1st Quarter</b>	<b>YTD Total</b>	<b>% of Budget</b>	
Materials & Services	\$ 10,000.00	\$ -	\$ -	0.00%	
Capital Improvements	\$ 150,000.00	\$ -	\$ -	0.00%	
Reserve	\$ 54,794.37	\$ -	\$ -	0.00%	
<b>TOTAL REQUIREMENTS</b>	<b>\$ 214,794.37</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0.00%</b>	
Net Resources over Requirements	\$ -				
Net ROR Accumulative		\$ 216,599.37			
Unappropriated Ending Balance	\$ -				
Balance	\$ -				

<b>URBAN RENEWAL AGENCY</b>	<b>Budget</b>	<b>Actual</b>		
Beginning Balance	\$ 4,005,292.42	\$ 3,766,419.41		
<b>Resources</b>	<b>Budget</b>	<b>1st Quarter</b>	<b>YTD Total</b>	<b>% of Budget</b>
Revenue from Division of Taxes	\$ 285,000.00	\$ 3,002.36	\$ 3,002.36	1.05%
Other Resources Except Taxes	\$ 750.00	\$ 271.51	\$ 271.51	36.20%
<b>TOTAL RESOURCES</b>	<b>\$ 285,750.00</b>	<b>\$ 3,273.87</b>	<b>\$ 3,273.87</b>	<b>0.00%</b>
<b>Requirements</b>	<b>Budget</b>	<b>1st Quarter</b>	<b>YTD Total</b>	<b>% of Budget</b>
Materials & Services	\$ 225,000.00	\$ -	\$ 1,725.00	0.77%
Debt Service	\$ 375,000.00	\$ -	\$ -	0.00%
Capital Improvements	\$ 3,100,000.00	\$ 688,860.88	\$ 748,197.53	24.14%
Contingency	\$ 100,000.00	\$ -	\$ -	0.00%
Reserve	\$ 491,042.42	\$ -	\$ -	0.00%
<b>TOTAL REQUIREMENTS</b>	<b>\$ 4,291,042.42</b>	<b>\$ 688,860.88</b>	<b>\$ 690,585.88</b>	<b>16.09%</b>
Net Resources over Requirements	\$ -			
Net ROR Accumulative		\$ 3,080,832.40		
Unappropriated Ending Balance	\$ -			
Balance	\$ -			

## Report Criteria:

Report type: Invoice detail

Check Detail.Amount = {&gt;} 10000.00

Check.Type = {&lt;&gt;} "Adjustment"

Payee	Check Issue Date	Check Number	Invoice Number	Description	Check Amount
BEERY, ELSNER & HAMMOND, LLP	07/14/2015	76717	12342	CITY ATTORNEY	30,303.16
BEERY, ELSNER & HAMMOND, LLP	08/11/2015	76847	12429	CITY ATTORNEY	62,428.05
BEERY, ELSNER & HAMMOND, LLP	09/21/2015	77051	12484	CITY ATTORNEY	64,952.50
CALCHEM ENTERPRISES	07/20/2015	76747	10154	ALUMINUM CHLOROXYDRATE	15,195.60
CASCADE COLUMBIA DISTRIBUTION	09/15/2015	77009	649483	Aluminum Chlorohydrate	16,460.80
CIS TRUST	07/01/2015	76659	FY 2015/2016	PROPERTY/LIABILITY INSURANCE	128,072.07
COMMERCIAL BANK	08/31/2015	8315001	PR0825150	Federal Withholding Tax Pay Period: 8/25/2015	12,998.19
COMMERCIAL BANK	07/13/2015	71315001	PR0710150	Federal Withholding Tax Pay Period: 7/10/2015	13,009.12
COMMERCIAL BANK	07/27/2015	72715001	PR0725150	Federal Withholding Tax Pay Period: 7/25/2015	12,508.88
COMMERCIAL BANK	08/11/2015	81115001	PR0810150	Federal Withholding Tax Pay Period: 8/10/2015	12,916.34
COMMERCIAL BANK	09/11/2015	91115001	PR0910150	Federal Withholding Tax Pay Period: 9/10/2015	13,132.35
COMMERCIAL BANK	09/28/2015	92815001	PR0925150	Federal Withholding Tax Pay Period: 9/25/2015	12,447.75
HDJ DESIGN GROUP	07/29/2015	30012	3963-00-006	HEINTZ/MOLALLA ENGINEERING	73,197.44
HDJ DESIGN GROUP	09/03/2015	30014	3963-00-007	PROJECT 3963-00	78,324.23
HEARD FARMS, INC.	09/22/2015	77072	10789	BIOSOLIDS REMOVAL	43,087.50
O.T.E.T.	08/31/2015	8315003	PR0825150	Health Insurance Pay Period: 8/25/2015	41,481.20
O.T.E.T.	07/27/2015	72715003	PR0725150	Health Insurance Pay Period: 7/25/2015	40,285.77
O.T.E.T.	09/28/2015	92815003	PR0925150	Health Insurance Pay Period: 9/25/2015	41,481.20
OREGON DEQ	07/06/2015	76665	FY1516PYMT1	CWSRF Loan - Principal	89,307.00
PORTLAND GENERAL ELECTRIC	07/20/2015	76759	0715	ELECTRICITY	13,086.52
PORTLAND GENERAL ELECTRIC	08/17/2015	76900	080115	ELECTRICITY	12,043.41
PORTLAND GENERAL ELECTRIC	09/15/2015	77032	318611	DR MISC	10,096.59
PORTLAND GENERAL ELECTRIC	09/21/2015	77061	091815	ELECTRICITY	12,299.52
THE BANK OF NEW YORK TRUST TAS	07/01/2015	76663	MOLWTRREV10/71	MOLALLA WATER REVENUE REF BONDS 20	324,625.00
THE BANK OF NEW YORK TRUST TAS	07/20/2015	76763	07032015	Series 2010-NW2238 Sewer Interest	49,075.00
VALLEY FAB CORP	07/01/2015	76664	32973	BIG GUN	63,999.62
WESTECH	09/14/2015	30015	ESTIMATE 2	W HEINTZ ST TRAIL TO ROAD	392,582.59
WESTECH CONSTRUCTION, INC	08/12/2015	30013	HEINTZ 07/15	W HENITZ STREET	165,316.62
WESTECH CONSTRUCTION, INC	09/21/2015	30016	HEINTZ STREET	HEINTZ STREET ROADWAY COMPLETION	392,582.59
Grand Totals:					2,237,296.61

Dated: \_\_\_\_\_

Mayor: \_\_\_\_\_

City Council: \_\_\_\_\_

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\_\_\_\_\_

\_\_\_\_\_

City Recorder: \_\_\_\_\_

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Report Criteria:

Report type: Invoice detail  
Check Detail.Amount = {>} 10000.00  
Check.Type = {<>} "Adjustment"

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# Water & Sewer Rates Recommendations

October 14, 2015

Prepared for:



City of Molalla  
117 N. Molalla Ave.  
Molalla, OR 97038

Prepared by:

Gerald Fisher, PE, Senior Project Manager  
**Project Delivery Group, LLC**  
3150 SE 22<sup>nd</sup> Street  
Salem, Oregon 97302

## Introduction

In early September 2015, Project Delivery Group (PDG) was asked to review the sewer and water enterprise funds and recommend adjustments to service charges. This work was performed under an existing engineering services contract executed on May 8, 2015. The objective of this report is to provide an interim rate increase to meet funding requirements in fiscal year (FY) 2016-17.

## Background and Budget Preparation

Performing a review of the Consumer Price Index – All Urban Consumers in Portland-Salem, the inflation rate from 2006 to 2014 was 29.8%. The average inflation rate was 2.9%, 2.3%, and 2.4% for the 10, 15, and 20 year averages, respectively. For the purposes of this review the average consumer inflation for 2015 and beyond was set at 3.0%.

A budget for FY 2016-17 was prepared and an inflation index of 3% was applied Personnel Service and Materials and Services estimated costs from FY 2015-16. Only three expenditure line items were modified in these two sections. PERS increased by 16.5% based on a recent League of Oregon Cities legislative update regarding a PERS estimated funding shortfall. Insurance and the Assistant Plant Operator line items increased by 5% based on input from staff. Based on prior year actuals, User Fee revenues increased by a modest 1% and other revenues were adjusted based on averages of prior year actuals. Each fund Contingency was set at 10% of the total fund revenues.

## Sewer Fund Review & Rate Recommendation

In 2006, the City received a Sanitary Sewer System Cost of Service Study Update from Donovan Enterprises, Inc. (DEI) outlining the revenue requirements to cover operating and capital improvement costs for FY 2006-07. DEI based their recommendation on increased system operating and maintenance costs and new debt service.

The 2006 actual costs for services by category were Personnel Services \$331,366, Materials and Services \$323,211, Capital Outlay \$5,130, and Transfers Out \$390,000. The 2007 budget saw a 21.20% increase in Personnel Services, 42.85% increase in Materials and Services, 874.58% increase in Capital Outlay, and a 15.38% increase in Transfers Out for an overall budget increase of 29.87%.

Personnel Services increased due to a change in cost allocations that covered multiple employees in the Public Works Department. Materials and Services increased due to increased energy, fuel and chemical costs along with deferred maintenance and some sewer rehabilitation costs. Capital Outlay costs were related to sewer rehabilitation work but the large increase compared to the prior year was due to very low expenditures in 2006. Transfers Out increases were tied to transfers to the Sewer System Expansion Fund for the construction of capital projects. The City anticipated using a Clean Water State Revolving Fund loan program for facility improvements in the amount of \$4,132,740. The annual debt service was estimated at \$154,833.

The City had no rate increases in 2004 and raised rates by 5.52% in 2005 and 9.31% in 2006 according to the report. The recommendation for 2007 was a rate increase of 29.90% which would raise the average single family sewer bill from \$32.01 per month to \$41.58 per month. City Council passed the rate increase on September 27, 2006 setting the base rate at \$24.69 per equivalent dwelling unit (EDU) and the variable rate at \$2.44 per hundred cubic feet (Ccf). The City has not increased the rate since 2006.

The following table outlines the costs increases associated with inflation, estimated increases higher than inflation (PERS), and proposed capital improvement costs based on the City's capital improvement plan. There are two options available to the City. Option 1 is to continue to fund debt principal with system development charge (SDC) fee funds and utilize rate funds for interest costs. Option 2 eliminates the use of SDC's for debt payment, to allow for the



recovery of the fund, and cover 100% of the loan costs with user fees. The yearly debt service for the CWSRF loan is \$187,343. The audited actual revenue for Improvement SDC's was \$15,148 in FY 2013-14 and adopted budget revenue of \$10,820 in FY 2014-15. Estimates for the current FY 2015-16 is \$48,690 which is still well below \$128,835 principal requirement for the CWSRF loan.

**City of Molalla Sewer Fund Rate Recommendations  
October 2015**

Department	FY 15-16		Option 1 - FY 16-17 (w/SDC)		Option 2 - FY 16-17 (w/o SDC)	
	Income	Expense	Income	Expense	Income	Expense
Sewer Revenue	\$ 2,021,175		\$ 1,801,877		\$ 1,801,877	
Personnel Service		\$ 482,330		\$ 504,134		\$ 504,134
Materials and Services		\$ 888,850		\$ 915,516		\$ 915,516
Capital Improvements		\$ 155,500		\$ 257,500		\$ 257,500
Transfers		\$ 315,929		\$ 381,658		\$ 510,493
Contingency		\$ 100,000		\$ 180,188		\$ 180,188
<b>Fund Total</b>	\$ 2,021,175	\$ 1,942,609	\$ 1,801,877	\$ 2,238,996	\$ 1,801,877	\$ 2,367,831
<b>Estimated Carry-Over</b>	\$ 78,566		\$ (437,118)		\$ (565,953)	
<b>Sewer Fund Rate Increase Summary</b>						
<b>Revenue Required</b>			\$ 2,238,996		\$ 2,367,831	
<b>Est. User Fee Revenue</b>			\$ 1,611,311		\$ 1,611,311	
<b>Est. Other Revenue</b>			\$ 190,566		\$ 190,566	
<b>Addl. User Fee Need (Gap)</b>			\$ 437,118		\$ 565,953	
<b>Rate Increase (%)</b>			<b>27.13%</b>		<b>35.12%</b>	

Typically, when sewer system development charges are set up the total cost for all capacity related projects includes the costs for engineering and construction with the assumption that the project will be fully funded prior to the completion of construction. While allowed by statute, the use of SDC's for payment of loan or bond interest and the associated administrative fees should be avoided. Because the rate of recovery for SDC's is not consistent, SDC funding of project cost should only be considered when the SDC funded portion is collected by the City (Cash-on-Hand). Otherwise, City's run the risk of significant user rate increases to cover funding gaps when development stalls or does not occur.

In order to meet current debt requirements, complete capital improvement projects, and keep up with inflationary and other cost increases, we recommend that the City adopt Option 2 and complete a five year capital improvement and rate forecast prior to the beginning of FY 2016-17. Based on input from staff related to unanticipated professional services costs that will likely exceed the current budget for the professional services line item, we also recommend that the fees take effect on or before January 01, 2016.

**Water Fund Review & Funding Forecast**

In 2009, the City received a Proposed Rate Adjustments for Water Service from Donovan Enterprises, Inc. (DEI) outlining the revenue requirements to cover operating and capital improvement costs for fiscal year 2009-10. DEI based their recommendation on increased system operating and maintenance costs. The forecast estimated a 6% increase in FY 2009-10 followed by a 1.94%, 1.98%, 0%, 1.97%, and 2.06% in subsequent years through FY 2014-15.





The 2009 estimated costs for services by category were Personnel Services \$480,651, Materials and Services \$319,008, Capital Outlay \$0, and Transfers Out \$513,471. The 2010 budget saw a 7.86% increase in Personnel Services, 3.3% increase in Materials and Services, 0% increase in Capital Outlay, and a 2.91% decrease in Transfers Out for an overall budget increase of 3.05%.

The City implemented the 6% rate increase but did not follow the recommended increases in the report or make annual CPI adjustments as specified in Resolution No. 2009-19.

The City will pay off a Water General Obligation Bond in FY 2018-19 and a Water Revenue Bond in FY 2017-2018. Because no SDC funds are currently used for debt there is only one rate increase option to meet operating and improvement costs in FY 2016-17. The following table outlines the costs increases associated with inflation, estimated increases higher than inflation (PERS), and proposed capital improvement costs based on the City's capital improvement plan.

**City of Molalla Sewer Fund Rate Recommendations  
October 2015**

Department	FY 15-16		Option 1 - FY 16-17	
	Income	Expense	Income	Expense
Water Revenue	\$ 2,095,875		\$ 1,854,804	
Personnel Service		\$ 521,650		\$ 545,468
Materials and Services		\$ 585,750		\$ 603,323
Capital Improvements		\$ 232,000		\$ 467,500
Transfers		\$ 250,000		\$ 323,150
Contingency		\$ 150,000		\$ 185,480
<b>Fund Total</b>	\$ 2,095,875	\$ 1,739,400	\$ 1,854,804	\$ 2,124,921
<b>Estimated Carry-Over</b>	\$ 356,475		\$ (270,117)	
<b>Revenue Required</b>			\$ 2,124,921	
<b>Est. User Fee Revenue</b>			\$ 1,336,329	
<b>Est. Other Revenue</b>			\$ 518,475	
<b>Addl. User Fee Need (Gap)</b>			\$ 270,117	
<b>Rate Increase (%)</b>			<b>20.21%</b>	

In order to meet current debt requirements, complete capital improvement projects, and keep up with inflationary and other cost increases, we recommend that the City adopt Option 1 and complete a five year capital improvement and rate forecast prior to the beginning of FY 2016-17. We also recommend that the fees take effect on or before July 01, 2016.

The following comparison table provides water and sewer rates in relation to the City's existing and proposed rates. All value have been converted to include a base rate and 600 Ccf use rate for a single family residential home. Adoption dates of the water and sewer rates for the City of Vernonia and City of Battleground, WA could not be confirmed at the time of this report, but the values provided were listed on the City's website as the current rates.



Sewer		Water	
City	Base Rate + 600 CF	City	Base Rate + 600 CF
Vernonia	\$ 93.00	Portland (2015)	\$ 59.11
Newberg (2015)	\$ 66.05	Vernonia	\$ 48.75
Silverton (2015)	\$ 61.37	Scappoose (2014)	\$ 42.76
Portland (2015)	\$ 57.00	St Helens (2014)	\$ 41.48
Stayton (2013)	\$ 56.99	Estacada (2015)	\$ 35.12
Woodburn (2010)	\$ 53.29	Newberg (2015)	\$ 31.93
<b>Molalla (Proposed w/o SDC)</b>	<b>\$ 53.14</b>	<b>Molalla (Proposed w/o SDC)</b>	<b>\$ 30.98</b>
St Helens (2014)	\$ 50.33	<b>Molalla (Proposed w/SDC)</b>	<b>\$ 30.98</b>
<b>Molalla (Proposed w/SDC)</b>	<b>\$ 50.00</b>	Oregon City (2015)	\$ 29.66
Oregon City (2015)	\$ 49.39	Silverton (2015)	\$ 29.49
Hood River (2013)	\$ 48.00	Hood River (2011)	\$ 28.74
Canby (2015)	\$ 46.20	Fairview (2014)	\$ 28.68
Scappoose (2015)	\$ 43.31	Stayton (2012)	\$ 28.62
Vancouver (2015)	\$ 43.10	Canby Utility (2015)	\$ 27.97
<b>Molalla (Existing)</b>	<b>\$ 39.33</b>	<b>Molalla (Existing)</b>	<b>\$ 25.77</b>
Battleground	\$ 37.27	Battleground	\$ 25.75
Salem (2015)	\$ 35.97	Vancouver (2015)	\$ 24.71
Estacada (2015)	\$ 35.20	Woodburn (2006)	\$ 22.11
Fairview (2014)	\$ 31.98	Salem (2015)	\$ 21.80

Assumes average SF residential use at 600 CF

All fees converted to Molalla unit of measure





RESOLUTION No. 2015 - \_\_\_\_\_

A RESOLUTION OF THE CITY OF MOLALLA, OREGON ESTABLISHING SANITARY SEWER RATES AND ANNUAL INFLATION ADJUSTMENTS THEREAFTER AS PROVIDED BY MOLALLA MUNICIPAL CODE CHAPTER 13.08

WHEREAS, The Molalla Municipal Code Section 13.08.370 provides that fees for sanitary sewer service be established by resolution of the City Council; and

WHEREAS, the City desires to regularly review the costs of operating, maintaining and improving the sanitary system; and

WHEREAS, the City has previously established via Resolution No. 2006-10, a schedule of future sewer rate increases that began on October 1, 2006; and

WHEREAS, the City has caused to be prepared a fee rate study which has identified sanitary sewer system costs, rate structure alternatives and equitable cost recovery methods; and

WHEREAS, the City intends to complete a 5 year sanitary sewer capital improvement plan and rate study and revise the fees based on the updated plan by July 1, 2016; and

WHEREAS, the City desires to establish within its sanitary sewer rate structure both incentives for water conservation and the ability for the City to recover the costs of providing sanitary services: and

WHEREAS, sanitary sewer rates were not adjusted annually based on the Bureau of Labor Statistics Portland-Salem for All Urban Consumers (CPI-U) since the initial increase in 2006; and

WHEREAS, the City desires to establish within its sanitary sewer rate structure an annual increase to address inflation, service provision and maintenance.

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Molalla as follows:

Section 1. Resolution No. 2006-10 is repealed upon the effective date of this Resolution.

Section 2. The fixed fee shall be based on a rate per equivalent dwelling unit (EDU) per month. The variable fee shall be based on the per hundred cubic feet (Ccf) of winter average water consumption. Sanitary Sewer Rates and Fees are established:

**Rate Schedule – Sanitary Sewer  
(All Residential, Commercial, and Industrial inside the City)**

<b>All Classes</b>	<b>Rate</b>	<b>Use Charge (per 100 cubic feet)</b>
<b>Equivalent Dwelling Unit</b>	<b>\$31.39</b>	<b>\$3.10</b>

Rates for all services outside of the City limits shall be 150% of the rate schedule shown above.

Section 3. Annual inflationary adjustments for all sanitary sewer users shall be effective automatically each year on July 1 based on the published values by the Bureau of Labor Statistics Portland-Salem for All Urban Consumers (CPI-U).

Section 4. This Resolution is and shall be effective January 1, 2016 and all rates and charges established herein for sanitary sewer customers shall go into effect as of such date.

Duly adopted by Molalla City Council the \_\_\_\_\_ day of \_\_\_\_\_, 2015.

\_\_\_\_\_  
Mayor, Debbie Rogge

ATTEST the \_\_\_\_\_ day of \_\_\_\_\_, 2015

\_\_\_\_\_  
City Recorder, Sadie Cramer

RESOLUTION No. 2015 - \_\_\_\_\_

A RESOLUTION OF THE CITY OF MOLALLA, OREGON ESTABLISHING SANITARY SEWER RATES AND ANNUAL INFLATION ADJUSTMENTS THEREAFTER AS PROVIDED BY MOLALLA MUNICIPAL CODE CHAPTER 13.08

WHEREAS, The Molalla Municipal Code Section 13.08.370 provides that fees for sanitary sewer service be established by resolution of the City Council; and

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WHEREAS, the City has caused to be prepared a fee rate study which has identified sanitary sewer system costs, rate structure alternatives and equitable cost recovery methods; and

WHEREAS, the City intends to complete a 5 year sanitary sewer capital improvement plan and rate study and revise the fees based on the updated plan by July 1, 2016; and

WHEREAS, the City desires to establish within its sanitary sewer rate structure both incentives for water conservation and the ability for the City to recover the costs of providing sanitary services: and

WHEREAS, sanitary sewer rates were not adjusted annually based on the Bureau of Labor Statistics Portland-Salem for All Urban Consumers (CPI-U) since the initial increase in 2006; and

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**Rate Schedule – Sanitary Sewer  
(All Residential, Commercial, and Industrial inside the City)**

<b>All Classes</b>	<b>Rate</b>	<b>Use Charge (per 100 cubic feet)</b>
<b>Equivalent Dwelling Unit</b>	<b>\$33.36</b>	<b>\$3.30</b>

Rates for all services outside of the City limits shall be 150% of the rate schedule shown above.

Section 3. Annual inflationary adjustments for all sanitary sewer users shall be effective automatically each year on July 1 based on the published values by the Bureau of Labor Statistics Portland-Salem for All Urban Consumers (CPI-U).

Section 4. This Resolution is and shall be effective January 1, 2016 and all rates and charges established herein for sanitary sewer customers shall go into effect as of such date.

Duly adopted by Molalla City Council the \_\_\_\_\_ day of \_\_\_\_\_, 2015.

\_\_\_\_\_  
Mayor, Debbie Rogge

ATTEST the \_\_\_\_\_ day of \_\_\_\_\_, 2015

\_\_\_\_\_  
City Recorder, Sadie Cramer

RESOLUTION No. 2015 - \_\_\_\_\_

A RESOLUTION OF THE CITY OF MOLALLA, OREGON ESTABLISHING WATER RATES AND ANNUAL INFLATION ADJUSTMENTS THEREAFTER AS APPROVED BY MOLALLA MUNICIPAL CODE CHAPTER 13.04

WHEREAS, The Molalla Municipal Code Section 13.04.160 provides that fees for water service be established by resolution of the City Council; and

WHEREAS, the City desires to regularly review the costs of operating, maintaining and improving the water system; and

WHEREAS, the City has previously established via Resolution No. 2009-19, a schedule of future water rate increases effective November 1, 2009; and

WHEREAS, the City has caused to be prepared a fee rate study which has identified water system costs, rate structure alternatives and equitable cost recovery methods; and

WHEREAS, the City intends to complete a 5 year water capital improvement plan and rate study and revise the fees based on the updated plan by July 1, 2016; and

WHEREAS, the City desires to establish within its water rate structure both incentives for water conservation and the ability for the City to recover the costs of providing water services; and

WHEREAS, water rates were not adjusted annually based on the Bureau of Labor Statistics Portland-Salem for All Urban Consumers (CPI-U) since the initial increase in 2009; and

WHEREAS, the City desires to establish within its water rate structure an annual increase to address inflation, service provision and maintenance.

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Molalla as follows:

Section 1. Resolution No. 2009-19 is repealed upon the effective date of this Resolution.

Section 2. The Water Rates and Fees are established:



**Rate Schedule – Water**  
**(All Residential, Commercial, and Industrial inside the City)**

Meter Size (inches)	Rate	Use Charge (per 100 cubic feet)
3/4	\$13.78	\$2.93
1	\$23.01	\$2.93
1-1/2	\$45.89	\$2.93
2	\$73.45	\$2.93
3	\$147.03	\$2.93
4	\$229.71	\$2.93
6	\$459.29	\$2.93
8	\$734.89	\$2.93

All Fire Line Rates are set at \$0.00 per month.

Rates for all services outside of the City limits shall be 150% of the rate schedule shown above.

Section 3. Annual inflationary adjustments for all water users shall be effective automatically each year on July 1 based on the published values by the Bureau of Labor Statistics Portland-Salem for All Urban Consumers (CPI-U).

Section 4. This Resolution is and shall be effective July 1, 2016 and all rates and charges established herein for water customers shall go into effect as of such date.

Duly adopted by Molalla City Council the \_\_\_\_\_ day of \_\_\_\_\_, 2015.

\_\_\_\_\_  
 Mayor, Debbie Rogge

ATTEST the \_\_\_\_\_ day of \_\_\_\_\_, 2015

\_\_\_\_\_  
 City Recorder, Sadie Cramer

# Water & Sewer Rates Recommendations

October 14, 2015

Prepared for:



City of Molalla  
117 N. Molalla Ave.  
Molalla, OR 97038

Prepared by:

Gerald Fisher, PE, Senior Project Manager  
**Project Delivery Group, LLC**  
3150 SE 22<sup>nd</sup> Street  
Salem, Oregon 97302

## Introduction

In early September 2015, Project Delivery Group (PDG) was asked to review the sewer and water enterprise funds and recommend adjustments to service charges. This work was performed under an existing engineering services contract executed on May 8, 2015. The objective of this report is to provide an interim rate increase to meet funding requirements in fiscal year (FY) 2016-17.

## Background and Budget Preparation

Performing a review of the Consumer Price Index – All Urban Consumers in Portland-Salem, the inflation rate from 2006 to 2014 was 29.8%. The average inflation rate was 2.9%, 2.3%, and 2.4% for the 10, 15, and 20 year averages, respectively. For the purposes of this review the average consumer inflation for 2015 and beyond was set at 3.0%.

A budget for FY 2016-17 was prepared and an inflation index of 3% was applied Personnel Service and Materials and Services estimated costs from FY 2015-16. Only three expenditure line items were modified in these two sections. PERS increased by 16.5% based on a recent League of Oregon Cities legislative update regarding a PERS estimated funding shortfall. Insurance and the Assistant Plant Operator line items increased by 5% based on input from staff. Based on prior year actuals, User Fee revenues increased by a modest 1% and other revenues were adjusted based on averages of prior year actuals. Each fund Contingency was set at 10% of the total fund revenues.

## Sewer Fund Review & Rate Recommendation

In 2006, the City received a Sanitary Sewer System Cost of Service Study Update from Donovan Enterprises, Inc. (DEI) outlining the revenue requirements to cover operating and capital improvement costs for FY 2006-07. DEI based their recommendation on increased system operating and maintenance costs and new debt service.

The 2006 actual costs for services by category were Personnel Services \$331,366, Materials and Services \$323,211, Capital Outlay \$5,130, and Transfers Out \$390,000. The 2007 budget saw a 21.20% increase in Personnel Services, 42.85% increase in Materials and Services, 874.58% increase in Capital Outlay, and a 15.38% increase in Transfers Out for an overall budget increase of 29.87%.

Personnel Services increased due to a change in cost allocations that covered multiple employees in the Public Works Department. Materials and Services increased due to increased energy, fuel and chemical costs along with deferred maintenance and some sewer rehabilitation costs. Capital Outlay costs were related to sewer rehabilitation work but the large increase compared to the prior year was due to very low expenditures in 2006. Transfers Out increases were tied to transfers to the Sewer System Expansion Fund for the construction of capital projects. The City anticipated using a Clean Water State Revolving Fund loan program for facility improvements in the amount of \$4,132,740. The annual debt service was estimated at \$154,833.

The City had no rate increases in 2004 and raised rates by 5.52% in 2005 and 9.31% in 2006 according to the report. The recommendation for 2007 was a rate increase of 29.90% which would raise the average single family sewer bill from \$32.01 per month to \$41.58 per month. City Council passed the rate increase on September 27, 2006 setting the base rate at \$24.69 per equivalent dwelling unit (EDU) and the variable rate at \$2.44 per hundred cubic feet (Ccf). The City has not increased the rate since 2006.

The following table outlines the costs increases associated with inflation, estimated increases higher than inflation (PERS), and proposed capital improvement costs based on the City's capital improvement plan. There are two options available to the City. Option 1 is to continue to fund debt principal with system development charge (SDC) fee funds and utilize rate funds for interest costs. Option 2 eliminates the use of SDC's for debt payment, to allow for the



recovery of the fund, and cover 100% of the loan costs with user fees. The yearly debt service for the CWSRF loan is \$187,343. The audited actual revenue for Improvement SDC's was \$15,148 in FY 2013-14 and adopted budget revenue of \$10,820 in FY 2014-15. Estimates for the current FY 2015-16 is \$48,690 which is still well below \$128,835 principal requirement for the CWSRF loan.

**City of Molalla Sewer Fund Rate Recommendations  
October 2015**

Department	FY 15-16		Option 1 - FY 16-17 (w/SDC)		Option 2 - FY 16-17 (w/o SDC)	
	Income	Expense	Income	Expense	Income	Expense
Sewer Revenue	\$ 2,021,175		\$ 1,801,877		\$ 1,801,877	
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Contingency		\$ 100,000		\$ 180,188		\$ 180,188
<b>Fund Total</b>	\$ 2,021,175	\$ 1,942,609	\$ 1,801,877	\$ 2,238,996	\$ 1,801,877	\$ 2,367,831
<b>Estimated Carry-Over</b>	\$ 78,566		\$ (437,118)		\$ (565,953)	

**Sewer Fund Rate Increase Summary**

<b>Revenue Required</b>	\$ 2,238,996	\$ 2,367,831
<b>Est. User Fee Revenue</b>	\$ 1,611,311	\$ 1,611,311
<b>Est. Other Revenue</b>	\$ 190,566	\$ 190,566
<b>Addl. User Fee Need (Gap)</b>	\$ 437,118	\$ 565,953
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In order to meet current debt requirements, complete capital improvement projects, and keep up with inflationary and other cost increases, we recommend that the City adopt Option 2 and complete a five year capital improvement and rate forecast prior to the beginning of FY 2016-17. Based on input from staff related to unanticipated professional services costs that will likely exceed the current budget for the professional services line item, we also recommend that the fees take effect on or before January 01, 2016.

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The 2009 estimated costs for services by category were Personnel Services \$480,651, Materials and Services \$319,008, Capital Outlay \$0, and Transfers Out \$513,471. The 2010 budget saw a 7.86% increase in Personnel Services, 3.3% increase in Materials and Services, 0% increase in Capital Outlay, and a 2.91% decrease in Transfers Out for an overall budget increase of 3.05%.

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October 2015**

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In order to meet current debt requirements, complete capital improvement projects, and keep up with inflationary and other cost increases, we recommend that the City adopt Option 1 and complete a five year capital improvement and rate forecast prior to the beginning of FY 2016-17. We also recommend that the fees take effect on or before July 01, 2016.

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Stayton (2013)	\$ 56.99	Estacada (2015)	\$ 35.12
Woodburn (2010)	\$ 53.29	Newberg (2015)	\$ 31.93
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St Helens (2014)	\$ 50.33	<b>Molalla (Proposed w/SDC)</b>	<b>\$ 30.98</b>
<b>Molalla (Proposed w/SDC)</b>	<b>\$ 50.00</b>	Oregon City (2015)	\$ 29.66
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Vancouver (2015)	\$ 43.10	Canby Utility (2015)	\$ 27.97
<b>Molalla (Existing)</b>	<b>\$ 39.33</b>	<b>Molalla (Existing)</b>	<b>\$ 25.77</b>
Battleground	\$ 37.27	Battleground	\$ 25.75
Salem (2015)	\$ 35.97	Vancouver (2015)	\$ 24.71
Estacada (2015)	\$ 35.20	Woodburn (2006)	\$ 22.11
Fairview (2014)	\$ 31.98	Salem (2015)	\$ 21.80

Assumes average SF residential use at 600 CF

All fees converted to Molalla unit of measure



Resolution 2015-11

**Adopting Updates to the City of Molalla Addendum to the Clackamas County Multi-Jurisdictional Natural Hazards Mitigation Plan**

**Whereas**, the City of Molalla recognizes the threat that natural hazards pose to people, property and infrastructure within our community; and

**Whereas**, undertaking hazard mitigation actions will reduce the potential for harm to people, property and infrastructure from future hazard occurrences; and

**Whereas**, an adopted Natural Hazards Mitigation Plan is required as a condition of future funding for mitigation projects under multiple FEMA pre- and post-disaster mitigation grant programs; and

**Whereas**, the City of Molalla adopted the *City of Molalla Addendum to the Clackamas County Natural Hazards Mitigation Plan*, on August 25, 2012, and

**Whereas**, Clackamas County has subsequently completed an update to the *Clackamas County Multi-Jurisdictional Natural Hazards Mitigation Plan* of which the City of Molalla is party to; and

**Whereas**, the City of Molalla has updated its addendum to the *Clackamas County Multi-Jurisdictional Natural Hazards Mitigation Plan* to reflect new information contained therein through the creation of a new appendix (*Appendix C*), and

**Whereas**, the Oregon Office of Emergency Management and Federal Emergency Management Agency, Region X officials have reviewed and approved the *Clackamas County, Multi-Jurisdictional Natural Hazard Mitigation Plan* (dated April 8, 2013) and pre-approved *Appendix C* of the *City of Molalla Addendum to the Clackamas County Natural Hazards Mitigation Plan* (dated, April 12, 2013) contingent upon this official adoption of the participating governments and entities;

**Now, therefore, be it resolved**, that the City of Molalla adopts *Appendix C: City of Molalla Addendum to the Clackamas County Natural Hazards Mitigation Plan 2012 Amendments and Update*; and

**Be it further resolved**, with adoption of *Appendix C*, the *City of Molalla Addendum to the Clackamas County Multi-Jurisdictional Natural Hazards Mitigation Plan* is updated to reflect the changes identified in said appendix, and

**Be it further resolved**, that the City of Molalla will submit this Adoption Resolution to the Oregon Office of Emergency Management and Federal Emergency Management

Agency, Region X officials to enable final approval of the *City of Molalla Addendum to the Clackamas County Multi-Jurisdictional Natural Hazards Mitigation Plan*.

4. This resolution takes effect when signed by the Mayor.

Adopted by the City Council this \_\_\_\_ day of October, 2015.

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Debbie Rogge  
Mayor

ATTEST:

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Sadie Cramer  
City Recorder



## RESOLUTION 2015-12

### A RESOLUTION INCREASING FEES FOR THE CITY OF MOLALLA UTILITY BILLING

The City Council of Molalla finds that:

WHEREAS, the Molalla Municipal Code specifies that the City Council shall establish fees for city services and programs by resolution; and

WHEREAS, the Oregon Administrative Rules states that fees may be charged to reimburse the public entity of incurred expenses by furnishing administrative services; and

WHEREAS, after administrative review the City of Molalla Utility Billing program the fees for accounts in a delinquent status need to be increased to offset the costs for the additional management of these accounts; and

WHEREAS, for administrative efficiencies the fees is to be imposed by the City of Molalla Utility Billing are:

- Late Fee \$10.00 (defined as all accounts with a balance of greater than \$5.00 on the first business day after the 20<sup>th</sup> of a given month)
- Termination Notice \$25.00 (notice sent out to customers 60 days or greater past due notifying them of shut off potential 20 calendar days before actual service termination)
- Shut Off Fee \$50.00 (fee for water service that has been terminated for failure to respond to the termination notice and then restored after payment)

Now, therefore, based upon the above findings, be it resolved by the City Council of the City of Molalla, the fees listed for City Hall, City of Molalla, are hereby established as listed effective this 28th day of October, 2015.

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Mayor Rogge

ATTEST this 28th day of October, 2015:

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Sadie Cramer  
City Recorder