

MONDAY, DECEMBER 19, 2016
CITY COUNCIL MEETING
Regular meeting 7:00 p.m.
Scappoose Council Chambers
33568 East Columbia Avenue

Call to Order

Mayor Burge called the City Council meeting to order at 7:00 p.m.

Pledge of Allegiance

Roll Call

City Council Members Present:

Scott Burge	Mayor
Mark Reed	Councilor
Jason Meshell	Councilor
Barb Hayden	Councilor
Rich Riffle	Councilor
Joel Haugen	Councilor

Staff Present:

Michael Sykes	City Manager
Susan M. Reeves	City Recorder
Kevin Turner	Treatment Plant Supervisor
Robyn Bassett	Public Works Director
Alexandra Rains	Program Analyst

Legal Counsel Shelby Rihala

Press: Courtney Vaughn, Spotlight

Excused: Council President Jeff Erickson and Police Chief Norm Miller

Approval of the Agenda

Councilor Haugen moved, and Councilor Meshell seconded the motion to approve the agenda. Motion passed (6-0). Mayor Burge, aye; Councilor Reed, aye; Councilor Meshell, aye; Councilor Hayden, aye; Councilor Riffle, aye, and Councilor Haugen, aye.

Public Comments

There were no public comments.

Consent Agenda ~ December 5, 2016 Work Session/Interview and City Council Meeting Minutes

Councilor Reed moved, and Councilor Riffle seconded the motion to approve the Consent Agenda ~ December 5, 2016 Work Session/Interview and City Council Meeting Minutes. Motion passed (6-0). Mayor Burge, aye; Councilor Reed, aye; Councilor Meshell, aye; Councilor Hayden, aye; Councilor Riffle, aye, and Councilor Haugen, aye.

New Business

Development Agreement between Cascade Tissue and the City of Scappoose

Program Analyst Alexandra Rains went over the staff report. She explained the City of Scappoose has been working with Cascades Tissue since 2015 to assist the Company with a significant expansion project. The Company purchased 50 acres of privately owned industrial land adjacent to the Scappoose Industrial Airpark and within the City Limits. They broke ground earlier this year on phase I of their expansion project and expect to be operational by spring 2017. As part of Cascades' approved development plans, the company is required to improve portions of West Lane Road to accommodate trucks entering the site. She explained she handed out an updated agreement to Council and staff. Staff is recommending Council authorize City Manager Sykes to execute the development agreement.

City Manager Sykes explained it is also important to note that in order for this development agreement to take effect we are also going to have to have an agreement with Ed Freeman, and also the other condition is that the City gets the grant monies that we applied for.

Legal Counsel Shelby Rihala proposed Council amend the motion that is in the packet tonight, because there is still a little bit of work to do on the development agreement. She suggests the motion be authorize the city manager to negotiate and execute the development agreement.

Councilor Riffle moved, and Councilor Reed seconded the motion that Council authorize City Manager Sykes to negotiate and execute the development Agreement with Cascade Tissue.

Councilor Meshell asked for a brief description of what would be negotiated.

Legal Counsel Shelby Rihala replied the only thing that would change is the storm water easement. She explained there is a condition in the development agreement that Cascade Tissue has to handle their storm water.

Motion passed (6-0). Mayor Burge, aye; Councilor Reed, aye; Councilor Meshell, aye; Councilor Hayden, aye; Councilor Riffle, aye, and Councilor Haugen, aye.

Res 16-24 ~ Transfer of Jurisdiction over Right-of-way on West Lane Road from Columbia County to the City of Scappoose

City Manager Sykes explained staff talked about this today, and they would like to table this to be on a future agenda when the new Council and County Commissioners are on board.

Councilor Meshell thinks it is wise to wait on this.

Renew Auditor Contract

City Manager Sykes explained one of the responsibilities of Council is to appoint an Auditor. The City has been using Mr. Conner for a number of years. He explained in the staff report there

is information from other Cities who use auditors. He explained Mr. Conner's contract is up for renewal.

Councilor Hayden asked does he audit what the City sends him or does he actually come in and go through the books?

City Manager Sykes replied he comes in a couple of times a year.

Councilor Hayden asked what is the prudent things Cities do to actually have someone come in on site and go through the books and do a full audit? She asked when is the last time the City had that done?

City Manager Sykes replied the other option is to go out for proposals.

Councilor Hayden is curious when the City had a full blown audit.

Mayor Burge feels that is a healthy exercise to have a full detailed audit.

City Manager Sykes stated he is fine to go out to bid for audit services, and then the Council could review the RFP's.

Mayor Burge stated staff could ask what a deeper audit would cost.

Councilor Meshell read over the audit procedures ~ it states an audit is not designed to provide assurance on internal controls or identify deficiencies in internal controls. He thinks what Councilor Hayden is pointing at is if Mr. Conner is only looking at what we give him, how do we know if anything is bad internally. He asked do we have the right formula. He stated maybe it doesn't need to be done every year, but it is probably really important to check your internal controls. He stated you could ask how does that process for a city even work.

City Manager Sykes thinks that would be a great question for the interview process with potential prospects. He stated it sounds like the will of this Council is to go out for an RFP for audit and have a subcommittee review those proposals.

Councilor Hayden stated also include in the RFP the cost of a really good base line audit.

Mayor Burge stated we will postpone this until a future meeting.

Purchase Aerator/Mixers for Digested Sludge Storage Pond

Treatment Plant Supervisor Kevin Turner explained he handed out some photos this evening, which is the sludge pond we will be discussing. He explained the current configuration of the sludge storage pond does not have aeration or mixing capabilities to further treat wastewater sludge or prevent the growth of grass on the surface. The 1992 plant design had five surface aerators in the west sludge pond. In the early 2000's the surface aerators struggled to have any significant impact on the sludge pond due to accumulation of grass and issues with trash

clogging the units. As a result the aeration units were removed as part of an Energy Trust project. While biological treatment was sufficient early on, the grass mat accumulated and reduced storage capacity and is limiting treatment. The summer of 2016 the entire pond was successfully cleaned out at of cost of approximately \$230,000. The sludge was land applied after trash and grass were screened out. With our ongoing efforts to treat current sludge production and prepare for the future demands staff has partnered with various engineering firms to assist in planning. Currently the Wastewater Facility Plan is near completion and has confirmed our deficiencies for sludge handling. While it is not a complete solution it has been determined that reinstalling the aeration units would be beneficial for the current and fast approaching improvements planned. After comparing aeration and mixing options, two 20 horsepower mixing units would be installed each with a 4 horsepower regenerative blower to supply needed oxygen and to supplement the existing aerobic digester that is under sized.

Kevin Turner explained Staff has received three quotes represented in the table below.

Manufacturer	HP	Units	Maintenance	Mixing	Price	Cost/HP
AQUA AEROBIC SYSTEMS INC.	50	6	Moderate	Moderate	\$61,903	\$1238/HP
AERATION INDUSTRIES INTERNATIONAL	48	2	Low	Better	\$54,000	\$1125/HP
AIRMASTER AERATION LLC	25	1	Moderate	Inadequate	\$31,400	\$1256/HP

Kevin Turner explained staff has reviewed the information provided by the manufactures, operator experience, mixing patterns and pricing. These units are the least expensive per horsepower and the brand has proven to be very reliable. The plant has had similar equipment in operation since the 1992 upgrade. Staff recommends City Council approve the purchase of two (2) TR-20 AIRE-02 Triton Aerators from Aeration Industries for \$54,000.

Councilor Hayden asked if this is cleaned out and the new aerators are put in is that going to buy us time with all the new constructions going in, are we at capacity?

Kevin Turner replied we are beyond capacity with our sludge.

City Manager Sykes explained one of the things we had tentatively planned on presenting to the Council tonight was the draft master plan that Keller & Associates has been preparing for Wastewater Treatment which takes a look out until 2035. He explained it looks at the wastewater plant to determine which changes and improvements we need to make. Staff had questions about the process Keller & Associates were talking about and the cost, so staff felt it was a big enough concern that they wanted to hold off bringing it to Council.

Councilor Haugen asked how much time is this going to buy us?

Kevin Turner replied it is a good question, but we don't know for sure. He stated it depends a lot on the screw press. He stated this is going to buy us years, but we are already years behind this process. He stated if we don't do anything we will have to keep recycling solids which doesn't make the plant run effectively, and we are going to lose solids.

Councilor Haugen asked would it be better to invest more now, and if so will that save us money down the road.

Kevin Turner replied part of what staff did by looking at this in regards to equipment was to look at equipment that they could use somewhere else down the road. He stated these two units are identical to what Council authorized earlier in the year and what is actually in the next agenda item. He stated if we do build a new storage pond, those two units can be used as backup in the aeration basin up on top.

Councilor Hayden asked about the annexation at the airport, other than the SDC's are there any fees that are going to be charged to help with the cost of bringing both the wastewater and water capacity higher.

City Manager Sykes replied there has been discussion about creating LID's in the area to help pay for some of those improvements.

Councilor Hayden would like to see the developers pay part of the cost of all of this.

Councilor Reed stated this says the aerators arrive built, but who installs them?

Kevin Turner replied the motor, the shaft, and the prop all come together. Staff will install them.

Councilor Meshell stated last time we had five aerators, and this time there are only two, is it because they are just so much more efficient, or are you running the plant in a better way?

Kevin Turner replied he doesn't want to spend a lot of money, so he is going to try with two. He explained they are looking at all options trying to save as much as they can and not waste any money.

Councilor Meshell asked is the combination ~ two aerators and the screw press?

Kevin Turner replied yes, with the screw press they can control the concentration on that pond, and hopefully they can control it enough where they have a water cap on it so they don't get weeds growing, and they will air it up, turn the air off and let it settle, get water off of it, drain, and run some on the screw press.

Councilor Reed moved, and Councilor Riffle seconded the motion City Council approve the purchase of two (2) TR-20 AIRE-02 Triton Aerators from Aeration Industries for a not to exceed amount of \$54,000. Motion passed (6-0). Mayor Burge, aye; Councilor Reed, aye; Councilor Meshell, aye; Councilor Hayden, aye; Councilor Riffle, aye, and Councilor Haugen, aye.

Sole Source Emergency Purchase ~ Aerator for Wastewater Treatment Facility

Treatment Plant Supervisor Kevin Turner explained this is identical to the one staff did in July and it is for the same reason. He went over the staff report. He explained the aeration basin is dealing with aged (1992) and deteriorating aeration equipment. The most recent equipment failure has reduced the mixing and aeration capabilities needed to adequately support current flows and population of microorganisms in the aeration basin. As mentioned at the July 5, 2016 Council Meeting, the equipment installed in 2012 has proven to require costly maintenance and continues to have mechanical failures. The 40 horsepower Triton that was purchased and installed in August 2016 has performed exceptionally well and has an outstanding operational record. The addition of another Triton would support mixing for the east side of the aeration basin as well as supply oxygen. The staff goal is to return to the previously configured aeration setup as the unreliable equipment fails, and replace the aged equipment before its end of useful life. The \$51,500 would come out of 41-410-300, equipment upgrades. Staff recommends City Council approve the sole source purchase of one TR-40 AIRE-02 Triton Aerator from Aeration Industries for \$51,500.

City Manager Sykes stated by doing this it enhances the capacity.

Kevin Turner replied it does multiple things, and it is a very efficient mixer.

Councilor Hayden moved, and Councilor Reed seconded the motion that City Council approve the sole source purchase of one TR-40 AIRE-02 Triton Aerator from Aeration Industries for an amount not to exceed \$51,500.

Councilor Haugen asked what is the difference between this one and the aerator purchased in July?

Kevin Turner replied the one staff purchased in July didn't have a walkway. He stated it is nice to have something to walk on when you are out there working on it.

Councilor Riffle stated this equipment was put in not too long ago, is that the normal life span?

Kevin Turner replied no, that is why they are getting rid of it.

Motion passed (6-0). Mayor Burge, aye; Councilor Reed, aye; Councilor Meshell, aye; Councilor Hayden, aye; Councilor Riffle, aye, and Councilor Haugen, aye.

City Manager Sykes Contract

Mayor Burge explained Council had an executive session and discussed what they wanted and since then have incorporated it into this contract for Mr. Sykes.

Councilor Riffle moved, and Councilor Reed seconded the motion that Council approve the contract/employment agreement with City Manager Michael Sykes.

Councilor Meshell explained what he thinks is interesting about this particular contract is there is a bonus section in it. He thinks it is good to be able to reward Mr. Sykes and also keep him interested in the job, because he is doing a fantastic job. He also would like to see if City Manager Sykes can figure out a way to do this for other City Staff. He knows that is unconventional in Government but their job as Councilors is to say are we doing the right thing, is there a way to be better, is there a way to improve and sometimes people don't want to leave private sector because they think they don't want to go to Government and sit. He has seen a lot of really hard working people in this City and he thinks if we come up with strategic, creative, and relevant ways to motivate our staff above and beyond how we do now, he thinks it might benefit the City. He would say as we approve this let's see if we can make it a test and find if there are ways, he knows there are ramifications and laws we have to work within, but see if there is any way we can do this inside the City for the rest of our staff.

Councilor Haugen stated he would like to echo that.

Motion passed (6-0). Mayor Burge, aye; Councilor Reed, aye; Councilor Meshell, aye; Councilor Hayden, aye; Councilor Riffle, aye, and Councilor Haugen, aye.

Announcements ~ information only

Calendar

Mayor Burge went over the calendar.

City Manager

City Manager Sykes stated Council has a copy of his written report. He explained as he mentioned earlier the City received the Immediate Opportunity Funding Grant and he wanted to complement Program Analyst Alexandra Rains for her hard work. He stated it has been a pleasure and a privilege to serve with Councilor Jason Meshell, Councilor Joel Haugen, and Council President Jeff Erickson.

Councilors & Mayor

Councilor Riffle thanked the Scappoose Police for Doughnut Day. He also thanked Jason and Joel for their hard work, and he appreciates the work they were able to do together.

Councilor Haugen talked about the airport and expanding the runway and the possible impact of Crown Zellerbach Trail. He stated it has been a privilege, and an honor to work with such great staff and Council. He thanked Council for what they have done for and with him, and he will miss everyone.

Councilor Meshell stated when he joined the Budget Committee in 2010 he learned a lot and he was glad he did it. He explained a couple of years later a Council position opening came up, and someone asked him to run for City Council. He stated it wasn't just something that he signed his name on a piece of paper and sent it in. He stated it was actually something he considered for a

long time and when he makes big decisions he will often fast and pray, just like Abraham Lincoln asked our Country to do. So he did and he waited until the very last minute, the very last day, and thought if he is going to do this he is not going to do it half way. He stated there were some hard decisions and he thinks we are better as a City because of that. He stated we went through a lot, a lot in the press when the press didn't understand what they were doing and why, things came out later that showed a lot of the Council actually made some really good decisions that they couldn't disclose because of some certain things and he thinks we have agreed with everybody on this Council and previous members who aren't here on an issue or two, and disagreed with every single member of Council on an issue or two, and he has been able to continue to work with those people. He has a great respect for those who sit up here now, and who did sit up here. He stated he has seen a lot of change, and a lot of things happen in the last four years. He thought he was going to come and bring everything he had to this job and really give the City everything he had but what he found is that the City and staff, legal Counsel, and other Councilmembers are doing the same and he has benefited a lot more from sitting here then the City did by him sitting here. He learned a ton. It was one of the hardest jobs he has ever had, but always one of the most rewarding, and he will always remember it. He stated thank you for the chance to serve the City of Scappoose.

Councilor Hayden stated there really aren't enough words to express how much she respects Joel, Jason, and Jeff. She stated she is so thankful they were here, and she is really going to miss them.

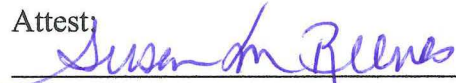
Councilor Reed stated he concurs with what was said.

Mayor Burge thanked Council President Jeff Erickson, Councilor Jason Meshell, and Councilor Joel Haugen for their service. He stated we don't always get along, but they look forward and focus on the goals of the City. He stated it is going to be a great loss, but he is looking forward to the new Councilors coming on board. He stated Merry Christmas to everyone.

Adjournment

Mayor Burge adjourned the meeting at 7:46 p.m.


Scott Burge, Mayor

Attest

Susan M. Reeves, MMC, City Recorder