



CITY OF EAGLE POINT

"Gateway to the Lakes"

OREGON

EAGLE POINT CITY COUNCIL

Council Chambers
17 Buchanan Ave. South, Eagle Point, Oregon
May 14, 2013

REGULAR MEETING AGENDA

1. CALL TO ORDER – 7:00 P.M.
2. FLAG SALUTE AND INVOCATION
3. AUDIENCE QUESTIONS OR COMMENTS CONCERNING ITEMS NOT ON THE AGENDA
4. PRESENTATIONS
 - 4.1 Food & Friends Senior Nutrition Program Presentation – Evelyn Kinsella
 - 4.2 Jackson County Fire District No. 3 Quarterly Update – Dan Peterson, Fire Chief
 - 4.3 Water Master Plan Presentation – Garrett Pallo, Civil West Engineering Services, Inc.
5. PUBLIC HEARINGS
 - 5.1 A Public Hearing in the matter of increasing the Water Base Rate and Water Consumption Rates. Ordinance No. 2013-01.
 - 5.2 A Public Hearing in the matter of authorizing a Quitclaim and Partial Termination of Easement for a Water Line Easement running through property located at 1323 Alta Vista Drive (Map and Tax Lot No. 361W11 800) in the City of Eagle Point, Oregon. Resolution No. 2013-25.
6. CONSENT CALENDAR
 - 6.1 Presentation of Regular Meeting Minutes of April 23, 2013.
7. CONSIDERATION OF ITEMS REMOVED FROM THE CONSENT CALENDAR

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8. PRESENTATION OF BILLS TO BE PAID
9. OLD BUSINESS
10. NEW BUSINESS
 - 10.1 Ordinance No. 2013-01. An Ordinance in the matter of increasing the Water Base Rate and Water Consumption Rates.
 - 10.2 Resolution No. 2013-25. A Resolution in the matter of authorizing a Quitclaim and Partial Termination of Easement for a Water Line Easement running through property located at 1323 Alta Vista Drive (Map and Tax Lot No. 361W11 800) in the City of Eagle Point, Oregon.
11. REPORTS FROM CITY COUNCIL AND CITY COMMITTEE REPRESENTATIVES
12. STAFF REPORTS
13. INFORMATION
 - 13.1 Memorandum from Melissa Owens, Finance Officer, regarding Budget Committee Meeting Dates.
14. EXECUTIVE SESSION PURSUANT TO ORS 192.660(2)(d), To conduct deliberations with persons designated by the governing body to carry on labor negotiations.
15. EXECUTIVE SESSION PURSUANT TO ORS 192.660(2)(e), To conduct deliberations with persons designated by the governing body to negotiate real property transactions.
16. ADJOURN

AGENDA AND COUNCIL PACKETS ALSO AVAILABLE ON WEBSITE

**BUSINESS OF THE CITY COUNCIL
EAGLE POINT, OREGON**

AGENDA STATEMENT

Item Number: 5.1
Meeting Date: May 14, 2013

ITEM TITLE: A Public Hearing in the matter of increasing the Water Base Rate and Water Consumption Rates. Ordinance No. 2013-01.

SUBMITTED BY: Melissa Owens, Finance Officer (541) 826-4212 ext. 104

SUMMARY EXPLANATION: This is a Public Hearing in the matter of increasing the Water Base Rate and Water Consumption Rates. The City has completed 8 major capital projects over the last 10 years, and there has been much discussion about the water system and corresponding water rates. The City has made major repairs to 3.6 mg water reservoir. The City is nearing completion of the Water Master Plan project. Along with these the projects, the costs of operating and maintaining the water system has increased to a point that the expenses have exceeded the water revenue. The City has not increased the water base rate since 2003, and while reluctant to ask its rate payers to pay more, it has become absolutely necessary.

Due to the revenue shortfall, the City is using the water reserves to make up for this shortfall. Additionally, in an effort to reduce costs, the City is refinancing some of the water system debt to save hundreds of thousands of dollars in interest charges. In order to qualify for refinancing, lending institutions require the City to set its rates at a level that services its debt and other expenses without the use of reserve funds.

The primary reasons for the need to increase rates include:

- Rising costs of general operations
- Rising costs of routine maintenance and repairs
- Increased need for repairs due to some parts of the system that are aging
- Costs of some improvements that will be identified as part of the Water Master Plan

These are costs that would not be covered by System Development Charges should they be available.

It is necessary to generate an additional \$300,000 per year in revenue to keep the Water Fund from depleting the fund balance. For each \$1.00 increase in base rate it will raise approximately \$43,500 in revenue annually. Each \$.05/1000 increase in the consumption rate will raise approximately \$21,300 in revenue per year.

Agenda Item No. 5.1

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An increase of \$4.00 per month in the base rate and \$.30/1000 in the consumption rate is proposed. For a resident using 9,000 gallons of water per month, this would mean an increase of \$6.70 per month.

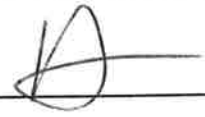
This revised rate structure will generate approximately \$300,000 per year which will stop the depletion of the fund balance. However, a more in depth review of water rates and water system development charges should be undertaken after the Water Master Plan and a new Capital Improvement Plan is adopted.

If adopted, this Ordinance will Ordain that:

1. Thirty (30) days following adoption of this Ordinance, the Base Rate for water use will be \$14.31 per month.
2. Thirty (30) days following adoption of this Ordinance, the consumption rates will be:

1 st 10,000 gallons	\$1.92/1000
2 nd 10,000 gallons	\$2.42/1000
3 rd 10,000 gallons	\$2.92/1000
30,000 +	\$3.42/1000
3. Thirty (30) days following adoption of this Ordinance, Ordinance Nos. 2003-12 and 2009-07 will be repealed in their entirety.
4. This Ordinance will authorize rate increases resulting from the Medford Water Commission's rate increases may be passed by Resolution, as previously authorized by Ordinance No. 2009-07.

FINANCIAL IMPACT: Approximately \$300,000/Annual Revenue

APPROVED FOR SUBMITTAL:	 5/10/2013 Henry Lawrence, City Administrator
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STAFF RECOMMENDATION: Staff recommends approval of this item.

ORDINANCE NO. 2013-01

AN ORDINANCE IN THE MATTER OF INCREASING THE WATER BASE RATE AND WATER CONSUMPTION RATES, AND REPEALING ORDINANCE NOS. 2003-12 AND 2009-07.

WHEREAS, in 2003, the City Council adopted Ordinance No. 2003-12, providing for a water rate increase and future water system development fee schedule; and

WHEREAS, in 2009, the City Council adopted Ordinance No. 2009-07, increasing the water consumption rate in response to the Medford Water Commission's rate increase to the City; and

WHEREAS, Ordinance No. 2009-07 also allowed for future water rate increases, as a result of the Medford Water Commission's rate increases, to be passed by Resolution; and

WHEREAS, since the adoption of Ordinance Nos. 2003-12 and 2009-07, the City has continued to experience increased operating costs and the Water Fund has operated at a deficit for a number of years; and

WHEREAS, it is necessary to generate an additional \$300,000 per year in revenue to keep the Water Fund from using more of the fund balance and depleting reserves; and

WHEREAS, an increase of \$1.00 to the base rate will generate approximately \$43,500 annually, and each \$.05/1000 increase in the consumption rate will raise approximately \$21,300 annually; and

WHEREAS, an increase of \$4.00 per month in the base rate and \$.30/1000 in the consumption rate, for a resident that uses 9,000 gallons of water per month would result in an increase of \$6.70 per month; and

WHEREAS, revising the rate structure is in the best interest of the citizens of Eagle Point in order for the City to provide dependable water service and to operate the Water Fund in a responsible manner, and should be reviewed annually; and

WHEREAS, the City desires to retain the ability to pass rate increases resulting from the Medford Water Commission's rate increases by Resolution.

Now, therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF EAGLE POINT, OREGON, THAT:

1. Thirty (30) days following adoption of this Ordinance, the Base Rate for water use will be \$14.31 per month.

2. Thirty (30) days following adoption of this Ordinance, the consumption rates will be:

1 st 10,000 gallons	\$1.92/1000
2 nd 10,000 gallons	\$2.42/1000
3 rd 10,000 gallons	\$2.92/1000
30,000 +	\$3.42/1000

3. Thirty (30) days following adoption of this Ordinance, Ordinance Nos. 2003-12 and 2009-07 are hereby repealed in their entirety.

4. As previously authorized by Ordinance No. 2009-07, this Ordinance authorizes that rate increases resulting from the Medford Water Commission's rate increases may be passed by Resolution.

ADOPTED by the City Council and signed in authentication of its adoption this 14th day of May, 2013.

Robert E. Russell, Mayor

ATTEST:

Cindy Hughes, City Recorder

**BUSINESS OF THE CITY COUNCIL
EAGLE POINT, OREGON**

AGENDA STATEMENT

Item Number: 5.2

Meeting Date: May 14, 2013

ITEM TITLE: A Public Hearing in the matter of authorizing a Quitclaim and Partial Termination of Easement for a Water Line Easement running through property located at 1323 Alta Vista Drive (Map and Tax Lot No. 361W11 800) in the City of Eagle Point, Oregon. Resolution No. 2013-25.

Applicant/Agent: Mike Duncan, Duncan Development, LLC
Owner: Cris Galpin, Amblegreen LLC

SUBMITTED BY: Mike Upston, Principal Planner (541) 826-4212, ext 111


SUMMARY EXPLANATION: In the early 1940's at the beginning of World War II, a water line was installed by the Federal government running approximately three miles from the 4 million gallon water tank off Riley Road in Eagle Point to the former Camp White military facility (presently the Veterans Administration Domiciliary at 8495 Crater Lake Highway in White City). That water line crossed many privately-owned properties, and easements were created for access and maintenance of the line. Refer to Exhibit A of the attached Resolution No. 2013-25 for associated maps.

In 1946, the camp was deactivated and the water line abandoned. Subsequently, the City was granted the water line easements that had been established within its City limits, including a segment that crosses the 40 acre property at 1323 Alta Vista Drive (Map & Tax Lot 361W11 800). The property owner has recently requested that the water line easement on that property be relinquished by the City.

Staff has determined that the water line serves no present utility, the portion of abandoned water line and associated easement running through the subject property would not be of public use or value to the City in the future, and therefore recommends adoption of the attached Resolution.

Public notice of this hearing was published in the Upper Rogue Independent on May 7, 2013.

FINANCIAL IMPACT: None

APPROVED FOR SUBMITTAL:  5/10/2013
Henry Lawrence, City Administrator

STAFF RECOMMENDATION: Adopt Resolution No. 2013-25 authorizing the relinquishment of water line easement running through the 40 acre property located at 1323 Alta Vista Drive (Map & Tax Lot 361W11 800).

BOARD/COMMISSION RECOMMENDATION: Not applicable.

COUNCIL ACTION:

1. Adopt Resolution No. 2013-25 authorizing relinquishment of the water line easement running through the 40 acre property located at 1323 Alta Vista Drive (Map & Tax Lot 361W11 800); or,
2. Decide not to adopt Resolution No. 2013-25 authorizing relinquishment of the water line easement running through the 40 acre property located at 1323 Alta Vista Drive (Map & Tax Lot 361W11 800).

RESOLUTION NO. 2013-25

A RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR TO EXECUTE A QUITCLAIM AND PARTIAL TERMINATION OF EASEMENT FOR A WATER LINE EASEMENT RUNNING THROUGH PROPERTY LOCATED AT 1323 ALTA VISTA DRIVE (MAP AND TAX LOT 361W11 800) IN THE CITY OF EAGLE POINT, OREGON.

WHEREAS, in the early 1940's at the beginning of World War II, a water line was installed by the Federal government running approximately three miles from the 4 million gallon water tank off Riley Road in Eagle Point to the former Camp White military facility (presently the Veterans Administration Domiciliary at 8495 Crater Lake Highway in White City), as shown in Exhibit A attached hereto, Reference Maps 1 – 4"; and

WHEREAS, the water line crossed many privately-owned properties, and easements were created by the Federal government for access and maintenance of the line; and

WHEREAS, in 1946 Camp White was deactivated, the water line abandoned, and the City was granted the water line easements that had been established within its City limits, including a segment that crosses the 40 acre property at 1323 Alta Vista Drive (Map & Tax Lot 361W11 800); and

WHEREAS, the property owner for 1323 Alta Vista Drive in Eagle Point has requested that the water line easement on that property be relinquished by the City; and

WHEREAS, the City has determined that said portion of water line serves no present utility, and that neither the abandoned water line nor the associated easement would be of any public use or value to the City in the future; and

WHEREAS, the City Council set the regular meeting at 7:00 p.m., May 14, 2013 as the time and place to conduct a public hearing on the matter; and

WHEREAS, notice of said hearing was duly published in the Upper Rogue Independent, a newspaper of general circulation within the City, on May 7, 2013; and

WHEREAS, said hearing was held May 14, 2013, and an affirmative vote was rendered to relinquish City interest in the easement.

Now, therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EAGLE POINT, OREGON, THAT:

1. The City Administrator is hereby directed and authorized to execute the Quitclaim and Partial Termination of Easement as shown in Exhibit B attached hereto for a water line easement running through property located at 1323 Alta Vista Drive (Map and Tax Lot 361W11 800) in the City of Eagle Point, Oregon.

Passed in open session on the 14th day of May, 2013.

Robert E. Russell, Mayor

ATTEST:

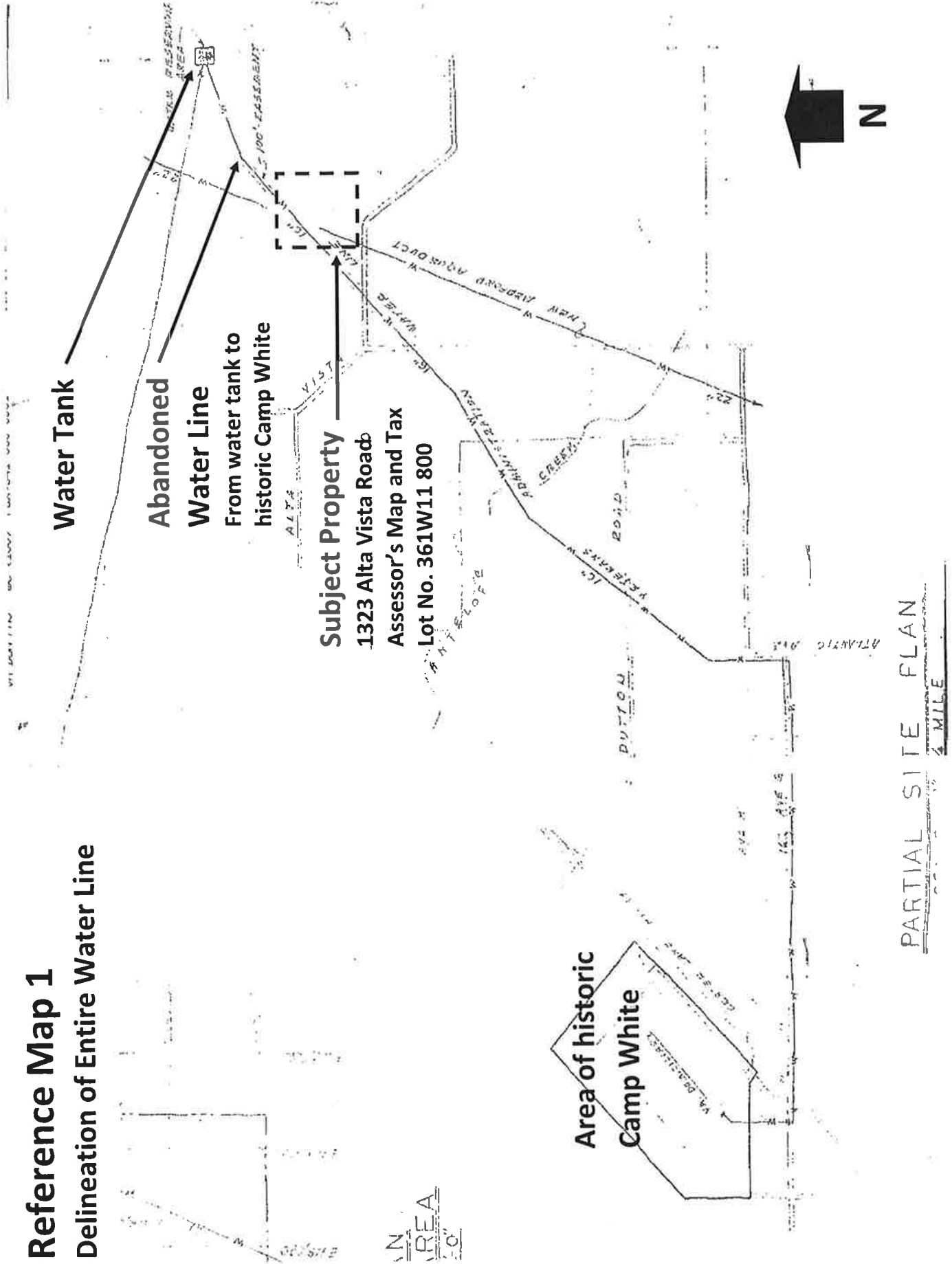
Cindy Hughes, City Recorder

Exhibit A

Reference Maps 1 - 4

Reference Map 1

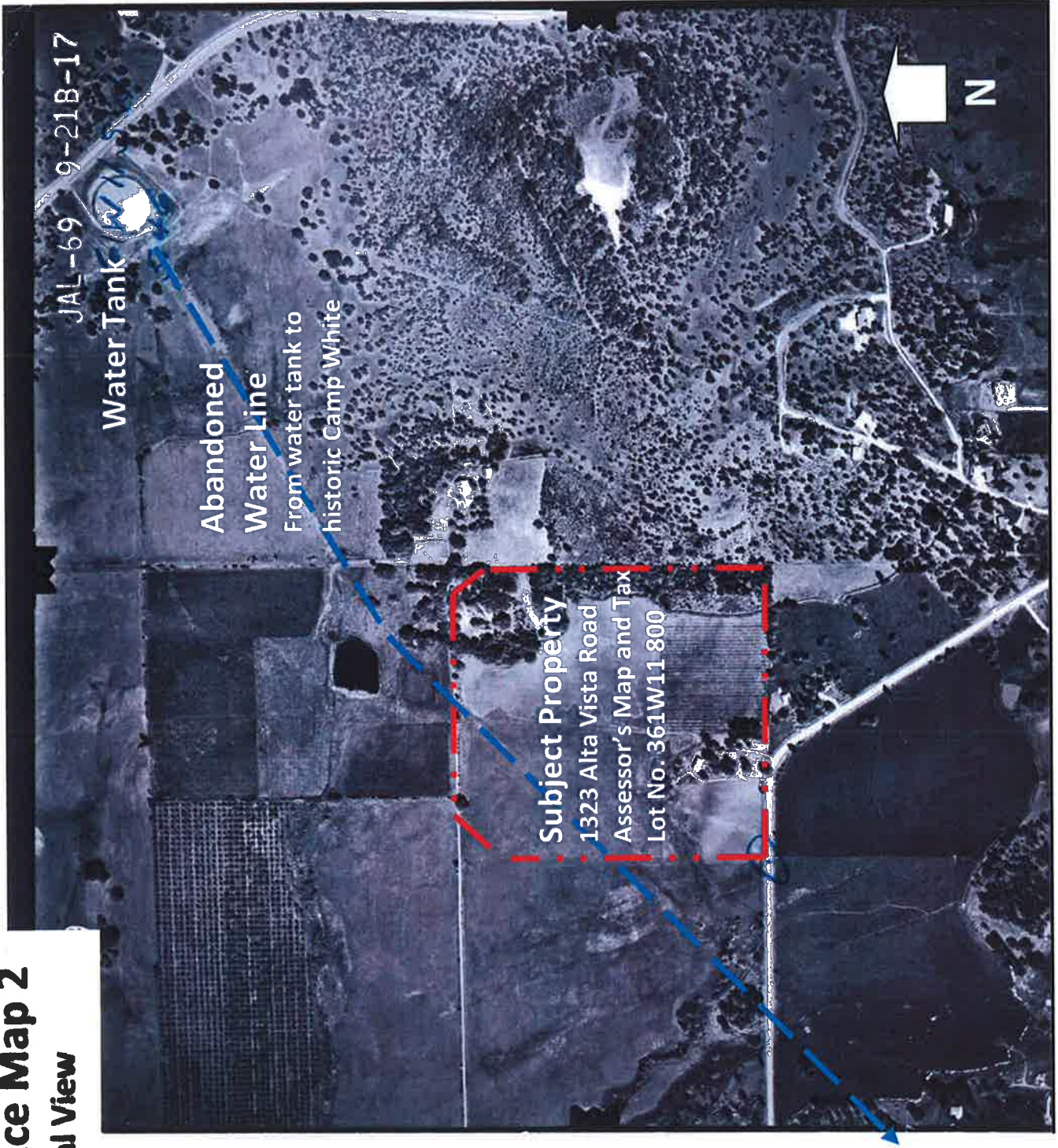
Delineation of Entire Water Line



PARTIAL SITE PLAN
1/4 MILE

Reference Map 2

1969 Aerial View



Reference Map 3 Water Line Delineated on County Plat Map

SECTION 11 T.36S. R.1W. W.M.
JACKSON COUNTY

IMPORTANT
THIS MAP FOR ASSESSMENT
AND TAXATION PURPOSES
2 ONLY

SCALE: 1 INCH = 400 FEET

SEE MAP 36 1W 2C

SEE MAP 36 1W 2D

Water Tank

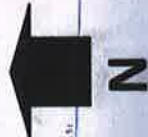
**Abandoned
Water Line
from water tank to
historic Camp White**

SEE MAP
36 1W 11BB

9-22

**Subject Property
1323 Alta Vista Road
Assessor's Map and Tax
Lot No. 361W11 800**

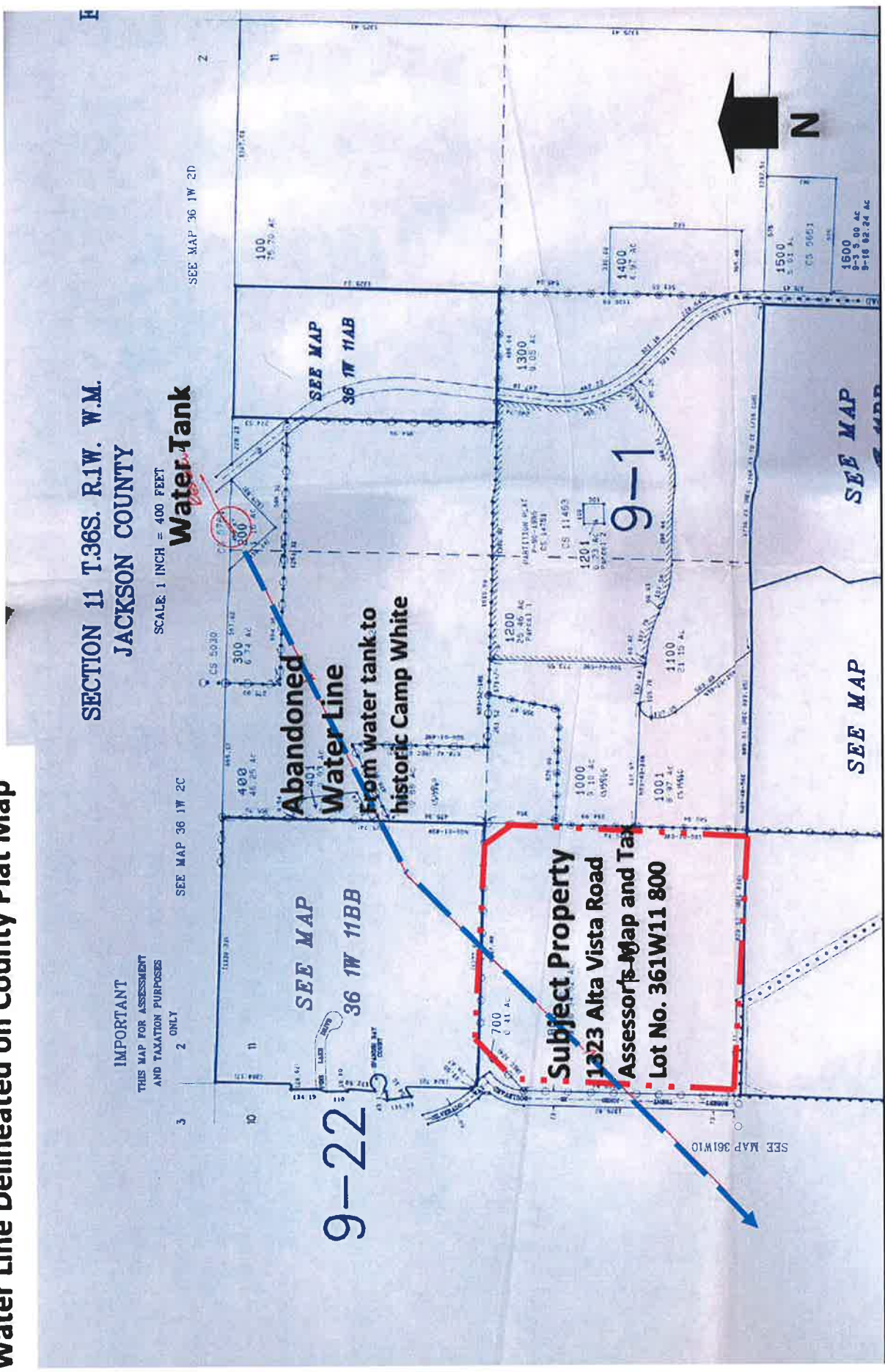
9-1



SEE MAP

SEE MAP

SEE MAP 361W10



Reference Map 4 Current Aerial View



Exhibit B

Quitclaim and Partial Termination of Easement

After recording return to:
City of Eagle Point
PO Box 779
Eagle Point OR 97524

QUITCLAIM AND PARTIAL TERMINATION OF EASEMENT

WHEREAS, the City of Eagle Point, Oregon, an Oregon municipal corporation, hereinafter referred to as "City" has acquired the rights and beneficial easement interest originally granted to the United States of America, acting by and through the Attorney General, as more fully set forth in the Final Judgment in Condemnation by Order of the Oregon District Court, Civil No. 1382 and recorded in Volume 252, Page 332-334, Deed Records of Jackson County, Oregon;

Being an "easement and right of way for the location, construction, operation, maintenance and patrol of a water supply pipe line" being 100 feet wide as more fully described in said **Volume 252 , Page 332-224**, said Deed Records;

The City finds that this easement may now be released and terminated as to only that certain real property more fully described as follows:

The Southwest quarter of the Northwest quarter of Section 11, in Township 36 South, Range 1 West of the Willamette Meridian in Jackson County, Oregon. (TL 800)

NOW, THEREFORE, for the purpose of clearing title to said properties, the City hereby terminates and releases said EASEMENT as to said real property and quitclaims any remaining interest the City may hold pursuant to the easement as to said real property to the underlying property owner, Amblegreen LLC, an Oregon limited liability company.

FURTHER, any existing utility lines and easements in favor of the City or the public, as shown in any other recorded easements or dedications will remain in full force and affect.

Executed this _____ day of _____ 2013.

BY: _____
On behalf of the CITY OF EAGLE POINT

STATE OF OREGON
COUNTY OF JACKSON

Before me, personally appeared on this _____ day of _____ 2013, the above

(name) _____ as (title) _____
who executed the within instrument on behalf and authority of the City of Eagle Point.

Notary Public for Oregon

Vol 252

392 392	Kind of Instrument	STATE OF OREGON
	ORDER	County of Jackson
UNITED STATES OF AMERICA	189789 Consideration	I hereby certify that the annexed instrument of writing was received and filed for record at
TO	\$ 125.00	9:00 o'clock A.M. on the 24th day
852-332		of July 1944
F. VERMEREN ESTATE		G. R. Carter, Clerk
		By _____ Deputy

IN THE DISTRICT COURT OF THE UNITED STATES FOR THE DISTRICT OF OREGON

UNITED STATES OF AMERICA, Petitioner,

CIVIL NO. 1282

vs.

F. VERMEREN ESTATE; GUILLIAUME EMILE VERMEREN and JANE DOE VERMEREN, husband and wife; MARIE LOUISE VERMEREN and JOHN DOE VERMEREN, wife and husband; C. FRANK VERMEREN and BETTY DOE VERMEREN, husband and wife; The Unknown Heirs at Law, Devises and Legatees of F. Vermeren, Deceased; GEO. W. NELSON, Administrator of the Estate of F. VERMEREN, Deceased; GORDON KERSHAW and AUGUSTA KERSHAW, husband and wife; JACKSON COUNTY, a municipal corporation and political subdivision of the State of Oregon,

ORDER EXCLUDING PORTION OF ESTATE TAKEN, AMENDING JUDGMENT ON DECLARATION OF TAKING, AND FINAL JUDGMENT IN CONDEMNATION AND ORDER DISBURSING FUNDS

Defendants.

This matter coming on upon the motion of the petitioner, United States of America, by and through its attorneys of record, for an order excluding portion of estate taken, amending Judgment on Declaration of Taking, and final judgment in condemnation and order disbursing funds, and the Court having considered the evidence presented as to the rights of the various defendant to the compensation to be paid for the taking of the interest in land as hereinafter set forth, and having heard testimony as to the value of said interest, and IT APPEARING TO THE SATISFACTION OF THE COURT (1) that this proceeding was instituted in accordance with and under the following Acts of Congress: The Act of August 1, 1888 (25 Stat. 357, 40 U.S.C. Sec. 257), the Act of February 20, 1931 (46 Stat. 1421, 40 U.S.C. Sec. 258a) and acts supplementary thereto and amendatory thereof; the Act of August 18, 1890 (26 Stat. 316) as amended by the Acts of July 2, 1917 (40 Stat. 241), April 11, 1918 (40 Stat. 518, 50 U.S.C. Sec. 171), and March 27, 1942 (Public Law 507 - 77th Congress); (2) that the Secretary of War of the United States has selected the interest in land hereinafter described for acquisition by the United States for use in connection with the establishment of Camp White, Oregon, and for such other uses as may be authorized by Congress or by Executive Order; and has determined and is of the opinion that the interest in land hereinafter described is necessary adequately to provide for the establishment of a military training camp and for related military purposes, and that it is necessary and advantageous to the interest of the United States to acquire the interest in land hereinafter described by condemnation under judicial process, and that by direction of the Attorney General of the United States, pursuant to the request of the Secretary of War, this condemnation proceeding was instituted pursuant to the aforementioned statutes for the purpose of acquiring the estate or interest hereinafter set forth in and to the lands so selected; (3) that funds for the acquisition of an interest in said lands were appropriated by the Acts of March 17, 1941 (Public Law 13 - 77th Congress) and December 17, 1941 (Public Law 363 - 77th Congress), and that there was deposited in the Registry of this Court in this cause the sum of \$125.00 as estimated just compensation for the taking of an interest in land under declaration of taking filed September 15, 1942; (4) that an Order of Default has heretofore been entered in this cause as to the defendants, Guillaume Emile Vermeren and Jane Doe Vermeren, husband and wife; Marie Louise Vermeren and John Doe Vermeren, wife and husband, C. Frank Vermeren and Betty Doe Vermeren, husband and wife, Gordon Kershaw and Augusta Kershaw, husband and wife, and the defendants joined herein under the statutory legend of "The Unknown heirs at law, devisees, and legatees of F.