

CityNews...

City Council October 6, 2008

Hearing Held on Rate Increases...

The Vernonia City Council held a public hearing to discuss proposed rate increases for use of city services. Increases that were discussed included: monthly increases to Residential Water Rates for dwellings inside city limits of \$7.00; increases to Sewer Rates of \$16.00; an increase in the monthly Parks Fee included in the monthly Water/Sewer bill of \$1.00, and an increase to Out of City Library Card charges of \$10.00 per year. A final decision was put off until the October 20 council meeting. (See related article this page.)

Mayor Appoints Citizens to Committees...

Mayor Sally Harrison appointed Susan Goodhope to the Library Board, reappointed Liz White to the Library Board, and appointed George Tice to the Budget Committee.

Council Approves Agreement with Chamber of Commerce...

The city has reached an agreement with the Vernonia Chamber of Commerce to assist with managing it's business license program. Under the new agreement the Chamber would be responsible for seeking out new businesses, and notifying current businesses about renewals of licenses. The city would remain responsible for the actual collection of fees and enforcement. Under the agreement, the city would receive the first \$7,000 for fees collected, the Chamber would receive the next \$2,000, and any additional funds collected would be split- 40% to the Chamber and 60% to the City. The contract will last for three years. The agreement is expected to provide better collection of required license fees. The Chamber has expressed that they intend to use funds generated through the program to market the community of Vernonia.

City Accepts Block Grant...

City Council approved the acceptance of an Oregon Community Block Grant in the amount of \$500,000 to be used for flood recovery housing rehabilitation. This grant will be coupled with a grant to Columbia County, also in the amount of \$500,000, for a total of \$1 million dollars, which will be administered within Vernonia by the Community Action Team.

Council Expresses Support for Police Department...

The Council passed a resolution expressing it's commitment to public safety as a valuable service, and retaining Vernonia's professional police department with a highly qualified Chief, Sergeant and officers. According to Interim City Administrator Jim Johnson's staff report, the resolution was in response to questions raised from community members about the future of the department, and in response to the current vacant Chief's position.

Addendum Added to Real Estate Sale...

Council approved an addendum to the Real Estate agreement between the City of Vernonia and B&D Holdings for the sale of twenty acres of city owned property. The addendum gives the purchasers until June 30th, 2009 to complete the terms of the agreement and finalize the sale.

City Council October 20, 2008

Council Declares Police Equipment Surplus...

Council approved the declaration of several pieces of police equipment as surplus including the 2000 Ford Expedition, which was being used as the K9 unit. The department will attempt to sell the items.

Council Approves Interview Process for New City Administrator...

Interim City Administrator Jim Johnson presented his recommendation for an interview process for the new City Administrator candidates. Council approved the process, which will include three panels- the Mayor and Council on one; a citizen panel of five that are each appointed by a council member; and a third panel made up of city Department Heads, the School Superintendent, and a City Administrator from a neighboring city. The interviews were scheduled to take place on November 8.

Council Approves Budget Changes For City Needs...

Interim City Administrator Jim Johnson presented Council with a list that city departments have identified as needed purchases. A discussion was held and the most import needs were identified including: replacement of the computer server at city hall, snow tires for police vehicles, purchase of additional ICOP Video System for a police vehicle, a retrofit of equipment from an old police vehicle, and starting on a Geographic Information System (GIS) including purchase of computer hardware, software and services necessary to get started. Council directed Johnson to prepared the budget changes to begin these purchases.

Council Passes Resolution Establishing Fee Schedules...

Council approved a resolution that established a fee schedule combining a number of separate resolutions into a new master resolution. The resolution also included the increase of city fees for services and utilities. (See related article this page)

Vernonia Increases Use Fees

The Vernonia City Council, at its October 20 meeting, passed rate and use fee increases, that were discussed earlier at a public hearing before the October 6th city council meeting.

Rate increases that were approved include: increases to Residential Water Rates for dwellings inside city limits of \$7.00 per month; increases to Sewer Rates of \$16.00 per month; an increase to Out-of-City Library Card charges of \$10.00 per year; and an increase in the monthly Parks Fee included in the monthly Water/Sewer bill of \$1.00. The increases were scheduled to take effect immediately.

Interim City Administrator Jim Johnson opened the October 6th public hearing by explaining why the increases were necessary. Johnson explained the breakdown of how property tax receipts that are collected by the city are used-- for operations of the City Police Department, to fund operation of the Library, for city streets, and to help maintain city parks-- and that the Water and Sewer systems are fee-based and depend on the fees that are collected monthly for operations funds. Johnson also explained that about twenty percent of the water rates, and forty-one percent of sewer rates collected go to debt service to pay for numerous loans the city has taken out over the years to improve and maintain the systems.

At the October 6th hearing, Council heard testimony from citizens concerning the rate increases. Concerns were raised for citizens on fixed incomes paying increased fees, citizens with businesses who pay high rates for small amounts of use, business owners with two properties-- a residence and business-- being charged twice for the Parks Fees, citizens who were flooded and are not currently in their homes being charged for use, and the generally high base-use rates which don't take into account people who use conservatively.

Councilor Cindy Ball explained that the city has not historically invested in infrastructure. Mayor Sally Harrison explained that there have not been reserves set aside, so the city has had to borrow money when upgrades, improvements or repairs have been needed. Councilor Brett Costley explained that a rate study is being completed over the next six months that will allow the city to tier charges, and base rates more on usage. It was also explained that offering reduced rates for senior citizens is considered discriminatory and is not allowed.

Mayor Harrison and Johnson also explained that the \$11.50 charge currently on the city utility bills is being used to replenish a required loan reserve, and is scheduled to sunset after the November bills are collected.

Council approved the rate increases at their regular October 20th meeting. Included is a stipulation that business property owners who also are city residents may apply for relief from the \$2.00 monthly parks fee, so they only pay it one time.

These rate increases were recommended by the City Budget Committee during the budget process before July 1, 2008, and by citizen committees that advise Parks, Public Works, and the Library.

From Your City Councilman

By Brett Costley

Most of you know by now that the city council has raised the utility rates and the parks fee. I'd like to let you know some of my thoughts and reasoning behind my vote. While none of us wanted to do this, it was something that had to be done. Our current rates were not enough to generate the revenue to pay our debt and the operational costs of water and sewer departments. Folks have asked if we looked at cutting costs and the answer is that there aren't any substantial cost savings to be found. Staffing and debt payments make up the vast majority of the budgets. There isn't really anything we can do about our debt obligations and our staffing is already bare bones. A small bit of good news is that the \$11.50 per month to rebuild a loan reserve will be dropping off the bill next month.

Many of you wonder why our rates are higher than those in Hillsboro or Beaverton. The answer, to a great extent, is economy of scale. We are under certain (and changing) mandates from the EPA and DEQ, and these mandates are not cheap for small cities. Vernonia is not alone: small isolated cities across the country are facing similar difficulties. City staff and the Public Works Committee are working hard to bring our sewer system into compliance at the lowest cost to the ratepayer.

Many citizens have asked about a lower base water rate, so that those who do not use much water get a break. This makes sense from a fairness perspective and also it could encourage conservation. Before we can do something like that, we need better information on our cost structures to allow us to make informed decisions on any changes to the base rate and per gallon rate. We have thus planned for a rate study by our city engineer. The rate study should be complete some time in the first half of next year. Please note that the rate study will be funded by grant money and not from the water or sewer rates.

The other fee change which affects everyone is that our parks fee will go from \$1 to \$2 a month. While this is a doubling of the fee, I think the fee is a relative bargain. Our parks are important to citizens and also a valuable asset for drawing in visitors. Here we compare very well against our neighbors down the hill. For example, the Tualatin Hills Parks and Recreation District has a rate of \$1.46 per \$1000 of assessed value plus \$0.12 per \$1000 in bonds, and they are asking for a new bond of \$0.37/\$1000. That totals almost \$300 a year for a \$150,000 house.

On a separate note, I'd like to update everyone on the search for a regular city administrator. The deadline for applications was a few weeks back and we have narrowed the list down to five candidates. We will be interviewing November 8th using three panels: council, administration and department heads, and community members. Stay tuned and perhaps the next issue of Vernonia's Voice will introduce the new administrator.

SATURDAY
NOVEMBER 15TH



TEXAS HOLD 'EM
TOURNAMENT

AT THE BUCKHORN RESTAURANT

Registration at 5:30pm, Tournamant play starts at 6pm

50% of fees go to Local Charities.

\$40 buy-in with \$20 re-buy. 35 Player Limit - Sign-up Now!

To register or for more information contact:
George Tice 429-3751 or Aaron Miller 429-6049.

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