

**MINUTES FOR THE STUDY SESSION  
ASHLAND CITY COUNCIL  
Monday November 14, 2016  
Siskiyou Room, 51 Winburn Way**

Mayor Stromberg called the meeting to order at 5:30 p.m. in the Siskiyou Room.

Councilor Lemhouse, Seffinger, Rosenthal, Morris, and Voisin were present. Councilor Marsh was absent.

**1. Public Input**

**Doug Stewart/1310 China Gulch Road/**Represented Mercy Flights and noted the City's recent request for proposal (RFP), and wanted Mercy Flights considered in the feasibility study for emergency transport and ambulance services. He provided background on Mercy Flights and described services.

Ashland Fire Chief John Karns clarified the RFP was for fire service but a future RFP would entail transportation services.

**Huelz Gutcheon/2253 Highway 99/**Shared the growth in homes with solar roofs, the solar potential for Ashland and double bundling finances to fund solar energy. The Our Children's Trust won their lawsuit against the federal government regarding climate change. He offered classes on double bundle financing.

**2. Look Ahead review**

City Administrator Dave Kanner reviewed items on the Look Ahead.

**3. Update on the consolidation discussion between Jackson County Fire District 5 and Ashland Fire and Rescue**

Ashland Fire Chief John Karns explained the challenges Ashland Fire and Rescue encountered due to the increase in call volume. Staff formed a task force to investigate forming a special district that consolidated both jurisdictions. The task force included the Jackson County Fire District 5 (JCFD5) board, both fire chiefs and deputy fire chiefs, City Administrator Dave Kanner, two Councilors, bargaining unit presidents, and a citizen representative. They drafted a request for proposal (RFP) to hire a consultant who would analyze issues involving consolidating and forming a new special district. AFR and JCFD5 would split the cost for the consultant that was approximately \$45,000 in total.

Differences between AFR and JCFD5 were small. The overall compensation package was similar with JCFD5 having more time off and AFR having better benefits. JCFD5 did not have platoon commanders so there were some seniority issues. AFR provided more services than JCFD5 who was interested in having a larger inventory to offer.

If a special district formed, the City would lose direct control of the Fire Department. Instead, a six-member board of elected officials would manage the special district. There would also be only one fire chief and one deputy fire chief. The board would determine the suite of services to offer as well.

City Administrator Dave Kanner explained Council was only approving to issue the RFP and could choose to do this in the next budget cycle since current finances were tight.

**4. System Development Charge committee update**

Public Works Director Mike Faught explained the System Development Charge (SDC) update would ensure the development community paid for their share of projects. Currently staff was updating the Water Master Plan. SDC information was based on the 2012 Water Master Plan. Mr. Faught did not recommend waiting, it was important to get the rates in place before the Water Master Plan update was completed. He

did not anticipate any significant updates to the plan. Staff added costs to the Transportation Master Plan to cover the Normal Neighborhood Plan projects that included East Main Street and the railroad crossing.

Ray Bartlett of Economic & Financial Analysis explained municipalities were not required to update SDCs but state laws regarding SDCs were strict with specific methodologies for setting SDCs and using the funds collected. Typically, cities adjusted SDCs only after completing or updating master plans. There were extenuating circumstances that occurred occasionally. The law permitted cities to adjust SDCs for inflation each year without a public hearing as long as they had an established methodology.

Mr. Bartlett would focus on the reimbursement fee and improvement fee for each SDC. The reimbursement fee captured the value of unused capacity in whatever system that had an SDC. The improvement fee was for capital improvements needed in the future to meet the demands of growth and generally involved a 20-year horizon.

Developers paid the reimbursement fee as part of the SDC. A city could spend the reimbursement fee on nearly any capital improvement project and debt service. However, cities could only spend improvement fees on future capital improvements.

Mr. Bartlett addressed the Wastewater SDC and explained the reimbursement fee had decreased from .40 cents per square foot for residence to approximately .19 cents. The improvement fee would increase from .41 cents per square foot to \$2.03 per square foot for a total increase of 150% for residences and similarly for commercial and industrial customers. The wastewater SDC currently in place was formulated 13 to 14 years before with the Food and Beverage Tax. Part of the Food and Beverage tax would divert to transportation.

The Wastewater Treatment Plant was approaching capacity and the City would need to replace the membranes and expand treatment capacity. The existing SDC did not do much with the sewer collection system. The master plan had several projects to expand the collection system and was included in the proposed update to the sewer SDC. This was the primary reason it was increasing 150%. Mr. Faught added in order to meet new shading treatment requirements for far field and near field temperature standards, the City needed to relocate the outfall from Bear Creek. Membrane replacement had already occurred. The oxidation shell was a high priority from the Department of Environmental Quality (DEQ) and staff recently secured a low interest loan. Also noted were the Bear Creek trunkline and other pressure system projects.

The outcome of a recent court case challenging near field shading was an agreement to study some of the issues. Concerns regarding far field shading were not substantial enough to delay moving forward on the project.

Mr. Bartlett explained the Water SDC was adjusted to include the Talent Ashland Phoenix (TAP) line construction that consequently reduced the size of the Crowson water reservoir. The old SDC used an outdated meter capacity and now went on meter size. Mr. Faught noted larger projects under this SDC included the 2.5 million gallons per day (mgd) water plant, the Crowson II reservoir, and piping the Talent Irrigation District (TID) canal.

The Transportation SDC had the most changes and did not have reimbursement fees, only improvement fees.

Since 1997, the key document for measuring trips was the Institute of Transportation Engineers (ITE) Trip Generation Manual that had used the average daily trips to calculate the SDC while transportation system

plans used p.m. peak hour trip rates instead. The City's Transportation System Plan (TSP) used p.m. peak hour trip rates to measure and design intersections, roadways, left turn lanes, and road width.

The average daily trip for a household was 9.5 trips a day and p.m. peak hour was 1.02 trip per day. The existing rate was \$214 per average daily trip for a total of \$2,043.70. Using the p.m. peak hour trip at \$2,112 multiplied by 1.02 totaled \$2,154.35 and was roughly 5% more than the 9.5 average trips a day per household. Making the shift to p.m. peak hour trips did not have a large effect on residential. Big impacts were service stations, shopping centers, fast food places, and restaurants where p.m. peak hour was heavy. Those rates could increase up to 1900% in some cases. The City had approximately \$60,000,000 in projects and used a financially constrained method plus adjustments mentioned earlier with \$20,000,000 going into the SDC. The balance would come out of the transportation user fee, state shared ground use, federal grants, and general tax revenues.

Mr. Faught explained the SDC Committee approved all the changes and mostly focused on the Transportation SDC. Projects added to the Transportation SDC included the East Main Street project from the Normal Neighborhood Plan, the increased cost for the East Nevada Bridge, the extension for Washington Street and several railroad crossings. The City would pay for 50% of the projects using the transportation SDC. The City and residents would pay for the rest. If the City removed a project, staff would recalculate the SDC. However, SDCs would not decrease over time due to growth.

A Public Hearing would occur during the December 6, 2016 Council meeting for further discussion and public input.

**5. Discussion of letters from Guanajuato (request of Mayor Stromberg)**

Mayor Stromberg would meet with Senora Chela separately for clarification.

**Councilor Voisin left at 7:05 p.m.**

Meeting adjourned at 7:06 p.m.

Respectfully submitted,  
Dana Smith  
Assistant to the City Recorder