



CITY COUNCIL MEETING

Monday, December 02, 2024 at 6:00 PM
Sandy City Hall and via Zoom

MINUTES

WORK SESSION – 6:00 PM

1. Wastewater Facility Plan Amendment

The City Manager summarized the staff report that was included in the meeting packet. Members of the project team were present, led by Heather Stephens and Dick Talley with Stantec. Presentation slides were also included in the packet.

Council discussion pertained to the following topics:

- Clarification on WIFIA lending affordability thresholds
- Emphasis on the need for outside funding assistance regardless of which alternative is selected
- Discussion on the maximum amount that can be financed with the current rate model
- Recognition that in the absence of sufficient funding, Sandy will be unable to grow
- Overview of discharge alternatives studied, and the reasons that certain alternatives were not recommended
- Clarification on the new dry weather flow numbers shown
- Discussion of what a collection system storage system would entail
- Discussion of previous discharge location options studied; recognition of the lengthy and difficult process to obtain a new NPDES permit
- Clarification on the improvements needed to the existing treatment plan regardless of the option selected
- Discussion of the costs involved with unlocking 190 additional ERUs
- Discussion on collection system rehabilitation needed regardless of the option selected
- Emphasis on the need to stay in compliance with the City's NPDES permit while the new discharge solution is constructed
- Discussion on the regulatory and legal expenses involved with a Sandy River discharge, and concerns about the length of time and public participation processes that would be necessary
- Discussion about the potential sharing of pipeline capacity in a regional discharge scenario
- Discussion of possible future impacts of installing a pipeline, including spurring future development and creating possibilities for future reimbursement
- Discussion of the possible range of SDC charges that could be involved
- Comparison of the ongoing operations and maintenance costs between possible alternatives, and economies of scale involved with a regional solution
- Clarification on how City SDCs would function after a regional solution is completed

- Emphasis on the relative ease of securing political and financial support for the regional alternative compared to the Sandy River option
- Concerns about the City remaining impacted by the Three Basin Rule
- Suggestion to build a regional pipeline with extra capacity to preserve the possibility of partnering with other agencies
- Discussion on how long the Sandy River NPDES permitting effort should continue
- Note that Gresham needs to update their wastewater facilities plan to determine whether Sandy can be accommodated
- Concern about the length of time required to construct improvements, and the length of time the City's ERUs will remain limited
- Discussion of whether any modifications are possible to dilution ratio requirements
- Suggestion that a record of compliance and progress in accomplishing the facilities plan will improve the City's working relationship with regulators
- Discussion of the fact that continuing to discharge to Tickle Creek over the long term is not viable
- Discussion on the next steps required to finalize and adopt the facilities plan with a preferred alternative

REGULAR MEETING – 7:00 PM

PLEDGE OF ALLEGIANCE

ROLL CALL

PRESENT

Mayor Stan Pulliam
Council President Laurie Smallwood
Councilor Chris Mayton
Councilor Rich Sheldon
Councilor Kathleen Walker
Councilor Lindy Hanley
Councilor Don Hokanson

CHANGES TO THE AGENDA

(none)

PUBLIC COMMENT (3-minute limit)

Linda Malone: offered congratulations to the winners of the recent election; noted that in 1919 the Sandy City Council had three female members, which occurred before the enactment of the 19th Amendment; noted that the Council had three female members when she was mayor; noted that as a result of the recent election there will be four female members for the first time, which will constitute a majority

RESPONSE TO PREVIOUS COMMENTS

(none)

CONSENT AGENDA

2. City Council Minutes: November 18, 2024
3. Planning Commission Appointments
4. Resolution 2024-26: Temporary Exception to the City Manager's Signing Authority to Administer On-Call Construction Contracts

MOTION: Adopt the Consent Agenda

Motion made by Councilor Sheldon, Seconded by Councilor Hokanson.

Voting Yea: Mayor Pulliam, Council President Smallwood, Councilor Mayton, Councilor Sheldon, Councilor Walker, Councilor Hanley, Councilor Hokanson

MOTION CARRIED: 7-0

The Council offered thanks to all who applied for the Planning Commission vacancies.

RESOLUTIONS

5. PUBLIC HEARING – Resolution 2024-25: Amend Master Fee Schedule for Utility Rates

Abstentions

(none)

Conflicts of Interest

(none)

Staff Report

The City Manager summarized the staff report that was included in the meeting packet. He referred to the presentation slides that were corrected after the previous meeting. He noted that the Alder Creek treatment plant is critical for the city but is not enough to meet peak demand in the summer. With regard to wastewater he noted that the rate model reaches the technical peak of affordability according to official formulas, but that such high costs are realistically infeasible for most families and outside funding assistance is needed. He noted that the City's loans are reimbursement-based and that cash on hand is required for expenditures. He noted the need for a stormwater master plan in the next biennium, and that all the proposed rate increases were included in the current budget.

In response to questions, the City Manager stated that without a rate increase, no additional debt could be secured for projects. Discussion ensued on the amount of revenue the City would expect to collect from projects in the existing development queue, as well as whether the current proposed water rate increase could be spread out over multiple years without impairing the project schedule. It was noted that water revenue is needed without delay to meet the regulatory deadline.

Public Testimony

No testimony was given during the hearing. Kendal Pelton provided testimony via email in advance of the hearing; that testimony **is attached to these minutes.**

Staff Recommendation

Staff recommended approval of the resolution

MOTION: Close the public hearing

Motion made by Councilor Walker, Seconded by Councilor Hokanson.

Voting Yea: Mayor Pulliam, Council President Smallwood, Councilor Mayton, Councilor Sheldon, Councilor Walker, Councilor Hanley, Councilor Hokanson

MOTION CARRIED: 7-0

Council Discussion

Council discussion pertained to the following topics:

- Acknowledgement that raising rates is unpleasant but necessary
- Discussion of what Portland's wholesale rates will be over the long term; note that the new wholesale agreement does not include a minimum purchase provision
- Details on the portion of water revenue that will go to debt service, and clarification on the timing of when loans will be repaid
- Note that per lender requirements, the City must demonstrate sufficient rate revenue before being approved for new financing that is necessary to complete vital projects
- Discussion regarding the timing of rate adjustments in the winter versus summer

MOTION: Adopt Resolution 2024-25

Motion made by Councilor Hokanson, Seconded by Councilor Sheldon.

Voting Yea: Mayor Pulliam, Councilor Mayton, Councilor Sheldon, Councilor Walker, Councilor Hanley, Councilor Hokanson

Voting No: Council President Smallwood

MOTION CARRIED: 6-1

6. PUBLIC HEARING – Resolution 2024-24: Extension of Existing Moratorium on Development

Abstentions

(none)

Conflicts of Interest

(none)

Staff Report

The City Attorney summarized the staff report that was included in the meeting packet.

Public Testimony

(none)

Staff Recommendation

Staff noted the significant progress on wastewater improvements, but recommended approval of the resolution

MOTION: Close the public hearing

Motion made by Councilor Sheldon, Seconded by Councilor Mayton.

Voting Yea: Mayor Pulliam, Council President Smallwood, Councilor Mayton, Councilor Sheldon, Councilor Walker, Councilor Hanley, Councilor Hokanson

MOTION CARRIED: 7-0

Council Discussion

Council discussion involved a suggestion for a Council discussion in the near future on ERUs and possibilities for updating the ERU allocation provisions in the moratorium before any future extension is considered

MOTION: Adopt Resolution 2024-24

Motion made by Councilor Sheldon, Seconded by Council President Smallwood.

Voting Yea: Mayor Pulliam, Council President Smallwood, Councilor Mayton, Councilor Sheldon, Councilor Walker, Councilor Hanley, Councilor Hokanson

MOTION CARRIED: 7-0

ORDINANCES

7. PUBLIC HEARING – Ordinance 2024-23: SMC Chapters 1.16 and 1.18 Code Modifications

Abstentions

(none)

Conflicts of Interest

(none)

Staff Report

The Development Services Director summarized the staff report that was included in the meeting packet.

Council Discussion

Council discussion pertained to the following topics:

- Whether gender neutral pronouns are required by the state; the City Attorney advised that the City has discretion on this matter
- Note that the lowest fine amount is \$250
- Discussion on the current implementation of the code with regard to cutting down trees
- Discussion on park exclusions when repeat offences occur; note that additional code modifications on these matters are planned for 2025
- Discussion on the Municipal Judge's discretion on imposing fines

Public Testimony

Linda Malone: asked whether code enforcement is still complaint-driven, or whether staff members are looking for violations. It was noted that the City employs a hybrid balanced approach with the goal of compliance.

Staff Recommendation

Staff noted that fines are a last resort but are sometimes necessary to achieve compliance, which is the City's objective. Staff recommended approval of the ordinance.

MOTION: Close the public hearing

Motion made by Councilor Sheldon, Seconded by Councilor Hanley.

Voting Yea: Mayor Pulliam, Council President Smallwood, Councilor Mayton, Councilor Sheldon, Councilor Walker, Councilor Hanley, Councilor Hokanson

MOTION CARRIED: 7-0

MOTION: Approve the first reading of Ordinance 2024-23

Motion made by Councilor Hanley, Seconded by Councilor Walker.

Voting Yea: Mayor Pulliam, Council President Smallwood, Councilor Mayton, Councilor Sheldon, Councilor Walker, Councilor Hanley, Councilor Hokanson

MOTION CARRIED: 7-0

MOTION: Approve the second reading of Ordinance 2024-23

Motion made by Councilor Hokanson, Seconded by Councilor Walker.

Voting Yea: Mayor Pulliam, Council President Smallwood, Councilor Mayton, Councilor Sheldon, Councilor Walker, Councilor Hanley, Councilor Hokanson

MOTION CARRIED: 7-0

REPORT FROM THE CITY MANAGER

- Note that notifications will go out with the next utility bills explaining the reasons for rate increases
- Update on upcoming Winterfest events
- Reminder on the availability of department reports
- Discussion on the need to schedule a date for Council goal setting

COMMITTEE / COUNCIL REPORTS

Councilor Hokanson

- Reminder of the upcoming staff holiday lunch
- Praise for the recent tree lighting
- Suggestion to fix lighting problems at the west entrance to downtown
- Praise for the draft SandyNet Master Plan
- Discussion of the suggestion to increase the number of seats on the SandyNet Advisory Board to accommodate all interested applicants; the consensus of the Council was not to pursue the suggestion at this time

Councilor Hanley

- Praise for the advisory board applicants; suggestion to find ways to ensure they remain engaged

Councilor Walker

- Reminder on the Fire District's upcoming parade and collection
- Review of the Library Advisory Board's recent meeting
- Praise for Cedar Park
- Discussion of the need to better understand consultant calculations of needed utility rates in order to pursue possible future refinement and optimization

Councilor Sheldon

- Recap of the tree lighting event; praise for staff coordination of the flash mob
- Suggestion to organize the City's funding request for the State Legislature's upcoming session

Council President Smallwood

- Overview of recent parks Board interview process
- Praise for Winterfest decorations

Councilor Mayton

- Praise for Winterfest decorations
- Overview of recent Planning Commission meeting, and Commission interview process

Mayor Pulliam

- Recap of the tree lighting event
- Praise for Winterfest decorations, music, and other features
- Reflections on the new Base Camp action sports complex

STAFF UPDATES

Monthly Reports: <https://reports.cityofsandy.com/>

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