
PUBLIC WORKS COMMITTEE MEETING MINUTES

Tuesday, December 10, 2019, 3:00 p.m. MT

**** Public Works Headquarters ****

Meeting called to order at 3:05 p.m. by Bernie Babcock, Public Works Committee Chairman.

Committee members present included Mr. Bernie Babcock, Mr. Scott Wilson, and Mr. Jackson Fox (Woodcock & Tuttle -excused).

Others present included Cliff Leeper, Betsy Roberts, Adam Brown and Suzanne Mulvany.

The press was notified. This meeting was recorded (the tape is available at the Public Works Headquarters); the minutes are on file at City Hall and on the city's website at www.ontariooregon.org.

ADOPTION OF MINUTES – NOVEMBER 12, 2019

RESOLUTION, ACTION &/OR MOTION:

The motion was made by Mr. Wilson, seconded by Mr. Fox to adopt the minutes of the previous meeting, November 12, 2019: Motion passed unanimously.

NATIONAL LEAGUE OF CITIES **SERVICE LINE WARRANTY PROGRAM** **UTILITY SERVICE PARTNERS INC.**

GENERAL DISCUSSION

SEWER LATERAL & SEPTIC LINE COVERAGE ** WATER LINE & WELL LINE COVERAGE

Homeowner repair protection for broken, cracked, or leaking water and sewer lines from the point of utility connection to the home exterior.

INTERIOR PLUMBING AND DRAINAGE

Homeowner repair protection for in-home water supply lines and in-home sewer lines and all drain lines connected to the main sewer stack that are broken or leaking inside the home after the point of entry.

JF – Mr. Dennis Lyon came from Philadelphia gave a presentation wanting to ensure the service line from the meter to the house; same with the sewer. I asked for it to be tabled because I wanted to talk to my insurance agent, Mike Miller, and he said that is all covered on a regular homeowner's policy. Anything on your property is a water issue. So, this is an additional insurance that we are asking homeowners to do to? Plus, he wants to use the City's Logo.

CL – Cannot speak to the insurance related to homeowners, just thought that when we had this presented to us thought this would be an option for some individuals that had no coverage for disasters under their homeowner's insurance; for them to have some piece of mind. Because the lion's share does not have \$5,000 - \$8,000 for a major repair to a water or sewer line sitting in our bank account.

AB – There were several people approach City Council members over the past year about having failures costing about \$5,000 - \$7,000, and not sure if they were not insured or enough insured but were asking if they could do a loan so that they could pay it over time. And was about this same time that we ran across this insurance program with National League of Cities. It's optional and no cost; we are not going to take anything off the top.

JF – They have a kick-back program to pay the City from the rate payers.

AB – No, we would not do that.

CL – They have one plan for the water, one plan for the sewer, and a third plan for anything in the house. Some may be covered under the homeowner's policy, I'd have to check.

JF – Only talked to Mike Miller, The Insurance Group in Ontario and he said that this is standard coverage. I have a disaster co-insurance, and this is what this is. Personally, I am not interested in it. And what I did not like he said, "If a rate payer agrees to purchase their insurance then they do not get anymore advertising from this company in

Philadelphia, but if you don't agree you are going to get flyers with the City of Ontario's Logo on it". I don't like that at all. In the past we didn't even let the Ontario Mayor use that logo.

BB – What is the City Council's position on this? Have they discussed it?

AB – Believe only briefly and referred it to this committee for feedback.

BB – Do we know how widely used this program is?

CL – The presentation showed there were multiple communities in the State of Oregon that are using it, and naturally from a salesman we're going to see all the five-star results.

JF – Believe we should get Mike Miller, Mike Blackaby, etc. into the City Council, have them explain what a standard homeowners policy covers or answer any questions. I have the standard coverage but also have a disaster flyer; according to Mike Miller the standard homeowner insurance pays clear to the property line.

CL – For example the responsibility of the City for the water/sewer is up to the meter. Therefore, anything from the meter to the house is up to the home owner.

BB – A little concerned that he would use the City marketing. Do you have to collect the bills? Do you have to bill for that service?

CL – No. This is all elective (or optional). And the bottom line here is exactly what was shared previously. "We had an incident several months ago where an individual called, she had an issue with her sewer line on the resident side where the cost for the repair was approximately \$7,000. She asked if we (the City) could take care of that cost? No, we can't. Sorry." Remembered her comment "What am I going to do"? She didn't have the money. Gave her the numbers of a few contractors that might be able to help her out, but that was it.

SW – My understanding is that this is one of many companies that offer this type of service or coverage. Could get on the internet and take your pick but think the hang-up here is the usage of the Logo and the kick-back (however not so much an issue any more). They just want to piggy-back and want the City's endorsement.

BB – What is the City's policy on using the logo?

SW – Don't think the City has a policy.

AB – There are programs like this; the one that comes to mind is we originally did some videos and again it was another company that had an agreement with the National League of Cities; it was to do videos for your community. They would do all the production, etc. for free then they would go around to businesses in the community and say, "we have videos that we worked with the City on (they use our logo) and ask the business if they would like to advertise on them?" Therefore, they do these banner advertising and that is where they get their money. Doesn't cost the City anything. Just using the National League of Cities or local City as a reputable organization.

JF – I'd be willing to make a recommendation to invite local insurance agents to give a presentation.

AB – Like the idea of inviting local insurance agents...

BB – Hearing consensus, no formal resolution.

JF – Recommendation would be to have the council ask the local insurance agents, i.e. Mike Miller, Mike Blackaby, Brian Halcomb, etc. (those that sell homeowners policies) to give a presentation to the Council. Then they can verify coverage.

BB – Scott's recommendation was the same, and really comes down to policy decision about using the logo. And certainly, against any form of a kick-back for the City promoting this; don't think that is ethical.

RESOLUTION, ACTION &/OR MOTION:

Consensus: To recommend the City Council invite local insurance agents, that sell homeowners policies, to give a presentation of policies and coverage.

SRCI

AB – Had meeting last week with the “insurance model”. The UCF covers the plant and their system is solely from the plant to the physical facility on top of the hill, which is approximately 9 miles. The rate experts at the Jacobs Denver office calculated an insurance premium (or risk premium). The City asked the State to pay this premium as an insurance policy; that premium was about \$11,464 a month to insure the lines. Therefore, over a 20-year period it’s about \$2.7 million, which scared them into a response. They retreated a bit and stated that maybe they should pay everything and put that into the contract.

There will be a monthly increase because of the new calculations; they now have a first draft stating that they will pay for everything and that is now in our court to review as of Friday.

JF – Why would we even want to contract with them...? Just send them a bill. What is the benefit of having a contract with them?

AB – They’re a special customer that takes 17% of our load and if we are going to invest in our system in maintaining it for 20 years, we really want a long-term commitment from them that they’re going to be on it for that 20 years.

BB – Also for liability purposes and for the sake of understanding you need something in writing. The reality is they gave the line to the City; therefore, you want to have it in writing that basically restructures your agreement.

AB – This includes them doing the siphon also.

PROJECT UPDATES

- **Skate Park** – Question last meeting “Is the Skate Park part of the Recreation District”? – Yes, it is.
- **Beck Park Bridge** – Looked at the two options, repair/rehab -vs- new and did not know what the life span was. The \$20,000 rehab life span is about 10-20 years; the \$90,000 steel bridge total replacement would be closer to 75 years. Need to make a decision moving forward as it is 30+ years old. Also need to check with the insurance company to see what might be covered; there is a \$10,000 deductible. *Bring back next month for a recommendation.*
- **SE 2nd St Project** – Water & Sewer extension, ODOT basically took it over and added it to their project. We did get an estimate from them that came in at \$149,500 and had a total budget this year for the project of \$160,000 which covers the design fee. Also talked about pulling that line back just a little bit.
- **Airport** – Bid opening next Tuesday the 17th, then to Council (sewer extension down to Life Flight, FBO, and staged for future extension).
- **South Oregon** – Is in final design process. CK3, LLC is to provide an updated schedule, and hoping to get an early bid in the season; to make phone calls to make locals aware. Also, need to make sure all those businesses on South Oregon are fully aware when this is happening, etc.
- **TVCC Trail** – Advertising soon over holidays, open on Jan. 14th. And have grant money for it.
- **Grants – CDBG and Biz Oregon** – This all stemmed from the NPDES Permit; knowing all the projects, etc. we’re going to have to be doing. We’ve been talking with Business Oregon and they pulled together these “One-stop-shopping” kind of events. This is a wonderful service as they had a representative from CDBG, DEQ and their loan program, Parks and Rec, Department of AG, etc. all on the phone and run through everything so you can compare it right there. So, it looks like a good deal to go after a CDBG Grant for our Sanitary Sewer project.
 - Looking at 2020 (\$400,000 in budget for design and into construction next summer).
 - Reviewing all CCTV; identified large area near the Community College that we will need to deal with for the NPDES anyway.
 - Decided to back away from project that was small pieces and focus on expanding the design; have a lot of area designed and ready to go for rehab and repair.
 - If get \$2.5m from CDBG in a grant we’d be ready to go. If not, we can break it into smaller projects that we can continue with what we have.
 - Two different opening times:
 - February to April
 - July to September.
 - Free money on the CDGB

Business Oregon - we can get some loan forgiveness and funding for i.e. solids removal, and some different parts of the project. We did specifically pick because CDGB does have federal strings and one of the easiest is this pipeline work that needs to be done; could probably get a categorical exclusion on that.

- **Snow Event** – Had about 4-5” of snow and utilized four trucks (plows and sanders). One truck with a mag-chloride tank on it; had crews on a 24-hour cycle and all went well.

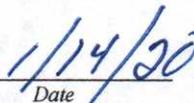
3:55 PM - ADJOURN

The motion was made by Mr. Wilson, seconded by Mr. Fox to Adjourn: Motion passed unanimously.

APPROVED:



Signature



Date

(Bernie Babcock, Chairman / Scott Wilson, Vice-Chairman)