
**Central Point
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541-664-3321**

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**Parks and Public
Works**

Matt Samitore,
Director
Jennifer Boardman,
Manager

Police

Kris Allison Chief

**CITY OF CENTRAL POINT
Study Session
October 20, 2014**

- I. **REGULAR MEETING CALLED TO ORDER – 6:00 P.M.**

- II. **DISCUSSION ITEMS**
 - A. Island Annexations

 - B. Backflow Testing Discussion

 - C. Tolo – Water Funding Options

- III. **ADJOURNMENT**

WORK SESSIONS ARE INTENDED FOR DISCUSSION. NO ACTION WILL BE TAKEN ON THE AGENDA ITEMS AND NO DECISIONS WILL BE MADE. NO ORAL OR WRITTEN TESTIMONY WILL BE HEARD OR RECEIVED FROM THE PUBLIC.

Discussion

Island Annexation

Island Properties in Central Point

A re-look at presentation from 2013

3521 Hanley



- Water – No
- Sewer – yes
- City Streets – County/City



3542 Hanley



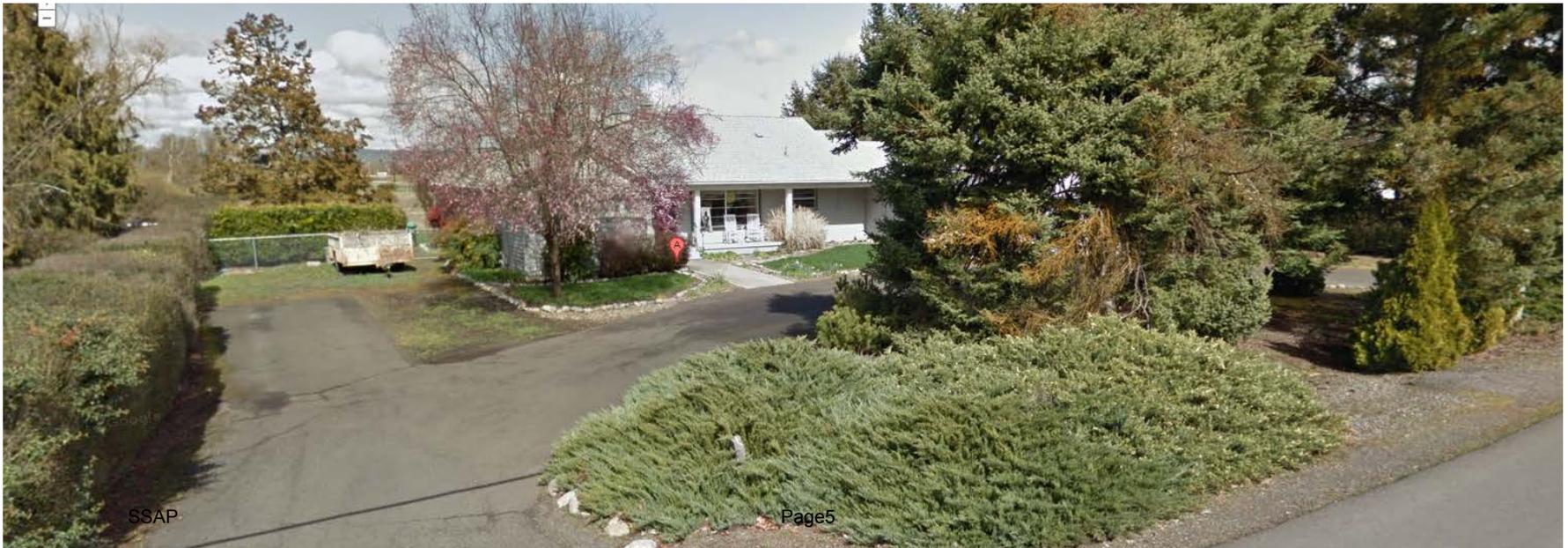
- Water – yes
- Sewer – yes
- City Streets – County/City



1988 Taylor



- Water – no
- Sewer – yes
- City Streets – City



220 Snowy Butte Lane



- Water – no
- Sewer – yes
- City Streets – City



239 & 233 Freeman Road



- Water – no and yes
- Sewer – yes
- City Streets – City



185 W. Vilas



- Water – no
- Sewer – yes
- City Streets – City



4885 Upton Road



- Water – no
- Sewer – yes
- City Streets – City



N. Front



Scenic Middle School



Discussion

Back Flow Testing



ADMINISTRATION DEPARTMENT

140 South 3rd Street · Central Point, OR 97502 · (541) 664-7602 · www.centralpointoregon.gov

STAFF REPORT

October 15, 2014

AGENDA ITEM: Discussion of adding fee to water bills to cover backflow prevention annual inspection.

STAFF SOURCE:

Matt Samitore, Parks & Public Works Director

BACKGROUND/SYNOPSIS:

The City is required by the State to have a backflow prevention system in place where all known backflow devices are tested on an annual basis. Currently, the staff informs residents and businesses via mailings about the program and is required to contact a private firm to get a test and supply the City with results.

This program has been met with quite a bit of passim from the residents. Many do not get the test so the City hires a contractor and bills them for it. Both the City of Medford and City of Ashland include a special fee within their rate structures for those properties that have backflow devices.

Staff has prepared two options on what it would cost the rate payers per month for the City to handle this service.

Options:

The options include doing a city wide rate increase to handle the properties that have the fee (\$0.50). The alternative option is to have a specific charge for those properties that have backflow devices (\$1.85 per property).

ATTACHMENTS:

Alternative options for backflow testing.

RECOMMENDATION:

No recommendation at this time. .

PUBLIC HEARING REQUIRED:

No.

Backflow Testing Proposals

Problem:

The city has about 1400 residential backflows that are known in the City. There is another 20 percent that are still not yet accounted for. Each year these units must be tested to make sure they are in compliance with the State and City ordinances. The time and money spent to manage the program is very time consuming and costly. The enforcement of the backflow program should be revamped to make it more efficient to utilize the employees time and save the City's money and still keep the city in compliance with the State.

Solution #1:

There are approximately 5070 residential water services in the city and by adding a \$0.50 a month backflow maintenance fee to the water bill the City could contract out a local backflow tester to test all the residential backflows. The monthly fee would be based on the actual contract unit price plus a small administrative cost for the City. Currently city residents pay between \$25-\$35 a test and the City contracts with a private tester who does them for \$15 a test, so the contracted price should fall somewhere between that.

Current Costs

- 2 employees average 2 hrs. a day doing backflow tasks (calls, field visits, counter help, letters, data entry, software updating, owner research.)
 - $2 \times 2 \times 250 \text{ days/yr.} \times \$72 \text{ (wage + benefits)} = \$72,000$
- Mailings cost: Approximately 100 letter a month (1st, 2nd, 3rd [Certified mailing] and 4th letters). Mailings will overlap with staggered due dates.
 - Cost for regular mail - $100 \times 12 \text{ months} \times \$0.49 = \$588.00$
 - Cost for Certified mail - Estimated 260 will need to be Certified $\times \$6.50 \text{ each} = \$1,690$
 - Total estimated cost for mailing = \$2,278

Proposed Cost

- $\$0.50 \times 5070 \text{ res. water services} \times 12 \text{ months} = \$30,420 \text{ year}$ (*not a cost but an estimate of the contract plus an administrative fee and a contingency for additional BF units*)
- Reduce regular mailing costs to \$0.00
- Reduce Certified mailing cost to \$0.00
- Reduce employee cost:
 - $1 \times 1 \times 250 \text{ days/yr.} \times \$72 = \$18,000$ – mostly data entry
 - Savings of \$56,278 in wages or 750 man hours.

Steps Needed:

1. Present to City council for approval.
2. Put an article in newsletter about the new fee.
3. Set up accounting with finance.
4. Get bids from testers
5. Set up testing protocol for testers.
6. Start testing homes using zones or areas.
7. Monitor testing to make sure tester on time and doing a good job.
8. Enter test results as they come in.
9. Send out random questioners to homes to get feedback on how testers are doing i.e.; complaints or complements.
10. Revise program as needed.

Solution #2:

By adding a \$1.85 a month fee to only the properties that have a backflow registered with the City, the City could contract out a local backflow tester to test these backflows. The monthly fee would be based on the actual contract unit price plus a small administrative cost for the City.

Proposed Estimated Cost

- \$1.85 per BF property x 1400 BF x 12 months = \$31,080 year (*not a cost but an estimate of the contract and a contingency for additional BF units*)
- Reduce regular mailing costs to \$0.00
- Reduce Certified mailing cost to \$0.00
- Reduce employee cost:
 - Same as solution #1

Steps Needed:

11. Get a list of homes with backflows.
12. Send letter with water bill notifying user of additional charge.
13. Get bids from testers
14. Set up additional billing with finance.
15. Start testing homes using zones or areas.
16. Monitor testing to make sure tester on time and doing a good job.
17. Enter test results as they come in.
18. Send out random questioners to homes to get feedback on how testers are doing i.e.; complaints or complements.
19. Revise program as needed.

Overall Benefits:

This would help the property owner by:

- Not having to get notices letters in the mail.
- Not having to remember to call a backflow tester every year to come out.
- Saving money by getting their backflow tested in a group rate.
- Convince of having the cost spread out over 12 months.
- Not getting upset that they might have their water turned off.
- Fairness of everyone getting tested not just them.
- Peace of mind that their water is safe to drink.

The benefit to the City would be:

- Eliminate the cost of employee time involved in folding and stuffing mailings, calls and counter visits.
- Eliminate the cost of certified and regular mailings.
- Eliminates angry citizens from coming in and expressing their anger.
- Free up time for employees to do more important duties.
- Makes entering backflow data easy and simple.
- Have better control of how backflows are being tested in City.
- Gives the residents a better cost per unit if City bids the contract.
- Get a much higher compliance rate on backflows.
- Concentrate on backflows not in our database and add them.

Obstacles:

- Residents opposing paying for testing if they don't have a backflow.
- Renting residents vs owners- should renters pay for the backflow test?
- Making sure the tester completes testing of all backflows.

Discussion

Tolo Waterline



ADMINISTRATION DEPARTMENT

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STAFF REPORT

October 15, 2014

AGENDA ITEM: Discussion of loan for Tolo waterline.

STAFF SOURCE:

Matt Samitore, Parks & Public Works Director

BACKGROUND/SYNOPSIS:

The City's current waterline ends on the South side of Exist 35, typically referred to as the Tolo area. The City is in the process of expanding its Urban Growth Boundary (UGB) into the area to encompass new industrial growth. In order to adequately serve the water needs within the area, from a fire protection point of view, a new waterline is needed. Early estimates determine the cost to be between 1 and 1.5 million dollars for the line.

The State of Oregon has a special Public Works Fund that allows for a 50/50 grant/loan option. The maximum grant allowed is \$750,000 for projects that allow for economic expansion/job creation, essentially \$5,000 for every job created. In the case of Tolo, Combined Transport is planning on moving their trucking operations and expanding it as well as their administrative division. Based upon conversations with Combined Transport they would be creating over 100 new job, which could allow for the full grant amount, reducing the project loan amount to \$500,000 to \$750,000.

Issues:

The City would need to enter into an agreement with the State and Combined transport for the loan/grant. The City would have to guarantee repayment of the loan. The City could have a side agreement with Combined Transport to make the annual payments. The loan terms are 4 to 5% from 5 to 20 years. There are no pre-payment penalties with this option. Staff would like direction from Council to determine if they are interested in exploring this opportunity.

ATTACHMENTS:

None

RECOMMENDATION:

No recommendation at this time.

PUBLIC HEARING REQUIRED:

No.