

Kent Taylor Civic Hall 200 NE Second Street McMinnville, OR 97128

#### City Council Work Session Agenda Wednesday, February 19, 2025 6:00 p.m. – Work Session

Welcome! The public is strongly encouraged to participate remotely but there is seating at Civic Hall for those who are not able to participate remotely. However, if you are not feeling well, please stay home and take care of yourself.

You can live broadcast the City Council Meeting on cable channels Xfinity 11 and 331, Ziply Fiber 29 or webstream here: <u>www.mcm11.org/live</u> Download the "Cablecast" app on iOS, Android, Roku, Apple TV or Amazon Firestick and watch McMinnville City Council on all your devices.

You may join online via Zoom Webinar Meeting: https://mcminnvilleoregon.zoom.us/j/85066604320?pwd=wWFEnvNXhDKR3uxFigV2oWXxnnV4Ra.1 Or you can call in and listen via Zoom: 1-253- 215- 8782 Webinar ID: 850-6660-4320

- 1. CALL TO ORDER
- 2. YAMHILL RIVERS ACCESS PROJECT
- 3. STORMWATER UTILITY UPDATE
- 4. ADJOURNMENT

**Meeting Accessibility Services and Americans with Disabilities Act (ADA) Notice:** Kent Taylor Civic Hall is accessible to persons with disabilities. A request for an interpreter for the hearing impaired or for other accommodations for persons with disabilities should be made a least 48 hours before the meeting to the City Recorder (503) 435-5702 or <u>CityRecorderTeam@mcminnvilleoregon.gov</u>.



City of McMinnville Parks and Recreation Department

> Contact: Susan Muir McMinnville, OR 97128 (503) 434-7310 www.mcminnvilleoregon.gov

# **STAFF REPORT**

DATE:	February 10, 2025
TO:	Mayor and City Council
FROM:	Jeff Towery, City Manager and Susan Muir, Parks and Recreation Director
SUBJECT:	Yamhill Rivers Access Project

## Background

The North Yamhill, South Yamhill, and main stem Yamhill Rivers, along with Mill and Willamina Creeks, comprise more than 120 river miles with both flat and whitewater sections. Collectively referred to as the Yamhill Rivers, these waterways have much to offer in the way of year-round, family-friendly recreational opportunities including wildlife viewing, floating, fishing, whitewater rafting and paddling. However, formal access is limited, and lack of improved access can be a challenge to enjoying the river.

During the development of the City's Parks, Recreation and Open Space (PROS) Plan (approved by Council on June 25, 2024), the community weighed in with the desire to restore or develop new river access down near Joe Dancer Park. The project was prioritized on the short term (5 year) action plan. Because the previous boat launch was at Kiwanis Park, it is identified in the plan as being located there, although much more analysis needs to be done to determine exactly where it could and should go when the project moves forward.

For this work session, members of the Yamhill Rivers Access Project (YRAP) planning team will present an overview of the larger project including its history, objectives, alignment with McMinnville's PROS Plan, and next steps. YRAP represents a coalition of municipal and tourism partners across Yamhill County working together to offer clean and safe access to the North Yamhill, South Yamhill, and main stem Yamhill Rivers.

In alignment with the City Council adopted PROS Plan and the desire to increase water access either within existing or future McMinnville parks, the City Manager has signed a non-binding collaborative agreement to demonstrate cross-jurisdictional support for the project. Working with our partners in this way will also hopefully open other funding and grant opportunities.

More information, including how to join the YRAP community mailing list, can be found at <u>yamhillrivers.org</u>.

## Next Steps

City staff will continue to participate in the project under the principles outlined in the attached "Yamhill Rivers Access Project Collaborative Agreement". The agreement is non-binding but underscores the intent to work toward shared goals in managing and developing access to the Yamhill Rivers.

## Recommendation

There is an informational item, no action is requested.

## **Financial Impact**

Most of the city's financial impact will be in the development of a boat launch/fishing pier. That project has not moved forward beyond being listed in the 5-year action plan of the PROS Plan. The funding for that project is identified in the plan as coming from a potential capital bond, grants and donations.



## STAFF REPORT

DATE:February 19, 2025TO:Mayor and City CouncilorsFROM:Geoff Hunsaker, Public Works DirectorSUBJECT:Stormwater Utility Fund Update

#### **Report in Brief:**

This report updates information provided to the city council at the April 17, 2024, work session concerning project status for the stormwater utility fund development. The report includes background information and proposes next steps for the stormwater utility fund analysis.

#### Background:

A stormwater utility analysis was initiated by the Council through budget adoption in July 2022 to explore more equitable and sustainable ways to fund the operation of the City's stormwater system. The analysis began in October 2022 when the city contracted with the Galardi Rothstein Group to develop a financial needs assessment, rate alternatives, and to provide public engagement assistance. The Galardi team is well known and experienced in the development of stormwater utilities in Oregon.

A stormwater utility is a self-funded enterprise fund dedicated to meeting stormwater operating and capital requirements. The stormwater utility fund concept is broadly recognized, in Oregon and nationally, as an equitable and sustainable approach for management of a community's stormwater system. Stormwater utilities provide financial adequacy and stability to meet environmental regulations and construct and maintain critical infrastructure. Stormwater rates align system costs with customer use of the system and prevent general and transportation system funds from being diverted to other uses.

Stormwater rates provide a mechanism for apportioning operating and capital expenses to users based on system demand and benefit, similar to the concept and practice used for the wastewater utility. Demands on the stormwater system are largely driven by runoff from impervious areas<sup>1</sup>. Consequently, over ninety percent of stormwater utilities nationwide use impervious areas as the basis for charging stormwater user fees.

<sup>&</sup>lt;sup>1</sup> Impervious areas prevent rain from soaking into the ground. Examples include residential rooftops, patios, and driveways roads, commercial structures, and parking lots, impervious cover prevents rain and snow from soaking into the ground, turning it into stormwater runoff.

### Infrastructure

The community's stormwater system serves a watershed area of approximately 10,700 acres through an integrated system of catch basins, detention basins, open channels (drainageways, creeks) and storm sewers. The service area within the Urban Growth Boundary encompasses roughly 8,400 acres of the watershed. Our earliest records for the system date back to facilities constructed in 1911 that have continued in service for more than 100 years.

Stormwater facilities include:

- ▶ 3,665 catch basins
- 17 detention basins
- 45 miles of open channel drainageways
- 114 miles of storm sewers

None of these facilities are currently maintained and require significant, sustained investments. Stormwater infrastructure is critical to minimizing health, life, and safety risks during flooding, protecting properties from damage due to localized flooding, protecting water quality by capturing sediments, heavy metals and nutrients bound to these solids, and reducing oil and grease from entering waterways.

Examples of current system deficiencies and failures are located on the city website at the following link:

https://macgisworx.ci.mcminnville.or.us/VirtualDirectories/PAC%20Meeting%20Recordings/Storm%20Failures%20Movie.mp4

## **Current Funding**

One of the community's goals is to *"...be responsible caretakers of our shared public assets and resources*". Absent a reliable and sustainable funding source, this goal cannot be met for the community's stormwater system. There are long-standing unmet system needs for preventive maintenance, replacement of aging infrastructure, and compliance with increasingly stringent regulatory requirements. Estimated current funding and expenses are shown in Table 1 below.

Fund	Activity	Stormwater Expenses
Street Fund	Street sweeping, leaf program, repairs, and emergency response	\$440,000
General Fund	Engineering support, regulatory compliance	\$120,000
	TOTAL	\$560,000

Table 1, Estimated current funding for the stormwater system

The current level of funding addresses reactive needs only. A managed system with preventive maintenance, programed repairs and prioritized capital improvements is not possible within current funding levels. The stormwater system has taken a backseat to targeted needs for the transportation system. This lack of resources compromises the City's efforts to be responsible environmental stewards.

The City's current funding approach for the stormwater system does not equitably apportion costs based on demand and benefits. Wastewater user fees are based on the volume and strength of wastewater and cannot be used outside of the wastewater system. Street Fund revenue is funded primarily from gas taxes and can only be used within public right-of-way per the Oregon Constitution. The City only has the General Fund available to fix emergency repairs outside of the public right-of-way. This funding approach limits the City's preventive maintenance funds that are primarily used to extend the service life of its roadways.

## **Regulatory Environment**

The regulatory environment for management of stormwater quality changed in 2022 with the Mercury Total Maximum Daily Load (TMDL) requirements, that resulted in unfunded mandates the city must comply with to avoid enforcement action. The City's TMDL implementation plan was approved by Oregon DEQ in September 2002 and adopted by City Council in November 2024.

Regulatory requirements contained within the Mercury TMDL Implementation Plan include:

- Annual reporting
- Community education
- Staff training
- Street sweeping
- Catch basin cleaning
- Development of a non-stormwater discharge prohibition ordinance and enforcement response plan
- Development of an erosion control ordinance and enforcement response plan

In addition to current TMDL regulatory requirements, McMinnville will be required to obtain a permit for stormwater discharged to local drainageways and the North and South forks of the Yamhill River. This permitting process is authorized by the federal Clean Water Act as part of the National Pollutant Discharge Elimination System (NPDES) and goes by the acronym MS4 (municipal separate storm sewer system). An MS4 permit regulates operation and management of the community's stormwater system. Staff currently estimate that the City will be required to operate under an MS4 permit in 5-10 years.

### Planning

The most recent Stormwater Master Plan was completed in 2009. It does not reflect current operating, capital, development, and regulatory needs. An updated facility master plan is needed to identify and prioritize operating expenses and capital improvements. A stormwater utility fund and dedicated funding mechanism would provide the resources to update the master plan.

#### **Project Advisory Committee**

At Council direction, a Stormwater/Wastewater Project Advisory Committee (PAC) was created in October 2023. The PAC is a twelve-member volunteer group representing residential, commercial, industrial, and institutional customers. The purpose of the Committee is twofold.

- 1. Consider adoption of a stormwater utility, including recommendations to the city council concerning financial, rate structure and administrative policies, and
- 2. Make recommendations to the city council concerning proposed wastewater user fees, rate structure and sewer Systems Development Charges (SDC).

The Committee met five (5) times between October 2023 and June 2024. Each meeting spanned between two to three hours. Members also committed time to reviewing lengthy staff and consultant reports in advance of meetings, raising questions, and debating positions as policy recommendations were reached. The committee's recommendations were presented to the City Council on April 17, 2024.

The committee will be holding a sixth meeting on February 18, 2025, to review a tiered rate structure and develop a policy recommendation for the City Council.

#### Next Steps:

After the Stormwater PAC reviews and makes a recommendation on a tiered-rate structure, Staff will present all the final PAC recommendations to the City Council in the Spring of 2025. Staff at that time will be looking for direction from the Council on the next steps for potential adoption and schedule