

To: City Council
 From: City Manager Nathan Cherpeski
 Subject: Friday Update
 Date: January 5, 2018



Calendar

Here is the calendar as provided to me by the Departments.

| Date | Time | Event | Location |
|------------------|-----------|---|---|
| January 15, 2018 | | Martin Luther King Jr. Day | All City non-emergency offices will be closed |
| January 16, 2018 | 6:20 P.M. | Work Session - Marijuana Discussion requested by Councilor Studenberg | City Hall Annex-Conference Room |
| January 16, 2018 | 7:00 P.M. | City Council | City Hall Annex-Council Chambers |
| February 3, 2018 | 9:00 A.M. | Council Retreat | Oregon Tech Sunset Boardroom |
| February 5, 2018 | 6:00 P.M. | Work Session - Automatic Metering Infrastructure for Water and Discussion on Geothermal utility | City Hall Annex-Conference Room |
| February 5, 2018 | 7:00 P.M. | City Council | City Hall Annex-Council Chambers |

City Manager

Senate Bill 311 allows a City or County to adopt an ordinance or resolution providing property tax exemption to commercial, industrial, and multi-family buildings built before January 1, 1993, that will be seismically retrofitted, for a period not to exceed 15 years. Section 6(a) states:

An ordinance or resolution adopted under this section does not become effective unless the rates of taxation of the taxing districts located within the territory of the city or county whose governing bodies agree to the exemption or partial exemption, when combined with the rate of taxation of the city or county that adopted the ordinance or resolution, equal 75 percent or more of the total combined rate of taxation within the territory of the city or

county. In agreeing to the exemption or partial exemption, the governing bodies of the taxing districts shall impose a limit on the total amount of exemptions and partial exemptions that may be approved.

Under the law, eligible costs include “costs directly related to structural seismic retrofitting, including, but not limited to, the necessary costs of demolition and restoration of similar architectural finishes, electrical systems, plumbing and mechanical systems necessary for access;” and “architectural and engineering fees, and fees for testing, insurance and project management, related to the seismic retrofitting.”

Ineligible costs are such things as “costs associated with refurbishing or remodeling that are intended to enhance the aesthetics, functionality or marketability of the improvements but do not extend the seismic life safety of the improvements; or (ii) Costs for abatement of hazardous materials, including, but not limited to, asbestos, or for relocation or loss of rent during the seismic retrofitting.”

Property owners who qualify pay an additional \$200 in year 1 and \$100 each subsequent year to the assessor to cover the assessor’s extra costs. The text of the entire bill is attached.

Water Main – At about 6:00 A.M. on December 28th, we had a break in a 12-inch cast iron water main. It was repaired and back in service by 10:00 A.M. although clean up took much longer. I asked staff when the line was installed and did we know the cause of the failure? I thought you might be interested in the answers. Based on the project files in the archive, it was installed sometime between 1946 and 1947. Randy sent the following related to my question on the failure. “We do not have a definite cause for the failure however when the 12” valve was originally installed it was set on wood blocking as a platform base which most likely rotted away to some degree, native soils were used for trench backfill raising the question of proper compaction, and a very large concrete base was constructed for the nearby signal light post which is directly over the water mainline. These factors may have contributed to settling causing stresses to be placed on the pipe and over time the cast iron fractured. All of this is of course just speculation.” We have underground



infrastructure much older than this line. The challenge with underground infrastructure, since it is out of sight, is that it is hard to know when it might fail.



Airport

John Barsalou provided the following:

In looking forward to the new year, several projects are in the works at the Crater Lake – Klamath Regional Airport.

1. Continue to pursue air service opportunities. Airport staff is diligently exploring all options for replacement air service although the current industry conditions make this a

challenging process. We are hoping to hear from one airline in a few months, but nothing solid at this point. The TSA did agree to leave their equipment in place until sometime around April 2018. So that was good news!

2. Completion of Taxiway B project – June 2018. This project constructs approximately 2,400 feet of additional taxiway on the Airport's east side and is 85% complete.
3. Design/bid/construct a new 27,000 square foot maintenance hangar on the Airport's east side – winter 2018/2019 completion.
4. Begin an Airport Master Plan Update process – estimated start in Summer 2018.
5. Runway 7/25 declination change to Runway 8/26 – complete June 2018.

There are other projects ongoing so it will be a busy year at the Airport. Thanks for the communities continued support. Happy New Year!