



CITY OF TROUTDALE

"Gateway to the Columbia River Gorge"

AGENDA

CITY COUNCIL – REGULAR MEETING

Troutdale City Hall - Council Chambers
219 E. Historic Columbia River Hwy. (Lower Level, Rear Entrance)
Troutdale, OR 97060-2078

Tuesday, July 14, 2015 – 7:00PM

Mayor

Doug Daoust

City Council

David Ripma

Eric Anderson

Larry Morgan

Glenn White

Rich Allen

John Wilson

City Manager

Craig Ward

1. **PLEDGE OF ALLEGIANCE, ROLL CALL, AGENDA UPDATE.**
2. **CONSENT AGENDA:**
 - 2.1 **ACCEPT MINUTES:** May 26, 2015 Regular Meeting and June 9, 2014 Regular Meeting
3. **PUBLIC COMMENT:** Public comment is limited to comments on non-agenda items. *Remarks shall be limited to 5 minutes for each speaker unless a different time is allowed by the Mayor. The Mayor and Council should avoid immediate and protracted response to citizen comments.*
4. **REPORT:** Greater Portland Inc., report by Tualatin Mayor Ogden and Matt Miller, GPI Vice President for Regional Expansion. Craig Ward, City Manager
5. **REPORT / RECOMMENDATION:** Parks Advisory Committee recommendation to Council regarding the proposed Visionary Park. Steve Gaschler, Public Works Director
6. **RESOLUTION:** A resolution concurring in the findings-of-fact of Multnomah County Resolution 2015-075 vacating the 242nd connector right-of-way. John Morgan, Planning Director
7. **RESOLUTION:** A resolution calling an election to submit to the electors of the City the question of a (5) cent per gallon motor vehicle fuels tax to be used for street maintenance and reconstruction. Steve Gaschler, Public Works Director

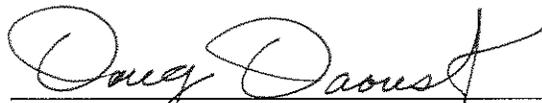
8. **PUBLIC HEARING / ORDINANCE (Introduced 6-23-2015):** An ordinance amending Chapter 5.04 of the Troutdale Municipal Code relating to business licenses.

Ed Trompke, City Attorney

9. **STAFF COMMUNICATIONS**

10. **COUNCIL COMMUNICATIONS**

11. **ADJOURNMENT**



Doug Daoust, Mayor

Dated: 7/8/15

City Council Regular Meetings will be replayed on Comcast Cable Channel 30 and Frontier Communications Channel 38 on the weekend following the meeting - Saturday at 2:30pm and Sunday at 9:00pm.

Further information and copies of agenda packets are available at: Troutdale City Hall, 219 E. Historic Columbia River Hwy. Monday through Friday, 8:00 a.m. - 5:00 p.m.; on our Web Page www.troutdaleoregon.gov or call Debbie Stickney, City Recorder at 503-674-7237.

The meeting location is wheelchair accessible. A request for an interpreter for the hearing impaired or for other accommodations for persons with disabilities should be made at least 48 hours before the meeting to: Debbie Stickney, City Recorder 503-674-7237.

DRAFT

MINUTES
Troutdale City Council – Regular Meeting
Troutdale City Hall – Council Chambers
219 E. Historic Columbia River Hwy.
Troutdale, OR 97060-2078

Tuesday, May 26, 2015

1. ROLL CALL, AGENDA UPDATE

Mayor Daoust called the meeting to order at 7:01pm.

PRESENT: Mayor Daoust, Councilor Ripma, Councilor Anderson, Councilor Morgan, Councilor White, Councilor Allen, and Councilor Wilson.

ABSENT: None.

STAFF: Craig Ward, City Manager; Debbie Stickney, City Recorder; Ed Trompke, City Attorney; Steve Gaschler, Public Works Director; Travis Hultin, Chief Engineer; Amy Pepper, Civil Engineer, and Erich Mueller, Finance Director.

GUESTS: See Attached.

2. PRESENTATION: "If I Were Mayor" contest, winning entry.

Mayor Daoust stated the City participated in the "If I Were Mayor" contest in cooperation with the Oregon Mayor's Association. We received 18 entries this year. The winning entry from Troutdale has been submitted to the state where they will compete against the winning entries from other cities. The winner at the state level wins an Apple iPad Air and will be recognized at the Oregon Mayor's Association meeting in August.

Mayor Daoust announced the winning entries:

- 3rd Place – Marixa Brewer, 5th Grade, Troutdale Elementary School
- 2nd Place – An Pham, 5th Grade, Troutdale Elementary School
- 1st Place – Anita Bondarchuk, 5th Grade, Troutdale Elementary School

All three students were given a gift certificate from Dairy Queen and flowers. In addition the first place winner was given a copy of the It Could Have Been Carpdale book, which depicts the history of Troutdale.

3. CONSENT AGENDA:

3.1 RESOLUTION: A resolution endorsing the Halsey Corridor Metro grant application.

3.2 RESOLUTION: A resolution approving an Intergovernmental Agreement with the Port of Portland addressing environmental liability of all phases of the Troutdale Reynolds Industrial Park (TRIP), and the development of related infrastructure and public improvements.

Councilor Ripma read the consent agenda.

MOTION: Councilor Ripma moved to approve the Consent Agenda. Seconded by Councilor Anderson.

Councilor White stated on item #3.1, it is a little vague regarding the eastern side of the corridor. It mentions the Town Center Overlay which would bring Halsey through what we call East Historic Columbia River Highway. Is that section of road included in any of this work?

Craig Ward replied it just isn't known at this point. It is the Halsey Corridor and that is currently limited to Halsey. Extending it, and how far to extend it and for what purpose is unclear. There has been some discussion about trying to tie it into our urban renewal area as well. The final grant has not been written yet. There is only so much money to go around and it is not clear exactly what the scope to extend it further would include or how much it would cost. It is not ruled out that it could be included but it is not directly incorporated in it.

Motion Passed Unanimously.

4. PUBLIC COMMENT: Please restrict comments to non-agenda items at this time.

Paula Goldie, resident and employee of the City, stated I want to read a couple of quotes. The first one is from Mayor Daoust when he attended the public works celebration, "I just want you guys to know I'm extremely proud of you all and I really cherish the work that you do". Another quote from Mayor Daoust that was in the Troutdale Champion, "I can assure the public that the MCSO contract should stabilize our general fund and increase the security of many staffers and thus improve the morale of our employees". By way of your inaction you have allowed your managers to bully their way into a balanced budget yet again on the backs of the employees. You, as the Council, have made the decision that the safety of our citizens was best served by another agency and after years and years of making sure that the police had everything they needed you bowed to that pressure and moved the entire force. If you are willing to give up on the rest of the employees who serve the citizens as the frontline of customer service, then I highly recommend continuing on the same course. Indeed, hire more managers who are hell-bent on cultivating an atmosphere of distrust among the people who make this City look good every single day. Bad morale you say, I wonder why. None of this has anything to do with a new city hall. It is time to stop talking about how much we mean to the citizens

and you need to direct your managers to negotiate a fair and equitable contract. This has been going on for too long and we have taken the brunt of every cut this City has ever seen.

Tatijana Hines, employee, stated I have worked for the parks department for ten years now. When highly profitable companies doing business in Troutdale only have to pay a storm fee of \$25 per month but the employees who keep the streets clean and provide drinkable city water will have to pay nearly \$300 per month for family health care there is something wrong with the priorities of the City. We urge the City Council to do the right thing and insist that the City put a health care proposal on the table that is fair, reasonable, and does not add additional cost to the employees.

Jodi Rogers, employee, stated I am a 28 year employee of the City. I work in the building department and issue all of the construction permits. We are in the middle of negotiations. The City staff has sacrificed over the years with the City's financial woes. At one point we went six years without a COLA. At the same time we increased our health care costs to 5% and every bargaining session it has gone up more. The management of the City wants to double the employees' health care costs this bargaining session without benefit of a meaningful COLA. That cost to some of us is putting food on the table, car payment, house payment or whatever it might be. I think we are willing to pay more towards our premium but not double. We are asking the City Council to step in and get management to step back a little bit and really look at what they are putting on the table to the city employees that do serve the City. We do serve the citizens; we are the frontline. I know that I am a good employee and I don't think it is fair that the City management wants to treat the people who are on the frontline in such a disgusting manner.

Dan Clausen, resident, stated I am 20 year employee with the City. We have a petition that was signed by over 40 people that reads, "Affordable quality health care is not a privilege, it is a right. Management's health care proposal threatens that for employees of the City. As a City Councilor you have say in what this City represents. We urge you to push the City's Management Team to put a proposal forward that gives our members security and quality care for the current and future workers of this City." (Copy of the petition was submitted into the record and can be found in the meeting packet.)

Dan Clausen stated three years ago we had a \$100 deductible with a 90/10 split in the cost. The City was coming out of the big recession three years ago and very reluctantly we agreed to raise our deductible to \$500 and our out of pocket cost to \$2,500 per person. Now the City is doing much better, the Country as a whole is doing much better. You are asking us to go to a \$1,000 deductible and pick up 20% of the cost and \$5,000 out of pocket. That factored in with the truth that the wages in Troutdale are among the lowest in the Metro area is just too much of a hardship for our members.

Ron Swaren, Portland, stated I was involved in opposition to the Columbia River Crossing (CRC) project because I felt for the size of the investment it was not serving the purposes of the Metropolitan area to have an interstate crossing limited to a very narrow area. I opposed the CRC because of the expense and bad timing, but I was in favor of a proposal

called the Western Arterial. Metro held a citizens forum where fourteen ideas were submitted and the planner on the panel liked that idea the best. The Western Arterial would provide a shortcut that would benefit all modes of transportation because it would be a shorter route between major points. Clark County took a vote to consider where additional bridges across the Columbia could be placed and two of the best received ideas was an east county bridge at about a 57% approval, and a west county bridge getting about 56%. I followed the issue with Clark County. They had been approached about the possibility of a bridge at 192nd. An engineering firm came up with a proposal of \$900 million for the project. I have been researching some other bridges. This is a photo of a modified network tied-arch bridge (copy of the photo included in the packet) that was built about four years ago for \$75 million. I don't believe that a crossing in this area could be built for anywhere near that because the conditions are more rugged and it is a greater distance. I think the \$900 million is quite a bit higher than it needs to be. I also found in my research that ODOT built a bridge at Waldport twenty-three years ago for \$43 million for a 3,000' bridge. There are various types of arches depending on the span. If there was a general plan to address the western arterial highway, if there were standardized components those could be mass produced and that would keep the cost reasonable. I think the needs for the Metro area could be addressed at a fairly reasonable cost. I hope that you will pursue discussions with Clark County about an east side crossing and consider arch designs because they are elegant and economic.

David Fenske stated I live in Portland but we just opened a gallery in downtown Troutdale at 255 E. Historical Columbia River Highway. My partner has been in the business for 40 years. His art has gone from London to Monaco to Australia. Last year he toured all of the cities of Japan and two cities in China. When he told me we were going to start an art gallery in Troutdale he said, "I believe in the vision and future of Troutdale. With a little guidance it will become the next Carmel or Scottsdale. This is a bubble of enthusiasm now that the City can work with, however, I believe we only have one year or two to capitalize on this bubble after which Troutdale could return to stagnation. The artists will do their part but the City needs to believe in their vision also." I think a big part of that will be the City helping to fund public arts. I think a big part of that down the line will be signage and working with the public to change the paradigm of what their vision of Troutdale is. Right now people who don't know Troutdale visualize it as a small town rather than an art community. That is why we moved here, to capitalize on that level.

Claude Cruz, resident and West Columbia Gorge Chamber of Commerce (WCGCC) Executive Director, stated I think many of us share the vision of what the arts can mean for Troutdale going forward. The WCGCC is working very hard with our local artists group. Right now we are working on what I believe will be a real stellar arts event that will put us on the map. I participated in the budget process. I waited until I was advised to address the Budget Committee about some needs. One of which is the Troutdale Gorge Hub which will support cycling in our area. We have secured a \$50,000 grant to finish the planning phase but then we are in limbo. I will continue to look for grant opportunities and other support but we are going to need the City to pitch in to make this a reality. My best guess is something on the order of \$35,000. There is a third request which is to help build capacity for the WCGCC. I think that something on the order of \$30,000 would get us

over the hump. It would let us field two big events a year and it would let us become more active in pursuing grants. It would also let us do a much better job of tourism promotion. We need more money for the expensive marketing ads and for someone to be dedicated to that task. We are working on the backs of volunteers who are burning out.

Jim Kunns, resident of 35 years, stated I want to back-up the statement made by Mr. Cruz and the individual prior to him. We would like to see a lot more development and support by the City Council to the art world. I myself am an artist and I think we have an opportunity here for a great community. We are the Gateway to the Gorge. We have a lot of people who are interested in the arts. If we could get some support I really feel that this would be important. Art is a very important part of the culture of any city or community. It becomes the spirit for what the city needs. We would appreciate anything you can do to help support our community.

Donna Irwin, resident and owner of Columbia River Gallery, stated I agree with what others have said. I am glad that you want this to be an art community. You can see in other towns around the Country where art is a major player and it brings big dollars to town. It doesn't just support the arts, it supports lots of other businesses in town. People do come here from all over the world to see what there is in the Gorge. We have some pretty outstanding artists in our community. We could be an art community. People come here looking for more. We need help.

Ali Peret, resident and business owner of 25 years, stated I had a vision and a dream and friends told me I was nuts for opening up a business in downtown Troutdale and that I was going to fail, but I'm still here. I am proud of what Troutdale has become. It is beautiful. I would love for it to continue to be beautiful and to grow. I have another dream for a beautiful city hall that is surrounded by art inside and out that welcomes a lot of artists including children that aspire to be artists in this community, and that we can sponsor these arts of various types.

Rip Caswell, Troutdale business owner for 22 years, stated I want to thank this Council and previous Councils who have supported the arts through the Arch and other projects we have accomplished and the way that we have enhanced Troutdale's image. I think the Arch was a very significant part of that. Most of the businesses were empty in downtown and the Council saw clear to help fund that Arch along with citizens and the Historical Society. It was a wonderful private/public partnership and it changed Troutdale; it is a different city than it was 10 to 15 years ago. We have a huge opportunity with Metro. I know you are struggling with budgets and the expense of employees, etc. I know trying to find money for art will be difficult but we have this wonderful community enhancement opportunity that has been presented to us from Metro. If there is any way that the Council can use those funds to help blossom Troutdale into a thriving arts mecca that will be the best thing we could do. I would encourage you to look at the opportunity that we have been given and take full advantage of it.

5. REQUEST: A request for the City to provide sponsorship for the Cruise-In.

Councilor Wilson stated I would like to state for the record that I am a member of the Troutdale Kiwanis.

Councilor Allen stated I am also a member.

Mayor Daoust asked does the Council have any objection with Councilors Wilson or Allen acting on any request that may be coming before the Council from the Kiwanis?

No objections voiced.

John Leamy, resident and member of the Troutdale Kiwanis Club, stated about 4 years ago our club took over the Troutdale Cruise-In event. We run it as a fund raiser and we donate proceeds to Doernbecher Childrens Hospital for cancer research. We also use proceeds from this event for funding various kids programs in Troutdale. We have adopted the Troutdale Terrace Apartment Complex and we hold a Christmas party, an Easter egg hunt, a bike rodeo and we give free haircuts in partnership with Mt. Hood Community College. We are asking for \$1,500 from the City for a Presenting Sponsorship.

Councilor Wilson stated last year the Cruise-In brought in 130 cars and all of the downtown and outlying businesses benefitted from the people who attended this event. There were probably 2,000 people that came through downtown during that day to look at the cars that also spend money in our businesses.

Councilor Anderson asked how much did we give last year?

John Leamy replied \$1,500.

Councilor Ripma asked when is the event?

John Leamy replied August 2nd.

Councilor Morgan asked is this just put on by the Kiwanis or is the Chamber involved?

John Leamy replied it is the Kiwanis, with the help of a few of our downtown merchants.

MOTION: Councilor Anderson moved to have the City provide \$1,500 to provide sponsorship for the Troutdale Cruise-In on August 2nd. Seconded by Councilor Morgan. Motion Passed Unanimously.

6. PUBLIC HEARING / ORDINANCE (Introduced May 12, 2015): An ordinance amending Chapter 9.48 of the Troutdale Municipal Code to address wildlife hazards at the Troutdale Airport.

Ed Trompke, City Attorney, stated this originated from the Port of Portland who came and spoke at the last meeting regarding an exemption from the City's gun discharge ordinance. In the State of Oregon a very small amount of authority is granted to the cities and the state keeps the rest. The grant of authority included the right to limit the discharge of firearms in the city limits. The Port asked for an exemption to allow the discharge of firearms to scare off the wildlife that is a hazard to the airport and to general and commercial aviation, and to take game in those rare cases where it becomes necessary. At the last meeting Councilor White asked that some other discussions take place with respect to the gun ordinance. I have circulated some language about that. It is my opinion, and the City Recorder's belief, that if the language were to be adopted it would require another reading of the ordinance. Councilor White felt that we could bring this language up at another meeting, but he wanted to introduce it to the Council tonight.

This ordinance is fairly simple. It allows for the people who are properly licensed to scare away the waterfowl and other birds at the airport. In addition we changed one other piece which talks about using firearms for protection of yourself. The current code language says family and we have changed it to allow for defense of any people not just family members.

Mayor Daoust opened the Public Hearing and asked is there anyone here that would like to speak to us regarding this ordinance?

Paul Wilcox, resident, stated your ordinance, for which this is the second public hearing, is to address wildlife hazards at the Troutdale Airport. During your urban agriculture hearings there were changes between the first and second public hearing but those were strictly related to that issue. What has happened here is between the first hearing and the second hearing you have changed the language in Section 9.48.020(B)(1) to, "in the lawful defense of the person or of another person" verses the person's family. I have a legal question on that. Since the original ordinance was strictly addressing the wildlife hazards at the airport, can you introduce something totally unrelated between the first hearing and the second hearing? It is like you opened up the municipal code book and said while we have it open lets make this change and this change. I can't see why you should be allowed to make totally unrelated changes without requiring a new proposal.

Ed Trompke replied in Section 9.48.020(B)(1) the change to the language from the person's family to another person was raised as an amendment at the first public hearing. It is not strictly speaking within the title of the ordinance, however, it is directly related in that it is the same sentence. It is my recollection that this will pass muster in terms of it having had two hearings since it was directly raised at the first hearing.

Paul Wilcox stated it was introduced after the public hearing if I remember correctly. I take issue with the change to the language in 9.48.020(B)(1). When you are saying in the lawful defense of the person or another person, if you have the good guy over here coming in to save the day you might encounter a situation where you have two people in a confrontation and after it has been going on for some time you don't know who is the

assailant and who is the victim. You are just opening it up for the public to assume the role of a law enforcement officer and I personally don't think that is a good idea.

Section 9.48.020(B)(2) the language for the wildlife management people. I drove around the edge of the airport and on the northwest corner as I came around Sundial onto Graham there was a Great Blue Heron right on the corner of the airport property. Obviously there is something about the airport property that is attracting wild fowl because I rarely see that particular bird out in the wild and here it is at the airport. I can appreciate the need to keep the runways clear. They have the sound cannons out there and some places use dogs. My main issue with this is expanding their area authority outward to cover the entire TRIP property. There is a multi-use path on top of the levy that runs behind FedEx that is a public area where people hike, bike and walk their dogs. This is authorizing these wildlife management people to be shooting projectiles on that property. The airport is pretty well secured, people aren't running around out on the runways. I don't think it is a good idea to allow these wildlife management people to operate anywhere on the TRIP property. When you are firing projectiles there is always going to be a risk to the public.

Ed Trompke replied regarding the language under section 9.48.020(B)(1), the current code, the lawful defense of a person or the person's family can conflict with Oregon law which currently allows an intervener, a third party, who walks up on a fight to take the chance of being wrong and going to jail if they are wrong, and to defend that person even if they don't know the person. Currently the City's code and state law conflicts. The City code allows only for defense of a family member where state law allows the defense of any person if you are right doing it. This just brings the two into alignment. To the other question, the wildlife manager from the Port was at the last meeting and spoke about the great care that is taken with respect to making sure that no person or property is injured by a projectile. The licensing is both by the Fish and Wildlife Service and the Federal Aviation Administration and is very stringent and doesn't allow for any mistakes. It is up to the Council to make sure that you are satisfied, but good support was given by the proponents of this at your last meeting.

Craig Ward stated the code is very clear that the purpose of taking or disbursing wildlife is because they pose a risk to aircraft safety. If they are on the TRIP property and they are judged to be a risk to aircraft safety then this would apply. It is not like we are giving a license to their officers to just go out and discharge firearms at any animal.

Mayor Daoust closed the Public Hearing at 8:03pm.

Councilor White stated I just want to make folks aware that the east side of the Sandy River and Sandy Slough is open for hunting with shotgun, so there is already that activity occurring along the Sandy River. I have never heard of any incidents, problems, or accidents occurring.

MOTION: Councilor Anderson moved to adopt an ordinance amending Chapter 9.48 of the Troutdale Municipal Code to address wildlife hazards at the Troutdale Airport. Seconded by Councilor Wilson.

VOTE: Councilor Ripma - Yes; Councilor Anderson - Yes; Councilor Morgan – Yes; Mayor Daoust – Yes; Councilor White – Yes; Councilor Allen – Yes; Councilor Wilson - Yes.

Motion Passed 7-0.

7. RESOLUTION: A resolution adjusting the sanitary sewer utility fee, confirming the average flow rate for an equivalent residential unit and rescinding Resolution No. 2251.

Steve Gaschler, Public Works Director, stated staff appreciates the unique position you are in as elected officials and the perspective that you bring to this issue. Our goal is to spend the city's dollars the same way we would spend our own money, or as we think the citizens would approve of. Our goal tonight is to present information in a way that informs the Council's decision. We all serve the citizens of Troutdale so we are all on the same team trying to do the right thing for the people who elected you, the people who pay our salary.

Steve Gaschler reviewed slides 1-16 of his presentation (copy attached as Exhibit A) covering the topics of: the need for increased rates; history of the beginning fund balance; fund balances; rate comparisons; 20 year rate history for a single family home; League of Oregon Cities data showing the average rates from cities our size compared to our rates; League of Oregon Cities data showing how our water rate compares to other cities in the Metro area (per 5,000 gallons); utility rate comparison with other cities for single family residential units; affordability; and typical single family household spending distribution graph.

Amy Pepper, Civil Engineer, reviewed the City's wastewater system (slides 17-22) including the following topics: system overview; sewer fund forecast with rate increases (primary source of revenue is the user fees); history of the beginning fund balance for the sewer fund; capital projects including sewer upgrades, pump station upgrades and sewer extensions; a new fee for recycled water; and the City's wastewater utility fee rate comparison to other cities.

Councilor Wilson asked if we take the 2.5% threshold fee you would net \$129/month based on \$62,000 annual income. If you are telling me that grants and other things are based on us hitting that threshold of 2.5% I don't think any of these cities would be at that level.

Steve Gaschler stated that is what we have been told. Cities are going to have different median incomes.

Councilor Wilson stated I understand that. But to say that grants are based on 2.5% would mean that our rates would have to go to \$129/month.

Steve Gaschler stated we are not proposing that the rates go to \$129/month. We are just stating what the facts are. The facts are that is used as the affordability index and DEQ and the state use that number when they are talking about grants.

Councilor Wilson stated if we are behind Happy Valley as far as income, I guess they don't get any grants either because they are at \$75 for all of their rates.

Steve Gaschler stated another thing to consider about Happy Valley is they do not provide any of these services to their citizens, they are provided by districts.

Councilor Wilson asked as a follow-up on this can you provide us with what the median income is for the cities you have listed?

Steve Gaschler replied yes, I have that data I just didn't bring it with me.

Councilor Allen stated infrastructure has regular maintenance cycles and expected life. I figure as a Councilor I am in trouble if we get rate hikes that are high in the future, or if infrastructure disrupts service to people. I take it that you are looking out far enough that we are on a path to be able to meet that.

Steve Gaschler replied that is exactly what we are trying to do. With the FCS studies that we have been working on we have been using a 20 year timeframe. That gives you a pretty good look and you adjust as you go. It gives you a target to shoot for. If you look at the size of our system and do some simple math, this system is not going to last 100 years but using 100 years for easy math, if you take a \$200 million plus system at 100 years you should be dealing with \$2 million every year and in 100 years you will have gotten clear through the system. That is an over-simplification of how it works, but it gets you in the ballpark of where we need to be.

Councilor Allen stated that is the kind of track I want to be on.

Steve Gaschler stated that is the track we would like to be on also. That is why we are doing the studies to show you where they are all tracking.

Councilor Morgan stated this is going to affect a lot of citizens and businesses. Does your team or the city or the council have an apparatus to articulate some of these changes and the affects it will have? It is one thing to see an arbitrary raise on the bill without justification, it is something else to see why the rates are being increased.

Steve Gaschler replied we don't have a public outreach plan for this. The Council has been increasing these rates 4% for I think the last three years. Since I have been here I have been saying that this is just treading water; we don't want to lose any more ground. We will come back to the Council with an analysis. We do have more work to do on that.

I personally have not received any feedback from the increases, but I know that some of you probably have.

Mayor Daoust asked on your 20-year projection out to the year 2023, what does that assume as far as rate increases from here on out? Do you assume that there will be a 4% rate increase for the next twenty years?

Amy Pepper asked is this for wastewater?

Mayor Daoust replied yes.

Amy Pepper replied our sewer fund is actually the healthiest of the public works funds. The model shows a 4% increase for the next couple of years, until our bond gets paid off, and then we are looking better. We will continue to watch that as projects come and go.

Steve Gaschler stated we are talking about selling our effluent and if that were to happen we estimate that would bring in about \$1 million to the sewer fund.

Councilor Anderson stated you said we are trading water. Is 4% enough? I asked your predecessor point blank, the Water Master Plan for instance is calling for an 8% rate increase so why don't we just give you 8%. He didn't want 8% he just wanted 4%. So is 4% enough to accomplish our goals, or is 4% a number that placates everyone?

Steve Gaschler stated on the wastewater system it looks like 4% is probably enough for that fund. But I would say no for the other two funds.

Councilor Wilson stated part of the rate that we are talking about has been increased because of the wastewater treatment plant because the SDCs haven't paid their share so the residents had to bear a stronger burden of the cost to pay for the bond. Is that correct?

Amy Pepper replied there was an extra tax increment that the residents paid, the rates held up their portion of the bond payment. The SDC payment that couldn't be made was made up by tax increment.

Councilor Wilson asked at the end of this why wouldn't we refund the money back, or stop charging them for the money that they are paying into this for the wastewater treatment plant?

Amy Pepper replied once the bond is paid off it is my understanding that the tax increment will go away. On their tax bill they won't have that tax increment for the bond. There will still be other things that we need to fund in our sewer fund; we will not be making a bond payment with those utility fees but we will need to make other capital and material and services expenditures.

Councilor Wilson stated not the bond part of it that I am paying through my property taxes, but the part that I am paying for with my user fees, there won't be any relief back to the consumer once the bonds are paid?

Travis Hultin, Chief Engineer, stated after the bond is paid off we are projecting that we won't need any rate increases for a few years, but if the bond were still continued on we would need rate increases and we would need bigger rate increases. What the end of the bond term does is it prevents the need for those future rate increases or higher rate increases.

Councilor Wilson stated but we still have more money coming in and part of that was because of the rate increases that were helping to pay towards the bond. Why wouldn't that percentage get refunded back or taken off the rate?

Travis Hultin replied because we have other costs that will be coming in the future and we need to build reserves for system rehabilitation or replacement.

Councilor Wilson stated but the consumer didn't say that they wanted their money to continue to come into this. They said that they are willing to pay off the sewer treatment plant.

Travis Hultin stated that is a decision for the Council to make.

MOTION: Councilor Anderson moved to adopt a resolution adjusting the sanitary sewer utility fee, confirming the average flow rate for an equivalent residential unit and rescinding Resolution No. 2251. Seconded by Councilor Allen.

VOTE: Councilor Ripma - Yes; Councilor Anderson - Yes; Councilor Morgan – Yes; Mayor Daoust – Yes; Councilor White – Yes; Councilor Allen – Yes; Councilor Wilson - Yes.

Motion Passed 7-0.

Mayor Daoust called for a break at 8:42pm and reconvened at 8:55pm.

8. RESOLUTION: A resolution adjusting the water commodity fee, confirming other water related fees and rescinding Resolution No. 2252.

Travis Hultin, Chief Engineer, reviewed the City's water system (slides 23-27 of Exhibit A) including the following topics: system overview; financial analysis and rate model; history on the beginning fund balance; capital projects including connectivity/firefighting, earthquake resiliency, and water supply; and water system utility rate comparison.

Councilor Morgan asked the resiliency study, was that what was in the budget – the earthquake readiness?

Steve Gaschler replied that is what that was for but it was for all of the systems and it included a deeper level look at the water because in the Water Master Plan they just identified the issue of the water storage tanks and didn't look at the wells or the pump stations.

Councilor Morgan asked and this will?

Steve Gaschler replied that is no longer in the budget so we will put that off until a later year.

Councilor Allen asked what is our current rating for an earthquake for our water tower?

Travis Hultin replied I can't say because we haven't had the assessment done yet?

Councilor Allen asked they didn't make us do that when we built them?

Travis Hultin replied our newest reservoir was built around 1980.

Councilor White stated I remember the earthquake thing and we kind of balked at the cost. What is the life expectancy of Reservoir #2 (Flower Tower)?

Travis Hultin replied if it is maintained properly it could last for 70 to 75 years.

Councilor White asked and was it built in the 80's?

Travis Hultin replied I am not sure.

Councilor White asked would it make sense to let it run its course and build a new one to the current standards?

Travis Hultin replied it is almost always more cost effective to maintain what you have then it is to start over.

Councilor White stated I am not saying to not maintain it, I mean paint it, coat it and take your chances on the earthquake.

Travis Hultin stated that is a roll of the dice. It is not just about the loss of the reservoir from a capital asset standpoint, it is about the effect it would have on the ability of the community to deal with an earthquake. In an earthquake scenario we may lose our distribution system, we may lose our wells, but we have one million gallons of water sitting in that reservoir and if it is still intact we can access it for possible emergency relief. That goes for all of the reservoirs. That is what I think about in terms of why I want to make sure that this reservoir is not damaged in an earthquake; I want that water in that scenario to get to people to supply the people during our relief effort.

Mayor Daoust stated the Council approved the Water Capital Improvement Plan (CIP) in 2013. We discussed this and approved what was in the CIP list at that time. This is the fund that fits under Councilor Anderson's question. It would really take a 9% increase to keep us whole rather than 4%.

Travis Hultin stated it would be 9% or maybe a little more. That preliminary analysis that was in our Master Plan was done so that as the Council was reviewing the Master Plan and the CIP list you could see the impact that capital improvement projects would have on rates. It wasn't an in-depth analysis into the other operating costs of the water system. The answer is yes it needs to be a bigger rate increase, but we don't know exactly what that is yet which is why we need to complete the analysis that is in progress.

Mayor Daoust stated that will be your 20-year analysis of what kind of rate increases you would need into the future.

Travis Hultin replied yes. It will take into account not just the capital plan but also a more comprehensive look at the other operations in the water system, the annual routine type of operating expenses and increases that we can expect there.

Councilor Allen asked can we check with the US Geological Service and see what their thoughts are on the earthquake magnitude for this area?

Travis Hultin replied they have forecasts out there.

Councilor Allen asked on these towers the way they are constructed, aren't we more likely to lose that center standpipe, and if so do we have replacement material to be able to get enough of them going to at least have some ration of water?

Travis Hultin stated Reservoir #2, because of its height relative to its base, has a specific vulnerability to a walk-off failure. If the ground starts shaking it can actually walk right off of its foundation. All of the reservoirs, including Reservoir #2, also are subject to rupture. Whether you have a rupture or walk-off failure, either one, you are going to lose all of the water in that reservoir.

MOTION: Councilor Anderson moved to adopt a resolution adjusting the water commodity fee, confirming other water related fees and rescinding Resolution No. 2252. Seconded by Councilor Wilson.

VOTE: Councilor Ripma - Yes; Councilor Anderson - Yes; Councilor Morgan - Yes; Mayor Daoust - Yes; Councilor White - Yes; Councilor Allen - Yes; Councilor Wilson - Yes.

Motion Passed 7-0.

9. RESOLUTION: A resolution adjusting the storm sewer utility fee and rescinding Resolution No. 2250.

Steve Gaschler reviewed the City's water system (slides 28-32 of Exhibit A) including the following topics: Stormwater system overview; storm sewer utility fund forecast at current rates; stormwater system capital projects including master planning, flood control and pipe upsizing, and water quality and rehabilitation; history of the beginning fund balance for the stormwater fund; and utility rate comparison for single family residential and for the median commercial impervious area.

Steve Gaschler stated we are bringing forward the Budget Committee's recommendation which is a 4% increase in the fee and doubling of the rate cap amount. This isn't going to solve the problem. We are hoping to have a good discussion tonight, get some direction and schedule another meeting in the next month or two to look at a long-term solution for how we are going to deal with this fund. We know that the general fund is not going to be able to carry this fund the way that we have it set up for this year.

Councilor White stated a possible solution is to put it back in with the sewer system fund like we had it. The sewer fund kind of off-set the cost of this particular fund.

Steve Gaschler stated if we did that we would not be complying with our current ordinance. We have a wastewater ordinance, a water ordinance and we have a storm sewer fund ordinance. Each ordinance says that the funds are supposed to be tracked independently; the expenses and revenues associated with that fund are supposed to stay with the fund. If we went down that road I believe we would have to go back and change those ordinances. I think you might run into some state issues, I would defer to Ed Trompke for his opinion on that.

Ed Trompke stated that is a complicated question and I am not sure I can give a specific answer without a real specific question.

Councilor Anderson asked why do we have to break these out? I don't need to know the answer right now, but something compelled us to break these out and not combine them and I am curious as to what it is and why we did it in the first place.

Travis Hultin stated a more fundamental answer to Councilor White's question is that the total amount of money needed to operate the storm and the sanitary sewer system is the same whether you charge it in two separate rates or not. If you were to do what Councilor White is proposing, all that means is that you are going to have much larger rate increases in the sanitary sewer rate.

Councilor White stated that fund is healthy the way I understand this. I am talking about using the health of that fund to offset this cost.

Travis Hultin stated you would basically be killing your sewer fund. Then your storm sewer fund becomes a vampire to your sewer fund and it will drain its life away fairly quickly.

Craig Ward stated the sheet that we have on the financial forecast for the sewer fund essentially shows it to be break even. If we combine the two as we once had, the combined funds will now be in deficit. We are really just subsidizing the storm water fund with the sewer fund. If there was a big reserve in the sewer fund I could understand the value of that, but it doesn't solve our problem, it actually complicates it across two funds in my opinion.

Councilor White asked are we over-treating the storm water? We require bio-swales, which is a big cost to the developer only to find out down the road that they are going to get tagged with an impervious surface fee as well.

Travis Hultin stated the water quality projects in the capital plan address older areas of the city where both residential and commercial development doesn't have any on-site treatment. That is the water quality side. On the flood control, or quantity side, the fact that somebody is providing a treatment system before they discharge their stormwater does not change the fact that we need to control that water from flooding and causing property damage, etc.

Councilor White stated there is a chance that we might sell our effluent water to the Troutdale Energy Center. Could the stormwater be a possible source as well? I know they will need more water capacity.

Ed Trompke replied legally when the water hits your roof it belongs to you. When it comes down your drainpipe, and downspout it belongs to you. As soon as it hits the ground or a pipe in the ground it belongs to the state not the city.

Councilor Morgan asked are we still going to require businesses, churches and others to build the bio-swales and some of the preventative maintenance components of their development if we are also going to increase these rates? A lot of businesses have spent a lot of money to prevent having this water be treated and then we are also going to increase the rates in addition.

Steve Gaschler replied that is correct. The standards that are in place are in addition to these rate issues. In other words they are required for one water quality to treat that and if they don't then the city is going to have to deal with that at some point. The better way to do it is to deal with it upfront with the developer on an individual basis as they come online, and then also try and deal with the flow quantity problems that we are going to develop down line and not have to upgrade those pipes if we can retain some of that water and get it to saturate into the ground and not come down the pipelines and consume our capacity in those pipelines. When you have to go back into the street and take a 24" line and upsize it to a 36" or 48" line it is very expensive.

Councilor Morgan stated there is a way for a developer or a church or what have you to appeal that process.

Steve Gaschler replied they can apply for credit. If they can come in and show that they are retaining a quantity of water on-site the current ordinance allows them to apply for a credit of up to 70%.

Councilor Morgan asked but the Council could amend that?

Steve Gaschler replied yes.

Councilor Morgan asked is there any fee associated with appealing this or going after this credit?

Steve Gaschler replied there is no fee, but it is up to the applicant to apply for the credit and prove what they are doing.

Travis Hultin stated if you look at Section 4 of the resolution it addresses that process.

Mayor Daoust stated the way I understand this is that it is a band-aid over a big gap by doubling the cap. I see where you are making the recommendation that the City Council revisit the stormwater rates and financial analysis in the first half of this coming fiscal year to develop a sustainable funding plan for the utilities. Will you be doing a financial analysis to add more information for us to talk about?

Steve Gaschler replied the financial analysis for the storm fund is done and we brought that to you over a year ago. At that time we discussed that the rate cap needs to go away and that the user fee needed to also go up a fair amount. It is really a question of how we phase that in; how long of a period of time can we take to get there. Since we have put this off for a year we are actually in a worse position then we were a year ago. Doubling the rate cap this year is a start but at some point we are going to need to get more aggressive.

Mayor Daoust stated I would like us to consider that word "sustainable" in every program that this city has, and in every fund that we manage. That should be our goal. To me this is just a band-aid and it is not sustainable.

Councilor Wilson stated on this 70% reduction, is there a form that they have to fill out or do they just write a letter saying that they invested \$50,000 in bio-swales and they would like a reduction in their rate.

Steve Gaschler stated there is a very small percentage of the businesses that even have those in place and can apply for that credit. They need to request it in writing and they need to submit the information. Most of these businesses will have that information, the calculation that their engineer did, that they can provide to us. That percentage of reduction will be different for every one of them.

Travis Hultin stated they will need to submit an engineer's report that demonstrates what is talked about here in the resolution.

Councilor Wilson asked how do they know about this?

Steve Gaschler stated what I would propose that we do is that we send out a letter to all the businesses that this rate cap will affect. With this current change some are going to be doubled, some will only have a slight increase and a large portion will just stay the same. We should probably send that letter out to all the customers whose rate will double and let them know what is going on with the rate change and point out that they can apply for this credit.

Councilor Wilson asked will you provide the information that they need to provide to apply for the reduction?

Steve Gaschler replied we will probably just ask them to contact us.

Travis Hultin stated when we go to pre-application conferences where we see that somebody could potentially benefit from, or there are ways that they could reduce their stormwater costs, that is something that we point out to them. If they can reduce their impervious area then they wouldn't be charged for that, both on their SDCs and their monthly fee.

Councilor Morgan stated we have a church that put in bio-swales, and you are going to ask them to hire an engineer to appeal it for a potential 70% reduction. I hope that we look at that 70% and look at ways to off-set that whether it be for churches or whatever because the rate cap might not appear like a lot of money but we have already asked them to invest a lot of money and it seems a little inconsistent.

Steve Gaschler stated Tom Young is the minister at the Harvest Church which they are building right now. We discussed this with him and he understands about being part of the community and paying his fair share.

Councilor Allen stated the shopping centers are generally managed by a management company. Would the management company get the letter or would the businesses get the letter?

Steve Gaschler replied it would go to the account holder. Typically in a shopping center the account holder is the management company and they pay the bill and pass it along. It would go to the person who is paying the bill. If they pass along that fee it is probably included in their rent.

Councilor White stated I would like to look into putting this fund back in with the sewer fund. My main reason for wanting that is if we are able to sell our effluent water, that alone would take care of the problem.

Steve Gaschler replied we can look into that and get better information of what we can and can't do and what some of the ramifications of that are. If you think through that

basically you are asking the residents to subsidize a big portion of what is going on out there.

Councilor White stated I am also hearing from business owners that they are quite concerned about this. I think we are hearing two different things.

Steve Gaschler replied send them my way please.

Travis Hultin stated your idea of combining the two funds, which they weren't entirely combined before, there was a complicated series of transfers. One thing that is important to this Council is transparency. I think if you want transparency in your utility funds when you start to muddle them together you lose that quite quickly. That was the situation before these funds were properly structured. If you go back to that system that transparency will be gone.

Mayor Daoust stated maybe we can follow-up on that when we discuss this later. I don't know that you have Council consensus to start working on that staff work right now. If we have a work session maybe you could address that.

Steve Gaschler replied we would be happy to. We need to do some research and get some information on that. That is a tough question and gets complicated real fast.

MOTION: Councilor Wilson moved to adopt a resolution adjusting the storm sewer utility fee and rescinding Resolution No. 2250. Seconded by Councilor Morgan.

VOTE: Councilor Ripma - Yes; Councilor Anderson - Yes; Councilor Morgan – Yes; Mayor Daoust – Yes; Councilor White – Yes; Councilor Allen – Yes; Councilor Wilson - Yes.

Motion Passed 7-0.

10. RESOLUTION: A resolution limiting City Council meetings to 9:30pm unless extended by a majority vote of the Council.

Mayor Daoust stated I am bringing this up as one of many tools that we could use to be more efficient and get done in a timely manner. Gresham's City Council meetings last 1 to 2 hours; they are very efficient. They handle a lot of the back and forth discussions at their work sessions which we could do. Fairview has a similar rule. They stop their meetings at 9pm unless the Council votes to continue the meeting. This is not a new idea. It is not meant to get in the way of the public's right to approach the Council; that is not the intent at all. If you read our council rules there are other tools to make us more efficient which sometimes we don't use. This is just a reminder that we do have council rules on moving meetings along quicker. Our council rules mention that we should endeavor to adjourn regular and work session meetings by 10pm. I think we would all like to get out of our meetings earlier than we do. In our council rules it talks about preparing for

meetings, asking questions of staff ahead of time to cut back on time that we would spend in a meeting asking those questions. It talks about limiting your remarks to the question at hand, and it says no councilor may speak more than twice on a motion without the permission of the council. These are already in place and we tend to overlook them.

Councilor Allen stated this one actually confuses me because as mayor you determine what is on the agenda, you can choose fewer items, you can also choose not to put back to back controversial items on the agenda, and we have been cancelling meetings due to a lack of agenda items. We didn't necessarily need to have a long meeting and then skip one. You have the authority to even the meetings out.

Mayor Daoust stated I do. However, certain items are unpredictable as to how long they will take.

Councilor Allen stated my concern is that this will be used to silence people. It is 9:43pm now and we would have already had to vote which will take time and it would have extended this meeting by doing so. It won't always shorten the meeting, it may increase them. You are in control of the agenda.

Mayor Daoust stated I am not in control of how long we discuss an agenda item.

Councilor Allen stated it is my concern that we will silence people.

Mayor Daoust stated that is not the intent.

Councilor Ripma stated I think it is a worthy goal. I think you run the meetings well. I think it is good to take time and have parents come up and take pictures, and for councilors to ask question. We have a better more open council than Gresham, and Fairview which just had two councilors resign is not a functional example I care to emulate. Troutdale has a tradition of allowing the public to talk even if it is kind of out of order and you have honored that. I respect that and I would do the same thing. I would disagree if you didn't allow that. I appreciate the goal, but as far as I am concerned we might as well pass a resolution that we all agree on everything, and that would be efficient. Lets not emulate Gresham or Fairview. We have a better council and a better city. Our citizens that wait all evening to hear a motion or something coming up on the agenda would be cut off at 9:30 and told to come back another night. This is not a good idea.

Mayor Daoust stated the resolution says that it wouldn't be the intent to restrict community input.

Councilor Ripma stated but if we haven't reached an agenda item and it is 9:30 and people have been waiting all evening, you wouldn't cut them off and that is why I don't think we need this resolution.

Councilor Morgan asked would the author of this resolution be opposed to two amendments that I think might help alleviate the issue at hand. It says 9:30, I think that it

should say that a council meeting should be 2½ hours. The second amendment, I understand comments about not wanting to limit public input, I think the public input portion as well as the public hearing portion of the meeting should not count towards those 2½ hours thus eliminating the potential where the 2½ hours would somehow limit the public. Limit our discussion to 2½ hours and leave the public immune to that.

Mayor Daoust stated I agree that would be a good way to address the concern.

Councilor White stated Fairview has a 3 hour work session prior to their council meeting. It is tough to regulate a presenter. Councilor Craddick comes in and sometimes she will talk for an hour.

Mayor Daoust stated we are using historical examples and this we be going forward. If Councilor Craddick came in and wanted to make a 45-minute presentation we can tell her to shorten her presentation.

Councilor Anderson asked why can't we limit her or any presenter? I am all for fair, open, and honest debate and no we shouldn't agree on everything.

Mayor Daoust stated I am also trying to consider the affect that our late meetings have on staff and the public that is here, so it is more than just the Council.

Councilor Ripma stated the resolution will just trigger a series of votes to keep going. The effect on staff, if we end the meeting at 9:30 and if we would have done that tonight we wouldn't have considered the last rate resolution then we would have to have another meeting for that item. Sometimes it is just better to plow forward and get it done and not have to call another meeting. Telling someone like Councilor Craddick who speaks for almost an hour doesn't require a resolution, you can just request it.

Councilor Allen stated I just find that it will become worse because we are going to be cutting off councilors. As mayor you do set the agenda and you can make the agendas lighter.

Mayor Daoust stated I don't have the ability, even under this resolution, to cut off councilors. It takes a majority of the council to extend the meeting.

Councilor Morgan stated I am confused because I feel like the goal post is being moved. I heard the concern being stifling the public input but now it is stifling councilors.

Councilor Allen stated because you already addressed the public input. If you are going to gain efficiency you have to cut somebody off.

Mayor Daoust stated when you talk in terms of a goal of finishing meetings at 9:30 that is going to be in your head the minute we start the meeting. It is a pacing thing, it is a goal to pace ourselves so that we know during the meeting that we are shooting for a goal to finish at 9:30pm.

Councilor Morgan stated 40 minutes of our meeting was just public dialog, the students, the public hearing and the public comment.

Councilor Allen stated I think it is more important that we make good decisions and that our business is done in front of the public.

Mayor Daoust stated we all agree with that.

MOTION: Councilor Anderson moved to adopt a resolution limiting City Council meetings to 9:30pm unless extended by a majority vote of the Council.

Mayor Daoust stated I think there were two amendments. I think the resolution would say a resolution limiting City Council meetings to 2 ½ hours unless extended by a majority vote of the Council, with public hearings and public comments not included in that time.

MOTION WITHDRAWN

MOTION: Councilor Anderson moved to adopt a resolution limiting City Council meetings to 2½ hours unless extended by a majority vote of the Council, with public hearings and public comments not included in that time. Seconded by Councilor Wilson.

VOTE: Councilor Ripma - No; Councilor Anderson - Yes; Councilor Morgan – Yes; Mayor Daoust – Yes; Councilor White – No; Councilor Allen – No; Councilor Wilson - Yes.

Motion Passed 4-3.

11. STAFF COMMUNICATIONS

Craig Ward stated I will be taking vacation from June 22 through July 3, 2015.

We have a work session as well as an urban renewal meeting proposed for June 16th. The meeting looks to be quite lengthy. Would it be the Council's desire to start at 6:30?

Council discussed the items scheduled for the June 16th meeting and agreed to start the meeting at 6:30pm, but agreed to move some of the scheduled items to a future meeting.

Craig Ward stated we received a request last week from Len Otto of the Troutdale Historical Society asking for the City's support for their July 15th donor party. There are really two issues. He is asking for the City to provide staff to assist in setting up a large tent, to hang banners for their event on the light poles in downtown, and to provide free

traffic control. None of those are things that we would normally do for any other group. I understand this is the historical highway that we are talking about and it is important to us, but I didn't want to commit staff to doing that without Council's endorsement. The other issue is that he is also asking us to be a financial sponsor to the tune of \$4,000. I need Council direction as to how to proceed with this request.

Councilor Anderson asked shouldn't he come before us?

Craig Ward replied he could.

Mayor Daoust stated lets take one thing at a time. Helping with the tent seems like something we could do. Regarding having the police work overtime just to police a special event to me does not seem necessary. I don't know that we want to commit our police force to monitor that and direct traffic.

Craig Ward stated I spoke to the Chief this morning and police are always monitoring traffic and if they know that there is an event at that location and they drive by and there is a traffic control problem they will step in and provide traffic control in the interest of public safety. That is different than dedicating two officers to that event. We are prepared to have the officers monitor and help if they need it.

Councilor Wilson stated a number of years ago Woodland Elementary was having an event and they asked the Boy Scouts parents to help facilitate parking and then the school made a donation to the Boy Scouts. I would suggest finding a service group that would be willing to help.

Councilor Allen asked do we no longer have reserve officers that would normally do this sort of thing?

Craig Ward replied we could ask them to do that.

Mayor Daoust stated the third item they asked about was banners in downtown. It may be a false impression of mine that the banners would just be general banners for the 100-Year Celebration of the Highway rather than banners for a special event.

Craig Ward replied he didn't specify. His letter starts with the July 15th party and then near the end it states once we receive our lamp post banner order and County right-of-way permit we need to have the banners hung and I think he is asking that City staff hang the banners.

Councilor Anderson stated I like the event but we are going to set a precedent here. I would suggest that Craig sit down with Len Otto and hash this out and then send us an email and let us know how it turns out. But we are setting a precedent.

Mayor Daoust stated we can address that maybe with the help of the City Attorney. As far as the \$4,000 contribution that would need to come before the Council.

12. COUNCIL COMMUNICATIONS

Councilor Morgan stated it is becoming more apparent to me that our communication with not only the public but with each other has been breaking down. I talked with Councilor Allen a couple of weeks ago about how we are going to do that. There was concern that if we hired somebody that some of the information for outreach or communication might be promotional verses informational. My recommendation is that the Mayor and Council create a committee on communication to work with staff on either creating a framework to contract for these services or work with staff to ensure that this doesn't become political moving forward in these discussions, whether it be the police contract, urban renewal, or the uncapping of the storm sewer rates. It seems like we are becoming more reactive on these policies matters and not proactive and I think we need to have an independent committee that looks into this and moves forward from a perspective that is impartial and engages the public. I am planning on making a budget amendment for contracted services. That can be done now or when we adopt the budget. I have talked with the Budget Committee (BC) Chair to ensure that we are not usurping the budget process or undermining that committee.

Council discussed this topic including the following: what the difference is between this new \$50,000 proposal versus the \$10,000 that was in the proposed budget that was eliminated by the Budget Committee; there was talk of creating a committee of two councilors; concerns were voiced about the messages being political rather than informational; there were questions as to which two councilors would serve on this committee; should a budget amendment be made now to add \$50,000 or wait until after Council has a work session on this issue; there was a difference of opinion by Councilors, some feel we don't currently have a way to communicate with the public while others felt that the website and Champion newsletter serve that purpose.

Council agreed to hold a work session on this topic.

Councilor White stated I would prefer that council communications go in order. Maybe at the next meeting we can go in order so you are not always last Mayor. I would also like to have a system where we are not raising our hands and waiting to get called on. I think part of Gresham's efficiency is that they have a system where they press a button when you want to speak. I think that Fairview has that also. I think it would add a level of efficiency.

I would like to welcome the AMR Swift Water Rescue Lifeguards that are on duty at Glenn Otto Park now through Labor Day.

Councilor Allen stated I am concerned about the neighborhood meetings only representing one elected official's views.

Councilor Wilson stated recently I think we all received an invitation to the Springwater Parks and Community formation of a new district. I looked back at the website just to see if I missed something or misunderstood and as I went through it Gresham actually did the survey and it came back that they needed to start moving forward and try to form a district. Looking at the number of acres per park per 1,000 population Gresham is at 2.7 we are at 4 acres per 1,000 population, Fairview is at 49 acres per 1,000 population and Wood Village has 5 acres per 1,000 population. I guess the goal that was put out at one point was 10 acres to 1,000. They are talking about how there are no recreation programs in Gresham, Fairview or Wood Village and then it goes on to talk about our recreation program. I am concerned that our citizens are going to end up subsidizing these other three cities in order to get their parks up and to get recreation programs. The district will also have the ability to pass levies, charge for fees, obligation bonds, and property tax as a local option. At our last budget meeting Mayor you said that you were less concerned about our parks because of the new projections, but your name was on this list as supporting this Springwater Parks and Community District. In October 2014 I asked Erich Mueller to tell me how many utility meters there are in Troutdale and what our budget was for 2007-2008 which was prior to, or in the downturn, and there was \$608,000 budgeted for parks and it has slowly eroded to \$429,000 this last fiscal year. So if a district is formed part of the money that we are going to get charged as a district is going to go under the formation of paid personnel and buildings, so the money we put in will be watered down. If we just charged on our utility, on 4,652 meters, \$3.20 per month this fiscal years' budget would equal that of the 2007-08 and we get to keep 100% of it and put it back into our systems instead of having to worry about the other cities getting part of that and then we are left holding the bag because we probably have one of the best park systems in the four cities. \$3.20 per month is about \$38 a year. I am not for new fees or levies, but we need to do this for the parks. Our survey about the roads showed people were more concerned about the parks then the roads, so we need to take care of it internally and not depend on someone else to manage it. \$4.00 a month would generate \$225,000 and \$5.00 a month would generate \$282,000. I would like to have a work session on this to find out whether or not we support this district. They want this on the November 2016 ballot. I think the citizens of Troutdale need to have 100% funding of their own system.

Council discussed this topic: Mayor Daoust expressed that he wants to be part of their discussions so that he can gather data and information on the parks district including what it will look like and how much money it would bring in and share that information with the Council at a work session and compare a parks district to a utility fee; there was concern that having Mayor Daoust's name associated with this group makes it appear as if Troutdale is in support of it when Troutdale has not yet had that discussion.

Council agreed to have a work session on this topic.

Mayor Daoust stated I want to bring in Mike Glisan, who was recommended by Mayor Shane Bemis. He is a student of government. He is an expert about local government. He has been a city administrator for Eugene for 13 years. He is an expert in working with councils, especially split councils, on working together better. He does not charge a fee,

but he hires a PSU intern for \$1,000 to do some research for him on how long it takes us to make decisions, how much time we spend on topics, etc.

Councilor Ripma asked will there be a written proposal to vote on the \$1,000?

Mayor Daoust replied yes.

Craig Ward stated I will call him and ask for a written proposal.

13. ADJOURNMENT:

MOTION: Councilor Anderson moved to adjourn. Seconded by Councilor Wilson. Motion passed unanimously.

Meeting adjourned at 10:49pm.

Doug Daoust

Dated: _____

DRAFT

ATTEST:

Debbie Stickney, City Recorder

CITY OF TROUTDALE
CITY COUNCIL – Regular Meeting
Tuesday, May 26, 2015

PLEASE SIGN IN

Name – Please Print	Address	Phone #
Noel Deal	Gresham	
Ron Swaren	1543 SE Unetola ^{POV} #1002	
Richard Goldie	2437 SE Beaver Creek	503 661-2606
DAVID FENSKE	255 CA RIVER HWY	503-957-1879
ELIZABETH WALSTEAD	Wash	
Jodi Rogers		503312-9636
Kim Keady		
HENRY C. FONG		
Craig Lichtenthaler		
Barry [unclear]		
Susan [unclear]	2550 SW Indian Marty	TROUTDALE
Debra McEaster	—	
Tina Leahy		
Aaron McNALLY		
[unclear]	Troutdale	
Shaun Andersen		
Debbie Waugh		
Claude Cruz	Troutdale	503 3999667
DAN CASHMAN	2011 SE EVANS	
Karen Clausen		
MARK McENTYRE		
Tatjana Heinze Tatjana Heinze		
Ratty Heinze		503-314-0331

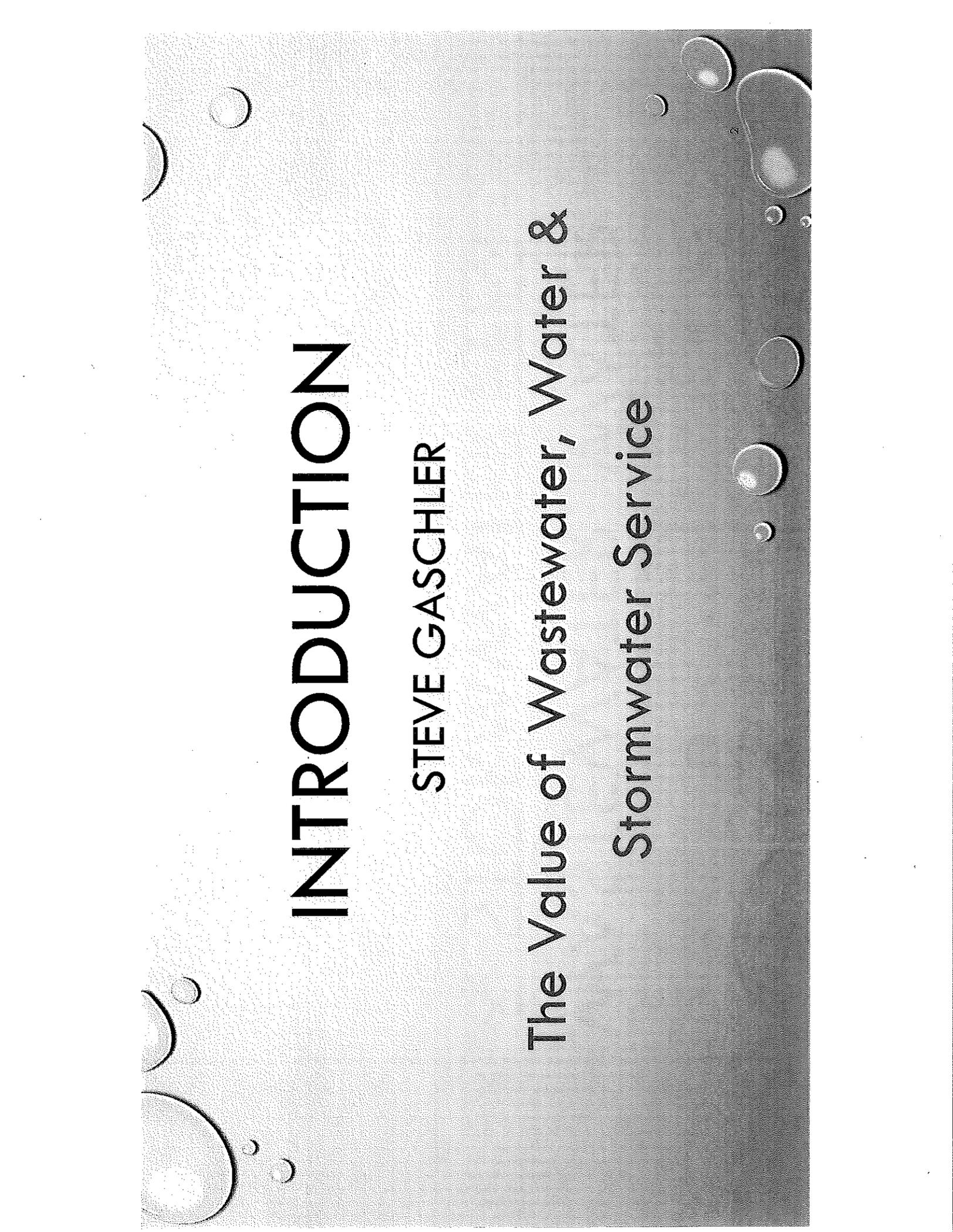
Name – Please Print	Address	Phone #
Timothy Shoop		
John Leamy		
Tony Pham + Prady Triuk		
KEN HEINZE	1136 S.W. Wright St	Troutdale
Kelley Graham	City Hall	555-1212
STEVEN YOST	TROUTDALE	
David Becker	Troutdale	
CAROL Allen	Troutdale	
Diane Castillo Wilk	T S	503-888-1405

Meeting Date: _____

Page #: _____

WASTEWATER, WATER & STORMWATER FEES

MAY 26, 2015

A grayscale, high-magnification photograph of water droplets, likely from a shower or faucet, showing their rounded, reflective surfaces and the way they cluster together. The background is a soft, out-of-focus light gray.

INTRODUCTION

STEVE GASCHLER

The Value of Wastewater, Water &
Stormwater Service

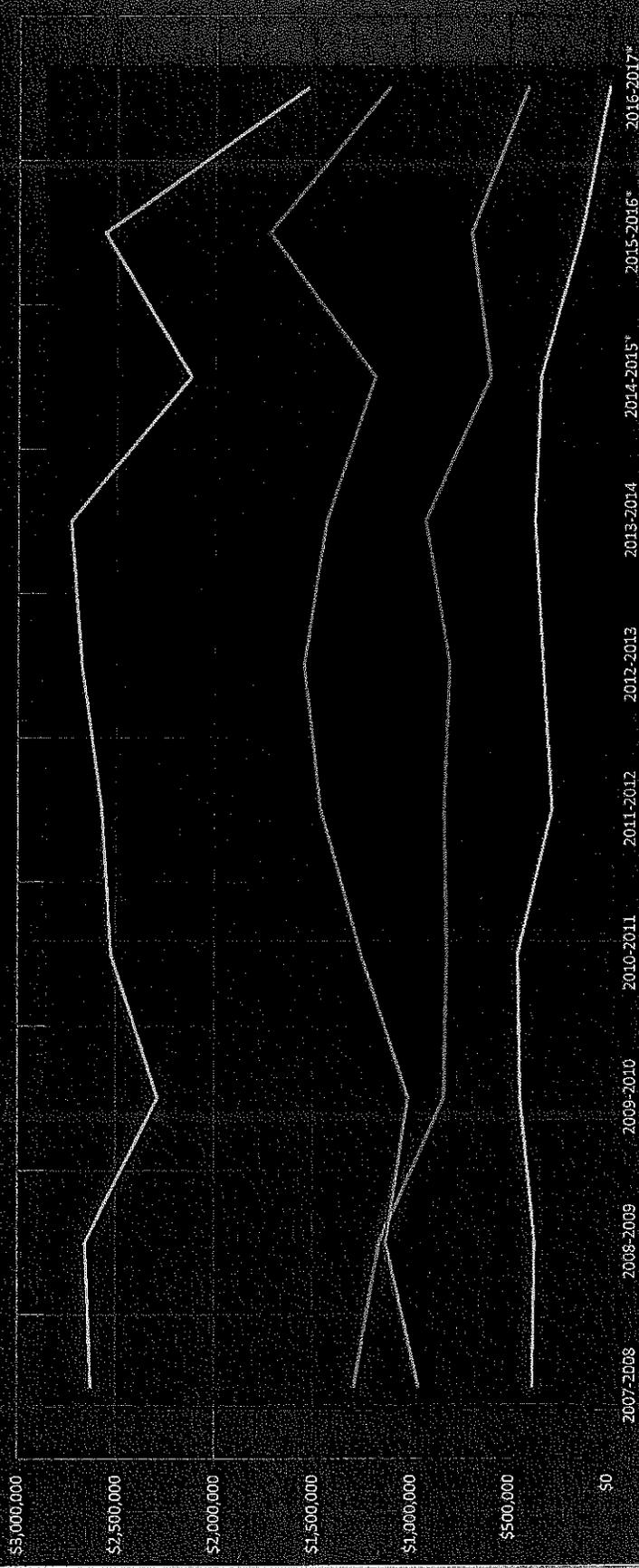
- **Mission Statement: To ensure a safe livable community by providing efficient and effective public service**
- **Used by every citizen multiple times per day,**
- **Available 24 hours per day, 7 days per week, 365 days per year and as much as you want**
- **One national online survey commissioned by the Value of Water Coalition April 2015**
 - **2,203 Adults responded**
 - **More than 4 out of 5 people said it was important or extremely important to invest in strategies and programs to develop sustainable water supplies.**
 - **More than half of the respondents agreed that water bills need to increase so water systems can be modernized**
 - **The results of the survey show that Americans know the truth about water: it is essential, at risk, and worth investing in.**
- **Water is the life blood of a community**
 - **Public safety and health**
 - **Environmental stewardship, clean creeks, streams and rivers**
 - **Property protection from flooding**

THE NEED FOR INCREASED RATES

- Declining demand for water
- Rate stabilization protects against unexpected large rate fluctuations.
- Increased reserves needed by most funds to cushion rate fluctuations and allow for planned replacement and upgrades.
- Current cost of doing business should provide something for future repairs and replacements
- Risk of not adequately funding infrastructure
 - Equity (net assets) will erode
 - Debt capacity may not be available when needed
 - Rate spikes will prevail
 - Level of service delivered will decline
- Funds long term financial analysis show significant rate increases needed to stabilize fund balances.
- Declining fund balances (Graph)

BEGINNING FUND BALANCE HISTORY

WATER
 SEWER
 STORM SEWER
 TOTAL



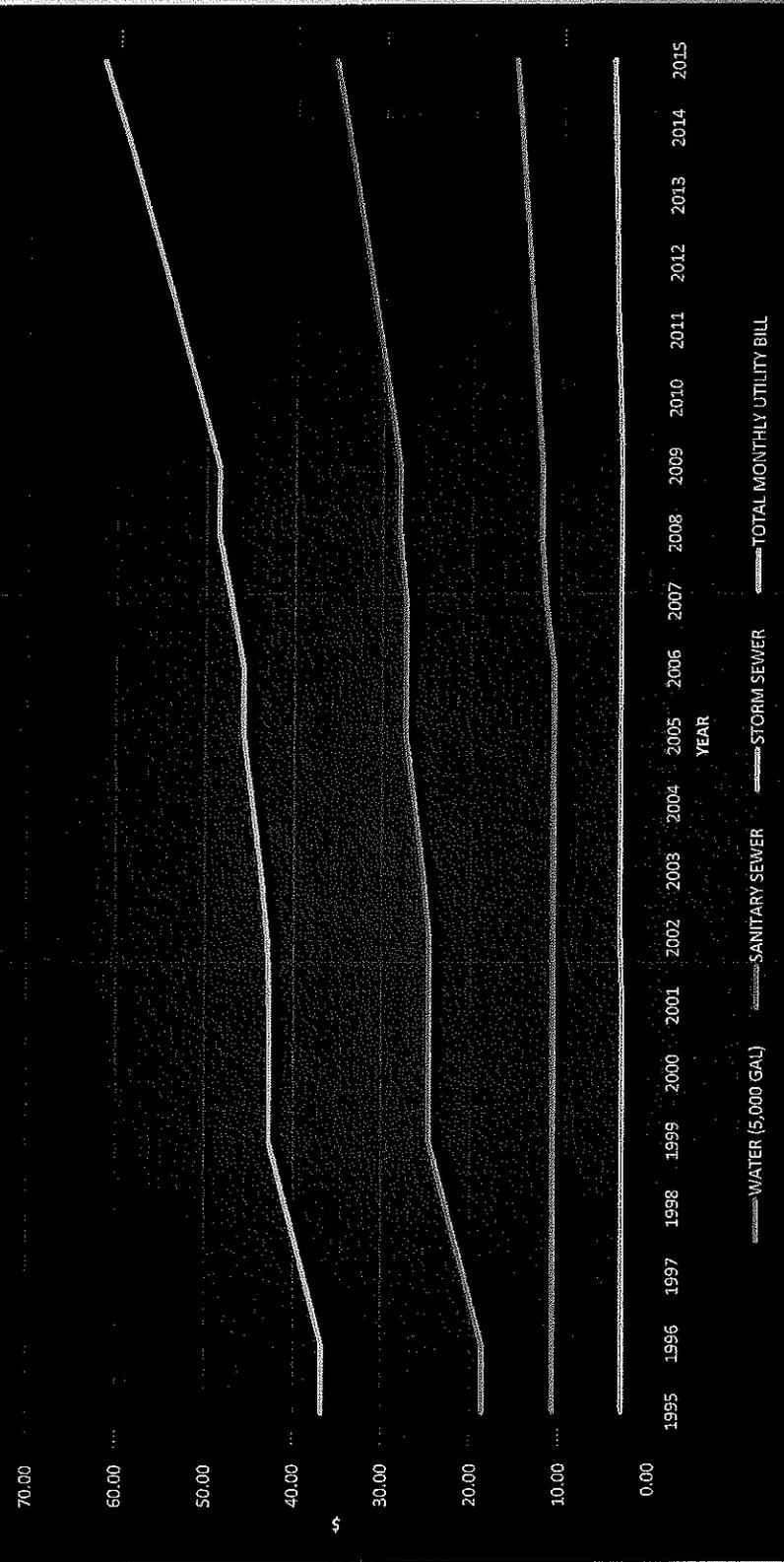
* Projected

Fund Balances

- Used to minimize large rate increases
- Allow for planned repairs and replacements
- Reserves needed for unplanned repairs and replacements
- Should be 2-4 times annual revenues
- Troutdale Annual Revenues for all utility funds \$4,511,000
- Current beginning fund balance \$2,500,000 for all utility funds
- Estimated replacement value or the entire system \$254,000,000

RATE COMPARISONS

20 YEAR RATE HISTORY - SINGLE FAMILY HOME



LEAGUE OF OREGON CITIES – SINGLE FAMILY HOME

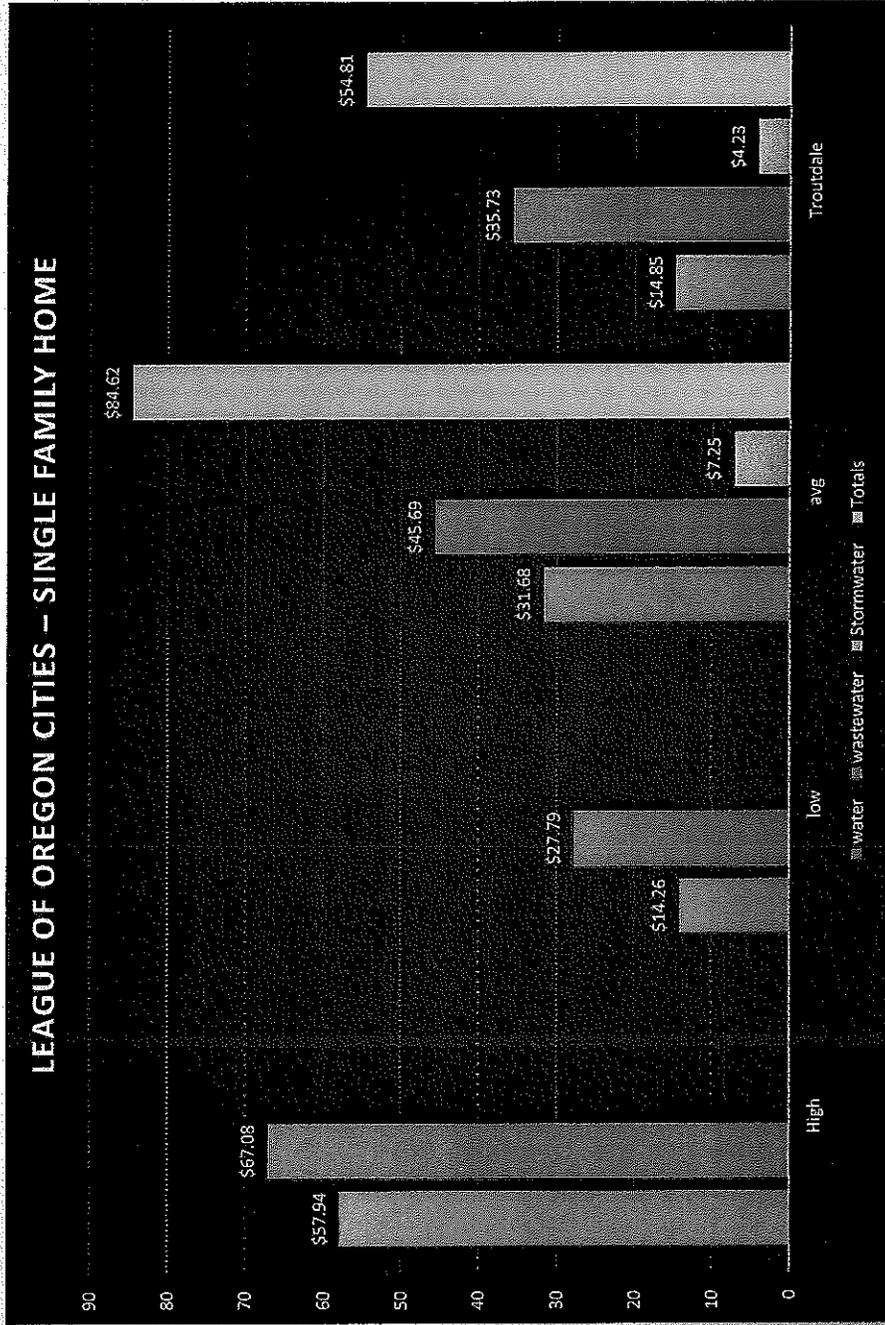
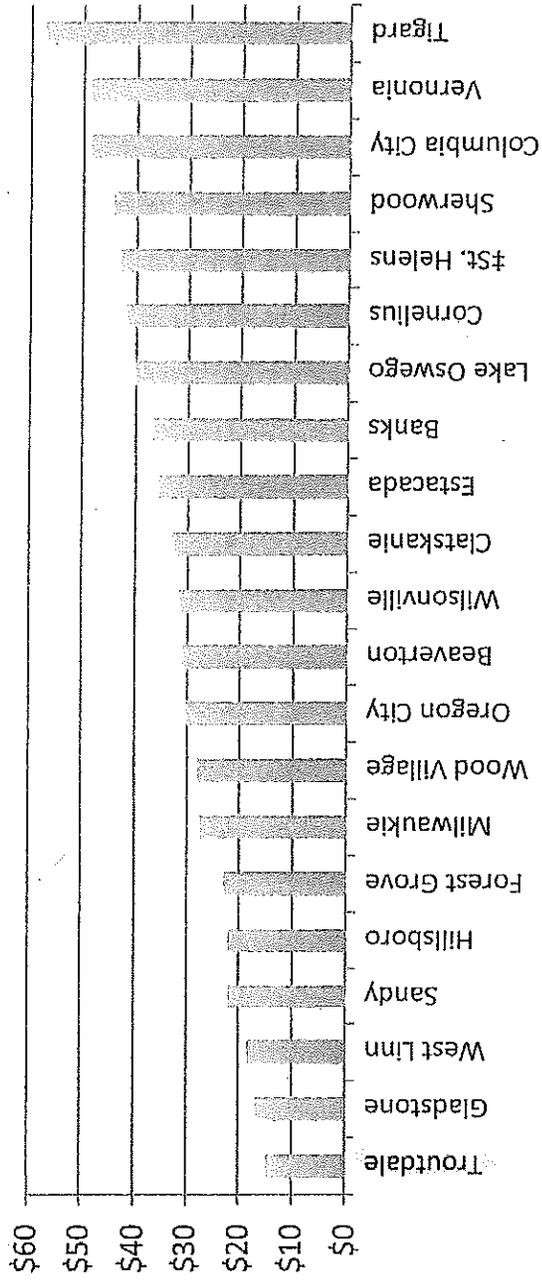


Chart C.2D: Portland/Mt. Hood Region Cities' Water Bill for 5,000 gallons



*League of Oregon Cities 2014 Report

Rate Comparisons - League Of Oregon Cities March 2015

- Number Of Cities That Experienced Rate Increases and Decreases In 2014 (10,000-25,000 Population):
 - Water: Increased 14, Decreased 0
 - Wastewater: Increased 15, Decreased 1
 - Stormwater: Increase 13 Decrease 0.

	High	Low	Average	Troutdale
Water	57.94	14.26	31.68	14.85
Wastewater	67.08	27.79	45.69	35.73
Stormwater			7.25	4.23
Totals			84.62	54.81
5,000 gallons of water				

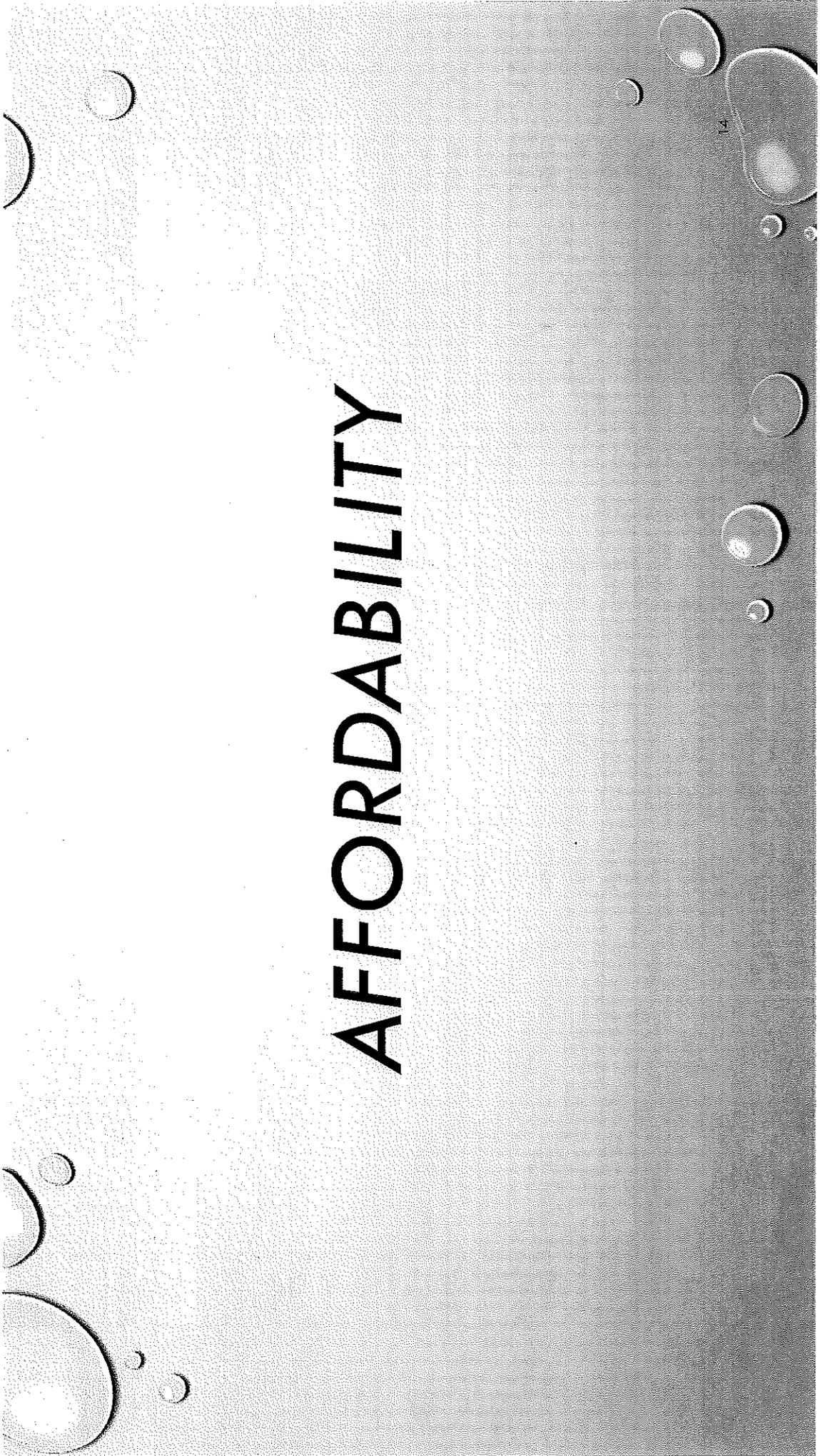
Utility Rate Comparison 2015

Single Family Residential

CITY	POPULATION	WATER	SANITARY SEWER	STORM SEWER	STREET	PARKS	TOTAL
THE DALLES	14,400	\$57.94	\$44.78	\$2.00	-	-	\$104.72
SHERWOOD	18,771	\$44.24	\$37.99	\$14.27	\$2.00	-	\$98.50
CORNELIUS	12,161	\$42.02	\$44.08	\$12.15	-	-	\$98.25
WILSONVILLE	21,550	\$32.01	\$55.24	\$6.95	\$4.03	-	\$98.23
MILWAUKIE	20,500	\$27.46	\$51.21	\$14.89	\$3.35	-	\$96.91
OREGON CITY	33,390	\$30.27	\$45.66	\$9.05	\$11.50	-	\$96.48
WOOD VILLAGE	3,885	\$28.39	\$49.80	Combined w/streets->	\$9.43	-	\$87.82
HOOD RIVER	7,167	\$28.74	\$48.00	\$8.75	-	-	\$85.49
WEST LINN	25,425	\$18.35	\$33.62	\$5.58	\$10.31	\$10.70	\$78.76
CANBY	16,866	\$28.36	\$43.99	<-Combined w/sanitary	\$5.00	-	\$77.35
HAPPY VALLEY	16,321	\$22.03	\$43.50	\$9.50	-	-	\$75.03
GRESHAM	106,000	\$34.74	\$26.30	\$9.84	-	-	\$70.88
FAIRVIEW	9,153	\$30.02	\$31.98	\$8.78	-	-	\$70.78
FOREST GROVE	22,000	\$23.00	\$30.80	\$7.75	-	-	\$61.55
TROUTDALE (proposed)	16,015	\$15.45	\$35.74	\$4.27	-	-	\$55.46
GLADSTONE	11,495	\$16.80	\$27.79	-	-	-	\$44.59
Average	22,194	\$30.01	\$40.66	\$8.73	\$6.52	\$10.70	\$81.28

All rates except Troutdale, Hood River and Forest Grove charge water based on Cubic Feet
 Comparisons are based on assumed equivalent water consumption of 5,000 gal per month

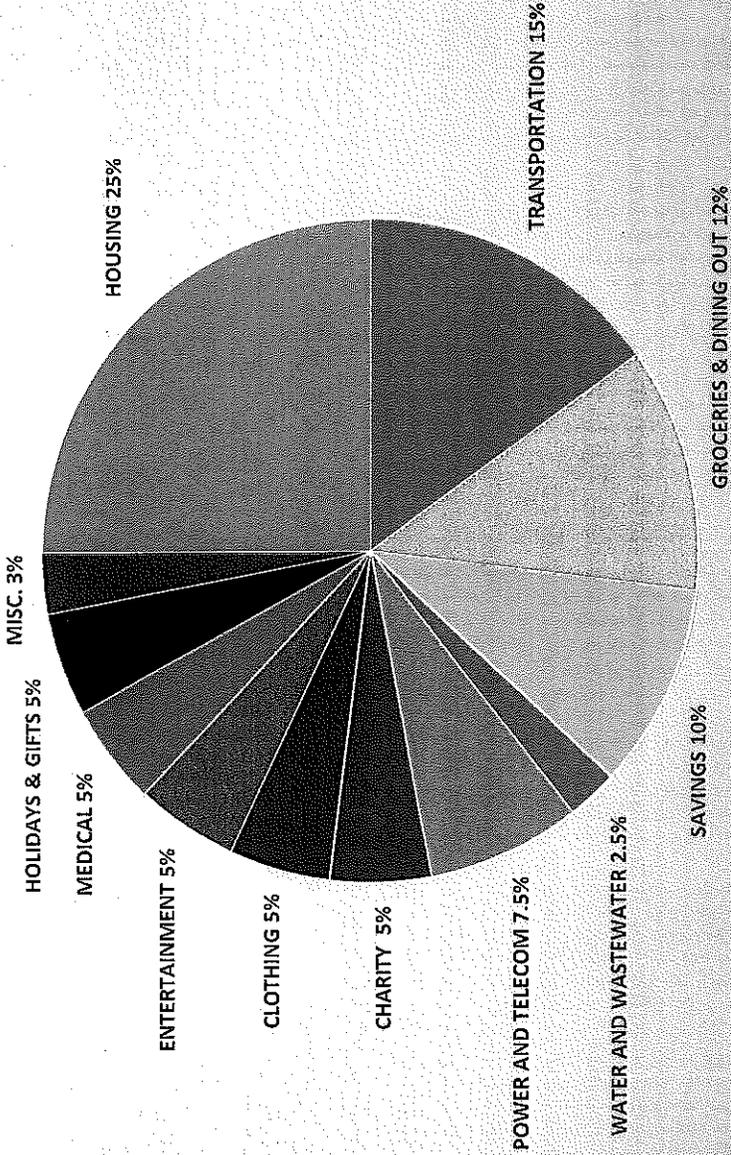
AFFORDABILITY



Affordability

- Median Household income for Troutdale as reported by data from the Census Bureau's 2009-2013 American Community Survey: \$62,326. This ranks Troutdale 7th in the state behind Happy Valley, Damascus, West Linn, Lake Oswego, Sherwood, and Hillsboro.
- Calculation of medians is a popular technique for summarizing statistical data, since it is simple to understand and easy to calculate, while also giving a measure that is more robust in the presence of outlier values than is the mean (average).
- In statistics and probability theory, the median is the number separating the higher half of a data sample, a population, or a probability distribution, from the lower half.
- Based on the above median income and our current utility rates:
 - Troutdale's median income family spends 1.05% of their income on Water and Sewer fees
 - The proposed rate increases will raise this to 1.07%.
- Average family spending distribution shows 10% of family income goes to all utilities including communications.
- The most commonly used benchmark nationally for water and sewer affordability is 2.5% of median household income.
- EPA and it's State agents use this 2.5%MIH benchmark as a threshold to qualify for grant and loan programs.

Typical Single Family Household Spending Distribution

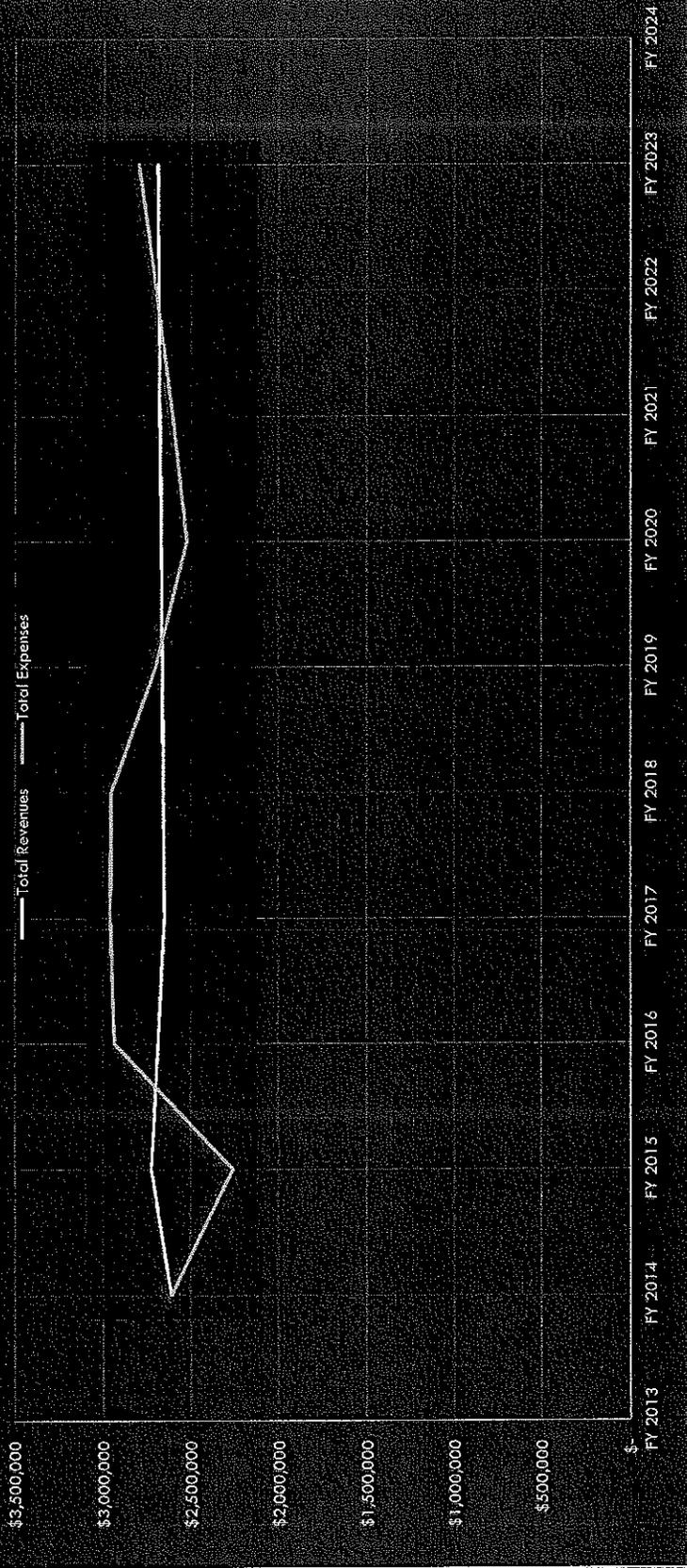


- HOUSING
- TRANSPORTATION
- GROCERIES & DINING OUT
- SAVINGS
- WATER AND WASTEWATER
- POWER AND TELECOM
- CHARITY
- CLOTHING
- ENTERTAINMENT
- MEDICAL
- HOLIDAYS & GIFTS
- MISC.

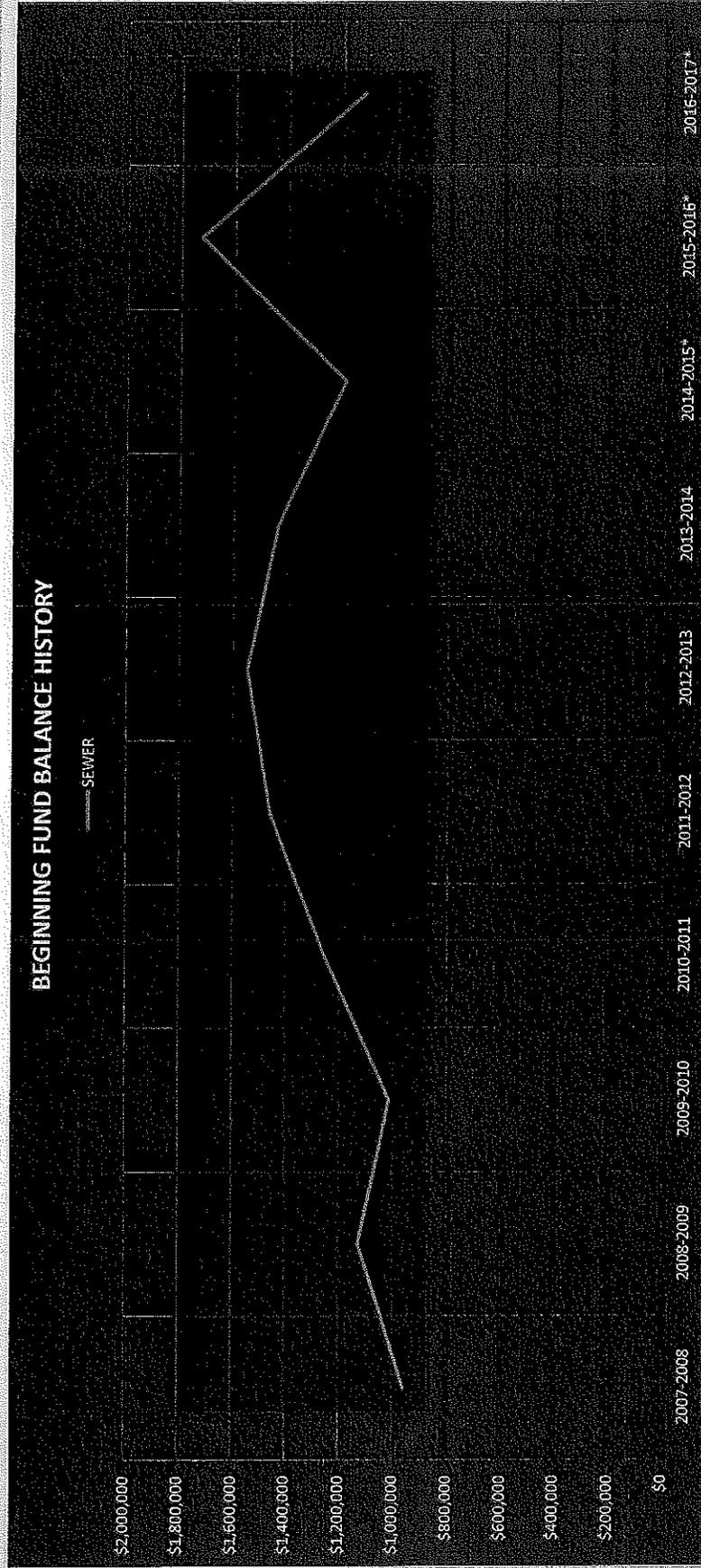
*Source: <http://petefheplanner.com/ideal-budget-2/>

Wastewater System

Sewer Fund
Forecast with Rate Increases



Wastewater System



Wastewater System

Capital Projects – 3 General Master Plan Categories

- Sewer upgrades
 - Main line upsizing projects needed for future growth
 - Partially funded by user fees
 - Locations: Buxton Road and Troutdale Road/Beaver Creek Lane
- Pump Station upgrades
 - Capacity upgrades needed for future growth
 - Funded by user fees
 - Example: Pump Station No. 5 (anticipated construction fall 2015)
- Sewer extensions
 - System expansion to serve new growth
 - Construction funded by developer
 - Location: Troutdale Reynolds Industrial Park

Wastewater System

Recycled water

- Treated effluent currently discharges to Sandy River
- Commodity the City can sell to users
- Currently no fee for use of recycled water
- Troutdale Energy Center requests use of recycled water

Wastewater System

UTILITY RATE COMPARISON 2015 Single Family Residential

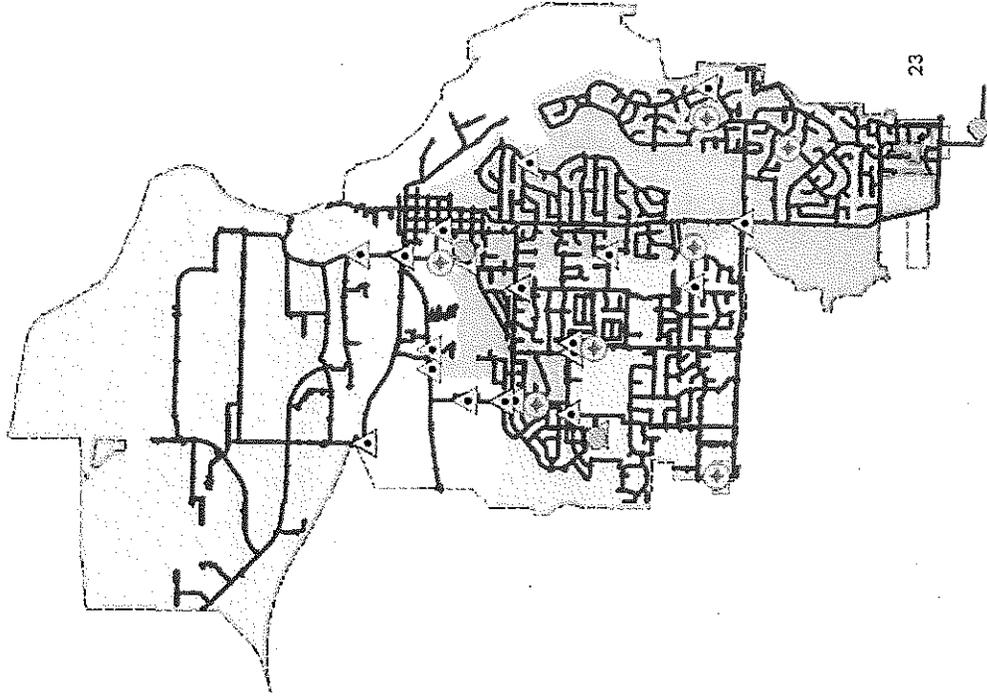
CITY	POPULATION	SANITARY SEWER
WILSONVILLE	21,550	\$55.24
MILWAUKIE	20,500	\$51.21
WOOD VILLAGE	3,885	\$49.80
HOOD RIVER	7,167	\$48.00
OREGON CITY	33,390	\$45.66
THE DALLES	14,400	\$44.78
CORNELIUS	12,161	\$44.08
CANBY	16,866	\$43.99
HAPPY VALLEY	16,321	\$43.50
SHERWOOD	18,771	\$37.99
TROUTDALE (proposed)	16,015	\$35.74
WEST LINN	25,425	\$33.62
FAIRVIEW	9,153	\$31.98
FOREST GROVE	22,000	\$30.80
GLADSTONE	11,495	\$27.79
GRESHAM	106,000	\$26.30
Average	22,194	\$40.66

All cities except Troutdale, Hood River and Forest Grove charge water based on Cubic Feet. Comparisons are based on assumed equivalent water consumption of 5,000 gallons per month.

Water System

System Overview

- 64 miles of water mains (from Troutdale to Salem via freeway)
- 22 PRV stations controlling 5 pressure zones
- 452 fire hydrants
- 4 reservoirs – 6 mgal total storage; 4 mgal firm storage
- 2 service pressure boosting stations
- 7 deep wells with wellhead chlorination
 - 5.15 mgd current operational production capacity
 - 3.24 mgd firm production capacity
- 1.7 mgd average daily demand
- 3.7 mgd peak daily demand
- Approximately 4,700 user accounts

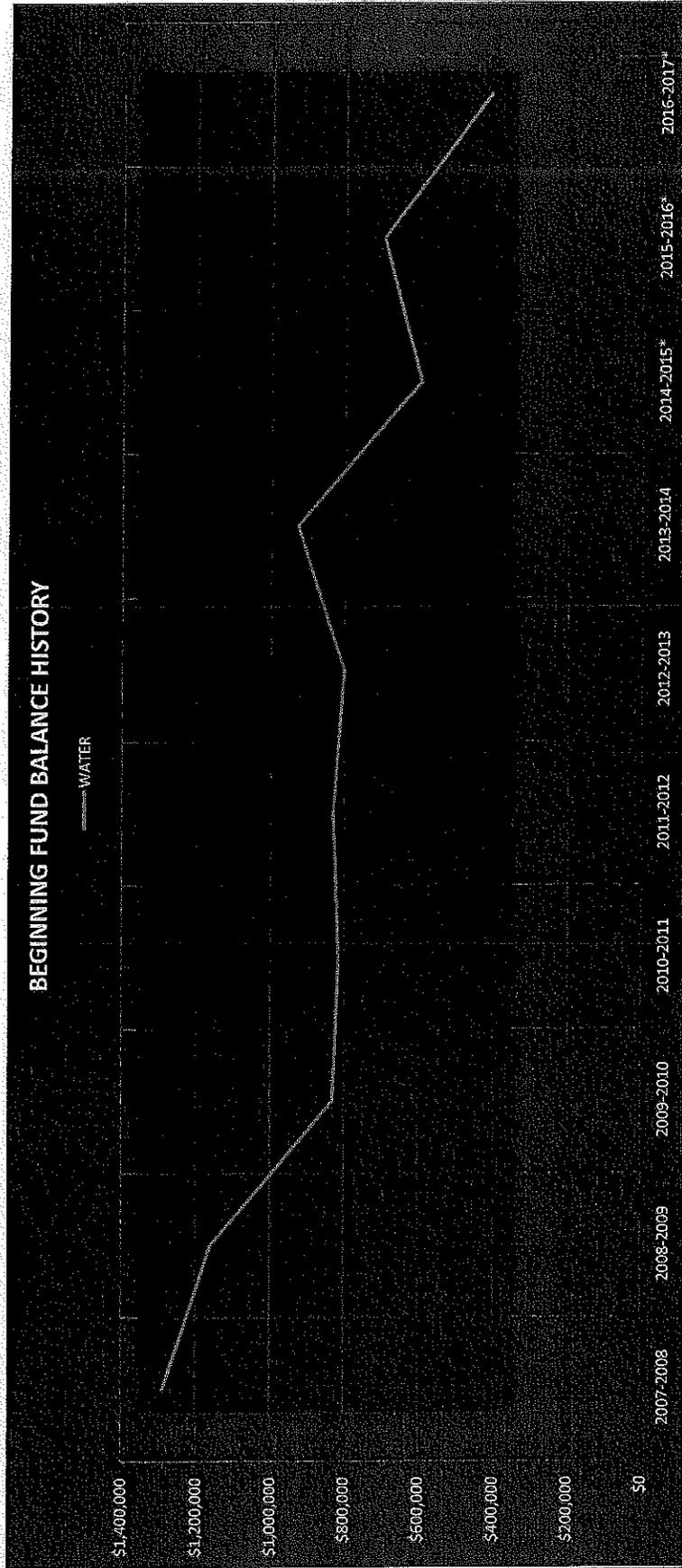


Water System

Financial Analysis And Rate Model

- Comprehensive analysis and rate model is in progress (FCS group)
- 2012 master plan preliminary analysis (Black & Veatch)
 - Rate impact of capital projects in the plan
 - Forecasted average of 9% increase needed per year over 10 year plan horizon
 - *That's just to cover the capital projects and was based on 9% increases starting in 2013!*

Water System



* Projected

Water System

Capital Projects – 3 General Master Plan Categories

- **Connectivity/Fire Fighting**
 - Alleviates Bottlenecks - Improves Flow Rates And System Pressures Are More Consistent
 - Fire Flow Rates Are Higher And More Reliable
 - Service Reliability/Redundancy - Minimizes Customer Outages
 - User Fee Capital Project Examples: Sandy River Waterline (Bridge Segment Recently Completed), 7th/Kings Byway Main Upsize, Hydrant Infill, Beaver Creek Crossing
- **Earthquake Resiliency**
 - Reservoirs Are The Biggest Concern, Especially Reservoir #2 (The "Flower Tower")
 - Resistance To Earthquake Damage
 - User Fee Capital Project Examples: Reservoir Seismic Assessment, Individual Reservoir Seismic Upgrades (4)
- **Water Supply**
 - Recapture And Maintain Lost Well Capacity, Maintain Reservoirs
 - User Fee Capital Project Examples: Comprehensive Well Assessment (In Progress), Well Rehabilitation, Reservoir Interior Recoating, Reservoir Exterior Repainting, Water Quality Improvement

Water System

Utility Rate Comparison 2015 Single Family Residential

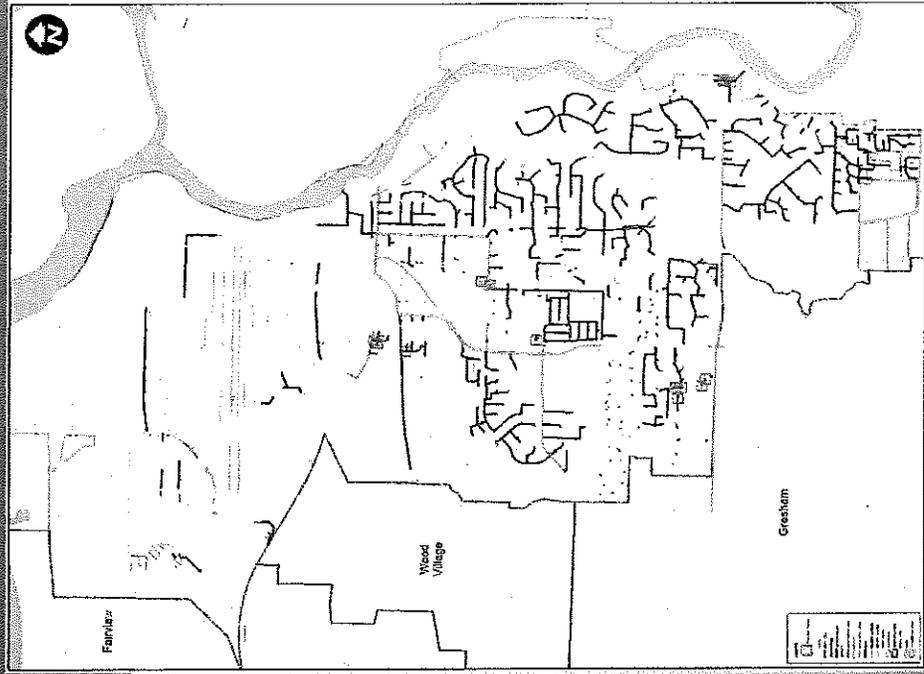
CITY	POPULATION	WATER
THE DALLES	14,400	\$57.94
SHERWOOD	18,771	\$44.24
CORNELIUS	12,161	\$42.02
GRESHAM	106,000	\$34.74
WILSONVILLE	21,550	\$32.01
OREGON CITY	33,390	\$30.27
FAIRVIEW	9,153	\$30.02
HOOD RIVER	7,167	\$28.74
WOOD VILLAGE	3,885	\$28.59
CANBY	16,866	\$28.36
MILWAUKIE	20,500	\$27.46
FOREST GROVE	22,000	\$23.00
HAPPY VALLEY	16,321	\$22.03
WEST LINN	25,425	\$18.55
GLADSTONE	11,495	\$16.80
TROUTDALE (proposed)	16,015	\$15.45
Average	22,194	\$30.01

Comparisons are based on assumed equivalent water consumption of 5,000 gal per month.

Stormwater System

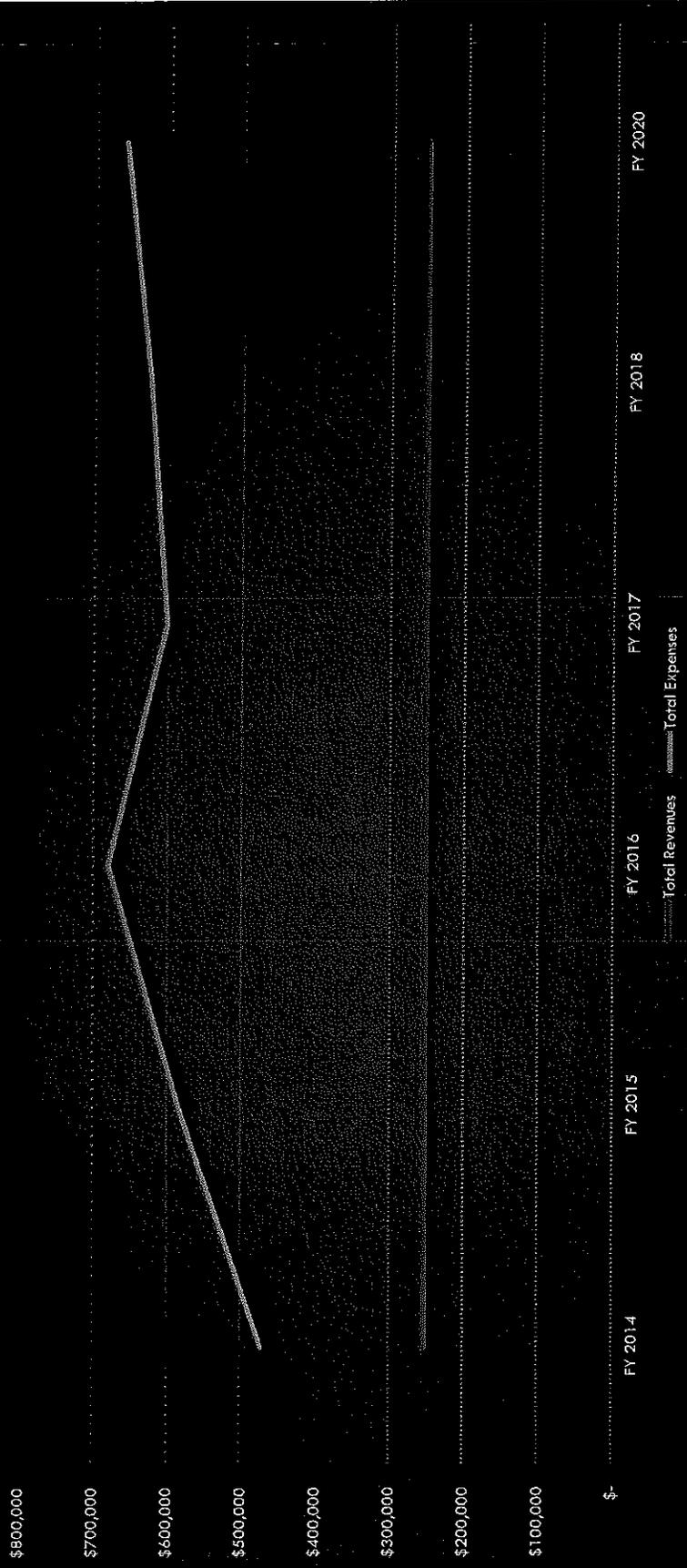
System Overview

- Combination of open (channels/ditches) and closed (piped) systems
- 32 miles of closed pipe system, 32 outfalls
- 123 drywells (underground injection controls aka "UIC's")
- Water quality facilities – Bioswales, Stormfilters™, pollution control manholes, and oil/water separators
- Discharge to Columbia River (via SDIC pump station), Beaver Creek, Sandy River and subsurface (UIC's)
- Impervious area of urbanization is the primary driver of the need for managed storm drainage systems
- Rain falls everywhere and flood waters don't respect property lines – everyone is a user, but have varying degrees of impact to system (largely proportional to impervious area)



Stormwater System

Storm Utility Fund
Forecast at Current Rates

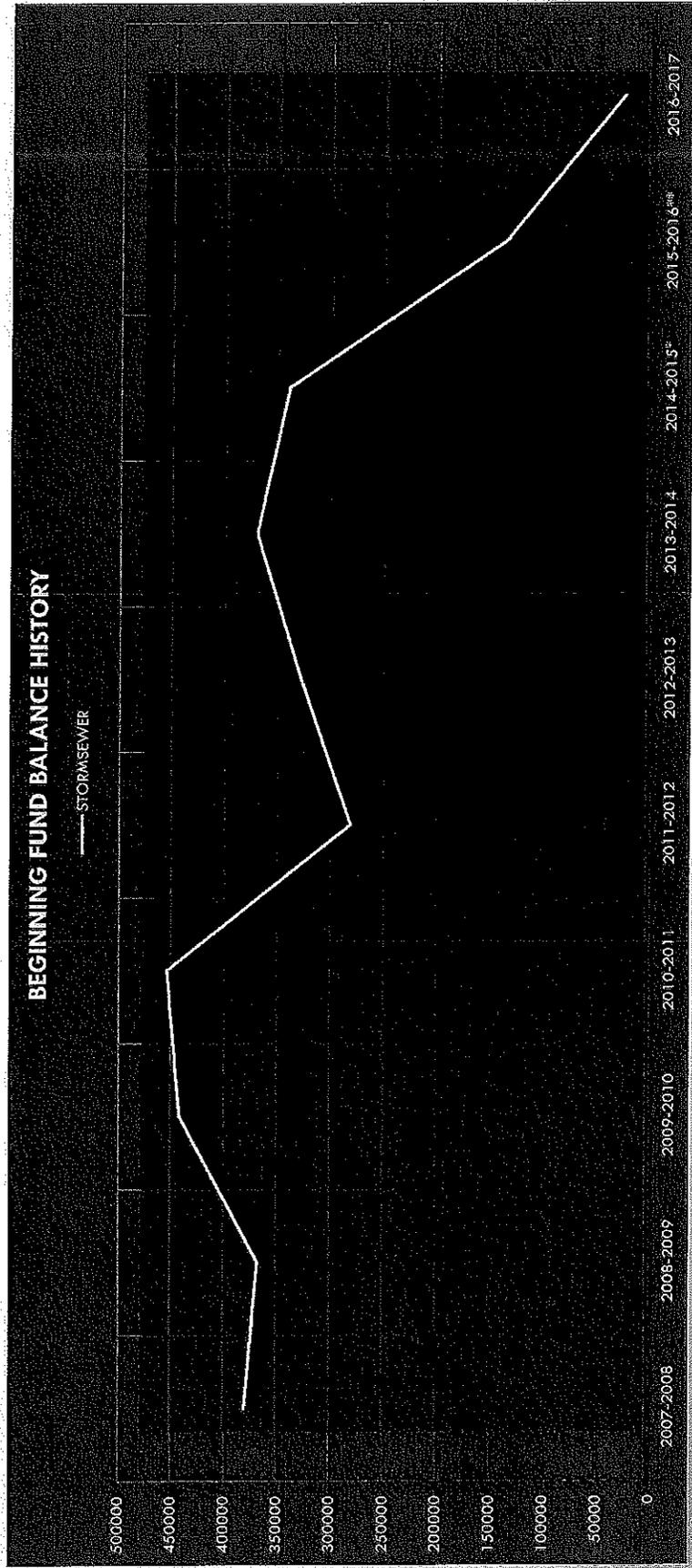


Stormwater System

Capital Projects

- Master planning is based on two primary watersheds – North and South
- Flood control/pipe upsizing
 - Alleviates bottlenecks – increased pipe capacity to prevent flooding
 - User fee capital project examples: 3rd/Dora pipe upsizing, 21st Street pipe upsizing, 257th upsizing (segments), Columbia River highway bypass (partial)
- Water quality
 - Infill “Green Street” rain gardens and swales, retrofit/convert detention ponds to water quality basins
 - User fee capital project examples: Hensley Road green street retrofit (segment in progress), Sandee palisades pond retrofit, Strawberry Meadows pond retrofit, Weedon Park WQ basin, green street retrofits in selected East and Southeast neighborhoods
- Rehabilitation
 - Rehab or reconstruct degraded or damaged facilities, upgrade under-designed facilities
 - User fee capital project examples: North Evans Outfall Rehabilitation, 21st Street Outfall Upgrade

StormWater System



Stormwater System

Utility Rate Comparison 2015
Single Family Residential

CITY	POPULATION	STORM SEWER	NOTES
MILWAUKIE	20,500	\$14.89	
SHERWOOD	18,771	\$14.27	
CORNELIUS	12,161	\$12.15	
GRESHAM	106,000	\$9.84	
HAPPY VALLEY	16,321	\$9.50	
OREGON CITY	33,390	\$9.05	
FAIRVIEW	9,153	\$8.78	
HOOD RIVER	7,167	\$8.75	
FOREST GROVE	22,000	\$7.75	
WILSONVILLE	21,550	\$6.95	
WEST LINN	25,425	\$5.58	
TROUTDALE (proposed)	16,015	\$4.43	
THE DALLES	14,400	\$2.00	\$9.43 Combined Street/Storm Fee
WOOD VILLAGE	3,885		Combined w/streets
CANBY	16,866		\$43.99 Combined Sanitary/Storm Fee
GLADSTONE	11,495	*	Financial Analysis recently completed, Under review.
Average	24,835	\$8.75	

Utility Rate Comparison 2015
Median Commercial Impervious Area (26,000 ft²)

CITY	POPULATION	STORM SEWER	NOTES
MILWAUKIE	20,500	\$143.06	Based on impervious area
SHERWOOD	18,771	\$140.53	Based on impervious area
CORNELIUS	12,161	\$119.65	Based on impervious area
GRESHAM	106,000	\$102.33	Based on impervious area
OREGON CITY	33,390	\$101.36	Based on gross lot size and zoning
FAIRVIEW	9,153	\$95.42	Based on impervious area
HOOD RIVER	7,167	\$80.50	Based on meter size, assumed 1.5 inch
FOREST GROVE	22,000	\$76.32	Based on impervious area
WILSONVILLE	21,550	\$65.70	Based on impervious area
HAPPY VALLEY	16,321	\$61.48	Based on impervious area
WEST LINN	25,425	\$52.28	Based on impervious area
TROUTDALE (proposed)	16,015	\$42.66	Falls under increased cap
THE DALLES	14,400	\$17.33	Based on impervious area
CANBY	16,866	*	Combined w/ Sewer, Base rate + variable based on water use
GLADSTONE	11,495	*	Financial Analysis recently completed, Under review
WOOD VILLAGE	3,885	*	Combined w/ street use fee @ \$0.28 per sq ft end
Average	24,835	\$84.51	

DRAFT

MINUTES
Troutdale City Council – Regular Meeting
Troutdale City Hall – Council Chambers
219 E. Historic Columbia River Hwy.
Troutdale, OR 97060

Tuesday, June 9, 2015

1. PLEDGE OF ALLEGIANCE, ROLL CALL, AGENDA UPDATE.

Mayor Daoust called the meeting to order at 7:00pm.

PRESENT: Mayor Daoust, Councilor Ripma, Councilor Anderson, Councilor Morgan, Councilor White, Councilor Allen, and Councilor Wilson.

ABSENT: None.

STAFF: Craig Ward, City Manager; Ed Trompke, City Attorney; Erich Mueller, Finance Director; Steve Gaschler, Public Works Director; and Sarah Skroch, Deputy City Recorder.

GUESTS: See Attached List.

Mayor Daoust asked are there any agenda updates?

Craig Ward replied there are no amendments to the published agenda.

Councilor Wilson stated I'd like to move Agenda Item #8 prior to our discussion on approving or not approving the budget.

Mayor Daoust replied ok we will switch those 2 topics and discuss Agenda Item #8 before we deal with Agenda Item #7.

Councilor White stated I'd like to pull Agenda Item #2.1 from the Consent Agenda and discuss it at the end of the meeting.

Mayor Daoust replied ok so that will be discussed after Agenda Item #7.

2. CONSENT AGENDA:

~~2.1 MOTION: A motion to approve expenses of the May and June 2015 Neighborhood Meetings for an amount not to exceed \$3,300.~~

2.2 RESOLUTION: A resolution approving an Intergovernmental Agreement with Metro for the Solid Waste Community Enhancement Program.

MOTION: Councilor Anderson moved to approve item 2.2, a resolution approving an Intergovernmental Agreement with Metro for the Solid

Waste Community Enhancement Program. Seconded by Councilor Wilson. The motion passed unanimously.

3. PUBLIC COMMENT: Public comment is limited to comments on non-agenda items.

Terry Blosser, Troutdale Resident, stated I have been in the community for about 5 years. Not too long ago my wife and I went to Sunrise Park and as I was walking it I realized how treacherous the park is for individuals such as myself and other disabled individuals. The park itself is very inaccessible for people with disabilities. I reached out to Steve (Gaschler) and I took him through the park with me and pointed out some of the challenges that people with disabilities face the way the park is currently. The park has so much to offer to everybody. It's a wonderful park and I think it needs to be revisited and updated so it's ADA compliant. I know that the City of Troutdale is working on it, they are aware of the issues and challenges, and I'm aware that there are some funding issues. I truly hope that City Council members will take it to heart and try to find ways to get the parks improved sooner rather than later to make it more ADA accessible not only for people with disabilities but also for people who are pushing children in strollers and elderly people.

Steve Gaschler, Public Works Director, stated we are working on an ADA access path that goes from the east parking lot to the west parking lot. It is part of the Hensley Street project. The remainder of the path that loops around the park, there aren't any near term plans to pave that. It's in the long term master plan but it's a fairly expensive endeavor to pave that path and there are some people that prefer it be gravel. It's hard to make everyone happy. We have a port-a-potty that isn't ADA accessible. We have no ADA picnic tables. There are quite a few issues and in all actuality we have issues like that in all of our parks. One of the projects in next year's budget is to do an ADA accessibility inventory to identify our problems.

Terry Blosser stated what the City needs to have is something called a self-evaluation transition plan. I believe the accessibility study you are doing is going to cover part of that. I would be willing to help the City in any way that I can to try to remedy some of the ADA violations.

Michele Metzler, Waste Management, stated I work in partnership with the national non-profit Keep America Beautiful to provide community grants to projects that promote recycling and community beautification. I'm here tonight to celebrate the accomplishment of the West Columbia Gorge Chamber of Commerce in receiving a \$10,000 grant to help fund the Troutdale Gorge Hub. The Troutdale Gorge Hub is part of a network of parks that provides support structures for cyclists, both commuters and bicycle tourists, as well as touring pedestrians. This network is being built in the Columbia River Gorge from Wood Village to The Dalles. The network includes 6 Hubs including the 1 in the City of Troutdale, the Troutdale Gorge Hub. This hub is crucial to this network as it will be strategically located at the intersection of the 40 Mile Loop Trail from downtown Portland, the Springwater Corridor Trail from Gresham, and the Historic Columbia River Highway up The Gorge. The Gorge network will boost the already exceptional attractiveness of The Gorge to our visitors from around the world. The Troutdale Gorge Hub in particular

will welcome cyclists to the Hub support network and will encourage them to tour the entire Gorge and perhaps Mt. Hood as well. By promoting tourism this facility will increase the economic vitality of our entire region. The grant funding provided by Keep America Beautiful will be used to purchase durable recycling bins and art insulation made from used and recycled bike parts. Most of these elements will elevate recycling and reuse by helping to create a welcoming and clean community space. Please join me in congratulating the West Columbia Gorge Chamber of Commerce and Claude Cruz for their work in securing \$10,000 from Waste Management and Keep America Beautiful for the Troutdale Gorge Hub.

Claude Cruz, West Columbia Gorge Chamber of Commerce, stated first my sincere thanks. Waste Management and Michele have been a pleasure to work with. They clearly see what wonderful things we have to offer our tourists here in our community. They're backing it in really the only way that ultimately counts which is with resources. The Hood River Gorge Hub has just opened. We've got some catch up to do. Our first run at the implementation funding didn't make it through the budget process so being as persistent as I am, I will be at your door step again in the future to take another run at this. This is an investment in our community and I think it has great potential for a relatively low up-front investment. This is one example along with the RTO grant of \$50,000 that we also got to put into the Gorge Hub. We'll make it happen with your help and we'll all benefit.

Ross Grami, Chief Spokesman for the Local 3132 AFSCME Bargaining Unit, stated we were here at your last meeting to send a message about what's going on in bargaining and how inappropriate we find it. The key issue that we're going to talk about tonight is health care as the City continues to propose a plan that is called a high deductible plan. If you are familiar with health care plans, those are what are known as catastrophic plans. Catastrophic plans are something that have come into vogue in the past few years with the Affordable Care Act as a way to entice younger people into healthcare. Frankly it's not a plan that is a very sustainable plan for individuals. When you look at the demographics of the bargaining unit you'll find that is a particularly cruel proposal. 70% of the bargaining unit is over the age of 40 and 50% is over the age of 50. A plan like that one that the City is proposing is going to have dramatic effects on the bottom line in the budgets of our members and frankly it's unaffordable and unnecessary. One of the things we use in bargaining is comparable cities. At the last meeting we submitted a flyer for the record showing those comparables. We just want to point out that it's so out of line versus our comparable cities that the long term impacts of this will be a flood of members leaving your city, it is that dramatic of a change. We would urge you to get actively involved in this process. As elected representatives of this city we hope you work to shield employees from what are unnecessary cuts to their healthcare that will have impacts on people's lives not only economically but their actual health.

John Bushard, City of Troutdale Civil Engineer and AFSCME Member, stated I've worked here for about 5 years and worked on projects such as: Pavement Preservation Program, Slurry Seal Project, Bus Stop at Glenn Otto Park, assisted in upgrading the Water Communication System, and I also manage the Solid Waste Permit for Sunrise Park. I'm here today to talk about the impact on this employee bargaining unit. I know it's an

uncomfortable situation but you are the leaders. You are the body that will direct or recommend City Management to do whatever they need to do for the budget to move forward. I did some calculations based on our group dynamic. The difference in plan costs from our current plan to management's proposal is a fiscal savings of \$35,000 for 1 of the plans and for the other plan it's about \$15,000 for a total of about \$50,000. I see a budget of \$33 million and I see a line item of \$50,000 to maintain affordable health insurance for the employees to maintain moral. I don't even know why we're here. I'm going to provide this information to you later individually so there aren't any group e-mails so you have it for discussion next Tuesday. Thank you for your time.

Timmer Shoop, City of Troutdale WPCF Operator III and AFSCME Member, stated I've been working for the City for about 9 years. From personal experience when we first got our current plan, which is a maximum of \$2,500 out of pocket, I had some intestinal problems and my total out of pocket was about \$3,600 when it was all said and done with co-pays and everything. If we move to this other plan with a maximum out of pocket of \$5,000, if I were to get this intestinal problem again then I would probably be looking at easily \$7,000 to \$8,000 out of pocket. I don't know how I could possibly stay here and work for the City which I've given 9 years to. I really enjoy what I do but if I have to move to this other plan then I'm going to have to start looking for something else and I know I'm not the only one in the City that feels this way. To keep people as good employees you've got to give them some respect.

4. REQUEST: A request from the Troutdale Historical Society for sponsorship in the amount of \$4,000 for the Donor Party associated with the opening of the King of the Roads Exhibit.

Len Otto, Troutdale Historical Society, stated I want to do more than just come here to ask you for something, I want to give you an update as well on what we've been up to, where we're at, and what we're doing.

Len Otto showed the Council a PowerPoint presentation. A copy is attached to the minutes as Exhibit A.

Councilor Wilson asked has the Historical Society budgeted any of their own funds into this or has it all been done through donations?

Len Otto replied the Historical Society contributed I believe \$10,000 of the Penny Balch money.

Councilor Ripma stated I think it was more than that, maybe \$20,000.

Councilor Wilson asked what about the money that you get from the County?

Len Otto replied that has gone to fund operations and we have not used a cent of that in our exhibit.

Councilor Wilson stated as I look into the banners, our in-kind contribution to hang those banners is going to be about \$1,000. You're actually coming to us asking for more than \$4,000.

Len Otto replied yes the City has been wonderful that way in terms of cooperation. I cannot discount that at all.

Councilor Wilson stated if we do elect to maintain that piece of road for bus parking, that is going to be an additional in-kind expense. I just wanted to say that the \$4,000 is ballooning into more for the City.

Councilor Morgan asked is this \$4,000 for a donor party that is open to the public?

Len Otto replied no, it is for donors who contributed \$500 or more.

Councilor Morgan stated my strong suggestion is if we're going to make a contribution, which we already have, to have that money for the public good. Tourism is something moving forward and it'll be a big investment. Potentially we could pave that strip of land and put parking there for the public. That to me is a better, more responsible way of spending that money. It is a little bit tone deaf that the City would spend \$4,000 for a donor party when we have a lot of other things and other priorities. I know this is important for everyone but I'd caution the Council. There are also members of the Council that are also members of the Historical Society and I don't know if that's a conflict of interest or has any effect at all.

Ed Trompke, City Attorney, replied no it's not.

Councilor Allen stated I do have a conflict of interest here as I am also one of the over \$1,000 donors I would benefit directly from the party.

Len Otto stated this exhibit is huge for Troutdale, it's huge for the community, and up The Gorge. It ties in with the Bike Hubs that we heard about earlier.

Councilor White asked what would be a higher priority, getting that lot prepared for a tour bus or this dinner?

Len Otto replied it's not really a dinner, it is more hors d'oeuvres. That is a tough question. I know that it'll cost a lot more than \$4,000 to pave that area. I suspect that ultimately it would have to be paved, it might be gravel initially. If we're going to attract the busses then we have to have that as well.

Councilor White stated I think it makes sense to have that additional parking. I think it benefits the downtown, the public, and especially tourism.

Len Otto stated I anticipate and hope with all my heart and the thousands of hours and dollars of my own money that I've put into this that it is a huge success.

Mayor Daoust stated we could have staff look into the feasibility of graveling that site.

Craig Ward replied we have talked about that. I don't think graveling it is going to comply with our code requirements so I think it'll need to be paved. It's also close to Beaver Creek so we have VECO (vegetation corridor) issues and stormwater issues. We have not yet priced that out.

Mayor Daoust asked is it level enough to use as a grassy parking area?

Craig Ward replied I don't know but I presume it is. It looks pretty level but that doesn't necessarily mean that a tour bus would want to park there. There are design challenges that come with it that need proper designing to solve. We are already working on that.

Councilor White stated I'd like to remind Council that we did a temporary graveling of the old Troutdale Police Station. We also did temporary graveling in a flood plain in a VECO for the bus turn around at Glenn Otto Park. I think it's within our reach if there's will to do this then we can get it done, at least temporarily graveling it. That's where I'd rather see the money go. It's hard to say no to you. I'm impressed with the amount of volunteer hours. I appreciate the preview that you gave Council.

Councilor Morgan stated my strong suggestion for the sake of time is to have a discussion on this specific event moving forward. Because of the logistics with the statue that we want to place, the enhancement fee, and a lot of these types of community based decisions that we have. This is really important for the local economy, the region, and the history. We have to quit talking about it and act on it. I'd rather see the funds spent somewhere else for the public good but I would strongly urge the Council to make this a work session quickly so we can get done whatever we decide to do.

Councilor Ripma stated I have the same problem that Councilor Allen has. I'm not the President of the Historical Society anymore, Len Otto is. This was his idea to come. I defer to the Council on this particular issue. I always thought it was a little dicey asking for money for a donor party. It was good to give us the update on where it's going and I'll understand if we are reluctant to spend public funds on the party. I don't think there's time for a work session, it's only 1 month away.

Councilor Wilson stated of all the non-profit groups that I belong to, whenever we are thanking people for their donations we usually reach into our own pocket to throw the party. These are public funds and I'd rather see them go to the larger public good than just to the donors.

Len Otto replied I approached this with all I can do is ask and if I walk away empty handed then all I've done is informed.

MOTION: Councilor Anderson moved that we schedule a work session at the earliest possible date to discuss parking at the City owned lot across the street from the exhibit (The Barn Museum) as well as the statue

project in question for the Community Enhancement Project. Seconded by Councilor Morgan. The motion passed unanimously.

Mayor Daoust stated the only piece lingering from your request was putting the banners up downtown. When would you desire for them to go up? And have you talked to the County yet?

Len Otto replied I have talked to the County. We're waiting on one piece that will satisfy a County requirements as well as a City requirement and that is the insurance piece. We would like them to go up about a month ahead of the opening through the summer months so we can capture some of the tourism coming through town.

Mayor Daoust asked does City staff have any concerns about the banners?

Craig Ward replied we've already met with Mr. Otto and agreed that we'll do that. There's still scheduling components but it's not a question of will, it's a question of when. If I can get direction on the motion of "the earliest possible time for a work session".

The Council preferred to have it after the Regular Meeting on June 23rd.

5. PRESENTATION: A Better Oregon – 2016 ballot measures to increase funding for critical services and schools.

Diego Hernandez stated I am a volunteer with Our Oregon and the Better Oregon campaign. I sit on the Reynolds School Board and I grew up Troutdale and graduated from Reynolds High School. Thank you to the voters who voted for our school bond and congratulations out here for the elementary school. I am volunteering my time because this is an issue that I really think is critical. The issues that we face in our school district when it comes to graduation rates, academic achievement and dropout rates. We are at a critical moment in our time to start dealing with the disinvestment in our education system and other public services. Our Oregon advocates for economic fairness and funding for services in schools. Today I'm representing A Better Oregon, a coalition of parents, teacher, and small businesses coming together to address the state of the economy. This year we're working to get a measure on the ballot that addresses shortfalls that have caused devastating cuts in the things that we care about most. These cuts are happening in the midst of corporate profits being at an all-time high. Many of those corporations aren't really paying their fair share which is why we are finding ourselves in the mess that we're currently in. Oregon's economy works better for corporations than it does for working families. A Better Oregon is coming together to address these problems. We can have services that Oregonian's deserve, we can have smaller class sizes, services for the homeless, safe communities, good roads, and good healthcare. We don't have these right now.

Diego Hernandez and Reyna Lopez gave the Council a PowerPoint presentation which is attached to the minutes as Exhibit B.

Diego Hernandez stated A Better Oregon is a grassroots lead effort. It's going to take all of us coming together if we want an Oregon that works for our families too and not just corporations. I know a few of you went to an event called SEED which was about the economy and education. There was a company there that was talking about having jobs available but they couldn't find employees that were not on drugs or that had the right education. They're ready to hire people and they're in our communities. I think it's about time that folks at the top pay their fair share and invest in the services that will ultimately benefit them. This is a ballot initiative that will come up in 2016.

Councilor Anderson asked can you name 1 corporation in East County that doesn't pay their fair share?

Reyna Lopez replied a lot of that information isn't actually disclosed. What we are seeing right now in terms of the corporate minimum tax, 70% of corporations pay the minimum tax in their tax bracket and over 50% of those corporations that pay the minimum tax is the \$150.

Councilor Anderson asked so of the 70% that pay the minimum, are there any in East County that you've identified?

Reyna Lopez replied the top 1,000 that we were looking at that would actually be affected by this were some of the ones that you would think of right away such as fast food chains, larger banks, Comcast, and believe it or not Intel wouldn't actually be affected by it because they don't actually sell chips directly to people here they sell to distributors so they don't do \$25 million in sales in Oregon themselves. Nike wouldn't be affected by it either. I can try to get a more complete list for you if you wanted a follow up on that.

Councilor Anderson stated I'm genuinely curious if any East County corporations are not paying their fair share. My second question is for Mr. Hernandez. Is the Reynolds School Board sanctioning your appearance here tonight, are they behind this?

Diego Hernandez replied no I am an independently elected individual speaking on my own behalf, not as the Board.

Councilor Anderson asked what is Reynolds School District's position on this?

Diego Hernandez replied they actually have no position as of yet because they haven't heard this presentation.

Reyna Lopez stated we're still in the very early initial phases so right now we're in the education phase and reaching out to leaders to let people know we're going forward with it. We don't have a measure yet. There are 7 different titles circulating right now that each say something a little bit different and they also have a little bit of a different threshold so we're testing some language to see what the right rate would be. Early Fall is when we'll have our title and by then it'll be too late to get any feedback from folks so we're starting early.

Councilor Morgan stated you use the word threshold. I think threshold means price values or price differences. What assumption is that making in regards to the increase from \$150 to \$3,000 or \$10,000?

Reyna Lopez replied out of the 7 it looks like the 1 that people are liking the most is the 2.5% increase, \$2.50 increase for every \$100 in sales.

Councilor Morgan asked is that beyond the \$25 million or starting at \$0?

Reyna Lopez replied \$25 million in sales and above so any company that does below \$25 million in sales would not be affected by it.

Councilor Morgan asked has there been any push back at this point?

Reyna Lopez replied at this point conversations have been pretty good, probably because we're still in the early phases. Who knows what next year is going to be looking like. I know right away there are concerns from AOI, The Oregon Association of Industries, some of the Chambers have a lot of questions around it. We're having a lot of questions coming from the Business Alliances, especially the one in Portland. I know we'll have a lot of questions from the restaurant and lodging associations too. There are a few groups that we need to circle back with. This was a measure that we were going to move forward with 2 years ago but we ended up backing down from it because it was a deal with making sure there weren't any anti-worker measures that got filed on the ballot. It looks like there might be some right to work style measures also coming through on the ballot because this one is going to be on the ballot. We'll just have to wait until next year.

- 6. PUBLIC HEARING / RESOLUTIONS:** A public hearing on the following resolutions:
- 6.1** A resolution certifying the City of Troutdale's *eligibility* to receive Fiscal Year 2015-2016 State Shared Revenues.
 - 6.2** A resolution declaring the City of Troutdale's *election* to receive State Shared Revenues for Fiscal Year 2015-2016.

Erich Mueller, Finance Director, stated this is part of the budget process and is outlined in the staff report. State Shared Revenues provide a meaningful contribution to the City's overall budget. In total this year it is \$1,364,000 with a majority of it going into the Street Fund, which is the money coming from the gas tax, 99% of that goes to the Street Fund and 1% is allocated to Parks and Trails. The balance of the State Shared Revenues received go into the General Fund. There are 4 process steps that the State makes us go through in order to receive the funds. The first step required is a public hearing before the Budget Committee on the possible uses of State Shared Revenues. That was held before the Budget Committee on April 20th. The second step is a public hearing before the City Council prior to any consideration of the Budget, which is a subsequent agenda item, on the proposed uses of the State Shared Revenues as they've been proposed in the Budget that was approved by the Budget Committee. The State makes us go through a process of first certifying that the City if eligible, meets the statutory requirements to be eligible to receive State Shared Revenues. Then it further requires that a resolution establishing that just because you're eligible doesn't mean that you want the money. You

also have to elect to receive the money. These two resolutions go hand in hand and that's why they're covered by the same staff report.

Mayor Daoust opened the public hearing at 8:08pm.

No testimony received.

Mayor Daoust closed the public hearing at 8:08pm.

MOTION: Councilor Anderson moved to adopt a resolution certifying the City of Troutdale's eligibility to receive Fiscal Year 2015-2016 State Shared Revenues. Seconded by Councilor Wilson. The motion passed unanimously.

MOTION: Councilor Anderson moved to adopt a resolution declaring the City of Troutdale's election to receive State Shared Revenues for Fiscal Year 2015-2016. Seconded by Councilor Wilson. The motion passed unanimously.

8. RESOLUTION: A resolution approving the use of not less than \$150,000 of the lease revenue from Multnomah County to reduce the property tax levy for the Policy Facility bond.

Erich Mueller, Finance Director, stated it was expressed by members of the public multiple times, as well as commented by Council and Budget members, a desire to see lease revenue received from the County to go toward helping to lower the property tax levy burden on the tax payers who voted and approved the levy necessary to fund the debt service on the police facility. It was requested that there be a resolution for the Council to approve indicating the desire to make sure of at least \$150,000 of the lease revenue. I pulled that together and presented it here for you and I'm happy to answer any questions that there might be.

Councilor Wilson stated earlier today I talked on the phone with Erich and I am still perplexed about the utilities of \$10,260 (page 71). We're using this money to pay for utilities and then approximately a year later the County will pay us a percentage of the money back. My confusion is why we don't just take the money out of the General Fund to pay those utilities and use this \$10,260 to include with the \$150,000 payment for a total of \$160,260 to pay down the bond debt.

Erich Mueller replied in the proposed budget there was a budget established this year for all of the landlord operating cost estimates for the operation of the building as a landlord. The utilities are one of those items. We'll need to pay PGE and NW Natural Gas throughout the year. I have to have an appropriation in the budget to be able to pay them, so that's why it's in the budget so I have appropriation authority to pay them. The lease provides for a reconciliation, I believe of not more than 45 days after the first annual lease period, by August 15, 2016 to where the utilities that are incurred over the course of the first years lease are reconciled. The City pays 27.5% of those utilities and the County

pays 72.5%. Once the reconciliation is done then the County will provide a reimbursement for their share and that revenue will come to the City. The money doesn't disappear, when it comes in it will be clearly identified. It's a resource that comes in and the Budget Committee can decide whatever they want to do in terms of making use of that reimbursement resource that comes in. The way the budget works is the resources and appropriations are separate. You still have to have the appropriations to make the payment. You can decide that you want to increase the amount of money that you're transferring from the General Fund towards Debt Service. I can't tell you right now what the City's share is going to be.

Councilor Wilson stated my point is that we're using this fund to fund it and then the money goes into the General Fund.

Erich Mueller replied this is part of the General Fund.

Councilor Wilson stated but we're taking it out of the \$219,000 that is being paid to the lease. That's where these monies were coming from, correct?

Erich Mueller replied all of the lease revenue comes into the General Fund.

Councilor Wilson stated what I'm saying is that we should use \$160,260 to pay down the bond debt instead of just the \$150,000.

Erich Mueller replied the way that the proposed budget was and how the Budget Committee approved it, there is a net cost to the General Fund of \$5,505 between lease revenue that's to come in and the expenditures that are in the General Fund to spend that revenue. \$150,000 plus \$71,420. At the moment, we're going to spend \$5,505 more out of the General Fund than we're going to take in related to the building. What the actuals are going to be, I don't know because we've never operated the building at this scale and activity level. Whatever amount you increase this simply lowers the amount of reserves that we have in the budget, at the moment I believe it's \$50,976.

Councilor Wilson asked my second question is the administration fee of \$5,400. Are we hiring someone for \$5,400?

Erich Mueller replied no that's an allocation of the cost associated with administering the lease.

Councilor Wilson asked is someone not going to make \$5,400 if that was to go toward the bond debt?

Erich Mueller replied no that's a cost associated with administering the lease. It's an attempt to assign costs associated with the activities that incur costs. You can eliminate all of the expenditures if you want but I still need to have an appropriation to be able to pay the bills.

Councilor Wilson stated I would like to see us take this \$10,260 and move it over to pay the bond debt.

Mayor Daoust replied so the total would be \$160,260. To clarify, what Councilor Wilson wants to do is borrow that money because we'll get it back.

Erich Mueller replied we're going to pay that money to PGE. I can't spend it twice as I mentioned in the staff report. I can either send the money to PGE to pay the utility bills or I can send it to the debt service.

Tanney Staffenson, Budget Committee Chair, stated when we went through this process, I would believe that the \$71,000 may cover the expenses for the building but it also may not. If you cut that back too far you could end up hitting the General Fund harder.

Councilor Morgan asked is there an every other year adjustment to the lease that the County will kick in?

Erich Mueller replied there's an annual reconciliation on the utilities and there's an every other year CPI adjustment to the rental rate.

Councilor Allen asked basically the money that we're getting from the lease, a portion of it is being used to seed operations and that's where we come down to the \$150,000? In subsequent years we could add to that if we want to.

Councilor Wilson asked that's why I want language that says a minimum of \$150,000.

Erich Mueller replied the resolution represents that it's not a maximum by any means. It's at least \$150,000, that was my understanding and that is what was proposed in the budget. I believe I made mention during the Budget Committee Meetings that I was being very conservative with this and I expected that in subsequent years that we'd be able to say that there's additional funds available to apply toward the debt service in future years. I just didn't want to over promise in the first year. I fully expect to do a reconciliation of the first year's lease activity and determine what we ended up spending. I'm hoping this \$71,420 is also conservative and I spend less than this. The \$10,260 is an estimate but if it did come out exactly to that then the City's share of that would be \$2,821.50.

Councilor White stated I'm going to use Councilor Wilson's number of \$160,260 but I'm going to propose something other than paying the bond down. The voters agreed to that bond, we've got a great bond rate, what I'd like to see is that money be set aside in case we need to ever recreate our own Troutdale Police Department or if this thing goes south. It also will put us in a position of negotiation power in 10 years. Otherwise we'll be in trouble. This wasn't my idea, I was approached by the Troutdale Business Group with this idea. I have to admit that I think they're right. That's also one of the things that was discussed in the early conversations of this merger is that we would be able to recreate our own police department but to do that we need a funding mechanism. If things go well then maybe in 10 years it would be the appropriate time to spend this money to pay down the bond. I think it's a worthy proposal.

Erich Mueller replied I just wanted to clarify that the bond, regardless of whatever revenues we have, they are structure such that we can't pay them off early. If you want to put money aside, that's fine, all it does is lower the amount that we have to levy this particular year but it doesn't change how soon the bond gets paid off.

Councilor Morgan stated I believe that Mark Kelsey brought up that it might imply, like a pre-nup, in an attempt to ditch if it doesn't work out. I agree with that idea for a different reason because of what we saw in 2004 in the fire contract and even this year. Things get more expensive and if you don't have a contingency plan just to maintain proper funding then you end up cutting off your noses despite your face. I would like to hear from our Budget Chair about that so the Council doesn't appear to be going around this process.

Tanney Staffenson replied I think that's fine. I think the numbers are a little light and hopefully I'm wrong. Moving that number would not really have an adverse effect on things.

Councilor Anderson stated I like the Troutdale Business Group but in this case, I'm afraid they're wrong. They're wrong because through the work sessions all we heard was tax relief, tax relief, tax relief. This is a way of showing people quantifiable tax relief. It's not going to be a great deal less but it's going to be less. I can understand the contingency and I'm the one that brought the question up for the same reasons, what if. We need a plan and I think we can do that. But I don't think this is where to pull it from. I think we can do both. I think we can do this this year, we can continue to have the discussion, we have contingency funds that we can use if need be, we can see what next year looks like once the dust settles and we have actuals. I like the idea but I think it's too premature. I think we can do both.

Councilor Allen stated the money that we're getting from the lease is small potatoes compared to what we're paying for the building. This particular proposal would reduce my yearly tax by approximately \$20. I'm personally more concerned about getting to a negotiating period and not having enough funds to actually negotiate. One of the first things that I learned in business is if you don't have other options then you're not going to get a very good contract. I would feel safer going with an idea along the lines of Councilor White suggested.

Councilor Ripma stated I have not heard this idea before tonight so I haven't really had a chance to think about it. I am worried about the end of this agreement, just like we had with the fire contract. If we set aside for 10 years we're talking about a good fund to have a negotiating position at the end which we didn't do with the fire and we're paying for it. I share Councilor Allen's thought that the savings on people's taxes is very modest. It's money but it's \$20 to \$30 per year. We'll pay for it in the end. Could we set up a fund to divert some of the lease money into a reserve fund for a purpose like that?

Erich Mueller replied the local budget law allows for reserve funds but there are certain limitations and requirements. I didn't bring those provisions with me this evening. It

generally has to be established for a specific purpose and generally focused around a capital expenditure. I'd need to go back and research it a little more particularly as to whether you can set money aside to be a negotiating war chest, for lack of a better term.

Councilor Allen stated I like the idea of a fund for public safety and/or bond reduction. Can it have that kind of title? If at the end of the 10 years you're able to negotiate a good contract then you could or you could choose not to put more money back into the fund once you have enough.

Mayor Daoust stated I understand the request and it did come up and I have a serious concern that it's not what we told the public when we had our public meetings and when we had the Budget Committee meetings. The Budget Committee approved the \$150,000 from the lease going towards bond payoff. That's what we have heard from the citizens, that they'd like relief in the bond payoff. That what we've heard in public meetings, that's what I've heard in neighborhood meetings. We've more or less promised that we would pay the bond off with the lease money coming in. I think Councilor Anderson brought up the fact that there's probably another way to set up what I'll call a rainy day fund for further negotiations on a police contract, keep them separate because what we have told the people is that we will pay the bond off with the lease money. I'd like to keep that the way it's been brought up by the citizens and set up a separate fund. In other words, keep our word rather than just reverse what we've heard and what we've told people. I agree with Councilor Anderson, I think we can do both.

Councilor Allen stated I'm one of those people that was pushing for using the lease money for paying down the bond rate. However I did not hear about this other option which upon hearing sounds like a better idea to me. I would support a budget meeting to go over this question if that's what we want to do to allow for more people to engage the idea.

Councilor White stated I was in full agreement of paying down the bond as well. We also promised that we'd have a fund set up to recreate the Troutdale Police. So there were 2 promises made to the public. Unfortunately the \$1.1 million didn't materialize. We are forced to make a decision with the only money that we have which is this \$160,000. It is a far better use and I think it protects the public in the long run. If not, we'll end up just like we did on the fire contract.

Mayor Daoust asked what would the purpose of this fund be?

Councilor White replied to give us some negotiation power or the ability to recreate if things go awry. You at least have to have the ability to do that otherwise you'll get steamrolled in the negotiations in 10 years. It'll cost the citizens more than this minor savings.

Councilor Morgan stated I think I have a compromise to propose. My proposal would be to support a resolution approving the use of no less than \$150,000 for fiscal year 2015-2016 and it would sunset after that. At which point the Council and the Budget Committee could take up whether they want to move forward on negotiation position of allocating those funds specifically for public safety negotiations. It is just a one year \$150,000

savings, the citizens would see instant relief on their tax bills, then the Council and the Budget Committee could take up further discussion on whether they would like to have that money be just for public safety negotiation aspects.

Ed Trompke stated you can make a resolution for one year, yes. Ordinarily you don't "sunset". Sunset has a different meaning legislatively.

Erich Mueller stated if it's your choice tonight not to make this policy statement for the future then my suggestion would be to simply not approve the resolution as it's proposed because this resolution only affects the future. The budget that was taken to the Budget Committee and approved provides for this already for the budget that's going to be adopted. It's unnecessary to adopt it for 1 year because it has to be subject to the budget process for future years anyway. If that's the conclusion I would recommend that you not approve it tonight.

Councilor Allen stated back in March we talked about putting money aside for recovering the police. I think the thought at that time was we'd have plenty of money to recover the police if the contract didn't work out and we'd have money to be able to put towards the bond. We have a budget in front of us and we clearly don't have enough money to all do that. My gut feeling is that the lease money isn't going to be enough to recover the police in and of itself but it puts us in the ball park. Should the next negotiation not be going well then it puts it in the ball park that we could actually recover our police if need be.

Councilor Morgan asked Councilor White would you be opposed to doing 1 year at \$150,000, assuming we act on the 9 continues years which is still at or near \$1 million.

Councilor White replied I'd be opposed. I don't know that it'll ever get changed unless we do it right now.

Councilor Morgan asked by changing it right now is that going to change it forever?

Councilor White replied nothing can be changed forever but this is within our scope as Councilors to do this and we just heard from the Budget Committee Chair that he's not opposing it.

Councilor Anderson stated when I brought this up originally I brought it up for the same reasons that I think the business group brought it up, because of what we're dealing with in the fire contract. It's a good idea, I'm not disagreeing with the idea at all. But when I brought it up the overwhelming sentiment in the room was that people wanted to see tax relief rather than taking that money and putting it towards a rainy day fund. That's what they wanted to see and that's what we delivered to them this year in this budget. With that said, I'm not opposed to Councilor Morgan's idea, I'm not opposed to Councilor White's idea, but this is why I backed off because of what I heard in the room the night of the first work session in March. I was challenged directly, if you're going to put money back in to save your police department then you're betting against it working, that was the statement that was made to me and it resonated.

Councilor Ripma stated there were a lot of numbers bandied about and if the public believed what was said by staff that the whole contract was going to save us piles of money, that didn't materialize, the need to set aside money for the kind of end of negotiation concern that we should all have is greater now because the contract didn't end up saving us that much. At the end of it you know we're going to get hit.

Councilor Anderson stated I think we should be ready for it but I don't think we need to start right now.

Councilor Ripma stated I think we should.

Mayor Daoust stated I can't support Councilor White's recommendation because the citizens are telling us they expect the bond to be paid down. That's what I heard anyway. My preference would be to go with Councilor Morgan's amendment and turn it back to the Budget Committee, who came up with this recommendation in the first place.

Councilor Ripma stated as Erich Mueller stated we don't actually need the motion for Councilor Morgan's 1 year resolution because it's built into the budget already. This is only for going forward.

Mayor Daoust replied in my mind that would be a better way to go, to keep our promise that we made to pay down the bond debt.

MOTION: Councilor Morgan stated I move to amend the resolution before us to state a resolution approving the use of not less than \$150,000 for Fiscal Year 2015-2016. (There was no second to the motion)

Mayor Daoust asked if he moves to change the language in the resolution, it's not an amendment is it because there hasn't been a motion made yet.

Ed Trompke replied there is no motion on the table at this point.

Mayor Daoust stated so what Councilor Morgan's proposing is to change the language of the resolution. If we're going to have any public input then we need it before you make the motion. Let's take a break and then take public comment.

Mayor Daoust called for a 10 minutes break at 8:50pm and reconvened the meeting at 9:00pm.

Norm Thomas, Troutdale resident, stated one of the things I wanted to say about this is that in the hearing that we had prior to last year there was always talk about paying down the bond. One of the reasons that I think I'm hearing why nobody trusts the Council to make the right decision right now is because we have things like tonight where there's all kinds of ideas flying around but nobody is really addressing what the taxpayers are forking out for this building. We know it's \$7.5 million and you can roughly take that times 3 when all is said and done and it'll be like \$21 million before it's paid off. My thought is that the whole \$218,000 should really go towards paying down the bond. I understand there are

some operational costs and I believe those costs should come out of the General Fund. Originally it was told that there's going to be a lot of savings this year and a great possibility we could see the savings next year. I would look at next year if you want to put money away for a rainy day fund. Take that money and apply it to the taxpayers and give them some relief. They're the ones that voted to build the building based on having police protection. The other side of the coin is if you start building ahead for the future then you're really saying we expect it to fail. I'm not necessarily a proponent of the police change, I would prefer to keep our own police department, but I also don't want to set up for failure. I think the County can do a great job for us. I think with the contracts in place and the oversight requirements of the City Council to make sure they do that job, you can make sure that happens. I believe there is time to build up the \$4 to \$5 million needed to reinstate your police department in 10 years but I would look at the future savings of the \$500,000 that your supposed to get next year based on what I've read in newspaper articles. I think as a citizen of Troutdale they deserve a respite for what they're giving. What I see coming down the road is that you've come up with a couple hundred dollars to offset fees for stormwater out of the budget to save a few businesses from big increases which is a good thing to do. However the citizens of Troutdale deserver that same break. I would look forward to next year figuring out how to build up your reserve funds for other things, not necessarily just for public safety. One of the things that Council has wanted to do in the past was build up reserve funds but prior to this year there was never any funds to do that. This item guarantees a minimum, while I prefer the whole amount, and it gives budget traction for later. You could always rescind the resolution at a later date. If you do it only for this year then it's a waste of time. If you want to really build the trust of the people of Troutdale in you as a Council then give them what you promised them.

Bruce Wasson, Troutdale Resident, stated I'm the non-voting member of the Budget Committee (the Alternate). I sat in on 3 of the 4 sessions. I agree that we should honor our agreement to take this money and use it toward the bond. However, I'm not opposed to setting up a rainy day fund. If you set this money aside and don't use it to pay off the bond, I don't see it as saying this will fail. I look at it as an insurance policy in case things do go south. I do not trust the Multnomah County Commission. I trust the Multnomah County Sheriff, he seems to be a very honest man. The \$20 to \$25 per year that it'll save me, as a taxpayer that's what I'm worried about, is basically insignificant at this point. However the Council decides to go, I think the first year we should honor that agreement but on subsequent years if the Budget Committee has the ability to look at this then we should and talk about setting up a rainy day fund or even half of it.

Claude Cruz, Troutdale Resident, stated we're coming to a fork in the road here and we need to take both forks. If there is what amounts to a promise that's been made, I think it's important to apply the money this year against paying down the debt. But this Council has a responsibility to do what the common citizen might not spend a whole lot of time doing which is looking into the future and seeing where we're going to be come time to negotiate the next contract. I don't think that a rainy day fund constitutes undermining in any way the current agreement or assuming it'll fail. I think it is prudent to have a negotiating position. It gives you options and nobody can see how the future will evolve. We really don't know how savings or lack thereof are going to come together. I think it is prudent to task the Budget Committee for the future years to figure out how to put some

money away. God bless us if we don't need it but if we do then we're in a stronger bargaining position and I think it's just a prudent thing to do. As a citizen I would appreciate having that safety net for our City.

MOTION: Councilor Anderson stated I move adoption of a resolution approving the use of not less than \$150,000 of the contract revenue from Multnomah County to reduce property tax levy for the Police Facility bonds and not less than \$150,000 from the contract revenue from Multnomah County to establish a public safety negotiation fund each year for the balance of the contract.

Councilor Morgan stated point of order. So that would equate to \$300,000 per year?

Councilor Anderson replied correct.

Councilor Ripma asked what contract revenue are you talking about?

Councilor Anderson replied whatever revenue enhancement we see from the contract.

Mayor Daoust stated the only revenue we have coming in is from the lease.

Councilor Anderson replied then I'll rephrase, not less than \$150,000 from the resulted savings to establish a public safety negotiation fund.

Councilor White seconded the motion.

Councilor Allen replied there's no identified revenue source.

Councilor Morgan replied from the savings.

Councilor Allen asked where is that in the budget?

Mayor Daoust stated I think that's problematic from a budget standpoint.

MOTION WITHDRAWN: Councilor Anderson replied I'll withdraw my motion. But I get the strong feeling that we can accomplish both and we can do it right now. I agree with Claude, Bruce, and Norm.

Mayor Daoust stated they were saying it should go toward the bond payoff the first year and then address it next year in the Budget Committee.

Councilor Anderson replied I'm saying let's put our money where our mouth is and do it for the balance of the contract. Let's give our citizens certainty going forward. We're going to guarantee for the balance of the contract that \$150,000 is going to go to levy reduction. So you'll get guaranteed savings of at least \$150,000 as long as this contract

is in effect. We're also going to match it with \$150,000 to establish a public safety negotiation fund for fire or police.

Craig Ward stated what we have is assuming the \$150,000 is dedicated from the lease to paying off the bond, that's what in the budget right now. Literally you don't need to do anything except approve the city budget to accomplish that. If you decide that you want to dedicate money to a rainy day fund or a public safety fund you can do that. We have a \$50,000 net in the black this year in the budget. We'd have to use that \$50,000 plus another \$100,000 out of contingencies presumably in order to create that fund. Just mechanically that's my first blush of how we'd implement your proposal.

Mayor Daoust replied or we could break that into parts like what we heard from the citizens and just not deal with this resolution tonight. Then when the Budget Committee meets next time we can deal with the other half of it. That would be my recommendation, to use your proposal but cut it into 2 pieces.

Councilor Anderson stated I'm fine with that as long as we do it. If it's less complicated that's fine but we have to do this.

Councilor White stated I withdraw my second.

MOTION: Councilor Morgan moved to strike the resolution. Seconded by Councilor Wilson.

Ed Trompke advised that the proper motion would be a motion to table the resolution, indefinitely.

Mayor Daoust stated we have a motion on the floor to table Agenda Item #8 indefinitely and most likely to be discussed at the next Budget Committee meeting.

VOTE: Councilor Anderson – Yes; Councilor Morgan – Yes; Mayor Daoust – Yes; Councilor White – No; Councilor Allen – Yes; Councilor Wilson – Yes; Councilor Ripma – Yes.

Motion Passed 6 – 1.

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| <p>7. PUBLIC HEARING / RESOLUTIONS: A public hearing on the following resolutions:</p> <ul style="list-style-type: none">7.1 A resolution adopting the City of Troutdale's Fiscal Year 2015-16 Annual Budget and Making appropriations.7.2 A resolution imposing and categorizing Ad Valorem Taxes for Fiscal Year 2015-16. |
|---|

Item 7.1

Erich Mueller, Finance Director, stated in order to be in compliance with the local budget law we had 4 Budget Committee meetings and at the conclusion the Budget Committee

approved the budget. Staff has taken and published the budget in compliance with the requirements of the local budget law. As it is required, the Budget Committee approved the budget that was forwarded to the City Council for their consideration and adoption. Prior to that consideration and adoption the budget law requires a public hearing on the resolutions and once the budget is adopted a component of the budget is approving the resolution associated with the property tax levies. I'm happy to address any questions that the Council has on either of the resolutions either before or after the public hearing. I'll let the Budget Committee Chair make any comments that he has.

Councilor White stated there was some discussion but after our 4th meeting which went almost to midnight I was too afraid to bring it up so I'm going to bring it up now. There was \$10,000 included in the Parks budget for a tree planter in Mayors Square for the Christmas tree. My thoughts on that is the Christmas tree is for 1 event and it could end up being in the way for a different event. I know what the East wind does to trees and I think it'd be an ongoing maintenance issue. I think we'd be better off just buying a Christmas tree.

MOTION: Councilor White moved to pull the \$10,000 from the Parks Fund on page 86 of the budget. Seconded by Councilor Anderson.

VOTE: Councilor Anderson – Yes; Councilor Morgan – Yes; Mayor Daoust – Yes; Councilor White – Yes; Councilor Allen – Yes; Councilor Wilson – Yes; Councilor Ripma – Yes.

Motion Passed 7 – 0.

Mayor Daoust stated I had a change that I wanted to bring up to see if a majority of the Council wants to do this and if not tonight then I'll bring it up later, it's the Visionary Park that Rip Caswell's statue would go in. I've gotten a personal confirmation from Rip that the sculpture will get done. He's hoping for the Metro funds if we can use it for that or private donations but he's willing to take a loan out to get it done if none of those come through. We need to get moving on this because it's time sensitive and that's why I'm bringing it up tonight. Our fall back the last time we discussed this was that we didn't know if this was going to get done so why prepare the park for it. We now have the guarantee from Rip and that's why I'm bringing it up now. We need to timely start preparing that park to place the sculpture and it would take \$60,000 to do that. I'm humbly asking if we can add \$60,000. It could either come from the surplus that we now have in the General Fund or the Park Improvement Fund where we have a contingency of \$862,000. I'd leave it up to Erich to decide the best place to take it from.

Councilor Anderson replied we aren't going to put it off. We're going to talk about this in 2 weeks. We're going to talk about the Community Enhancement Fund and Visionary Park in a work session.

Erich Mueller stated in 2 weeks you agreed to talk about Visionary Park and the Parking lot proposal from the Historical Society. The Community Enhancement Fee is schedule for the week after that meeting.

Mayor Daoust stated if we're going to make changes in the budget that we approve tonight I was thinking it would be easier for Erich to put that in right now versus prepare the budget and then have to make changes.

Erich Mueller replied the \$60,000 change could be made a couple of different ways. You could make a decision tonight to increase the expenditures in the parks department where we just removed \$10,000, we could add \$60,000 and adjust the budget with a second motion before you consider adoption of the budget. Another way to approach it would be to have the work session, work through your scope of issues, and then it'll be after July 1st and you could then decide you're going to fund \$60,000 and we could do a budget transfer from the \$750,000 of contingency that will presumably be in the adopted budget.

Councilor Anderson stated we have to do it, I agree, but let's do it all at once.

Mayor Daoust replied ok then I will leave it at that.

Councilor Wilson asked on your cut list, these were all done by SDC's so it's not really affecting the General Fund per say. I think we need to put those SDC projects back into our budget so we can go after grants. Without these being in the budget we can't go after a grant.

Mayor Daoust asked which ones are you talking about?

Councilor Wilson replied the Parks Improvement for the Depot Park Bike Hub. There was \$40,000, wasn't that through a grant or SDC's?

Mayor Daoust replied that was a grant match. So you're proposing to put that back in?

Councilor Wilson replied yes the Depot Park and Designed Park Improvements were SDC driven for \$115,000. What I'm proposing is that we put those back into the budget. Also there was Design Street Improvements at \$25,000, Miscellaneous Transportation Studies at \$5,000, Water Fund Financial Analysis at \$7,500, and Miscellaneous Sewer Studies at \$25,000; which are Public Works SDC driven funds. I'm proposing putting those items back into the budget because they aren't coming out of our General Fund, they're coming out of SDC's.

Taney Staffenson replied I guess I would say yes you are correct, they do come out of SDC's. I believe the Budget Committee was tasked with looking at all of the funds and all of the expenses that were coming out of those funds and the revenues that were going into them and trying to look at this holistically.

Councilor Wilson stated what I'm saying is that because they are SDC driven, I want to see them put back into the budget.

Councilor Morgan asked could you tell me where they're at in the budget?

Councilor Wilson replied Parks Improvements page 208, Street Improvements pages 182 and 183, Water Improvements page 170, and Sewer Improvements page 176.

Mayor Daoust stated but those got taken out of the budget. You are wanting to put them back in because they're not part of the General Fund and we over accomplished at the Budget Committee meetings.

Taney Staffenson replied that is an option that you have but our staff work with a 14 member Committee which included each of you along with 7 appointed citizens which is how the Budget Committee functions and an equal number of votes, everybody on that Committee was equal. I would say that everyone on that Committee worked as hard as everyone else did to try to put the best budget that we could in front of you. This is an option that you have but what we're bringing forward is what the Committee approved.

Councilor Wilson stated we're discussing the budget and I'd like to make a motion to put the SDC projects back into the budget for next fiscal year.

Mayor Daoust stated at least the parks improvement piece to that was a 6 to 7 vote at the Budget Committee so it was really close.

Councilor Ripma stated I remember 1 in particular was the cycle hub. In the budget it was listed as \$40,000 to design a \$90,000 cycle hub. Craig Ward was very clear that there was still a mechanism or a way to pursue that grant without approving \$40,000 to design a \$90,000 building.

Craig Ward replied I understand your point. I think you're accurate in part. I think the word design was unfortunate. That was a word that was left in and it really was not appropriate because it was never intended that we'd spend \$40,000 on design only for a project that would cost \$90,000. It was intended that we would have \$40,000 in a City appropriation to use as a match against a grant for a \$90,000 construction project. We've had some discussion about the Bike Hub, the Chamber brought it up, and I provided some detail to the Council but we've never had a work session on it and we need to. I am confident that even if that money isn't in the budget that we will come back into contingencies and appropriate money for that project. I would prefer that we put it in the budget and I think \$40,000 is a reasonable amount. What we have is a conceptual site plan and an engineer needs to sit down and prepare a fully flushed out design that we can hand off to a contractor to find out how much it will cost. I think it was unfortunate that we cut that money out just because of the word design.

Councilor White stated I'm definitely in support of a cycle hub. I think we were all slightly confused by that.

Councilor Allen stated I support the Bicycle Hub but I am a little concerned that it sounds like we're undoing the nights of Budget Committee meetings.

Councilor Wilson stated if I'm hearing this right, we can either approve this tonight and take the \$40,000 out of SDC funds or come back later and have you take it out of contingency?

Craig Ward replied contingency can include amending the SDC funded portions of the budget as well. I would prefer that we do that now but we can always come back at points during the year and amend the budget we just won't have a dedicated appropriation for that.

Mayor Daoust stated if we all agree to something then let's just put it in the budget now.

Councilor Morgan stated there's a lot of things in here that I think we need to dig deeper on. I think we should have a work session on these. I support the Bike Hub but if we're going to do this I think we should vote individually or have a work session on them.

MOTION: Councilor Wilson moved to approve the SDC funds of \$40,000 for the Depot Park Bike Hub Design. Seconded by Councilor Morgan.

Councilor Allen asked could we have a friendly amendment to strike the word Design?

Councilor Wilson replied yes I'll strike that word.

Councilor White stated we're trying to solve a problem that our City Manager has explained he has a different way to do this. I don't want to undermine the budget process.

Councilor Wilson replied we eventually will anyway.

Mayor Daoust stated Craig Ward said he preferred to take care of it tonight.

Councilor Morgan stated I understand your point but on the larger scope for this tourism, this was a discussion that was before the budget was discussed. The Chamber of Commerce has been working on this for quite some time as part of this larger tourism destination. We didn't have the full context of what this was about and now we do and I think moving forward is the best step.

VOTE: The motion as amended by friendly amendment is a motion to approve the SDC funds of \$40,000 for the Depot Park Bike Hub.

Councilor Anderson – No; Councilor Morgan – Yes; Mayor Daoust – Yes; Councilor White – No; Councilor Allen – Yes; Councilor Wilson – Yes; Councilor Ripma – No.

Motion Passed 4 – 3.

Councilor Wilson stated every one of us campaigns about how our parks are important and how we want to support parks and our own study on our street plan show that our

citizens care more about parks than our streets. I'm putting everyone on the line here that supports parks on the City Council and I'm proposing that we put the Design Park Improvements back into the budget, they were SDC funded, for \$75,000.

MOTION: Councilor Wilson moved to put the Design Park Improvements for \$75,000 back into the budget on page 208 (16-00-8350). Seconded by Councilor Anderson.

Councilor Wilson asked is anyone prepared to talk about what that is?

Steve Gaschler, Public Works Director, replied that isn't a particular project it's money to use at the Council's discretion if a park project comes up. Then we have some money in there to say we can move forward and look at that for you. There is no identifiable parks project, it's just in case Council wants to move forward and look at a design on a new park facility.

Councilor Wilson asked so maybe an off leash dog park?

Steve Gaschler replied that could be one of them.

Councilor Allen stated I'd like to say that I support the parks but I'd like to have a little more solidity or at least know what I'm spending money on before I spend it.

Councilor Wilson replied it can only be spent when we decide what to do with it.

Councilor Allen stated when we know what to do with it then we can ask for the money.

Councilor Wilson replied it's a lot easier to have it there then it would be bring it back in.

Councilor Morgan stated I think a lot needs to be done but as a Council supporting parks, I hope we can have a work session on that. I understand what you're saying and completely agree with it. I just don't want to get into a situation where we're getting too far away and the Council dictating everything in the budget process.

VOTE: Councilor Anderson – No; Councilor Morgan – No; Mayor Daoust – Yes; Councilor White – No; Councilor Allen – No; Councilor Wilson – Yes; Councilor Ripma – No.

Motion Failed 2 – 5.

Mayor Daoust asked does staff know which changes we've made to the budget?

Erich Mueller replied yes I have the \$10,000 change in expenditures in the General Fund in the Parks Department and I have a \$40,000 change in the Parks Improvement Fund. Those are the only 2 changes that were approved.

Mayor Daoust opened the public hearing at 9:45pm.

Claude Cruz stated I just wanted to take a moment to thank you all for supporting the Bike Hub. Going forward I don't want to be a mercenary about it but I wouldn't be going after this and pursuing it for the past 2 years if I didn't really think it's going to be a big payoff for us. I recognize the importance of the budget process and don't want to undermine that either. I apologize for not being more of a part of that process. I must have missed some important meetings or waited until the wrong time to bring up our request.

Taney Staffenson stated I am speaking as a citizen. At your prior meeting you approved utility rate increases. One of the things discussed at that meeting was the rate cap. We've talked about that in detail and I have a couple of concerns with that. That was one of the reasons why we amended the budget the way that we did was to cover the rate cap issue. Mr. Mayor, you also said it was a band aid on a very big hole and it isn't going to work. The concern that I have is that I also serve on the Sandy Drainage District Board. A number of these properties are already paying fees to the drainage district to have their stormwater managed. We would be charging them for a fee that another municipality is already charging them for. I believe we can legally do that but you can also charge people for two fire services and get away with it. We've gone around and around about this. The question that I've got from some people today was if none of my water is going into the City's system why are they going to charge me for it. I wasn't sure how to answer that other than because we can.

Mayor Daoust asked is this related to what's in the budget package? Your comments have to be related to the agenda item.

Taney Staffenson replied I think they are because they're related to what was discussed about the rate increases and the viability of the rate funds. The concern that I have is because we've talked a lot about equity and who's paying for what. The drainage district is managing water that we're sending down to their system. Not all of our water is pumped out by the drainage district but some of it is. If that is something that we're taking on, are we now responsible for the levy system? If we build up a fund we may end up having to pay some of the accreditation charges that are coming for the levy system or pump replacements and things of that nature.

Councilor Wilson asked have you sat down and talked to Steve about your concerns?

Taney Staffenson replied Steve and I have talked. The concerns that I have are from the business community.

Mayor Daoust stated we will have a work session on this and that would be a more appropriate time to bring up your concerns.

Councilor White stated in addition to being the Chair of the Budget Committee and Planning Commission, you're also our liaison for the Sandy Drainage District?

Tanney replied yes.

Mayor Daoust closed the public hearing at 9:55pm.

MOTION: Councilor Anderson moved adoption of a resolution adopting the City of Troutdale's Fiscal Year 2015-2016 Annual Budget as amended and making appropriations. Seconded by Councilor Wilson.

VOTE: Councilor Anderson – Yes; Councilor Morgan – Yes; Mayor Daoust – Yes; Councilor White – Yes; Councilor Allen – Yes; Councilor Wilson – Yes; Councilor Ripma – Yes.

Motion Passed 7 – 0.

Item 7.2

Erich Mueller stated this is another part of the requirements by local budget law. The Budget Committee has the responsibility for determining the appropriate levies that are required as part of the approved budget and then forwarding those to Council for adoption. Budget law requires another resolution to approve the property tax levies as outlined in the staff report. It's customary and similar to the previous years. There are 2 levies, 1 for the permanent rate which goes into the General Fund, and 1 for the debt service fund which provides revenue for payments on both series of General Obligation Bonds.

MOTION: Councilor Wilson moved to pass a resolution imposing and categorizing Ad Valorem Taxes for Fiscal Year 2015-2016. Seconded by Councilor Morgan.

VOTE: Councilor Anderson – Yes; Councilor Morgan – Yes; Mayor Daoust – Yes; Councilor White – Yes; Councilor Allen – Yes; Councilor Wilson – Yes; Councilor Ripma – Yes.

Motion Passed 7 – 0.

2.1 MOTION: A motion to approve expenses of the May and June 2015 Neighborhood Meetings for an amount not to exceed \$3,300.

Councilor White stated I'm curious why this wasn't brought up during the 4 nights of budget discussion. I would have preferred to have known the dollar amount, the fact that staff was going to be involved, the fact that minutes weren't going to be taken, and Councilors weren't going to be allowed to speak. I have a problem with the process more than I do with the amount. This could have been handled with a notice in The Champion. I think unless we're going to approve this amount for every Councilor besides the Mayor, then I'm not in favor of approving this money.

The Council discussed their concerns with the Neighborhood Meetings including:

- The cost for the mailers was higher than anticipated and some felt it should have been announced in The Champion for no additional cost
- The meetings were not recorded and no minutes were taken
- Only a single viewpoint was given on the topics discussed, some of which were contentious issues
- Some Councilors felt they were not allowed to speak at the meetings

Norm Thomas, Troutdale Resident, stated I'd like to present another point of view from the Citizens standpoint. When I saw the flyer, I saw it as an outreach from the Council. What I saw was a Mayor and possibly other members of the Council and the other people involved reaching out to the citizens to try to answer questions and concerns that they have. It's the first time that it's happened in Troutdale in the 23 years that I've lived here. It's something that a lot of us talked about at various times and I think it was fantastic to do. The \$3,300 that it cost to do this was well worth it in public relations. You've been talking about spending \$50,000 for increasing public relations and doing all kinds of stuff in the future. This is a step in that direction. I fully support Mayor Daoust on this and I think he did the right thing. It's a genuine outreach and I appreciate the fact that someone took the initiative to do that. As a citizen of Troutdale I thank you very much.

Bruce Wasson, Troutdale Resident, stated I've attended both meetings so far. Quite honestly the way I looked at it is, it was a sell job on putting a gas tax on us for road improvement. Both times the Mayor had a laptop and projector set up which looked like he was going to do some sort of presentation and I don't think as a public open meeting that we want to listen to the Mayor give a presentation. The \$3,300 to me is inconsequential but I did not see the give and take that I would have liked to have seen. I did have to call the Mayor on 1 thing at the last meeting about City Hall because I saw it a little more 1 sided on the Mayor's side. There's a lot of things that I liked about the meeting but I didn't like the fact that there was supposed to be a presentation because if you are going to listen to the public you don't present something to them first. I appreciate that he is having these meetings because I think they're useful and I will go to the remaining meetings. As to someone taking minutes, I didn't see anyone there taking any kind of notes. I agree that the notice could have been done in The Troutdale Champion. I think the format should be changed a little bit to reflect more give and take and to give both parties some leeway in saying something. Whether Councilor Allen or Councilor White were told not to speak, I don't know for a fact. As an observer and participant at these meetings I do find them useful but I would like to see them more 2 sided than they have been.

Claude Cruz, Troutdale Resident, stated when I heard about this from Mayor Daoust there was a request to put a notice out in our update for the Chamber which I was more than happy to do. I think an outreach is a good thing in general. It shows that you folks are listening and trying to get information. I wasn't at the meetings so I'm puzzled and somewhat distraught over the different points of view. I'd like to suggest as a process improvement, maybe if you had a mutually agreed upon neutral third party moderator who would conduct things so nobody can accuse anybody else of doing anything less than even handed. It complicates the process a little but I think it makes it a listening session,

bidirectional, all the good things that you're clearly pushing for. I'm glad you're holding the sessions. I will make an effort to attend 1 of the remaining meetings.

Mayor Daoust replied the overwhelming public comment that I got after the meetings was they wanted the City to hold more of them.

MOTION: Councilor Wilson moved to approve agenda item #2.1, a motion to approve expenses of the May and June 2015 Neighborhood Meetings for an amount not to exceed \$3,300. Seconded by Councilor Anderson.

VOTE: Councilor Anderson – Yes; Councilor Morgan – Yes; Mayor Daoust – Yes; Councilor White – No; Councilor Allen – No; Councilor Wilson – Yes; Councilor Ripma – No.

Motion Passed 4 – 3.

Per Resolution # 2288, the Council wished to adjourn the meeting due to the time.

9. STAFF COMMUNICATIONS

This agenda item was not discussed.

10. COUNCIL COMMUNICATIONS

This agenda item was not discussed.

11. ADJOURNMENT

MOTION: Councilor Ripma moved to adjourn. Seconded by Councilor Anderson. Motion passed unanimously.

Meeting adjourned at 10:17pm.

DRAFT

Doug Daoust, Mayor

Dated: _____

ATTEST:

DRAFT

Sarah Skroch, Deputy City Recorder

CITY OF TROUTDALE
CITY COUNCIL – Regular Meeting
Tuesday, June 9, 2015

PLEASE SIGN IN

Name – Please Print	Address	Phone #
Debbie Waugh		
Noel Deal		
K BRICE		
Claude Cruz	WCCOC	503 677-9777
Michelle Metzler	17227 NE 55th Ave. Portland, OR	503-936-6036
TANNY STAFFINSON		503-319-7732
BRUCE WASSON		503-661-1042
Terry Blosser		503-492-6535
Len Otto		503 663 0794
Doss Gramm		503-510-7020
Diego Hernandez		503 927-7545
Reyna Lopez		971.240.7414
Timothy Sheaf		
JOHN BELLARD		503 956 0251
Mike Halstead		523-319-1312
Norm Thomas		503 667-4320

An update

KING OF ROADS ~

BYWAY OF THE PEOPLE

Exhibit A

June 9, 2015 Council Minutes

December 10, 2013

- Troutdale City Council votes \$10,000 support
- Troutdale among first large contributors to exhibit

June 9, 2015

We have raised approximately \$140,000

Professionally designed exhibit

Production

Wall graphic panels in place

Artifacts chosen

GRAND OPENING JULY 18, 2015 NOON

BUILT

BY LOCALS

NEEDED: STRONG & HARDY MEN

THE GREAT WALL

From the rugged and hardy men of the West to the tough and resilient men of the East, the men who built the Great Wall of China were a mix of all the best that the world had to offer.



THE MAGIC OF THE TRAILS

The Columbia Gorge National Scenic Area is a beautiful and historic area that has been a part of the region's history for centuries. It is a place of natural beauty and historical significance.



Samuel Henshaw focused work camps when partnering with John B. Yeon recruited work gangs, who brought their shovels, pickaxes and wheelbarrows. Many men came from the local communities as well as from Portland, Spokane and Seattle. Yeon even used gangs of convicts. By 1914, more than 500 men were at work on the highway.

THE GREAT WALL

The Great Wall of China is a massive structure that stretches across the length of the country. It is a symbol of strength and resilience, and a testament to the hard work and dedication of the men who built it.



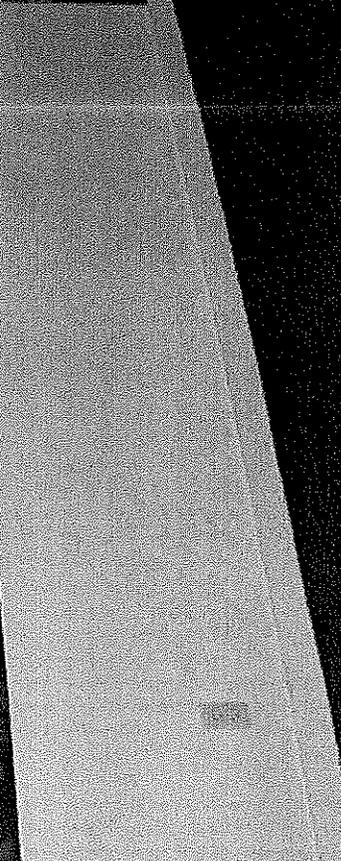
...the men who built the Great Wall of China were a mix of all the best that the world had to offer. From the rugged and hardy men of the West to the tough and resilient men of the East, they were a true testament to the strength and resilience of the human spirit.

TIME FOR A PIT STOP

When the race starts, the speed of the competition is palpable. It's like you're not just competing for a spot in the race, you're competing for a spot in the history books. The excitement is contagious, and the energy is electric. The race is on, and the competition is fierce. The stakes are high, and the pressure is on. The race is on, and the competition is fierce. The stakes are high, and the pressure is on.



When the race starts, the speed of the competition is palpable. It's like you're not just competing for a spot in the race, you're competing for a spot in the history books. The excitement is contagious, and the energy is electric. The race is on, and the competition is fierce. The stakes are high, and the pressure is on. The race is on, and the competition is fierce. The stakes are high, and the pressure is on.



THE KING OF PONDS IS BEING RESTORED BY LOCAL PEOPLE GENEROUS AND COMMITTED INDIVIDUALS AGED TO SAVE THIS CULTURAL TREASURE. NOW THE COLUMBIA RIVER HIGHWAY—THE NATION'S FIRST SCENIC ROAD—IS A NATIONAL SCENIC BYWAY, A NATIONAL HISTORIC LANDMARK AND A NATIONAL HISTORIC CHIEF ENGINEERING. THE BATTLE CONTINUES. FIND OUT HOW YOU CAN HELP SAVE THE COLUMBIA RIVER HIGHWAY.

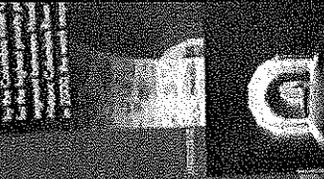
NEW LIFE FOR THE

LANDS BEING RESTORED

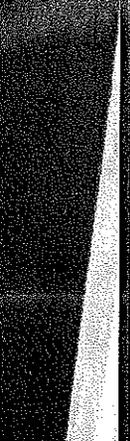
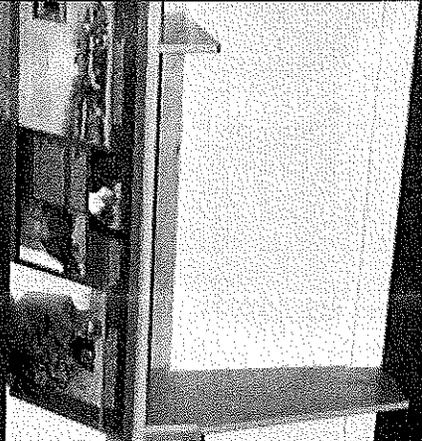
- GARY BRANNAN
- CONNORAN
- ERNE DRAPPEL
- JAMES SHARBERG
- ROBERT MADLOW

RESTORATION—RECLAIMING A HISTORIC AGE

Restoration is the process of returning a historic site to its original or a more recent period of its history. It is a complex process that involves a variety of disciplines, including architecture, engineering, landscape architecture, and archaeology. The goal of restoration is to preserve the historic site for future generations while also making it accessible and enjoyable for the public.



Viewmaster center



DAVID
BRIAN
NEIL
DAN

- STEVE LEH
- BRIAN LEH
- LEWIS MCARTHUR
- CLARENCE JACOBSON
- BILL PATTERSON

WILSON
MAY
DAN
DAN

- JURGEN HESS
- KEN BENNETT
- FRANETTE JONES
- RICK JOHNSON
- PHILIP ALLEN (CIVIC)

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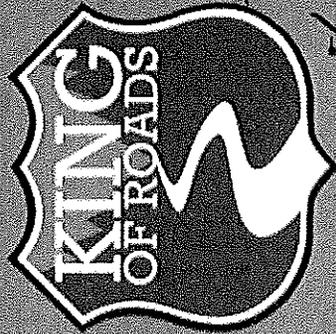
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A plan



Byway of the People

KingofRoads.org
5 Blocks East

An exhibit of the Troutdale Historical Society



Byway of the People

503-661-2164

KingofRoads.org

732 Historic Columbia River Hwy

An exhibit of the Troutdale Historical Society



Byway of the People

KingofRoads.org
Opening July 2015

An exhibit of the Troutdale Historical Society

Banners designed by Doug Rosenfield, CAL

A request

Troutdale's Sponsorship of Donor Party

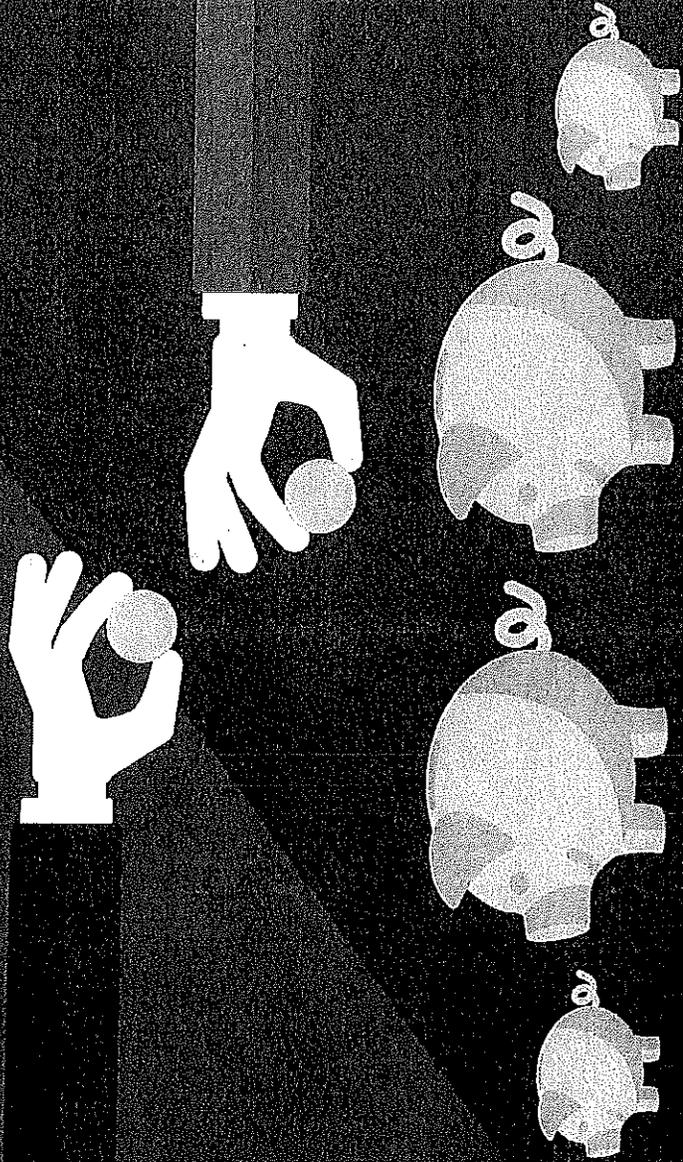
Guests will see Troutdale is solidly behind this exhibit

Opportunity to showcase Troutdale

Allow us to put finishing touches on exhibit

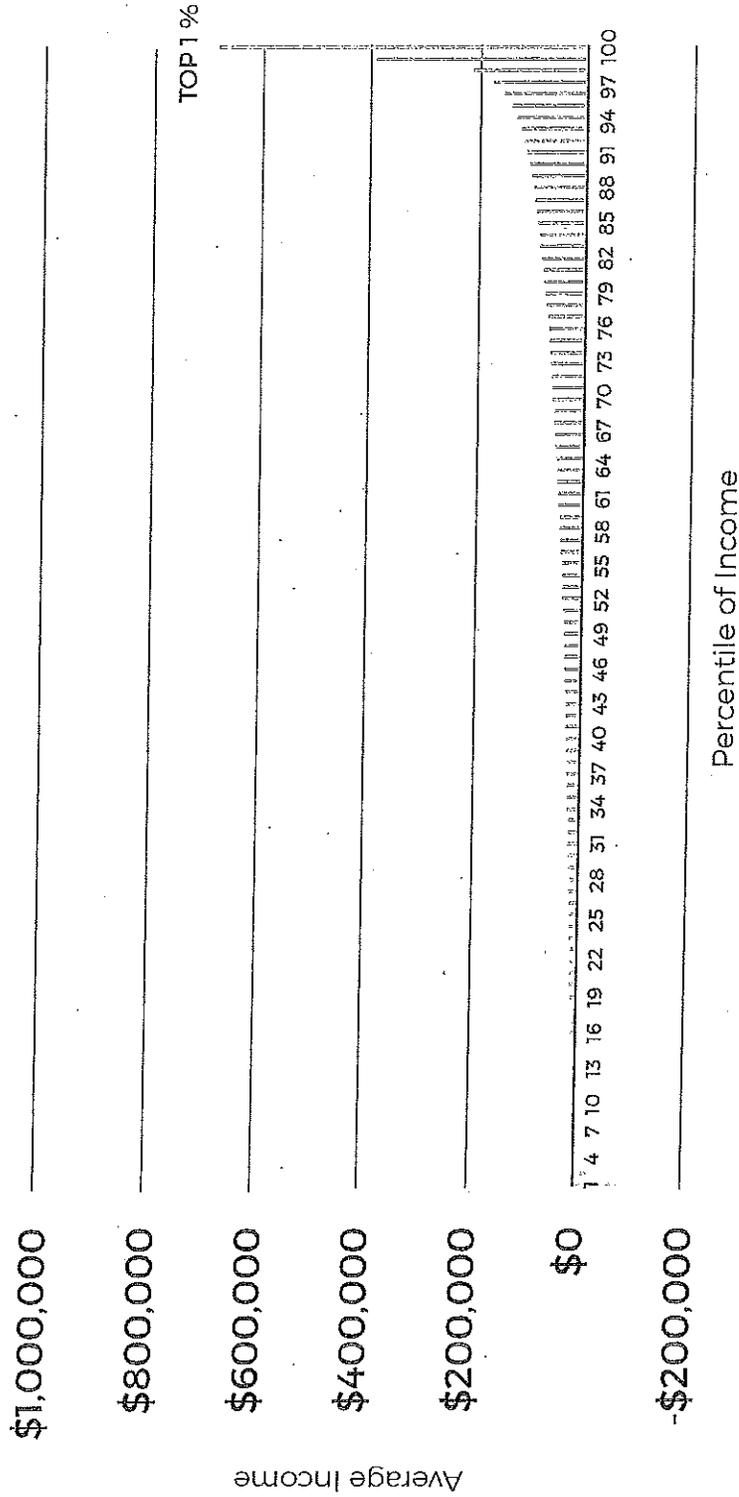
A BETTER OREGON

Investing in Oregon's Families



The State of Oregon's Economy

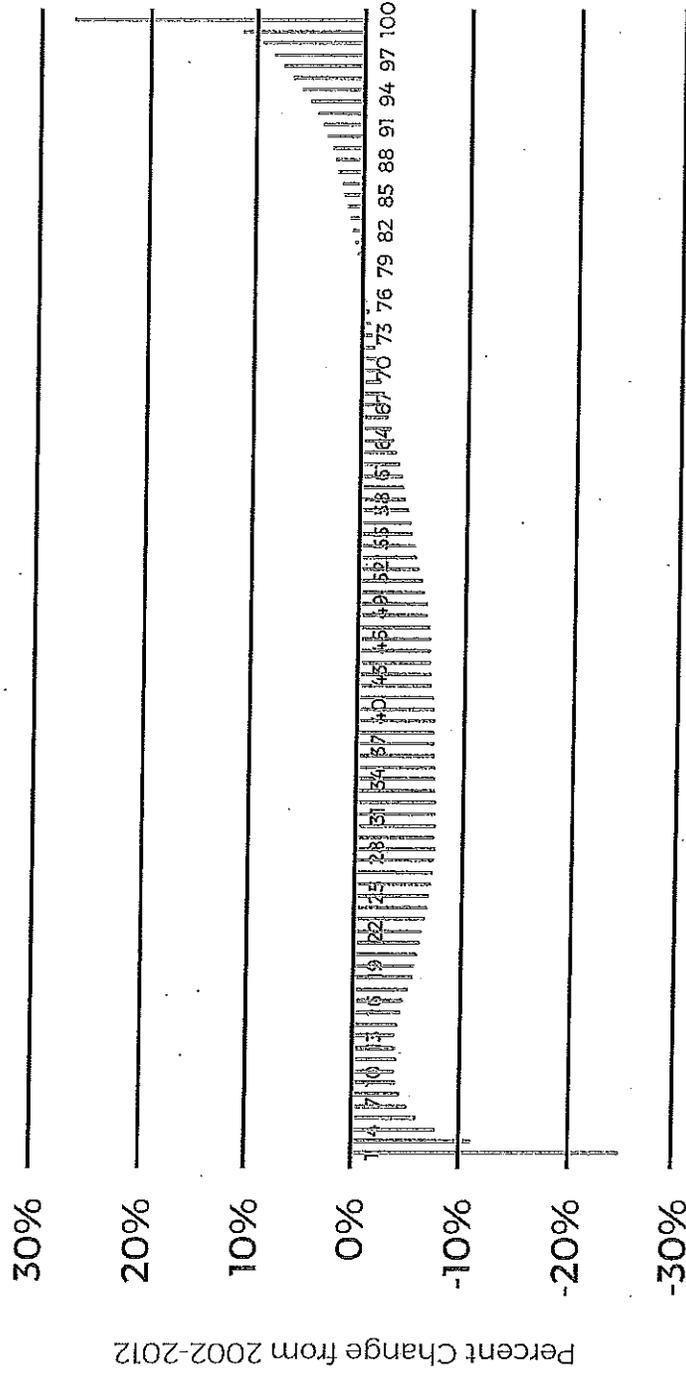
OREGON'S ECONOMY ISN'T WORKING FOR MOST FAMILIES



DISTRIBUTION OF INCOME

Source: Analysis based on data from Oregon Department of Revenue, 2012

OREGON'S ECONOMY ISN'T WORKING FOR MOST FAMILIES

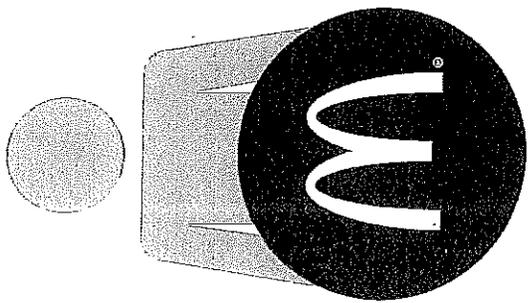


2012 PERCENTILE OF INCOME

Source: Analysis based on data from Oregon Department of Revenue, 2012

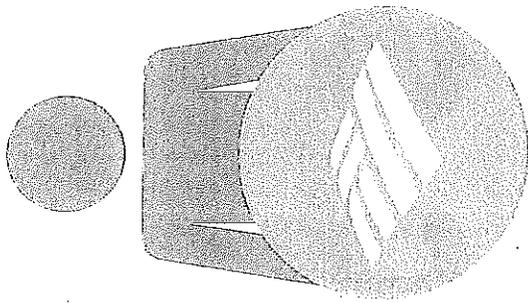
**The average Oregon family lost
\$1,000-\$2,000
in wages**

OUR ECONOMY IS GETTING BETTER... BUT FOR WHO?



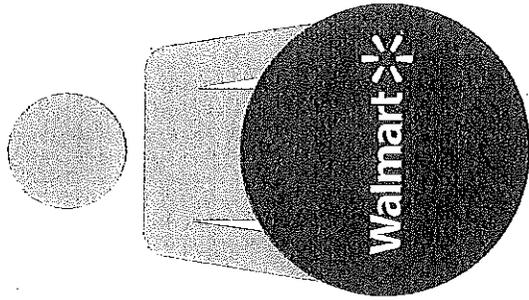
**MCDONALD'S
CEO**

\$3.25 Billion
Annual Income



**BANK OF AMERICA
CEO**

\$14 Billion
Annual Income



**WAL-MART
CEO**

\$25 Billion
Annual Income

**Corporate CEO's incomes continue to rise, even
after the financial crisis of 2008**

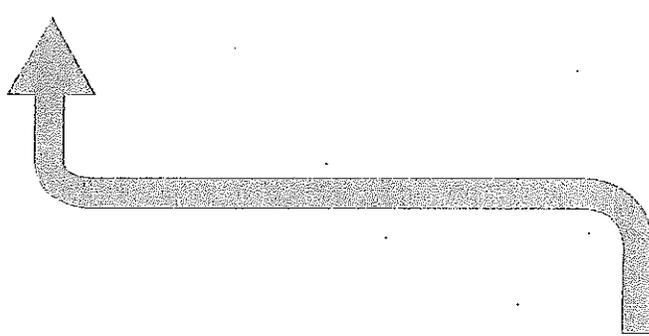
Sources: Bloomberg News, CNN, Making Change

Oregon Has The Lowest Business Taxes

OREGON HAS THE LOWEST BUSINESS TAXES IN THE COUNTRY

As income taxes have risen, corporate taxes have remained flat over the last 40 years.

Oregon is **50th** in business taxes

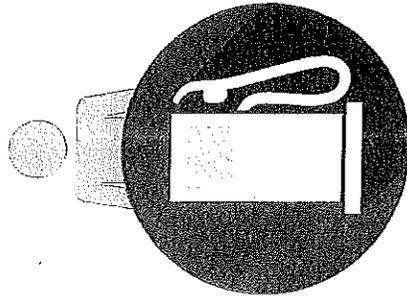
- 
- 1 Oregon's corporate minimum tax is only **\$150**
 - 2 **393** corporations paid **\$0** in taxes in 2012
 - 3 This cost us **\$9 million** in **lost** revenue

By the way...

Corporate profits have **never** been higher.

WHY?

THE MORE YOU EARN, THE LESS YOU HAVE TO PAY IN TAXES

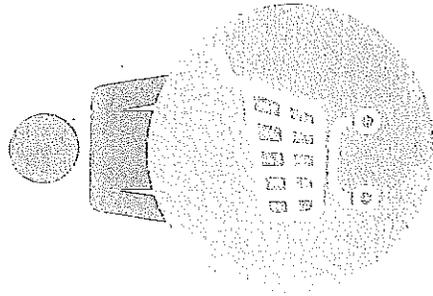


GAS STATION ATTENDANT

Avg. Annual Income
\$21,304

6.5%

of income goes to taxes

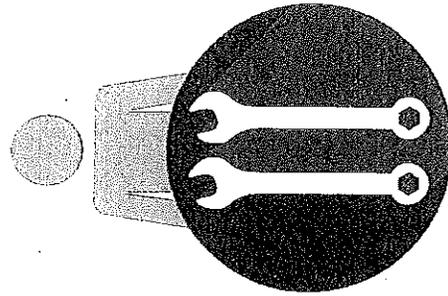


RETAIL STORE MANAGER

Avg. Annual Income
\$39,470

7.5%

of income goes to taxes

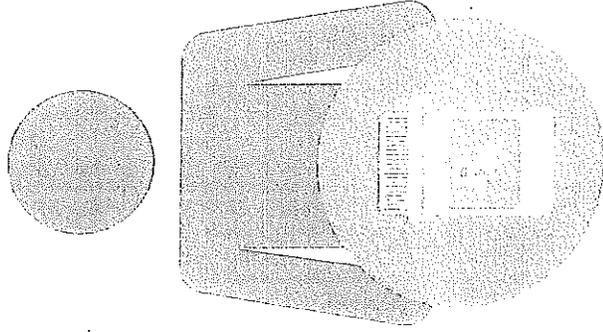


PLUMBER

Avg. Annual Income
\$64,670

7.8%

of income goes to taxes



HOSPITAL CEO

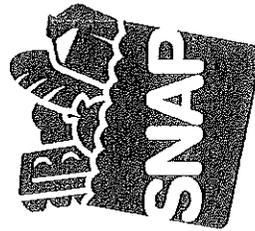
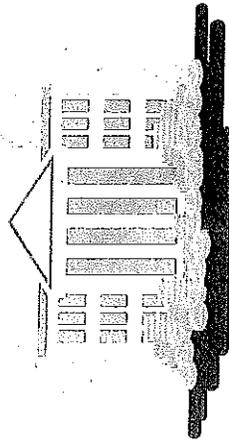
Avg. Annual Income
\$1.2 Million

6.5%

of income goes to taxes

WORKING FAMILIES AND PARENTS DESERVE A BETTER OREGON

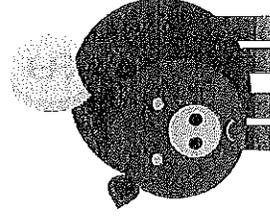
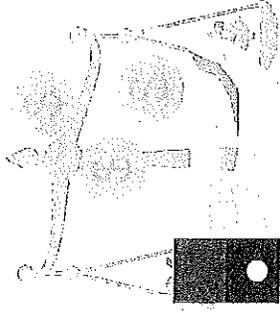
**CORPORATE PROFITS
INCREASE**



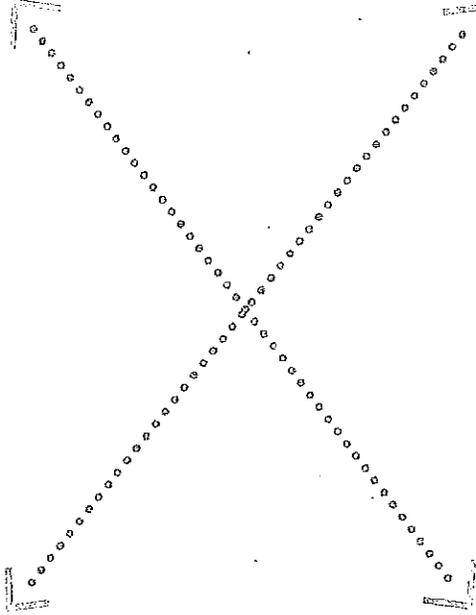
**NEED FOR STATE SERVICES
INCREASES**



**CORPORATIONS PAY
LESS TAXES**



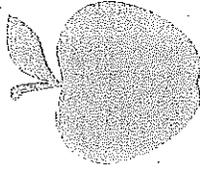
**OREGONIANS AREN'T PAID
LIVABLE WAGES**



OREGONIANS DON'T GET THE SERVICES THEY NEED FOR A FAIR SHOT

Our economy is starting to recover, but budget cuts from the last decade are hurting Oregon families.

WE HAVE ONE OF THE
LARGEST CLASS SIZES IN
THE COUNTRY



**BETWEEN THE 2007-08
AND 2013-14 SCHOOL
YEARS, OREGON
PUBLIC SCHOOLS**

**Lost Nearly
3,400
Teachers**

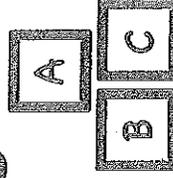


MORE THAN
1,600 families

ARE ON THE **WAITING LIST FOR EMPLOYMENT
RELATED DAY CARE**

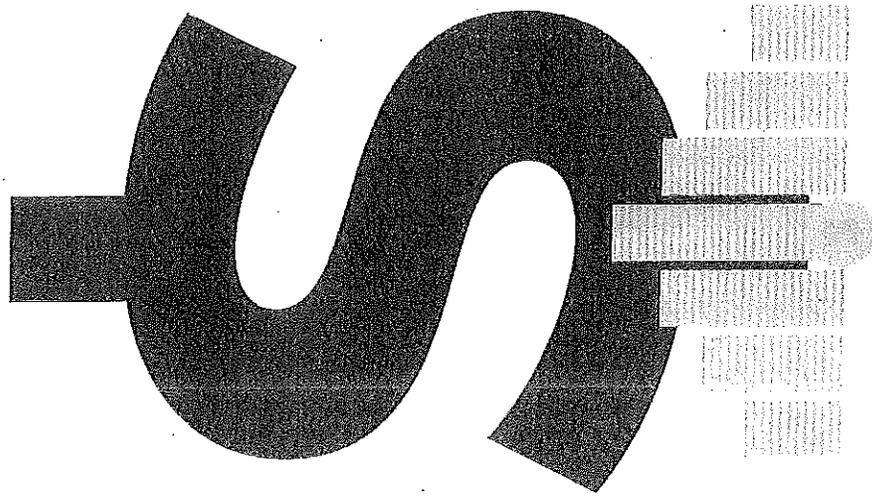
More than 30,000

**3 & 4 YEAR OLDS WHO QUALIFY FOR
HEAD START CAN'T PARTICIPATE
DUE TO LACK OF FUNDING**



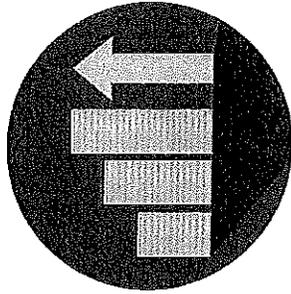
What Can We Do About It?

INVESTING \$1 BILLION IN OREGON WOULD HELP EVERY FAMILY

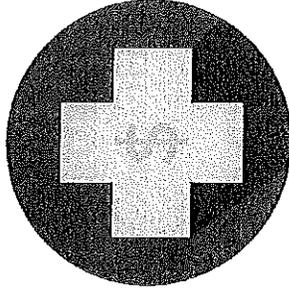


- **5,000** MORE TEACHERS
- **5 MORE WEEKS** OF SCHOOL
- **68,486 FAMILIES** ON EMPLOYMENT RELATED DAY CARE
- ONE YEAR OF SUBSIDIZED HOUSING FOR **70,000 FAMILIES**

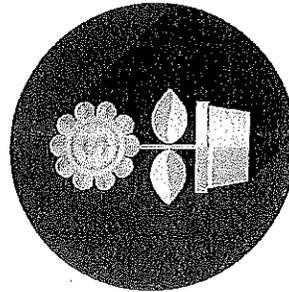
FAIR SHOT FOR ALL



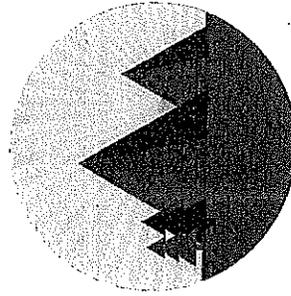
PAID
SICK DAYS



RAISE THE
MINIMUM WAGE



A SUSTAINABLE
WAY TO SAVE FOR
THE FUTURE



A SECOND CHANCE
FOR EVERY OREGONIAN



END
PROFILING

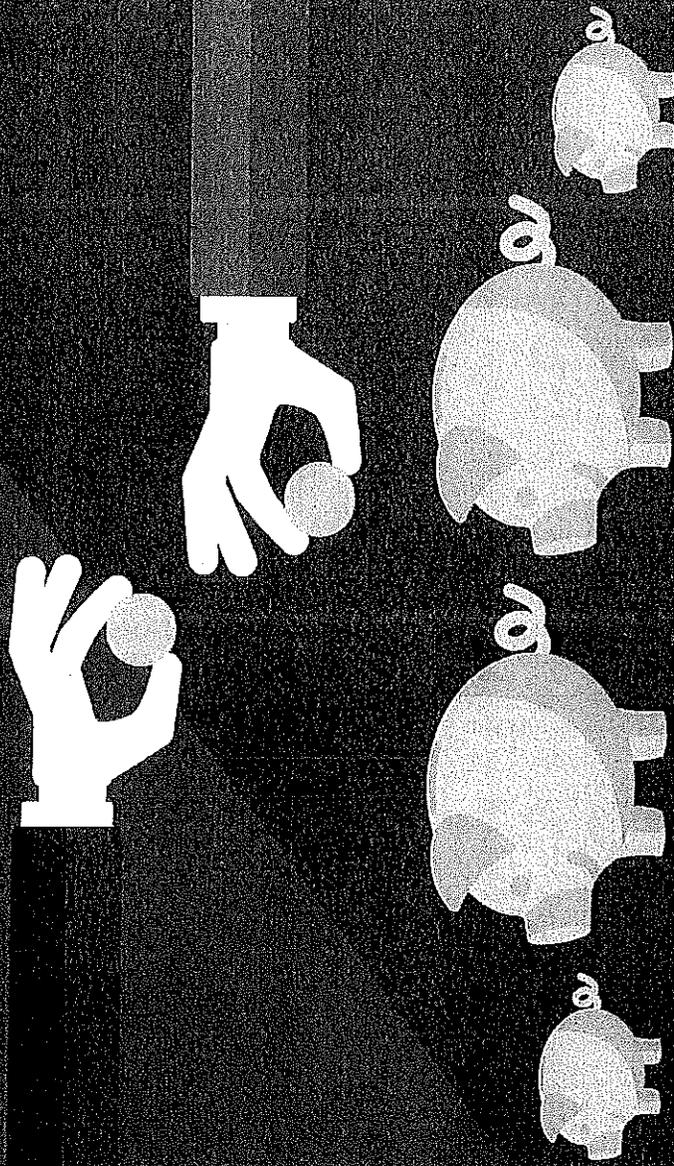
**Get Involved
Right Away**

TAKE ACTION FOR A BETTER OREGON

 facebook.com/keeporegonworking

 [@KeepORWorking](https://twitter.com/KeepORWorking)

 www.keeporegonworking.org





CITY OF TROUTDALE



STAFF REPORT

SUBJECT / ISSUE: Recommendation from the Parks Advisory Committee for the construction and naming of Visionary Park

MEETING TYPE:
City Council Regular Mtg.

MEETING DATE: 07/14/2015

STAFF MEMBER: Steve Gaschler, Marilee Thompson-Chair, Parks Advisory Committee
DEPARTMENT: Public Works

ACTION REQUIRED
Information/Discussion

ADVISORY COMMITTEE/COMMISSION RECOMMENDATION:
Approval

PUBLIC HEARING
No

Comments:

STAFF RECOMMENDATION: Not applicable this is a committee recommendation to City Council.

EXHIBITS:
None

Subject / Issue Relates To: Council Goals Legislative Other (describe)

Issue / Council Decision & Discussion Points:

- ◆ Thru unanimous approval the committee recommends moving forward with Visionary Park.

Reviewed and Approved by City Manager:

BACKGROUND: Over the Past year the visionary friends of Troutdale have been working with the City of Troutdale, Multnomah County, ODOT, West Columbia Gorge Chamber of Commerce and other interested parties in launching Visionary Park. The Development of the park and placement of the statue are all part of the 100 year celebration of the Historic Columbia River Highway which takes place in Jun of 2016.

The Parks Advisory Committee held their meeting on Wednesday July 8th and the committee forwards the following recommendation to the City Council for their consideration: Proceed with the development of Visionary Park. Spend \$60,000 to construct the Park. And to formally name the Park "Visionary Park". This was a unanimous vote of the Parks Advisory Committee.

PROS & CONS:

Pros:

- The park will add artistic, cultural, and great historic significance to the city.

Cons

- \$60,000 expense.

Current Year Budget Impacts Yes (*describe*) N/A

Funds would be available thru contingency funds.

Future Fiscal Impacts: Yes (*describe*) N/A

None Park will be maintained by Rip Caswell

City Attorney Approved N/A Yes

Community Involvement Process: Yes (*describe*) N/A



CITY OF TROUTDALE



STAFF REPORT

SUBJECT / ISSUE: Vacation of 242nd Connector

<p>MEETING TYPE: City Council Regular Mtg.</p>	<p>MEETING DATE: July 14, 2015 STAFF MEMBER: John Morgan DEPARTMENT: Community Development</p>
<p>ACTION REQUIRED Resolution PUBLIC HEARING No</p>	<p>ADVISORY COMMITTEE/COMMISSION RECOMMENDATION: Not Applicable Comments:</p>
<p>STAFF RECOMMENDATION: Adopt resolution concurring in County's Vacation Resolution findings-of-fact.</p>	

EXHIBITS:

- A. Multnomah County Resolution 2015-075 with attachments
- B. Multnomah County Agenda Placement Request (Staff Report) on vacation

Subject / Issue Relates To:

Council Goals Legislative Other (describe)

Issue / Council Decision & Discussion Points:

Oregon Revised Statute 368.361(3) requires the city council of a city in which a county right-of-way is proposed to be vacated concur in the county findings-of-fact supporting the vacation.

Reviewed and Approved by City Manager:

BACKGROUND:

Multnomah County has an unapproved street right-of-way extending from 242nd at the top of the grade from Wood Village north to intersect Halsey. This right-of-way was acquired to allow for a future realignment of the 242nd arterial street down the hill to Halsey thereby eliminating the existing 242nd – 238th S-curves.

The County has approved a resolution to vacate the right-of-way, thereby abandoning the earlier planned street construction. The County Engineer determined the project was unneeded and unfeasible (see Exhibit A). A primary reason is the proposed intersection with Halsey requires the arterial traffic traveling to or from I-84 to use Halsey and then either 238th or 257th requiring two 90 degree turns to do so. This would compound the traffic congestion at the Halsey/238th and Halsey/257th intersections significantly. It is also noted the proposed new street alignment project would be very expensive and likely not a good value for limited capital construction dollars.

These reasons led to revisions of several relevant transportation plans to remove the 242nd project from the list of planned street improvements. These actions included:

- Adoption of the East Metro Connection Plan (EMCP) by the County and Metro in 2012 which does not include the 242nd Connector.
- Adoption of the Regional Transportation Plan by Metro in 2014 without the 242nd Connector.
- Adoption by the Troutdale City Council of an update to the Troutdale Transportation System Plan noting the 242nd Connector will be removed due to the EMCP recommendations.

The vacation of a County road within a city limits requires concurrence by the City in the findings-of-fact. ORS 368.361(3) states:

...a county governing body may vacate property that is under the jurisdiction of the county and that is entirely within the limits of a city if that city, by resolution or order, concurs in the findings of the county governing body in the vacation proceedings.

Attached to this report for Council consideration is a resolution concurring in the County's findings-of-fact.

PROS & CONS:

Pros:

- Vacation returns property to adjacent property owners for their use, and frees those owners from the prospect of a major arterial passing adjacent to their property.
- Property is returned to the tax rolls.

- Street project found to be unnecessary is eliminated clarifying transportation planning for the area.

Cons

- Proposed street project that may be of benefit to community is abandoned.

Current Year Budget Impacts Yes (*describe*) X N/A

Future Fiscal Impacts: Yes (*describe*) X N/A

City Attorney Approved N/A Yes

Community Involvement Process: Yes (*describe*) N/A

Exhibit A

7/14/15 Council Mtg. – Item #6

BEFORE THE BOARD OF COUNTY COMMISSIONERS FOR MULTNOMAH COUNTY, OREGON

RESOLUTION NO. 2015-075

Public Hearing on the Proposed Vacation of a Portion of the NE 242nd Connector, a County Road, Pursuant to ORS 368.326 to ORS 368.426.

The Multnomah County Board of Commissioners Finds:

- a. On January 29, 2015, this Board, by Resolution No. 2015-007, declared its intent to vacate a portion of the N.E. 242nd Connector, (County Road No. 5007), an undeveloped public right of way which is more particularly described and shown in the attached Exhibit A (the Property), and further directed the County Engineer to prepare and file a report in accordance with, and as required under ORS 368.346(1).
- b. The County Engineer filed a report which found the proposed vacation of the portion of the Property would be in the public interest and recommended that this vacation be approved.
- c. On March 12, 2015, by Resolution 2015-015, this Board accepted the County Engineers Report and set June 25, 2015 as the Public Hearing date regarding the vacation of the Property as required under ORS 368.346(2).
- d. As directed by the Board, the County's Land Use and Transportation Program (LUTP) provided notice by mail, posting and publishing of the hearing as required under ORS 368.346 (3).
- e. The public hearing was held on June 25, 2015 and the Board determined the vacation of the portion of the Property serves the public interest.

The Multnomah County Board of Commissioners Resolves:

1. The Board finds the vacation of the portion of N.E. 242nd Connector, as more particularly described and shown in the attached Exhibit A, to be in the best public interest and is approved.
2. This vacation will be effective in compliance with ORS 368.361(3), upon the City of Troutdale's adoption of a Resolution or Order that concurs in the above stated findings of this Board.
3. Upon the adoption of the City of Troutdale's Resolution or Order as set forth in Resolve Clause 2 above, the LUTP will record and file this Resolution in accordance with ORS 368.356(3).

4. Upon the recording and filing of this Resolution as set forth in Resolve Clause 3 above, the County Surveyor will mark the plat, if applicable, as provided under ORS 271.230, and title in the underlying property shall vest as provided under ORS 368.366(1).

ADOPTED this 25th day of June, 2015.



BOARD OF COUNTY COMMISSIONERS
FOR MULTNOMAH COUNTY, OREGON

Deborah Kafoury

Deborah Kafoury, Chair

REVIEWED:
JENNY M. MADKOUR, COUNTY ATTORNEY
FOR MULTNOMAH COUNTY, OREGON

By *Matthew O. Ryan*
Matthew O. Ryan, Assistant County Attorney

SUBMITTED BY:
Kim Peoples, Director
Department of Community Services

EXHIBIT A

To Multnomah County Board Resolution(s) related to the proposed vacation of a portion of NE 242nd Connector, County Road No. 5007 situated within the Edgefield District subdivision, recorded in Book 1293, Pages 79 to 91, Multnomah County Plat Records.

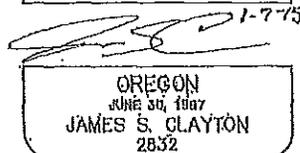
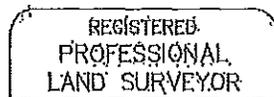
RIGHT OF WAY PROPOSED TO BE VACATED:

1. All real property described in that certain "Deed of Dedication" recorded as Document No. 95-97068, Multnomah County Deed Records lying northerly of the following described line:

Beginning at the Southwest corner of Lot 2, Edgefield District; thence S87°16'46"E, along the South line, and it's easterly extension, of said Lot 2, a distance of 432.19 feet to the intersection with the centerline of said NE 242nd Connector; thence N27°23'30"E, along said centerline, a distance of 177.56 feet; thence N88°58'28"E, along the most northerly North line of Lot 7, Edgefield District and it's westerly projection, a distance of 131.63 feet to the most northerly Northeast corner of said Lot 7; thence N77°42'18"E, along the South line of said Lot 2, a distance of 504.54 feet to an angle point in the southerly line of said Lot 2, being the terminus of the line being described.

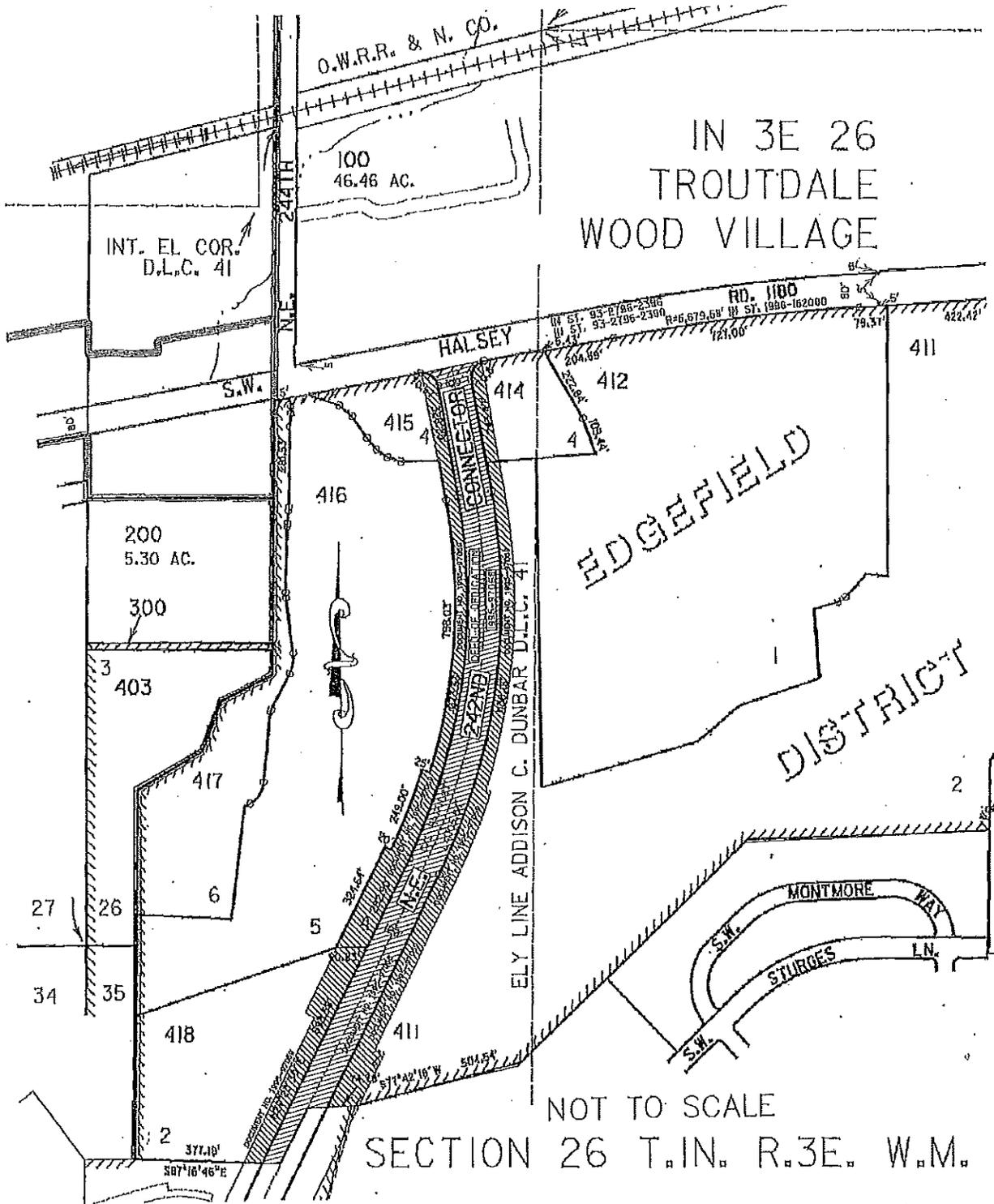
2. All real property described in that certain "Easement" recorded as Document No. 95-97069, Multnomah County Deed Records lying northerly of the following described line:

Beginning at the Southwest corner of Lot 2, Edgefield District; thence S87°16'46"E, along the South line, and it's easterly extension, of said Lot 2, a distance of 432.19 feet to the intersection with the centerline of said NE 242nd Connector; thence N27°23'30"E, along said centerline, a distance of 177.56 feet; thence N88°58'28"E, along the most northerly North line of Lot 7, Edgefield District and it's westerly projection, a distance of 131.63 feet to the most northerly Northeast corner of said Lot 7; thence N77°42'18"E, along the South line of said Lot 2, a distance of 504.54 feet to an angle point in the southerly line of said Lot 2, being the terminus of the line being described.



RENEWAL DATE: 1-1-76

EXHIBIT A



NOT TO SCALE
SECTION 26 T.1N. R.3E. W.M.



MULTNOMAH COUNTY
AGENDA PLACEMENT REQUEST

(Revised: 6/9/2014)

Board Clerk Use Only

Meeting Date: 3/12/15
Agenda Item #: R.1
Est. Start Time: 9:30 am
Date Submitted: 2/24/15

Agenda Title: RESOLUTION Setting a Public Hearing Regarding the Proposed Vacation of a Portion of the N.E. 242nd Connector, a County Road, Pursuant to ORS 368.346(2).

Note: Title should not be more than 2 lines but sufficient to describe the action requested. Title on APR must match title on Ordinance, Resolution, Order or Proclamation.

Requested

Meeting Date: March 12, 2015 Time Needed: 5 Minutes

Department: Community Services Division: Land Use/Transportation

Contact(s): Patrick Hinds, Right of Way Manager

Phone: 503-988-3712 Ext. 83712 I/O Address: #425/2

Presenter

Name(s) & Title(s): Patrick Hinds, Right of Way Manager; Matthew Ryan, Assistant County Attorney

General Information

1. What action are you requesting from the Board?

The County Land Use and Transportation Program is requesting that pursuant to ORS 368.346, and upon the receipt of the County Engineer's written report; the County Board set for a public hearing the proposed vacation of a portion of the N.E. 242nd Connector, a County Road.

2. Please provide sufficient background information for the Board and the public to understand this issue. Please note which Program Offer this action affects and how it impacts the results.

This is the second appearance before this Board to hear the proposed vacation of the portion of the NE 242nd Connector, County Road No. 5007; an unimproved but dedicated county road. The portion of the NE 242nd Connector to be vacated is described in the attached Exhibit A.

The first appearance before the Board on this matter was on January 29, 2015. At that time the Board set March 12, 2015 as the time to receive the written report of the County Engineer as required under ORS 368.346(1) and to set the time for the public hearing on the proposed vacation. The following discussion under this Section 2 shall be the County Engineer's Report to the Board.

A transportation planning effort was instigated by Metro in 2007 and involved the East County cities, regional stakeholders and the County. It is our understanding this planning effort determined that the NE 242nd Connector was no longer needed. The outcome of this planning effort was The East Metro Connections Plan (EMCP), which was issued in June

2012. The June 2012 EMCP did not include the proposed NE 242nd Connector right of way between I-84 and US 26.

Multnomah County Board of Commissioners adopted Resolution 2012-091 to endorse the EMCP on July 12, 2012. The Metro Council adopted the EMCP on August 9, 2012 by Resolution No. 12-4362. The Metro Council approved the removal of the proposed N.E. 242nd Connector from the regional freight network map, a document issued by Metro that identifies the roads and streets available for commercial transportation purposes. (See Metro Ordinance No. 13-1304). Finally, Metro's Regional Transportation Plan (RTP) project list was also updated to remove a previously established placeholder for the future development of the 242nd Connector right of way. The updated Metro RTP was adopted by Metro Council on July 17, 2014 (Metro Ordinance No. 14-1340).

The City of Troutdale as well updated its Transportation System Plan (TSP) to be consistent with the Metro RTP and EMCP. Troutdale adopted its revised TSP in April 2014 (Troutdale Ordinance No. 820). Troutdale's freight network map was also revised so that there is no longer a freight route designation based on the proposed 242nd Connector right of way, noting it will soon be removed due to the EMCP recommendations.

As the above discussion demonstrates, the proposed, but undeveloped NE 242 Connector is not supported or needed as a new right of way route. In addition, to all the reasons explained above, it must be noted that the construction of the proposed NE 242nd Connector would have been a massive and expensive undertaking because of the topography and other conditions present in the location. Moreover, the County has already entered into a contractual agreement to pursue this vacation of the portion of the NE 242nd Connector identified in Exhibit A.

For all these reasons, the County Engineer finds that the proposed vacation of a portion of N.E. 242nd Connector, County Road No. 5007, as identified in Exhibit A is consistent with County Land Use and Transportation goals, plans and needs in Multnomah County, and that this road vacation is in the best public interest.

3. Explain the fiscal impact (current year and ongoing).

N/A

4. Explain any legal and/or policy issues involved.

See discussion in Number 2 above.

5. Explain any citizen and/or other government participation that has or will take place.

The portion of the NE 242nd Connector identified for vacation is situated entirely within the City of Troutdale. For the vacation proceedings to be effective, the City of Troutdale must, by Order or Resolution, concur with the findings of the county governing body that the proposed vacation is in the public interest, pursuant to ORS 368.361(3).

Required Signature

Elected
Official or
Department
Director:

Kim Peoples /s/

Date:

2/24/15

RESOLUTION NO.

RESOLUTION CONCURRING IN THE FINDINGS-OF-FACT OF MULTNOMAH COUNTY RESOLUTION 2015-075 VACATING THE 242ND CONNECTOR RIGHT-OF-WAY

THE TROUTDALE CITY COUNCIL FINDS AS FOLLOWS:

1. The Multnomah County Board of Commissioners has adopted a resolution vacating the 242nd Connector right-of-way, a county right-of-way totally within the Troutdale City Limits; and
2. This action is based on the 242nd Connector being dropped as a planned project in the 2012 East Metro Connection Plan adopted in 2012, the updated Regional Transportation Plan adopted in 2014, and the updated Troutdale Transportation System Plan adopted in 2014, all of which were predicated on a determination there is inadequate public benefit from building the project; and
3. Oregon Revised Statute 368.361(3) requires the city council of a city in which a county right-of-way is proposed to be vacated concur in the county findings-of-fact supporting the vacation; and
4. The City Council concurs in the findings-of-fact supporting Multnomah County Resolution 2015-075.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF TROUTDALE

Section 1. The City Council concurs in the findings-of-fact of Multnomah County Resolution 2015-075.

Section 2. The City Manager is directed to provide a copy of this approved resolution to the County Chair.

**YEAS:
NAYS:
ABSTAINED:**

Doug Daoust, Mayor

Date _____

Debbie Stickney, City Recorder

Adopted:



CITY OF TROUTDALE



STAFF REPORT

SUBJECT / ISSUE: Troutdale Motor Vehicle Fuels Tax

MEETING TYPE:
City Council Regular Mtg.

MEETING DATE: July 14, 2015

STAFF MEMBER: Steve Gaschler
DEPARTMENT: Public Works

ACTION REQUIRED
Resolution

ADVISORY COMMITTEE/COMMISSION RECOMMENDATION:
Not Applicable

PUBLIC HEARING
No

Comments:

STAFF RECOMMENDATION: Approve Resolution

EXHIBITS:
None

Subject / Issue Relates To:

Council Goals Legislative Other (describe)

Goal: *FISCAL PRIORITIZATION AND BUDGET ACCOUNTABILITY –*

-Develop options to stabilize public works funds

Issue / Council Decision & Discussion Points:

- ◆ Place five (5) cent per gallon motor vehicle fuels tax on November 3, 2015 special election

Reviewed and Approved by City Manager:

◆BACKGROUND:

Over the past several years the City has struggled with how to adequately maintain the investment the community has made in its streets. Council has received detailed reports on the importance of adequate street maintenance and preservation and the current lack of funding during multiple work sessions. Several years ago Council considered, and chose not to pursue a local gas tax. Two years ago Council again discussed street funding options, and chose not to pursue a street maintenance fee.

After the September 19, 2014 presentation and discussion of the long range financial report addressing adequate funding for street maintenance and preservation, the Council agreed that additional funding was needed. Council directed staff to prepare a new proposal to consider a vehicle fuel tax. At the January 13, 2015 work session Council discussed and agreed that engaging and educating the voters on the street funding was necessary prior to potentially proposing a ballot measure for a local gas tax. At their January 27, 2015 meeting Council directed Staff to gather public input on street funding options, and Council agreed to the multi-phase communications plan scope of work as discussed with the consultants Barney & Worth, Inc.

On February 24, 2015 a summary of focus group results were presented to Council. The results of the stakeholder interviews and the focus groups confirm interest and support in a local option motor vehicles fuel tax, but also demonstrate the need for public education on the issue. At the earliest, a measure could go on the November 2015 ballot. That requires a Council decision in July.

At the Council work session held June 30, 2015, Clark Worth and Libby Barg with Barney and Worth presented their findings from the public outreach and education work completed to date. Council discussed the issue and directed staff to present them with a resolution at their regular Council meeting on July 14th for the Council's consideration.

PROS & CONS:

Pros:

- Additional revenue from vehicle fuels tax will allow the City to continue to maintain streets at an acceptable pavement rating index
- Money spent on preventative street maintenance saves money by adding years to the useful life of our streets
- A large percentage of the tax is paid by people who do not live in Troutdale
- The investment in our streets will protect one of the City's most valuable assets, increase safety and protect property values

Cons:

- May increase the cost of fuel in Troutdale
- People may choose to purchase their fuel outside of Troutdale

Current Year Budget Impacts <input type="checkbox"/> Yes (<i>describe</i>) <input checked="" type="checkbox"/> N/A
Future Fiscal Impacts: <input checked="" type="checkbox"/> Yes <i>Estimated annual increase in revenue to be used for street maintenance \$522,000</i> <input checked="" type="checkbox"/> N/A
Community Involvement Process: <input type="checkbox"/> Yes (<i>describe</i>) <input type="checkbox"/> N/A

RESOLUTION NO.

A RESOLUTION CALLING AN ELECTION TO SUBMIT TO THE ELECTORS OF THE CITY THE QUESTION OF A FIVE (5) CENT PER GALLON MOTOR VEHICLE FUELS TAX TO BE USED FOR STREET MAINTENANCE AND RECONSTRUCTION.

THE TROUTDALE CITY COUNCIL FINDS AS FOLLOWS:

1. The City Council of the City of Troutdale, Multnomah County, Oregon (The "City"), has determined that a need exists for the City to adequately fund street maintenance and reconstruction; and
2. Revenues from existing sources, including the Oregon State Motor Fuels Tax and the City's budget, are not adequate to maintain the City of Troutdale's street system; and
3. Without additional funding, street maintenance will be deferred that will lead to more expensive renovations, and the condition of Troutdale's street system will decline each year; and
4. A well-maintained street system provides for increased safety, supports property values, prolongs the useful life of public and private vehicles, and contributes to a more attractive community; and
5. Oregon Revised Statutes Chapter 319, subject to voter approval authorizes the City to collect a motor vehicle fuels tax. The money collected by the City from the motor vehicles fuels tax must be used for road maintenance and construction; and
6. The City of Troutdale has decided to refer a measure to the voters at the November 3, 2015 special election, which if approved would require the Council to amend the Troutdale Municipal Code to impose a five (5) cent per gallon Motor Vehicle Fuels Tax.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF TROUTDALE

Section 1. That an election is hereby called in and for the City of Troutdale, Multnomah County, Oregon for the purpose of submitting to the legal voters of the City the following question:

Shall the City of Troutdale enact a motor vehicle fuels tax of five (5) cents per gallon to maintain Troutdale's streets?



Section 2. The election on the measure hereby called will be held in the City of Troutdale on Tuesday, November 3, 2015.

Section 3. The election will be conducted by the Multnomah County Elections Department by mail pursuant to ORS 254.465 and 254.470.

Section 4. The City authorize the City Manager (an "Authorized Representative"), or a designee of the Authorized Representative to act on behalf of the City and to take such further action as is necessary to carry out the intent and purposes herein in compliance with the applicable provision of law.

Section 5. Pursuant to ORS 250.275(5) the City Recorder (the "City Elections Officer") shall publish a notice of receipt of the ballot title in the Gresham Outlook or Oregonian, including notice that an elector may file a petition for review of the ballot title not later than the seventh business day after the title is filed with the City Elections Officer (the "Notice").

Section 6. Pursuant to ORS 254.095(2), and no later than September 2, 2015 (sixty one days prior to the election date), the City Elections Officer will file the ballot title with the county clerk and include the proposed measure in the statement of city measures to be voted on.

Section 7. The City Manager or designee is authorized to sign, and the City Recorder is authorized to submit, an impartial explanatory statement to the county clerk for inclusion in the Multnomah County voters' pamphlet on behalf of the City, as provided in ORS 251.345.

Section 8. The ballot title to appear on the ballots appears on Attachment A to this Resolution, which is incorporated herein by reference.

Section 9. This resolution takes effect immediately upon its adoption by the City Council.

YEAS:
NAYS:
ABSTAINED:

Doug Daoust, Mayor

Date _____

Debbie Stickney, City Recorder

Adopted:

Notice of Tax Election
Troutdale Motor Vehicle Fuels Tax

Caption (10 words)

AUTHORIZES TAX ON MOTOR VEHICLE FUELS

Question (20 words)

Shall the City of Troutdale enact a motor vehicle fuels tax of five (5) cents per gallon to maintain Troutdale streets?

Summary (175 words)

This measure authorizes the City of Troutdale to collect a tax on motor vehicle fuels sold within the city.

The proceeds would be dedicated to support ongoing maintenance of Troutdale's streets. The maintenance of local streets is currently paid with Troutdale's share of state gas tax funds, which are declining and no longer enough to support the City's cost-saving preventative maintenance program.

Under Oregon law, revenue from the tax can be used only for the construction, reconstruction, improvement, repair, maintenance and operation of streets in Troutdale.

The proceeds will support the City of Troutdale's Pavement Prevention Program, which performs ongoing preventative maintenance to avoid more costly street reconstruction and replacement.

Troutdale City Council will also adopt by resolution a public reporting system to track tax revenues and program expenditures to assure accountability, with reports made available to the public.

Oregon statutes authorize cities to enact a tax on motor vehicle fuels only after submitting the proposed tax for voter approval (ORS 319.950). If approved by voters, the measure will take effect on January 1, 2016.



CITY OF TROUTDALE



STAFF REPORT

SUBJECT / ISSUE: An Ordinance Amending Chapter 5.04 of the Troutdale Municipal Code Relating to Business Licensing.

<p>MEETING TYPE: City Council Regular Mtg.</p>	<p>MEETING DATE: July 14, 2015 STAFF MEMBER: Ed Trompke DEPARTMENT: Legal</p>
<p>ACTION REQUIRED Ordinance - Adoption PUBLIC HEARING Yes</p>	<p>ADVISORY COMMITTEE/COMMISSION RECOMMENDATION: Not Applicable <u>Comments:</u></p>

STAFF RECOMMENDATION: Adopt the ordinance as proposed.

EXHIBITS:

- A. Department of Justice Memorandum dated February 14, 2014
- B. Exhibit showing new text in context

Subject / Issue Relates To:

- Council Goals
 Legislative
 Other:

Issue / Council Decision & Discussion Points:

- ◆ May the city allow business licenses for uses which comply with state law, but which may violate one or more federal laws?
- ◆ How can the city satisfy public safety concerns, without assuming undue risk of litigation or without risk of excessive increase to administrative expenses?
- ◆ Should the city take steps to conform code provisions to recently-approved contract for law enforcement services?

Reviewed and Approved by City Manager: 

BACKGROUND:

Oregon voters have authorized persons to obtain state-issued licenses to operate medical marijuana dispensaries. Moreover, the City of Troutdale has passed legislation under other provisions of Oregon law, allowing persons to establish such dispensaries in limited zones or areas of the city.

This state law authority conflicts with the federal Controlled Substances Act, which prohibits such trade in marijuana because they involve possession and sale of a controlled substance. However, in a February 2014 memorandum the US Department of Justice advised federal law enforcement that in cases involving marijuana, federal officers should devote their time and resources to cases where marijuana-related conduct implicates some other important priority, such as diversion of marijuana from a state where it is legal (under state law), to other states.

Under recently-enacted provisions of the development code, dispensaries that receive land use approval will require a business license to operate. However, this creates a legal dilemma because the possession or use of the product at issue—marijuana—violates federal law, and the city may not approve a business license for illegal activities.

We have identified several potential options:

1. The city council may leave the city code as-is. Strict interpretation of the “federal law” criterion could result in a business obtaining a land use permit but not a business license.

2. The city council could interpret the city code’s “federal law” criterion to have a meaning that allows state-approved dispensaries to receive a business license. However, there are no current licenses, prosecutions, or other matters pending to serve as a guide for this interpretation.

3. The city council could pass a code amendment to embody an interpretation that dispensaries licensed by the state of Oregon may have a way forward, in Troutdale, to operate in accordance with the state license.

All options have downsides, and in general state and federal law are in the process of changing, or at least updating, not just in Oregon, but nationwide. Thus, to create as much legal clarity as possible, we recommend adopting a code amendment. This should also translate to administrative efficiency for the city.

The proposed code amendment has been prepared to create business license criteria for medical marijuana dispensaries. The criteria do not grant dispensaries *carte blanche* to ignore federal law. Rather, the criteria acknowledge that dispensary proprietors who certify in writing that they will not create a law enforcement problem for the US Department of Justice, may be regarded as complying with federal law.

Relatedly, the City has recently approved an agreement with Multnomah County, for the sheriff's office to provide law enforcement services within the City. Because police may participate in review of license applications, this ordinance conforms the business license code to the police services that the city is providing.

Staff wish to present other changes to council, but will bring those forward at a later date. The future changes do not relate to the above issues, and staff wish to present them to council to improve other aspects of the business license program.

SUMMARY:

The city lacks authority to reconcile inconsistent state and federal laws, but can use its authority to minimize public and private costs until the state and federal governments straighten things out. In the meantime, the city can also conform part of its code to the new police agreement.

Current Year Budget Impacts <input type="checkbox"/> Yes (<i>describe</i>) <input checked="" type="checkbox"/> N/A
Future Fiscal Impacts: <input type="checkbox"/> Yes (<i>describe</i>) <input checked="" type="checkbox"/> N/A
Community Involvement Process: <input type="checkbox"/> Yes (<i>describe</i>) <input checked="" type="checkbox"/> N/A

Exhibit A

7/14/15 Council Mtg. – Item #8



U.S. Department of Justice

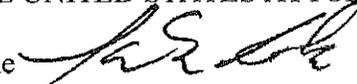
Office of the Deputy Attorney General

The Deputy Attorney General

Washington, D.C. 20530

February 14, 2014

MEMORANDUM FOR ALL UNITED STATES ATTORNEYS

FROM: James M. Cole 
Deputy Attorney General

SUBJECT: Guidance Regarding Marijuana Related Financial Crimes

On August 29, 2013, the Department issued guidance (August 29 guidance) to federal prosecutors concerning marijuana enforcement under the Controlled Substances Act (CSA). The August 29 guidance reiterated the Department's commitment to enforcing the CSA consistent with Congress' determination that marijuana is a dangerous drug that serves as a significant source of revenue to large-scale criminal enterprises, gangs, and cartels. In furtherance of that commitment, the August 29 guidance instructed Department attorneys and law enforcement to focus on the following eight priorities in enforcing the CSA against marijuana-related conduct:

- Preventing the distribution of marijuana to minors;
- Preventing revenue from the sale of marijuana from going to criminal enterprises, gangs, and cartels;
- Preventing the diversion of marijuana from states where it is legal under state law in some form to other states;
- Preventing state-authorized marijuana activity from being used as a cover or pretext for the trafficking of other illegal drugs or other illegal activity;
- Preventing violence and the use of firearms in the cultivation and distribution of marijuana;
- Preventing drugged driving and the exacerbation of other adverse public health consequences associated with marijuana use;
- Preventing the growing of marijuana on public lands and the attendant public safety and environmental dangers posed by marijuana production on public lands; and
- Preventing marijuana possession or use on federal property.

Under the August 29 guidance, whether marijuana-related conduct implicates one or more of these enforcement priorities should be the primary question in considering prosecution

under the CSA. Although the August 29 guidance was issued in response to recent marijuana legalization initiatives in certain states, it applies to all Department marijuana enforcement nationwide. The guidance, however, did not specifically address what, if any, impact it would have on certain financial crimes for which marijuana-related conduct is a predicate.

The provisions of the money laundering statutes, the unlicensed money remitter statute, and the Bank Secrecy Act (BSA) remain in effect with respect to marijuana-related conduct. Financial transactions involving proceeds generated by marijuana-related conduct can form the basis for prosecution under the money laundering statutes (18 U.S.C. §§ 1956 and 1957), the unlicensed money transmitter statute (18 U.S.C. § 1960), and the BSA. Sections 1956 and 1957 of Title 18 make it a criminal offense to engage in certain financial and monetary transactions with the proceeds of a “specified unlawful activity,” including proceeds from marijuana-related violations of the CSA. Transactions by or through a money transmitting business involving funds “derived from” marijuana-related conduct can also serve as a predicate for prosecution under 18 U.S.C. § 1960. Additionally, financial institutions that conduct transactions with money generated by marijuana-related conduct could face criminal liability under the BSA for, among other things, failing to identify or report financial transactions that involved the proceeds of marijuana-related violations of the CSA. *See, e.g.*, 31 U.S.C. § 5318(g). Notably for these purposes, prosecution under these offenses based on transactions involving marijuana proceeds does not require an underlying marijuana-related conviction under federal or state law.

As noted in the August 29 guidance, the Department is committed to using its limited investigative and prosecutorial resources to address the most significant marijuana-related cases in an effective and consistent way. Investigations and prosecutions of the offenses enumerated above based upon marijuana-related activity should be subject to the same consideration and prioritization. Therefore, in determining whether to charge individuals or institutions with any of these offenses based on marijuana-related violations of the CSA, prosecutors should apply the eight enforcement priorities described in the August 29 guidance and reiterated above.¹ For example, if a financial institution or individual provides banking services to a marijuana-related business knowing that the business is diverting marijuana from a state where marijuana sales are regulated to ones where such sales are illegal under state law, or is being used by a criminal organization to conduct financial transactions for its criminal goals, such as the concealment of funds derived from other illegal activity or the use of marijuana proceeds to support other illegal activity, prosecution for violations of 18 U.S.C. §§ 1956, 1957, 1960 or the BSA might be appropriate. Similarly, if the financial institution or individual is willfully blind to such activity by, for example, failing to conduct appropriate due diligence of the customers’ activities, such prosecution might be appropriate. Conversely, if a financial institution or individual offers

¹ The Department of the Treasury’s Financial Crimes Enforcement Network (FinCEN) is issuing concurrent guidance to clarify BSA expectations for financial institutions seeking to provide services to marijuana-related businesses. The FinCEN guidance addresses the filing of Suspicious Activity Reports (SAR) with respect to marijuana-related businesses, and in particular the importance of considering the eight federal enforcement priorities mentioned above, as well as state law. As discussed in FinCEN’s guidance, a financial institution providing financial services to a marijuana-related business that it reasonably believes, based on its customer due diligence, does not implicate one of the federal enforcement priorities or violate state law, would file a “Marijuana Limited” SAR, which would include streamlined information. Conversely, a financial institution filing a SAR on a marijuana-related business it reasonably believes, based on its customer due diligence, implicates one of the federal priorities or violates state law, would label the SAR “Marijuana Priority,” and the content of the SAR would include comprehensive details in accordance with existing regulations and guidance.

services to a marijuana-related business whose activities do not implicate any of the eight priority factors, prosecution for these offenses may not be appropriate.

The August 29 guidance rested on the expectation that states that have enacted laws authorizing marijuana-related conduct will implement clear, strong and effective regulatory and enforcement systems in order to minimize the threat posed to federal enforcement priorities. Consequently, financial institutions and individuals choosing to service marijuana-related businesses that are not compliant with such state regulatory and enforcement systems, or that operate in states lacking a clear and robust regulatory scheme, are more likely to risk entanglement with conduct that implicates the eight federal enforcement priorities.² In addition, because financial institutions are in a position to facilitate transactions by marijuana-related businesses that could implicate one or more of the priority factors, financial institutions must continue to apply appropriate risk-based anti-money laundering policies, procedures, and controls sufficient to address the risks posed by these customers, including by conducting customer due diligence designed to identify conduct that relates to any of the eight priority factors. Moreover, as the Department's and FinCEN's guidance are designed to complement each other, it is essential that financial institutions adhere to FinCEN's guidance.³ Prosecutors should continue to review marijuana-related prosecutions on a case-by-case basis and weigh all available information and evidence in determining whether particular conduct falls within the identified priorities.

As with the Department's previous statements on this subject, this memorandum is intended solely as a guide to the exercise of investigative and prosecutorial discretion. This memorandum does not alter in any way the Department's authority to enforce federal law, including federal laws relating to marijuana, regardless of state law. Neither the guidance herein nor any state or local law provides a legal defense to a violation of federal law, including any civil or criminal violation of the CSA, the money laundering and unlicensed money transmitter statutes, or the BSA, including the obligation of financial institutions to conduct customer due diligence. Even in jurisdictions with strong and effective regulatory systems, evidence that particular conduct of a person or entity threatens federal priorities will subject that person or entity to federal enforcement action, based on the circumstances. This memorandum is not intended, does not, and may not be relied upon to create any rights, substantive or procedural, enforceable at law by any party in any matter civil or criminal. It applies prospectively to the exercise of prosecutorial discretion in future cases and does not provide defendants or subjects of enforcement action with a basis for reconsideration of any pending civil action or criminal prosecution. Finally, nothing herein precludes investigation or prosecution, even in the absence of any one of the factors listed above, in particular circumstances where investigation and prosecution otherwise serves an important federal interest.

² For example, financial institutions should recognize that a marijuana-related business operating in a state that has not legalized marijuana would likely result in the proceeds going to a criminal organization.

³ Under FinCEN's guidance, for instance, a marijuana-related business that is not appropriately licensed or is operating in violation of state law presents red flags that would justify the filing of a Marijuana Priority SAR.

**CONTEXT OF CHANGES TO BUSINESS LICENSE
PROGRAM
TROUTDALE MUNICIPAL CODE**

PART 1

**CHANGES TO ADDRESS MEDICAL MARIJUANA
DISPENSARIES**

The Ordinance first adopts new text under which the city may approve business licenses for medical marijuana facilities. The text adds a new paragraph to the approval criteria, set forth below underlined.

5.04.060 - License—Criteria for approval.

D. All persons operating a medical marijuana dispensary under Oregon law, whether organized or operating on a for-profit or not-for-profit basis, must maintain a business license from the city. For purposes of complying with Section 5.04.060(A)(2) of this code, the business activity conducted at a medical marijuana dispensary will be regarded as consistent with federal law so long as the licensee certifies, in a writing placed on file with the city recorder, that in the conduct of its medical marijuana business the licensee will:

- 1. Prevent the distribution of marijuana to minors;**
- 2. Prevent revenue from the sale of marijuana from going to criminal enterprises, gangs, and cartels;**
- 3. Prevent the diversion of marijuana from Oregon to any other state;**
- 4. Prevent state-authorized marijuana activity from being used as a cover or pretext for the trafficking of other illegal drugs or other illegal activity;**
- 5. Abstain from violence and the use of firearms in the cultivation and distribution of marijuana;**
- 6. Discourage and, if necessary, prevent drugged driving and the exacerbation of other adverse public health consequences associated with marijuana use;**

7. Prevent the growing of marijuana on public lands and the attendant public safety and environmental dangers posed by marijuana production on public lands;
8. Prevent marijuana possession or use on federal property; and
9. Operate its business in accordance with all Oregon laws existing now or in the future that authorize the licensee to operate a medical marijuana dispensary.

PART 2

CHANGES TO ADDRESS FORTHCOMING POLICE SERVICES AGREEMENT WITH MULTNOMAH COUNTY

The rest of this exhibit illustrates amendments to conform the city code to impending changes in the city's police services. The amendments retain the city's authority over the licensing process, but still obtain law enforcement comment on applications. The above changes appear below as if adopted.

New text is underlined, and existing text to delete appears in ~~strikethrough~~.

5.04.010 - Purpose.

The primary purpose of this chapter's licensing requirements is to regulate businesses in order to promote the health, safety and welfare of the public. Licensing helps ensure that all new business activities are conducted in compliance with applicable laws and ordinances. Licensing also allows the city to maintain an inventory of existing businesses operating and doing business within its limits. This inventory allows the city to ensure, through inspection, enforcement and other regulatory measures, that such business activities continue to comply with applicable laws and ordinances. The licensing fee required by this chapter is necessary to finance and provide for the licensing and regulation authorized by this chapter.

5.04.020 - Definitions.

As used in this chapter, unless the context requires otherwise:

"Business" means any occupation, profession or commercial activity engaged in for profit or livelihood in the city. This definition includes, but is not limited to, peddler and home occupation activity.

~~"Chief of police" means the chief of the Troutdale police department or the chief's designee.~~

"City manager" means the city manager of Troutdale, or designee of the city manager.

"Computerized criminal history record" means the record that is available to the Troutdale police department via the Law Enforcement Data System pursuant to OAR 257-015-0060(2).

"Council" means the city council of the city of Troutdale.

"Garage sale" means a commercial activity open to the public, conducted at a private residence where personal property is sold to others provided that no more than four garage sales per residence per year shall occur and that no garage sale shall exceed three days in duration.

"Home occupation" means a business carried on within a dwelling, and which business is incidental to the use of the dwelling for dwelling purposes.

"Law enforcement agency" means a municipal police department, county sheriff's office, or other law enforcement agency established under state law.

"Law enforcement officer" means a sworn peace officer authorized by the city manager to perform the business license review functions within this chapter. The term may include a non-sworn employee of a law enforcement agency authorized by the agency and by the city manager

"License" means the permission granted by the city to engage in a business or activity regulated by this chapter.

"Licensee" means a person who has a valid license issued pursuant to this chapter.

"Peddler" means a person whose business activity consists of traveling to and from residences and businesses and offering for sale, selling, or taking orders for goods or services.

"Person" includes all natural and legal persons, including but not limited to, individuals, corporations, associations, partnerships and societies, whether or not engaged in a profit-making endeavor.

"Principal" means a person who would be directly involved in the management or operation of the business.

"Valid license" means a license issued pursuant to this chapter, and which license's effective period has not expired.

5.04.030 - License—Required.

No person shall conduct any business within the city without a valid license unless an exemption contained in Section 5.04.040 of this code applies.

5.04.040 - Exemptions.

The requirements contained in this chapter shall not apply to:

- A. Garage sales;
- B. An individual performing babysitting, nursery or child-care activities on a part-time basis;
- C. An individual who is employed by a business which has obtained a license;
- D. An individual hired or employed on an intermittent or casual basis by a household, business or other employer to supply only services;
- E. A person whose primary activity consists of delivering goods inside the city for a business located outside the city;
- F. Any conduct which is exempt from licensing by virtue of the constitution or laws of the United States or the state of Oregon;
- G. A person who leases two or fewer units of residential real estate within the city;
- H. A contractor or landscape contractor (1) who possesses a contractor's license issued by Metro, (2) whose place of business is located outside the city, and (3) who earns less than two hundred fifty thousand dollars in annual gross revenues from business conducted within the city. For purposes of this subsection, "contractor" has the meaning provided in ORS 701.055(2), and "landscape contractor" has the meaning provided in ORS 701.015(6)(c);
- I. Federally tax-exempt organizations and nonprofit religious organizations;
- J. City-sponsored activities and business operating under a city franchise.

5.04.050 - License—Application.

- A. A person shall apply for a license in the following manner:
 - 1. Application for a license shall be made to the **city manager** ~~chief of police~~ on or before January 1st of each year for which a license is required; or
 - 2. If the business goes into operation after January 1st, application shall be made at least thirty days before conducting business in the city.

B. A license shall expire on the last day of the calendar year for which the license was issued.

C. Application for a license shall be on a form provided by the city and signed by the applicant. The application constitutes consent for the city to conduct an investigation of the application, including permission to obtain a computerized criminal record for the applicant and any employees that will be working for the applicant, and to enter the business property. An application shall request:

1. The name and address of the applicant;
2. The name and address of the business;
3. A description of the type of business to be licensed;
4. The number of persons regularly employed by the business;
5. Any other information the city manager or a law enforcement officer ~~chief of police~~ deems necessary to evaluate the application. **Questions about the necessity of such other information shall initially be resolved by the official making the request, subject to final resolution by the city manager.**

D. The ~~chief of police~~ city manager shall review an application according to Section 5.04.060 of this code. The city manager ~~chief of police~~ shall submit the application to appropriate city department heads for evaluation and comment, **including submittal to a law enforcement agency for review by a law enforcement officer.** The city manager ~~chief of police~~ may adopt rules to carry out the provisions of this chapter and may prescribe forms for business license applications. **Officials receiving applications to review under this section should review applications expeditiously and should communicate any questions or concerns to the city manager with reasonable timeliness.**

5.04.060 - License—Criteria for approval.

A. The city manager ~~chief of police~~ shall either approve, approve with conditions or deny an application. Action on an application shall be based upon the consideration of all available information, including, but not limited to, a computerized criminal history record. An application may be denied on any of the following grounds:

1. Failure to provide requested information or any false, misleading or incomplete material statement made on the application form; however, if the statement is the result of excusable neglect, the applicant may resubmit an application with appropriate corrections;

2. The applicant, a principal or the business activity fails to meet the requirements of this code or is doing business in violation of this code or applicable state or federal law, including the building, health, mechanical, electrical, plumbing, development and fire codes of the city;
3. The applicant, a principal or the business activity would violate, or has violated, any ordinance or the charter of the city, any state or federal criminal statute, or any other law, as shown on a computerized criminal history record, unless the applicant proves that the violation has no bearing on the applicant's fitness or the ability of the business to undertake the licensed activity without endangering persons or property or the public health, safety or welfare. The city ~~chief of police~~ may consider a violation that did not result in a conviction;
4. The business activity would endanger, or has endangered, persons or property, such that the business activity is a menace to the health, safety and general welfare of the city.

B. The city manager ~~chief of police~~ shall notify the applicant in writing of a decision made under subsection A of this section. The written notice shall state the reason for the decision and explain that the decision is final unless either the applicant or council files a notice of appeal pursuant to Section 5.04.150 of this code. The written notice shall also be provided to the council.

C. If the When a license is approved or approved with conditions, the city manager ~~chief of police~~ shall issue a license to the applicant.

D. All persons operating a medical marijuana dispensary under Oregon law, whether organized or operating on a for-profit or not-for-profit basis, must maintain a business license from the city. For purposes of complying with Section 5.04.060(A)(2) of this code, the business activity conducted at a medical marijuana dispensary will be regarded as consistent with federal law so long as the licensee certifies, in a writing placed on file with the city recorder, that in the conduct of its medical marijuana business the licensee will:

1. Prevent the distribution of marijuana to minors;
2. Prevent revenue from the sale of marijuana from going to criminal enterprises, gangs, and cartels;
3. Prevent the diversion of marijuana from Oregon to any other state;
4. Prevent state-authorized marijuana activity from being used as a cover or pretext for the trafficking of other illegal drugs or other illegal activity;
5. Abstain from violence and the use of firearms in the cultivation and distribution of marijuana;

6. Discourage and, if necessary, prevent drugged driving and the exacerbation of other adverse public health consequences associated with marijuana use;
7. Prevent the growing of marijuana on public lands and the attendant public safety and environmental dangers posed by marijuana production on public lands;
8. Prevent marijuana possession or use on federal property; and
9. Operate its business in accordance with all Oregon laws existing now or in the future that authorize the licensee to operate a medical marijuana dispensary.

5.04.070 - License—Fee—Amount.

No license shall be issued under this chapter unless the applicant pays a license fee to the city in the amount set by resolution of the council. If an applicant has conducted business in the city without a license, the license fee shall include the license fee the applicant would have been required to pay if the applicant had been conducting business pursuant to a license, and a late fee.

5.04.080 - License—Fee—Payment—Delinquencies.

All license fees required by this chapter are due on the required application date. All license fees shall be deemed delinquent if not paid on or before thirty days after the due date. Whenever any license fee is not paid within thirty days of the due date, a twenty-five dollar late fee shall be imposed.

5.04.090 - License—Renewal.

An application for renewal of a license shall be made and processed in the same manner as an initial application, pursuant to Sections 5.04.050 to 5.04.080 of this chapter.

5.04.100 - License—Display.

A. Except as provided in subsection B of this section, a license issued under this chapter shall be displayed in a conspicuous place on the business premises at all times during the license's effective period, available for inspection by any interested person.

B. If the licensee does not maintain a place of business within the city, the license or a copy thereof shall be in the possession of the licensee or the licensee's representative while that person is conducting business within the city. Upon the request of any police officer or city official, that person shall show the license or its copy.

5.04.110 - License—Nontransferable.

A license issued pursuant to this chapter is a personal privilege and is not transferable.

5.04.120 - License—Separate business.

If a person conducts more than one business in the city, the person shall obtain a license for each business. A separate license is not necessary for a warehouse used in connection with a licensed business but at a separate location.

5.04.130 - License—Grounds for revocation.

A. If the city manager chief-of-police determines that a licensee is conducting or has conducted an activity, which would provide grounds for denial of an application for a license pursuant to Section 5.04.060 of this code, the city manager chief-of-police shall notify the licensee in writing that the city is revoking its license.

B. Upon making the determination in subsection A of this section, the city manager chief-of-police may include any other related, licensed business conducted by the licensee in the notice of revocation.

C. The notice of revocation shall be sent to the licensee's business or residential address shown on the application form, at least thirty days before the effective date of revocation. The notice of revocation shall state the grounds for revocation and inform the licensee of the provisions for appeal.

D. The council, upon making the determination contained in subsection A of this section, may direct the city manager chief-of-police to issue a notice of revocation. The city council may, on its own motion, vacate a notice of revocation issued by the city manager chief-of-police. The licensee shall be notified in writing if a notice of revocation is vacated.

5.04.140 - License—Grounds for suspension.

A. If the city manager chief-of-police determines that a licensee or any activity of the licensee presents an immediate danger to persons or property, the city manager chief-of-police may suspend such license by issuing a written notice of suspension.

B. The suspension shall become effective when the licensee receives the notice personally or when the notice is delivered to the licensee's business or residential address as shown on the application. The notice shall contain the grounds for suspension, the effective period of the suspension, and shall inform the licensee of the provisions for appeal.

C. The council, upon making the determination contained in subsection A of this section, may direct the **city manager** chief of police to issue a notice of suspension pursuant to this section. The council may, on its own motion and by resolution, vacate a notice of suspension issued by the **city manager** chief of police. The licensee shall be notified in writing if a notice of suspension is vacated.

5.04.150 - Appeal.

A. An applicant whose application has been conditioned or denied, or a licensee whose license has been suspended or who has received a notice of revocation, may file **appeal such matter to the city council by filing** a written notice of appeal with the **city manager** chief of police. The notice of appeal must be filed within ten calendar days after the notice of denial, suspension, revocation or approval with conditions is mailed or delivered, whichever is earlier. The notice of appeal shall include:

1. The name and address of the appellant, and the business owner if different than the appellant;
2. The nature of the determination from which an appeal is taken and a copy of the determination;
3. The reason or reasons why the determination is alleged to be incorrect;
4. What the correct determination should be; and
5. An appeal fee of one hundred dollars.

B. The council, on its own motion, may review a decision of denial by the **city manager** chief of police made pursuant to Section 5.04.060 of this code. The council **motion** shall **contain the reason or reasons for review of the city manager's decision, and** direct the filing of a notice of appeal by the city manager **to place an appeal hearing on the city council agenda**. The **motion is out of order on and beyond the fifteenth day after the city manager's** notice shall be filed with the chief of police no later than fourteen days after the chief of police's decision was mailed. The **motion shall also direct the city recorder to create a written** notice of appeal, **including the reasons for review,** and mail it shall be sent in writing to the applicant, and. **The notice also** shall state the time and place **for city council's review of** which the council will review the **city manager's decision**, chief of police's decision and the reason or reasons for review of the chief of police's decision.

C. The council shall designate a time to hear the appeal. The appellant shall be given written notice of the time, date and place of the hearing at least ten days in advance of the hearing.

D. Failure of the applicant or licensee to file a notice of appeal with the city manager ~~chief of police~~ within the time allotted, shall constitute a waiver of objections to the notice of suspension, revocation, denial or approval with conditions.

E. Filing a notice of appeal shall stay the effective date of revocation until a final determination is made on the appeal by the council.

F. Filing a notice of appeal does not stay the effective date of suspension.

5.04.160 - Appeal—Hearing.

A. A hearing on appeal to the council pursuant to Section 5.04.150 of this code shall afford the licensee or applicant, city staff and peace officers, members of the public ~~the chief of police~~ and other interested parties the opportunity to give oral and written testimony and written materials to the council. The licensee or applicant may exercise the right to cross-examine witnesses who present evidence adverse to that person.

B. The council may affirm, modify, remand or reverse the city manager's ~~chief of police's~~ decision. The council shall direct the city manager to provide the licensee or applicant with a written notice of the council's ~~its~~ decision.

5.04.170 - License—Reissuance.

When a license has been revoked and the licensee or principal of the licensee reapplies for a license, a bond in the penal sum deemed necessary under the circumstances but not to exceed ten thousand dollars shall be filed with the city recorder. This bond shall be required for the term of the license and shall be forfeited to the city if the licensee is convicted of any violation of federal, state or city laws or ordinances for which such license may be revoked.

5.04.180 - Violation—Penalty.

Any person violating any of the provisions of this chapter, shall upon conviction thereof in municipal court, be punished by a fine not to exceed three hundred dollars for each offense or by imprisonment not to exceed ninety days, or both such fine and imprisonment. A separate offense shall be deemed committed for each day a violation occurs.

ORDINANCE NO.

AN ORDINANCE AMENDING CHAPTER 5.04 OF THE TROUTDALE MUNICIPAL CODE RELATING TO BUSINESS LICENSES.

THE TROUTDALE CITY COUNCIL FINDS AS FOLLOWS:

1. Under newly-created development code provisions, the City of Troutdale (City) will accept land use applications to approve permits to develop medical marijuana dispensary businesses in certain locations of the City.
2. Existing business license ordinances, with certain exceptions inapplicable here, require all persons to obtain city business licenses to conduct business in the City.
3. The city may deny business licenses where, among other things, a business operates in violation of federal law, and at present the federal Controlled Substances Act does not allow possession or transfer of marijuana in the way those activities are typically conducted at a medical marijuana dispensary.
4. On February 14, 2014, the United States Department of Justice issued guidance to federal law enforcement which, in cases involving marijuana, encouraged them to devote resources to more serious marijuana-related crimes.
5. The City Council acknowledges the tension between state dispensaries and federal laws, but believes that the least cost, most efficient solution is to amend the City Code in ways that allow state dispensary laws to operate under federal guidance toward cases involving marijuana.
6. The amendment below adds a provision to the municipal code that requires all dispensaries operating in the city to obtain a business license, and for the purpose of issuing a business license, allows the City to regard a medical marijuana dispensary as not violating federal law if the dispensary conducts its affairs in compliance with the standards outlined by the U.S. Justice Department.
7. The City also desires to conform the business license chapter to its new agreement for law enforcement services.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF TROUTDALE:

Section 1. Chapter 5.04 of the Troutdale Municipal Code is amended to read as follows:

5.04.010 - Purpose.

The primary purpose of this chapter's licensing requirements is to regulate businesses in order to promote the health, safety and welfare of the public. Licensing helps ensure that all new business activities are conducted in compliance with applicable laws and ordinances. Licensing also allows the city to maintain an inventory of existing businesses operating and doing business within its limits. This inventory allows the city to ensure, through inspection, enforcement and other regulatory measures, that such business activities continue to comply with applicable laws and ordinances. The licensing fee required by this chapter is necessary to finance and provide for the licensing and regulation authorized by this chapter.

5.04.020 - Definitions.

As used in this chapter, unless the context requires otherwise:

"Business" means any occupation, profession or commercial activity engaged in for profit or livelihood in the city. This definition includes, but is not limited to, peddler and home occupation activity.

"City manager" means the city manager of Troutdale, or designee of the city manager.

"Computerized criminal history record" means the record that is available to the Troutdale police department via the Law Enforcement Data System pursuant to OAR 257-015-0060(2).

"Council" means the city council of the city of Troutdale.

"Garage sale" means a commercial activity open to the public, conducted at a private residence where personal property is sold to others provided that no more than four garage sales per residence per year shall occur and that no garage sale shall exceed three days in duration.

"Home occupation" means a business carried on within a dwelling, and which business is incidental to the use of the dwelling for dwelling purposes.

"Law enforcement agency" means a municipal police department, county sheriff's office, or other law enforcement agency established under state law.

"Law enforcement officer" means a sworn peace officer authorized by the city manager to perform the business license review functions within this chapter. The term may include a non-sworn employee of a law enforcement agency authorized by the agency and by the city manager

"License" means the permission granted by the city to engage in a business or activity regulated by this chapter.

"Licensee" means a person who has a valid license issued pursuant to this chapter.

"Peddler" means a person whose business activity consists of traveling to and from residences and businesses and offering for sale, selling, or taking orders for goods or services.

"Person" includes all natural and legal persons, including but not limited to, individuals, corporations, associations, partnerships and societies, whether or not engaged in a profit-making endeavor.

"Principal" means a person who would be directly involved in the management or operation of the business.

"Valid license" means a license issued pursuant to this chapter, and which license's effective period has not expired.

5.04.030 - License—Required.

No person shall conduct any business within the city without a valid license unless an exemption contained in Section 5.04.040 of this code applies.

5.04.040 - Exemptions.

The requirements contained in this chapter shall not apply to:

- A. Garage sales;
- B. An individual performing babysitting, nursery or child-care activities on a part-time basis;
- C. An individual who is employed by a business which has obtained a license;
- D. An individual hired or employed on an intermittent or casual basis by a household, business or other employer to supply only services;
- E. A person whose primary activity consists of delivering goods inside the city for a business located outside the city;
- F. Any conduct which is exempt from licensing by virtue of the constitution or laws of the United States or the state of Oregon;
- G. A person who leases two or fewer units of residential real estate within the city;

H. A contractor or landscape contractor (1) who possesses a contractor's license issued by Metro, (2) whose place of business is located outside the city, and (3) who earns less than two hundred fifty thousand dollars in annual gross revenues from business conducted within the city. For purposes of this subsection, "contractor" has the meaning provided in ORS 701.055(2), and "landscape contractor" has the meaning provided in ORS 701.015(6)(c);

I. Federally tax-exempt organizations and nonprofit religious organizations;

J. City-sponsored activities and business operating under a city franchise.

5.04.050 - License—Application.

A. A person shall apply for a license in the following manner:

1. Application for a license shall be made to the city manager on or before January 1st of each year for which a license is required; or
2. If the business goes into operation after January 1st, application shall be made at least thirty days before conducting business in the city.

B. A license shall expire on the last day of the calendar year for which the license was issued.

C. Application for a license shall be on a form provided by the city and signed by the applicant. The application constitutes consent for the city to conduct an investigation of the application, including permission to obtain a computerized criminal record for the applicant and any employees that will be working for the applicant, and to enter the business property. An application shall request:

1. The name and address of the applicant;
2. The name and address of the business;
3. A description of the type of business to be licensed;
4. The number of persons regularly employed by the business;
5. Any other information the city manager or a law enforcement officer deems necessary to evaluate the application. Questions about the necessity of such other information shall initially be resolved by the official making the request, subject to final resolution by the city manager.

D. The city manager shall review an application according to Section 5.04.060 of this code. The city manager shall submit the application to appropriate city department heads for evaluation and comment, including submittal to a law enforcement agency for review

by a law enforcement officer. The city manager may adopt rules to carry out the provisions of this chapter and may prescribe forms for business license applications. Officials receiving applications to review under this section should review applications expeditiously and should communicate any questions or concerns to the city manager with reasonable timeliness.

5.04.060 - License—Criteria for approval.

A. The city manager shall either approve, approve with conditions or deny an application. Action on an application shall be based upon the consideration of all available information, including, but not limited to, a computerized criminal history record. An application may be denied on any of the following grounds:

1. Failure to provide requested information or any false, misleading or incomplete material statement made on the application form; however, if the statement is the result of excusable neglect, the applicant may resubmit an application with appropriate corrections;
2. The applicant, a principal or the business activity fails to meet the requirements of this code or is doing business in violation of this code or applicable state or federal law, including the building, health, mechanical, electrical, plumbing, development and fire codes of the city;
3. The applicant, a principal or the business activity would violate, or has violated, any ordinance or the charter of the city, any state or federal criminal statute, or any other law, as shown on a computerized criminal history record, unless the applicant proves that the violation has no bearing on the applicant's fitness or the ability of the business to undertake the licensed activity without endangering persons or property or the public health, safety or welfare. The city may consider a violation that did not result in a conviction;
4. The business activity would endanger, or has endangered, persons or property, such that the business activity is a menace to the health, safety and general welfare of the city.

B. The city manager shall notify the applicant in writing of a decision made under subsection A of this section. The written notice shall state the reason for the decision and explain that the decision is final unless either the applicant or council files a notice of appeal pursuant to Section 5.04.150 of this code. The written notice shall also be provided to the council.

C. When a license is approved or approved with conditions, the city manager shall issue a license to the applicant.

D. All persons operating a medical marijuana dispensary under Oregon law, whether organized or operating on a for-profit or not-for-profit basis, must maintain a business license from the city. For purposes of complying with Section 5.04.060(A)(2) of this code, the business activity conducted at a medical marijuana dispensary will be regarded as consistent with federal law so long as the licensee certifies, in a writing placed on file with the city recorder, that in the conduct of its medical marijuana business the licensee will:

1. Prevent the distribution of marijuana to minors;
2. Prevent revenue from the sale of marijuana from going to criminal enterprises, gangs, and cartels;
3. Prevent the diversion of marijuana from Oregon to any other state;
4. Prevent state-authorized marijuana activity from being used as a cover or pretext for the trafficking of other illegal drugs or other illegal activity;
5. Abstain from violence and the use of firearms in the cultivation and distribution of marijuana;
6. Discourage and, if necessary, prevent drugged driving and the exacerbation of other adverse public health consequences associated with marijuana use;
7. Prevent the growing of marijuana on public lands and the attendant public safety and environmental dangers posed by marijuana production on public lands;
8. Prevent marijuana possession or use on federal property; and
9. Operate its business in accordance with all Oregon laws existing now or in the future that authorize the licensee to operate a medical marijuana dispensary.

5.04.070 - License—Fee—Amount.

No license shall be issued under this chapter unless the applicant pays a license fee to the city in the amount set by resolution of the council. If an applicant has conducted business in the city without a license, the license fee shall include the license fee the applicant would have been required to pay if the applicant had been conducting business pursuant to a license, and a late fee.

5.04.080 - License—Fee—Payment—Delinquencies.

All license fees required by this chapter are due on the required application date. All license fees shall be deemed delinquent if not paid on or before thirty days after the

due date. Whenever any license fee is not paid within thirty days of the due date, a twenty-five dollar late fee shall be imposed.

5.04.090 - License—Renewal.

An application for renewal of a license shall be made and processed in the same manner as an initial application, pursuant to Sections 5.04.050 to 5.04.080 of this chapter.

5.04.100 - License—Display.

A. Except as provided in subsection B of this section, a license issued under this chapter shall be displayed in a conspicuous place on the business premises at all times during the license's effective period, available for inspection by any interested person.

B. If the licensee does not maintain a place of business within the city, the license or a copy thereof shall be in the possession of the licensee or the licensee's representative while that person is conducting business within the city. Upon the request of any police officer or city official, that person shall show the license or its copy.

5.04.110 - License—Nontransferable.

A license issued pursuant to this chapter is a personal privilege and is not transferable.

5.04.120 - License—Separate business.

If a person conducts more than one business in the city, the person shall obtain a license for each business. A separate license is not necessary for a warehouse used in connection with a licensed business but at a separate location.

5.04.130 - License—Grounds for revocation.

A. If the city manager determines that a licensee is conducting or has conducted an activity, which would provide grounds for denial of an application for a license pursuant to Section 5.04.060 of this code, the city manager shall notify the licensee in writing that the city is revoking its license.

B. Upon making the determination in subsection A of this section, the city manager may include any other related, licensed business conducted by the licensee in the notice of revocation.

C. The notice of revocation shall be sent to the licensee's business or residential address shown on the application form, at least thirty days before the effective date of revocation. The notice of revocation shall state the grounds for revocation and inform the licensee of the provisions for appeal.

D. The council, upon making the determination contained in subsection A of this section, may direct the city manager to issue a notice of revocation. The city council may, on its own motion, vacate a notice of revocation issued by the city manager. The licensee shall be notified in writing if a notice of revocation is vacated.

5.04.140 - License—Grounds for suspension.

A. If the city manager determines that a licensee or any activity of the licensee presents an immediate danger to persons or property, the city manager may suspend such license by issuing a written notice of suspension.

B. The suspension shall become effective when the licensee receives the notice personally or when the notice is delivered to the licensee's business or residential address as shown on the application. The notice shall contain the grounds for suspension, the effective period of the suspension, and shall inform the licensee of the provisions for appeal.

C. The council, upon making the determination contained in subsection A of this section, may direct the city manager to issue a notice of suspension pursuant to this section. The council may, on its own motion and by resolution, vacate a notice of suspension issued by the city manager. The licensee shall be notified in writing if a notice of suspension is vacated.

5.04.150 - Appeal.

A. An applicant whose application has been conditioned or denied, or a licensee whose license has been suspended or who has received a notice of revocation, may appeal such matter to the city council by filing a written notice of appeal with the city manager. The notice of appeal must be filed within ten calendar days after the notice of denial, suspension, revocation or approval with conditions is mailed or delivered, whichever is earlier. The notice of appeal shall include:

1. The name and address of the appellant, and the business owner if different than the appellant;
2. The nature of the determination from which an appeal is taken and a copy of the determination;
3. The reason or reasons why the determination is alleged to be incorrect;
4. What the correct determination should be; and
5. An appeal fee of one hundred dollars.

B. The council, on its own motion, may review a decision of denial by the city manager made pursuant to Section 5.04.060 of this code. The council motion shall contain the

reason or reasons for review of the city manager's decision, and direct the city manager to place an appeal hearing on the city council agenda. The motion is out of order on and beyond the fifteenth day after the city manager's decision was mailed. The motion shall also direct the city recorder to create a written notice of appeal, including the reasons for review, and mail it to the applicant. The notice also shall state the time and place for city council's review of the city manager's decision.

C. The council shall designate a time to hear the appeal. The appellant shall be given written notice of the time, date and place of the hearing at least ten days in advance of the hearing.

D. Failure of the applicant or licensee to file a notice of appeal with the city manager within the time allotted, shall constitute a waiver of objections to the notice of suspension, revocation, denial or approval with conditions.

E. Filing a notice of appeal shall stay the effective date of revocation until a final determination is made on the appeal by the council.

F. Filing a notice of appeal does not stay the effective date of suspension.

5.04.160 - Appeal—Hearing.

A. A hearing on appeal to the council pursuant to Section 5.04.150 of this code shall afford the licensee or applicant, city staff and peace officers, members of the public and other interested parties the opportunity to give oral and written testimony and written materials to the council. The licensee or applicant may exercise the right to cross-examine witnesses who present evidence adverse to that person.

B. The council may affirm, modify, remand or reverse the city manager's decision. The council shall direct the city manager to provide the licensee or applicant with a written notice of the council's decision.

5.04.170 - License—Reissuance.

When a license has been revoked and the licensee or principal of the licensee reapplies for a license, a bond in the penal sum deemed necessary under the circumstances but not to exceed ten thousand dollars shall be filed with the city recorder. This bond shall be required for the term of the license and shall be forfeited to the city if the licensee is convicted of any violation of federal, state or city laws or ordinances for which such license may be revoked.

5.04.180 - Violation—Penalty.

Any person violating any of the provisions of this chapter, shall upon conviction thereof in municipal court, be punished by a fine not to exceed three hundred dollars for each offense or by imprisonment not to exceed ninety days, or both such fine and

imprisonment. A separate offense shall be deemed committed for each day a violation occurs.

YEAS:
NAYS:
ABSTAINED:

Doug Daoust, Mayor

Date

Debbie Stickney, City Recorder
Adopted: