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, May 24, 2016 – 7:00PM

Mayor
Doug Daoust

City Council
David Ripma
Corey Brooks
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 MINUTES:** November 17, 2015 Regular Meeting, December 15, 2015 Work Session, and March 22, 2016 Regular Meeting.
   - **2.2 RESOLUTION:** A resolution granting a permanent easement to Multnomah County adjacent to SE Stark Street for road purposes.
   - **2.3 RESOLUTION:** A resolution authorizing the Mayor to execute an intergovernmental agreement with the Port of Portland guaranteeing performance of the public improvements associated with the Troutdale Reynolds Industrial Park Phases II and III.

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:** A response to the report of the Citizens Advisory Committee at the April 12, 2016 meeting. ***Mayor Daoust***

5. **RESOLUTION:** A resolution adjusting the storm sewer utility fee and rescinding Resolution No. 2287 and 2324. (The rate cap will be discussed in this agenda item) ***Steve Gaschler, Public Works Director***

6. **RESOLUTION:** A resolution adjusting the water commodity fee and the water installation charge, confirming other water related fees and rescinding Resolution No. 2286. ***Steve Gaschler, Public Works Director***

7. **RESOLUTION:** A resolution adjusting the sanitary sewer utility fee, confirming the average flow rate for an equivalent residential unit and rescinding Resolution No. 2285.
Steve Gaschler, Public Works Director

8. STAFF COMMUNICATIONS

9. COUNCIL COMMUNICATIONS

10. ADJOURNMENT

Doug Daoust

Doug Daoust, Mayor

Dated: 5/18/16

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 Sarah Skroch, City Recorder at 503-674-7258.

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: Sarah Skroch, City Recorder 503-674-7258.

DRAFT

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

Tuesday, November 17, 2015

1. Roll Call

Mayor Daoust called the meeting to order at 6:34pm.

PRESENT: Mayor Daoust, Councilor Ripma, Councilor Morgan, Councilor White (8:23pm) Councilor Allen, and Councilor Wilson.

ABSENT: Councilor Anderson (excused).

STAFF: Steve Gaschler, Public Works Director; Travis Hultin, Chief Engineer; and Sarah Skroch, City Recorder.

GUESTS: See attached.

2. A discussion regarding the long term financial analysis and sustainability of the Water, Sewer and Stormwater Funds.

Steve Gaschler, Public Works Director, stated tonight I have a lot of information to share with you. I want to be real careful with this subject and not put any numbers out there that could be misconstrued or misunderstood. We're not putting any rate recommendations on the table tonight. I have some reference binders to hand out (The Value of Water – 2015, a copy of the reference binder is included in the meeting packet). I see this as a first step in a long discussion and process between staff and Council and the Council and the citizens regarding public outreach. Last week my staff watched a presentation that was put on by the University of North Carolina Environmental Finance Center and it's titled Board and Staff Communications. I'd like to show you that presentation first, it lasts about 40 minutes.

Steve Gaschler played the presentation for the City Council. A copy is attached to the minutes as Exhibit A.

Steve Gaschler stated the binders I handed out contain mostly reference material, some of it new and some of it you have seen, but I thought putting it in a book for you would be helpful for you as we go through this process because I see this as a first step in a lengthy discussion and process. I don't want to get ahead of the Council and propose any numbers until the time is right and I get enough direction and feedback from Council that I feel comfortable putting some numbers on the table. I've taken the information from the FCS studies and summarized it for all 3 systems on a 10 year scale. Their numbers were not uniform, they had different rate increases depending on projects and timing. I took that off the table and just showed you what the rate

increases would be if they were even increments over the 10 year period of time so you have something to look at and get a feel for what ballpark we're in. I'm not saying those are the rates that we'll propose at all. We have a lot of work to do before we get there. There is some public outreach that I think would be an important part of this. In my opinion, as we went through the gas tax, that was an important piece of work that we did and it was crucial in getting that passed. I think we owe it to our ratepayers to inform them and let them know what we're doing here. I'd also like to tell you that there are 2 sides to this equation, the revenue side and the cost side. The FCS studies are the full cost recovery study rates. Another piece is what are we doing on the cost side to control costs. My background and experience make me uniquely able to look at costs because for 20 years I was a low bid contractor. I think I have a unique perspective on that. For the most part, what I'm seeing with your system is the size of your labor crews are at bare minimums. If everyone shows up I put a full team on the field but that very rarely happens. Between vacation time, sick time, and training, almost no day goes by where we aren't short and that affects us a lot with what we can get done. You're wage rates are reasonable and competitive so I don't think there's a lot we can do there. The group that we have are very productive and always have more work than they can do. It gets kind of frustrating for them sometimes because it seems like the more they get done the more they have to do and they don't ever see the light at the end of the tunnel. They see the system aging and us not being able to keep up and I think it wears on them. Our materials are all bought at low bid so we are low cost buyers. You have a bare minimum on equipment. We rent quite a bit of stuff which is fine because we don't use it that often. Some of the age of your equipment is quite a bit older than the people who operate it which is ok in some instances. The facilities are reasonable and adequate. We use a fair amount of contracting to do work that either we are not capable of or they can do it cheaper than we can because it's specialized work. Your repair and replacement is underfunded. We're living paycheck to paycheck and not saving any money. That's a big item that needs addressed as we go through this. That's the cost piece. I'd want direction from Council on the public outreach and what role you'd see that playing in this. My experience with Barney and Worth recently was good and I think it might be a key thing to do here before we go too far down and start talking about numbers. Maybe we need to get out and start talking to people about what they think, what they feel, what they want, and use that as part of our decision making. The numbers are part of it but there's the customer side of it also. I'd like you to spend some time looking through the binder and have a second work session in January to continue this discussion. Then we can decide where you want staff to go with this. That's how I see this going but if you want to point me in a different direction, I'm ready to go.

Steve Gaschler reviewed the contents of the binder with the Council.

Steve Gaschler stated for about 5 years I've been on the Budget Committee for the Water Environment Services Sewer District #1 in Clackamas County which serves about 45,000 people. They just run a sewer district and their board meets every month and that's all that they get to talk about. They're very focuses and they have a very well run, well operated system and you'll see that their rates are considerably more than ours but they're struggling with the same issues. In May I was elected to the Sunrise Water Authority Board of Directors which is a water authority that serves Clackamas County and Happy Valley. I've got some information on what they're doing financially. They were almost bankrupt about 7 or 8 years ago when the recession hit because they borrowed a bunch of money and built a bunch of projects based on some SDC's coming in.

When the recession hit, that money dried up and they were borrowing money to pay that off from even the County. They've turned the ship around. They're growing now, they've got some good reserves that they're building up. They've been raising their rates fairly frequently over the last few years. They just went through another big rate restructure and increase. They've got about a $12 million reserve built up now and it's mostly for capital replacement and that's where they've been focusing. They were focused on growth and that got them in trouble and now they're refocused on asset management and dealing with the cost of repair and replacement.

Councilor Morgan stated we've had this discussion before and I know there was a lot of frustration, at least from staff's opinion, about the equity aspect. Was that the sole culprit for us moving towards this?

Steve Gaschler replied I don't think staff is frustrated, we were just pointing out an issue. It's just 1 issue and 1 utility. Shortly after I got here the process was already started. FCS had already done the sewer analysis and it showed a substantial rate increase. I could look at the others and pretty easily see that you have the same problem across the board. We went ahead and had FCS look at them all. The cost is the foundation this whole thing is built on. We're going to build this on what does it cost us to deliver that service. We have those numbers now. I wanted to bring the whole picture in to you and show you what they all look like because I think we need to deal with all. They all have their issues. Some of them have different issues. The equity issue is basically in the stormwater cap. In the numbers we made that phase out in 2 years.

Councilor Morgan stated the gas tax, as it relates to infrastructure, was about preserving it. If you don't maintain it then you'll pay for it later. Is this what this is about? Besides equity, it's a lot cheaper to replace an old pipe on our own terms than to replace it when it's broken? Is that the same idea with all 3 of these funds?

Steve Gaschler replied it's the same principle. We had a break Friday night on Stark Street. We don't have the total bill put together yet but we had to get out there and fix that. We probably spent $10,000 to $15,000 and we didn't replace any pipe, all we did was put a Band-Aid on it. We've replaced pipes in residential areas and for those we found out about them when the water started coming up in the street. We didn't want that to happen on Stark Street. It's too risky and it's endangering the public. In the water system we've got a couple hundred thousand dollars in a reserve fund to carry forward to deal with this stuff. We have a water system that's worth tens of millions of dollars. We're behind and we're getting farther behind. The longer we wait, the longer we put it off, the steeper these increases are going to be. I think the way the public views it is I pay for my water bill, it's plenty high, and I really don't want to pay any more but I'm assuming you're charging me what it takes to run it.

Councilor Morgan asked one of the main reasons, theoretically, that we're asking the citizens to pay more is to prevent deferred maintenance that would cost us thousands or hundreds of thousands of dollars. That would be one of the cornerstone reasons for increase.

Steve Gaschler replied I think that's a fair characterization. We're trying to be more proactive and replace things ahead of failure. You don't want to provide this service and be repairing things at

failure. That isn't being good stewards of what we're asked to manage and the service we're asked to deliver to the citizens.

Councilor Wilson stated in regards to stormwater runoff, a lot of the new businesses and churches are putting in bioswales to take care of the runoff so we're not handling the amount of stormwater runoff that we would have from an older complex. Is there any information in this binder that addresses how other Cities are dealing with their rates for those kinds of businesses? Is there something different besides just charging them the regular rate?

Steve Gaschler replied in our ordinance there's already a method if they retain water on their site that they can apply for a credit.

Councilor Wilson stated we shouldn't make them apply for it, we should be proactive.

Steve Gaschler replied if the cap wasn't there then I think we would have the ability to do that. With the cap there nobody really cares. But we're prepared to do just that and as we unroll this we'll identify those. There are about a dozen or less that will qualify. As the new ones come on, we'll make that calculation at the time of development when we set them up.

Councilor Wilson asked so nobody will have to apply for it?

Steve Gaschler replied no. It's something we can do. We know what it is and there's not many of them currently. As the new ones come on board, when we figure out their SDC's then we'll have all those numbers. At the time that we set their storm rate up we'll calculate all the impervious area and we'll calculate what they retain onsite and figure out the reduced rate. They will get a credit for that but it's only a 70% credit. There's nobody in town that we're aware of that's retaining 100%. In most cases it's not possible.

Councilor Ripma asked is the information in this binder available online?

Steve Gaschler replied I'm pretty sure we can do that. What I'm a little worried about is getting those numbers out there and people getting the wrong impression. I had to put some numbers on the table to get the discussion started and I'm a little worried that'll cause some problems. I'm more than happy to put them out there if the Council's comfortable with that.

Councilor Ripma stated it's a public meeting so they're out there anyway. On your projected increases from 2015 to 2026, are these the percentage of increases that you feel are necessary in order to fully fund these capital systems?

Steve Gaschler replied yes, based on the information that we had when FCS did the studies. After this Travis is coming up and talking about the Capital Improvement list. What we decide on there can have an effect on some of the numbers. These numbers are preliminary and are just for discussion purposes only.

Councilor Ripma stated based on what you knew at the time when you put this together, it looks like these numbers would be enough to fund both the capital and maintenance operational costs.

Steve Gaschler replied yes that's a good representation of what that looked like when FCS put those together. There is 1 caveat and that is the wastewater number was done before I got here and they did not put into their analysis a replacement reserved. I've plugged an arbitrary replacement reserve in and as we roll down through this I'll probably want to talk to FCS and get a better number. The rest of them have a replacement reserve factored into them.

Councilor Ripma stated for sewer are you saying that the replacement reserve is to replace the plant after the life of the plant, or is it the system?

Steve Gaschler replied it's the whole system.

Councilor Allen stated at work a few weeks ago I was doing some infrastructure improvements and sent a pig through the pipes to get an idea of the current condition. Do you have a monitoring device that you send down the pipes?

Steve Gaschler replied we have not purchased 1 but we have a project in the budget to video inspect the entire sanitary sewer system. That has been in the budget for the last 2 years and we plan on getting that contract out really soon and getting in there to do that visual inspection. It'll be very interesting to see what we find down there. Our system for the most part has not been video inspected.

Councilor Allen asked what kind of monitoring are you currently doing?

Steve Gaschler replied each system works a little different. The water system has a pressure system. We have pump stations, reservoirs, and there are meters. We know the volume of water we're pumping and the volume of water that's in the storage reservoirs. We know where we're at and that's actually how we discovered the leak because we noticed we were missing a significant amount of water all of a sudden. In our wastewater system most of it is a gravity and collection system and that's why we want to go in and video those pipes. We don't know what the conditions are down there. The only times we're aware is when we see a problem like a line backing up. What we generally do when a line backs up is that there's a plug in there and we'll clean that out and get it flowing again.

Councilor Allen asked is that a bigger problem where it's close to the water table?

Steve Gaschler replied it can be. We also have some infiltration problems. We want to do the video inspections now during the wet time of year to see where the water is coming in at and where we have problems. We do see our flow go up at the plant. We're running just above 1,000,000 gallons a day.

Councilor Allen asked is it too expensive for your own video inspection?

Steve Gaschler replied the whole camera set up has to be put in a vehicle and you're probably going to invest around $100,000 into that set up and then you have to train someone to run it. I'm

hoping to come back in January and give you some time to digest some of what I've given you and we'll pick this discussion up again.

Mayor Daoust asked did you want our direction on public outreach now or do you want it when we talk about this in January?

Steve Gaschler replied if you are ready to give me direction then I'm ready to take it. I would probably like you to think about it some more and come back in January. I want to give you as much time as you need because this is a big decision. I don't want to push this, I want to take the time to do it right.

Mayor Daoust asked for the public outreach do you mean hiring a consultant firm again?

Steve Gaschler replied that would be my recommendation. There are people out there that do this for a living. They know what mistakes not to make and there's no need for us to go out and learn the hard way. We're talking about a lot of money here over a long period of time and we need to get the information out to people to let them know what we're doing and why we're doing it.

Mayor Daoust stated if we don't have money in the budget for public outreach for utility rates that should probably be brought forward in January at the midyear Budget meeting. Do you think you'll have that honed in enough where you can make a suggestion on how much money we'd need for public outreach?

Steve Gaschler replied yes, that's something I can do between now and then. I'll talk with them to see what they recommend. It's a la carte, you can spend as much as you want.

Mayor Daoust asked is there anyone in the audience that would like to speak to us on this agenda item?

Paul Wilcox, Troutdale Resident, stated recently in the work session on the PDC issue of the postal service relocating, Councilor Ripma was asking about the possibility if you get a lump sum from the PDC whether that could be treated as an annuity rather than a lump sum spread out over time. Craig Ward's response was "we're not proposing to sell property like the wastewater treatment plant site. If we sell that property that money should go back into the wastewater treatment fund." It sounds to me like when you sell that lot, for what I'm assuming will be millions of dollars, then you'll have money coming back into the utility fund. Nobody's mentioned that tonight. I'm not sure if he misspoke or if that's in fact where that money will go.

Brian Sheets, Troutdale Resident, stated it's interesting to hear that we don't have any of these numbers firmed up. I remember a rather prolonged discussion at the Budget Committee meeting where we were considering removing the cap at that time and figuring the numbers into the budget for this fiscal year. I'm concerned that there are these concepts that want to be employed but now that there was some reservation at the Budget Committee hearings now we're looking into it a bit more cautiously. I appreciate that but I'm also cautious that staff was ready to go forward with a rapid proposal at that time. I think there is a desire to remove those caps. I want to caution

the timing on this. We just had a ballot measure to increase fuel taxes and now we're looking to increase these other utility fees as well. It's coming into the next election season and I think that's a really important thing to think about. We're asking a lot in a relatively short amount of time.

Councilor Morgan stated to address Paul's question, the current plan calls for the money used in the sale of the property to go back into the project itself. It's not specific as to where, whether that's for infrastructure or building a trail or a park. I think there's been a lot of opinion on the Council about putting that money back into the General Fund.

Councilor Ripma stated I think Paul's question was based on Craig's comment which was probably just an offhanded comment. It sounded like if the sewer plant were sold, the money should go back into the sewer fund. You're saying different.

Councilor Wilson replied I think the wording in our Urban Renewal document said when it sold that money was to go into the Urban Renewal area for infrastructure but not specific to how it would be used.

Councilor Morgan stated my point to Paul's question is there was no mention in the plan or after that the money was to be used for the sewer.

Councilor Ripma replied I agree. But Craig's comment makes it out like maybe it should have been. It just needs to be cleared up and I don't think we're the ones to answer it.

3. A review and discussion of the Capital Improvement Plan.

Travis Hultin, Chief Engineer, stated many of these are projects that you've probably seen before from previous Master Plans or Capital Improvement Plans. I'm going to ask Sarah to pass out the latest and greatest version. The data and text in the plans has not really changed from the version in the packet, we've just added the vicinity maps and the summary tables to help you follow along with what some of these projects are.

A copy of the updated Plans can be found in the meeting packet.

Travis Hultin stated this is something that's been a long time coming. The last time the Capital Improvement Plan (CIP) was comprehensively updated was 2009. Since then there have been a few interim updates to the stormwater and water CIP's but it was done in a much more summary fashion and not as detailed as the type of document that we really want to have for our CIP. Since that time the Transportation System Plan (TSP) and the Sanitary Sewer Master Plan have both been updated. This is really pulling together a ton of information as I'm sure you're well aware. What we're trying to get to is a full and complete update of the CIP in a more robust fashion that gives us more information about these projects in the actual CIP document. The CIP basically enumerates the projects for these specific 5 systems that the City thinks will be needed for the foreseeable future. In this case, we're looking out about 15 years. That's about the horizon on most of the Master Plans that we have in place now with the exception of Parks. These projects are projects that either build a new facility, expand an existing facility, or upgrade a facility to improve its functionality. This is not a plan that includes mere replacement projects or maintenance projects. You aren't going to see reservoir repainting in here, you're not going to

see replacing a pump at a pump station with the same kind of pump. An example would be a pump station where you're upsizing the pumps or your upsizing pipe or your building a new reservoir or a new well and not just replacing something. I really want to emphasize that this is a work in progress. I'm not proposing this as the end all be all plan. This is my first cut and it. What I'd like to get from Council is some feedback, some guidance, and direction as we move forward towards finalizing this. You'll find some of the fields in here are not complete because we're still researching that information and refining some of those estimates, and you'll probably find some places where I've made some typographical errors. I haven't had the opportunity to go through and make it as perfect as I'd like it to be. It is a work in progress and something for us to start this discussion. I want to talk briefly how these projects are identified. The primary source is the master plans. Most of those are fairly up to date. That's where the bulk of these projects end up coming from. That includes the Transportation System Plan which is effectively a master plan for the transportation system. There are also projects that are identified from other sources. Those could be projects that staff has identified based on our experience working out in the system, things that weren't captured in the master plan, or have since come to light. The City Council occasionally lays out goals that relate to specific improvement projects and we try to capture those as well. Also we have outside agencies, regional planning efforts, things like that which can feed projects into this as proposed projects. We have 5 systems here: Transportation, Water, Sewer, Stormwater, and Parks. If we could look at them in the order that they've been laid out in the exhibits. I won't go through the projects 1 by 1 unless you ask me to but I will certainly be happy to answer any questions that you have about any of these projects.

Mayor Daoust stated we'll start with Transportation. The 2nd project (Exhibit A), Downtown Parking Lot, we made the decision to go ahead with that but I've gotten into some discussions with people that think a 2 level parking structure would solve the bigger parking problem in downtown. It seems like it wouldn't be that difficult to have a 2 level parking structure there. How much discussion is required for something like that?

Travis Hultin replied the $50,000 is really minimal improvements. A 2 level structure is a concept that was explored a couple years ago. There were some sketches that we did internally looking at the possibility for that. It's possible but wouldn't quite double the parking unless you covered the entire area. That would be a pretty significant structure but it's possible. It will probably more than double the cost and might be more than triple the cost because of the structural elements. That is something we can explore and come up with some estimates to bring back at the next time we talk about this.

Councilor Allen stated generally when we look at parking structures we take a look at what the cost is per acre. There's a break point where the cost per acre gets to where it starts to make more sense to do tiered parking versus flat land parking. Do you happen to know what that number is? I don't remember.

Travis Hultin replied I do not. Parking lots are not something that we've actually constructed very many of as a Public Works Department. We see them constructed by developers and we're involved in that process but I wouldn't know that number off the top of my head.

Councilor Allen stated I just remember times when people have told me the price break is such that it makes more sense to build up then it does to build out.

Travis Hultin replied I would assume, especially when you are talking about a private parking structure, that there's probably a revenue side to that as well and that factors into a price break point where it makes more sense to build that additional level based on the revenue that you'll return on it. Typically our public parking lots won't return any revenue so we have a little bit different equation. In terms of looking at that as a potential variation on this project, that's something we can certainly explore.

Councilor Morgan stated our downtown just got tapped out with parking so I think this is a really good thing. There was something discussed about the Urban Renewal District and potentially drawing it from the railroad tracks further into Mayor's Square and allowing for funding through the Urban Renewal District to go for that. I know there's a variance of I think 10%?

Mayor Daoust asked to expand the boundary of the Urban Renewal area?

Councilor Morgan replied yes which could include Mayor's Square and so we could use that as a public good and build parking. Then it would pay for itself as opposed to spending General Fund revenue. This is just a thought, I don't know if it's being explored. I think it would be worthwhile to discuss.

Councilor Wilson stated I think the 10% didn't even cover half of Bremik's property.

Councilor Ripma asked if a 2 story parking lot were included in the Capital Improvement Plan, does that then require that it be built that way?

Travis Hultin replied no.

Councilor Ripma stated it's my impression that these are things that we might do but we don't necessarily have to do and we don't necessarily have to do it anytime soon.

Travis Hultin replied that's a good point. This is a plan, this is a projection, these are the projects that we the City expect will be needed in the foreseeable future but nothing is written in stone. If you look at some of the summary table, you'll see that there are some projects that we have eliminated that were in previous CIP's because as time went on, conditions changed, and it was determined that those projects were no longer necessary. By adopting this it does not commit you to build it or to build it a specific way.

Mayor Daoust stated I wouldn't mind researching this and adding it on as a separate item. We can decide later if we want to keep it in there or not. It's just been brought up recently by the Chamber of Commerce and some of the downtown business people.

Councilor Allen asked are you suggesting a study or just rough figures?

Mayor Daoust replied just rough figures.

Travis Hultin stated what we are looking at in a CIP are planning level estimates so I think we're talking rough figures.

Steve Gaschler asked has anybody discussed doing a local improvement district (LID)? That's what other cities have done. You would purchase the land and form an LID and then all of the people that participate in that would pay for the parking lot because it benefits them. The City could participate in an LID and be a partner in that and pay a piece. It's basically assessed on the square footage of the building or the parking needs of each type of facility there. You portion it based on what you think the benefit would be. I'm just throwing it out there that it's another funding option that other communities have used to supply needed parking for downtowns.

Travis Hultin stated there would need to be a lot of discussion about what happens with that parking lot. I recall one concern was that there might be some other desired use for that property in the foreseeable future. There were some on the Council or in the community that thought we shouldn't sink too much money into it because we might want to do something different down the road. All those things are probably going to need to be discussed before you settle on what you want.

Councilor Wilson stated I noticed going through here that there are a lot of places that talk about bicycle parking. A lot of these people have come down here with bicycles anywhere from $800 to $2,000 and they want to keep them in their line of sight. I know you don't have a specific place but they're downtown in the Central Business District. At one time we were talking about putting them on the street where the motorcycle parking is at. Is that still the thought?

Travis Hultin replied I don't know that we're married to any particular location right now. The project in here just basically says we need to put some bicycle parking downtown. There's a cost figure associated with that and that's about as far as it goes at this point.

Councilor Wilson stated you have it in the downtown parking study. Then you have it in the Columbia Gorge Bike Hub. Then it's in the bicycle parking for the Central Business District. It seems like we have several projects.

Travis Hultin replied ideally the way you would roll that out would be to do the downtown parking study first and then you could take all of these into account. Such as where do people want to park their bikes, what types of bike users do you have, and then optimize the locations of those things. Of course doing that study will take some time so part of that depends on how anxious the Council is to deploy some bicycle parking downtown or do you want to wait until the downtown parking study is done that would not only include auto and bicycle parking. Or do you want to move forward with some basic bicycle parking elements in the meantime?

Councilor Wilson stated also in here you talk about the extension for ADA on the corners. Is that being mandated or are we just doing that?

Travis Hultin replied that came out of the Transportation System Plan as a recommended improvement.

Councilor Wilson stated that's not really taking up any parking spaces.

Travis Hultin replied no not if they are designed correctly. Each one has to be designed for its location and if you do it right, you won't sacrifice any parking.

Councilor Wilson asked will the ones on the north side of the street have an extension come out?

Travis Hultin replied that one is almost a necessity because of the issues that they have with the ADA ramps on the north side. There's not enough space in the sidewalk to have ADA compliant ramps and still maintain an ADA compliant pathway along the sidewalk. The 2 are fighting each other. One of the advantages of doing them on the north side is then you create the space to put in those ramps and still leave that accessible route around the regular public sidewalk.

Councilor Wilson asked isn't there supposed to be a 12 foot no parking area around the crosswalks?

Travis Hultin replied it's actually 20 feet by state law.

Councilor Wilson asked is that something that you're looking at ever putting in? It would deteriorate parking spaces at that point.

Travis Hultin replied the crosswalks would still be basically where they're at now. That 20 feet already exists.

Councilor Wilson asked are they ever going to enforce that downtown?

Travis Hultin replied I don't know. It is a safety concern because it's blocking off sight lines and that's why that law is in place.

Councilor Ripma stated you have 20 transportation projects on the list, 12 for water, and so on. Are these the entire Capital Improvement Plans?

Travis Hultin replied yes.

Councilor Allen stated as I look through this, I see places where it shows planning and studies. Where we have those items listed, my preference would be to use in house staff as much as possible.

Travis Hultin replied we would love to do that. With the amount of staff that we have right now, that wouldn't be realistic. I'd love to tell you that we'll go out and tackle it but these types of plans that we're talking about, I just don't think that they would get done.

Councilor Allen asked on the ADA stuff, didn't we recently have upgrades to do the ramps and the curbs along Historic Columbia River Highway?

Travis Hultin replied that's the project that Councilor Wilson just asked about, the curb extension project. That will help get us ADA compliance in that specific area. The ADA transition plan is a required plan that all municipalities are required to have. You have to go out and look at your systems and public facilities and identify where you have ADA barriers. Then you have to lay out a plan on how you are going to gradually remove those barriers. It doesn't say you have to go out and fix them all tomorrow but you have to have a plan in place. If you don't, you can get into a lot of trouble and if you don't believe me, ask the City of Bend.

Councilor Allen stated we had a Council meeting where we talked about curb extensions. We didn't want to sacrifice the parking but we did do the ADA ramps on the curbs.

Travis Hultin replied that's just at those 5 specific intersections. This plan would look at the whole City. We would go out and inventory where we're missing ramps or we have ramps that aren't up to standard. There's a variety of things to look at to find out where you have areas that are not ADA compliant and then you'd lay out a road map for the next 15 to 20 years and show the incremental steps that you'd take to remove these barriers.

Councilor Allen stated the shared roadway pavement markings, maybe I don't know enough about it, but so far I'm not a real fan of the shared roadway pavement markings. I prefer bikes to have dedicated paths.

Travis Hultin replied that would certainly be the preference. This came from the Transportation System Plan in looking at the bicycle network in the City and identifying roadways where there is no space to dedicate a bike lane. They are low speed roads on what would be primary bicycling routes where bike and cars can share the road. That's the purpose of these markings.

Councilor Allen stated the project to improve Stark Street from 257th to Troutdale Road. What I see is trouble on the north bike lane. It's painted as a bike lane but it's really not because it gets pretty narrow in places.

Travis Hultin replied I'm pretty sure that they are going to have bike lanes with that. I'm glad you brought that project up because I missed the City's share on the estimated cost. For those of you that are falling out of your chair from sticker shock, that's the total cost of the project. The City in previous CIP's had committed to kick in I think 10%. Our share of that would be more like $300,000. We're not putting in $3 million for that project.

Mayor Daoust asked the latest status of that is that Multnomah County is putting in for a State Transportation Improvement Project for $3.2 million but it's only for the ped/bike sidewalks on the north side and the culvert across Beaver Creek. It has nothing to do with the roadway.

Councilor Allen stated there was some talk about making improvements on the south side. I can understand that because it's easier to develop on the south side. Hopefully whatever they do will give us a better bike lane on the north side.

Travis Hultin replied they'll be running those plans by us.

Councilor Morgan asked is the north side your main concern?

Councilor Allen replied yes. On the north side bikes are intermingling with traffic. On the south side it seems like they have enough room. It's the north side that needs improvement but if it's easier to get that improvement by developing the south side then that's fine. The Halsey Corridor Plan makes sense.

Travis Hultin replied you'll see that I haven't even put a cost in for that yet. I'm aware that's something that's in the works. It's my understanding that the City will have some participation in that. If the Council doesn't think that we'll be participating in that then we can take it out. That's just based on me trying to keep my finger on the pulse of what's going on.

Mayor Daoust stated there may be some future cost. The City of Fairview got a $100,000 grant for the Halsey Corridor Plan. That's the first grant that will kick start that Plan.

Councilor Allen asked what does Construct Pedestrian Access Ways look like?

Travis Hultin replied there's a variety of locations in the City and we need to go out and do some inventorying on that. This has been in the CIP for many years. There are little tracts that have been dedicated between neighborhoods as the City was being built out in the residential areas that we intended to be for pedestrian connections and they still need some improvement to them such as a paved path, drainage, and those kinds of things. There are several spots scattered around the City that still need improvements.

Councilor Allen stated I noticed where we have multiple different funding sources and I find myself wondering on some of them what the split amongst those funds is.

Travis Hultin replied that's one of the elements that will be specified when we get to the final plan and we'll start filling in those numbers. That wasn't something I was able to have ready for this meeting but I wanted to give you an idea of where we think the money would likely come from for these projects. For projects that have Improvement Funds listed as the funding sources, those are SDC's and there are very specific restrictions on how we can charge and spend the SDC's. That's gotten a lot more complicated in the last 6-8 years with some changes to State Law that added an additional test to how you can charge and spend SDC's. It has to be specifically related to growth. It used to only have to be capacity enhancing but now the money that you put in from the improvement funds can only be related to future growth. That gets really complex because when you calculate how much you can charge for SDC's it's based on 1 point in time and how much you can spend on the project is based on another point in time. It gets to be a complex calculation. We'll have some work to do to figure all that out.

Councilor Morgan asked capacity enhancing growth is defined as what?

Travis Hultin replied capacity enhancing meaning you are adding a bigger pipe, bigger road, a bigger reservoir, or a new reservoir.

Councilor Morgan asked more parking?

Travis Hultin replied potentially but parking lots get a little more dicey. You have to be able to tie that to growth. When you calculate the SDC rate you take the day that you are doing that calculation and you have to figure out what the impact of growth is going to be from that day forward and that's what you base how much of that SDC you can charge for that project.

Mayor Daoust asked are there any questions on the water improvements?

Councilor Wilson asked is the seismic study the same one that got pulled from last year's budget?

Travis Hultin replied yes.

Councilor Allen stated I would agree that Reservoir #2 actually is a big concern based on its construction. I had a question, what is the MCE (Maximum Credible Earthquake) expected, do we know that number?

Travis Hultin replied I couldn't say that number tonight.

Councilor White stated I'd like to get the useable lifespan on the towers that are being considered for seismic. If you could get that for the budget that would be helpful.

Mayor Daoust stated let's move on to Sanitary Sewer. Are there any questions on those projects?

Travis Hultin stated as I said in my staff report, we want to do a little more research and refinement on a few of these, particularly in the north industrial area. When the Master Plan was developed a couple of these projects came through as depends on the intensity of the development and the intensity of the discharge. With an industrial area that can be so variable. You can get a trucking company that has a relatively low level of discharge or you can get a manufacturer of something that has very high discharge. At that point it depends on what actual development you get and you'll have to monitor as you go along and determine if these project will be needed. We've already eliminated 1 project based on what we know has happened with TRIP and there are a couple more here that we may be able to say confidently that we don't think they'll be needed but we're not there yet. We want to go back through some of the analysis that's been done in association with TRIP in more detail. When this comes back there may be a few projects that have been eliminated but I can't guarantee that.

Councilor Allen stated on the first project, GO Bond Debt Service, I didn't really understand what the requested change was.

Travis Hultin replied there was no change. That's carried over from past CIP's and reflects the Debt Service on the bond for the new Wastewater Treatment Plant. We have a few years left on that bond payoff stream. As you know, the Sewer Improvement Fund hasn't been able to keep up with its payments because of the economic conditions but we have maintained this in the CIP as it was originally created.

Mayor Daoust stated moving on to Storm Sewer.

Travis Hultin stated there is something I'd like to highlight here. This is similar to what I was talking about with sewer. One of the recommendations that I'm making in this draft plan is that in the near future we go out and update the North Troutdale Stormwater Master Plan. The reason for that is the North Troutdale Stormwater Master Plan was done in 2006 and adopted in 2007 and right after that was done here comes TRIP and that development consumes a big part of that service area. The Port and their engineering team have done a massive amount of design work to the drainage systems that are encompassed within those subdivisions. That's really changed the dynamics of a lot of things out there. Add to that, about a year after we did our Master Plan the Drainage District went out and did a new model of their whole drainage system. They found some things that they were going to change and some of the things that they told us when we were doing the Master Plan have changed. Also you have the Edgefield North property. Those folks have been out doing some really great design work and some of the things they've been doing look like they'll change some of the dynamics that feed into that North Troutdale basin. We feel like that plan has been overcome by events and it would be wise to update that plan. Some of those projects could drop out. There's always the possibility that another project could be identified through that process. What we're looking at now is that plan is kind of old news even though it's a little sooner than we would typically update that Master Plan. There's been so much change in that drainage basin since that Master Plan was done. We really think that it's probably time to update that again.

Councilor Ripma stated you have the update to the North Troutdale Storm Drainage Master Plan and you also have the Unified Storm Drainage Master Plan which mentions the North Troutdale Storm Drainage Master Plan.

Travis Hultin replied my thinking is that we'd do the North Plan update in the next 1-2 years. Then the Unified Plan would be 15-20 years down the road.

Councilor Allen stated across all subjects here, I look at the Master Plan and the amount of money being spent on it, it feels like we just got through it. It seems like quite a bit of money to do master planning that we've finished not too long ago. I realize there's a regulatory requirement that we go through this every so often but besides the industrial area, is there really that much change?

Travis Hultin replied when you look at the TRIP area, that's a very large portion of the North Troutdale watershed. The drainage systems that all interconnect out there all depend on what's happening at TRIP. You also have the Airport Master Plan being redone and some of these drainage systems interact with the airport property. It's about a 10 year old plan. A typical cycle would be 15-20 years so we're doing it a bit early but that's only because there have been so many changes in that basin, a lot more than you would typically see in that kind of a time period.

Councilor Wilson asked can we reach out to the Port of Portland or anyone else to help fund these studies?

Travis Hultin replied we could try. That thought occurred to me as well. Partly because we're so intertwined, especially with the Drainage District, the Port too as they're building out TRIP but once they're done then they'll just be a property owner that's selling property but the Drainage

District is there to stay. The Drainage District is the first person I would want to talk to. We'll certainly have the benefit from the modeling that they've done of all the storm systems up in that area. Because the Drainage District makes up almost the entire North basin, and we both have storm drainage systems in there, the ideal to me would be some sort of a collaborative Master Plan for that area but I can't guarantee that they would want to join in.

Councilor Wilson asked if the Port hadn't developed all of those properties out there, we wouldn't need to revisit this so soon, correct?

Travis Hultin replied correct but they'd probably argue that they've already redesigned all the systems and spent a lot of money on that. We can certainly talk to them about it. I think I'd feel more optimistic about being able to work with the Drainage District on something like that than the Port. If this were leading up to the TRIP development, prior to them designing all of this then they'd probably be more acceptable to something like that but they would probably come back and say they've already done their work.

Councilor Wilson stated let's ask them anyway.

Mayor Daoust stated they're redesigning some of the waterways out there at TRIP. It may be from all the rain that we're having but there's a huge lake out there.

Travis Hultin replied they have some issues that they're dealing with. I'm very anxious to go to the construction meeting tomorrow. I want to hear what their latest plan is for dealing with all of that because there's a lot of water. I think even though we've all been talking about it, I still think that somehow it was more than they expected.

Mayor Daoust stated I drove out Graham Road to where they have it blocked off, you can see there's a huge lake of water out there. I thought that wasn't planned.

Travis Hultin replied no it wasn't. If you go to the other end on the Fairview side and looking back on the western portion, there's an ocean. Not only is it a problem for them in terms of managing water for the construction and environmental issues, they've got a raft of environmental permits that they're operating under, there's also a big water fowl problem that's being created by that now for the airport. They are working very closely with the wildlife management staff at the airport to deal with that but it's making it much more challenging.

Councilor Allen asked are the culverts that you have in here to address that or do you think there's more that needs to be done?

Travis Hultin replied the problem out there right now is a transient issue. It's only going to be happening during construction because they haven't completed all of their drainage improvements. Once the project is fully completed, I wouldn't anticipate seeing that problem out there. If you get a big rain event sure but under normal rain event conditions, that shouldn't be happening. One thing that will help with that is a project in the CIP that's in progress right now and that's the Salmon Creek Weir project. Part of an agreement that we've had with the Sandy Drainage Improvement Company for awhile is to participate in that project which is a new drainage

control structure at the western end of that area that I was talking about where it goes into the core bay for the pump station. That structure has not been built yet. Once that structure is built that would give the Drainage District a much greater ability to manage that water.

Mayor Daoust stated let's move on to Exhibit E, Parks Improvements.

Travis Hultin stated I sat down and tried to turn this Parks Master Plan CIP methodology report into what I consider a more traditional CIP document. What I found is that it's very unwieldly. There are some other issues that I found the more that I looked at the Parks Master Plan. The first issue is there is a big component in that Master Plan for land acquisition. That was determined first through a collaborative process with the Council and community to determine what the level of service that the City desired was. Then based on that level of service, the population forecast for the City is a direct input into that equation. It's a linear relationship between what you think you're population is going to be and how much land you think you're going to need. At that time the forecasted population was going to be over 19,000. Those forecasts have been revised downward closer to 17,000 since that Master Plan was done. At the very least, those land acquisition calculations should be revised to reflect the lower population forecasts and therefore lower land acquisition to meet the level of service that's laid out in the Master Plan. There's a big piece right there that I think seriously needs an update because we're forecasting buying a lot more land than we really need to meet our level of service and that's a big cost driver. Then the balance of the plan was really based on the community involvement processes. My understanding coming out of reading it is that a lot of the individual improvements, particularly in some of the existing parks, were based on workshops, community group meetings, Parks Advisory Committee, Citizens Advisory Committee, and discussions with the Council that really formed what they put in for improvements. Those desires may have changed. That plan is 10 years old. They were projecting buildout between 2015 and 2020 and I don't think we're going to get there. We're near the end of the planning horizon for that plan already. There's been a lot of concern with the Council about what's in the Parks Master Plan and what's in the Parks CIP. As I was doing this, the conclusion that I kept coming back to is that it's probably time to update the Master Plan. First to revise the direct calculations, which we could do in-house easy enough. I'm more concerned about what the community wants. 10 years later, are those still the types of improvements that people want? In 2005 there may have been a greater desire for tennis courts and maybe in 2015 people don't play tennis so much anymore and they'd rather have a skateboard park or more basketball courts or whatever people really want now.

Councilor Ripma stated you said having all of this land acquisition and other improvements is a cost driver. What cost is it driving? This is the CIP for things we might want to do but we don't necessarily have to do. It doesn't drive our SDC's because we lowered those in spite of the CIP which I think was the right thing to do. It's a very long and contentious process with a great deal of public input and a lot of revenue was put into it at the time. While it may not look like the other funds, that doesn't mean that it's wrong. I think our SDC rates were adjusted regardless of the CIP. I wonder if you're right that people may have different interests in parks now but I question that.

Councilor Allen stated our SDC rate had more to do with what the market bared than what we actually wanted.

Councilor Ripma replied we decided that regardless of everything else, we'd set an SDC rate that was competitive and would attract development. The Parks CIP doesn't drive this. There isn't a need to get into the minutia of the Parks CIP and adjust it for that reason.

Councilor Allen stated I actually like Parks and Open Spaces. You have to do some planning because otherwise the land is gone and you didn't do anything and now it's too late. I'd like to see it flushed out more as to what we really want the remaining parks to look like as we go through build out. I would think that working with our Parks Advisory Committee on putting more detail on here as to where they'd put more parks and what kind of parks they would be.

Travis Hultin replied the existing Parks Master Plan does have some of that detail. I don't recall if it lists specific properties but I think it lists the areas where different kinds of parks are needed. What you see in this plan, with the exception of the Master Plan update that I added, is verbatim off of the SDC methodology report from that plan. It's unwieldy and the projects are somewhat vague. There's a lot more detail inside the Parks Master Plan but it's difficult to tie the details in the plan to the entries that are in the methodology report.

Councilor Allen stated listing what we'd like to do, what we'd like to see in these different parks, and where the locations might be is easier to get behind that than just numbers. It would require some thought because if the Parks Advisory Committee can come up with ideas on what they want the future to be then maybe when property becomes available we might be able to actually pick it up knowing that we want to do something with it rather than letting the opportunity go by.

Councilor Wilson replied one of the things we did was put a moratorium on buying anymore property. Isn't that correct?

Travis Hultin replied no, I don't recall that there was formal Council action taken on that. When the Council began that discussion with the former Director one of the planning work sheets asked him to eliminate that and see what it did to the SDC rate. There was no actual formal Council action putting a moratorium on that.

Councilor Ripma stated it turned out we didn't need to do that to adjust the SDC rate. We just went ahead and adjusted it.

Mayor Daoust stated I'm ok with updating the Parks Master Plan. Some of the discussion was questioning the level of service methodology. Instead could we just put our own plan together with a list of capital projects that we think would be good to add to the City? Whether we decided to buy or add additional parks, we could add that too and divorce ourselves from this level of service calculation methodology where it comes up with so many acres of community parks and so many acres of neighborhood parks. I think some of our thoughts before were that we do need an updated plan but maybe we could simplify it some and just come up with an agreed upon capital improvement list between the Parks Committee, the City Council, and the community.

Travis Hultin replied one approach you could take is rather than do a full update to the Parks Master Plan, you could take your existing Plan and you could mold that into a more defined project list if you so desired.

Mayor Daoust asked rather than redo the plan?

Travis Hultin replied yes. There was a lot of discussion about the different methodologies and the current methodology is actually a hybrid methodology. It's part level of service and part improvement approach. Some plans are purely level of service or purely improvement. The kind you were talking about would be purely improvement based plan. The current plan has both. It has a level of service associated with how much park area you're going to have and it has an improvement component associated with what you're going to have in those parks.

Councilor Wilson stated it's just a wish list. We're talking about going through and redoing it but it's just a wish list. Just leave it alone.

Councilor Ripma stated it doesn't seem like a major priority. It seems like there are other things that should come first.

Mayor Daoust stated it's just that the old plan has wrong assumptions in it and planners don't like to work with plans that have the wrong assumptions. It kind of devaluates the projects that you come up with. There has to be some basis for the projects that you come up with.

Travis Hultin replied I'd say that it's based on outdated assumptions in terms of the land acquisition and the improvements that are tied to those new land acquisitions also. There is money in there to put improvements on that land if you acquire it. You also have improvements associated with the existing parks and those are really driven by what came out of the community involvement processes.

Steve Gaschler stated there is a distinguishing line that needs to be determined and it's part of that level of service. You have to figure out the level of service and what are you doing to accommodate your deficiencies. That comes out of General Fund money, it's not improvement money, and they have to distinguish what is driven by the growth piece of it and that's Improvement Fund money. There has to be a methodology that sorts those two out and gives you a good ground to stand on. If you don't do that, your methodology is up to be challenged and could get you in a lot of trouble. I agree, it is a little more of a wish list, but it does do more than that because if you are going to use SDC's then it has to be on that list but it doesn't mean that you have to count it in the SDC just because it's on the list. There is a correlation. You could arbitrarily go in and say we're going to cut it but you basically said we're not going to do a lot of stuff on the list by doing that.

Councilor Ripma replied I think that's true for the whole CIP. All of them have some things that we'll get around to it when we have the money and it rises to the level of priority necessary to get to it. In the meantime it's a wish list.

Mayor Daoust stated project #10, on page 12, you talk about the paths and trails and we talk about the 40 Mile Loop Trail. This particular project just goes down to the Interstate Bridge. I didn't see any project in here that dealt with the 40 Mile Loop Trail from the Depot Museum south.

Councilor Allen replied I think there is something in here.

Travis Hultin are you talking about Drover's Trail?

Mayor Daoust stated no connecting to the Canyon and Springwater Trail.

Travis Hultin replied my recollection is that it's in the Parks Master Plan and therefore encompassed in one of these trail projects.

Councilor Allen stated I think it's project #15 PA-015.

Mayor Daoust stated I did see that one but it wasn't specific to the 40 Mile Loop Trail like the other one was. If that's the intent then that's fine.

Councilor White stated one thing that I'd like to see added in is College Park and actually count it as a park. It basically isn't counted as a park. I noticed the work that ODOT did on the east side of the Sandy River, the trail, I'd really like to see that connect to Glenn Otto Park somehow if there's a way. They put so much effort into that then you could do a loop around the City and get onto Drover's Tail. I'd also like to see the trail go along Beaver Creek. We've talked about that before. I know Councilor Allen was looking into some possible funding and there are some problems associated with that as far as ownership but that would be ideal. I think we have enough parks especially if we actually include College Park as a park. A lot of our parks have been donated and I think we should keep that door open. I don't want to get into a situation where we'll have to charge a fee to use our parks. I'm really conscious of the cost involved. Less studies and more checking things off the list for me.

Travis Hultin replied the trail on the east side of the river is a project that you could certainly add to your Parks CIP if you'd like to. We can make whatever best guess about where the money would come from and we could even say we think it'll come from somebody else.

Councilor Allen stated it kind of goes in hand with what Mayor Daoust was saying because we're basically completing the 40 Mile Loop coming out to the Depot Museum and then heading south along Beaver Creek.

Travis Hultin replied the name 40 Mile Loop is supposed to be going by the way side and they're using the term Intertwine. To me this kind of goes along with the concept of the Intertwine which is that it's not just 1 trail, it's a bunch of trails that link together.

Steve Gaschler stated it's my understanding that Metro is getting ready to go out with a request for proposals to hire a consultant to come in and take over what they did, refine it, and come up with a more actual plan that is a little more practical. They're going to work with Gresham and Troutdale on that.

Mayor Daoust asked did you have any final statements or requests?

Travis Hultin replied my only other request is if there is any other general guidance or feedback that you want to offer that I can take back and incorporation into finalizing this.

Councilor White asked how much effort would it take to get College Park counted as a park?

Travis Hultin stated it would depend on what context you are talking about. Metro owns it so we can't just claim it.

Councilor Wilson asked even though we take care of it?

Travis Hultin replied we have an agreement with them to do that. That will only become a factor if we recalculate those level of service calculations because that's really where it comes into play.

Councilor White stated I'd like to see it plugged in now it that's at all possible.

4. Adjourn

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

Meeting adjourned at 9:25pm.

DRAFT

Doug Daoust, Mayor

Dated: _____

ATTEST:

DRAFT

Sarah Skroch, City Recorder

CITY OF TROUTDALE
CITY COUNCIL – Work Session
Tuesday, November 17, 2015

PLEASE SIGN IN

Name – Please Print	Address	Phone #
PAUL W/LOX	TROUTDALE	
Brian Sheets	Troutdale	503-830-1448
Diane Castillo	Troutdale	503-888-1405

Board & Staff Communication

Glenn Barnes
Environmental Finance Center
The University of North Carolina at Chapel Hill
919-962-2789
glennbarnes@sog.unc.edu

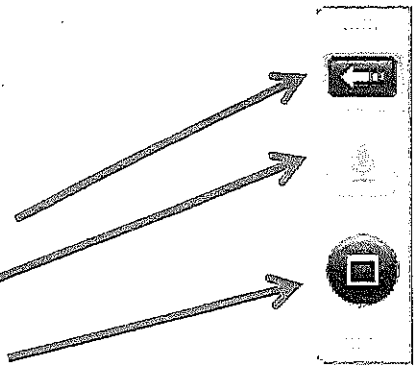
Logistics

At the top right corner of your screen:

Show your control panel to submit questions and see answers

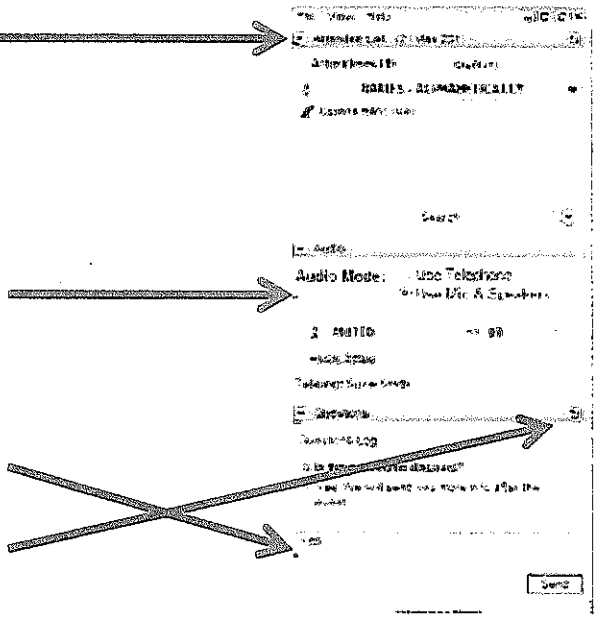
All phones/microphones are muted for the duration of the webinar.

Toggle between full screen/window screen view



Control Panel:

Attendee List



Audio: please choose between speakers and telephone. If you do not hear audio right now, please check your speaker volume or enter #[audio pin]# if using phone.

Submit questions in the Questions box at any time, and press [Send]. To undock and increase the size of the box, click on top right corner icon.

Session Overview

- Understand strategies for getting buy-in for needed rate increases

- Learn about a recent nation-wide survey of current practices

Polling Question 1

What kind of water utility do you represent?

- For-Profit
- Municipality
- Sanitary District
- Other Special District
- Not a Water Utility

Polling Question 2

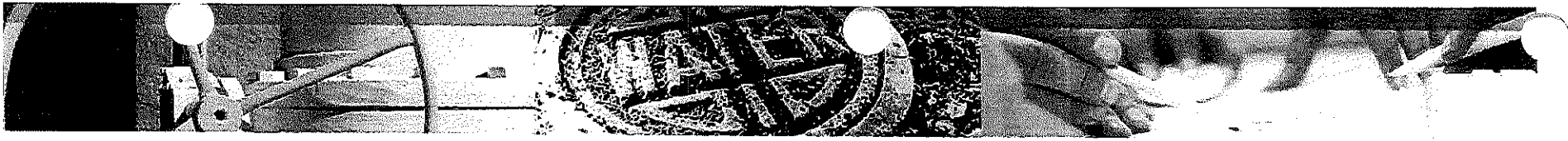
What size water system does your utility operate (by number of people served)?

- Very Small (500 or fewer people served)
- Small (501 to 3,300 people served)
- Medium (3,301 to 10,000 people served)
- Large or Very Large (10,001+ people served)
- Not a Water Utility

Polling Question 3

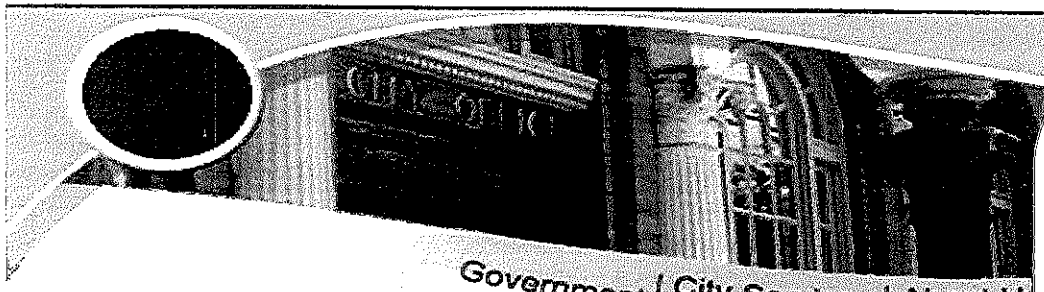
Are you a board or staff member?

- Board Member
- Staff Member
- Not a water system



How much money do you need?

Systems Love Low Rates, but...



Government | City Services | About Us

Job Openings
Citizen Survey Results
Council Agenda
Comprehensive Planning Information
Community Assessment
E-News Signup

You are here: Home › News Flash

News Flash - All

News Flash - Home

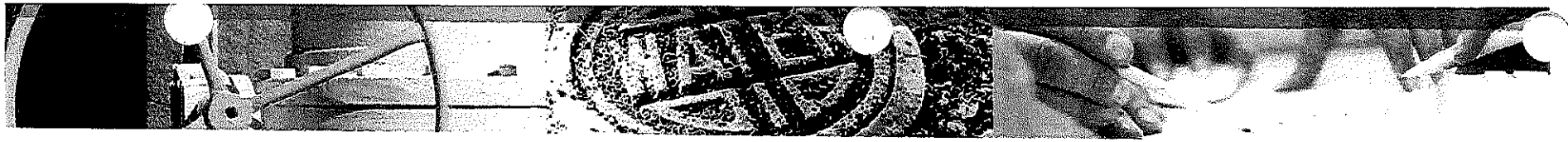
Low Water and Sewer Rates
January 8, 2007

Once again, the City of
and sewage rates in
providers to evalu
City of
household, the City has the third lowest water
bill of $15.38, and sewage bill of $10.36. As a result,
combined residential water and sewage rates, of the 63 polled.

ecent s
ates residents p
is proud to say, based o
ater
proved to have the third lowest

The commercial rates were also compared among the same providers, based on 150,000 gallons per month. has the lowest sewage, as well as the lowest combined water and sewage rates of those polled. The average commercial monthly sewage bill is $222.00, with the combined

"Once again, the [City's] Water Department proved to have some of the lowest water and sewage rates in the state."



What about customers?

THE STORIES BUSINESS FAITH TECHNOLOGY REAL NEWS THE BLOG GUN

HOT TOPICS: Campaign 2012 Media Matters GBTV

+1 1.9k L

BUSINESS

RESIDENTS INCREDIBLY HAPPY ABOUT WATER SERVICE: *"I DON'T KNOW HOW THESE FOLKS DO IT – CLEAN WATER WHENEVER I NEED IT FOR ONLY A FEW DOLLARS A DAY!!"*

Posted on December 17, 2011 at 3:20pm by Becket Adams

Email » Prin

Like 467 Send +1 10 Tweet 78

Comments (3

"These people are going to end up rioting about this," says Sheila Tyson, a community activist in Jefferson County, Ala. "If they let this stuff happen they are going to get the biggest riot the South has ever seen . . . I can see it coming."

Will our rates provide sufficient cost recovery?

Are we following the applicable laws?

What exactly does this include?

Will revenues be resilient to changing water demands?

Are we allocating the costs to the right customers?

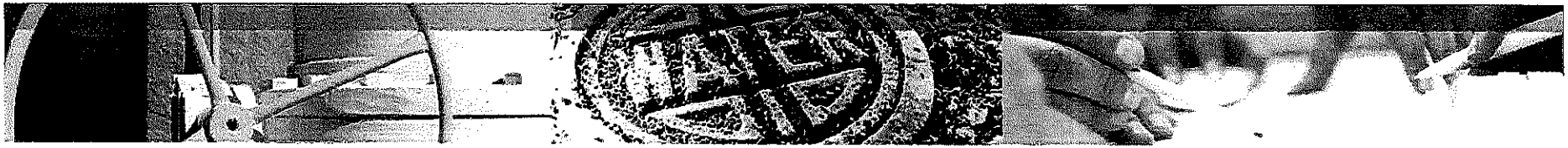
Do these rates send the right signals to our customers, based on our objectives?

Will our customers understand these rates?

Will our customers be able to pay these rates?

"Full Cost Pricing"

- Operations & maintenance expenditures
- Taxes and accounting costs
- Contingencies for emergencies
- Principal and interest on long-term debt
- Reserves for capital improvement
- Source water protection

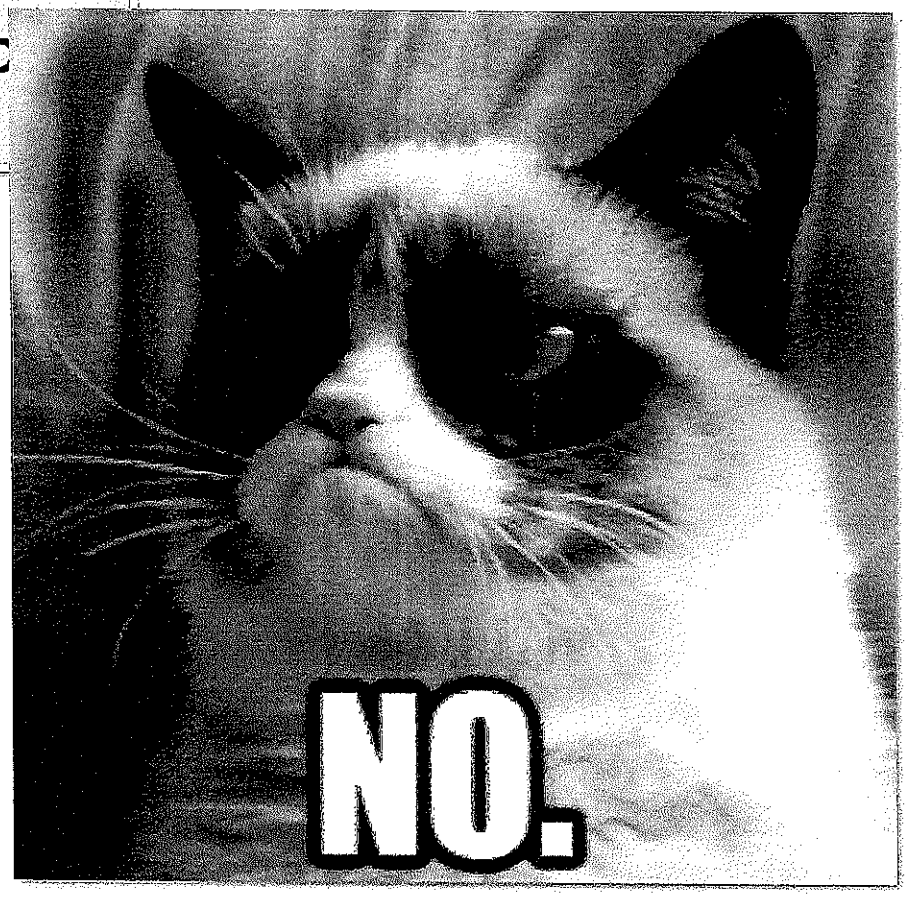


Difference Between Board and Staff Roles and Responsibilities

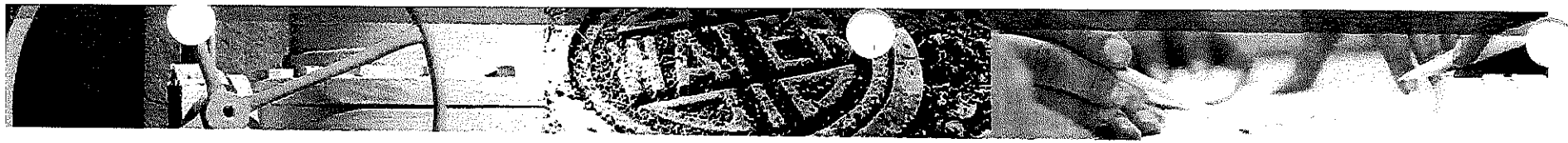
Board Responsibility → Staff Responsibility

Strategic	Quality	Resources	Administrative	Standard Operating Procedures	Rules

Can we get a rate increase?



Some ways of getting buy-in



Appeal Based on What's Good

Water has MWRA bubbling with joy

New process said to improve taste

By Michael Levenson
GLOBE CORRESPONDENT

It is flowing, 275 million gallons a day into our homes, and, boy, is it delicious, state officials say.

Tap water flowing to 2.3 million people in Greater Boston is now dramatically better tasting, officials say, thanks to a new treatment plant in Marlborough that uses ozone to remove contaminants with a decrease in chlorine.

"It's clean, and it's crisp, and it's refreshing, and it's a great product; we'd put the taste of our water up against any bottled water," said Frederick A. Laskey, executive director of the Massachusetts Water Resources Authority. "Put our water in the refrigerator, pour a great-tasting water is [illegible]

The [illegible] treatment not only affects taste, it also makes the water safer and cleaner than the stuff Greater Bostonians have been quaffing for generations, Laskey said.

A 2001 federal appeals court ruling spurred the MWRA to use ozone as a water purifier. The US Environmental Protection Agency had asked the authority to build a more sophisticated water filtration plant to remove contaminants. But the MWRA successfully argued that an ozone system could be built that would make the wa-

WATER, Page A12

"It's clean, and it's crisp, and it's refreshing, and it's a great product..."

Appeal Based on What's Wrong

2013 REPORT CARD for America's INFRASTRUCTURE

ASCE
AMERICAN SOCIETY OF CIVIL ENGINEERS

LAUNCH THE REPORT CARD › HOME GRADES STATES NEWS TAKE ACTION

EXPLORE ASCE'S 2013 REPORT CARD FOR AMERICA'S INFRASTRUCTURE ONLINE!

- GRADES
- STATE
- VIDEOS
- INTERACTIVE CHARTS

LAUNCH THE REPORT CARD ›

AMERICA'S GPA:

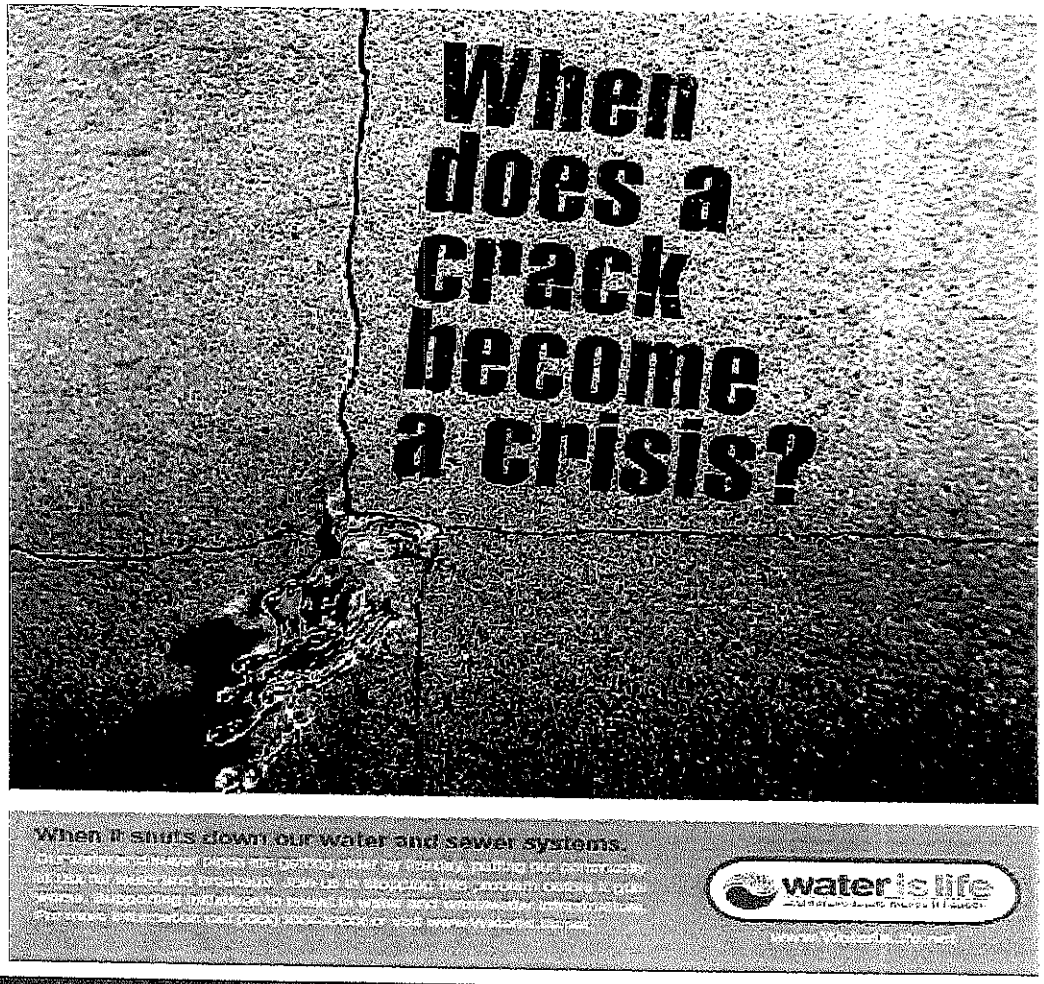
D+

The American Society of Civil Engineers is committed to protecting the health, safety, and welfare of the public, and as such, is equally committed to improving the nation's public infrastructure. To achieve that goal, the Report Card depicts the condition and performance of the nation's infrastructure in the familiar form of a school report card—assigning letter grades that are based on physical condition and needed investments for improvement.

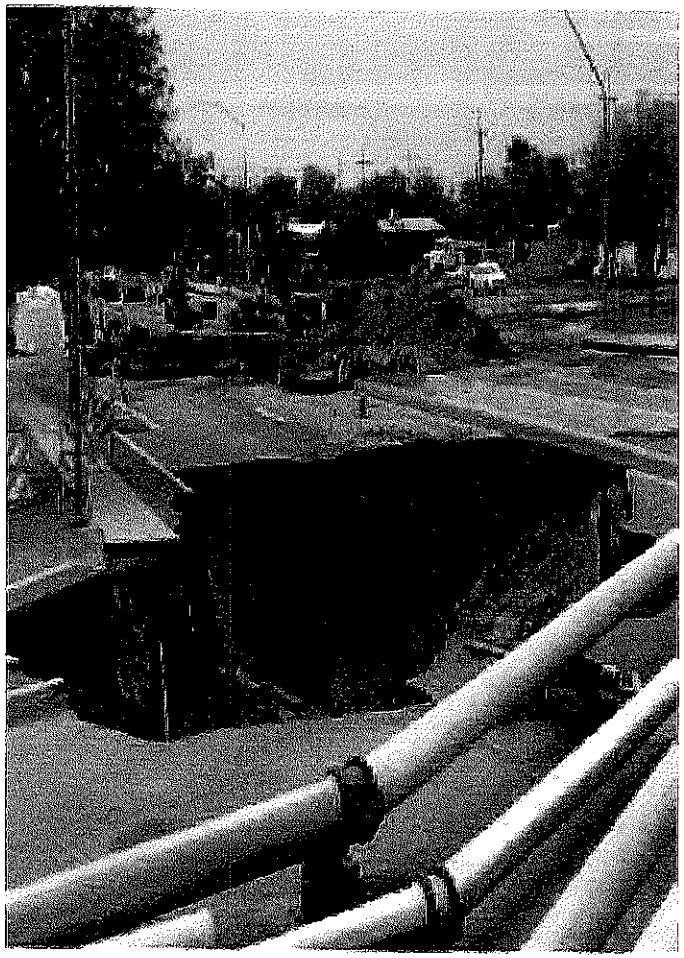
ESTIMATED INVESTMENT NEEDED BY 2020:

$3.6 TRILLION

Warn of Consequences

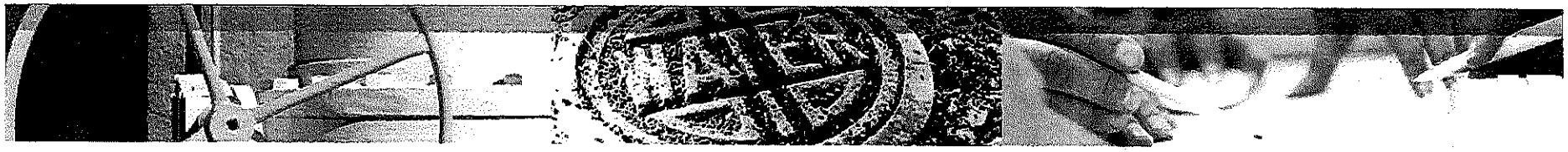


A 'Good' Crisis…



Use Visuals

Photo Source: http://www.wuc.on.ca/information/distribution.our_watermains.cfm



Talk Numbers

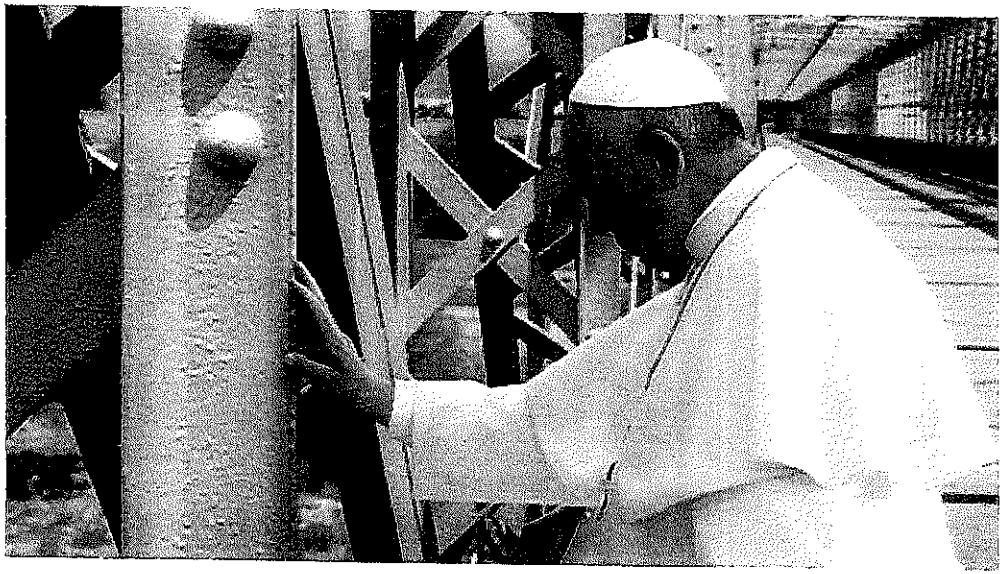
Annual Capital Improvement Budget for Water System	Total Value of Water System	Replacement Schedule
$226,000	$315,496,000	

Divine Intervention

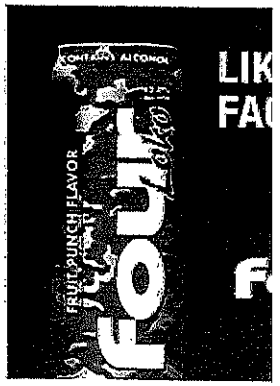
the ONION®

Pope Francis Lays Hands On Ailing U.S. Infrastructure

NEWS IN BRIEF
September 25, 2015
VOL. 51 ISSUE 38
News · Religion · World Leaders · Pope



NEW YORK—Treating the frail, long-overlooked structures with an unparalleled display of compassion, Pope Francis reportedly inspired a crowd of onlookers Friday by laying his hands upon the ailing United States infrastructure. "My heart just melted when I watched the pope



ONION VIDEO

rt Management for
all Water Systems
www.efcnetwork.org
UNC
ENVIRONMENTAL FINANCE CENT

But how is this happening at water systems today? What is working well, and what is not?

Water Research Foundation

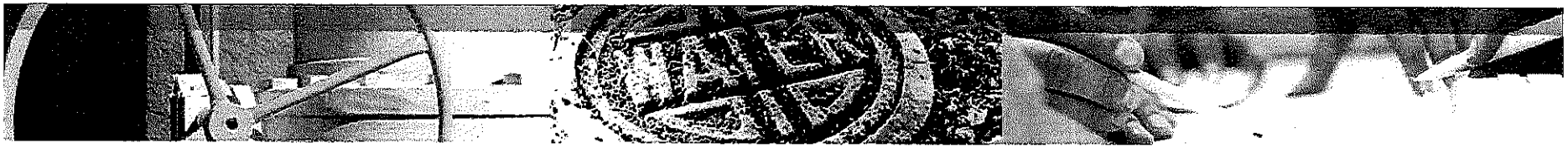
Communicating a Rate Case:

2014 Survey on Water System Rate Communication

ICMA

Leaders at the Core of Better Communities

UNC ENVIRONMENTAL FINANCE CENTER



Methodology

	Chief Administrative Officers	Chief Elected Officials
Matched surveys sent	5,750 (4,439 cities; 1,311 counties)	5,750 (4,439 cities; 1,311 counties)
Surveys returned	2,110	781
...from local governments that manage and set rates for water systems	1,408	329
Matched Sets from Same Local Government	202	

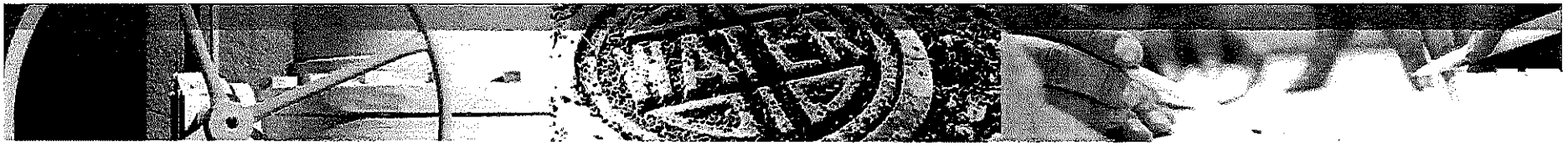
Survey was administered by ICMA from May through August 2014

Survey Objective

Identify the:

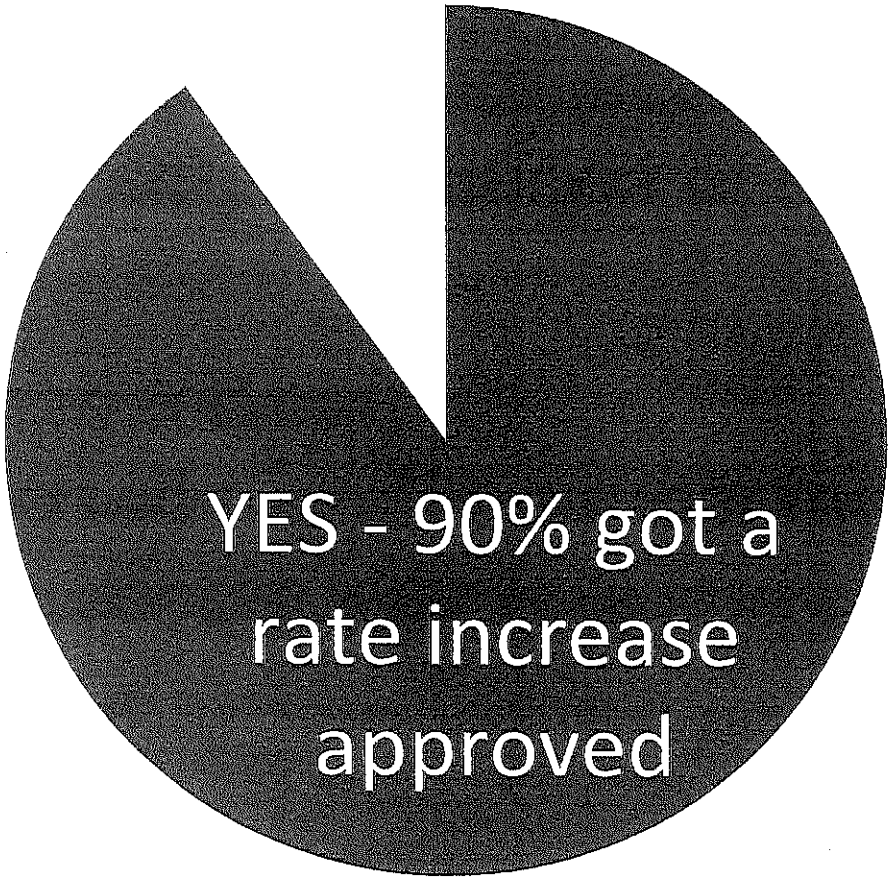
- Most important factors and information shared regarding the most recent rate increase request

- Most effective methods of communicating the need for the rate increase

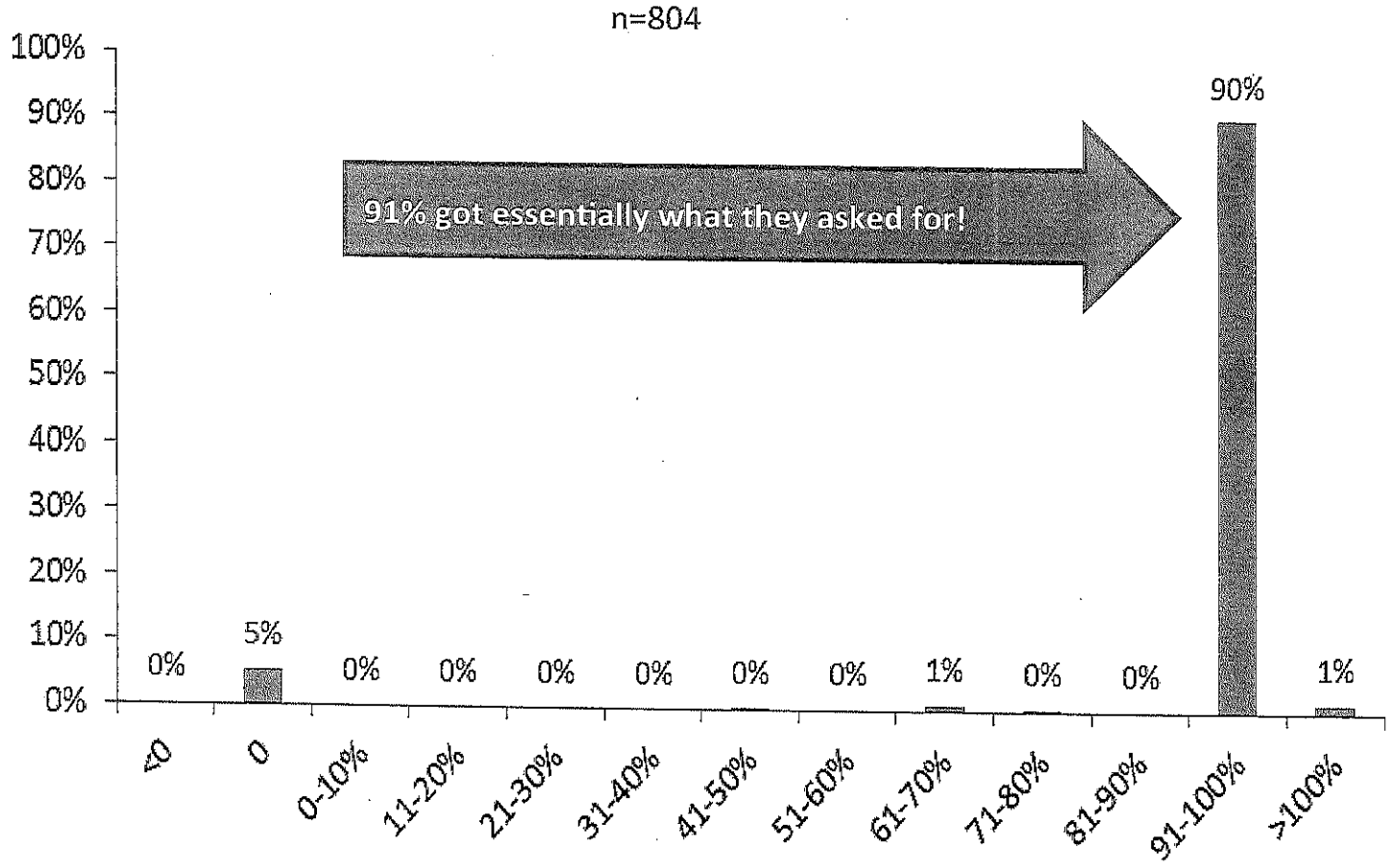


Are rates getting approved?

n=1,330



What was approved vs. what was requested?



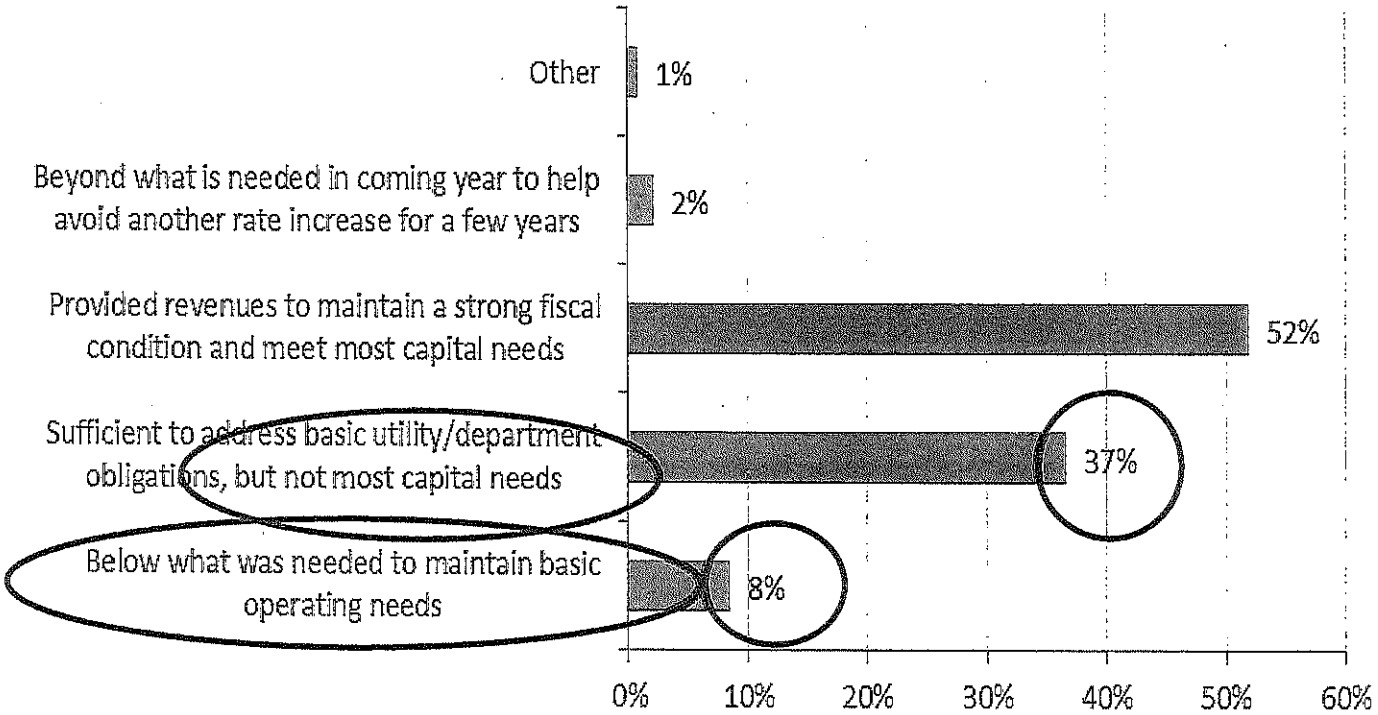
When single request was made (n=806)

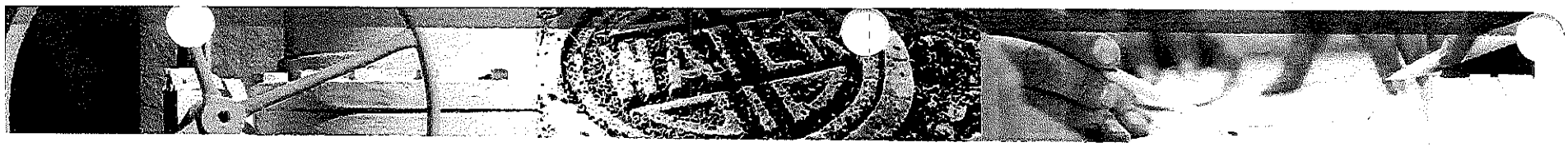
*Summary Statistics

But...did they ask for enough?

In your professional opinion, which statement below best describes the water rate increase that was proposed to the local government governing body for approval?

n=1,349





Some Key Factors

- Trust (Working Relationship)
- Information Conveyed
- Public Involvement

Trust (Working Relationship)

According to administrative officers, the working relationship with the governing body is not related to:

- The size of the governing body
- Whether or not a rate adjustment was approved by the governing body

*Bi-variate analysis

Trust (Working Relationship)

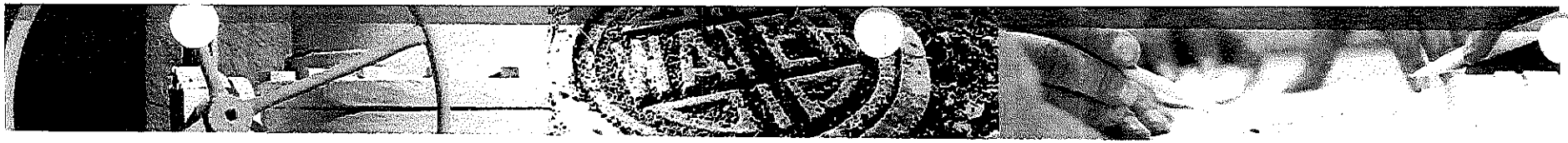
But…the administrative officers with better working relationships with the governing board were:

- More likely to request higher rate increases
- More likely to request full-cost-recovery rate increases

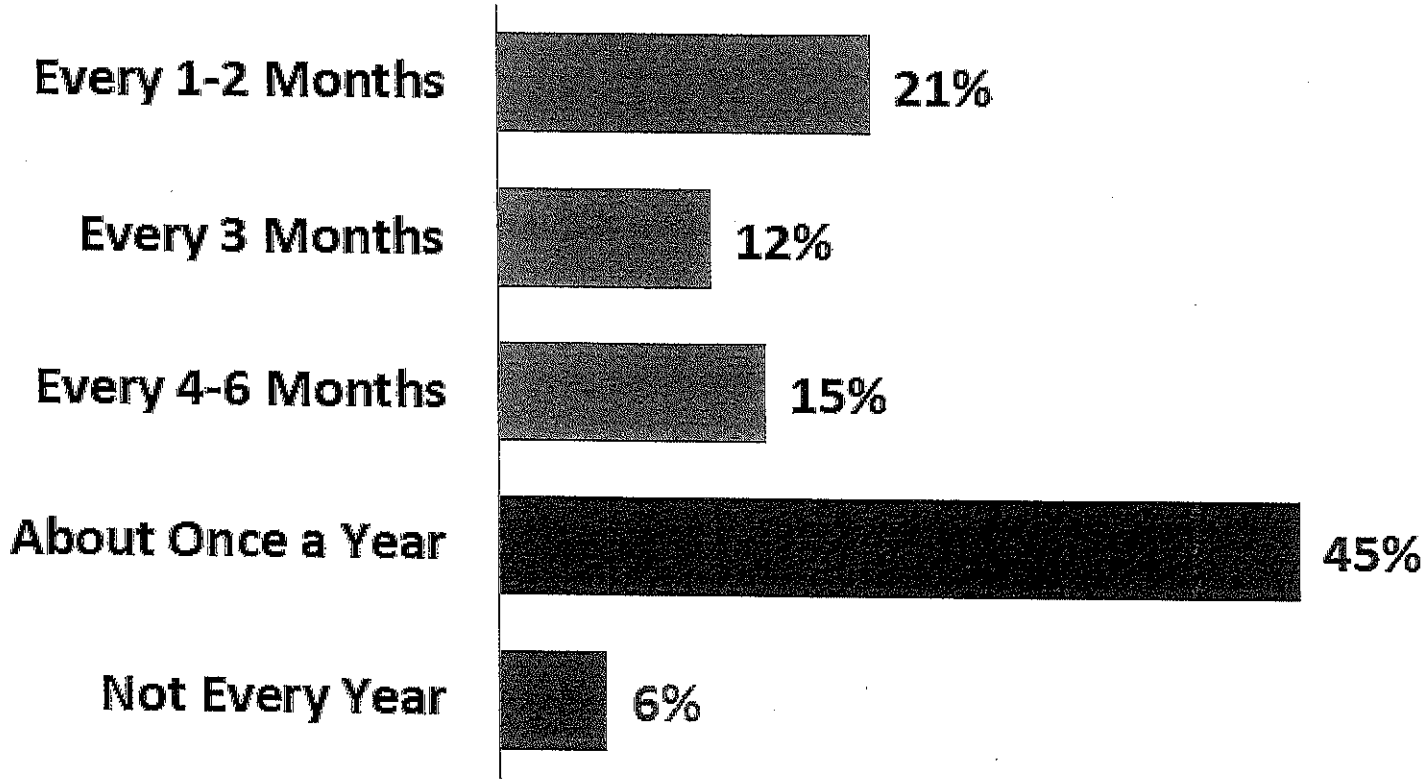
*Bi-variate analysis

Trust (Working Relationship)

- According to elected officials, **more frequent communication** and **effective communication** are directly related to a good working relationship

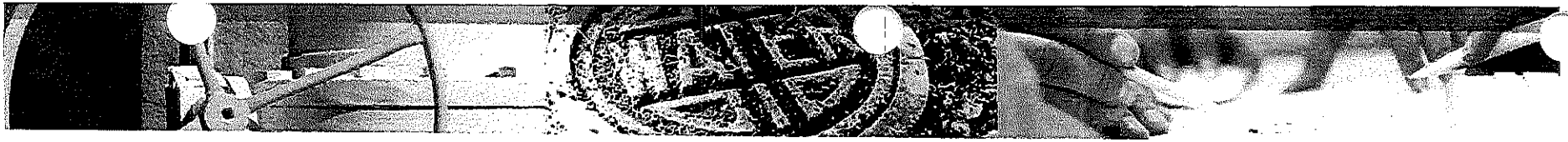


The full governing body typically meets with staff once a year or less



Information Conveyed to Governing Boards

Description	Utility Interviewed 1	2	3	4	5	6	7	8	9	10
1. How much the average bill would change	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
2. How changing circumstances affects finances	✓	✓	✓	✓	✓	✓	✓	✓	✓	
3. Anticipated capital expenses	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
4. The financial condition of the water utility	✓	✓	✓	✓	✓		✓	✓	✓	✓
5. The physical condition of the water utility	✓				✓			✓	✓	
6. How proposed rates compare to customer incomes	✓							✓		✓
7. Comparisons of rates with other utilities	✓	✓	✓	✓	✓		✓	✓		
8. Bond covenants	✓	✓	✓	✓	✓			✓	✓	
9. Multiple rate scenarios				✓			✓			✓
10. Projected impact of rate adjustments on demand							✓		✓	
11. Previous history of water rate adjustments	✓	✓			✓				✓	
12. Rate adjustments needed in the next few years	✓	✓			✓		✓		✓	✓
13. Comparisons of rate adjustments with other services	✓			✓			✓			
14. Initiatives that improve efficiency				✓			✓	✓	✓	✓
15. Customer satisfaction surveys					✓			✓		✓



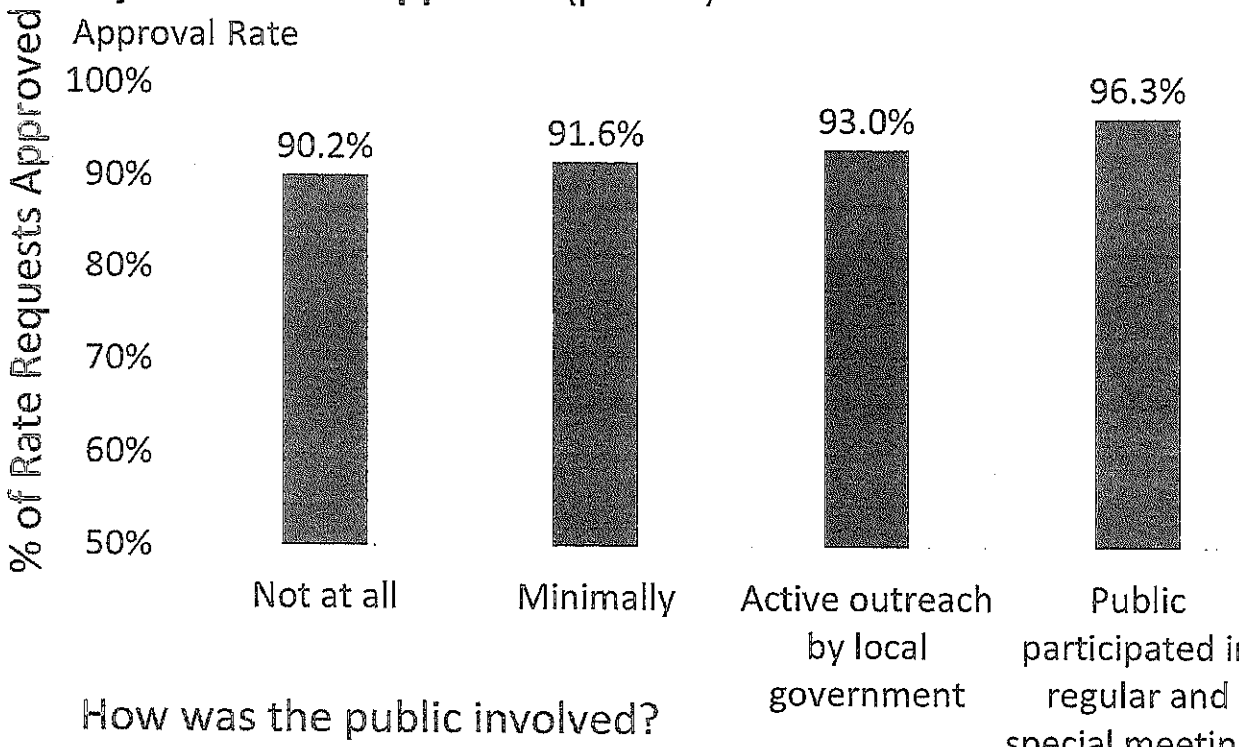
Information Conveyed to Governing Boards

Description	Utility Interviewed 1	2	3	4	5	6	7	8	9	10
1. How much the average bill would change	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
2. How changing circumstances affects finances	✓	✓	✓	✓	✓	✓	✓	✓	✓	
3. Anticipated capital expenses	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
4. The financial condition of the water utility	✓	✓	✓	✓	✓		✓	✓	✓	✓
5. The physical condition of the water utility	✓				✓			✓	✓	
6. How proposed rates compare to customer incomes	✓							✓		✓
7. Comparisons of rates with other utilities	✓	✓	✓	✓	✓		✓	✓		
8. Bond covenants	✓	✓	✓	✓	✓			✓	✓	
9. Multiple rate scenarios				✓			✓			✓
0. Projected impact of rate adjustments on demand							✓		✓	
1. Previous history of water rate adjustments	✓	✓			✓				✓	
2. Rate adjustments needed in the next few years	✓	✓			✓		✓		✓	✓
3. Comparisons of rate adjustments with other services	✓			✓			✓			
4. Initiatives that improve efficiency				✓			✓	✓	✓	✓
5. Customer satisfaction surveys					✓			✓		✓

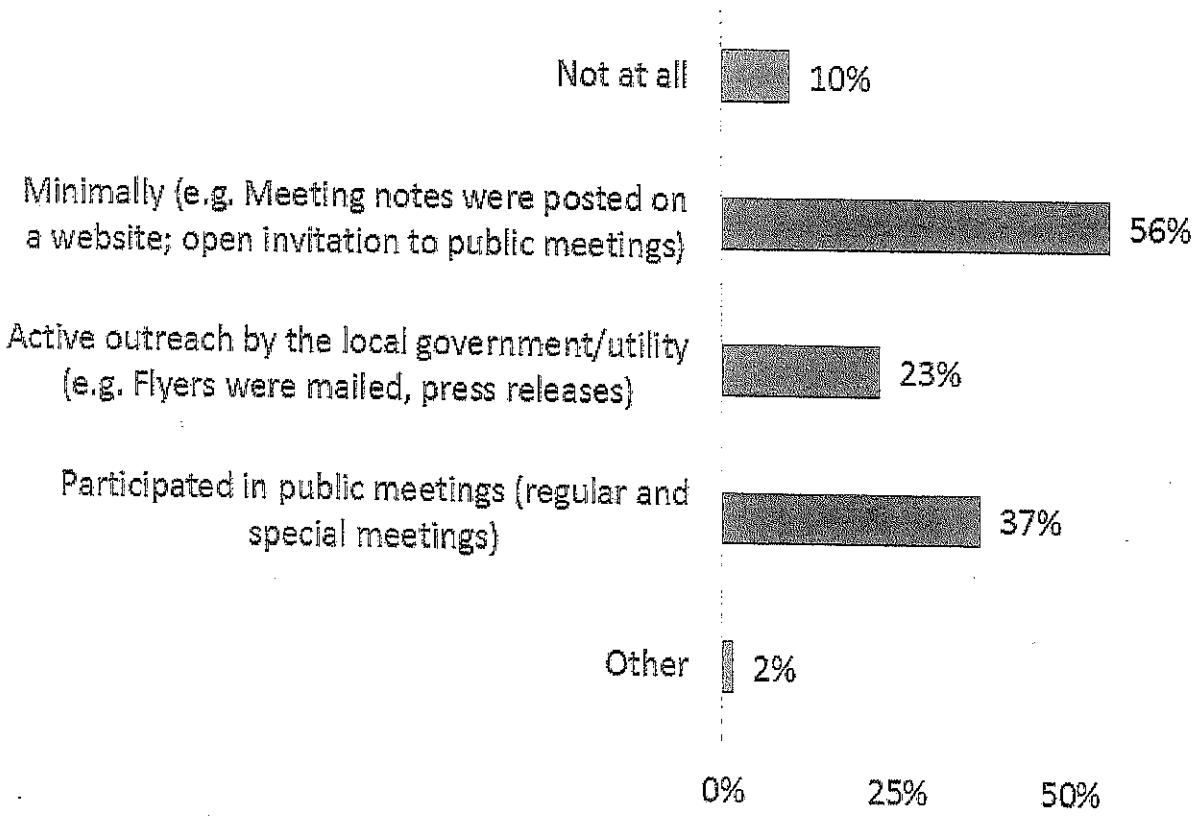
Highlighted were reported by Governing Boards as most helpful.

Public Involvement

The **more the public was involved**, the more likely the rate adjustment was **approved** ($p<0.01$)

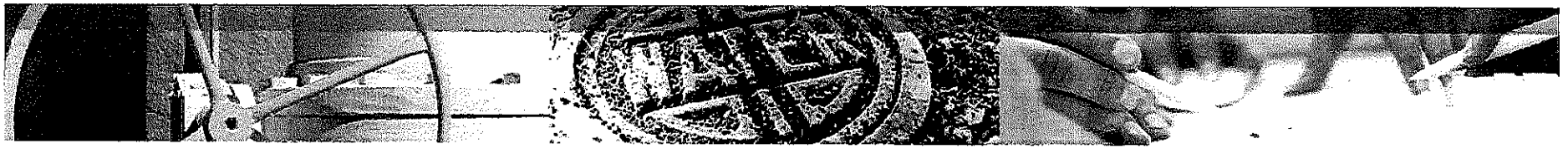


Public Involvement



How the public was involved? (n=1,364)

When the public was involved, the system was 20% more likely to request a higher rate increase



The Bottom Line

Water systems are getting rate approvals, but effective and frequent communication about salient issues, along with public involvement, can make the difference in getting the rates systems need to cover capital costs.

Polling Question 4

Would you like to subscribe to the Environmental Finance Center's blog?

- Yes
- No

Polling Question 5

Are you interested in receiving in-depth technical assistance for your small water system?

- Yes
- No
- Would like more information on this

Board & Staff Communication

Glenn Barnes
Environmental Finance Center
The University of North Carolina at Chapel Hill
919-962-2789
glennbarnes@sog.unc.edu

Service District Information

District Name: Troutdale Water District

Main Page | Scheduling - Test Notices | Scheduling - Other Letters | System Options

Regulation Governing Program

Oregon Health Department - Drinking Water Progra

Send scheduled test notice: 15 days before start of test month

☐ Send test report forms with scheduled test notices

Time to 1st warning notice: 55 days after start of test month

Time to 2nd warning notice: 85 days after start of test month

Time to 3rd warning notice: 105 days after start of test month

Time to final shut-off notice: 130 days after start of test month

Note: To omit the 2nd and/or 3rd warning notices, leave those fields blank.

Close

Customer Information

Customer: 12 Mile Disposal aka Crownpoint Refuse Account #: NW Marine Dr 2430

Main Page | Surveys | List of Assemblies | Assembly Details | Test Schedules/Results | Photos

SITE SURVEY

☐ Survey Required

Survey Notification Sent:

Survey Completed On:

SURVEY RESULTS

☐ Assemblies Required

Type of Protection:

Survey Follow-up Sent:

Follow-up Inspection By:

Survey Results for Follow-up Letter

RESIDENTIAL QUESTIONNAIRE

☐ Questionnaire Required

Initial Letter Sent:

30-Day Follow-up Sent:

☐ Response Received

☐ Send Thermal Expansion Letter

Thermal Letter Sent:

☐ Send Internal Protection Reminder

Reminder Letter Sent:

General Comments

Find Customer | New Customer | Delete Customer | Close

Record: 1 of 444 No Filter Search

DRAFT

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

Tuesday, December 15, 2015 – 6:30pm

1. Roll Call:

Mayor Daoust called the meeting to order at 6:31pm.

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

ABSENT: Councilor Anderson (excused).

STAFF: Craig Ward, City Manager; and Sarah Skroch, Deputy City Recorder.

GUESTS: See attached.

2. Discussion: Bike Hub and Depot Park

Craig Ward, City Manager, Troutdale, Oregon, states we have Sharon Nesbit with the Troutdale Historical Society (THS) and Claude Cruz with the Chamber both here. I have spoken to the Mayor a couple times and he was asking if there was anything for the packet. The answer is that we didn't have a tentative agreement until last Thursday and that has continued to evolve since then. I have good news and bad news. Most of this is going to be about the good news. I'll hold the bad news for the end. The good news is that we do have a tentative agreement and they can both speak to that as they choose. We clearly wanted to find a compromise position. I think both sides have had to give and take to make the deal happen. What I perceive as the mutual goals that we were working towards was to preserve the museum. It's important to everybody. Because THS has moved out of most of the building the other goal is to move The Chamber into it and try to find the conditions under which the Chamber can accept moving into the building. We also implied in the conversations the fact that we want to keep the exterior the same. It is a historical structure so we don't want to mess with the structure. It sits on a foundation that was constructed at the time the building was moved there. That foundation has no historical integrity to it. It has aluminum frame windows and is just a concrete foundation. We may modify that if we choose to while retaining the character. It's important to the Chamber to upgrade the bathroom on the first floor. That restroom is not ADA compliant and we want to come up with a solution to make it ADA compliant. The building is 3 levels including a basement below the building. One of my proposals is to try to come up with a phasing plan. One of the issues here is that the archives for THS are currently in the basement. They have humidifiers down there and a variety of files and storage items and

they need a place to keep all of that. They need a place where the volunteers who work for THS can come in and work on those files. That's a problem for them if they move all of those files to the barn. While they have storage at the barn the storage area they have is upstairs and there is no ADA access. Therefore the volunteers don't want to be climbing those stairs. The Chamber, Claude, was pretty adamant that the Chamber needed that space downstairs. Finding a place for all of those archives is not in the immediate first phase of this plan. Claude thinks that the Chamber can be patient about getting access to that basement. Another assumption that I've made is that one of my goals here is the City have an agreement with one entity for using the building. I am proposing here that that be the Chamber. The Chamber would be free to have a separate agreement with THS to continue to maintain and operate the museum and maintain and operate the archives until we can find a better home for those. The notion imbedded in that is THS will continue to curate the museum. This presentation is about phase one. There are some interior walls that will need to be removed because the Chamber wants access to the floor they will be using. There's an interior stairway and the stairway goes to the basement. It's more or less in the middle of the building and unfortunately it has the impact of constraining the footprint for the restroom that is there. Part of our discussion was could we remove the stairway. There is a doorway access below so we would not be removing access to the archives but by closing that stairway we'd provide more square footage on the main floor of the building and that can be partially used to make the bathroom upstairs wider and ADA compliant.

Craig Ward presented the Council with a PowerPoint Presentation attached to the minutes as Exhibit A.

Councilor Allen states for the record I am a Historical Society board member and I'm declaring a potential conflict of interest.

Councilor Ripma states I am also on the board of the THS and it is a potential conflict.

Councilor White states my wife is on the THS board and it is a potential conflict.

Craig Ward states the single largest item here is to insulate the building, to upgrade the heating, ventilating and air conditioning system and improve the energy efficiency of the windows. That's the first phase. The bad news is the price tag of that. The second phase is to relocate THS archives. In speaking with Steve Winstead about this, he has previously worked on a project where a boxcar was renovated for a purpose very similar to this. A boxcar is a water tight structure. Of course there is no heating, ventilating and air conditioning, no electricity and there is no ADA access to it. So all of those would have to be provided. We could build a box inside a box. Perhaps more importantly in the long run is I'm hoping to get some grant money to do that. My cost estimates do not include that because I'm hoping they will be able to get that. Our Building Official feels this is entirely feasible to be able to build a functioning archival storage area and work area in that boxcar. Once we get the archives out then we'll have to renovate the basement. We don't believe the renovations down there are going to be complicated. We don't really know exactly what the Chamber is going to want there so we'll have to have that discussion

down the road. One of the things that started this was the Bike Hub. The property is the location of the Troutdale Bike Hub and part of the challenge for that is it's a pretty key intersection for biking. There would be a lot of use of this location. There are times people need a restroom while out riding bikes. Part of the lesson I learned from Steve Winstead when we looked at that Bike Hub is it's essentially a plaza with a couple of amenities including some signage and some artwork and shelter. Our Building Official asked is that shelter a solid roof because it's not a shelter really if you don't have a roof. If it has a roof it has to be fully ADA compliant because it's now a structure. If it's a structure it has to have restrooms. Given the size of this he believes there will be at least 2 men's and women's restrooms that will have to be constructed. We think that quite likely the best location on this site for the restrooms is actually between the boxcar. Part of the advantage to that is that basement in the back has no particular historical integrity. It's considerably lower and so Steve agrees with me that it's a viable location for a restroom. There's enough room there that we could build on. And I think it has the opportunity to be grant funded. We can postpone it because if we don't build a shelter with a bike hub we don't have to install restrooms right away. If we wait a year or 2 years to be able to get grant money to build restrooms we might be able to actually extend the deck that is behind this where the ADA ramp comes up and incorporate that with the restrooms to provide the ramp that goes back to the boxcar. There is opportunity there if we take our time and do it right and we could really create something nice.

Councilor Wilson asks how is that going to affect the construction time of the Bike Hub?

Craig responds the Bike Hub is a concept for a buildout. There is nothing in the Bike Hub notion that says we have to build that shelter immediately. I'm proposing a phasing plan for the Bike Hub in which we build a plaza first, we put in some of the amenities first and then when we get grant money for the restrooms we would also get grant money for the shelter. Then we could build those consecutively.

Councilor Wilson asks 2 years from now couldn't the grant money for the buildout, the hub, and the shelter run out?

Craig states I'm guessing we would have 2 grants. We would have one initially which Claude already has access to some of which are for the design of the plaza. We put in some of the amenities like the tire replacement center, etc and we put in everything but the shelter and the restrooms. This is the notion that Claude, Sharon, Steve Winstead, and I have worked up last week. We are also anticipating that some of the interior walls that are in the east side of the building would be removed which would open up that floor for partitions or other uses and some office space would be constructed on the west side of the building.

Councilor Morgan asks is that factored into your installation HVAC?

Craig states it will be factored into the bottom line. This is phase one. We would do this work in order to provide the space for the Chamber to move in and to provide space for the museum to be preserved. A new HVAC system would be necessary for the entire

building. We would need to insulate the walls and the ceiling. We may need to replace the windows. The Chamber strongly supports raising the ceiling. We almost certainly have to at least blow insulation in all of the walls. How we deal with the windows is an open question. I asked Steve Winstead to go through and give me estimates and $117,000.00 is his estimate. I received that today. That does not include contingencies. You can probably tack another $20,000.00 onto that for contingencies at least, maybe more. These were given to me today. This is pretty fresh and there is probably all kinds of assumptions that are built into this. Everyone gets excited about using parks SDCs. This is a building in a city park however it is not a building that is designed to provide capacity for people moving into Troutdale. Parks SDCs probably would play a minor role in paying for this but they could be a source of funds we could borrow from to pay for this. And we may well be able to get money from the state and be able to pay that back over time.

Councilor Morgan asks this building would still be owned by the city, through an IGA managed between the Chamber board and the Council or the City or....?

Craig responds it would be a contract between the Chamber and the City.

Councilor Morgan asks this also factors in relocation of whatever historic documents are in the basement as well?

Craig responds no that is the second phase. To do that we have to upgrade the railcar out back and those costs are not included in here. The assumption is that in the first phase that THS would continue to use the basement under whatever arrangement THS and the Chamber reach.

Councilor Morgan asks did Steve or anybody give any indication of how long it might take to do these?

Craig Ward states no, I didn't ask him for that yet because I wanted to bring this to you and see how the Council reacted to it. Most of these are not, in my opinion, particularly complicated tasks.

Councilor Wilson states looking at these estimates and looking at the significance of this building I feel we need to make the investment in it and get it back up to what it should be inside and outside.

Councilor White states one thing about the boxcar, are you familiar with Victoria Stations near SeaTac? They had dining cars that they converted into a restaurant for example. It's amazing how well equipped the dining cars are already. They have heat, power, and lighting. Just an idea.

Councilor Allen states the building was put there primarily for its historical value. Typically you want somebody of the period to be able to come, take a look at the structure and recognize it. I understand the HVAC. There is quite a bit of artifacts in the building

currently and I'm not sure how those get crunched down into the proposed space if there is plans for a rotating display.

Craig Ward responds the artifacts that were in the lobby area have essentially been removed. The artifacts that would remain and be consolidated are those that are in the museum portion of the building.

Sharon Nesbit, Troutdale Historical Society, states the west end is the important/historical part. The east end was the baggage storage area. The part that's important to maintain is on the west end. We've been in the Depot for 10 years or so. We have now moved our offices into the barn to show exhibits. I can point out that you don't really need to protect the windows or the doors on the far end. What is historical inside which is equally important is the old woodwork, ticket counter, and handmade cabinet. These are real vital. Our agreement is that THS would maintain and curate exhibits, design a new exhibits, and write a script for the Chamber members to use in interpreting the exhibits. We would like to not have to pay that much heating and cooling now that we're out of it. We've been paying a lot of money to heat and cool it for the last few years. We've also been pumping water out of the archives ever since the rainstorm. Now water is blowing in on the west side and coming in through the foundation. We have moved some of the artifacts to the museum space. We have filed the pictures. We are holding a sale to get rid of the Depot store surplus we have. We do have Leann Steffan who is a volunteer for THS and has a degree in period specific design who has offered to help on this project. She would be the perfect person to do that.

Mayor Daoust asks can we expand the hours of the museum? If so, how?

Sharon Nesbit responds we're prepared to do as much volunteer recruitment as we can to run the Depot Museum. If the City has some other plan to hold it open then you will have to figure that out. We will have the new museum in place.

Rip Caswell, Caswell Gallery, states if the Chamber would take that space it would be open 6 days a week or so for visitors to be able to walk through it and experience the museum along with ask questions. It basically is staffed. You have one entrance and one exit and it would be open a lot more than it is now. How often is the Chamber open?

Claude Cruz, Troutdale Chamber, responds we are authorized to go to a 7 day operation during peak season with the hours of 10am to 4pm.

Councilor Allen states I understand the items for the store being sold. When you said the words gone and removed, we haven't actually gotten rid of anything of historical nature?

Sharon responds no, we haven't gotten rid of anything. A number of those things were Nell Simien's private things that she got from other collectors, accepted as gifts, and pictures of other railroad sites. That is in our collection management system.

Councilor Wilson states I think you kind of answered part of my question about on Sundays THS would still be able to have volunteers there for the bicyclists because the city doesn't shut down because the Chamber isn't open. The Chamber and THS are going to decide what to use and be in the museum and I think what we're trying to establish here tonight is do we want to make the investment into this building more than what is going to happen to the items that are in there because that's up to THS what they keep in there and the Chamber. We need to decide what we're doing with the building.

Claude responds if I could speak to the perspective of the Chamber, our visitor center is our crown jewel and this is what we have to save the efficient operation of. Because of the location of the Depot we have to get people to somehow percolate through the entire Troutdale downtown which will probably require some signage. If we can manage that then that increases the traffic through downtown which is very much in the Chamber's interest and charter as well. As it's been pointed out this is going to be the site of the Troutdale Hub, the Gorge Hub, and it's going to be the cornerstone for the cycling trails in the area up the Gorge. If we can think about a way to productively co-exist why not give this the due diligence that it requires. Which is what we've been doing for the last several weeks with Craig's help and the City's help. I think there's enough space in there that it would not be a constraint on the proper display of the exhibit. One of the pieces of data we got from THS is the heating and cooling bills are very daunting. It's an indication of the fact that something really does need to be done for that space in terms of insulation and HVAC. We have to have a schedule of what the agreement would be. What your expectations are from THS and what we feel that we can comfortably provide. We can leverage the fact that we're planning on having visitors and staff broader hours and if we have the tracking pattern done properly maybe it's no additional investment on our part. If it is then we'll have to talk about incremental funding for staffing. Really it comes down to whether the Council is comfortable with the idea of the Chamber moving in. If so, then we can dig into what sort of time scale we're talking about. Getting the museum into operation is front focus but we need to do something about the space. It doesn't make sense to have the museum reoccupied much less the Chamber move in and then demolish the building around our ears. We have to move that phase up front, figure out how long that takes and then the pieces of the puzzle come together.

Rip Caswell states I think it's a real opportunity to make the museum exhibit even better and enhance it. I've drawn out the idea with the upcoming Metro Grants that might be coming available and we might be able to do a mural inside or do some things like that to really enhance it.

Sharon Nesbit states there is nobody denying that the exhibit needs a large amount of work. And the Council should be aware that one of our goals that was set last week was to enhance the railroad exhibit.

Mayor Daoust states when I took a tour of the Depot Museum more than half of my enjoyment came from Nell Simien talking about the exhibit and her passion for the museum. If we could have somebody like that with a passion for what's being shown there historically then I think we need to think about that too.

Councilor Morgan asks do you need direction from us? I fully support the investment in the building whether it be SDC funds or not. I didn't see anything about a grant writer here. I don't know if that's been reflected in the conversation that's been ongoing or if that would be a budget discussion in January.

Craig Ward responds I think in the staff report previously my recommendation is that we contract with someone to help us write grants as opposed to hire an internal staff person. Initially the notion of going out for a grant to get this first phase done I think will seriously contradict what Claude needs which is he needs a place for the visitors center to go. To do that we're going to have to put the cash up front which means you typically don't get grants for work that has already been done. I think we have to be prepared to bear this expense in order to get that going and then work for grants for subsequent phases. Rip's suggestion that we could potentially use a community enhancement fund as a source for grants also has merit. Essentially my ask for you now is that the Council direct me to proceed with negotiating an agreement with the Chamber in order to go out to bid and then contract for the first phase.

Councilor Morgan states I'm fully in support of that.

Councilor Morgan left the meeting at 7:30pm.

Mayor Daoust states I support the proposal.

Councilor Allen states it's primarily a historical structure although the majority is going to be used by the Chamber. I feel most comfortable if THS is involved in the type of work that gets done on it. I would like them to help us out with what's important and what's not.

Councilor Wilson states I do support moving forward negotiating an idea with the Chamber and to fix the building and maintaining our buildings.

Claude Cruz states something came up that I think needs to be addressed and that is the ongoing maintenance. Not just for that inner restroom. Maintenance is something that we need to think about. Marcia has voiced some personal concerns over issues like the transient population in that area if we put restrooms outside. How is that going to be made sustainable?

Craig Ward responds to speak to that briefly, the current arrangement is that the City of Troutdale is responsible for the exterior shell of the building and THS is responsible for the interior maintenance and the utilities expenses. I would expect the same with our agreement with the Chamber. However, the outside restrooms are a subsequent phase and aren't part of the initial phase. I can see trying to implement Councilor Allen's idea that we have a statement in our agreement with the Chamber that the building will be maintained to capture the period in which the original building was constructed and that the City has the veto power over any tenant improvements.

Councilor Ripma states I fully support what you, Councilor Morgan and Mayor Daoust have already ascended to. I think this is a very good plan.

Sharon Nesbit states one thing we did talk about was the caboose has been left out of this. It is an artifact both inside and out. The caboose is one of those untouchable things. What we hope to do is whatever revenue might come into the Depot Museum would go toward the restoration of the caboose which it's going to need very soon and I'm guessing it'll be $30,000.00.

Councilor White states I would like to see modern restrooms. I support it. I especially like Craig's idea concerning the grant situation. One question, is the cost you showed earlier the minimum cost to get them moved into it?

Craig Ward responds no. That was Steve Winstead's estimate of what he thought it would take to honor the conversation that we had last week. That includes changing the ceiling in the area on the east side, walls, HVAC and insulation. We have not gone through and value engineered those numbers, I just got them this afternoon and I haven't discussed them in any depth with Steve Winstead nor THS and the Chamber.

Councilor White states my preference would be to do as little as possible so we could possibly get cash grant money.

Rip Caswell states we're really all on the same page and we all have the same goals to make it work for each other. I want to give a thank you to Steve Winstead for volunteering his time and expertise as an architect and he's willing to do a lot of that work off the clock to help out on this.

Mayor Daoust states as part of the agreement what I had earlier was that the Chamber might be willing to pay for their rent savings from the other building.

Claude Cruz states if this works out well for us as I'm hoping it will, I have to really take this whole discussion to another level. I will explore that.

Nell Simien, Troutdale Historical Society, states I just wanted to say thank you for letting me have a little say. I obviously get emotional about this because I love that depot. What I would like to say is that with the Chamber moving in as a visitor center, the Bicycle Hub being there and also retaining part of the museum I think it would be a tourist attraction. Then do something down in the park that would lead families to the park. I think it's a wonderful idea. I didn't want the train museum itself to be something else and I want it to remain a train depot because that is what it is. With the Chamber and having the visitor center with bicycle hub I'm all for that. Don't destroy that caboose, that is a draw for families. My heart is still in it and I would still like to be involved. I agree with the changes.

Claude Cruz states if I could go one step further in that direction, because the museum maintenance and proper curating is kind of a separate task of running a visitor center or running a chamber, I would love to find some way to maybe fund someone specifically

tasked to talk to guests in that area of the museum. I think with your passion you would be a great candidate.

Craig Ward asks would you like me to bring this forward on a consent agenda?

Council agrees.

Councilor White states I'm a little concerned because we had some criticism recently on the consent agenda for a large dollar amount. Perhaps we should put this on as a regular agenda item.

Craig Ward states we are going to have to get bids on this to get the work done. I'm very conscious of the Chamber needing this to get moving. I think we can get some bids on it quickly. We'll announce it at the Budget Committee that this is an addition for this year.

Claude Cruz states just an FYI, this is very timely to pursue a 1 to 2 year lease with our current landlord. It will take us probably a year to get all of this stuff together. We are predisposed on a month to month lease right now.

Mayor Daoust called for a 10 minute break at 7:48pm and reconvened the meeting at 7:56pm.

3. Discussion: Fire Services

Craig Ward, Troutdale City Manager, states this is a status report and to see if there is any additional Council direction. I met with Christy Wurster from Fairview and with Bill Peterson from Wood Village and we talked to the ESCI (Emergency Services Consulting International) who had given us a draft scope of work. There was no obligation on this to hire them but it's mostly a model of what scope of work to do, what this kind of evaluation might look like, and how much it would cost. They continue to ask me if we are going to move ahead. The problem is as I understand the Fairview Council has given their direction that staff not work on this until we get the results. Gresham Fire has initiated a pilot project for first response vehicles. They said they were going to do a 6 month evaluation survey for that service for the 3 cities out here. Then also a 6 month evaluation for Gresham only. We don't know yet when we will get the product from that pilot study about how that affects us out here. Apparently Fairview subsequently gave direction that they were going to wait 6 months before staff was to continue work on the scope of work and a shared product to evaluate starting of fire service. Wood Village said to take a year. At that time both Christy and Bill essentially said they're not supposed to be working on this so they bailed out. At this point if we're going to proceed with actively negotiating with them a final scope of work and an IGA to share the cost then I'm not sure if they're going to be willing to come to the table. I haven't proceeded to do any work on this recently.

Councilor Wilson states since we don't have the other half of the prior negotiating team here I would like to table this until another meeting when Councilor Morgan is back.

Councilor Allen states it took a long time to get to this spot. I like Councilor Morgan's input but I also would like to talk about this.

Councilor Ripma states certainly we aren't going to give direction. If you want to wait until Councilor Morgan is back that's fine with me. I have my doubts if we should do anything.

Councilor Allen state if we got the same deal as Wood Village then I don't think we would have brought this up. Gresham was requiring a significant increase without providing any increase or improvement in service. The thought was that if we did a Troutdale municipal fire department under certain conditions it would actually have been cheaper for us to do our own than to contract with Gresham. Especially if we were able to start up a second fire station which would require that we had participation by one or both of the other 2 Cities to keep the cost down. It's kind of being changed into some kind of 3 Cities fire district. I'm not interested in the fire district because that just increases cost. The whole motivation to go down this road was to see if we could do it better for a reasonable price when we had Gresham increasing our rates considerably.

Mayor Daoust states actually it's just the opposite. Dave Flood said it costs more and PSU's study said it will cost more.

Councilor Wilson states it was heavily based on reciprocation from Gresham. They'll also have a lot of turnover of people which means we will be doing constant training. It would cost more. To me whatever services we want why can't we just go to Gresham and say this is what we want and what's it going to cost? And give it to the voters if they're willing to pay more for fire services.

Councilor Allen states the way I was reading it was we were going to be able to get more bang for the buck. However upon that idea being raised it seems to me that Gresham reduced the rate that they were going to charge us to make it just a little below what it may have cost us to do it ourselves. The next time they ask for more money this may change again where it's cheaper to do our own. How much are we paying and what are we getting for it? Can we do a municipal fire department that would be controlling costs a little better as opposed to contracting out and doing a fire district?

Councilor White states at the time we didn't know the exact amount of what the contract was going to be. There was no promise it would be cheaper. That was the second largest increase we've ever had. I want to remind everybody that Craig Ward first arrived on the scene for City of Troutdale and he stated our biggest risk to our City was the Gresham Fire contract because we don't have control of the funds and they're going to continue to escalate. The spirit of the contract changed. Wriginally we were supposed to have the same service level as Gresham. It seems like we're paying for Gresham's growth without getting any increase in service. I think the rapid response vehicle came because we did have a counter proposal. I also think we got a better rate negotiated. For a City to wait a year to see if a rapid response vehicle is going to work that only operates 40 hours a week, so there's 128 hours without service, to me that's an instant problem. I don't have to wait a year to tell you that's a problem.

Councilor Wilson states part of what I sent you that you couldn't open shows the hours of operation of the rapid response vehicles in Tualatin is 8 to 5, Monday through Friday then another station takes over. They're covering what they feel is the main time that they need to have coverage. They've done their study to determine that. Gresham has determined that by their calls that are going out. The only thing I could suggest is to go talk with Greg Mathews and have him show you the data so that you would be comfortable with it.

Councilor White states I have talked to him and the hours they picked are during the week and in Troutdale our residents aren't home and the kids are in school. They're not gearing that for Troutdale. They're gearing it for the 4 Cities.

Craig Ward states we can certainly meet with Greg and discuss that issue.

Councilor White states you stated in previous meetings Councilor Wilson that you were willing to move forward with looking into this. Your biggest objection was that it shouldn't hold up signing the Gresham contract.

Councilor Wilson states I say we should move forward with it so that I can see it and study it. After 2 meetings with Dave Flood I have determined that there is a lot of ifs in his study that we still need the Gresham Fire Department to reciprocate with us if they so choose. If you look at the overall big picture, Gresham has all of the equipment that we need and what I stated earlier tonight is that what we need to do is determine whether or not our citizens are willing to pay for the extra services that we feel that they need. That's what I'm asking to see what that cost would be.

Councilor White responds Gresham doesn't have all of the equipment that we need. Gresham Fire can't respond to Jackson Park Rd because they can't make it a cross that bridge. The Flood proposal made a lot of sense to me and it has had experts look at it unofficially.

Councilor Allen states keep in mind that in severe winter situations the Gresham Fire trucks have to be assisted by the National Guard vehicles because they're not 4 wheel drive. What we were talking about was using 4 wheel drive vehicles within Troutdale so that during the severe weather when you need them that they're actually able to move and get to where they need to be. The nature of fire service has actually changed. Buildings are built better, codes are stricter. It's less about fire and more about going to a retirement home and picking up the person who just fell and the retirement home doesn't want the liability of picking the person up. That's a large part of it. Then if it's more severe typically the fire department shows up and then the ambulance shows up and takes the person to the hospital.

Mayor Daoust states I talked with a Fire Chief about the Flood study and he found some issues with the Flood study that he would be concerned about. It would actually cost more than what was reported in his study. He brought up some really good points. He manages the operation for Portland Fire Department so he knows what he's talking about. It seems

to me like we've lost our partners Fairview and Wood Village. They're just not at the table right now. There are some options. We can still do some discussions with Gresham like maybe Gresham building a 2 person rapid response fire station might be better than us forming our own fire department with all of the costs associated with that.

Councilor Ripma states the idea was to take the pressure off during times when all you need is someone to pick someone up and put them back in the chair. To me the big problem with the Flood proposal when he made it here struck me was response time. Response time in our Cities was poor. I recall him saying it wasn't going to save money. It was to improve response time.

Councilor Allen states I think Wood Village is always going to stay out because they get a better deal than we do. If I were them I would stay with what they're doing. What's more important to me is what kind of value we're getting.

Councilor Ripma states we could ask Gresham Fire about our concerns for response time.

Councilor Wilson states 80% of what they're doing is not fire.

Councilor White states Gresham Fire did say we can give you 4 minute response times but you're going to have to pay for it.

Craig Ward states I have had mixed messages not unlike this conversation. I'm not sure how we proceed. The contract with Gresham now is essentially a status quo contract. The Quick Response Vehicle (QRV) I agree with Councilor White was essentially a pilot project, just like Tualatin. They understood that there was an opportunity. They had to negotiate that with their Fire Union because it's a change in work hours and a change in assignments. The City of Gresham is paying for the additional staff to provide enhanced service during the hours they feel is most important. It isn't full coverage 24/7. So I have to figure out do I invest the staff resources, whether its consultants or Erich Mueller crunching numbers, or how do we come up with a plan for a standalone fire department. I will predict for you that if Fairview isn't part of that we can estimate but it does suffer from the point that Councilor Wilson mentioned which is that we're supposed to rely on reciprocal service. So Gresham is obligated to give us service as long as we provide reciprocal service to Gresham. Starting our own fire department is not just about how much would our annual cost be over say a 40 or 50 year period. It's also how much would our upfront investment have to be in order to start up a service. As tempting as it is to believe we would be in control my experience has not shown that a local government is very successful at controlling the cost of a fire union. We could run the numbers out. It's a lot of work and a lot of assumptions that get built in. I'm reminded of the Multnomah County Sheriff's Office and the discomfort over the assumptions that went into that. This is bigger and more complicated and more assumption based than the Sheriff contract. The buildings that have to be built and the equipment that has to be purchased in order to start up a fire department are very serious investments.

Councilor Allen states I think that what you are saying is very true but the chance of being able to control costs in a municipality is dismal at best. Your own fire service is practically their own government entity.

Mayor Daoust states the PSU study came up with $4.57 million dollars to get your own fire department. The Flood study came up with $3.3 million dollars. When I met with the Fire Chief from Portland he picked up on the fact that the Flood study mentioned executive staff but there was no executive staff built into the Flood proposal. No Fire Chief, no training officers, and no Fire Marshall. If you add that cost, which could be substantial, it would be more than $3.3 million.

Councilor Allen states in all fairness, I don't think the Flood study ever said it had a hand on the cost. It was just an individual that did a rough study as to some ideas of what could be done. The knowledge of course is going to be studied more.

Mayor Daoust states he got specific enough where he listed the number of fire stations and the staff that would be in each station. It was specific.

Craig Ward states if we are going to go down this path. we have to do it right, we have to really study it and we have make sure that we're explaining to the voters what it's going to cost that we are certain that those are legitimate, valid expenses over a long term. There was a lot of merit to Mr. Flood's proposal. There were good ideas. I will also admit to you that right after that presentation I talked to Dave and I asked him how he got to 20 to 25 percent less on the salary for the firefighters. I don't understand how that is a rational assumption. Dave responded that it probably isn't a rational assumption after all. Your firefighters are probably going to be part of the Gresham bargaining unit. An assumption I don't understand or agree with. Our Police Officers are not part of our Gresham police bargaining unit, why would our firefighters be? What I do understand is that if we underpay or if we pay our firefighters 25 percent less than Gresham pays, they would constantly be looking for a lateral transfer to Gresham. We would be constantly losing our best people as they take lateral transfers which means the quality of service we would be providing would be subordinate to anybody else. Until Dave brought up the Flood proposal and stating the response times, I haven't heard a ground swell of complaints from our citizens about poor response. We know from the PSU study that the area on the east side of the river has a poor response time. I'm not persuaded yet that the location of Station 75 gives us poor response time through most of our City. That's why I would want to do a travel time calculation.

Mayor Daoust states Portland's average response time is 5 ½ minutes. AMR has a requirement, 2 people with response time of 8 minutes. This 4 minute response time is ideal but it's not a magic number that has to be met in 100% of our city limits.

Craig Ward states average response time is one thing, 90 percentile response is frequently used. While I understand there haven't been travel time studies from optimizing location and stations, I would want those to be refreshed with our current buildout and current traffic levels. It is technical information and I don't want to resist doing that work.

It is a lot of time and money we would need to invest. That is where I'm torn and where I need clear Council direction.

Councilor Wilson states if we had a fire department and any one of our stations are already out on a call in the same area it would take another station to respond to it or Gresham. If Station 75 is out on another call right now they would have to call another fire department from somewhere else. That response time is going to be slower. The Flood study was so far along with Councilor White and Councilor Morgan that they wanted us to sign the contract and then void it beginning in July so we could start our own study and get out from underneath the Gresham Fire Department contract. I'm glad that we didn't because there is a lot of holes in this program.

Councilor White states the majority at the 3 Cities meeting gave direction to study the Flood proposal at the last fire meeting. We have the support from Wood Village and Fairview. In response to your question about the slower response time, with the Flood plan he has every area in Troutdale getting a response of a 2 man crew within 1 ½ to 2 minutes with 2 others already in route. If there is another call that comes in it will automatically go to another station that is available. Gresham agreed that it would not be a problem.

Craig Ward states there is a minimum standard for how many people have to respond to a structural fire. You typically have to have 3 or 4 people minimum to respond to a fire. It depends on the nature of the fire. If we had two 2 person Quick Response Vehicles, they do not have serious firefighting capabilities, they have probably a large fire extinguisher.

Councilor White states according to the Flood Plan they rely on modern technology. So each of these 2 man response vehicles would have the ability to attack the fire from outside the home. If there is a human life in there you can go in. If you can get there in 1 ½ to 2 minutes the fire is a lot smaller for one. Each of the vehicles has a state of the art infrared so they can pinpoint each source and piercing nozzles that can inject foam into that heat source without going into that building in a lot of cases and put the fire out.

Councilor Wilson states we need to have our other 2 Councilors here and another work session. I understand that Councilor Morgan was part of the team. Let's have him back here along with Councilor Anderson.

Mayor Daoust states let me tell you what Councilor Morgan told me before he left. He said to me he does not support moving forward with any kind of a fire study right now because we don't have the other 2 Cities. He's told me that more than once. When Councilor Wilson says things have changed, minds have changed, it's not that we're dropping these subjects. If we are going to do a study and we're going to look at all the options, we need our other 2 partners. The cost would be unreasonable for us to go out on our own. We need more time to talk to Gresham in the meantime to see how the QRVs are working out and to see maybe if they could build a cheap 2 person fire station elsewhere at a fairly reasonable cost to take care of some of the response times we think are a problem. When it comes to the calls per year that we get in Troutdale, Wood Village

and Fairview, Gresham is handling them. There is no problem with that. If we went down to a 2 person crew, would those 2 person crews be able to handle the same call volume? Portland has 4 person crews because of some of the complexity of the calls they get. A structure fire automatically requires 4 people. Gresham has 3 person fire crews. If we produce our own the only thing we would be able to afford is 2 person crews.

Councilor Allen states I don't think that was characterizing it properly. The idea wasn't just to send a 2 person crew. The idea was that most of our calls aren't fire. It's primarily going to a home. If you had a fire you would send your trucks and if you needed to back up your trucks with more people one of the smaller vehicles could also show up to the scene. If 2 people show up and happen to be there a few minutes before a bigger truck arrives then they could start to attack the fire and set up from the outside. I listen to scanners and the calls don't come in as rapidly as you think they come in. It's more dead time than it is action. The times that we need a lot of people all at once are very few and far between. In a fire study it is extremely important to have the parameters set as to what you're really looking for ahead of time. Otherwise you're just spending time and money to do a study that you'll never use.

Mayor Daoust states I agree. The other 2 cities were questioning what is the problem we are trying to solve? What are we trying to make better here? Our response is response time. That's the problem we are trying to solve.

Councilor Allen states for me it is response and value. Using better technology and working smarter than what we have been.

Mayor Daoust asks what about the option of going with Fire District 10 again? There are other options other than forming our own fire department.

Councilor Allen states Fire District 10 doesn't have its own vehicles. It's not a viable option.

Mayor Daoust states I don't think we're at a point right now where we can go forward with anything except to keep the discussions open with Gresham to see if they could do more for us. We don't need to stop the discussions but without Fairview and Wood Village we would be wasting our money to do a study right now.

Councilor White states I think it was a mistake for Fairview and Wood Village to pull out of something they agreed to at the 3 Cities meeting and I think Troutdale should stick to the agreement which was have 2 people to meet with the other Cities. If they don't want to participate then keep in mind they haven't seen this proposal. They're making a decision without ever seeing the proposal.

Councilor Wilson states at the 3 Cities meeting Wood Village said they weren't interested. Fairview said they wanted to go back into Council discussion before making a decision. So they've made their decision now.

Councilor White states that is contrary to what I was told by the Mayor. Should I at least present them the report? Then I would feel more comfortable with them saying no. I think it's premature on their part to say no right now. You have to keep in mind that Fairview has a different relationship with Gresham than we do. They rely on them for water, sewer, storm and those are costs they don't have any control over.

Mayor Daoust states Fairview did say that the Council supported waiting 6 months and re-addressing the topic.

Craig Ward states I don't really know how to proceed at this point. I need a Council consensus on the direction that I'm going to go if I'm going to invest time and consultant money which I do think is necessary in order to flush out this proposal in depth. If the Council wants me to proceed unilaterally with creating a study for creating our fire department I will prepare a scope of work to that end and bring it back to Council.

Councilor Allen states I don't know how you could proceed with a fire study if you don't have clear indication of what we're actually looking for. There is nothing inherently wrong with Gresham's staffing personnel. They're good people. They do good work. We can also encourage them to do better. I don't know how we encourage them to be a little more cost effective. I'm always open to ideas. We have to keep ourselves flexible to where we're willing to think about doing things differently.

Mayor Daoust states both the PSU study and Dave Flood said that Gresham was one of the most cost efficient fire departments around.

Councilor White states I would be willing to do a compromise to present this information to the other 2 Cities if they're willing to have a work session. I could assemble the team that presented to you. We have the PowerPoint already done. This is something I really believe in. We're just trying to meet the national average response time of 4 minutes.

Councilor Ripma states if you want to try I'm okay with that. Give it your best shot. If you can convince them that would make a big difference.

Mayor Daoust states I will add my 2 pages of notes to your presentation. It might balance it out.

Councilor White states we had the same type of push when we wanted to get the lifeguard program started. That turned out to be an excellent program. But it was done without the help of Gresham Fire. I don't mean that as a criticism but they had their reasons and they were logical reasons.

Councilor Allen states it needs to be clear as to what it would actually be like. There is no gain in ignoring realities.

Councilor White states I think the business group would step forward if they knew it would help save lives. I think they would be interested in tuning in on this.

Councilor Ripma states see if you can convince Wood Village and Fairview.

Mayor Daoust states I have talked to both Mayors about specifically are you going to assign 2 people to this committee. A straight forward question. The answer was no and no. You're not going to change their mind with that. If you want to go make a presentation for the Councils on the Flood study, feel free to do so. As long as it incorporates some of the issues about the study.

4. Adjourn:

MOTION: Councilor Wilson moved to adjourn Work Session. Seconded by Councilor Ripma.

Meeting adjourned at 9:00pm.

DRAFT

Doug Daoust, Mayor

Dated: _____

ATTEST:

_____

Kenda Schlaht, Deputy City Recorder

CITY OF TROUTDALE
CITY COUNCIL – Work Session
Tuesday, December 15, 2015

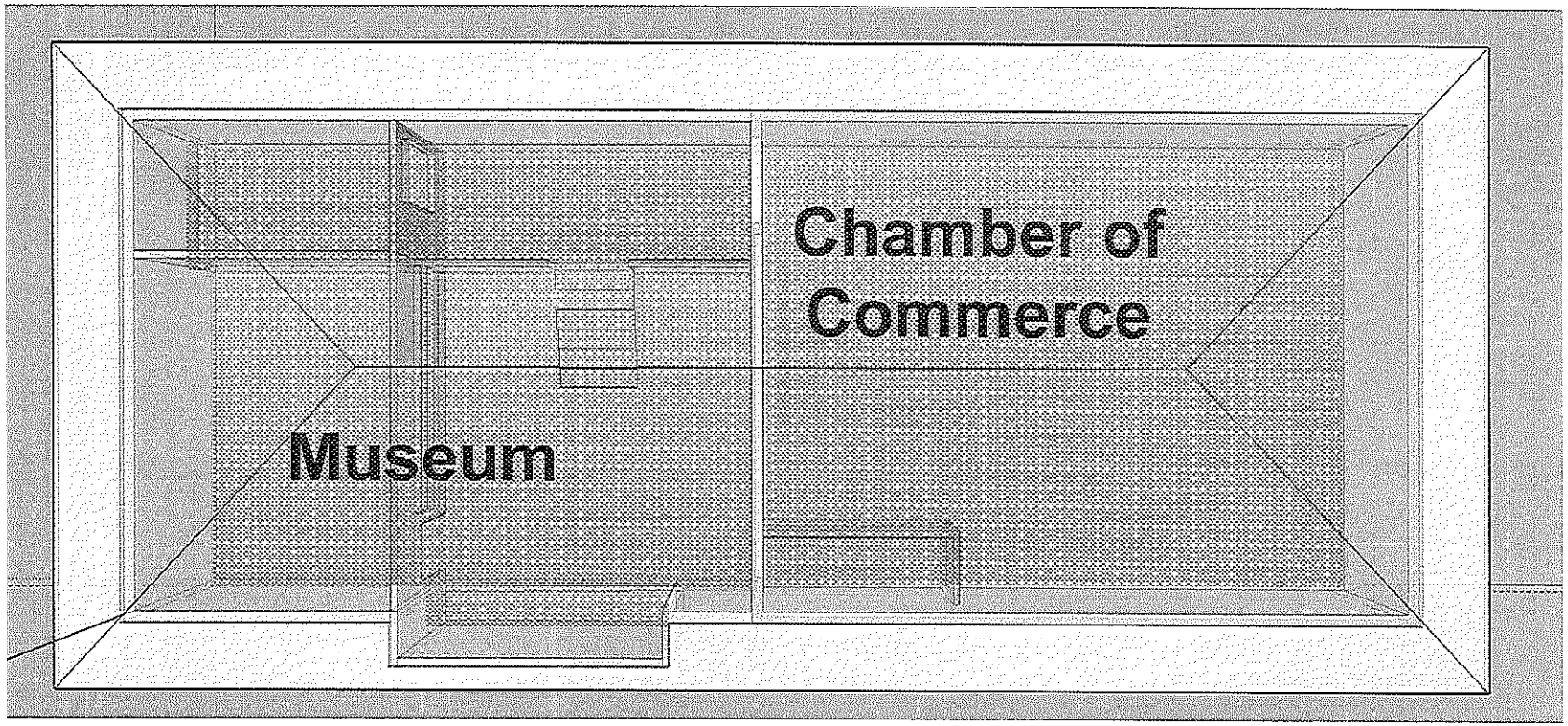
PLEASE SIGN IN

Name – Please Print	Address	Phone #
Claudia Cruz	WCGCC	503 799 9667
Shayne Kyllet	Troutdale Historical Soc	503 665-0423
Diane C White	Troutdale	503-888-1405

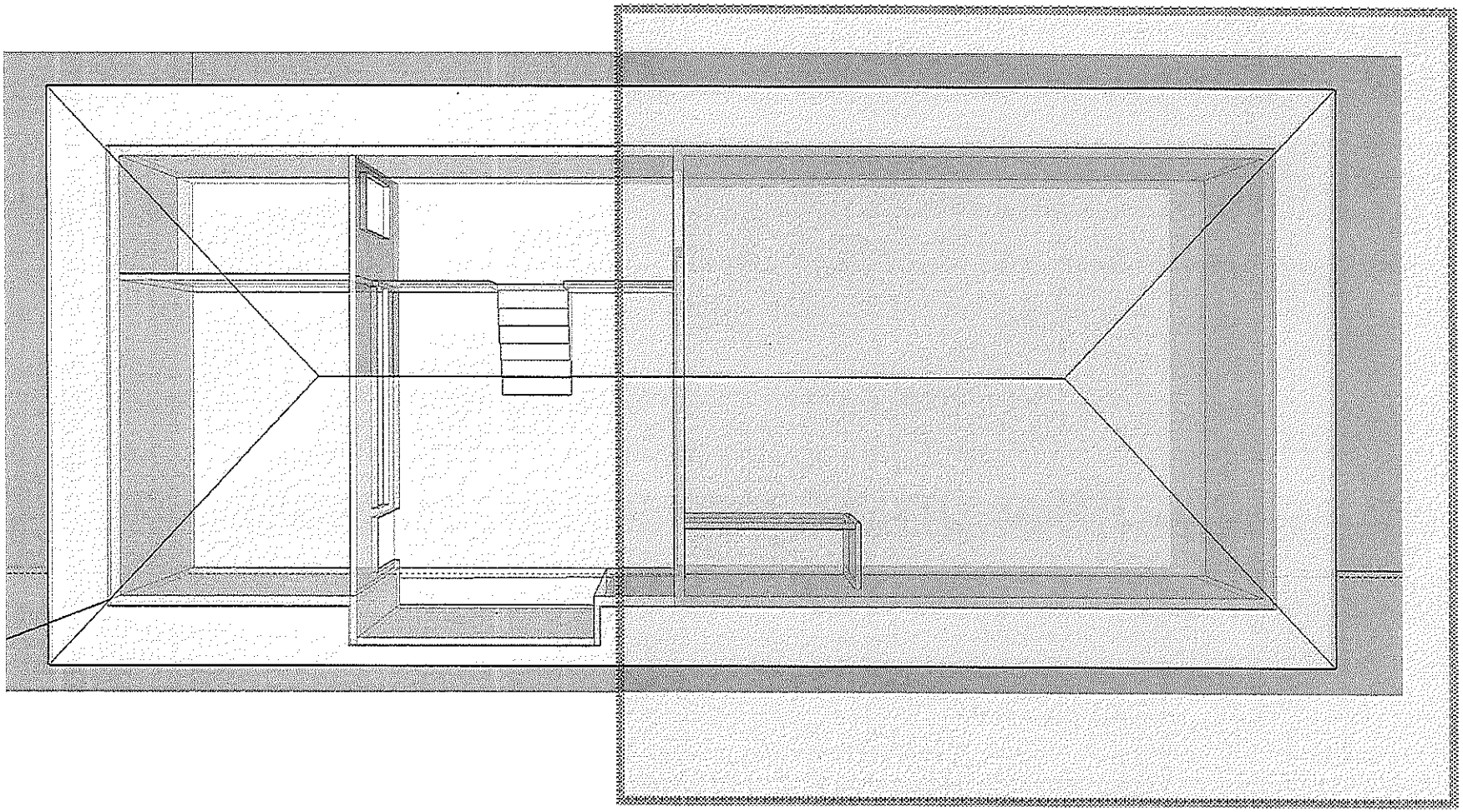
Exhibit A
December 15, 2015 Council Work Session Minutes

The Depot

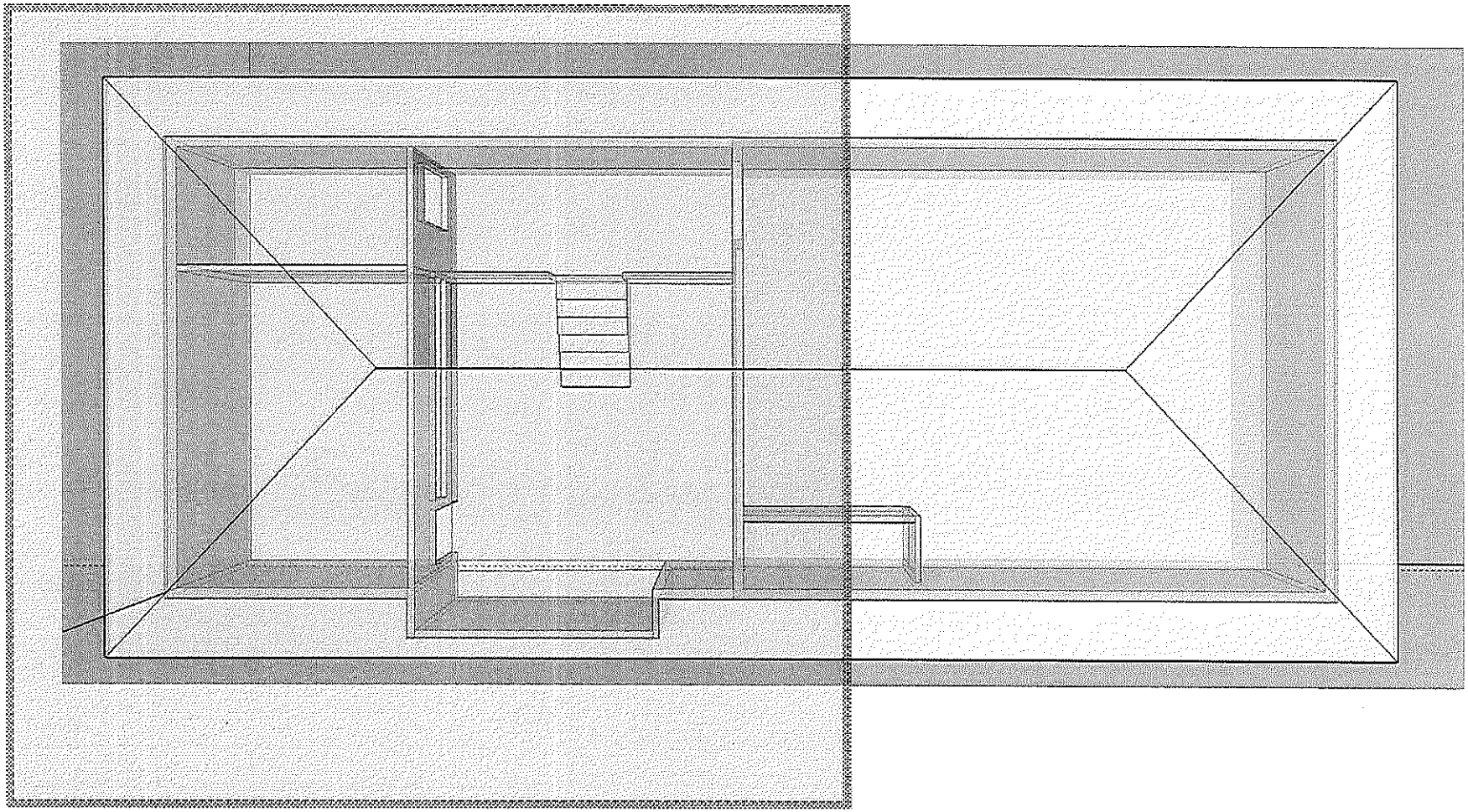
A Phased Study on Use and Cost



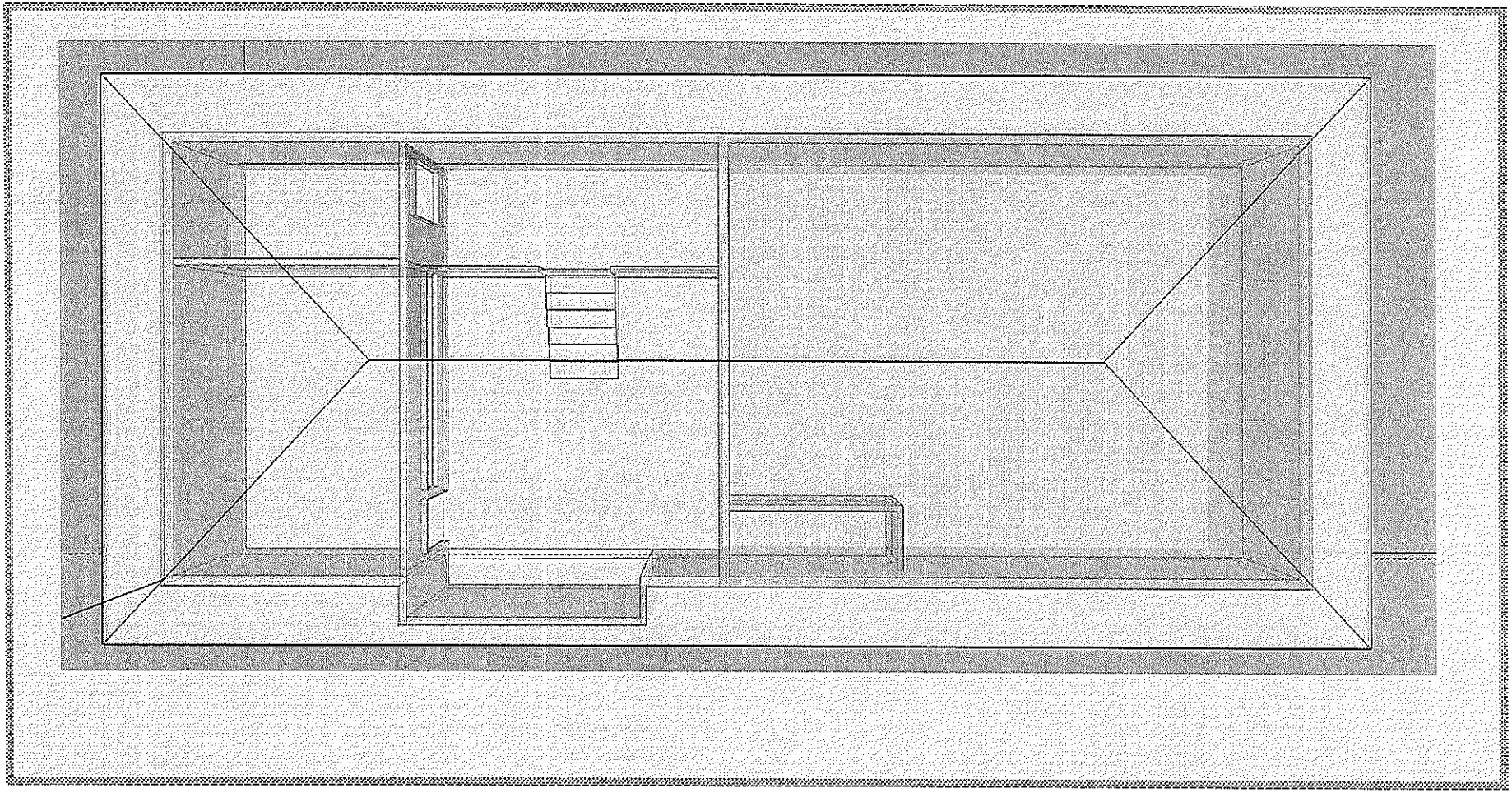
Occupancy



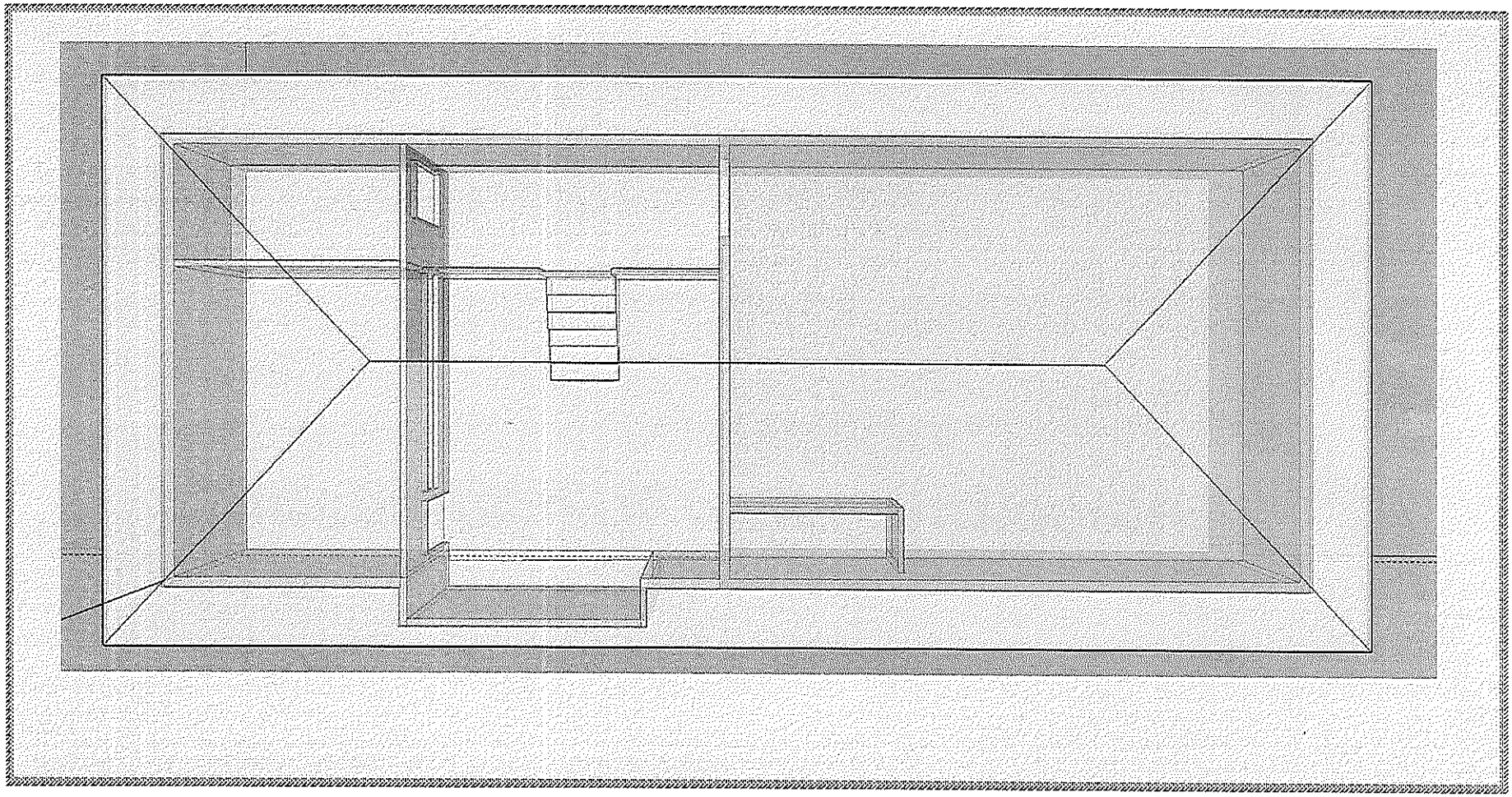
Demolition of Existing walls



Reconstruction of Museum portion of the Depot

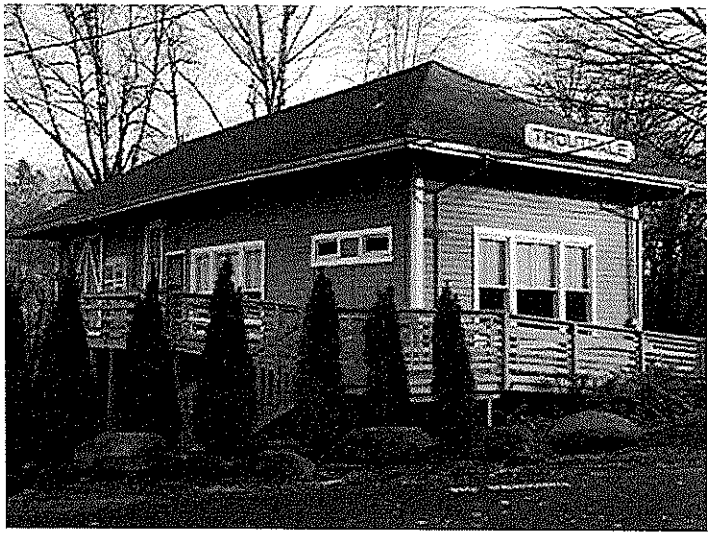


New HVAC system



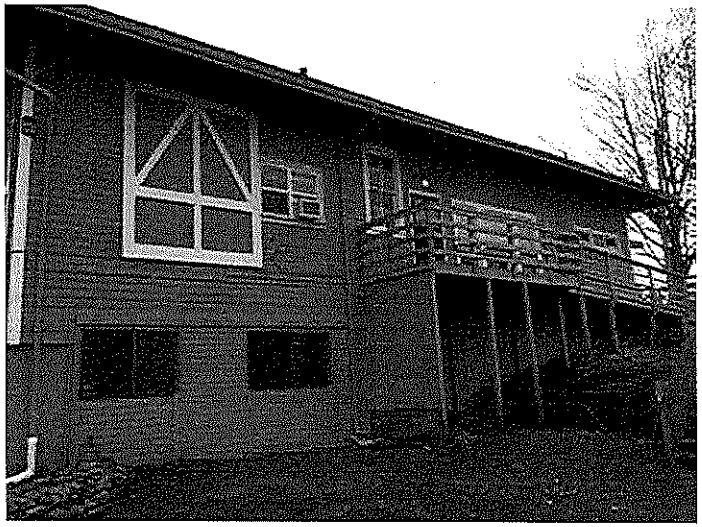
Insulation of walls and ceiling

South



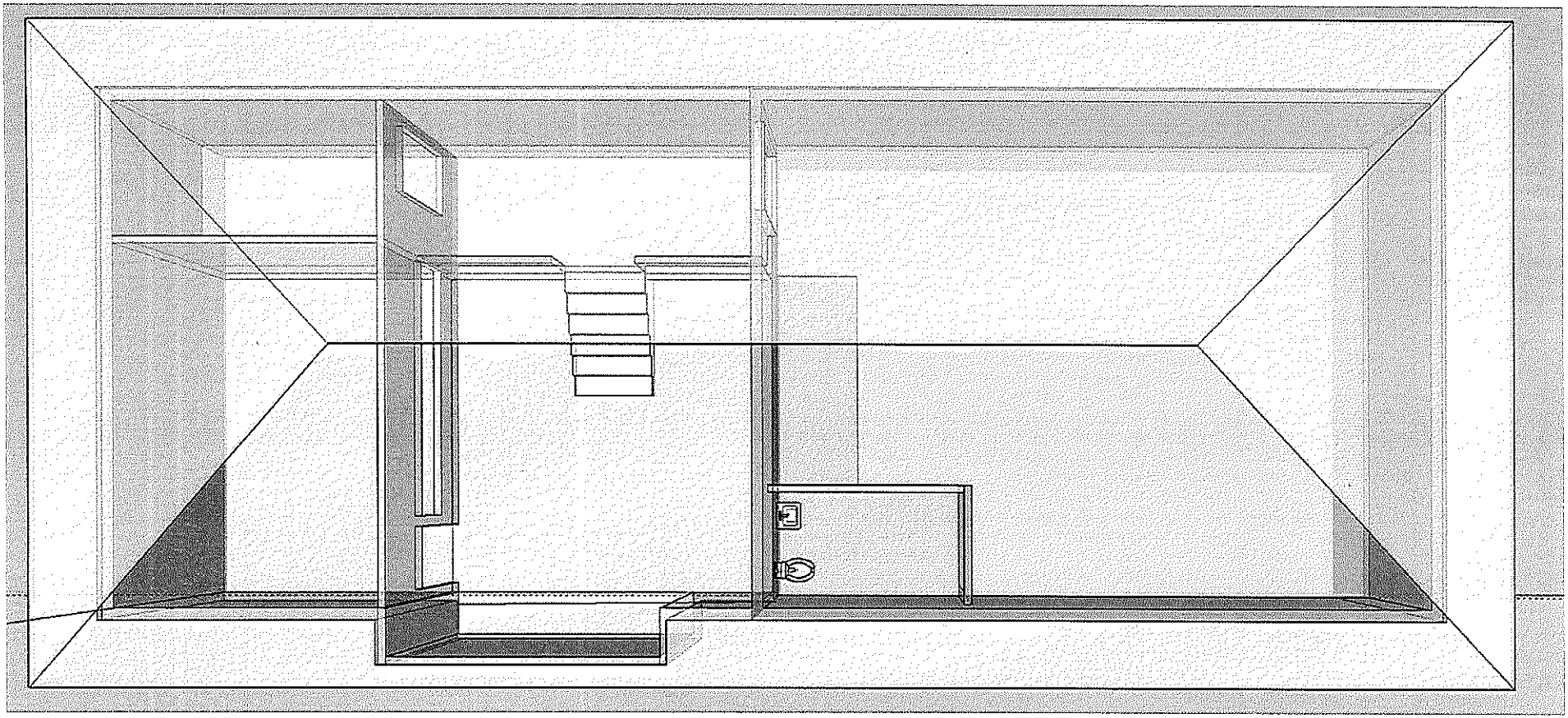
West

East



North

New windows at various locations and painting



Fill in Stairs and Accessibility Upgrade to restroom

Phase A
Construction Costs

- Demolition of walls and ceiling. ***$12,000***
- Reconstruction of Museum portion of the depot and new electrical lighting throughout, floor and interior finishes***$22,000***
- New HVAC System ***$30,000***
- Insulation of Walls and Ceiling ***$20,000***
- New Windows where needed and painting ***$13,000***
- Fill in stairs and accessibility upgrades ***$8,000***

Phase A
Construction Costs

- Construction cost ***$105,000***
- Soft Cost (Design, Administration) 12% ***$12,600***
- Total ***$117,600***

DRAFT

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

Tuesday, March 22, 2016 – 7:00PM

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 (by phone), Councilor White, Councilor Allen and Councilor Wilson.

ABSENT: None

STAFF: Craig Ward, City Manager; Ed Trompke, City Attorney; Kenda Schlaht, Deputy City Recorder; Steve Gaschler; Public Works Director, Travis Hultin; Chief Engineer, Tanney Staffenson; Planning Commission.

GUESTS: See Attached List.

Mayor Daoust asks for any agenda updates.

Craig Ward states there were no amendments to the published agenda.

Councilor Anderson states I have a letter amending my previously filed letter of resignation to be now in effect to resign immediately following the conclusion of agenda item 5 tonight.

Mayor Daoust states that will be duly noted. We will have to make that change also on the resolution on item 2.2 consent agenda. While we're talking about that I'll go ahead and say that we need to pull the consent agenda 2.2 and discuss that. So we'll pull that and put it after the public comment period. The rest of the agenda I'll ask Councilor Ripma to read 2.1.

2. CONSENT AGENDA:

2.1 MINUTES: November 10, 2015 Regular Meeting.

~~**2.2 RESOLUTION:** A resolution declaring vacancy on the City Council and selecting a new Councilor to fill the vacancy.~~

Pulled from the Consent Agenda and moved to the Regular Agenda immediately following this item.

MOTION: Councilor Ripma moved to approve Consent Agenda 2.1 Minutes from November 10, 2016, Regular Meeting. Seconded by Councilor Wilson. The motion passed unanimously 7-0.

2.2 RESOLUTION: A resolution declaring vacancy on the City Council and selecting a new Councilor to fill the vacancy.

Mayor Daoust states we will move on then to 2.2 Resolution declaring a vacancy on the City Council and selecting a new Councilor to fill the vacancy.

Councilor White states I have a question about the point of order. When we did the interviewing we ended that meeting by stating that Brian Sheets name would be put on the consent agenda and there was no objections to that and that's what I expected to see here tonight in print. I'm wondering why that didn't occur.

Councilor Wilson states I did not agree with the selection. You can't say we all agreed.

Councilor White states the majority did agree. That's exactly how we left that meeting that night. Brian Sheets name was supposed to be in print on the consent agenda. He was declared winner that night. I know you didn't agree but nonetheless he won.

Councilor Wilson states he didn't win. Nobody was chosen that night.

Councilor White states that's what the Council agreed to. Why isn't his name listed?

Mayor Daoust states I can try and answer that. There was no vote as you know on the 14th when we did the interviews. What we did was we asked each Councilor for their top 3 people and we had a group of people that came up to the top.

Councilor White states my question is very specific.

Mayor Daoust states I'm going to answer you. I sat down and talked with Brian about this. After the meeting there was some comments that were made by Councilors. There were comments made by other people after the meeting that created a level of discomfort. We weren't getting anywhere that night so I did make the statement that, okay, we'll put Brian Sheets name on the consent agenda and we'll move forward with that. Because it was 10:30 at night and I decided we had talked about it enough and I agree that was the statement I made. After the meeting almost immediately there were some comments made by Councilors and other people and I woke up the next morning and was a little uncomfortable with the statement that I had made the night before. As time went on I started to hear more things that made me more uncomfortable. This is nothing against Brian Sheets. I love Brian Sheets. He's a good man. There were some comments made from other people on the imbalance in the Council that other people's perspectives were that it would create another imbalance in the Council. So I talked to Ed Trompke about it and Ed and I had a pretty candid conversation. I said I was feeling somewhat uncomfortable. I met with Brian Sheets and I talked with Brian about that. I didn't take his name off the consent agenda. I think it kind of happened as the consent agenda language was written at the last minute before it all got published. Actually I think Ed is the one who took his name off.

Ed Trompke states I will take responsibility for that. I'll also take responsibility for the couple of errors that are in it. There are times that are wrong and the date is wrong. It was prepared at the last minute because I wasn't really aware of all that had gone on and I don't know that I was fully aware that the decision was made to put it on the consent agenda even. I updated it from what it had been and Mr. Wilcox brought up a couple of dates and times that were wrong and I thank him for that. That's how it happened. I didn't know that there was any decision made by anybody other than my not knowing that it was consent agenda item with a name on it and I first sent it off to Sarah who was on vacation. It languished for a little while longer without anybody seeing it.

Councilor Allen states I've been out of town burying my mom and I was kind of surprised to see the change because it was clearly stated. We deliberated quite a bit. We ended the meeting with Brian Sheets. I think the correct procedure would be to have Brian Sheets name in there as we ended the meeting. I don't think anybody can change Council direction without meeting again. Therefore, the correct thing to do would be to pull it from the consent agenda and then deal with it.

Ed Trompke states the Charter says that the agenda is put together by the City Manager and the Mayor sets the items on it.

Councilor Allen states that may be true but I don't think you can change Council direction.

Mayor Daoust states I can. Because I changed my mind. Let me make a statement for the audience. I would like this meeting as much as possible to be orderly. And I know how hard it is to sit there and not say anything. But I don't want the meeting to be disruptive. I don't want there to be outbursts or applause or whatever type of verbal or whatever statements you feel like making I'd rather that not happen. So I would like to warn you all right now that if it happens again you'll be escorted out of the room. If you feel you can't sit and be quiet then I'm sorry but that's the way it's going to be. I just want it to be orderly.
I would hope that the rest of the Council agrees with that and not make their own body language apparent.

Councilor White states there seems to be quite a double standard. People can't even applaud? That's ridiculous.

Councilor Allen states if I could continue with a legal question, I think legally we should continue with what Council direction is and at the next public meeting then we can pull it and change it and so forth.

Ed Trompke states the procedure is if something is taken off the consent agenda it's just moved down.

Councilor Allen states right and that would be the proper procedure. No one should unilaterally change Council direction. It needs to be done within the public meeting.

Mayor Daoust states let me clarify that a little because I think we're getting a little off base.

Councilor Allen states I'm thinking about our future. I'm talking about future things. Council direction needs to be Council direction until we meet and change it.

Mayor Daoust states let me keep going because I wasn't quite done with what I wanted to say. Because of my discomfort with comments that I had heard throughout the week. This is comments from the business people downtown, comments from Councilors themselves that put Brian Sheets in a rather awkward position. And I'll say it again, I have nothing against Brian. But he was put in an awkward position by other people and so I was pretty much the swing vote Monday night. I think you guys will all agree with that. It was me that made the conclusion statements and it was I that said put Brian's name on the page. I, based on the comments I heard from everybody in the last week, changed my mind. I have the right to change my mind because during Monday night's deliberations I think Councilor Ripma changed his mind.

Councilor Ripma states I misspoke. Councilor Wilson changed his mind.

Mayor Daoust states the truth is we had people during the night that changed their mind on who they supported.

Councilor Allen states we all have the right to change our mind but we need to change it at the next public meeting and not in the interim.

Mayor Daoust states okay then I'm changing it now then. My whole intent with a name that's going to come up tonight, from me or whoever, is to have somebody that is neutral. The person that sits in Councilor Anderson's seat to be somebody that has no allegiance to either side of the Council. That's my goal. This is no offense to Brian. It's no offense to Josh. I would rather have somebody sitting there that is not swayed either way by the split Council that we have. The reason you all are sitting there tonight is you know that we have a split Council. So as Mayor I don't want to keep that going. Unfortunately, Brian was put in that position. He was put in that position by other people and the comments that they made. There will be another name brought forward tonight of a neutral person that is not persuaded by either side of the Council. I think that's the best for the City Council to go forward for the next 9 months. This is just a 9 month appointment, whoever is in that position has to choose whether they run again in November. Actually in 3 months or so they need to decide whether they're going to run. It's not a 4 year term it's just for the next 9 months. We need somebody that's neutral. I use that term loosely. I use it to describe somebody that is not preregistered. I don't know how to describe this but I think you guys know what I mean.

Audience responds no.

Mayor Daoust states we are going to go ahead and have nominations and people can nominate whoever they want to nominate actually. We'll have nominations for filling the position because we have to fill the position.

Councilor Allen states Mayor, regardless of this subject, I would be satisfied if in the future you would follow procedure. That would be fine with me.

Mayor Daoust responds I take that as good feedback but I think I am following procedure. Given the language that we have in front of us on the consent agenda. I'm going off the agenda and I'm talking about it tonight.

Ed Trompke states procedure would be any person, any Councilor, can take it off the consent agenda which the Mayor did. Any person can move to change any words in it including the name of a person. Councilor Allen you're absolutely right. It could have had his name in it but any person could've moved to change it.

Councilor Allen states right and that would have been the proper procedure. Through Council direction and pull it off.

Ed Trompke states I should have communicated better with getting direction on it. I did it without an awful lot of direction as to how to do it. That I take full responsibility.

Councilor Ripma states I think just in the faint hope that there's a way to short circuit this. I realize that you changed your mind this week. I thought we had decided, you disagree, and there's no use arguing about that. It even says in our resolution Council carefully deliberated and selected a person to fill the vacancy. Brian has assumed, and I checked with him tonight, that he was going to be appointed. I don't know whether he has resigned his seat on the Planning Commission or anything else but the assumption was there. I can't think of anybody more neutral. I agree with your aspiration to have somebody neutral. If you think Brian Sheets isn't neutral you are mistaken. I'm wondering what sort of comments you heard that we could discuss. Because that's what we did on Monday. We kind of kicked around the various pros and cons of people. But I could short circuit this if there's 3 other Councilors here that could agree to go ahead and vote for Brian Sheets on the Council. I'm talking about the ones who didn't support him on Monday. I know you did Doug and changed your mind but do you Councilor Anderson, Councilor Morgan, or Councilor Wilson can you see your way to supporting Brian? It's worth asking that question. Is there any of you 3 willing to do it?

Councilor Wilson states I would like to nominate Corey Brooks.

Councilor White states I chose Brian because he's been doing the work and he is, in my opinion, the most qualified.

Mayor Daoust states then nominate Brian.

Councilor White asks how do you explain to the voters that we didn't pick the most qualified candidate because the Council couldn't get along and agree and they were worried he might vote one way or he might go against what we're trying to do. Brian is an independent man. I don't always agree with Brian. You stated that you met with Brian. This question is to Ed. I thought there were rules about the people that applied. I thought there was a specific set of questions that we had to follow and go through and we weren't allowed to ask further questions.

Councilor Ripma responds there is nothing wrong with Doug meeting with Brian after we picked him. I just think that's a misplaced argument.

Councilor Wilson states one of the things you said that night to Councilor Morgan was that he knew how Brian was going to vote.

Councilor White states no, listen to the tape. I got cut off and you didn't hear me clearly. What you said though was more pointed when you said I have an objection to Brian even though you didn't vote for him. Your objection was that he pulled projects off the CIP list. That's not true Councilor Wilson. He didn't pull them because they were never on the CIP list.

Mayor Daoust states I don't think we should really get into all these juicy little details. That's the whole reason why I want someone different to be on the Council. This whole discussion we're having right now. It's just a perfect example of disagreements about a person. The reason Corey Brooks name is coming up is because Monday night it was both sides of the floor voted for Corey. Councilor Allen, Councilor Morgan, Councilor White, Councilor Wilson did and then I switched and I think Corey would be a neutral person that is not associated with either side. He has 5 votes right there on both sides of the aisle. Do you want to put Brian's name out there? Why don't you?

Councilor Ripma states I'll put Brian's name out.

Mayor Daoust states let's just take a vote. The only reason Councilor Anderson can vote is if it was a tie. Otherwise let's move on with this and see where we end up. When you call the role between Corey Brooks and Brian Sheets.

Councilor Ripma states one more point of order tonight. Councilor Anderson, are you going to participate in this. I have to confess I don't want it to be a tie because that's exactly what Councilor Anderson predicted would happen. I have nothing against Corey Brooks. I would much rather have Brian Sheets but I'll vote for Corey Brooks too. Just to avoid the tie and you won't have to vote.

VOTE: Councilor Ripma – Corey Brooks; Councilor Morgan – Corey Brooks; Mayor Daoust – Corey Brooks; Councilor White – Brian Sheets; Councilor Allen – Brian Sheets and Councilor Wilson – Corey Brooks.

Corey Brooks 4 – 2.

Mayor Daoust states that's 4 to 2 so Corey Brooks will replace Councilor Anderson on City Council. Congratulations Corey. Let me say again, I think this is the best move that we could make as a Council. Corey is a good man and he'll do a good job. All 9 applicants were good people. We had 9 good people apply and we had a hard time. We deliberated until 10:30 at night and started at 6 o'clock. For 4 ½ hours we held interviews and deliberated about who we wanted. It wasn't easy. This is not easy. I think it's the best thing that we can do as a divided Council.

Ed Trompke states because the resolution wasn't raised or voted on and because Councilor Anderson has submitted a resignation that is effective after item 5 on the agenda tonight. Corey Brooks could be sworn in as a new Councilor any time after agenda item #5 tonight under Section 28 of the charter.

Councilor Ripma states we usually have the judge do it.

Mayor Daoust states we do need to vote on the resolution.

Ed Trompke states you held a vote so I think this is redundant. I don't know that you need it.

Mayor Daoust states the only thing on the resolution is there needs to be some grammatical or editorial corrections made to the times that we held interviews.

Ed Trompke states under section finding #8 it says 5:30 on March 14th that should be 6:00. On section # 2 it says February 26th and it should be March 4th. Then on section #3 it says 5:30 it should be 6:00. Also on section #5 he could be sworn in any time after March 22nd.

Mayor Daoust states there's one other change. On the very first #1 it should be effective March 22nd rather than March 31st. People meet Corey Brooks.

Councilor Ripma states if I might suggest, why don't we do it at the beginning of the next Council meeting with a little more ceremony and have the judge here. I don't see any reason to do it tonight.

Councilor Allen states although I may not be comfortable with what happened in the interim while I was gone, that was a fair vote. I do believe in democracy and so I will support the appointee.

3. PUBLIC COMMENT:

Josh Moriarty, Troutdale, Oregon, states I listened to the deliberations last week and first of all I just want to say I appreciate the opportunity to interview with you guys and the discussions. I just want to address one thing that came up because it was publicly called out and frankly, bothered me quite a bit. Councilor Ripma, you said if I was elected to Council it would be scandalous, you said it a couple times, because I had donations from Junki Yoshida and some other supporters. Taking it a step further like you did a year and a half ago implying that I had been bought. And I haven't been. There are people that you and I both know. We have common friends, I've lived in this town my whole life. I didn't know when I walked in the door that there are multiple people sitting behind me that have known for 20 and 30 years. I'm not going to bring up a bunch of character witnesses but I could. I vote on issues, I'm my own person. I really would appreciate it if you let it go. That's all I have to say.

Councilor Ripma responds Josh, what was scandalous wasn't you. I mean that. It isn't you. What I meant was if you were picked on a 4 to 3 vote with Councilor Anderson participating basically after Troutdale voters had voted me instead of you, that's what was scandalous.

It's not that you are. I don't think that. I never thought that and I take you at your word. I'm quite willing to forget the whole thing. I won't bring it up again.

Paula Goldie, Troutdale, Oregon, states I wanted to talk a little about the recreation program that everybody seems to think is such a great idea and pushing forward. I know Craig Ward addressed it with staff here last week. I just wanted to remind everybody that your idea that it's all going to be online, it's going to be fabulous, and we won't have to see anybody in the office, it's so totally off base. There's people like me and perhaps older people too that may have grandchildren that they want to sign up. I need to tell you there's still a lot of people in the City that are older people that are not computer savvy. And when you pull in from Wood Village and Fairview as well you're still going to get the same sort of voter base. People that maybe aren't as tech savvy as we like. The other thing is I hope that you're thinking way far ahead as to staffing and workload. At the present time the ¾ time person if she's not here, Craig Ward handles the stuff. Any issues that come up like cancellations, adverse weather, etc it falls on Craig. If Craig is not here it falls on the cashier and the small staff. It's a small staff to handle all of this. If we're going to get these other places in then the conversation needs to be held of their question of the cost to run the programs because we say, and you've said many times, that it funds itself. It's not even close to 50% funding itself. So that means the citizens of Troutdale, we're subsidizing it. Somebody needs to pass those costs along and we need to have a really detailed look at what those costs actually are before we just steamroll them all through. Our lovely staff doesn't mind taking on extra work as long as it's well thought out.

4. RESOLUTION: A resolution adopting the Public Works Department Capital Improvement Plan, rescinding Resolutions 1995 and 2225, and rescinding the Parks Capital Improvement Plan adopted by Resolution 1941.

Councilor White states I have a question for Ed. When we heard the presentation on this from Planning there was concern that the numbers had changed and my thought is, shouldn't that go back to Planning with the corrected numbers? They clearly didn't get a look at the changes. They only saw the first draft instead of numbers. That was a request of the entire Council that it go through Planning.

Ed Trompke states I don't remember if it was the request but it is certainly something the Council can do.

Councilor White states we voted on it.

Mayor Daoust states is has already been through the Planning Commission. I'm not sure what you're saying.

Councilor White states Tanney is here, maybe he can elaborate. I was at that meeting and everything looked good but when Tanney gave his presentation he showed us where certain numbers had changed. Tanney could probably answer it better than I could because they were the ones that studied it. And he's here in the audience.

Mayor Daoust states we did have the Planning Commission review it and Tanney gave a presentation 2 weeks ago with what the Planning Commission came up with. So you guys know exactly what the Planning Commission came up with. And Tanney is here to answer questions or make comments on what the Planning Commission came up as recommendations but I think we have what we need in front of us because staff knows what the Planning Commission came up with and you have it right here.

Councilor White asks can I just get clarification since he's here for questions? My question is since the numbers got changed after you guys looked at it, is Planning willing to look at the revised numbers. Or do you think that's necessary?

Tanney Staffenson, Troutdale Planning Commission, responds there's been a couple of revisions or modifications to the plan since we reviewed it. If we did we look at it again it we would be more comfortable with it because the numbers had changed, things have been added, things have been deleted since we made our initial recommendation.

Councilor Wilson asks can you specifically tell us what's been added? Whenever you tell us the specifics on this you've always talked in generalities that we have a wish list, things in blue being later, been talking to staff, these things have been in this list. You were going to send me what the $100,000.00 is. You said the city was using on a parks population of 21,400 adopted boundaries at an 18,000 population which is far different from what Metro does. I'm finding a lot of inconsistencies that I can't help you with because I don't understand exactly what you're talking about because we're talking generalities whereas I need specifics from the City.

Tanney Staffenson responds I appreciate that. If we're talking about generalities. The Capital Improvement Plan (CIP) list that you originally looked at that was going to be approved had a number of items in there and the price tag was to be determined. I would call that a general thing, not a hard number. Some of those have changed since that time but that was the original CIP list. I would consider that to be as general as it gets. Whether it's an item that doesn't have a number attached to it.

Mayor Daoust states staff said that was what changed when they came up with better information which is what they did.

Tanney Staffenson responds correct, which has happened. The question was put to me specifically about general numbers and I would say that what we received had more general numbers in it than what we turned back in.

Councilor Wilson states to be determined is not a general number. It's waiting for a number to be a part of it.

Mayor Daoust states why don't we have staff go through their discussion because they're going to get into some of the changes that have been made to the projects or additions and subtractions based on the input they got from the Planning Commission. They're going to go through the projects and I hope explain to us what perspective is of which should stay in and what should come out and what should change. At the end we can decide whether it

has to go back to the Planning Commission or not. My gut feeling tells me it doesn't have to. The process we set up was that you guys would take a look at it, you would give your recommendations. Even though some of the numbers were missing. Even though some of the numbers had changed. I don't know that that matters at this point in time. You will by the end of tonight have a pretty solid look at what is going to be in the CIP plan. It will be pretty solid tonight. I'm a little confused as to why it would have to go back to the Planning Commission after tonight.

Tanney Staffenson states I don't think it has to. The only thing I would say is when I came forward and said the Planning Commission recommended a downtown study from an overall concept and not just parking. We thought it would be an additional $50,000.00 potentially. You were concerned about spending $50,000.00.

Councilor Wilson states no I wasn't. I wanted to know exactly what you wanted the study to be about. You were going to get me that list before this meeting.

Tanney Staffenson states right. And I would also say that since that time the numbers have changed one way or another in excess of $2 billion.

Councilor Wilson states okay but that brings us back to the question I asked you, what do you want the extra $50,000.00 to study downtown? You said Councilor Wilson I will get you that in a week.

Tanney Staffenson responds I said I would get you that and I notice it is in the plan now. I didn't send it because I don't do planning studies. I'm not qualified.

Councilor White states I personally want to say I would feel more comfortable, with changes up to $2.5 million dollars, having it go back for planning review and then we can bring this forward after that occurs and we'll have our neutral Council evaluate this at that time. That would be my preference.

Mayor Daoust states let's see why that number came up. I don't even know what you're talking about. Maybe staff can explain.

Travis Hultin, Chief Engineer, states so first I want to respond to the mention of endorsing projects that did not have cost figures at the time that the work session here with the Council and Planning Commission. I said quite clearly at the first work session it was a rough draft of the plan that the staff had prepared to obtain direction as we work towards finalization of the plan. So we didn't have some of those numbers at that point. As far as the differences in the cost figures most of those, almost all of them, are simply updating those cost figures for inflation. Or in some cases bringing them back in time. The rough draft that I submitted to both the Council and the Planning Commissions most of those numbers were the fully escalated cost. That was in the cost models we have we had projects around the future, we had inflation costs for the future and that was the number I reflected in the rough draft so everybody could see what these projects would normally cost way down the road. In the rough draft, the Planning Commission recommended that we involve cost figures and dollars. So in some cases the numbers were brought back in time, they were projected out

to the future, they were projects being brought forward from older plans and older numbers and they were escalated forward in time. The vast majority of those differences are just inflation adjustments.

Councilor Wilson asks would it be safe to say that page 2 the $750,000.00 for the sewer fund and pump upgrade station would be the biggest change out of all the different changes you made?

Travis Hultin responds probably. I would have to go back and look to be sure but that's probably the case. I can't think of a bigger one off the top of my head.

Mayor Daoust states I thought you were going to address the $2 million dollar figure that Tanney brought up. What is that?

Travis Hultin responds I don't know how Tanney arrived at that number so I'm not really sure. I can tell you that the vast majority of the differences are due to inflationary adjustments.

Steve Gaschler, Public Works Director, states I'm going to take a few minutes to go through some context and talk about what we can do with this plan and what we don't do with this plan. I would like to start off by saying in going through this process we learned from staff that this was a lot bigger project than we anticipated and a lot of that due to the time lapse over the period of when Council dealt with this and when staff has dealt with it. There's been a lot of changes. We kind of lost track of some of this stuff and you as a Council haven't seen a lot of this stuff for quite a long time. I want to apologize for that. I can see that it's our intent to bring this back to you on an annual basis so it's not such a big elephant to get down each year. That way at the end of the year we'll probably just be talking about some adjustments of inflation, adding a project or two based on what happened that year. And we might be taking a project or two off based on either being completed or whatever but it won't be such a big ordeal for us as staff and you as Council to deal with. I think it is our intent to bring this back annually and not make this such a big hurdle to get over. Next, the context and evolution plan, this thing is kind of based on the City having a Comprehensive Land Use Plan. That's required by the state to take a long term look at what your land use goals and objectives are for the City and come up with a plan and the City has done that. From that the City has put together various master plans for all these systems that we're talking about here. Parks, transportation, water, sewer and so forth and the Urban Renewal Agency plan. Each of those master plans are a lot more detailed when you look at what growth is going to occur over that period of time and what facilities it's going to take to serve that growth. They also look at your existing system what your current deficiencies are. That's mostly for water and sewer, storm sewer and some transportation. Parks are a little bit different. It all kind of evolves from comp plan down to the master plan. The majority of the projects in this list are from those master plans. Not all of them but the majority. They're a long term view of the capital project needs of the City. What is the plan used for? It serves as a master list of all the City's projects at one location. Instead of having these individual lists and all these plans it basically takes all those plans and incorporates them into one master list plan. It doesn't mean that every project from those plans have to be in that list. They don't have to be and that's Council's decision. That's what we're here to talk about tonight. It contains

projects that support the growth. It contains projects needed to replace existing systems that are at the end of their useful life. It's a replacement component used in cost of service rate setting. Those replacement projects in there we do look at those projects and those numbers and we've done that rate analysis. On the utilities funds you'll notice there was a rate component that dealt with replacing those systems and those costs. Those costs are pretty squishy numbers at this time. The Planning number is kind of an order of magnitude to get us in there because there's a lot of work to be done on those projects figuring out exactly what detail what they are and at that point those will be refined as we move towards doing them. For today this is the best information we have and we have to have something. The capacity enhancement piece of it is used in the System Development Charge of methodology calculations. Which is something that we'll be bringing the Council once we kind of settle on it. The next piece for us is to bring our methodology studies back into line with this and the numbers that shake out of this. The first thing when we do bring that back in is we'll bring the CIP and ask Council which of those projects do they want included in that methodology study because they don't all have to be in there. We'll have that discussion. So just because it's in here doesn't mean it needs to be in the SDC methodology study. It can be but it doesn't have to be. We can put it in or we can take it out. If you leave it in naturally the SDC is going to be higher. If you take it out it will be lower. We will not be accumulating any money to do that project down the road. At some point in time if you want to fund that project you will have to account for it. The need for it doesn't go away it's just an accounting exercise.

Mayor Daoust states I remember some CIP lists in the past that have had all the projects listed and then a couple columns of whether it qualified for SDC or did not qualify for SDC. Or if there was other funding that could be used for the project. So like in the middle of the spreadsheet there would be 3 small columns that would elaborate more on what type of funding could be used, SDCs or not on that particular project. Just because it could not or partially not be in the SDC formula didn't mean it was taken out completely. It showed on the same spreadsheet but it does not qualify for SDC. I remember seeing a list like that in the past.

Travis Hultin responds the way the previous Parks SDC methodology report was prepared it had a table that you talked about. The first part of the 2000's there's a way you can calculate the portion you can put into your SDC methodology. That is actually a little bit different than how much percentage you can spend from your SDC. There's different base years basically. That is something we'll want to show in a SDC methodology analysis. Because it's going to be very hard to follow if you don't. The percentages you see in here are not necessarily the percentages you can use in your SDC rate equation. The percentages you see in here are percentages you can spend on a project. Those can be 2 different numbers because you calculate them based on base years.

Mayor Daoust states maybe there needs to be more work done later. Maybe tonight we just need to decide which projects are in the list and which ones are not. Right?

Travis Hultin responds right, once we actually settle on what the CIP is then we can actually perform the methodology analysis.

Steve Gaschler states I've seen it that way. In some of the master plans, which basically have a CIP plan specific to that master plan, I think that's where you see how much is eligible and how much isn't. In the funding breakout sheet I think we do talk about how much is in each fund. The CIP is used by other jurisdictions for planning coordination. The project is not contained in one of the adopted master plans. Master plans serve as an official City approval for grant application eligibility. If it's a project that we don't include in this it would take a special action by Council to approve it and get it eligible for grant funding. They want to see that it's an approved plan adopted by the Council. So if it's in here we can use this CIP to document in those applications. It does not obligate the City to undertake the project or the time period or the cost. There is no obligation at this point whatsoever. It's just a list for everybody to work off of in one place and not scattered through all these different plans. We're just trying to consolidate it into one place for everybody for easy reference. Just for context item, we're talking about these $2 million dollars and $15 million dollars and $20 million dollars if you take the value of all these systems and add them up together they're over $100 million dollars. It's big numbers because we're dealing with big expensive systems. Especially when you add them all together. I'm trying to say don't let the zeros scare you. That's all I have to say. I'm just trying to tee it up a little better and make it easier for you. I can sympathize with you. I've had a time struggling with this thing for months and it's been very challenging and for Travis too. He's been working on this since last summer and our original estimation of getting this done was a lot sooner than now. It's turned into a lot bigger project.

Travis Hultin states a couple of the Councilors indicated they had a hard time following the progression of various master plans and CIP updates so I threw together a quick timeline that you can use for reference to show different master plans and CIP updates. The last time the CIP was fully updated back then didn't include Parks because Parks was in Public Works. That was in 2009. There was an update in 2012 which just covered storm and water. We had a couple of master plans completed in the interim so that's why you'll see this CIP has so many changes in it from the last CIP. Normally if you were doing this every year as Steve mentioned typically your changes are going to be a lot smaller and not doing so much at once. That's one of things in particular that makes the CIP update very challenging.

Mayor Daoust states the changes that are in the staff report on pages 3 to 5, I think those are the ones that are on the top of our list of things we want to nail down tonight. The major changes and we can discuss any changes that we want to discuss but those on 3 to 5 if you could go through those so we could discuss them.

Travis Hultin states what you see at the bottom of page 3 these are recommendations from the Planning Commission. Those are not actually in the plan yet. As my staff report indicates we received some recommendations from the Planning Commission and we received some recommendations from the Parks Advisory Committee. However I am helpless changing these back pending direction from the Council. They provided the recommendations to the Council and it's my feeling that Council should choose whether or not to accept those recommendations or incorporate them or not. I indicated what those recommendations are but I haven't put them in the draft document in front of you. What is proposed tonight does not currently incorporate those recommendations. As far as changes, the track changes copy you have, I've done my best to try to capture and mark every change that's occurred

since the work session that I held in front of you in October. That was an initial rough draft that I presented to you asking for direction. That went before the Planning Commission and the Parks Advisory Committee. All through that process I made changes whether they were based on things pointed out by those Committees that we fixed or things that we were updating and correcting. Those are all reflected in that track version that is attached to the staff report.

Mayor Daoust asks on the red changes in here, are the changes that you guys have made?

Travis Hultin states as far as the meter changes and projects, they are reflected in the track changes version. The two that come to mind particularly are in the storm drainage section. There's one project added which is the 14th Street drainage improvement project, which was based on things that were developing at the time we were first preparing the rough draft. It's a relatively small drainage project that we think is needed on 14th Street. Then the addition of the Visionary Park project which the Council by resolution wanted in the CIP months ago.

Mayor Daoust asks when you're referring to a project, give us what exhibit and which page it's on.

Travis Hultin states it's in the storm drain section, Exhibit B, on page 6.

Mayor Daoust asks you added that one?

Travis Hultin responds we added that one. That was a staff identified project. If you go to the Parks section at the markup version, Exhibit E, page 1, resolution 2306 that Council adopted a few months ago.

Councilor Anderson states I was going to put a motion on the floor in essence adopting these changes advised by Planning and Parks Advisory.

Mayor Daoust asks can we discuss it first.

Travis Hultin states the Planning Commission chair relayed their recommendations to you folks at the last meeting as I understand it. This is my best attempt to capture it from the actual notes and unfortunately we did have a technical malfunction with the recorder. The first recommendation was to adopt the transportation CIP substantially as presented, with the following changes: first was to expand the scope of the proposed downtown parking study. Which is project ST-090 to a comprehensive downtown plan and increase the estimated cost accordingly.

Mayor Daoust asks that's the one Councilor Wilson brought up. That was the discussion between you and Tanney. Let's talk about that. You don't have that in the markup because it's a Planning Commission suggestion. That would be an expansion of the downtown parking study. Do you know what this is all about?

Tanney Staffenson states there was a downtown study done, I believe it was 1990 or 1998, I can't recall exactly which year. We felt that given the changes in the landscape of

downtown, businesses, and future development, we felt it would be in the City's best interest, the business community's best interest, and the taxpayer's best interest to do an overall look at the downtown system rather than just parking.

Councilor White states I thought at that meeting you guys also increased the area to the town center overlay. I could be mistaken though.

Tanney Staffenson responds yes. We felt it was in the best interest of all to look at all of downtown rather than just parking.

Councilor Anderson asks this assumes keeping the town center overlay as the zone or does this bring zoning into play?

Tanney Staffenson responds no, this would be a master plan study of the downtown.

Councilor Anderson asks based on town center overlay zoning?

Tanney Staffenson responds yes. I know I don't have any details but I also figured with already having $700,000.00 in studies plugged in I didn't think expanding one study a little bit would kill us. We don't know the dollar amount. Staff would know better than we would. We thought it would probably cost an additional $50,000.00.

Councilor Anderson asks if this goes through tonight, this is something that can be brought up as part of the SDC methodology. So there's going to be multiple bites at the apple here. In theory, I agree with Tanney 100% and the language. I think we should expand the scope.

Mayor Daoust states I'm not too sure what we're studying. That's my issue. That's a basic question Tanney. What would the study be studying in addition to parking?

Tanney Staffenson responds I'm not a staff person or elected official. I'm just a volunteer individual and I would say from my perspective that you would want to look at your downtown from not only parking but since you got it in transportation you would look at transportation, business climate, what you anticipate in the future of what downtown would look like as it develops. We haven't really done that. We haven't done it in a planned format in a long time and it has changed.

Councilor Allen states I want to point out it says right here, conduct a study to optimize existing parking in CBD and to identify and assess opportunities for additional public parking including ADA and bicycle parking. We hear it all the time, parking is a problem.

Mayor Daoust states we'll have to define that a little bit more because I still don't know what we're going to study.

Councilor White states I see problems too with the downtown area. I think it should be addressed. We have a rain run off problem for example and water in the downtown. Parking continues to plague us. How do we tie Drover's Trail that doesn't have a sidewalk or cross walk. We talked about tour bus parking for the museums.

Councilor Wilson states ST-090 is not for that area. Not for the Historical Society.

Tanney Staffenson states if it would please the Council we can pull that item and do some type of community fundraiser for it.

Mayor Daoust states it is okay to have it in there. It needs to be defined because it's still a little unclear about what the study would study. It's fine to leave it in there if the Council agrees to add. The price tag on the downtown parking study right now is $51,000.00, are you saying it will go up $101,000.00?

Tanney Staffenson responds that was just our estimation.

Mayor Daoust states if the Council agrees on defining it further and keeping it in there.

Craig Ward states staff would be happy to meet with the Planning Commission and try to refine this scope of work on a downtown study. That's what we're wrestling with here. We're not sure what it is. We just need to have further conversation about an appropriate scope of what should be studied and what we should be studying. I think it's perfectly fair to leave this item the way it is or to take the Planning Commission's proposal with the understanding that we need to refine this scope.

Mayor Daoust asks what does the Council want to do with this particular one?

Councilor Wilson states I vote to leave it in at $51,000.00 and add to it later if needed.

Councilor White states it sounds like we're planning on voting on this tonight. Is that what I'm getting? There's quite a bit of discussion about getting Planning Commission's items in as another option to vote on and we decided not to do that after we were told we'd have 2 shots at this. I was hoping to take this in tonight, do some of my own research, and then vote on this.

Councilor Wilson states you've had 2 weeks. I took it home and worked on it for 2 weeks.

Councilor Allen states this seems much more refined than the last time I saw it. I don't see anything that's really all that controversial about it. However, I also don't see the rush at the moment. I'm fine if we want to vote on it at a second meeting.

Mayor Daoust states we can vote on it tonight too. We had the Planning Commission recommendation 2 weeks ago. The major ones here that we want to discuss we can discuss and decide what we want to do with them tonight.

Councilor Ripma states that's kind of what we're doing.

Mayor Daoust states if there's any other Planning Commission changes that you want included then bring those up tonight and we can include those too. So I understood the Council to say we'll leave ST-090 as it is with full intentions to define the scope of a

downtown study. And a possible increase whatever the cost would be to do a downtown study later. Once we find out how much that might go up.

Craig Ward states if I could put your mind at rest a little bit. This downtown study is shown as an element of the CIP because it deals with transportation. While what the Planning Commission is talking about has a transportation element to it, it's really a land use planning study. Therefore it's not a capital improvement and it doesn't need to be in here. It needs to be in our personal professional services component in the budget. There's no reason we cannot blend the money that's in the CIP for a parking study with the money that's in professional services for land use down the road. The planning study does not have to be in here from the land use standpoint.

Mayor Daoust states no it doesn't. That actually makes a lot more sense. You don't put a downtown study that would address businesses or other than transportation in the transportation CIP list. We'll still pursue it but we can do it under a study rather than a CIP. Okay Item 1.2 from the staff report, delete the Primary Access to Urban Renewal Area project ST-084, that's got a lot of discussion since that came up. My inclination would be to leave it in the CIP list rather than delete it. I know that the Planning Commission wanted to delete it. They wanted to move it into an Urban Renewal list, a whole different category. The reasons why it, from my perspective, should not be deleted from the CIP list is three fold. The primary access to the Urban Renewal Area (URA), that's the road through the outlet stores, that project can qualify for multiple types of funding. The TIF (Tax Increment Financing) funding from the URA is a major source of funding that could probably pay for that road. There are other sources of funding. SDCs could contribute if we figure out how to structure SDCs and possibly confine it to the URA. And grant money. Transportation funds from the federal government and transportation funds from the state government for transportation projects. To qualify for those it should be in the transportation CIP list. From my perspective it doesn't make any sense to take it out of the transportation CIP list when you have all those different kinds of funding that could apply to the same road. The URA category for capital improvement projects really is not a legitimate category as I understand it. Other people can describe that better than me.

Councilor Ripma states I understand that what the Planning Commission recommended was it be moved from the CIP list for the City and put in a CIP list for the URA. My understanding from talking to Ed is that there isn't a CIP list for the URA. This is a City project, it's going to be a City road. The fact that it can be repaid out of TIF funds is what makes it work. That's the only way we're ever going to be able to pay it back. You mentioned it just quickly but the idea of any SDCs collected to pay for this come from the URA only. It would mean the rest of the City would be saddled with paying the extra SDCs. It would just go on the URA and if that's doable I think that's a good deal.

Ed Trompke states it has to be structured that way but it is doable as you said.

Councilor Ripma asks could it be reflected in whatever we finally adopt?

Ed Trompke states at the moment it says it's entirely to be paid for by the URA. That's advisory until the Budget Committee decides how to start spending money. It doesn't really

need to be changed and it will be discussed in the right budget year when the Budget Committee gets it.

Councilor Ripma states I will also say I talked about this with Tanney and his concern was that it should be on the URA and not on the City as a whole. First of all, the project is not entirely SDC qualified. It's not really capacity enhancing. Maybe a little bit but probably not. Any SDC adjustments if it could be limited to the URA that relieves my concern and I hope it does Tanney's too.

Ed Trompke states eligibility is something the engineers have to work out with the finance people. It can be a complicated analysis that they look at. It's too early at this point to break it down into that until they get into an SDC analysis which they're going to get into.

Travis Hultin states I want to clarify a couple of things. One is that determining how much could be funded from SDCs will be how much could be proportioned to growth. That's the most difficult test. It's determining what the growth factor is eligible to apply to it. The second part would be Councilor Ripma suggested that the SDC would only be charged to the URA it really doesn't work that way. If you want to do something like that you typically do more like a local improvement district, work with the URA plan, and plan for it. So that would be a little redundant in my mind.

Ed Trompke states the timing and money can't be matched. It doesn't draw moneys from the rest of the City. Once the SDCs are computed for the URA that can be matched to the amounts that are actually expended on the plan on this particular road. It can be done but it's just not an easy calculation to make. We'll be matching it at the right time. It can be done.

Councilor Allen states the thing that I struggle with here is that we told the voters that we were going to do an access way through the Outlet Mall. They know that. But we told them we were going to use funds from the Sewer Treatment Plant (STP) and we're not exactly getting what we thought we were going to get from that and it's insufficient. Specifically we told the voters that we would use funds from the sale of the STP site and developer contributions to pay for this access way. I get a little nervous when we start mixing in City funds with what should be supported by that and an alternative would probably be to use TIF money to do a payback in 16 years. At least according to what we told the voters.

Ed Trompke states using the amounts of the SDCs funds that are generated by the developer of the URA is coming out of the pocket of the developer of your renewal district. It's not using SDC funds that come from the rest of the City. The Council needs to be directing the staff to limit the SDC contributions and that will have to be respected and honored as the process moves along.

Councilor Allen asks can we limit this to those SDCs into the TIF funds.

Ed responds you can't today because when the money gets spent it goes through Budget Committee. The Budget Committee will have to be advised on it at that time and the Budget Committee makes the planning decision on it. We're all aware of this now and that will be brought up at the right time and at the right presentations. When budgets get put together

they will reflect the intention of Council at this point. But Council can always override your intention today. I can't promise you what your successors in office 5 years from now will do.

Councilor Allen states I'm all for supporting what we told the voters and sticking with that.

Ed Trompke states I think we can live with that and make sure it gets brought up properly.

Mayor Daoust states I think items 1.2 and 1.3 could be handled the same. We're talking about Urban Renewal Area access and so 1.3 falls in the same rationale and reasoning as 1.2 does. Let me add one more statement. When I was at the airport meeting Bobby Lee came up to me, he's the Governor's regional solutions guy for the Portland Metro area, he specifically told me that they're working on funding loans for the URA access road. That's good news folks. Bobby Lee's group is working on it. I think the point of bringing that up is we may have other funds of money we can use for that road. If we indeed get a reasonable loan from the State of Oregon for a public road we may not have to use as much TIF funding. We can play it by ear as to what type of money we can use on that so we're all comfortable with what types of money we're spending.

Councilor Allen states I think it's a good idea as long as we don't start dipping into the City funds.

Councilor White states I'm thinking it kind of makes sense to the downtown plan to wait until we actually see what that looks like before we add it in.

Mayor Daoust states that's what we agreed to.

Councilor Wilson states once we get a scope of the study, but it would go under land use not transportation.

Travis states the cost shown for those projects are just the costs from the Urban Renewal Plan.

Councilor Allen asks what do we do if some of the grant funding or other sources don't come into play. We could easily go over budget. Is that something we're just going to handle at the budgetary process?

Travis Hultin responds I want to refer back to the first paragraph of the background statement of my staff report. I want to make sure everyone remembers that nothing in here is written in stone. Nothing in here commits Council or the City to do anything. The Council can change the CIP pretty much at any time it chooses to. If different funding streams come in line they can update the CIP at their discretion whenever they like to. These are available as the best information we have right now. It also doesn't pre-approve a project. It still has to go through the budget process and it has to go through all the normal processes that any City project would have to go through to get funded and approved. Nothing in here is guaranteed is what I'm saying.

Councilor White states I think the problem lies in the fact that it's harder to remove stuff from the CIP than it is to add it. It also becomes a driver for staffing levels and rate increases. We get that argument thrown at us so that's why we try to be really careful of what we have or don't have.

MOTION: Councilor Anderson moved to adopt items 1.4 through 3.2 of the Planning Commission's recommendations and adopt items 1 and 2 of the Parks Advisory Commission recommendations.

Councilor Wilson states at this point I would like to add to the Parks CIP.

Councilor Anderson states okay I'll withdraw that motion.

MOTION: Councilor Anderson moved to adopt items 1.4 through 3.2 of Planning Commission recommendation. Seconded by Councilor Wilson.

Councilor Anderson states the reason I say this is because of what Travis just said. This has got to go through so many different hoops. I get what Councilor White says. It's hard to pull things off but the Planning Commission studied this long and hard.

AMENDED MOTION: Councilor Anderson moved to amend the motion to adopt items 1.4 to 5.2. Seconded Councilor White.

Mayor Daoust states so that's been moved and seconded to adopt 1.4 to 5.2. Further discussion on that.

Councilor Ripma asks Councilor Anderson you want to delete that?

Councilor Anderson responds no, I want to add it. I want to add everything back into Urban Renewal like we have to do.

Councilor Wilson states Councilor Anderson is stating don't delete anything. Just leave it and when we get there we'll make a decision.

Travis Hultin states just to clarify, none of these recommendations have been incorporated with the draft that has been presented to you. So if you adopt the proposed CIP that was attached to the Resolution you don't need to. You don't want to accept the Planning Commission's recommendations at this time you can just adopt the proposed plan because those have not been incorporated.

Mayor Daoust states I'm having a little problem since we're discussing the motion.

Councilor Wilson states I withdraw the second.

Mayor Daoust states I have a little problem removing the Special Use Park Development project if that's the riverfront project in the URA. Is that a correct statement?

Travis Hultin responds that is correct. That's the park that's the URA.

Councilor Anderson states because it is grant funded and everything else, we'll keep that in. Ideally it's the same as 1.2 and 1.3, correct?

Mayor Daoust states yes it is so given your motion it would be deleted.

Councilor Anderson states I will withdraw that motion. We discussed everything URA related and we were going to table that for another time.

Councilor Wilson states I guess the correct thing to do would be to vote to approve staff's recommendations.

Mayor Daoust states I think there's some Planning Commission things that are okay to approve. We're uncomfortable with 3.1. We're not going to go for 1.1, 1.2 and 1.3. Those are going to stay in the plan. The rest of them we're comfortable with. We're not comfortable with 3.1. I don't know why we would want to take that park out of the Urban Renewal district. And the rest of them 3.2 to 5.2 does anybody have any problems with those?

Councilor Ripma states 3.1 was taken out of the City CIP list and put in the recommended Urban Renewal CIP list and it turns out that doesn't exist. I agree with you totally but that's why it was done. It was worth discussing.

Mayor Daoust asks does anybody have any problems with the rest of the Planning Commission's major changes?

Steve Gaschler states on 5.1 which is to limit the cost of Onsite Water Recycling System at the Waste Water Treatment Plant that's something that is in the proposed budget currently. It's moved forward whether it be approved or not. Our estimate on that is $150,000.00. It is just an estimate and if we can't do it for $100,000.00 we're going to spend $80,000.00 out there on treated water. If we can do it even at $150,000.00 it will pay itself back in 2 years. Instead of using treated water we're going to re-plumb the system out there and bring the effluent back in and use it as processed water. Right now we're spending $80,000.00 a year for the water department to buy water. To me it's a no brainer project that we should be doing. I would hate to see it put on there as an artificially lower number and not be able to go forward with that.

Mayor Daoust asks Tanney why was that limit put on there? Staff is uncomfortable with 5.1 on the Water Recycling System.

Tanney Staffenson responds at the time that we reviewed the plan there was no amount in there for the water recycling. We had made a determination of a not to exceed amount so there was a number in there. Staff did not have a number. We asked what they thought it might be and then we came up with a number so we had something to put in the plan. It wasn't to handcuff anybody.

Mayor Daoust states it sounds kind of arbitrary.

Councilor White states a part of this was we had potential customers with effluent water and it didn't make sense to do that.

Mayor Daoust states I'm more comfortable with staff coming up with the cost of that than an arbitrary number. What do you want to do with 5.1?

Steve Gaschler responds we would like to leave it in as $150,000.00. We got that number by talking to another jurisdiction that just recently went through that process.

The Council concurred.

Councilor Ripma states I did have one other thing if we're thinking of moving forward with the whole plan. We had a question raised the last time about Exhibit B of the markup page 4. It's a water loop system on NE Harlow and why the developer was assigned 90% of the cost. I just wondered if that got dealt with in any way. I remember Rip Caswell bringing it up as to why and I never heard an answer why it's 10% URA and 90% developer. Is there an explanation for that?

Steve Gaschler responds when this came out of the master plan when the master plan was developed there was no connection out there at that end of the system. The 2 terminus points were at that corner, Harlow Place on the north side of the freeway which is about 900 feet north of the freeway currently. The terminus on the south side of the freeway is the old Waste Water Treatment Plant side and that 155 in there represented the cost to do that connection clear across there from those 2 points. When ODOT was doing the bridge they came to us and said they had received some more money and were able to put the trail underneath the bridge and wanted to know if they were going to put the trail in if we wanted to get our waterline in before they put the trail in so that we wouldn't have to come back and tear the trail up to get the waterline. So the City went in there 2 years ago with our own forces and put a little over 300 feet of waterline in underneath that trail. It's not being used right now because it's not connected on either end. We could've connected it on the south end but not knowing what was going to happen in the URA area and it wasn't serving anybody on the other side we didn't want to make that connection because we thought it might get changed in the future anyway. But now subsequently we have a development opportunity on the other side and that line is now going to be used by people developing that property. So the developers pay for their portion of the public facilities that go across their property frontage. The remaining portion will now go under the developer.

Councilor Ripma asks so that's a normal way we would assess a cost for something like this? If a new line is being built in front of a development they pay.

Steve Gaschler responds yes if it's to serve that property.

Councilor Allen states from an engineering standpoint the loop makes sense. The reason I flagged this particular page amongst others was that it seems like everybody on that loop

benefits from it happening and being done. I was wondering if we're putting too much of a burden on the developer in that particular area for something that may benefit multiple properties. I wondered if it was such a burden that it might actually prevent that area from being developed.

Travis Hultin responds this question has come before. We have subdivisions and projects where there may be some underdeveloped properties and they have to get the water line all the way to their property. As it has been for many years it's the developer's responsibility to bring utilities to their property. The City Council many years ago created what's called a late comers agreement process. The term and the code is reimbursement district. If a developer does have to extend a line across the frontage of others and their going to benefit from that the developer has an opportunity to form a reimbursement district. Those properties when they develop and connect would have to pay a reimbursement for their piece of it. That's how the Council addressed that problem in the past.

Councilor Allen asks for clarity we would be asking for them to pay the portion to get the utility to their property, not necessarily for the entire loop?

Travis Hultin responds correct.

Steve Gaschler states in this particular case the City has already paid to get the waterline at 300 feet and the most difficult part of it underneath that bridge. That line there doesn't serve any property, the freeway doesn't need water.

Mayor Daoust asks does staff have any problems with any of the other major Planning Commission recommendations?

Travis Hultin responds I wouldn't say problems but I could name a couple of recommendations on 3.2 and 3.3 of the staff report. I think the Planning Commission's intent there was to deflect the fact that there is the amount of Park Plan Acquisition for growth in the Parks Master Plan was based on an entire buildout population estimate. I think the Planning Commission felt that now that the population is lower, we didn't need all those projects. Based on the current population projections the Planning Commission was correct in that we would not need as much neighborhood park site acquisition if you were to recalculate based on the population figures. However my analysis does indicate that it's just different phases of those projects that you would delete if you wanted to get that in line with the current population projections. If the Council agrees to the principal of the Planning Commission's recommendation there then really to bring in line to the current population projections you would delete Neighborhood Park Site Acquisition Phase II PA008. PA012 which is the development of neighborhood parks phase II. If you want to implement the recommendation then I would suggest that instead of neighborhood parks Phase I and development project of that you delete phase II.

Mayor Daoust states so 3.2 we would leave in because that is phase I. so what you're saying is delete PA008 and PA012 instead.

Travis Hultin responds that is correct.

Mayor Daoust asks does Council have an issue with that.

The Council had no comments.

Mayor Daoust states so we will go with that. PA008 and PA012 will be dropped.

Travis Hultin states my analysis agreed with the Planning Commission on 3.3.

Councilor Wilson states about a year ago we had approved Exhibit A, page 2. Is that going to be done this year? I thought it was going to get done last year.

Steve Gaschler responds we've been working on it for years. We don't seem to be making any progress. I tried to get our in house staff to do it but they're just too busy with day to day operations. It wasn't getting done so I went outside to see if I could find an engineer to do it. I can find them but I can't afford them. I'm trying to get back to staff getting carved out to do it.

Councilor Wilson asks are we out of compliance?

Craig Ward responds I wouldn't like to answer that on the record.

Councilor Wilson states parks has recommended a skate park for $455,000.00. How do we go about getting that added in to this list? I would like to see it done. I think the amount is low. The skate park in Oregon City spent over a million dollars on that so this would be substantially smaller. I think it would be good for the kids. I think this would give them an outlet to having fun.

Councilor Allen states I agree with what the parks committee is suggesting here.

Councilor Anderson states I like it for those reasons and I like it for the fact that the Parks Advisory Committee brought it forward.

Mayor Daoust states I think it's a great idea. We're okay with including that.

Councilor White states we've been talking about this and Craig Ward even says it doesn't pass the test and that's College Park. It is 88 acres that isn't counted in our inventory. I'd like to see an effort to actually call it what it is. It's a park and the City owns it. I think it would be along the lines of getting population numbers correct. It would also get our park inventory correct.

Travis Hultin states in a way I guess you could say that's in our proposal because the proposed CIP has an updated Parks Master Plan. That would be an opportunity to do that. The difficulty with implementing that just tonight I don't know exactly what to change.

Councilor Wilson states let's do it in the Parks Master Plan and then we can move it.

Mayor Daoust states we agree to that, Councilor White, we want that included as a park.

Travis Hultin states there is one thing I want to point out. All of the cost figures for the other systems transportation, water/sewer and storm were updated based on inflation. The easy way to correct that is with your permission I would change that cost basis $2008.00. That will all kind of come out in the wash anyway when you update the parks master plan.

Mayor Daoust states good point. We're okay with that.

Mayor Daoust calls for a break at 9:06pm and reconvenes the meeting at 9:12pm.

Mayor Daoust states we've noted some changes we want to make. The most recent one was to add a skateboard park at Columbia Park for $455,000.00. Any last notes before we take up the resolution?

Travis Hultin states the Planning Commission recommend that we delete the 5.2 project and my concern is that it's not a real specific project. We put it in there because we anticipate that there's a good chance that as regulations continue to tighten that we may well have to add additional components to the sewer plant. We don't know exactly what that upgrade is going to be at this time. We expect that it will be pretty expensive. It's best to start planning for that now.

Mayor Daoust states I always struggled with how late in the game to add a project up close to the construction phase to add it back in.

Travis Hultin states small projects will come up. If it's a 10 or 15 thousand dollar project we can do that in a short time. A big project, it would be better to start planning for that now.

Councilor Wilson states you don't really see these things because they're all underground practically. I sent an email out to everybody in regards to where a lot of other cities are getting at with their infrastructure. I believe we should start putting money away now.

Travis Hultin states a couple things I would plan would be sewer funds. You wouldn't be able to spend SDCs on that. If there's concern about what affect it might have on the SDC rate, we don't proceed that way. Additionally when we go through the rate setting process, if the Council's not comfortable with the effect this has on rates we don't have to approve it at that time.

Mayor Daoust states I'm okay with staff's recommendations to leave 5.2 in and not be deleted. What does the Council feel?

The Council concurred.

Councilor White states I just want to hear from Tanney. If we could just hear a comment or two from him before we vote.

Tanney Staffenson states I have a couple comments. We, the Planning Commission, appreciates the opportunity to look at the CIP list and we appreciate that you've deliberated all the recommendations. I know that we've gone with most of these but Councilor Wilson you brought up the population for parks and I was confused with that because you were saying something like 18,000 and we had 21,000. So this is based on 18,000. I get something different for 4 acres but that's okay. The other thing is the water pollution control facility upgrades, we did elect to pull that and one of the reasons was not that we feel it wasn't important. It was stated in here that it may be required. It wasn't required and we felt that voting on error to the tune of 3 and a quarter million dollars. I know this might be coming but we wanted to kind of okay this is what's required and this is what's going to happen because most of that would be funded probably out of user's rates. A couple of other comments was we did ask to have this all in 2016 dollars and we highly recommend that it just be updated annually. This process wouldn't take so many nights and meetings if we just went through and added in what we needed each year. Updating those cost figures would be easier for everyone. There is one recommendation that I failed to bring up in my last presentation was with parks acquisition we wanted to go on the record and state we would like to have underserved areas at first consideration for parks acquisition plan.

Mayor Daoust states I did hear staff agree to update annually.

Travis Hultin states if I could clarify on the population assessment. You go back and look through the Parks Master Plan. That was prepared in 2006 with the population at 21,400. When the parks SDC methodology report CIP were adopted in 2008 the population was improvised to 19,000. All those numbers in the current parks CIP are based on 19,000. The changes they you all just elected to make today would line up with 17,038.

Councilor Allen states I do have a question on ST-064, Exhibit A, page 12. You have $20,000 listed there. How many access ways does that buy us?

Travis Hultin responds it depends on the length. The previous CIP carried forward. I can tell you what those projects are is particularly in some of the older subdivisions, the developers were often required to dedicated those tracks in between the neighborhoods. Some of them are approved already but there are some around the City that are not.

MOTION: Councilor Anderson moves to approve a resolution for the Public Works Department Capital Improvement Plan, rescinding Resolutions 1995 and 2225, and rescinding the Parks Capital Improvement Plan adopted by Resolution 1941, in addition to adopting the *amended changes made by Council tonight. Seconded by Mayor Daoust.

**(The amended changes include accepting the following recommendation that were listed in the Staff Report: 1.4, 2.1, 3.2 – remove PA-008 & PA-012, 3.3, and include the PAC's recommendation of adding a project to construct a Skateboard Park at Columbia Park)*

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

Motion Passed 5 – 2.

5. RESOLUTION: A resolution declaring the need to acquire right of way easement on property for the purpose of constructing street improvements for NW 257th Way.

Ed Trompke, City Attorney, states this is a resolution to continue the work that we started to condemn the right-of-way. I think that there may have been a forwarding unit in the prior February resolution to carry into effect the letter of intent that binds the City to sell property in the URA area to buy it. In order to condemn the property there are certain things that have to be approved. A lot of those are made easier by having resolutions adopted by the City Council. It makes it so the litigation is easier, faster and more economical to the City. I don't know that it's absolutely necessary for the authority to proceed but after the findings it does make life a lot easier. And it also directs that we talk to the buyers of the mall. They said that they're not particularly interested at this time in giving up the right-of-way so we're going to have to work at this. It's going to take a little talking and negotiating.

Mayor Daoust asks we need to do this in your opinion?

Ed Trompke states in my opinion yes it moves the ball forward and makes my life a lot easier in getting the condemnation file. It's time consuming to do. This would be a good idea to do. I need this.

Councilor Allen states we have a binding agreement that says the City is going to pay for this right-of-way. Can you clarify?

Ed Trompke responds if we do a condemnation that means that we have to pay for it in some way, shape or form. We also had meetings with Bobby Lee and ODOT who have a loan program. We are proceeding with that as ways to fund the acquisition and pay for it out of the TIF. We also are beginning the conversations with bond Council and Urban Renewal Agency bond but we're nowhere near ready to say those thoughts have gotten anywhere. That also is a way to finance it directly with TIF and so that is how we intend to pay for it at this point in time. Depending on what the number is and what the time frame is if we're able to negotiate a purchase it may take a completely different form from a judge's order saying as of next Tuesday this property now belongs to the City.

Councilor Allen asks so this resolution doesn't say how payment is going to be done?

Ed Trompke responds no it doesn't at this point in time because we don't know how the payments will be made. It contemplates that it's going to be made through the TIF primarily if I recall.

Councilor Allen states we told the voters that we were going to use the sale of the property and developer contributions. If we use TIF money then I'm less concerned. As long as we meet our obligations and we do have a return on investment in 16 years.

Ed Trompke states we're really trying to keep this as conservative as we can as far as finances. It isn't me making all those decisions. It's the City Manager and the Finance Officer are looking at all of these things.

MOTION: Councilor Wilson moved to approve a resolution declaring the need to acquire right of way easement on property for the purpose of constructing street improvements for NW 257th Way. Seconded by Councilor Anderson.

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

Motion Passed 5 – 2.

6. STAFF COMMUNICATIONS:

None.

7. COUNCIL COMMUNICATIONS:

Mayor Daoust states the only thing I'll mention out of my list is the Troutdale Airport Advisory Committee is progressing along very nicely. The Port of Portland agreed to go along with advisory committee recommendation to keep the runway length at the longer length. So the runway length will be 4500 feet which was a very pleasant surprise to find out that the Port of Portland is going to agree to that. The additional discussion with the Port they would like to enter into an IGA with the City which we'll have to develop the bones behind that skeleton a little more as time goes on.

Councilor White states the mail we got from the post office apparently we're still in their sights. I don't know how serious that is or isn't but it did concern me so maybe we can get some feedback from staff on that at a future date.

Craig Ward states if I could address that briefly, I did follow up with staff and the PDC in particular and however polite that letter is they have moved ahead with purchasing a different property and they are not negotiating with us in any form anymore.

Councilor White states I saw a request for Councilors for an Ad Hoc Committee for looking at a 3 city recreation program and I thought that was a little concerning because we haven't even got any results back from parks.

Craig Ward states I too was surprised at that email today which I forwarded onto you. We don't, as far as I know, have the approved minutes from the Parks Advisory Committee which you referred that issue to. I don't know how the Council will choose to respond to that.

Councilor Allen states that is good news about the airport however it does concern me with the projected growth in the Portland area and the amount of business traffic we're expecting to get in the near future. It just seems like we should be friendlier to business jets and possibly expanding that runway instead of reducing it.

Mayor Daoust responds good point. That was discussed in length. A lot of pilots showed up and said leave the runway the way it is.

Councilor Wilson states this Saturday is the BSA Troop 174's annual pancake breakfast at Glenn Otto Park and also the Troutdale Lions annual Easter egg hunt at 10:00. The other thing that I have is that there was a recent Facebook page by one of the citizens of Gresham being very critical about Councilor Anderson and the rest of the Council and I would suggest to that person that they do their homework before they make accusations or be that critical because they are way off base and the information was incorrect.

8. ADJOURNMENT:

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

Meeting adjourned at 9:38pm.

DRAFT

Doug Daoust, Mayor

Dated: _____

ATTEST:

_____

Kenda Schlaht, Deputy City Recorder

CITY OF TROUTDALE

City Council – Regular Meeting
7:00PM

Monday, March 22, 2016

PLEASE SIGN IN

Name – Please Print	Address	Phone #
Carole Cruson	103 Normans St. Golden 80403	3036388870
Sharon Ezzell	1737 SE Sandy Ct	503-666-7366
Brian Sheets + Brian Sheets + Kyle Sheets	715 [illegible] 28th [illegible]	503 [illegible] 1148
W. Bruce Wing	Troutdale	503-661-1042
Rob Canfield	Troutdale	503-445-5524
Michael G Cruson	26729 SE Stark	719-488 ~~303~~ 1093
Paula & Dick Goldie	Troutdale (503)	665-5175
Steve Scott	401 SE 12th St Troutdale, OR	971-285-7862
Kaitlyn Knebel	401 SE 12th St	503-915-2104
Susan Hume	2550 SW Indian Mary	503-667-4462
Brad Hume	"	"
Claude & Penny Cruz	1097 E. Hist. Col. Rivr Hwy #123	503-705-7157
PAUL WILCOX	TROUTDALE	
[illegible]	TROUTDALE	
Zach Hudson	Troutdale	503-665-5439
Sandy Glantz	"	
Diane Cotillo	Troutdale "May God Bless us all"	503-888-149
TANNEY STAFFENSON	TROUTDALE	503-319-7732
Shirley Prickett	Troutdale	503-667-5412

AGENDA ITEM #2.2

CITY OF TROUTDALE

STAFF REPORT

SUBJECT / ISSUE: A resolution granting a permanent easement to Multnomah County adjacent to SE Stark Street for road purposes.

MEETING TYPE: City Council Regular Mtg.	**MEETING DATE:** May 24, 2016 **STAFF MEMBER:** Steve Gaschler **DEPARTMENT:** Public Works
ACTION REQUIRED Consent Agenda/Resolution **PUBLIC HEARING** No	**ADVISORY COMMITTEE/COMMISSION RECOMMENDATION:** Not Applicable **Comments:**

STAFF RECOMMENDATION: Staff recommends that Council adopt this resolution granting the subject easement.

EXHIBITS:
A. None

Subject / Issue Relates To:

☐ Council Goals ☐ Legislative ☒ Other (describe) Multnomah County request

Issue / Council Decision & Discussion Points:

- Multnomah County plans to replace the existing Beaver Creek culvert at Stark Street to allow for improved fish passage, additional capacity, and additional length to accommodate future improvements to SE Stark Street.
- Topography adjacent to SE Stark Street slopes steeply downward to the north on the City's property. The steep slope must be supported with a retaining wall and maintained in order to provide long-term foundational support to the culvert and SE Stark Street. The proposed easement will provide the County with the ability to improve and/or maintain the slope as needed.

Reviewed and Approved by City Manager:

- ♦ The City property in question is greenway/open space and the City has no plans or expectation to make any other use of the easement area. Staff foresees no impact to the current function of the City's property from this proposed encumbrance.

BACKGROUND:

Multnomah County is moving forward with replacement of the existing Beaver Creek culvert at SE Stark Street, just west of Troutdale Road. This project will allow for improved fish passage, additional stream crossing capacity and will add additional length to the culver to accommodate future road improvements to SE Stark Street. This project has been in the City's capital improvement plan for several years and the County has recently been able to secure funding to move forward with construction. During design, the County identified necessary improvements on the City-owned Beaver Creek Greenway property, namely installation of a retaining wall, necessary to support the proposed improvements. Construction of the project is currently scheduled for summer 2017.

Staff has evaluated the request for an easement and foresee no negative impact to the City's use and enjoyment of the affected property as it is designated as a greenway/open-space.

PROS & CONS:

Pros:

- Enables construction of the Beaver Creek culvert project along SE Stark Street.
- All construction and maintenance associated with the proposed culvert project and easement area will be performed by Multnomah County.

Cons

- None.

Current Year Budget Impacts ☐ Yes *(describe)*	☒ N/A
Future Fiscal Impacts: ☐ Yes *(describe)*	☒ N/A
City Attorney Approved: ☐ Yes *(describe)*	☒ N/A
Community Involvement Process: ☐ Yes *(describe)*	☒ N/A

RESOLUTION NO.

A RESOLUTION GRANTING A PERMANENT EASEMENT TO MULTNOMAH COUNTY ADJACENT TO SE STARK STREET FOR ROAD PURPOSES.

THE TROUTDALE CITY COUNCIL FINDS AS FOLLOWS:

1. Multnomah County desires to replace the existing Beaver Creek culvert at Stark Street to allow for improved fish passage, additional capacity, and additional length to accommodate future improvements to SE Stark Street.

2. The existing right-of-way and topography of the site is such that some improvements will be supported by slope that extends onto the City's greenway property.

3. It is in the public interest that the existing Beaver Creek culvert at Stark Street be replaced and that such construction be enabled by the granting of a road easement to Multnomah County.

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

Section 1. The City agrees to grant a permanent easement to Multnomah County for road purposes on its Beaver Creek greenway property adjacent to SE Stark Street northwest of Beaver Creek at SE Stark Street.

Section 2. The City Manager is authorized to sign an easement document and donation agreement in substantial conformance with Attachment A.

Section 3. This resolution shall take effect immediately upon adoption.

YEAS:
NAYS:
ABSTAINED:

_____

Doug Daoust, Mayor

Date

Sarah Skroch, City Recorder

Adopted:

ATTACHMENT A

File No.:	Key No. K14438
Grantor:	City of Troutdale
Section:	Beaver Creek
Highway:	SE Stark Street
County:	Multnomah
FAP No.:	N/A

DONATION AGREEMENT

When a public improvement project requires any government agency or its contractor to acquire or enter upon private property, the owners of that property are entitled to compensation under federal and state law. Federal law is the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 as amended, PL 91-646, and state law is in Oregon Revised Statutes, 35.510, as amended. On behalf of Multnomah County, Oregon (the County), for the above referenced Beaver Creek Project (the Project) this Donation Agreement is executed.

The above federal and state laws also allow property owners to donate necessary property rights if they wish. To accomplish a donation to the County for the Project, all the City of Troutdale (the City) needs to do is officially acknowledge that the County has informed you of the right to compensation, and that notwithstanding that right, the City wishes to donate the property interest for the Project. If the City elects to donate the property rights as described in the attached easement grant subject to the above information, please have the appropriate City Official, with the ability to bind the City, date and sign this Donation Agreement in the space below.

I, on behalf of the City, acknowledge that the County has fully informed the City of the City's right to compensation for the grant of the certain property interests more particularly described in the attached easement grant (Easement). Nonetheless, the City hereby releases the County from providing a valuation report for the Easement and further, the City hereby agrees to and grants the Easement to the County as a donation and waives any further compensation for said grant of the Easement.

City of Troutdale

By:

_____ _____

Date

_____

(Print Name)

_____

Official Title

STATE OF OREGON)
) ss
County of Multnomah)

This instrument was acknowledged before me on _____, 2016, by

_____.

_____

Notary Public of Oregon

My Commission Expires: _____

Attachment

Grantors:
City of Troutdale
After recording return to:
Grantee: Multnomah County; attn: Patrick Hinds
Land Use & Transportation Division, Bldg. #425

ROAD PURPOSES EASEMENT

CITY OF TROUTDALE, a Political Subdivision of the State of Oregon, "**Grantor**", grants to **MULTNOMAH COUNTY**, a Political Subdivision of the State of Oregon, "**Grantee**", a permanent easement for road purposes, through, under, across, over and along the following described real property:

See the attached Exhibit A.

Grantor represents and warrants that Grantor has the authority to grant this permanent easement of the property described in Exhibit A (the "Property"). Grantor shall not grant or allow any uses or activities in the Property, which would interfere with the Grantee's use of the Property and the easement as provided herein.

Grantee, by accepting this easement, is not accepting liability for any preexisting release of hazardous substances onto or from the Property, and Grantors are not attempting to convey any such liability.

The true consideration paid for this grant stated in terms of dollars is $0.00, but consists of other value given, which, is the whole consideration.

Dated this_____ day of _____, 2016

For City of Troutdale:

_____
Craig Ward, City Manager

STATE OF OREGON)
) ss
County of Multnomah)

This record was acknowledged before me on _____, 2016, by Craig Ward, City Manager for the City of Troutdale.

_____
Notary Public for Oregon
My Commission Expires: _____

REVIEWED:
By Jenny M. Madkour, County Attorney
For Multnomah County, Oregon

By: _____
Courtney Lords, Assistant County Attorney

For Multnomah County:

The described property is accepted for use in conjunction with S.E. Stark Street, County Road No. 924, on behalf of the Board of County Commissioners of Multnomah County, Oregon, pursuant to Ordinance No. 619 and Executive Order No. 199.

Dated this _____ day of _____, 2016

By_____
Ian B. Cannon, P.E., County Engineer
for Multnomah County, Oregon

SE Stark St.
County Road No. 924
Item No. 2015-51

Exhibit A

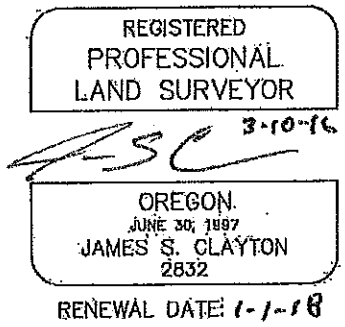
Road Purpose Easement

A portion of TRACT 'A', BELLINGHAM PARK, recorded in Book 1235, Page 94-96, Multnomah County Plat Records, situated in the Southwest one quarter of Section 36, Township 1 North, Range 3 East of the Willamette Meridian, in the City of Troutdale, County of Multnomah and State of Oregon.

Commencing at a ½" iron pipe in monument box found at the centerline intersection of SE Stark St., County Road No. 924, with SE Troutdale Rd., County Road No. 1570; thence N88°27'07"W, along the centerline of said SE Stark St., a distance of 783.59 feet; thence N01°32'53"E, a distance of 30.00 feet, to a point on the North right-of-way line of said SE Stark St., also being the point of beginning of the herein described tract of land; thence N01°32'53"E, a distance of 60.00 feet; thence S88°27'07"E, parallel with the centerline of said SE Stark St., a distance of 149 feet more or less to the centerline of Beaver Creek; thence southeasterly along the centerline of said Beaver Creek to a point on the North right-of-way line of said SE Stark St, said point being S88°27'07"E of the point of beginning; thence N88°27'07"W, along the North right-of-way line of said SE Stark St., a distance of 194 feet more or less to the point of beginning.

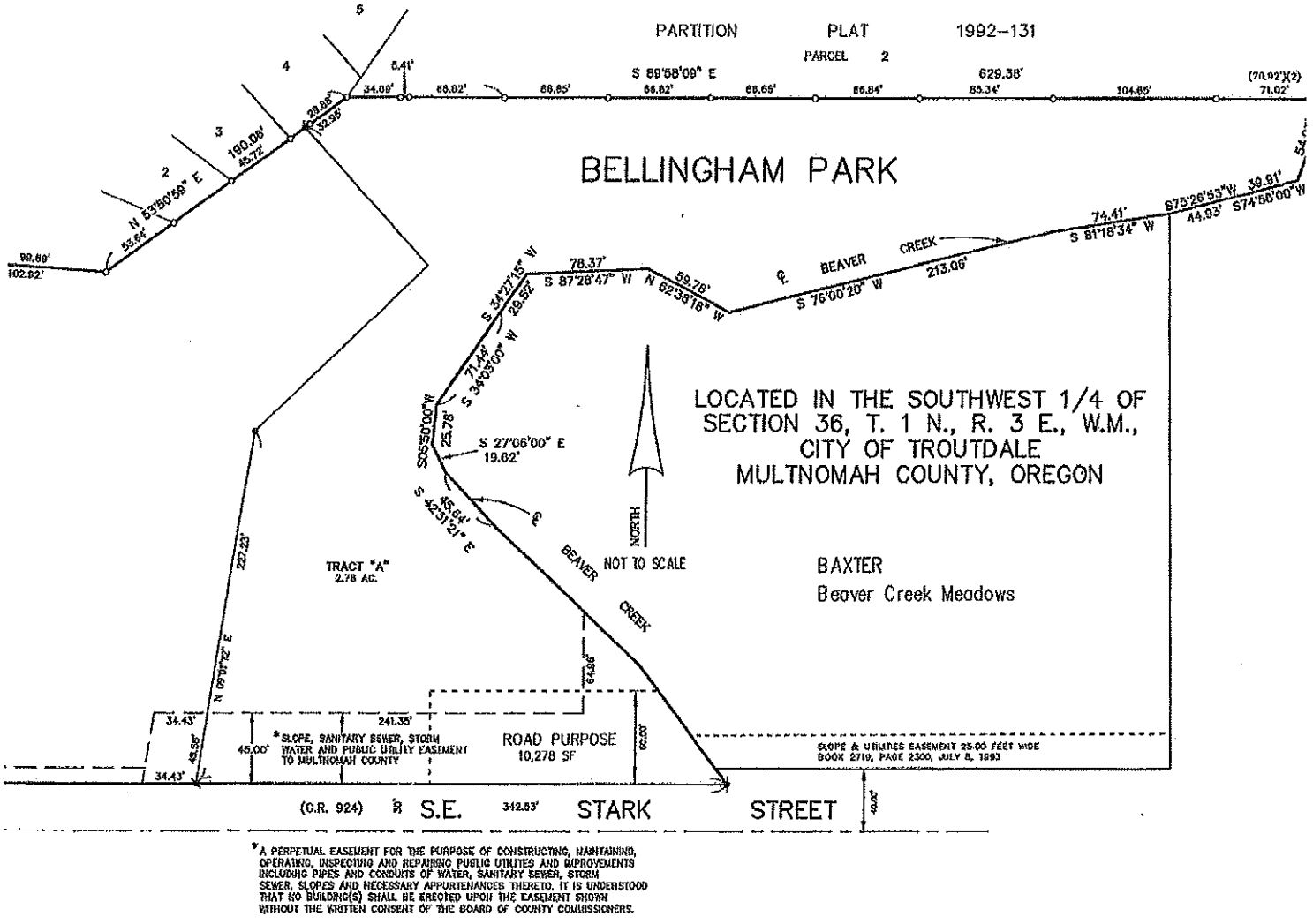
Containing 10,278 square feet more or less.

The basis of bearings for this description is the Oregon Coordinate System of 1983 (1991), North Zone.



As shown on the attached EXHIBIT MAP, herein made a part of this document. In the event of a conflict or discrepancy between the map as shown on the EXHIBIT MAP and the written legal description, the written legal description shall prevail.

SE Stark St.
County Road No. 924
Item No. 2015-51



AGENDA ITEM #2.3

CITY OF TROUTDALE

STAFF REPORT

SUBJECT / ISSUE: A Resolution authorizing the Mayor to execute an intergovernmental agreement with the Port of Portland guaranteeing performance of the public improvements associated with the Troutdale Reynolds Industrial Park Phases II and III

MEETING TYPE: City Council Regular Mtg.	**MEETING DATE:** May 24, 2016 **STAFF MEMBER:** Travis Hultin, Chief Engr **DEPARTMENT:** Public Works
ACTION REQUIRED Consent Agenda/Resolution **PUBLIC HEARING** No	**ADVISORY COMMITTEE/COMMISSION RECOMMENDATION:** Not Applicable **Comments:**
STAFF RECOMMENDATION: Approve the resolution	

EXHIBITS:
None

Subject / Issue Relates To:

☐ Council Goals ☐ Legislative ☒ Other (describe) Development

Issue / Council Decision & Discussion Points:

- The Port desires to obtain final approval of the plats for TRIP Phases II and III, and record those plats, prior to completing the required improvements.
- The Port has requested an IGA in lieu of the specified financial assurance instruments specified in section 7.350(B) of the Troutdale Development Code (TDC).
- The Port is uniquely positioned to provide an IGA for this guarantee, as it is a long-established and permanent public agency with substantial resources and can be relied upon to fulfill its obligations.
- The financial assurance instruments specified in TDC 7.350(B) were specified with privately-owned development entities in mind. Private entities present a much greater

Reviewed and Approved by City Manager:

risk of potential default and therefore these instruments require cash deposits, or guarantees underwritten by a third party.

- The Council accepted a similar IGA in lieu of a bond for the warranty assurance for TRIP Phase I.
- Acceptance of this IGA in lieu of a bond would not be in strict conformance with the letter of the TDC, but the council may find that it sufficiently meets the intent of the TDC and provides substantially equivalent security given the Port's unique circumstances.

BACKGROUND:

The Port of Portland is currently developing the Troutdale Reynolds Industrial Park Subdivision Phases II and III. Presently, the Port is in the process of constructing the subdivision infrastructure improvements. The Port anticipates completion of those improvements in mid to late 2017.

The Port has indicated that it desires to obtain approval of the final subdivision plats and record them for phases II and III prior to completing the required subdivision improvements. The TDC allows this, but requires the provision of a financial assurance guaranteeing the completion of the improvements (TDC 7.350(B)). The TDC specifies the permissible instruments for providing the guarantee, specifically a surety bond, cashier's check, certified check, or irrevocable letter of credit. The Port has requested that the City accept an IGA guaranteeing performance in lieu of the instruments specified in the TDC.

The instruments specified in the TDC were selected assuming that subdivision developers are private entities. Private entities can go out of business, go through various forms of bankruptcy (shedding obligations in the process), simply deplete their resources leaving them without the wherewithal to perform, or otherwise leave necessary improvements incomplete and buyers in the subdivision without viable lots due to lack of infrastructure and, in some cases, depriving the public of needed infrastructure improvements. Given such risks associated with private entities, cash or a financial assurance underwritten by a third party are necessary.

The Port of Portland is unlike a private development entity in that it is an established permanent public agency with substantial resources and a reliable, renewable revenue stream. The City can be much more certain that the Port will remain intact, viable, accessible and able to fulfill its obligations. Therefore, the council may find that a cash deposit or third-party-underwritten guarantee is not necessary and that an IGA in lieu of such instruments is sufficient surety.

The City accepted a similar IGA-in-lieu for the warranty of the TRIP Phase I improvements. However, it should be noted that at that time the TDC did not specify the form of the financial assurance instrument as it does now, so accepting the IGA was not a deviation from the letter of the TDC at that time.

The Port of Portland prepared and proposed the IGA attached to this resolution. The City's legal staff has reviewed the proposed IGA and found the instrument to be in order.

PROS & CONS:

Pros:

- Responsive to the Port's desire to provide the warranty in the form of an IGA rather than the typical bond or cash deposit
- Saves the Port of Portland the cost of a cash deposit or obtaining a bond to secure the performance guarantee

Cons

- This form of performance guarantee has not been used by the City for a subdivision development before
- An IGA is not as secure as a cash deposit and may not be as secure as a bond underwritten by an independent surety
- An IGA is not one of the specified financial assurance instruments indicated in the TDC

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

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

City Attorney Approved IGA ☒ Yes

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

RESOLUTION NO.

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE AN INTERGOVERNMENTAL AGREEMENT WITH THE PORT OF PORTLAND GUARANTEEING PERFORMANCE OF THE PUBLIC IMPROVEMENTS ASSOCIATED WITH THE TROUTDALE REYNOLDS INDUSTRIAL PARK PHASES II AND III

THE TROUTDALE CITY COUNCIL FINDS AS FOLLOWS:

1. The Port of Portland is currently in the process of developing phases II and III of the Troutdale Reynolds Industrial Park (TRIP).

2. The TRIP Phase II tentative plat was approved by the Planning Commission on October 19, 21012 (Case File No. 12-031)

3. The TRIP Phase III tentative plat was approved by the Planning Commission on October 19, 21012 (Case File No. 12-032)

4. Construction of the public improvements associated with the TRIP II and III commenced in July of 2015 and is anticipated to complete in 2017.

5. The Port of Portland desires to obtain approval of the final plats for TRIP II and III and record them prior to completing the required improvements.

6. The Port of Portland is required by Troutdale Development Code (TDC) 7.350 to provide a financial assurance guaranteeing completion of the required improvements prior to recording the plats.

7. The Port of Portland has proposed an Intergovernmental Agreement (IGA) to serve as its financial assurance to the City in lieu of a the surety bond, cashier's check, certified check or letter of credit specified in TDC 7.350(B).

8. The City Council accepted an IGA in lieu of bond, check or letter of credit for the warranty of the TRIP PH I improvements.

9. The Port of Portland is uniquely qualified to provide an IGA as Performance Guarantee for the subdivision, in lieu of bond, check or letter of credit.

10. The City's legal staff has reviewed the proposed IGA and finds it to be in order.

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

Section 1. The Mayor is authorized to execute an intergovernmental agreement with the Port of Portland, substantially in conformance with Attachment A, guaranteeing performance of the public improvements associated with the Troutdale Reynolds Industrial Park Phases II and III.

Section 2. This resolution is effective upon adoption.

YEAS:
NAYS:
ABSTAINED:

_____
Doug Daoust, Mayor

_____
Date

_____
Sarah Skroch, City Recorder

Adopted:

ATTACHMENT A

Port Agreement No. _____

INTERGOVERNMENTAL AGREEMENT

FINANCIAL ASSURANCE IN SUPPORT OF SUBDIVISION APPROVAL

Project Title: Troutdale Reynolds Industrial Park ("**TRIP**")
Subdivision Phase II -- City File No. 12-031
Subdivision Phase III -- City File No. 12-032

Parties: The Port of Portland ("**Port**")
The City of Troutdale ("**City**")

Recitals

A. The Port wishes to file plats for the above-described subdivisions ("**Subdivision Phases II and III**") prior to the completion and acceptance of City-required improvements. Troutdale Development Code ("**TDC**") Section 7.350(B) allows property subdividers to file plats prior to the completion and acceptance of improvements when the subdivider provides the City an assurance for faithful performance of the required improvements (a "**Financial Assurance**").

B. The Port wishes to provide the City with a Financial Assurance for Subdivision Phases II and III under the terms and conditions of this Intergovernmental Agreement (the "**Agreement**"). The City wishes to indicate its acceptance of such Financial Assurance under the terms and conditions of this Agreement.

C. The parties intend that this Agreement solely and satisfactorily represent the Financial Assurance required under TDC Section 7.350(B) for TRIP Subdivision Phases II and III, in lieu of the Port providing any other form of financial instrument to accomplish such purpose.

Agreement

1. **Financial Assurance; Amount**

a. Financial Assurance. Consistent with TDC Section 7.350(B), and subject to the amount set forth below in Section 1(b), the Port assures the City, as beneficiary, that the Port will faithfully perform all improvements required or approved by the City for TRIP Subdivision Phases II and III (the "**Completion Requirements**") by December 31, 2017. The Port will have no obligations under this Agreement after the Completion Requirements have been met.

b. Amount. For purposes of TDC Section 7.350(B), the estimated value of the TRIP Subdivision Phases II and III improvements is $5,390,000. The City's Director of Public Works has verified such estimated value. One hundred-ten percent (110%) of such estimated value is $5,929,000; therefore, the amount of this Financial Assurance is $5,929,000.

2. **Acceptance of Financial Assurance**. The City accepts the Port's Financial Assurance under in this Agreement in satisfaction of the Port's obligation under TDC 7.350 to provide a Financial Assurance for the TRIP Subdivision Phases II and III improvements, in lieu of

requiring any other form of Financial Assurance such as a surety bond, cashier's check, certified check, irrevocable letter of credit, or other instrument. The City waives its requirement that the Financial Assurance established under this Agreement be provided in any other form, whether such requirement arises under the TDC or any other authority. This waiver applies exclusively to TRIP Subdivision Phases II and III and does not apply to any other, future project undertaken by the Port within the City.

3. **Effect of Financial Assurance**. In the event the Port fails to satisfactorily complete all improvements in accordance with the Completion Requirements within the time authorized under Section 1.a above, and the City desires to complete such improvements, the City may do the following in lieu of the remedy set forth in TDC Section 7.350(C):

a. Engage City staff or a contractor to complete the unfinished improvements in accordance with the Completion Requirements. Before taking such action, the City must give the Port written notice of the Port's failure to satisfactorily perform the work at issue, and of the City's intent to engage City staff or a contractor to perform such work. The City shall allow the Port a reasonable time of not less than 60 calendar days after delivery of the written notice to cure such failure, or to commence cure activities if the cure would reasonably take longer than 60 calendar days to perform. For purposes of this subsection, the Port will be deemed to have commenced cure activities if the Port has ordered its contractor to commence the work at issue, or has solicited bids, quotations, or proposals to accomplish such work.

b. Provided such notice and an opportunity to cure is provided and the Port does not meet all material cure requirements, then the City may demand that the Port provide advance payment to the City for costs anticipated to be actually and necessarily incurred by the City to complete the improvements in accordance with the Completion Requirements, up to the amount of this Financial Assurance. Following completion of the improvements, such payment may be adjusted up or down to reflect the reasonable and necessary costs actually incurred by the City to complete the improvements pursuant to this subsection. The City will refund any overpayment to the Port, and the City will invoice the Port for any underpayment, provided that the Port's aggregate payment obligation will not exceed the amount of this Financial Assurance. "Overpayment" and "underpayment" under this subsection will be calculated based on any difference between the advance payment made by the Port and the reasonable and necessary costs actually incurred by the City to complete the improvements pursuant to this subsection.

Nothing in this agreement shall obligate the City to the Port or any third party to complete unfinished improvements in the event Port fails to perform. Exercise of the rights enumerated in this Section 3 and/or construction of unfinished improvements shall be at the sole discretion of the City.

4. **Entire Agreement; Modification**. This Agreement contains the entire understanding of the parties regarding the subject matter of this Agreement and supersedes all prior and contemporaneous negotiations and agreements, whether written or oral, between the parties with respect to the subject matter of this Agreement. This Agreement may be modified only by a written amendment signed by an authorized representative of each party.

5. **Signatures**. This Agreement may be signed in counterparts.

[Signature page follows]

THE CITY OF TROUTDALE

By: _____
Doug Daoust
Mayor

Date: _____

Approved as to Form
for the City of Troutdale

_____
Counsel for the City of Troutdale

THE PORT OF PORTLAND

By: _____
Bill Wyatt
Executive Director

Date: _____

Approved as to Legal Sufficiency
for the Port of Portland

_____
Counsel for the Port of Portland

Agenda Item #4
5/24/16 Council Meeting

Mayor's Direction to Staff in Response to

Report of the Citizens Advisory Committee

Presented on April 12, 2016

1. The Mayor directs staff to use the following language on all agendas, where appropriate:

PUBLIC COMMENT: Public comment at this time is limited to comments on non-agenda and consent agenda items. Public comment is welcomed on Ordinance items when each Ordinance is opened. Public comment on Resolutions is welcomed as the Mayor permits, when the item is open. Public comment on quasi-judicial items is welcomed as part of the public hearing. Public comment on other items may be allowed if requested – please ask in advance or raise your hand after staff presents an item. *Remarks are 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 public comments.*

2. The Mayor directs staff to use the following language on Work Session agendas:

A Work Session is a public meeting at which Council follows less formal procedures, and discusses items it wishes to raise among its members. Staff and the public may or may not be consulted on any given item.

At this work session, the Council may (1) discuss the matter listed, (2) give direction to staff, (3) make a decision, or (4) take other appropriate action.

AGENDA ITEM #5

CITY OF TROUTDALE

STAFF REPORT

SUBJECT / ISSUE: A resolution adjusting the storm sewer utility fee and rescinding resolutions 2324 and 2287.

MEETING TYPE: City Council Regular Mtg.	**MEETING DATE:** May 24, 2016 **STAFF MEMBER:** Steve Gaschler **DEPARTMENT:** Public Works
ACTION REQUIRED Resolution **PUBLIC HEARING** No	**ADVISORY COMMITTEE/COMMISSION RECOMMENDATION:** Not Applicable **Comments:** Discussed by Budget Committee deferred to City Council.

STAFF RECOMMENDATION: Adopt the resolution removing the fee cap in either 1 or 2 steps.

EXHIBITS: none

Subject / Issue Relates To:

☒ Council Goals ☐ Legislative ☐ Other:

Maintain stability in Public Works Funds

Issue / Council Decision & Discussion Points:

- The protection of the health, safety and property of residents and businesses through the provision of storm drainage systems and services is a critical function of the City.
- The City requires adequate funding for operation, maintenance, and improvements to the City's storm sewer system.
- City storm sewer utility fees have not kept pace with increasing costs.
- Water quality requirements and watershed stewardship programs are increasing the expense of providing storm water management systems and services.
- Removal of storm water rate cap to provide a uniform, proportional and equitable cost allocation in relation to volume of storm water runoff.

Reviewed and Approved by City Manager:

BACKGROUND:

The City storm water management program seeks to reduce the discharge of pollutants in storm water runoff to the maximum extent practicable; protect and maintain the natural functions and values of the area's surface water, groundwater, and natural resources; and protect, enhance and promote watershed health in the community.

The Troutdale Municipal Code (TMC) indicates that the storm water management system objectives include preventing the introduction of pollutants inadequately treated, into receiving waters; providing for fees for the equitable distribution of the cost of operation, maintenance, and improvement of the system; and complying with the applicable state and federal laws, including the Clean Water Act and Safe Drinking Water Act and associated permits issued to the City.

At the March 18, 2014 Council work session FCS Group (FCS) presented the Storm Sewer Rate study which forecasted a significant revenue shortfall necessary to fund the required expenditures in both the immediate and subsequent periods. FCS recommended both significantly increasing the rate per square foot of impervious surface, and removing the rate cap for the large impervious surface square footage sites.

In the two years that have elapsed since that study was complete, the costs have continued to grow as forecasted and the revenue shortfall has been filled with transfers of general property tax revenue from the General Fund. In 2014, the rate cap was increased but not removed. A $202,000 transfer of property taxes from the General Fund was required to fill the revenue shortfall, in part caused by maintaining the rate cap for large impervious surface square footage sites.

In February 2016, by Resolution 2324, Council decided to again increase, but retain the rate cap. The Budget Committee discussed the needed revenue for the storm sewer utility fund, and subsequently approved FY 2016-17 budget including a transfer from the General Fund of $343,000 to fill the revenue shortfall, caused in part by maintaining the rate cap. The Budget Committee referred the consideration of removal of the rate cap and reduction of the General Fund transfer, to the Council.

The rate cap is inequitable to the residential customers and small businesses as the largest producers of storm water runoff pay less than their proportional share. Whether the final segment of piping to drain the storm water runoff is performed by the City or adjacent agency, or is retained onsite, the City is charged overseeing a program that reduces pollutants from storm water to the maximum extent practicable. This requires a comprehensive program that educates the public, detects and eliminates illicit discharges, implements and enforces a program to reduce pollutants associated with construction activities, addresses post-construction run-off, and operates, maintain, and replaces the City's existing stormwater collection, treatment, and conveyance infrastructure.

In 2015 Public Works sent letters to all 226 of the storm water accounts affected by the rate cap explaining the need to remove the cap and to provide a uniform, proportional and equitable cost sharing rate across all customers. The letters resulted in only two inquiries and zero complaints, as follow up conversations with the business revealed they understood and accepted the basis for an equitable uniform rate.

The City of Troutdale has one of the lowest utility fees for comparator cities:

UTILITY RATE COMPARISON 2015

Single Family Residential

CITY	POPULATION	STORM SEWER
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	$8.80
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	16,015	$4.27
THE DALLES	14,400	$2.00
Average	24,835	$8.73

As FCS presented two years ago, the base rate per square foot of impervious surface will require substantial increases over the coming few years in order to fund the forecasted expenses. Removing the rate cap is an important first step so all accounts are paying an equal rate before increasing the rate.

FCS also estimated that the residential customers pay approximately 84% of fees but only generate 45% of the storm water runoff that must be managed by the system. There are 69 accounts that exceed the proposed $100 rate cap, 10 of which appear to be eligible for onsite infiltration credits. Removal of rate cap is estimated to generate approximately $318,000 of additional revenue, which could allow for a reduction in the transfer from the General Fund. Coupling the rate cap removal with subsequent base rate adjustments can ultimately eliminate the need for transfers from the General Fund.

The Budget Committee also discussed removing the rate cap in two steps: half now, half a year from now. Changing the rate cap for the remaining 42 accounts with large impervious surface

square footage sites to 50% of their un-capped fee of $200 or greater, is estimated to generate $138,000 of additional revenue, which could allow for a reduction in the transfer from the General Fund.

Resolutions for removing the rate cap in one step (Option A) or 2 steps (Option B) are provided for the Council consideration.

PROS & CONS:

Pros:

- Removing the rate cap provides a uniform, proportional and equitable cost sharing rate across all customers.
- Removing the rate cap provides some of the needed revenue, decreasing the needed support from the General Fund.

Cons:

- Removing the rate cap would Increase fees to affected businesses
- Removing the rate cap would not, by itself, provide adequate funding in subsequent fiscal years.

Current Year Budget Impacts ☒ Yes *(describe)* ☐ N/A The Budget Committee Approved Budget requires a $343,000 transfer from the General Fund which can be substantially reduced.

Future Fiscal Impacts: ☒ Yes *(describe)* ☐ N/A Future General Fund transfers required as long as the rate cap remains.

City Attorney Approved N/A ☐ Yes

Community Involvement Process: ☒ Yes *(describe)* ☐ N/A Multiple Council work sessions, regular meetings, and Budget Committee discussions.

(Option A – Cap removal)

RESOLUTION NO.

A RESOLUTION ADJUSTING THE STORM SEWER UTILITY FEE AND RESCINDING RESOLUTIONS 2287 AND 2324.

THE TROUTDALE CITY COUNCIL FINDS AS FOLLOWS:

1. Section 12.06.030 of the Troutdale Municipal Code establishes a storm sewer utility fee and authorizes the Council to adjust the amount of the fee by Resolution.

2. The current storm sewer utility fee was set by Resolution No. 2287 dated May 26, 2015 and effective July 1, 2015, and Resolution No. 2324 dated February 23, 2016 effective July 1, 2016.

3. The storm sewer utility fee should be increased 4.0% (from $4.43 per ERU to $4.61 per ERU) to cover increasing costs of operation, maintenance and capital projects associated with the storm sewer system.

4. The rate cap on large impervious surface square footage sites currently undermines the financial viability of the storm sewer utility fund, is no longer appropriate, and should be removed to provide a uniform, proportional and equitable cost sharing rate across all customers.

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

Section 1. The monthly storm sewer utility fee shall be $4.61 per equivalent residential unit. All single-family detached and duplex residential users are deemed to have an assumed average 2,700 square feet of impervious surface per dwelling and therefore have a monthly storm sewer fee of $4.61 per dwelling.

Section 2. Multi-family and non-residential users shall be charged for their actual impervious surface at $4.61 per ERU.

Section 3. The storm sewer utility fee shall not be imposed for the impervious surface of a public street, road, or highway nor upon the runways or taxiways of a public airport.

(Option A – Cap removal)

Section 4. The storm sewer utility fee may be reduced by individual mitigation efforts, as follows:

A. The responsible party must request, in writing, a reduction in the storm sewer utility fee based upon mitigation actions taken to reduce the effect of storm water flow from the property.

B. The request must include the following minimum information:

(1) The calculated storm water run-off from the area in question prior to its development.

(2) The calculated additional storm water run-off from the area in question after its development without mitigation.

(3) The calculated additional storm water run-off from the area in question after its development with mitigation.

(4) Drawings or other suitable details of the mitigation method(s) employed.

C. In determining storm water run-off, a 25-year event of 24-hour intensity shall be used.

D. Upon review and approval of the user's request, the Public Works Director may grant a reduction in the storm sewer utility fee equal to the percent reduction in additional storm water run-off achieved by the mitigation effort but in no event shall the reduction be more than 70% of the fee without mitigation.

E. The full amount of the storm sewer utility fee shall be charged until a request for reduction is received and approved.

F. The decision of the Public Works Director may be appealed to the City Manager. Such appeal must be in writing and submitted with 30 days after the decision is made by the Director. The appeal must state the particular matter in dispute, the reason(s) for differing with the Director, and the specific relief sought.

Section 5. Resolution No. 2287 is rescinded effective July 1, 2016.

Section 6. Resolution No. 2324 is rescinded effective February 23, 2016.

Section 7. This resolution is effective July 1, 2016.

YEAS:
NAYS:
ABSTAINED:

(Option A – Cap removal)

Doug Daoust, Mayor

Date

Sarah Skroch, City Recorder
Adopted:

(Option B – 2 Step cap removal)

RESOLUTION NO.

A RESOLUTION ADJUSTING THE STORM SEWER UTILITY FEE AND RESCINDING RESOLUTIONS 2287 AND 2324.

THE TROUTDALE CITY COUNCIL FINDS AS FOLLOWS:

1. Section 12.06.030 of the Troutdale Municipal Code establishes a storm sewer utility fee and authorizes the Council to adjust the amount of the fee by Resolution.

2. The current storm sewer utility fee was set by Resolution No. 2287 dated May 26, 2015 and effective July 1, 2015, and Resolution No. 2324 dated February 23, 2016 effective July 1, 2016.

3. The storm sewer utility fee should be increased 4.0% (from $4.43 per ERU to $4.61 per ERU) to cover increasing costs of operation, maintenance and capital projects associated with the storm sewer system.

4. The rate cap on large impervious surface square footage sites currently undermines the financial viability of the storm sewer utility fund, is no longer appropriate, and should be removed to provide a uniform, proportional and equitable cost sharing rate across all customers.

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

Section 1. The monthly storm sewer utility fee shall be $4.61 per equivalent residential unit. All single-family detached and duplex residential users are deemed to have an assumed average 2,700 square feet of impervious surface per dwelling and therefore have a monthly storm sewer fee of $4.61 per dwelling.

Section 2. Multi-family and non-residential users with 40 ERU's or less of impervious surface shall be charged for their actual impervious surface at $4.61 per ERU. Multi-family and non-residential users with more than 22 ERU's of impervious surface shall be charged for their actual impervious surface at $4.61 per ERU, and shall receive a 50% discount per ERU for each ERU in excess of 22 ERU's.

Section 3. The 50% discount per ERU in excess of 22, specified in Section 2, shall expire on June 30, 2017.

(Option B – 2 Step cap removal)

Section 4. The storm sewer utility fee shall not be imposed for the impervious surface of a public street, road, or highway nor upon the runways or taxiways of a public airport.

Section 5. The storm sewer utility fee may be reduced by individual mitigation efforts, as follows:

A. The responsible party must request, in writing, a reduction in the storm sewer utility fee based upon mitigation actions taken to reduce the effect of storm water flow from the property.

B. The request must include the following minimum information:

(1) The calculated storm water run-off from the area in question prior to its development.

(2) The calculated additional storm water run-off from the area in question after its development without mitigation.

(3) The calculated additional storm water run-off from the area in question after its development with mitigation.

(4) Drawings or other suitable details of the mitigation method(s) employed.

C. In determining storm water run-off, a 25-year event of 24-hour intensity shall be used.

D. Upon review and approval of the user's request, the Public Works Director may grant a reduction in the storm sewer utility fee equal to the percent reduction in additional storm water run-off achieved by the mitigation effort but in no event shall the reduction be more than 70% of the fee without mitigation.

E. The full amount of the storm sewer utility fee shall be charged until a request for reduction is received and approved.

F. The decision of the Public Works Director may be appealed to the City Manager. Such appeal must be in writing and submitted with 30 days after the decision is made by the Director. The appeal must state the particular matter in dispute, the reason(s) for differing with the Director, and the specific relief sought.

Section 6. Resolution No. 2287 is rescinded effective July 1, 2016.

Section 7. Resolution No. 2324 is rescinded effective February 23, 2016.

Section 8. This resolution is effective July 1, 2016.

YEAS:
NAYS:
ABSTAINED:

(Option B – 2 Step cap removal)

Doug Daoust, Mayor

Date

Sarah Skroch, City Recorder
Adopted:

AGENDA ITEM #6

CITY OF TROUTDALE

STAFF REPORT

SUBJECT / ISSUE: A resolution adjusting the Water commodity fee, confirming other water related fees, and rescinding resolution No. 2286

MEETING TYPE: City Council Regular Mtg.	**MEETING DATE:** May 24, 2016 **STAFF MEMBER:** Steve Gaschler **DEPARTMENT:** Public Works
ACTION REQUIRED Resolution **PUBLIC HEARING** No	**ADVISORY COMMITTEE/COMMISSION RECOMMENDATION:** Not Applicable **Comments:**

STAFF RECOMMENDATION: Approve the proposed rate increase and adopt the respective resolution.

EXHIBITS: None

Subject / Issue Relates To:

☒ Council Goals ☐ Legislative ☐ Other (describe)

Maintain stability in Public Works Funds

Issue / Council Decision & Discussion Points:

- The protection of the health, safety and property of residents and businesses through the provision of potable water and fire-fighting water is a critical function of the City.
- The City requires adequate funding for operation, maintenance and improvements to the City's water system.
- Water fees have not kept pace with increasing costs.
- Future capital asset rehabilitation and replacement needs as the water system ages requires funding from user fees and therefore requires the City to build reserves to prepare for the near and long-term future.
- Upgrade needs, including seismic, connectivity/resiliency and fire-fighting upgrade projects, will be costly. The City must build reserves by saving up if it intends to fund

Reviewed and Approved by City Manager:

these necessary capital expenditures and fund replacement of existing infrastructure. Some current needs are already being deferred.

- The proposed rate increase is within a reasonable level for rate payers' means. With this proposed increase and the proposed increases in the sewer and storm water rates, the combined monthly average residential cost will be 1.21% of median household income. The most commonly used benchmark for affordability of water and sewer service is 2.5% of MHI.
- Forecasts indicate a need for year-over-year increases at a much higher rate, but staff has proposed a more modest rate increase this year while forecasts are updated to incorporate the recently adopted Capital Improvement Plan.
- The City of Troutdale presently has the lowest water utility fee for all comparator cities identified. With this proposed rate increase, the City of Troutdale's typical residential water service bill will still be the lowest amongst the comparators.
- This incremental increase will help to reduce the more dramatic increases that will likely be needed in future years, but does not meet the full revenue need of the utility for the long term.

BACKGROUND:

This item is being brought to the City Council after consideration by City Budget Committee and inclusion in the 2016-17 budget hearings and the proposed budget.

The Troutdale Municipal Code establishes Water utility fees and authorizes the City Council to adjust the amount of the fees by Resolution. Costs of personnel, materials, services, capital projects and reimbursements to other funds continue to increase. Additionally, the City needs to build capital reserves to cover the cost of anticipated future capital costs that will be needed to maintain, upgrade and rehabilitate components of the system as they age and degrade. Additionally, there are upgrades needed in the system for seismic resiliency, connectivity and to meet current fire-fighting standards that will require significant capital expenditures. Some of these needs are in the near future, some can be held off to out-years. However, there are already important water system rehabilitation projects of immediate need that have been deferred for multiple years due to lack of available capital in the Water Fund. Two of the City's reservoirs are in immediate need of interior recoating, with the existing coatings failing. The City was finally able to fund one of those recoatings in the current fiscal year, but the other remains deferred along with other capital projects that are needed.

In 2012, the City completed and adopted its new Water Master Plan. A component of that master planning effort was an economic analysis to project the impact of identified capital projects on water rates through FY 2022-23. The City Council has adopted the master plan and in March 2013 the Council adopted into the Capital Improvement Plan the slate of capital projects identified in the Master Plan. The Master Plan's preliminary economic analysis indicated that full funding of all of the user fee funded projects would require average annual rate increases of 9%/year (based on starting in 2013). Those increases forecasted in the Master Plan only address capital outlay needs (as that was the subject of the Master Plan), and would be in addition to rate increases needed to cover other operational and maintenance cost increases. A more thorough financial analysis of the Water fund was completed in 2015 with the assistance of economic analysis specialists to project the impact of escalating operation and maintenance costs, capital

projects and establishing reserves for system reinvestment. This comprehensive, in-depth analysis of the utility provides greater precision and a detailed basis for determining rates that will be necessary for the next several years. That analysis needs updated with the recent adoption of the updated Capital Improvement Plan, but presently it forecasts a need for significant increases. At this time, a restrained increase of 4% is proposed to avoid falling further behind this coming fiscal year while the updates to the financial model are completed.

Should the Council choose not to approve this requested 4% increase this year, the Water Fund's ending balance for FY 16-17 will be drawn down an additional $65,000 below the ending balance projected in the proposed budget and/or planned projects, such as the first reservoir recoating, or well rehabilitation, may be deferred . Continuation of this trend in diminishing end balances will result in the fund becoming unstable and unable to fund critical expenses. Additionally, capital accumulation needed to cover already deferred projects (e.g. reservoir interior recoating) will not be possible, deferring those projects even further into the future, which in turn leads to greater increases in costs and increased risks to the City and its customers.

A monthly Water Commodity fee rate increase from $3.09 to $3.21 (4%) per 1,000 gallons is proposed for the Water Commodity Fee. For an average residential bill based on an assumed consumption of 5,400 gallons per month, this would be an increase of $0.65 per month or $7.78 per year. This will generate a revenue increase of approximately $65,000 per year. Staff is not proposing increases in any of the other water-system related fees at this time.

Note that the basis for comparison has been revised from 7,000 gallons/month (used in previous years) to 5,000 gallons per month, for two reasons. First, 5,000 gallons/month is the standard usage basis applied by the League of Oregon Cities in their utility rate comparison studies, so matching that basis makes comparisons consistent and much more straightforward. Second, a recent analysis by City staff of city-wide residential water usage revealed that actual average residential household usage in Troutdale has declined over the years from approximately 7,000 gallons to 5,400 gallons per month. This declining trend in demand is occurring throughout Oregon and across the United States, owing to the growth of higher efficiency plumbing fixtures as well as conservation efforts.

Based on Troutdale's actual average household usage of 5,400 gallons/month, the proposed increases in the water and sewer rate will result in a monthly combined cost (water, sewer and storm water) to residential households that is 1.21% of Troutdale's median household income, based US Census Bureau's 2014 American Community Survey. The most commonly used benchmark nationally for water and sewer affordability is 2.5% of median household income.

PROS & CONS:

Pros:

- These rate increases maintain existing domestic and fire-fighting Water services for the coming fiscal year.
- The proposed rate increase is significantly restrained from actual revenue needs and relatively modest.
- Without rate increases, the fund risks becoming unstable, resulting in reduced levels of service and inability to fund needed operation, maintenance and capital projects.

Cons

- Increased fees to residents and businesses.
- This restrained increase does not build sustaining reserves that will be necessary to meet increasing future expenses, as well fund capital projects that will be needed to sustain the system as it ages, or upgrade the system for resiliency.

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

Future Fiscal Impacts: ☒ Yes *(describe)* ☐ N/A
Increases revenue as described above and maintains stability of utility funds for the coming fiscal year.

City Attorney Approved N/A ☐ Yes

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

RESOLUTION NO.

A RESOLUTION ADJUSTING THE WATER COMMODITY FEE, CONFIRMING OTHER WATER RELATED FEES AND RESCINDING RESOLUTION NO. 2286

THE TROUTDALE CITY COUNCIL FINDS AS FOLLOWS:

1. Section 12.03.030 of the Troutdale Municipal Code establishes water utility fees and authorizes the Council to adjust the amount of the fee by Resolution.

2. The current water utility fees were set by Resolution No. 2286 adopted May 26, 2015 and became effective July 1, 2015.

3. The water commodity fee should be increased 4.0% (from $3.09 to $3.21 per thousand gallons) due to increasing costs of operation, maintenance and capital projects associated with the water system.

4. No adjustment is proposed for any charges other than the commodity charge.

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

Section 1. The monthly water user fees are as follows:

A. Water Commodity Charge: $3.21 per thousand gallons.

B. Water Meter Installation Charge:
   1. For a 3/4" meter: $254
   2. For a 1" meter: $308
   3. For meters larger than 1": Installed by owner.

C. Stand Pipe Charge: $50 (3/4" only). This is for single family home construction only. The rate is for up to 90 days. For each additional 90-day period or fraction thereof, there is an additional charge of $50.

D. Hydrant Meter Rental Charge: A refundable deposit of $100 is required. There is a minimum rental charge of $25.00 plus $1.00 per day of each day in excess of 25 days, plus metered water usage at the water commodity charge of $3.21 per thousand gallons.

E. Monthly Standby Fire Service with a detector check meter:

Meter Size	Monthly Rate
1 ½"	$6.00
2"	$9.64
3"	$18.19

4"	$30.36
6"	$61.45
8"	$96.91
10"	$136.00

F. Monthly Standby Fire Service without a detector check meter: Twice the rate given in Paragraph E above.

Section 2. Resolution No. 2286 is rescinded effective July 1, 2016.

Section 3. This resolution is effective July 1, 2016.

YEAS:
NAYS:
ABSTAINED:

Doug Daoust, Mayor

Date

Sarah Skroch, City Recorder

Adopted:

AGENDA ITEM #7

CITY OF TROUTDALE

STAFF REPORT

SUBJECT / ISSUE: A resolution adjusting the sanitary sewer utility fee, confirming the average flow rate for an equivalent residential unit and rescinding resolution No. 2285.

MEETING TYPE: City Council Regular Mtg.	**MEETING DATE:** May 24, 2016 **STAFF MEMBER:** Steve Gaschler **DEPARTMENT:** Public Works
ACTION REQUIRED Resolution **PUBLIC HEARING** No	**ADVISORY COMMITTEE/COMMISSION RECOMMENDATION:** Not Applicable **Comments:**

STAFF RECOMMENDATION: Approve the proposed rate increase and adopt the respective resolution.

EXHIBITS: None

Subject / Issue Relates To:

☒ Council Goals ☐ Legislative ☐ Other (describe)

Maintain stability in Public Works Funds

Issue / Council Decision & Discussion Points:

- The protection of the health, safety and property of residents and businesses through the provision of sanitary sewer collection, treatment and disposal is a critical function of the City.
- The City requires adequate funding for operation, maintenance and improvements to the City's sewer systems.
- While the sewer system is functioning well today, future capital needs as the system ages will require funding from user fees and therefore requires the City to build reserves to prepare for the future.
- Current Sanitary Sewer utility fees will not keep pace with increasing costs of operation and maintenance and needed capital projects.

Reviewed and Approved by City Manager:

- Increase in the Sanitary Sewer utility fee will also ensure that the Sewer Fund can cover its share of Water Pollution Control Facility bond payments.
- The proposed rate increase is within a reasonable level for rate payers' means. With this proposed increase and the proposed increases in the sewer and storm water rates, the combined monthly average residential cost will be 1.21% of median household income. The most commonly used benchmark for affordability of water and sewer service is 2.5% of MHI.
- Needed rate increases are planned to phase in incrementally in order to avoid more dramatic increases in future years and to stay within rate payers' means, while maintaining necessary fund balances and operating coverage minimums.

BACKGROUND:

This item is being brought to the City Council after consideration by City Budget Committee and inclusion in the 2016-17 budget hearings and the proposed budget.

The Troutdale Municipal Code establishes Sanitary Sewer utility fees and authorizes the City Council to adjust the amount of the fees by Resolution. Costs of personnel, materials, services, capital projects and reimbursements to other funds continue to increase. Additionally, the City needs to build capital reserves to cover the cost of anticipated future capital costs that will be needed to maintain, upgrade and rehabilitate components of the system as they age and degrade, and maintain bond payment coverage in the Sewer Fund to prevent additional burden falling on property taxes.

The City's water pollution control facility operates under a permit issued to the City by the Oregon Department of Environmental Quality (DEQ). The City currently operates the facility under an administratively extended permit that was issued in 2010. Since that time, water quality standards have become more stringent. DEQ anticipates issuing the City a new permit in the Fall 2016, that will likely include requirements for the City to update various studies (Local Limits Evaluation and Mixing Zone Study), perform an underwater outfall inspection and add additional monitoring requirements. The 2016-17 budget includes funding for these likely permit requirements.

Should the Council choose not to approve this requested 4% increase this year, the Sewer Fund's ending balance for FY 16-17 will be drawn down an additional $110,000 below the ending balance projected in the proposed budget.

A monthly Sanitary Sewer rate increase from $35.73 to $37.16 (4%) per equivalent residential unit is proposed to meet increasing annual costs in operations and maintenance, as well as to cover remaining bond debt payments and provide for projected future capital needs. For an average residential customer based on 1 equivalent residential unit, this would be an increase of $1.43 per month or $17.16 per year. This will generate a revenue increase of approximately $110,000 per year.

Based on Troutdale's actual average household usage of 5,400 gallons/month, the proposed increases in the water and sewer rate will result in a monthly combined cost (water, sewer and storm water) to residential households that is 1.21% of Troutdale's median household income,

based US Census Bureau's 2014 American Community Survey. The most commonly used benchmark nationally for water and sewer affordability is 2.5% of median household income.

PROS & CONS:

Pros:

- These rate increases maintain existing Sanitary Sewer services and build reserves that will be necessary to meet increasing future expenses and fund capital projects that will be needed to sustain the system as it ages.
- The rate increases are restrained and relatively modest.
- Without rate increases, the fund risks becoming unstable in future years, resulting in reduced levels of service and inability to fund needed operation, maintenance and/or capital projects.
- Builds sustaining reserves that will be necessary to meet increasing future expenses, as well fund capital projects that will be needed to sustain the system as it ages.

Cons

- Increased fees to residents and businesses.

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

Future Fiscal Impacts: ☒ Yes *(describe)* ☐ N/A
Increases revenue as described above and maintains stability of utility funds.

City Attorney Approved N/A ☐ Yes

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

RESOLUTION NO.

A RESOLUTION ADJUSTING THE SANITARY SEWER UTILITY FEE, CONFIRMING THE AVERAGE FLOW RATE FOR AN EQUIVALENT RESIDENTIAL UNIT AND RESCINDING RESOLUTION NO. 2285

THE TROUTDALE CITY COUNCIL FINDS AS FOLLOWS:

1. Section 12.04.030 of the Troutdale Municipal Code establishes a sanitary sewer utility fee and authorizes the Council to adjust the amount of the fee by Resolution.

2. The current sanitary sewer utility fee was set by Resolution No. 2285 dated May 26, 2015 and effective July 1, 2015.

3. The sanitary sewer utility fee should be increased 4.0% (from $35.73 to $37.16 per equivalent residential unit) to cover increasing costs of operation, maintenance and capital projects associated with the sanitary sewer system.

4. No adjustment is proposed for the average flow rate that is represented by an equivalent residential unit.

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

Section 1. The monthly sanitary sewer utility fee per equivalent residential until shall be $37.16.

Section 2. The monthly additional surcharge on all sanitary sewer accounts that are connected to the sanitary sewer system through a Septic Tank Effluent Pump (STEP) station that is operated and maintained by the City shall be $1.00.

Section 3. The monthly additional fee on all utility accounts that utilize recycled water from the City's wastewater treatment plant shall be based on actual consumption of recycled water at a rate equal to one-half the water commodity charge.

Section 4. For the purposes of assessing the monthly sanitary sewer utility fee, an account holder will be charged for the number of equivalent residential units for which system development charges are or would be assessed unless there is a documented, long-term change in wastewater discharge by that particular account.

Section 5. An equivalent residential unit has an average flow of 180 gallons per day.

Section 6. Resolution No. 2285 is rescinded effective July 1, 2016.

Section 6. This resolution is effective July 1, 2016.

YEAS:
NAYS:
ABSTAINED:

Doug Daoust, Mayor

Date

Sarah Skroch, City Recorder

Adopted: