

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

Tuesday, May 24, 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 Brooks, Councilor White, Councilor Allen, Councilor Morgan and Councilor Wilson.

ABSENT: None.

STAFF: Craig Ward, City Manager; Sarah Skroch, City Recorder; Steve Gaschler, Public Works Director; Amy Pepper, Civil Engineer; and Travis Hultin, Chief Engineer.

GUESTS: See Attached List.

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

Councilor Ripma states Item #5, discussion of the storm sewer fee, is something we dealt with 3 months ago after a long meeting and a compromised decision. I'm wondering why it's on the agenda tonight. It's too late to reconsider and it seems improper.

Councilor Wilson responds I asked for it to be on the agenda. We had discussed this at a Budget meeting about removing the caps. The Committee decided that they would rather the City Council take care of it instead of voting on it there. I asked Mayor Daoust to put it on here.

Councilor Ripma states let's take care of it at next year's budget. How soon can we come back and reconsider something we considered and decided on so recently?

Councilor Wilson asks, can I explain why I wanted it on there? During our Budget meetings we brought down our starting budget to \$2 million dollars because of \$196,000 in add-ons we put on. The only way to fix that is to remove the caps so that we start out a budget at \$2.2 million dollars which is where Erich felt most comfortable. I asked for this to be brought back on so I can show the Council some of the issues that we're going to have with it in the future if we don't address it now.

Councilor Ripma asks, is there a rule about reconsidering something three months later? I object. I don't believe one Councilor can put something on the agenda. I'm asking you to pull it, please.

Mayor Daoust responds it's legitimately on the agenda because when we were at our Budget Committee meetings the Budget Committee asked us to take this up again. It's not just Councilor Wilson that wanted this on the agenda. Since we're talking about the utility rates at the same time for all three utility's tonight, it made sense to also talk about the rate cap.

Councilor Ripma states the rate increases were built into the budget. Adjusting the storm sewer rate cap wasn't in the budget. This would change the budget. Frankly, we did deal with it at great length with a lot of public comment just three months ago.

Councilor Wilson states this effects all the people in Troutdale. It's a very important subject. I want us to take one last look at it before we kick the can down the road again.

Councilor Morgan asks Sarah, do we have the minutes from the Budget Committee meeting?

Sarah Skroch responds no, not yet.

Councilor Ripma states the Budget Committee said it's a Council matter. We agreed 3 months ago what we we're going to do to this year's budget. I took that directive to mean we should reconsider it next year. We already said we were going to gradually deal with that cap over the years. That was our compromise after a lengthy and heavily discussed item at a meeting in February. Are we going to see this every three months from now on until you're satisfied?

Councilor Wilson responds I want to address it one last time to show what is going to happen in the near future if we keep going down the same path.

Councilor White states I wanted to remind Councilor Wilson that the Port came in and spoke and Steve Nagy, Senior Manager of Aviation, said it would affect their budget and they've already done their budget for this year as well. We gave our word.

Councilor Allen states I wanted to clarify two things. One, I did not expect to reconsider for this year. I was thinking it was going to be a Council matter for the future. Also, if our budget is too bloated we could always spend less.

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 purpose.

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.

Councilor Allen states I would like to pull Item 2.3.

Mayor Daoust states we'll pull agenda Item 2.3 and talk about it after we get through the consent agenda items.

Councilor White states I have a question on Item 2.2. I'm not familiar with that situation.

Mayor Daoust states we'll pull Item 2.2.

MOTION: Councilor White moved to approve Consent Agenda Item 2.1 November 17, 2015, Regular Meeting, December 15, 2015 Work Session and March 22, 2016 Regular Meeting minutes. Seconded by Councilor Morgan. The motion passed unanimously.

Mayor Daoust states Item 2.3 was pulled by Councilor Allen.

Councilor Allen asks Travis Hultin, you're fine with this?

Travis Hultin, Chief Engineer, states the IGA with the Port is basically a substitution for a performance bond. It guarantees that they're going to continue the improvements. That would allow them to record the plat for the subdivision before the improvements are completed. In the case of the Port, they requested it because of the nature of the Port itself that they be allowed to execute an IGA with City. We allowed the Port to do that for the warranty. They're asking to do a performance guarantee instead of the warranty guarantee. I'm okay with it. I reviewed it and I worked with the Port's staff on it and Ed Trompke reviewed it.

Councilor Allen states this IGA, at the sign off page, is the Mayor instead of our City Manager which is unusual these days. I would prefer the City Manager signing for city business.

Travis Hultin responds I think we did this before we changed the rules.

MOTION: Councilor Ripma moved to approve Consent Agenda Item 2.3. Seconded by Councilor Morgan. The motion passed unanimously.

Councilor White states I have a question on Item 2.2. Does this have anything to do with any new rules that we might base this situation with other similar areas in our road?

Travis Hultin responds the County found out they needed a little more space on the north side. It's an easement to provide the additional space. It's not a rule or regulation change.

MOTION: Councilor White moved to approve Consent Agenda Item 2.2. Seconded by Councilor Morgan. The motion passed unanimously.

3. PUBLIC COMMENT:

Ted Tosterud, Mayor of Fairview, states I am here tonight on behalf of the citizens of Fairview and the Fairview City Council to give you a check for \$1,000 to help you in the rebuilding of Imagination Station. This was unanimously approved by our Council. We have a lot of volunteers when you're ready to rebuild.

Peter Van Arkens, Troutdale resident, states the reason I'm here tonight is I want to bring something to your attention an article that was written in the Northwest Connection. I sent a message to Councilor Ripma a week and half ago without a response to this point. The question I have is the article written about a decision that was made to sell some land to Eastwinds Development, LLC. It was I believe 12 acres of land that was sold for \$1.4 million dollars with a condemnation clause according to this article. The concerning item for me as a citizen is the fact that the Council and the Mayor agreed to sell the land that is to the east of this property behind the Outlet Mall for \$1.4 million dollars with a condemnation clause. The City has apparently agreed to take care of the condemnation and build a direct access road to this property. If the City fails in doing so and they fail the condemnation clause, according to this article, you will be buying back this property for \$2.1 million dollars which is a difference of \$700,000. It says that the City would purchase back 8 acres from Eastwinds for \$2.1 million dollars. Either way you look at it, it's a \$700,000 deficit and we're talking about increasing utility and sewer rates. Can anyone explain to me what the rationale was behind this thinking in regards to basically no risk to Mr. Yoshida? All the risk is to the City. To me, as a citizen, not a very wise decision.

Mayor Daoust asks, who wrote that article?

Peter Van Arkens responds this is out of the Northwest Connection, the May 20, 2016 edition. It doesn't have an author. I checked with the editor and the editor confirmed the article.

Mayor Daoust responds normally we don't respond to public comment because we could get into a lengthy discussion. That is our Urban Renewal Area that you're talking about. There was a written agreement between the City and Eastwinds that Eastwinds would purchase the 12 acres for \$1.5 million. If they road condemnation did not go through then the whole development would be called off and we in turn would buy Eastwinds' property which is a different piece of property for \$2.1 million. Which is \$1.5 million, an equal amount, plus the \$600,000 that they had already invested in cleaning up the sheep pit. That's where the \$2.1 comes from. For now, that's the best we can do to respond to your question since we normally don't respond.

Peter Van Arkens states to me it doesn't make any sense to expend \$600,000 when the City, as small as it is, is scrambling for dollars to begin with. Fiscally, it doesn't make any sense to me. If I ran my house that way it would be very irresponsible.

Mayor Daoust responds if the deal doesn't go through we would not have to pay that \$600,000.

Peter Van Arkens states there is a cost to that as well to the City. Somebody is gaining here and it's not the citizens of Troutdale.

Councilor Ripma responds I apologize for not getting back to you. I will be in touch. It was not a unanimous vote on this Council to do that and that article does not sound quite correct in some ways.

Councilor Allen states to clarify further it's approximately 12 acres of City property and approximately 8 acres of Eastwinds property that is part of this deal. As you may know, I was against the deal myself. I think asking whether it makes financial sense is something we should be asking now and going forward. I'm also concerned.

Peter Van Arkens asks, what was the reason why you were against it?

Councilor Allen responds our previous negotiating plan was better thought out by the Council. We weren't very well briefed on the pros and cons and it felt rushed through for me. Too many unknowns.

Trevor David, Troutdale resident, states I'm here on behalf of my neighbors and myself to oppose and voice the opinions and concerns regarding the re-addressing of our residences due to new construction off of SW Halsey Street. This re-addressing of the four current houses along with the addition of three new residents poses a negative impact of time, monetary value and communication risk for all involved. This is an issue that has been known for over a year with no action taken by the City of Troutdale to come to a resolution or obtain public comment from all parties. This situation has been presented to the residents by the City of Troutdale as a black or white resolution. This is not in the spirit of community building and should not affect the residents due to lack of planning and action on behalf of the offices of the City of Troutdale. I am here today to make a proposition to the City of Troutdale that the addresses of the residents at 1016, 1018, 1020 and 1022 SW Halsey St not be changed. This proposition is mutually agreed upon by all current residents. If this request is not able to be met the current residents, as well as the contractor for the new properties, are requesting that the City of Troutdale grant the private drive of SW Halsey Lane so that all residents may keep their current numbering. This proposition has been approved by the Postmaster of the Troutdale Post Office since there would be no disruption of postal delivery or services. When the benefits of a solution are so great that it outweighs any negative implications and there is no harm done to existing residents it makes good sense to support your fellow community members and the continuing building and growth of our wonderful community. Thank you for your time.

Councilor Morgan asks, these are new construction, right?

Trevor David responds correct. There is three properties on the first page. Addresses 1010, 1014 and 1024 are the new properties.

Mayor Daoust states we talked about this at the last Council meeting. How does this situation fit into what we agreed to at the last meeting?

Craig Ward responds the Council directed that you wanted more flexibility given to the Building Official who makes the unilateral decision in this situation. That's partially because our code is overly rigid. We will prepare edits to that code. Your proposal will be provided to the Building Official, Steve Winstead. You can reach out to him and I think you will find him supportive of your proposal.

Trevor David states I did meet with Steve Winstead last week regarding this for a lengthy amount of time. It was mentioned that the discretion was given to him but the time frame of being able to map that was unknown.

Councilor Ripma states we should be able to accommodate your request and I'm sorry that this happened. He did not have any flexibility under a very rigid code. We are going to fix it and make it right.

Trevor David states thank you. In the outlined proposal I am requesting feedback from the Council this evening regarding the safety along that corridor. There is currently no sidewalks and with the increase of residents living there, there is an increased safety risk of more residents with no current sidewalks or safety lanes on that stretch of road.

Bruce Wasson, Troutdale resident, states I'm here to talk about the final Budget meeting. As the alternate and the only non-voting member of the Budget Committee I was personally put off by some of the personal charges that were leveled against Chairman Tanney Staffenson. I was embarrassed for him and I need to apologize to him for not sticking up for him because he is a very honest man and he does a very good job in a very difficult situation. Running a budget in any City no matter how small or large is extremely difficult. He does an excellent job and I think we're fortunate as a City to have him doing this. I think the entire City Council should thank him for what he does. I am proud of what Tanney does for us and I appreciate it.

4. REPORT: A response to the report of the Citizen's Advisory Committee at the April 12, 2016 meeting.

Mayor Daoust states the Citizen's Advisory Committee (CAC) came up with three recommendations that have to do with how the agenda states rules about public comment. The first suggestion was to put the public comment period at Council meetings before the Consent Agenda so that if a member of the public wishes to comment on the consent agenda before it is passed he/she can. Second, to clarify the fact that public comment on agenda items is welcome but should be reserved until that time during the meeting. Last, clarify the phrase when appropriate as it applies to Council making decisions during Work Sessions. Ed Trompke, City Attorney, wrote a response to those three recommendations which the Council has in front of them as a report. This is what is says and how it addresses all three of the CAC's suggestions.

Mayor Daoust reviewed the report which can be found in the Council meeting packet.

Councilor Ripma asks, why don't we put this public comment between #1 and #2? We could do it before the Consent Agenda.

Mayor Daoust responds because we would have to redo the Council rules.

Councilor Ripma states that is perfectly doable. Instead of adopting a Consent Agenda and then we welcome comment on the Consent Agenda, why don't we just have the public comment before we do the Consent Agenda and that would take care of it.

Mayor Daoust states I suppose another option would be that if someone does have a concern about a Consent Agenda they can approach anybody on the Council prior to the meeting starting.

Councilor Wilson states the public can ask one of us to pull a Consent Agenda item, can't we just note if you feel a consent agenda item needs to be pulled, please ask one of the Councilors?

Councilor Morgan asks, couldn't we change the Council rules? I would be in favor of that. We can vote whether it needs to be a Charter change or whether it can be a simple resolution that changes immediately following the agenda update prior to Consent Agenda.

Councilor Allen states I would be fine with changing the Council rules.

Councilor White states when I saw this report on the Consent Agenda I assumed we would be hearing from the CAC. Is that going to occur?

Mayor Daoust responds yes. I'm guessing there will be an upfront statement by myself of what would be done that evening. It's worded in a way to clarify that we have 4 different options in a Work Session. Is there anybody who wishes to speak to us about that?

Jay Ellis, Gresham resident, states I appreciate all the time you have spent thinking about this. This is an important situation. Sometimes as a concerned citizen I think sometimes there are decisions made in other rooms. But we come into this room and decisions are already made. It doesn't matter what anybody says because people already made their decision. Even though this is a public forum where, theoretically, we should have the ability to voice our concerns and expectations. The reason I'm standing here now is because the more transparent the situation is the more public input is a way to get to a better resolution.

Diane Castillo, Troutdale resident, states I am a member of the CAC and these are my thoughts. I propose that the CAC gets to look at this and have a discussion because there's a few items I'm looking at. In the discussion you were talking about having the opportunity to speak to all items that are on an agenda. On number 2, staff or public may or may not be consulted on any given item which is not another opportunity to speak. I feel that direction is given at a Work Session and a lot of times there's citizens and experts on the subject that would like to participate. We discussed in CAC the option of maybe 2

minutes to decide if it's relevant or not relevant. As I'm looking at this, this is not the intent of the CAC. So instead of passing this along to staff I would like the CAC to have the opportunity to look at this and discuss it and see if this does meet the objectives we were trying to submit to you.

Paul Wilcox, Troutdale resident, states I am a member of the CAC and I speak for myself as a member of the Committee. My preference would be to change the order of business and change the sequence of items. The first paragraph looks good to me personally. It provides a lot of opportunity for public input. I wanted to point out on the Planning Commission public hearings in particular, quasi-judicial, at the last CAC meeting Chris Damgen emphasized that public comment should be discouraged outside of the actual public hearing. As far as section 2 on Work Sessions, the part about may or may not be consulted on any given item that bothered me also. I think, especially in light of the fact that Municipal Code does specifically allow decisions to be made in Work Sessions that the decision is going to be made or considered and there should always be public input no matter what. And then on the first sentence under item 1 it talks about public comment on non-agenda and Consent Agenda items, on past instruction on the agenda sheet Consent Agenda has never been listed. So most people have never been aware that they can comment on Consent Agenda. I think that's another reason that the order of business should be sequenced differently. The way Ed wrote this description of a Work Session it makes it sound like the Council is kind of getting a get together and talk about whatever. It reads too loosely.

Mayor Daoust states those are good comments and I will talk to Ed Trompke about all of these comments and see what we can come up with.

Councilor Ripma states I suggest we refer it back to the CAC. Discuss it with Ed and see if he wants to change anything. We've had this current language for 20 or 30 years and another couple months won't matter.

Councilor Allen states I think we changed it 7 or 8 years ago. I have a question for the Council. On Agenda Item #4 it says that comments on resolutions is welcome as the Mayor permits. Should some number of Councilors be able to request public comment? It's something to think about.

Mayor Daoust states I'll talk to Ed about rewording that so that it's more open to input from the Council.

5. RESOLUTION: A resolution adjusting the storm sewer utility fee and rescinding Resolution No. 2287 and 2324.

MOTION: Councilor Ripma moved to table Item 5 until February 2017. Seconded by Councilor Allen.

Mayor Daoust states I think we have an obligation as Council to deal with the utility rate now.

Councilor Ripma responds no, the rate is set.

Mayor Daoust states I'm not talking about the rate cap. I'm talking about the storm water utility rate. Isn't there a 4% increase?

Councilor Ripma responds that's another agenda item.

Mayor Daoust asks, what do we need to talk about tonight, Steve? I thought we had to cover the increase of the rate itself.

Steve Gaschler, Public Works Director, responds no, the resolution that was adopted in February had a 4% rate increase and it takes effect July 1, 2016. The main issue we're dealing with in this resolution is the rate cap issue.

Councilor Ripma states which I'm moving to table until February 2017.

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

Motion Passed 5 - 2.

Mayor Daoust states the other 2 resolutions do have the rate discussion that we need to have tonight.

Councilor Morgan asks, is this saying there will be a \$343,000 budget transfer from the General Fund to sustain these funds for this next fiscal year?

Mayor Daoust responds that is correct.

Councilor White states we need to work on who is going to have the burden of determining who is in or out of the storm system. I would like to see us work on something that spells that out.

Councilor Wilson states one of the things we discussed several months ago was if and when the storm water rates are lifted that we would be proactive in going to those customers and telling them what their discount was going to be. Is that correct?

Steve Gaschler responds that is correct.

Councilor Wilson states I'm looking at Option A and Option B and it still says that the responsible party must request in writing the reduction in the storm water sewer utility fee based on litigation action taken.

Steve Gaschler responds that is language added out of the existing ordinance. We haven't changed the ordinance but I've told the Council on several occasions that I'm more than willing to have our staff go in and address that issue and make it a non-issue.

I've also tried to make clear that we don't think we've listed all of them. This is what we've been able to pull out. When the time comes and we go through this we're going to put in the letter that if you believe that you're due a credit because of some on-site retention issues to please contact us and we'll work with you and figure it out. When new development comes in we'll calculate it at the time the development comes in and when we issue the billing department what to bill them we will have this credit calculated for them. I'm 100% committed to doing that and it's not that big of a burden to do.

Councilor Wilson asks, can we re-write this so when it comes back to us in February of 2017 the language will already be re-written?

Steve Gaschler responds we'll change it.

Councilor White states I would like to see that language tightened up and spelled out clearly. If we could do it before any future changes in the rate cap.

Steve Gaschler responds we will take care of it.

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, states we are here tonight to talk about utility fees. Plans are going to change but I have some information I would like to run by here. I'm going to talk about everything that has to do with water.

Steve Gaschler showed the Council a PowerPoint Presentation handout which outlined the overview for the resolution adjusting the water commodity fee and the water installation charge, confirming other water related fees and rescinding Resolution No. 2286 (attached as Exhibit A to these minutes).

Steve Gaschler states we'll move to the drinking water next in your handout. On the water it's a 4% increase. This is the 4th time that we've asked for a 4% increase. The water increase went from \$3.09 to \$3.21 per 1,000 gallons. We are the low rate provider of the region and one of them around the state. I think it's a modest increase to a modest rate.

Councilor Wilson states before we get off of this page I would like to comment. In the case of some of the Clackamas County cities, is there a reason why rates in other areas are higher?

Steve Gaschler responds everybody is interested in knowing how we compare to everybody else. In this particular case we're lower than everybody else. We should probably be on the lower side but I don't know that we should be down there at the bottom. If we look at our cost analysis on a cost of providing the service it's considerably more than what we're charging.

Mayor Daoust asks, where should we be?

Steve Gaschler responds I don't have those numbers with me but in 10 years, if I remember right, we should almost double. But look at Fairview who we really should compare fairly well against because they pump their water out of wells just like we do. They're considerably higher than us.

Mayor Daoust states so the 4% is really conservative.

Councilor Allen asks, do you know what Portland's rates are?

Steve Gaschler replies they are some of the highest in the region. I think their water rate is up over \$60 a month for an average house.

Councilor White states this is the second time we've doubled it. Are we going to use any of that money to see improvements?

Steve Gaschler responds I would like to see that. Over time we'll get there. It's a transition.

Councilor White states I hear a lot of people moving from Portland to Troutdale because utility fees are less here. It makes us competitive and helps people looking at industrial uses for their heavy water demands. 4% may not sound like much but it is.

Steve Gaschler states if you look at what we're spending this money on it's going into the systems. We're trying to maintain and provide that service. We've all heard of Flint, Michigan and they got in trouble trying to squeeze a penny and switch water sources to save some money and look what happened to them. I'm not saying saving money is a bad thing but it carried to a point that gets you in a disaster.

Councilor White states I want to compliment you and your staff.

Councilor Allen states I know that we have some deferred maintenance that we actually should have taken care of. Is the goal to increase 4% per year until you get to a point where you can maintain infrastructure?

Steve Gaschler responds the rates were all about 6 to 8% for 10 years to get to where we needed to be. One thing I don't want to do is try to change the rate when you're trying to deal with that cap and have that all going on at the same time. It's confusing. It's why I want to get this cap settled and taken care of so that we can figure out where that system sits and what all those credits look like to be able to come back and give you some good numbers.

Councilor Morgan asks, is the cost of the utility as a whole bringing in money or is it hemorrhaging funds?

Steve Gaschler responds we're bringing in enough to barely operate and maintain it. I would like to do more with operations and maintenance and improve that. We're

struggling to keep up. What is doesn't account for is there is nothing in there right now for replacements.

Councilor Wilson states I think we need to look at this. The City of Gladstone hasn't done anything for years and years. There was an article written by The Oregonian in the Clackamas review that they're in for \$50 million worth of replacement of their water and sewer lines because they did nothing. They didn't save for it and didn't adjust their rates. I would hate for us to get in that same situation. I understand people on fixed incomes or low income but the pipes don't care.

MOTION: Councilor Ripma moved to adopt the resolution adjusting the water commodity fee and confirming other water related fees and rescind Resolution No. 2286. Seconded by Councilor Wilson.

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

Motion Passed 7 - 0.

Mayor Daoust calls for a break at 8:38pm and reconvened the meeting at 8:45pm.

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, states this is the sewer rate increase and it's a modest 4% and the same that we've done for the last 4 years. It would increase a monthly bill by \$1.43 to residents which is \$17.16 a year with that increase. As you know we replaced and upgraded the Beaver Creek pump station. That project was around \$700,000 including engineering and construction.

Councilor Morgan states I have a question to the Council. Would the Council be interested in looking at a proposal from Steve if we're going to increase rates over a period for a senior citizen/low income assistance program?

Councilor Allen responds I would be willing to do that at a Work Session.

Steve Gaschler states I think it's an important thing if we are going to move these rates then it's something the Council should look at and consider. There are some programs I think we can go out and fairly copy and talk to the people who run them and how they run them. We wouldn't be qualifying people. We would be finding out what programs they qualify for and then basically say they qualify for our drinking water assistance program. It's hard to find out an estimate upfront of how much that will cost us.

Councilor White states PGE has a program that assists people in paying their energy bill. I know St. Vincent De Paul has programs for low income.

Councilor Wilson states maybe we could do it prior to February of 2017 when we take a look at some of the other rates to get some breathing room. I know other Cities and Counties have programs for low income and seniors.

MOTION: Councilor Wilson moved to approve a resolution adjusting the sanitary sewer utility fee, confirming the average flow rate for an equivalent residential unit and rescinding Resolution No. 2285. Seconded by Councilor Brooks.

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

Motion Passed 7 - 0.

8. STAFF COMMUNICATIONS

Craig Ward states I have a few scheduling announcements for the Council and the public. Next Monday is the Memorial Day holiday and non-emergency facilities will be closed. May 31st the Council has scheduled a Work Session on the Port of Portland's preferred alternative for the Troutdale Airport Master Plan. Also on May the 31st the Reynolds School District has an open house that evening on their plan for Troutdale Elementary School replacement. Then on June 7th, there is the dedication of Visionary Park at 3:00 and then on June 7th and 8th there will be NW Regional series of exercises called Cascadia Rising on earthquake preparedness. I will be participating both days.

Steve Gaschler states to clarify on Visionary Park, we're just unveiling the statue. The park won't be done yet.

9. COUNCIL COMMUNICATIONS

Councilor White asks Craig, do we have a date for the open house for the flood mapping?

Craig Ward responds no. I emailed the Council about that on Friday: You attended the same meeting that I attended. It was very clear in that meeting that FEMA Region 10 out of Seattle needs to participate. They had proposed at that meeting to conduct one meeting for East County. It's not a Troutdale specific meeting. It will be one meeting with Gresham and others. We are responsible for enforcing the flood maps so we need to coordinate with Gresham to send out the notices to the affected property owners. We will do that but we don't have that date yet.

Councilor White states my reason for asking is I was going to request that Troutdale has its own meeting. I know the Port is going to want to be involved and I think ODOT should be there and we have a geographically much different situation than Gresham.

Craig Ward responds I'll be happy to send out that request on behalf of the Council if that's the Council's preference. Unless somebody objects I will send out, on behalf of the

Mayor and Council, requesting that we have a meeting in Troutdale specific to the maps that effect our properties.

Councilor Wilson states I know the Council has turned down the Springwater Parks and Recreation District in the first proposal from Brian Cooper for his idea of what the program is but I've been approached by one of the other City Councilors from Fairview wanting to keep the conversation open with us in developing a program that all three Cities can work with. We can walk away at any time. I'm wanting the Council's approval to have two of us attend those meetings until we determine that they're not a benefit to the City. It's Wood Village, Fairview and they're wanting Troutdale to participate. I hate to close the door before I find out what it is. I want the Council's permission to hear what they have to say.

Councilor White states I think we've eaten up a lot of staff time and we've burdened our parks. I think it's a dead issue at this point.

Councilor Allen states I like to work well with the neighbors and so forth but my concern is that it's always just the few Cities and then it's the four Cities and this other jurisdiction and then it's the region. There's a constant drive to take over our natural resources in Troutdale and we cherish our natural resources.

Councilor Wilson states it's a recreation program. It's not a takeover of our parks or involving Gresham or involving anybody else. I just want to hear what they have to say. If I can't go as a City Council then I'll go as a citizen.

Councilor Ripma states you do that then. The last proposal was a takeover of our Rec Program.

Mayor Daoust states it is fine, Councilor Wilson. The way I see what is going on now is Wood Village and Fairview are working on their part of the program. If all we're doing is sitting in a room and seeing how that discussion's going I don't see a problem. We're talking about a recreation program for the kids. We're not talking about a park district. It is just a recreation program for the kids.

Councilor Ripma states I want to wish everyone a good Memorial Day holiday and that's all I have.

Councilor Morgan states I wanted to thank Council and staff for your emails and phone calls for my mom. I really appreciate that.

Mayor Daoust states we already heard about the Columbia Gorge Transit Study. This weekend starting on Friday there's going to be a bus heading out to Multnomah Falls. They're going to start a Gateway Transit Center and it will only cost \$5.00 for people that want to go to Gateway Transit Center and take a 20 person bus to different stops. Stops to Rooster Rock State Park in case people want to park there and ride for free from Rooster Rock and then take the bus to Multnomah Falls. There will be room on the front of the bus for bicycles. That is starting this weekend Friday, Saturday and Sunday and will go all summer. That is a result of a study that was done by ODOT that said we need

to do something about the Multnomah Falls parking. Next, I want to read a thank you note from Scott Anderson. Dear Mayor Daoust and Council members, thank you very much for the wonderful retirement gift, which was the trout sculpture, it has a very prominent spot in our den that will be a constant reminder of how fortunate I was to serve our community with you. I wish you all the very best in the years ahead. Sincerely, Scott. This Thursday there is a job fair at McMenamins Edgefield if you know of anybody who wants to work at Edgefield. I was on a call about the biological opinion that Natural Marine Fisheries put forward to FEMA on the flood mapping. I have notes that I can type up and send out. Basically FEMA and DLCDC with the State of Oregon are going to hold seven regional workshops this summer. The Portland Metro area will have one of those seven workshops. They didn't say when. There is a lot going on with this and a lot of unanswered questions. I asked a question on the phone call about our Urban Renewal Area, will there be some form of grandfathering in of developments that get started before two to three years from now. They said to contact DLCDC or FEMA about grandfathering. Another question I asked was about the conditional letter of map revisions. If we submit a conditional letter of map revisions, FEMA will require a habitat assessment. We have conditional changes or map revisions that we're requesting we have to have a habitat assessment done with activities we're planning along the rivers and streams before the project happens. Recently, we held two Town Hall meetings on Imagination Station on May 18th and May 21st. We only had 26 people attend and we were hoping we would have a lot more. We had a consultant fly out here from New York from a company named Play By Design who is willing to handle the volunteer build of the reconstruction of the burnt part. We also had Game Time there who makes metal play structures. There's some decisions that we have to make here soon. What we are most likely going to do is go to Troutdale Elementary School and Sweetbriar Elementary and talk to the kids about what they want to see put back in Imagination Station. We're going to call it Design Day. A lot of the public input and some of the thoughts of the Subcommittee was that the community wants to be involved in rebuilding.

Councilor Wilson states I think from attending that meeting I found out that the condition of the rest of the structure is 22 years old so there is going to have to be some decisions in the long run of what we're going to do.

Mayor Daoust states Tim Seery was tentatively thinking the middle of September as a build date. I'm not pushing any particular alternative. I'm here to facilitate the discussion and make sure it keeps going. Tim and a small group of us are trying to make the best decisions we can.

Councilor Allen states I would think that we would want to replace the burnt part as quickly as possible and then refurbish later.

Councilor White asks, did we fly this consultant out from New York?

Mayor Daoust replies no, they came out on their own.

Councilor White states I thought it was going to be more of a staff decision based on insurance and donated money. I know we have offers of materials from Home Depot. I

know a finishing carpenter looked at the site and it is 22 years old and he said it looked to have another 10 years of life left. The only suggestion he had was capping the tops of the wood beams so they don't split. I think we can get this thing done and get started on it right away. It sounds like it's getting a life of its own by making it bigger and better than it was.

Mayor Daoust states we're taking all of that into account. We're talking rebuilding the burnt part either close to the way it was or completely different. That needs to be done and that is what the insurance will cover. The second part is using volunteers to refurbish what is remaining. That can go as far as we want it to go if we have donated money to do it. Those are the two components we need to address.

Councilor Ripma states I'll just say that what you're doing seems right and given your heavy involvement in the original construction you're taking this on and I thank you. I think we should do it right. I personally don't think we should try to rush it. If it can be done by mid-September that is good and realistic.

Mayor Daoust states I'm on the Urban Growth Task Force with Metro and we had our first meeting. There are eight Mayors on that meeting, all three County Chairs, Metro staff and the Homeowners Association. We're talking about the Urban Growth Boundary (UGB) and the steps that will be done in the future because the Urban Growth report has already written and approved. Metro is willing to entertain the conversation immediately for next go around and not wait for six years. That is why this group was pulled together, for people who have a say. If Cities want to consider an urban growth expansion we have to demonstrate that a governments the infrastructure financing the market conditions will result in housing development in a requested UGB expansionary. That is only one thing. The second is the City has taken action to increase housing choices and affordability in our jurisdiction. The third is that the requesting UGB expansion would support regional and local goals. It's not a simple thing to say we have 700 acres we would like to expand the UGB. We are behind a lot of rules waiting for Gresham's urban reserve that already exists but is not getting developed. We're going to sit behind them in a waiting list. I'm doing my best on this committee to keep us engaged in the discussion so we don't get left behind. Tomorrow there is a Public Works Appreciation BBQ at Glenn Otto Park. On May 26th there is a homeless luncheon with the faith leaders in East Multnomah County. All of the churches were invited to a discussion about homelessness in East Multnomah County and what we're going to do about it. That is Thursday at Fairview City Hall at 12:00pm. Also Thursday there is an East County Elected Officials Emergency Preparedness training at Gresham City Hall at 5:30pm. You're all invited. I know we have this Work Session on May 31st with the Troutdale Airport business people. It appears there is another meeting scheduled June 3rd at Gorge Winds Aviation organized by Mike Rhodes. It sound similar to what we're going to talk about on the 31st. Evidently there is a movement amongst the business people and the pilots to engage us and others before it goes to the Port Commission. The Port will be at our May 31st meeting.

10. ADJOURNMENT

Councilor Ripma moves to adjourn. Seconded by Councilor Wilson. The motion passed unanimously.

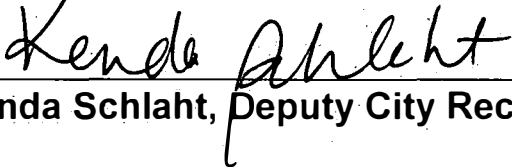
The meeting adjourned 9:28pm.



Doug Daoust, Mayor

Dated: 9/16/16

ATTEST:



Kenda Schlaht, Deputy City Recorder

CITY OF TROUTDALE

City Council – Regular Meeting

7:00PM

Tuesday, May 24, 2016

PLEASE SIGN IN

Name – Please Print	Address	Phone #
Trevor David	1018 SW Halsey St.	707-599-4002
Jonathan Nagle		
Shayda Nagle		
CORA Allen		
Sam Barnett		
DAN BROWN		
ANGELA BROWN		
PAUL WILCOX	TROUTDALE	
Peter van Arken	Troutdale	
Kelsey Morgan	1016 SW Halsey St	503-740-2927
BRUCE WISSON	TROUTDALE	
Diana Castillo		503-88-1405
DAN GUIS	CRESHAM	(503) 818-8100
TAMMY STAFFINSON	TROUTDALE	503-319-7732

2016-17 UTILITY FEE RESOLUTIONS

TROUTDALE CITY COUNCIL MEETING MAY 24, 2016

THE VALUE OF UTILITY SERVICES TO OUR COMMUNITY

- SAFE DRINKING WATER
- PROPERLY TREATED AND DISPOSAL OF WASTEWATER
- PROPERLY TREATED, CONVEYED AND DISPOSAL OF STORMWATER

HOW IMPORTANT IS SAFE DRINKING WATER

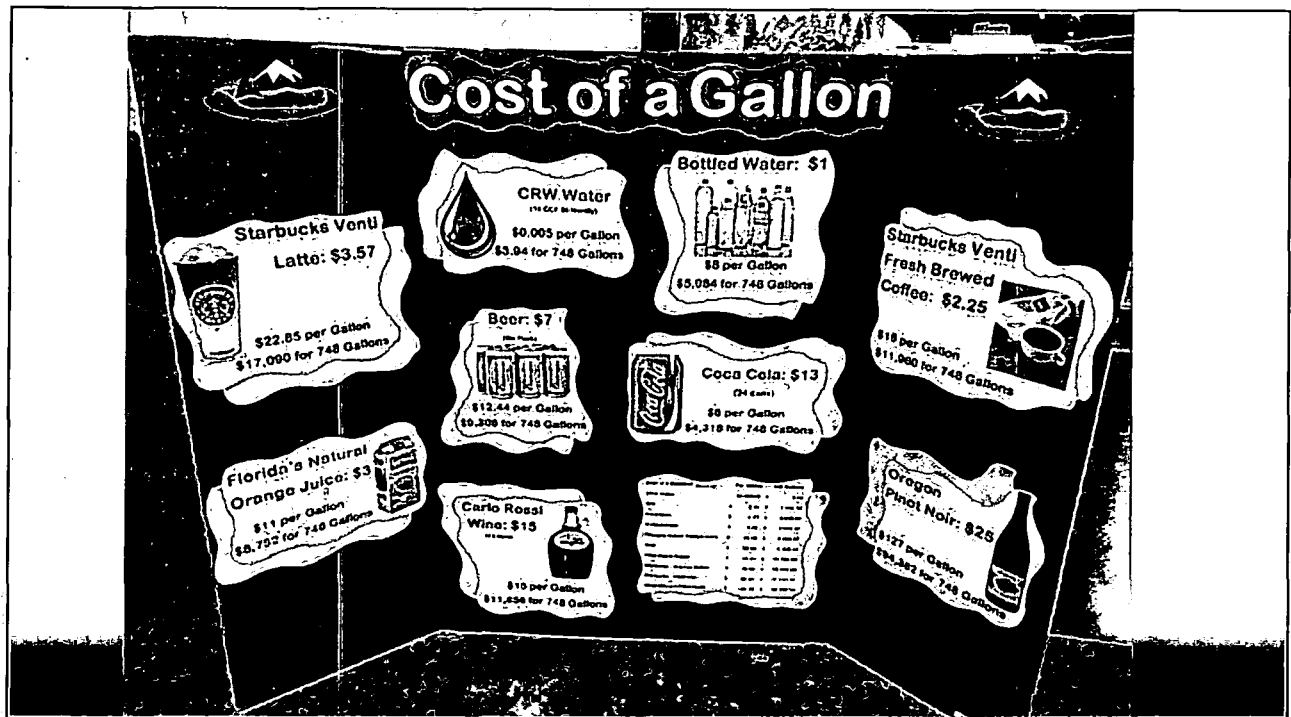
- The citizens of Troutdale depend on us to deliver good tasting clean water
- When they want it and how much they want.
- A certain percent of our population is considered vulnerable or at risk for water that is otherwise not considered a health risk to a normal healthy person.



Troutdale Water Service

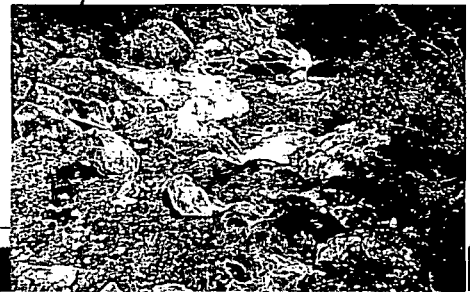
- 7 deep well pumps
- 4 storage reservoirs
- 64 miles of distribution pipe
- 4700 customer accounts
- Average day production 1.7 million gallons
- Annual production over 600 million gallons
- 4.8 full time equivalent employees





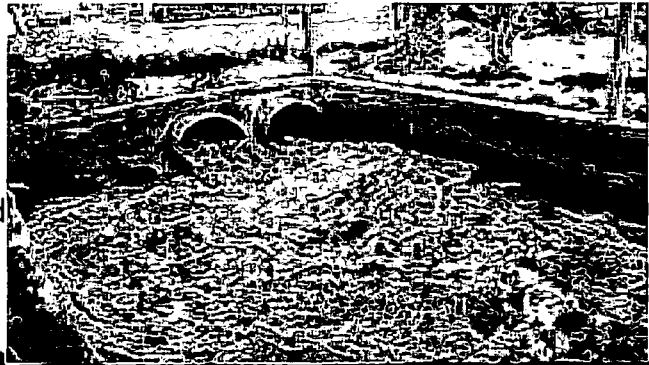
Wastewater

- Integral to public health, environmental protection and quality of life
- The Clean Water Act (CWA) prohibits discharges of pollutants to waters of the U.S. unless authorized by a National Pollution Discharge Elimination System (NPDES) permit.
- Unpermitted discharges from the sanitary sewer system to the waters of the U.S. constitute a violation of the CWA

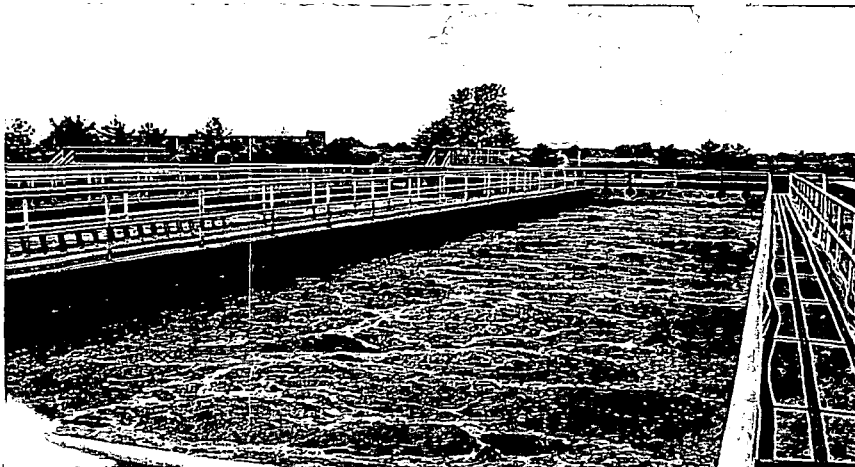


Troutdale Wastewater Service

- 4700 customer accounts
- 53 miles of gravity pipelines, ranging in size from approximately 4 to 30 inches in diameter
- 1,340 manholes
- 10 lift stations
- 4 miles of sanitary force mains.
- Over 600 million gallons treated last year



Aeration Basin

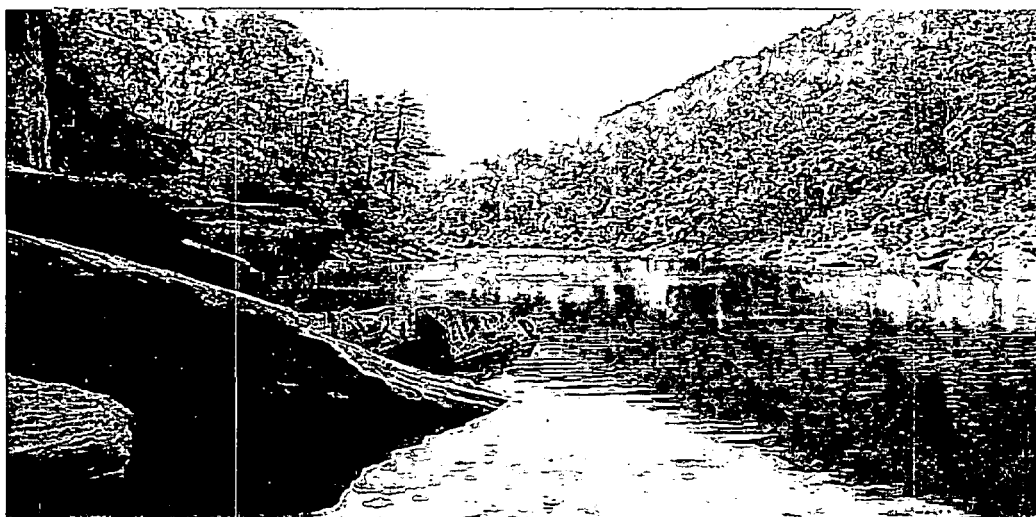


Troutdale Wastewater Service

- Dry weather average day– 2.4 million gallons per day (mgd)
- Wet weather maximum day– 6.3 mgd
- Peak hour– 9.4 mgd
- 5.95 FTE



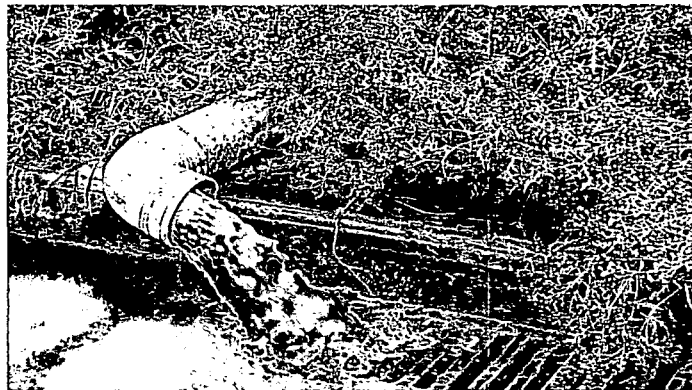
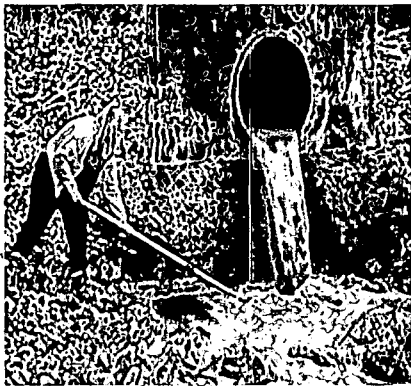
STORMWATER SERVICE



STORMWATER EROSION CONTROL

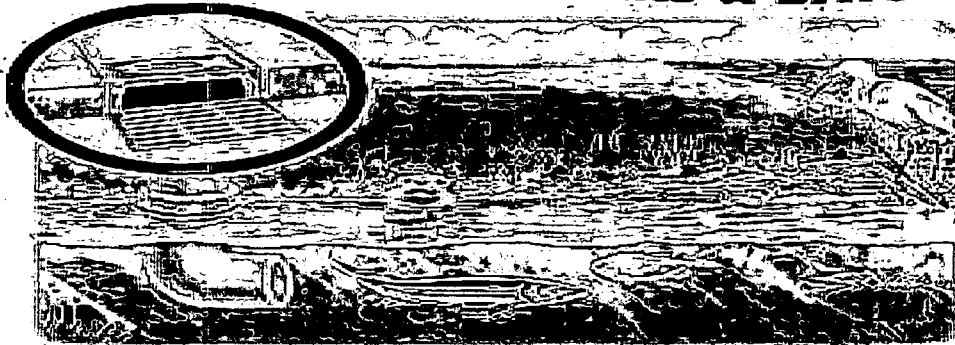


PROBLEMATIC STORMWATER DISCHARGE



STORMWATER WHERE IT GOES

**ALL STORMDRAINS LEAD DIRECTLY
TO OUR PONDS, RIVERS & BAYS**



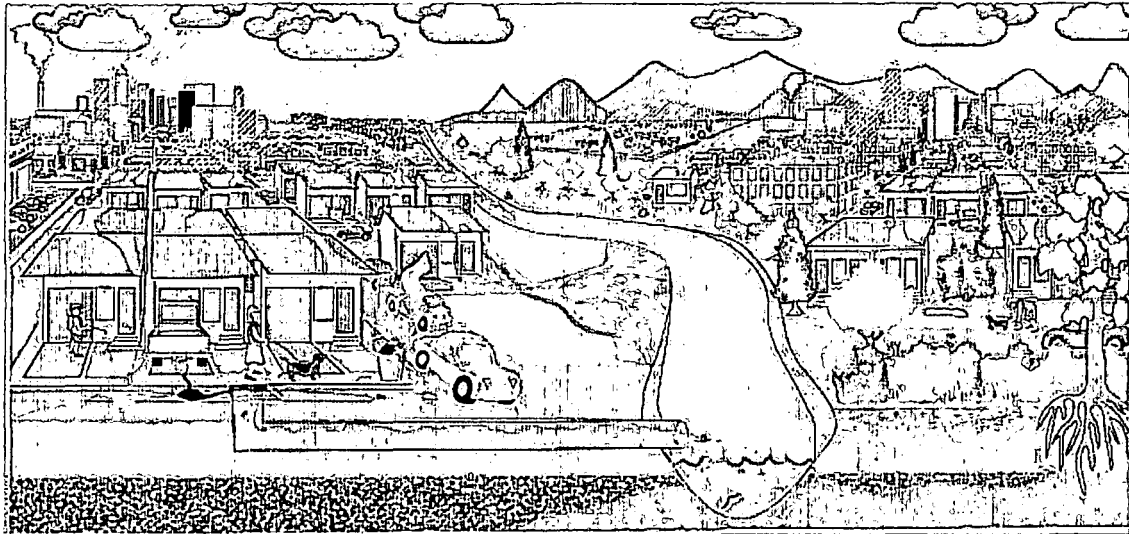
To learn how to be a part of the solution to
stormwater pollution, visit www.nsrwa.org

STORMWATER FLOOD MANAGEMENT

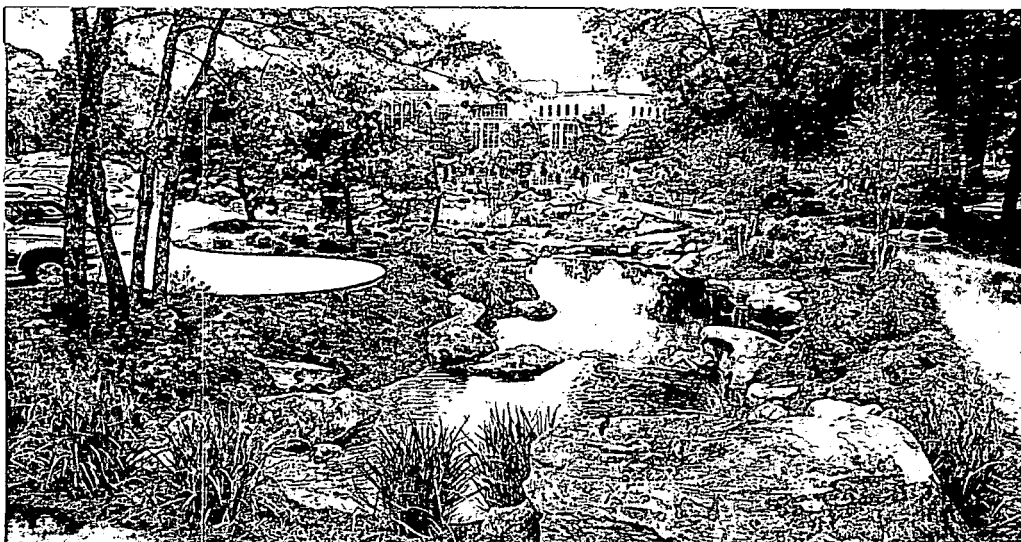


Understanding the issues...

STORMWATER GRAY VS GREEN



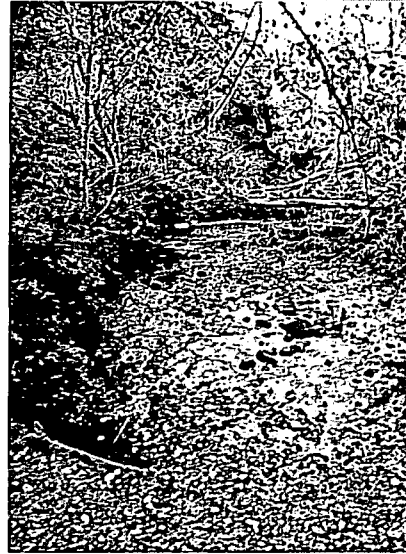
STORMWATER ONSITE RETENTION AND TREATMENT



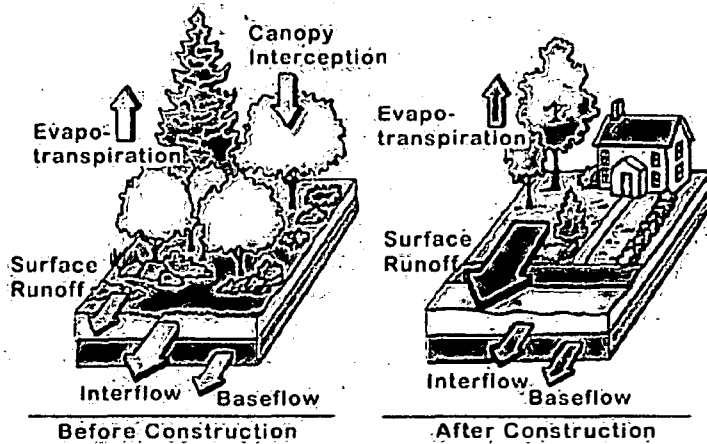
Troutdale's Stormwater Program

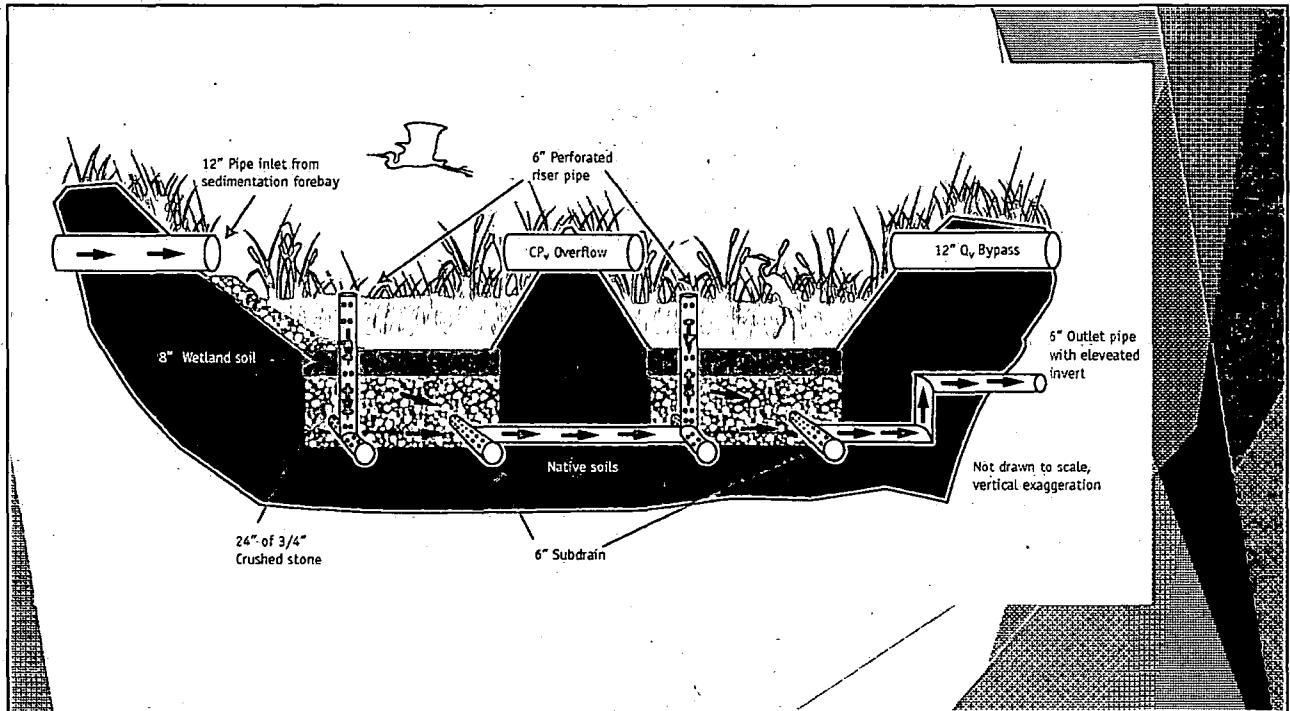
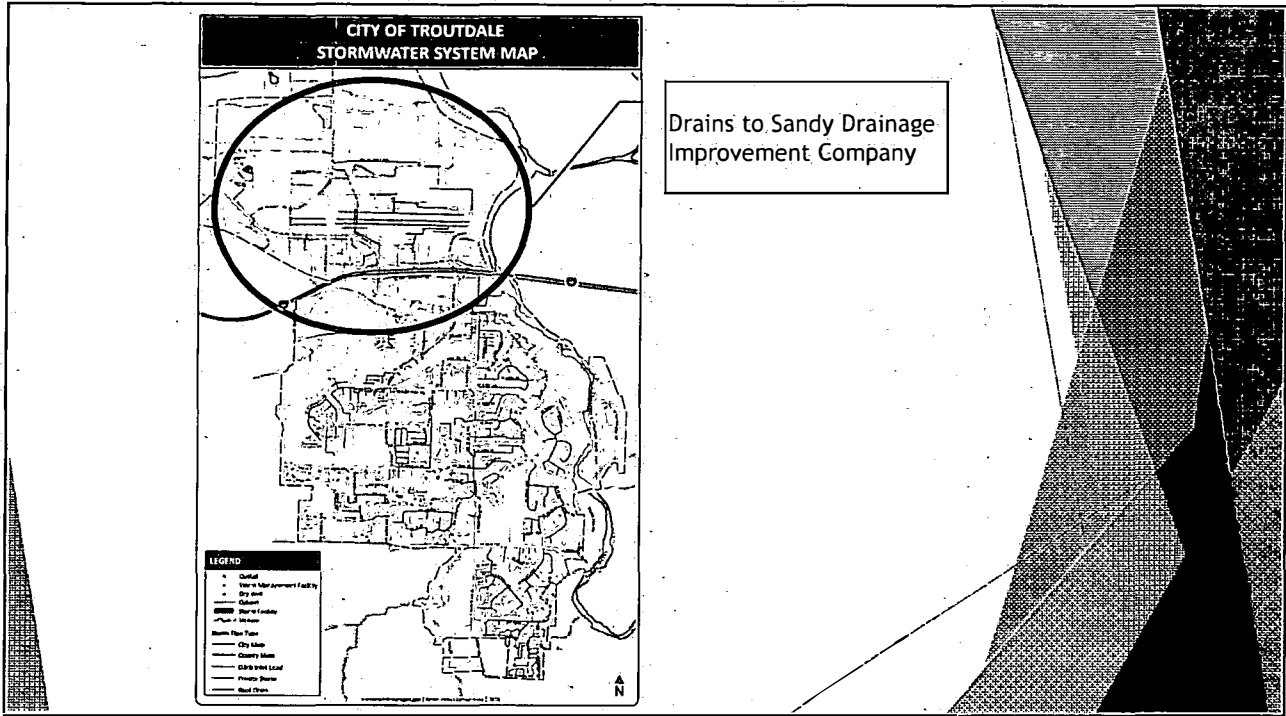
System Overview

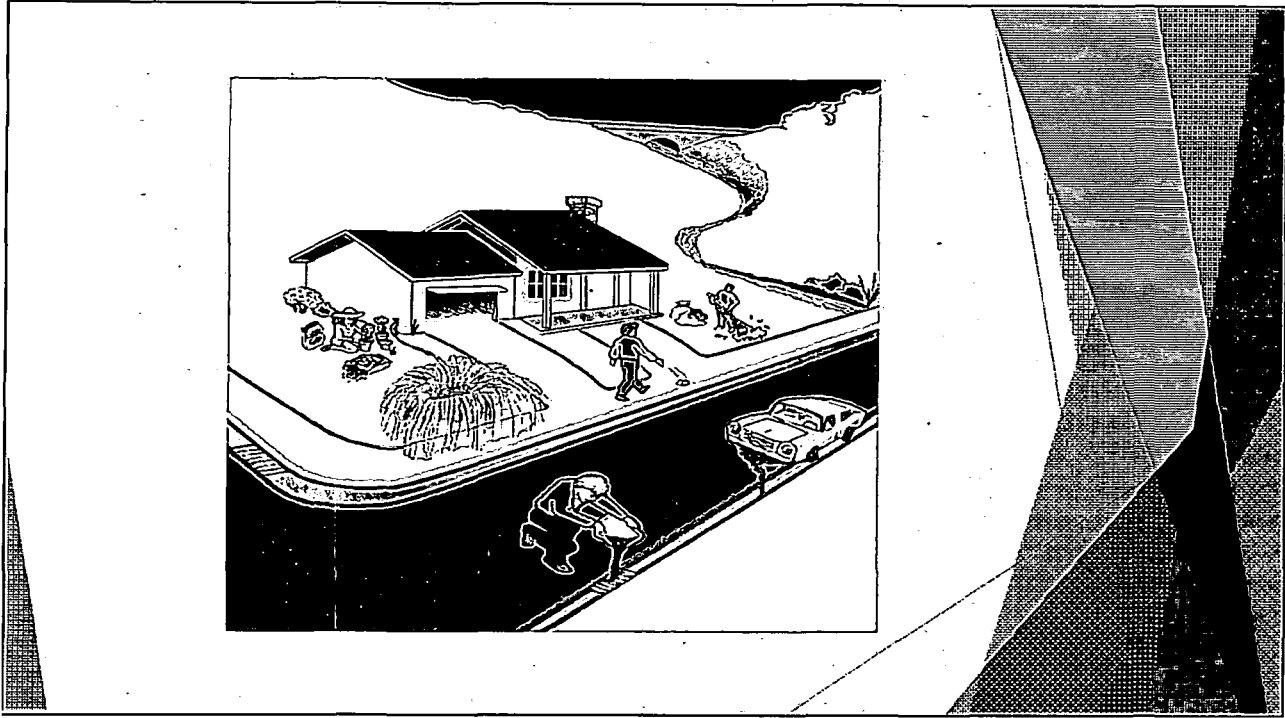
- Combination of open (channels/ditches) and closed (piped) systems
- Mixed ownership of system components
- 32 miles of closed pipe system, 32 outfalls
- 123 drywells (underground injection controls aka "UIC's")
- Water quality facilities – Bioswales, Stormfilters™, pollution control manholes, and oil/water separators
- 2.05 full time equivalent staffing



Local Hydrologic Cycle







FCS RATE REPORT 2014

STORM SEWER RATE AND SDC STUDY

This report provides a storm sewer utility financial plan that will allow the City of Troutdale ("City") to implement the capital improvement program (CIP) provided in the March and June Troutdale Storm Drainage Master Plans while meeting its other financial obligations, including policy objectives. The two components of this plan are (1) the computation of system development charges ("SDCs") and (2) a revenue requirement analysis.

SYSTEM DEVELOPMENT CHARGES

SDCs are one-time fees imposed on new and increased development to recover the cost of system facilities needed to serve that growth. This section provides the rationale and calculations for a proposed storm sewer SDC.

Methodology

An SDC can include two components: (1) a reimbursement fee and (2) an improvement fee.

Reimbursement Fee

The reimbursement fee is based on the cost of available capacity per unit of growth that such available capacity will serve. In order for a reimbursement fee to be calculated, unused capacity must be available to serve future growth. For facility types that do not have available capacity, no reimbursement fee may be charged.

Improvement Fee

The improvement fee is based on the cost of capacity-increasing capital projects per unit of growth that those projects will serve. In reality, the capacity added by many projects serves a dual purpose of both increasing existing demand and serving future growth. To compute a complete improvement fee, growth-related costs must be isolated, and costs related to current demand must be excluded.

We have used the capacity approach to allocate costs to the improvement fee base. Under this approach, the cost of a given project is allocated to growth in proportion to the growth-related capacity that projects of a similar type will create.

Growth should be measured in terms that most directly reflect the source of demand. For the City's storm sewer utility, growth is measured in equivalent residential units (ERUs). One ERU represents 2,700 square feet of impervious surface area, which is the average impervious surface area of a single-family residence in Troutdale.

Adjustments

Oregon Revised Statutes ("ORS") 223.107(1) authorizes the expenditure of SDCs on "the costs of complying with the provisions of ORS 223.107 to 223.114, including the costs of developing system development charge methodologies and providing an annual accounting of system development

Financial Analysis

Storm Sewer Utility Financial Analysis completed in 2014

FCS Group - independent utility rates and finance consultant

FCS Group report delivered in April 2014

Report based on in-depth, holistic financial modelling of the storm sewer utility

Included both operating and capital funding

“ The current rate structure—specifically, capping billable impervious surface area at 6.2 ERUs—produces two undesirable effects. Not only does this structure subsidize large commercial customers at the expense of residential customers; it also limits the marginal revenue provided by a rate increase. ”

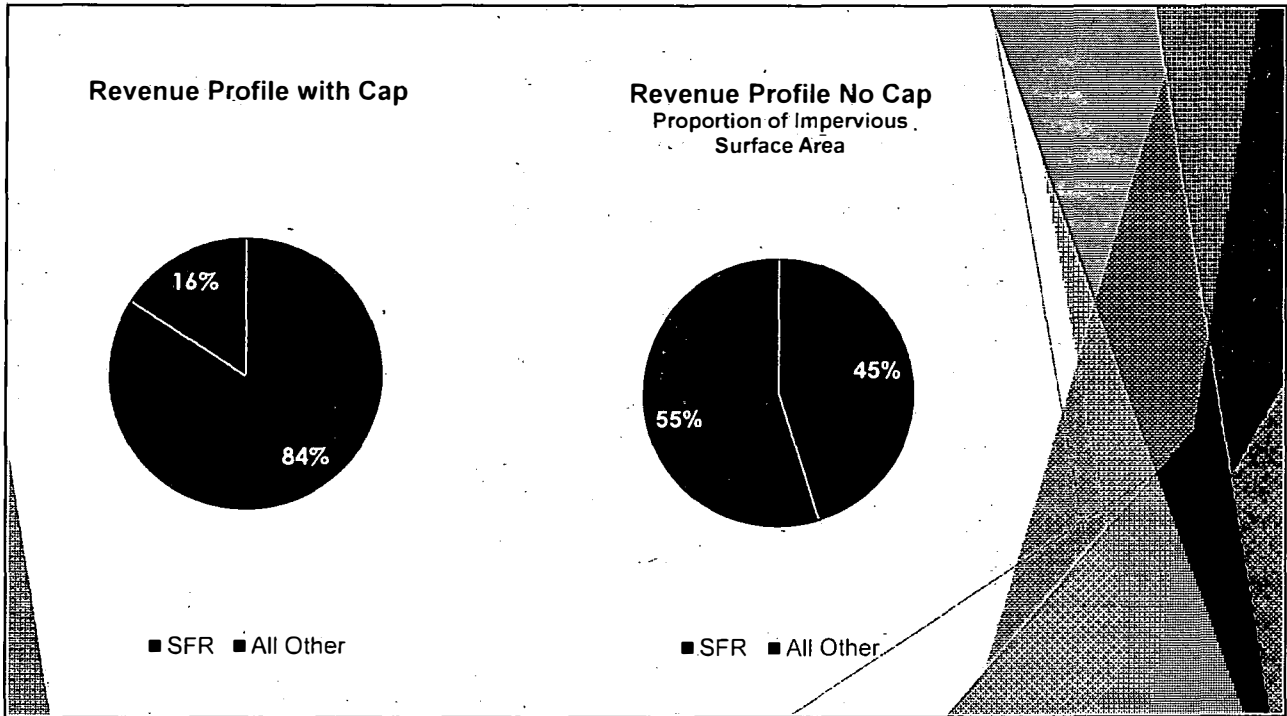
FCS Storm Sewer Rate and SDC Study, April 2014

FCS concluded that significant negative consequences are resulting from maintaining the storm sewer rate cap.

Subsidizing large commercial comes at the expense of small businesses in addition to residential customers when the base rate is increased to compensate.

Presently, subsidizing large commercial comes at the expense of all property tax payers, of all types and sizes.

To put it another way, small local businesses like the General Store are picking up part of FedEx's tab under the current rate structure.



“

We [FCS] recommend that the City eliminate the rate cap.

”

FCS Storm Sewer Rate and SDC Study, April 2014

FCS concluded that the cap clearly needs to be eliminated. FCS provided two proposed scenarios for removing the cap beginning in 2014:

1. Immediate elimination (more modest base rate increases)
2. Phased rate cap removal over three years (Transitional period for large commercial, but higher base rate increases)

Both scenarios were fully modeled and rate plans/projections were provided

66

It is important to note that, other things equal, keeping the rate cap in place will make required [base] rate increases much larger.

99

FCS Storm Sewer Rate and SDC Study, April 2014.

Even with removal of the cap, base rate increases are needed; However,

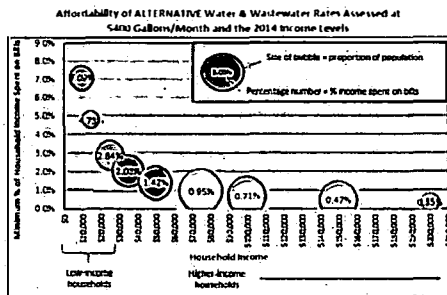
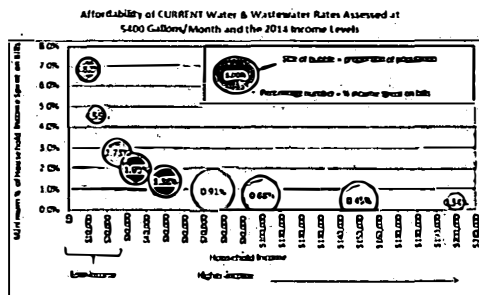
The longer the rate cap is kept in place to benefit the largest users, the greater the total impact on residential users and small businesses.

Affordability Analysis

Water & Wastewater Residential Rates Affordability Assessment Tool
 Environmental Finance Center, UNC, Chapel Hill
 Smart Management For Small Water Systems project, USEPA

The most commonly accepted benchmark in the industry is 2.5% of Median Household Income

	Current rates	Alternative rates
Monthly water & wastewater bill at 5400 gallons/month	\$56.85	\$59.10
Annual bills at same level of use	\$682.15	\$709.25
Median Household Income in 2014 for Troutdale city, Oregon	\$58,790	
Water & Wastewater % MHI	1.16%	1.21%



DRINKING WATER RATE RESOLUTION

UTILITY RATE COMPARISON 2015		
Single Family Residential		
CITY	POPULATION	WATER
THE DALLES	14,400	\$57.94
SHERWOOD	18,771	\$44.24
CORNELIUS	12,161	\$42.02
GRESHAM	106,000	\$34.74
WILSONVILLE	21,550	\$32.01
OREGON CITY	33,390	\$30.27
FAIRVIEW	9,153	\$30.02
HOOD RIVER	7,167	\$28.74
WOOD VILLAGE	3,885	\$28.59
CANBY	16,866	\$28.36
MILWAUKIE	20,500	\$27.46
FOREST GROVE	22,000	\$23.00
HAPPY VALLEY	16,321	\$22.03
WEST LINN	25,425	\$18.55
GLADSTONE	11,495	\$16.80
TROUTDALE	16,015	\$15.45
Average	22,194	\$30.01

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

SANITARY SEWER RATE RESOLUTION

UTILITY RATE COMPARISON 2015		
Single Family Residential		
CITY	POPULATION	SANITARY SEWER
WILSONVILLE	21,550	\$55.24
MILWAUKIE	20,500	\$51.21
WOOD VILLAGE	3,885	\$49.80
HOOD RIVER	7,167	\$48.00
OREGON CITY	33,390	\$45.66
THE DALLES	14,400	\$44.78
CORNELIUS	12,161	\$44.08
CANBY	16,866	\$43.99
HAPPY VALLEY	16,321	\$43.50
SHERWOOD	18,771	\$37.99
TROUTDALE	16,015	\$35.74
WEST LINN	25,425	\$33.62
FAIRVIEW	9,153	\$31.98
FOREST GROVE	22,000	\$30.80
GLADSTONE	11,495	\$27.79
GRESHAM	106,000	\$26.30
Average	22,194	\$40.66

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