



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, June 14, 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 24, 2015 Regular Meeting, March 8, 2016 Regular Meeting and March 15, 2016 Special Meeting.
 - 2.2 **RESOLUTION:** A resolution approving an Intergovernmental Agreement with Metro to continue receiving solid waste clean-up services at unlawful camping sites in Troutdale.
 - 2.3 **RESOLUTION:** A resolution accepting the May 17, 2016 Primary Election results from the Director of Elections, Multnomah County, Oregon.
 - 2.4 **RESOLUTION:** A resolution authorizing the City to enter into a Stipulated Supplemental Judgment with DEQ for the public improvements including public right-of-way, easements, infrastructure and utilities located at or adjacent to the Troutdale Reynolds Industrial Park (TRIP) property.
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. **REQUEST:** A request for the City to provide sponsorship for the Cruise In.

John Leamy, Troutdale Kiwanis
5. **MOTION:** A motion to approve the Mt. Hood Cable Regulatory Commission's 2016-17 Annual Budget.

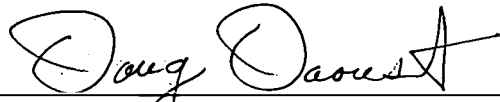
Norm Thomas, MHCRC Troutdale Representative & Julie Omelchuck, MHCRC Staff

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6. **PUBLIC HEARING / RESOLUTIONS:** A public hearing on the following resolutions:
- 6.1 A resolution certifying the City of Troutdale's *eligibility* to receive Fiscal Year 2016-17 State Shared Revenues.
 - 6.2 A resolution declaring the City of Troutdale's *election* to receive State Shared Revenues for Fiscal Year 2016-17.
Erich Mueller, Finance Director
7. **PUBLIC HEARING / RESOLUTIONS:** A public hearing on the following resolutions:
- 7.1 A resolution adopting the City of Troutdale's Fiscal Year 2016-17 Annual Budget and making appropriations.
 - 7.2 A resolution imposing and categorizing Ad Valorem Taxes for Fiscal Year 2016-17:
Erich Mueller, Finance Director
8. **STAFF COMMUNICATIONS**
9. **COUNCIL COMMUNICATIONS**
10. **ADJOURNMENT**



Doug Daoust, Mayor

Dated: 6/8/16

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.

MINUTES

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

Tuesday, June 14, 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 Morgan, Councilor White, Councilor Allen and Councilor Wilson.

ABSENT: None.

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

GUESTS: See Attached List.

Mayor Daoust asks if there are any agenda updates.

Craig Ward replies there are no updates.

2. CONSENT AGENDA:

2.1 MINUTES: November 24, 2015 Regular Meeting, March 8, 2016 Regular Meeting and March 15, 2016 Special Meeting.

2.2 RESOLUTION: A resolution approving an Intergovernmental Agreement with Metro to continue receiving solid waste clean-up services at unlawful camping sites in Troutdale.

2.3 RESOLUTION: A resolution accepting the May 17, 2016 Primary Election results from the Director of Elections, Multnomah County, Oregon.

2.4 RESOLUTION: A resolution authorizing the City to enter into a Stipulated Supplemental Judgment with DEQ for the public improvements including public right-of-way, easements, infrastructure and utilities located at or adjacent to the Troutdale Reynolds Industrial Park (TRIP) property.

MOTION: Councilor Wilson moved to approve the Consent Agenda. Seconded by Councilor Morgan. The motion passed unanimously 7-0.

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

Rip Caswell, Troutdale, Oregon, states I wanted to thank the Council and the City and staff for a wonderful 100 year celebration of the highway. We unveiled the monument dedicated to Visionary Park of Sam Hill and Samuel Lancaster called "Devoted Passion". It was well attended and I want to thank the City staff for cleaning everything up and making everything look so nice for that day. I also wanted to point out Steve Gaschler's leadership in the project of Visionary Park. We're really getting a lot of value. He's enlisted a lot of people to donate all of the engineering. There's been a tremendous outpouring of support for this project and I wanted to thank the vision of the Council for seeing this project through and making a beautiful statement to inspire future generations. I would also like to present an idea about the manholes in Troutdale. It would be a wonderful opportunity for future development and I called the City and talked to Public Works and it's a small investment but to do our logo on the manholes so that we have that for now and into the future when we do new projects that we have kind of an advertisement for the quality of our City. Just an idea. Also, I'm bringing my foundry back into Troutdale. We'll be bringing jobs and growth. We're developing on Harlow Rd. and it is right next to I-84. We have to plan artwork throughout and it's going to be a wonderful project and bring in a lot of artists. I look forward to seeing Troutdale become a real art's destination. There are some other developers here tonight. We've been meeting and talking about the possibilities and want to keep you informed of the exciting news. Thank you.

Robert Butler, Portland, Oregon, states Rip has a really good looking project and it's going to be a landmark for Troutdale. Next door to that lot is Columbia Ridge Church property which is 4 acres and another company moving in there, which I represent, is Apollo Drain and Plumbing. They're coming out of Gresham and bringing 50 employees and have been in business for 33 years. Scott Berg is President and his 3 sons run a division of it. They're proud of their sustainability. They're a high tech company that has some state of the art equipment that is called non-intrusive for excavating. The instigator of an association that is being formed that Rip is part of and I guess I'm the instigator. We're going to call ourselves as a group NE Harlow Business Association. We're proud to bring in over 100 employees on Harlow Place. We look forward to working with you.

Dan Woods, Boring, Oregon, states I am the owner and founder of Custom Asphalt Products. Custom Asphalt is a green growth company. I have been environmentally responsible since 1979 when I produced the first asbestos free asphalt sealer anywhere in the NW. I was also the largest contractor for asphalt seal coating. We use 10% recycled tire rubber for parking lots. Combined with our partners we have taken more than 11 million tires out of landfills to a better place. The City of Portland applies our road surface to approximately 100 miles of roadway each year reducing their overall paving costs. I'm a proud member of the NE Harlow Business Association and I'm in the process of purchasing land and building a new facility in Troutdale. We're excited to grow our business at the new Troutdale location and become a member of this exceptional community.

Kristin Lewton, Troutdale, Oregon, states I'm here to introduce the business that we're bringing to Troutdale. In This Together has been working out of my home for 3 years now.

We work with people with disabilities and integrating them into the community, establishing safe relationships and allowing them to have their independence. What we do not do is teach them anything. All we do is draw it out of them. In This Together is proud to present My Brother's Keeper. It is a community service center located behind the Dairy Queen in the Yoshida building. We will be providing arts, crafts, games, movie nights on Fridays, Bingo on Mondays, color me beautiful which is adult coloring and collecting non-perishable food for we got your back backpacks distributing to the community and students, schools supply drives and mentoring. We do not have wi-fi. We are looking into getting wi-fi. In This Together opens July 1st and My Brother's Keeper opens August 10th. Most everything is donations.

Mike Purcell, Portland, Oregon, states I'm a general contractor and have worked in the Portland area for 43 years and have built a number of buildings here in Troutdale. I'm here representing my client NW Freight, located in Ridgefield, WA. They're small freight company with 2 trucks presently. They would like to relocate their facility and expand into Troutdale at Eastwind and Marine Drive. We would like to build a 36,000 sq. ft. building that would house some cold storage and fresh produce for distribution to local businesses. They would like to locate here in Troutdale and we would like to see if there was any possibility for incentives for them to do that such as maybe waiving SDC fees or something along those lines.

Mayor Daoust states Craig Ward, City Manager, should be your first contact to try to work something out.

Paul Wilcox, Troutdale, Oregon, states the County recently released their precinct results from the May primary elections. I thought it might be interesting for Council to see how Troutdale voted. One that was noteworthy to me was Troutdale overall voted in favor of the MHCC school bond. It lost overall but the Troutdale voters approved it. The City Charter 84% and Historical Society was 63%. President number 1 Sanders, number 2 Clinton, number 3 Trump, number 4 Cruz and number 5 Kasich. I treated it as an open primary. Governor Brown, Pierce and Alley with Brown overwhelming with 46%. One thing that was interesting Troutdale has 2 precincts, 4904 and 4905. 4905 is just a tiny sliver of the city on the east side of the Sandy River. They vote differently over there. They voted down the college bond and their presidential preferences are Trump, Sanders then Clinton.

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

Councilor Allen states I wanted to point out to the committee that I am a Kiwanis member.

John Leamy, Troutdale, Oregon, states I am with Kiwanis and we're working on the 13th annual Troutdale Cruise In scheduled for Sunday, August 7th. Part of the success of this event has been your past support and support of area businesses. So tonight I would like to come before you and ask for \$1,500 sponsorship of our event this year.

Councilor Morgan asks is this going to require a budget amendment?

Erich Mueller replies no.

Councilor Wilson states we donated the same amount last year.

MOTION: Councilor Morgan moves to approve a \$1,500 sponsorship for the Kiwanis Club of Troutdale Cruise In. Seconded by Mayor Daoust. The motion passed unanimously 7-0.

5. MOTION: A motion to approve the Mt. Hood Cable Regulatory Commission's 2016-17 Annual Budget.

Norm Thomas, Mt. Hood Cable Regulatory Commission (MHCRC), states I would like to introduce Rob Brading who is the outgoing CEO for Metro East Community Media and introduce our new CEO, Marty Jones.

Rob Brading, former CEO Metro East Community Media, states good evening, I was the CEO for Metro East Community Media and I wanted to take the opportunity to do a few things. First, to thank you for your support for Metro East Community Media over the 24 years I had the honor and privilege of serving as CEO there. I had a great time and it was an honor and I'm deeply grateful for the opportunity. I would deeply remiss if I did not point out that Metro East Community Media would not exist and not be successful without the MHCRC and terrific work they have done over the years to support our communities. I also wanted to take the opportunity to introduce my successor, Marty Jones. Marty comes from Oregon Episcopal School and he is a successful filmmaker. I am confident will continue Metro East's strong record and grow and prosper.

Marty Jones, Metro East Community Media, CEO, state I am looking forward to working with the Council. 40 years ago I was a young teenager in Columbus, OH and wanting to start a career that led to a really wonderful time in the entertainment industry. A new chapter has opened up for me in Oregon and staying in Portland after 6 years of Oregon Episcopal School as senior administrator and the director of marketing and having the opportunity to rebrand a 150 year old school and make sure its relevance is well known to the evolving educational landscape was a fun challenge. The same thing with Community Media. Community Media is really striving in a strong place where you'll hear lots of great things from Norm and Julie Omelchuck, Program Manager. Looking forward to being here and being a part of your communities.

Norm Thomas states tonight I'm here representing the Mt. Hood Cable Regulatory Commission on our budget request for the next fiscal year of 2016-17. Tonight I have with me Julie Omelchuck who is part of the staff at MHCRC. I am here to highlight a couple of the many MHCRC activities over this past year and ask to seek your approval of the MHCRC Fiscal Year 2016-17 proposed budget.

Norm Thomas read a statement about the MHCRC and their budget that is before the City Council. A copy of the statement is attached to the minutes as Exhibit A.

Mayor Daoust states thank you Norm for being the Troutdale rep for 20 years. On page 12 of the report it talks about 10 years ago Metro East used the investment fund to construct the current facility that they're in and over the last decade Metro East has used capital revenue from the Cable Regulatory Commission to aid the investment. It says the repayment in the initial investment in the facility will be complete in the current year you're in creating a potential gap in Metro East's 2016-17 current service level operating budget. I didn't quite understand that. Why paying off a building created a gap.

John Brading replies it's slightly messy. When we constructed our current facility we used non-capital money. We used money that we had in our investment fund to build the building for a capital expenditure. Our funds are divided between capital funds so we used operating money for a capital expense. Over the years we have paid ourselves back with capital money moving into operations. Now that we have paid back essentially an internal loan operating funds will be less because we cannot continue to move capital money into operational money. We have used the investment fund for this year to fund that gap. But there is a potential for a gap in future years and I wanted to make sure you understood that.

MOTION: Councilor Morgan moves to approve the Mt. Hood Cable Regulatory Commission's 2016-17 annual budget. Seconded by Councilor Wilson. The motion passed unanimously 7-0.

- 6. PUBLIC HEARING / RESOLUTIONS:** A public hearing on the following resolutions:
- 6.1** A resolution certifying the City of Troutdale's *eligibility* to receive Fiscal Year 2016-17 State Shared Revenues.
 - 6.2** A resolution declaring the City of Troutdale's *election* to receive State Shared Revenues for Fiscal Year 2016-17.

Erich Mueller, Finance Director, states the requirement is that there is public hearing on the proposed uses of the funds. Once that public hearing is done then the 2 resolutions would need to be acted on. There are 4 steps that are required for the City to receive State Shared Revenues which we have for many years and is part of our budget. The first step was accomplished during the Budget Committee meetings back on April 18th when there was the opportunity for the public to comment on possible uses of State Share Revenues before the Budget Committee. The second step is the public hearing that we'll hold this evening on the proposed uses. It's just one public hearing. We don't have to do one for each resolution. Once that hearing is concluded then the State requires 2 things. One is the City certify to the State that the City is indeed eligible based on the statutory criteria and that once that has been established then the City has to actually elect to receive the funds that they represented they are eligible to receive.

Mayor Daoust opens the public hearing at 7:54pm.

No public comment.

Mayor Daoust closes the public hearing at 7:54pm.

MOTION: Councilor Wilson moves to approve resolution 6.1 certifying the City of Troutdale's eligibility to receive Fiscal Year 2016-17 Stated Shared Revenues. Seconded by Councilor Morgan. The motion passed unanimously 7-0.

MOTION: Councilor Wilson moves to approve resolution 6.2 declaring the City of Troutdale's election to receive State Shared Revenues for Fiscal Year 2016-17. Seconded by Councilor White. The motion passed unanimously 7-0.

7. PUBLIC HEARING / RESOLUTIONS: A public hearing on the following resolutions:

7.1 A resolution adopting the City of Troutdale's Fiscal Year 2016-17 Annual Budget and making appropriations.

7.2 A resolution imposing and categorizing Ad Valorem Taxes for Fiscal Year 2016-17.

Erich Mueller, Finance Director, states this is the next step in the process and I want to invite our Budget Chair, Tanney Staffenson to join me. This represents the budget that was prepared by the Budget Committee through our 4 nights of meetings and categorized and published in the Gresham Outlook on May 31st and June 3rd to comply with our publication requirements. The local budget law requires that the Budget Committee approve a budget and forward it to the City Council for public hearing. I mentioned in the staff report that I had a recap error in which I've put in the written record and corrected in the resolution and everything is in balance.

Tanney Staffenson, Budget Committee Chair, states along with the 7 appointed members of the Budget Committee, that makes up 14 members of the Budget Committee and each one of those members has one equal vote. We had a lot going on this year. We had staff changes, a 5 million dollar loan for access to the Urban Renewal Agency, a gas tax, storm water fees, allowance for contingency for funding and these are just some of this year's changes that we really hadn't dealt with in the past. Last year we finished with a surplus. Last year we were actually ahead when we finished the meetings. This year we didn't quite make that mark. We ended up using .0047% in reserves on our entire budget. It's a small amount that we did use reserves to accomplish our goal. I did feel it was challenging and through the process there was an awful lot that happened but I believe we got where we needed to be in the end. Maybe in the future we could go about things differently.

Councilor Wilson states on the percentage that you said we went into reserves that equated to \$198,000 bringing us from about a 2.2 million in reserves down to a 2 million. That's why I was so adamant in trying to get that corrected through other projects that we're subsidizing. It is real dollars even with the percentage being small.

Tanney Staffenson replies it is real dollars. I don't think it brought us quite down to the 2 million mark.

Councilor Wilson asks Erich, where are we going to end up?

Erich Mueller replies that will remain to be seen depending on what other adjustments are may occur.

Mayor Daoust states I see an unappropriated fund balance of \$2,194,000. That's the planning amount for the 2016-17 budget.

Erich Mueller states that's the current budget projection.

Mayor Daoust states for the audience's sake, our General Fund is about 14 million dollars but if you take into account all the funds that the City of Troutdale works with it's about 41 million dollars. If you look at the contingency fund there is still \$750,000 in contingency. The unappropriated fund balance is that 2,194,000.

Councilor Morgan states I see the gasoline tax for the City \$923,713. Do we know the difference from 2016 to 2015 as it relates to the gas tax?

Erich Mueller replies that is the State shared revenues and this is just the money we get from the State so it isn't impacted by the local gas tax that went into effect January 1st.

Councilor Morgan asks do we have any indication of revenues from a year ago?

Erich Mueller replies you're asking what the gas tax revenue was current to a year ago budget? Last year the adopted budget to this year that will expire in 2 weeks was \$923,713 which is what I think we proposed. The year prior we actually received \$915,000 and \$905,000 for the year prior to that. I need you to hold another public hearing for us Mayor Daoust.

Mayor Daoust opens the public hearing at 8:06pm.

Zach Hudson, Budget Committee member, states we are going to meet again in December for the mid-year budget meeting and I had some thoughts we might consider over the next 6 months before we meet again. So far we have been working year to year as far as the budget goes. We've been working through some difficult times economically. Now would be a great time to start some long term planning looking 4, 8 and 12 years into the future. We can't predict things year to year but we can make some big picture plans about where we want to be years from now. What kind of reserves would we like to have in 8 years? What do want revenue sources to look like? These are the kind of things we could start looking at now. I think it would be very valuable to come to our December meeting having already had a discussion about a big picture outlook for Troutdale's budget rather than waiting until December. It would be valuable for City staff. The clearer we are about what we want as a City and as a Budget Committee and the more advance warning of what we can give them about what we're going to ask for the more valuable it will be for them as far as their own planning process.

Bruce Wasson, Troutdale, Oregon, states as the only non-voting member of the Budget Committee I was hoping that something would get removed. Actually 2 items that should get removed. One is the dog park because that put us deeper in deficit and the other was the part time job at \$70,000 a year. I can't see how you can justify paying someone \$70,000 a year as a part time position. Those 2 things should be removed from the budget because we're in a deficit as it is and I don't think we really need to have those. I don't see the money being available for those items. I think we should remove those and come closer to a balanced budget.

Councilor Morgan asks is that the HR Director position that you're talking about?

Bruce Wasson replies yes.

Mayor Daoust states just to put that in context, those 2 items were voted on by the Budget Committee and approved.

Carrie Loucks, Troutdale, Oregon, states we voted on the budget for the dog park to be put in. Several people have been asking when and how this dog park is coming about. It is very important for our community to have a safe place that we can take and let our dogs free. We keep them tied up 24/7 when they go outside. It's something that we voted in several years ago and we still have nothing done about it. I think it's time that we do put it in the budget and let it happen.

Paul Wilcox, Troutdale, Oregon, states I attended the last 3 of the 4 budget meetings and I recall the deficit being \$196,000. In the 2015-16 budget commentary I read that the City was saving 1 million dollars by going with the Multnomah County Sheriff's Office contract service. It's hard to understand how you could run out of a \$200,000 deficit when you save a million dollars just last year. My other item is the 5 million dollars in the street fund for the access road into the URA. I wanted to emphasize the fact that I understand there is going to be an IGA to transfer that debt to that agency so it wouldn't be on the City's books. I wanted to be sure that next year the City's not using 40 million as your base.

Mayor Daoust closes the public hearing at 8:15pm.

Councilor White states I also had a concern with hiring an HR person mainly because staff wasn't even asking for that and we have an HR person.

Mayor Daoust states staff did ask for that HR person.

Councilor Wilson states staff asked for it but didn't put it in the budget.

Councilor Ripma states I call that not asking for it then.

Councilor Wilson states they still needed it. It's not just HR. It's also assistant to Craig Ward.

Mayor Daoust states we discussed this quite a bit at the Budget Committee and we decided to put that in there. It was discussed.

Councilor Allen states it's my recollection that we should have a HR person, we need an HR person however, our City Manager felt it was not necessary this particular year and could wait for next year's budget.

Mayor Daoust states that's not what I recall. Can you elaborate on that Craig?

Craig Ward replies we would like to have more staff to do many things. I think having somebody who is dedicated to HR would be valuable to us. I had to sort through all of the things that we need to spend money on and develop a proposal that met the Budget Committee's direction of no more than \$125,000 use of reserves so it fell below that level of things that I felt I needed to recommend this year and Councilor Allen is correct. My sense was that we will start gearing up for labor negotiations next year. It's something I think that we could easily put off for a year. The Budget Committee took a different path and I'm fine with that too. It does require use of more reserves that I was directed to budget for so I decided it was something I wasn't going to recommend this year.

Councilor Ripma states we did discuss it at budget. Don't we have an HR person already with the City?

Craig Ward replies we have an HR Coordinator who is full time but Erich Mueller serves as the HR Director which this intends to satisfy. Denise is not intended to fill the position of HR Director. It's a very complicated role and we're fortunate that Erich Mueller with all of the other hats that he wears has been able to perform that function. But it comes at a price. It means he has to maintain his education in HR issues as well as finance and risk and the many things that he does. It also means he has a limited amount of time. Erich puts in probably more hours than any other staff person in the City. I think adding the capacity of a part-time HR Director and hope to hire someone who is maybe a retired PERS HR Director they could work up to half time and would have the skills and time necessary to supplement our needs for an HR Director.

Councilor Ripma states I agree with what Craig said and I understand but I think the discussion at the Budget Committee did not bring out that we had HR capabilities. To me it felt like this was going to be an HR person and we need an HR person at the City. I personally did not favor adding the position and I appreciate Craig's willingness not to put it in the budget and I thought it was ridiculous for us to put it in the budget. The Budget Committee did vote to put it in the budget. It is certainly the one thing I would be willing to take out of the budget here at this point because it was well advised to put it in. It would save \$70,000 of the deficit. I don't think the discussion brought out that we already had HR capabilities.

Councilor Morgan states if it is in the interest of the Council not to go into reserves but in the debate it was Carol Hassler who brought up that due to the fact we do not have a director exclusively it opens up potential situations of risk or exposure. Having someone solely committed to that as opposed to having 3 or 4 positions that is the primary reason.

I think the clarity was made. But if it's a financial decision versus an oversight or exposure that is different.

Councilor Allen states I wasn't at the last budget meeting and I'm actually surprised how deeply we're going into reserves and I'm concerned. We have to prepare ourselves for the next recession. It will happen. We're need to make decisions as to where if we add something we're normally going to want to take something away to balance.

Councilor Wilson states I tried 3 times Rich. You weren't there the last meeting. I tried to help eliminate the subsidy that we're getting in the storm water runoff to help finance this. You, Glenn, Corey, Dave and Larry elected to table it until February. You talk about trying to find money. That's where I was trying to find money to help eliminate that but we want to keep kicking the storm water thing down the road and that's where the problem is.

Councilor Allen states we've made a number of increases in utility fees and my concern is that in an economic situation with businesses you typically don't want to do large changes. You do smaller changes over time. You usually have a 2 year plan, a 5 year plan and looking out. The other concern that I have is that we did a lot of incentives to try to bring businesses to Troutdale and I don't want to reverse that and drive them away and then have to do more incentives to bring them back.

Councilor Wilson states so we're going to continue to kick the can down the road and next year there's going to be at least \$340,000 in healthcare expenses and employee raises and storm water runoff is going to go up another \$40,000. It's going to have to be addressed at some time. I'm trying to get it addressed now.

Councilor Allen states what we want to do isn't new. We want to increase a fee so you can spend more money. We need to look at this and decide what is important to us.

Mayor Daoust states I don't think the storm water rate cap is on the table right now.

Councilor White states I want to respond to Councilor Morgan's point and Councilor Wilson's. Councilor Morgan's point was that Carol Hassler said that we might be at great risk. I want to point out that Troutdale has an excellent track record in that department. We also have a great City Attorney that helps us steer out of other important situations.

Councilor Morgan asks don't we use a labor attorney for negotiations?

Craig Ward replies we have another attorney we use for HR related issues.

Councilor White states in response to Councilor Wilson, we made that decision in February and I distinctly remember our Mayor asking Steve Gaschler are you okay with that and Steve said he was. It was the right thing to do. I think it's disingenuous to vote things in that staff didn't ask for like the \$70,000 half time HR person and then complain the budget wasn't balanced. There was plenty of opportunities to balance it besides rehashing an agreed position of the entire Council.

Mayor Daoust states we did approve that part time position and it was not a close split vote. A lot of the Budget Committee was for that position to be put in the budget. In my mind it was a good discussion. And we did recognize that we did have an HR person already. That was brought out at the meeting.

Councilor White states it wasn't.

Councilor Ripma states I don't believe so.

Mayor Daoust states it was.

Councilor Morgan states read the minutes. It's very clear. The statement was made of having the position versus having the Director.

Councilor Ripma states I trust your memory more than mine as far as whether it was a close vote. I still would be willing to revisit it. We don't usually change the budget but that one item I disagree with. How much trouble would it cause if we were to remove that one thing?

Erich Mueller replies the Council each year has the opportunity to reduce expenditures. In terms of the process it's somewhat simple in that it is one of the straight items. We've done changes in past years.

Councilor Ripma states I would be interested if anyone else is interested in taking this HR position out.

Mayor Daoust states I wasn't quite done yet. As I was saying, I will remind the Council that having this HR Director was part of a personnel decision that the Council talked about previously. Even before the Budget Committee meetings. It was to take the work load off of Erich so he could focus on budget and have an HR Director. We did talk about that as a Council and that was our negotiated decision.

Councilor Morgan states we had a work session where we had around 4 items and they all passed.

Mayor Daoust states when we brought it up at the Budget Committee we did have a good discussion. And we brought up the fact that we have an HR Technician and we needed an HR Director and that was combined with giving Craig help as well. I still support it and follow through with what the Council wanted in the first place.

Councilor Allen states I care less about whether we do the HR person or not and care more about a balanced budget. We add more but are we going to take away somewhere else? It's more than just \$70,000.

Mayor Daoust states these are the numbers as a result of having both those items in the budget. I'm not sure where the \$250,000 comes from.

Councilor Allen states we agreed to \$125,000 and now we're about ¼ of a million past a balanced budget.

Mayor Daoust asks where does that number come from?

Erich Mueller replies from a recap standpoint the manager's proposed budget had \$116,000 deficit. The Budget Committee made 5 changes that effected the net. They made other changes to the General Fund but they also provided revenue like the money for Imagination Station, the loan for the Depot remodeling the cost was funded by a loan. So there were changes other changes that were made that didn't affect the net but there were 5 that changed the net. The dog park for \$70,000 increased the deficit, the \$15,000 for the floodplain consultant increased the deficit and the \$70,000 for the half time HR position increased the deficit. Then there were 2 reductions in expenditures. The removal of the greenhouse of \$25,000 and removal of the downtown master plan of \$50,000. Those were the 5 changes that effected the budget that the manager proposed and the committee adopted. That brings the deficit to \$196,614.

Councilor Ripma states despite the fact that there was a discussion and a work session and at the budget meeting, Craig didn't include the \$70,000 half time HR position in the budget for reasons that I thought were good.

MOTION: Councilor Ripma moves to remove the \$70,000 half time HR position out of this year's budget. Seconded by Councilor White.

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

Motion Passed 4 – 3.

Mayor Daoust states we will take the \$70,000 half time HR position out of the budget. Do we want to deal with the dog park now?

Councilor Wilson states I would like to deal with the \$15,000. I don't think we have a really good value for the response we got for this person that we hired for the floodplain study. I find it self-serving to have that \$15,000 in there.

Councilor Ripma asks what is self-serving about it?

Councilor Wilson replies the FEMA money. The floodplain study.

Councilor Allen asks our town is surrounded by water. How can that not be important?

Councilor Wilson replies I'm not saying it's not important. I'm saying I don't think it belongs in the budget.

Councilor Ripma asks you want to take it out?

Councilor Wilson replies yes.

Craig Ward states we had \$15,000 in this year's budget. Professor Huber has attended some meetings, reviewed documents, given staff some feedback and there's been some comfort for me having that expertise. To date he hasn't found any significant discrepancies that he's reported to the staff about the methodology FEMA consultants were using to update the maps. We're not done with the process. We just found out that there's an appeal period that applies for the maps themselves. That meeting triggered the beginning of a 90 day appeal period that we have. That has been extended now to the fall. At this point while I've got some comfort out of Professor Huber's insight into the process he has essentially validated the processes that they use to date. If we're going to make comments on the map we will hear responses from FEMA and the State about those comments then we'll have to decide whether or not to appeal. Certainly I don't want to throw \$15,000 at Professor Huber to burn. He has shown no inclination of that sort so far. I think it would be unfair to assume that suddenly he's going to waste money. It's really a question of the Council's comfort level. I don't object to having Professor Huber to continue to provide services.

Councilor Wilson asks the 2 meetings that he attended, have we gotten any feedback from him on what he has gotten out of those meetings?

Craig Ward replies yes. His feedback is that he hasn't found any glaring errors in the methodology that they appeared to apply in creating those draft maps. He will give us a written report on future meetings.

Councilor Wilson states then I'm fine with it.

Councilor Brooks states in regards to the dog park, in the area that it's going in, it seems like it's a lot of money. Is there a way to decrease that if there's people willing to volunteer?

Craig Ward replies you asked if we could separate the labor costs for some of the installations but there really were no significant labor costs except by the City Park staff with the exception of installation of fencing at \$15,000. That is to be done by a contractor. I expected they would not entertain a volunteer of the installation process.

Ed Trompke states there have been a couple of court of appeals decisions in the last 4 months that had to do with recreation workers in the City and other employees in the City who don't receive the same type of immunity from lawsuits that the City receives. There is exposure to volunteers and we should explain that to them before they do that volunteer type of labor if it's done negligently and somebody gets hurt they could be sued unless the City wants to buy insurance.

Councilor Wilson asks how long ago was the study done on the dog park?

Steve Gaschler, Public Works Director, states the estimates that were done on the dog park were done by a previous director in 2011.

Councilor Wilson asks is there a way we can look revisit and reduce the cost of the dog park? I think the numbers have had a lot of movement to them. Can the PAC and you take a look at that and see if we get the almost the same thing but try to cut back on the cost?

Steve Gaschler states what I would say at this point is the numbers are always fuzzy because right now that estimate was at Sunrise Park. I think it's still open as to where the dog park is going to be put. I don't know that that decision has been made. There's going to be some public outreach and feedback and eventually the Council will make that decision. It's just an estimate and I would rather come in here and tell you it's going to be \$70,000 and we end up spending \$50,000 then come in here and tell you it's going to be \$70,000 and it gets ¾ done and have to come back and tell you we can't do it at that price and I need more money.

Councilor Wilson states that's what I want to hear.

Councilor Allen asks if you come in under \$70,000 where does that extra money go?

Steve Gaschler replies it carries over to next year's budget.

Sharon Ezzell, Troutdale, Oregon, states I have a question for Ed Trompke. You were talking about the legalities of possible lawsuits and that volunteer labor. What is the difference between the volunteer labors for the dog park versus the volunteer labor for the Imagination Station?

Ed Trompke replies yes. That is the best answer I can give you.

Councilor Allen states Councilor Brooks, maybe you can help me with this. The website update of \$50,000, is \$50,000 really necessary and is that all software or do you think some of that would be for hardware?

Craig Ward asks isn't the budget for the website at \$25,000?

Mayor Daoust replies yes.

Councilor Brooks states a lot of it is based on the platform that you're using. There's a lot of things to be looking for. A reputable agency will give training for staff to do updates themselves. Unfortunately the way technology is moving, 3 to 5 years you're probably going to be rebuilding the site again. It's moving that fast.

Councilor White states I have a question for our chair, Tanney. Do you see anything in the budget that concerns you?

Tanney Staffenson replies Councilor Wilson made the comment yes it is dollars. I guess I would say there's 40 million concerns because I think every dollar of somebody else's money you should be concerned about. I felt personally challenged this last time.

Comment was made about me not being a proponent of a balanced budget. I think if you went back and look at the minutes and the records you would find that is not an accurate statement. I have continuously fought for a balanced budget. I have probably put more cuts on the table than almost anybody. I find that pill a little hard to swallow. Also being told that I wasn't transparent. I take the responsibility very, very seriously. It is other people's money and I think we should all take that responsibility seriously. We are using reserves. We've used reserves in the past. Last year we didn't use reserves and I personally feel our federal government is kicking the can down the road. We did go into reserves but what we had in contingencies I think there's plenty of room for this to go any direction it wants to at this point.

Councilor White states I had a big problem with contingency in the budget. My proposal was to increase it 5% that's slightly over our intake instead some of these contingencies have doubled and tripled in size. We weren't given a very good answer. Is there an update from Craig? Has anything changed that you can share with us?

Craig Ward replies when Erich and I were going through the budget we were uncomfortable with not having enough contingency and felt that was appropriate. I think it's important for the public to understand that the Council can't just use contingency. It's not just a simple savings account that you can dip into when you feel the need. We cannot tap into it and there is a formal process the Council has to use in order to take advantage of contingencies for unexpected situations. My simple answer to your question is, no, there is no update.

Erich Mueller states contingency is one of the appropriated requirements however staff cannot touch contingency. This resolution is adopted, it allocates a certain amount of money for the administration department or finance then that staff is authorized to spend that based on what's in the budget. Staff is not authorized by that resolution to spend any contingency. All contingency has to be transferred out of contingency into some other expense category. That can't be done by staff. That has to be done by staff bringing a resolution to the Council to approve. There will be a budget transfer in 2 weeks, as we do every year, at the final Council meeting of fiscal year where we'll true up where we're over and under and we'll there will be transfers of contingency there. Again that is something that has to be approved by council. Staff cannot spend contingency on their own.

Craig Ward states the contingency is specific to each department. I did discuss at the Budget Committee the possibility that investments at right now cannot be well defined. Sometimes the public suffers from the belief that we can just waive SDCs and that is very tempting for the public to think that and for developers to think it but in reality we're obligated to pay SDCs so what happens is should we decide to provide an incentive of that sort we have to pay for it out of the General Fund and transfer into those utility funds. I think having more money in contingencies in the event situations like that arise and we can bring a proposal to the Council and say this was unanticipated in the fact we don't know what those expenses may be at this point and they aren't well defined it's true but in fact we do have some development opportunities in this coming year and it's quite possible that we may find ourselves in a situation where we'll be really happy to be at least budgeted for contingencies.

Tanney Staffenson states Councilor Wilson mentioned that we were getting down towards that 2 million dollar mark and if we reduce some of the contingencies in the General Fund that would assist that.

Councilor Wilson replies but if we don't use it just goes back in there anyway.

Councilor White asks Erich, how much did contingency rise with this budget? Do you have that figure?

Erich Mueller replies it didn't rise at all in the General Fund. It's been \$750,000 for the last many years.

Councilor White asks can you show me the 2 highest?

Erich Mueller replies I don't know off the top of my head. There's different types of funds. The SDC funds typically we budget all of it or capital funds like say the utility underground, we put all of the money in there because they're a dedicated purpose. Some of the operating funds we've had more expenditures occurring that were unanticipated. So we upped some of the available contingency in those operating funds but there's really different types of funds that's why there isn't really that one size fits all answer. Regardless of what fund it is, if it's in contingency it can't be spent without Council action to transfer that.

Councilor White states it's potentially millions more in the hands of 4 Councilors. That is my concern.

Erich Mueller states again, regardless of what budget category it's in, the money can't be spent for something that isn't the purpose of the fund. There are still restraints.

Councilor White states we've been at it for 2 hours and 10 minutes. How about a break and that will give me an opportunity to ask Erich some questions and get answers.

Councilor Wilson states I would like any of the questions that any Councilors have to ask Erich to be done in public.

Councilor White states I'll be glad to share the answers I get. Our contingencies is almost 11% of our budget. The total amount is equal to a city the size of Tigard. This is the first year we've done this. It concerns me.

Mayor Daoust states we discussed it at the budget meeting and we voted on it and the Budget Committee decided to keep it the way it was. And we talked about the same issue there.

Mayor Daoust calls for a 10 minute break at 9:09pm.

Mayor Daoust calls the meeting back to order at 9:23pm.

Mayor Daoust asks what is the end result of your discussion, Councilor White and Erich Mueller?

Councilor White states Erich answered my questions and the 2 highest increases were the Sewer System Development Fund which went from \$150,000 to \$1.3 million dollars and the other one was Parks. It went from \$300,000 to \$753,000. The other question I had for Erich is sometimes we use the System Development Funds as a way of borrowing money from the City for projects and they have to be paid back within 10 years. Even though it's been transferred to contingency we still are allowed that flexibility. That was one of my major concerns in bringing this up. It concerns me because contingency is supposed to be for something that is unexpected yet you see an increase like these it's kind of hard to believe that we don't have something expected coming for this money. I'm also concerned for next year's budget when you see numbers come up it's going to be difficult for the Budget Committee to realize that this year we increased them. We're not going to see those big dramatic increases because they're already in the existing budget assuming these large numbers get repeated in next year's budget.

Councilor Allen asks so you're thinking we might not have an unexpected park or unexpected sewer situation?

Councilor White replies we've never exhausted a contingency fund to date with the lower numbers. It's concerning to me to have that much money in the hands of 4 people.

Mayor Daoust states I'm not sure where that argument comes from. If you increase sewer contingency fund, are you saying 4 Councilors could go wild and spend it on a big sewer project? I don't get what the argument is there.

Councilor White states I think false representation is my concern.

Mayor Daoust asks so you're concerned we're going to spend sewer money, 4 Councilors, whoever those 4 Councilors are, I don't even know who they are, but we're going to spend more sewer money? I don't get the concern. It's up to staff to propose the use of the contingency fund. That is where the proposal comes from. Not the Council.

Councilor White states I would like to hear an explanation before we do this.

Councilor Allen asks so you're thinking we might actually be thinking of putting in a sewer line that isn't going through normal budget process? I guess that is possible.

Councilor Morgan states the question I have is theoretically if you want to play that game, couldn't 4 Councilors decide to spend \$40 million dollars on a hot dog stand? Because 4 Councilors have to vote for the budget.

Erich Mueller states there is enough other limitations in local budget law that would preclude a hot dog stand.

Councilor Ripma states I do recall the Storm Improvement budget going up from \$150,000 to \$1.3 million dollars. There must be an explanation for that, why the contingency went up that much. I am curious. Is there an explanation for why it went up so much?

Erich Mueller replies there are 2 pieces there. It is fundamentally a change in the process. Rather than all the money sitting in unappropriated where it can't be spent even if something comes up. So moving the balance sitting in unappropriated to moving it sitting into contingency so it's a fundamental change in process. The other piece is that there is, as Craig shared before, some interest about a significant potential development that may require some significant infrastructure obligations on the City should it come to pass and because of the confidentiality agreements that they required we can't be more deliberate about it.

Councilor Morgan asks can you comment, Craig, whether you are or are not negotiating for property on the Port land?

Craig Ward replies I could comment except for the confidentiality agreement. Although I would really prefer to not. I did share some information in the Budget Committee which was before the confidentiality agreement was signed but I am bound by it at this point. I'm eager to be able to lift that confidentiality agreement so that I can share that with the Council. From my perspective I will also add if I had my druthers, I would put all of the unexpended fund balance in contingency to provide us maximum flexibility in all the funds to be able to do something that pops up during the year. If something goes wrong with our reservoir those are big facilities with big tickets when things go bad. I would much prefer to have the flexibility if something goes bad all of a sudden to be able to come in and explain to you why we need to use contingency. There is nothing specific regardless of the confidentiality agreement that leads me to believe that suddenly we're going to need a million and a quarter for sewage system improvements next year.

Councilor Morgan asks is the Port of Portland prohibited from commenting?

Craig Ward replies I believe they have also signed a confidentiality agreement.

Councilor Brooks states in regards to the non-disclosure, contingency has to be used for something that is not known about and it sounds like we do know about that so we could use contingency.

Craig Ward states there is nothing about that discussion that leads me to believe that we will have to make a big investment in an infrastructure. That possibility is out there but there is nothing so well defined that I could estimate the potential cost or any cost to us at this point.

MOTION: Councilor Wilson moved to adopt the resolution adopting the City of Troutdale's Fiscal Year 2016-17 Annual Budget and making appropriations. Excluding \$70,000 for the half time HR position. Seconded by Mayor Daoust.

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

Motion Passed 7 – 0.

Mayor Daoust states 7.1 passes. Is there any further discussion on 7.2?

Erich Mueller states it's the next piece of the puzzle for the requirement for adoptions for local budget law process. There is no public hearing required for this item. This is an action that needs to be accomplished in order for us to communicate to the County Assessor what is to be assessed to property owners in Troutdale. It specifies to collect both the permanent rate as well the general obligation bond levies that were reviewed and addressed in the budget.

MOTION: Councilor Wilson moved to approve resolution imposing and categorizing Ad Valorem Taxes for Fiscal Year 2016-17. Seconded by Councilor Morgan.

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

Motion Passed 7 – 0.

8. STAFF COMMUNICATIONS:

Craig Ward, City Manager, states just a few items, on the 21st of June. We will have a meeting at 7:00 here for the Community Enhancement Fund Committee to discuss the proposals and deliberate on how to extend those funds. On June 26th we have a meeting at 1:30 at the Kellogg Community Room at the police department for the flood insurance rate map. It is an open house and will have people from FEMA and the State and their consultants largely presenting the draft for insurance rate maps. In the evening there's also a meeting on the same topic in Gresham and Troutdale residents are invited to attend. The general public is also welcome to attend. On the 29th of June there will be a meeting at Mt. Hood Community College at 6:00pm on route alternatives for trail to connect the 40 Mile Loop from Depot Park to the Springwater Trail in Gresham. We will be briefing the Council on that the night before on the 28th in the regular council meeting as well.

9. COUNCIL COMMUNICATIONS:

Councilor Wilson states regarding the recent events in Mosier, if the same situation happened through Troutdale this side of the street would probably be gone and maybe over into the following side of the street and even though it may only be symbolic I would like to have a work session on the oil trains coming through Troutdale. Possibly slowing them down to 10mph like in Mosier or protesting them not to travel through Troutdale. I

know we have very little power but I think it's important that the railroads and federal government knows.

Mayor Daoust states I'll cover that subject when it gets to me tonight because Craig and I had a meeting today with Union Pacific. I have a few things. Today Tim Seery and I spent all morning talking to children about Imagination Station. It was a positive experience. We went to Troutdale Elementary School and talked to 400 students in groups of classes every 15 minutes. Then we went to Sweetbriar Elementary and talked to another 250 students on the same subject. It's encouraging and exciting to listen the kids and the ideas they have about Imagination Station and how they want to rebuild it. We couldn't keep them quiet. They were raising their hands with ideas. We asked how many of them had played on Imagination Station and every one of them raised their hands. We had the design consultant from New York come out and Tim Seery kept notes on what the kids came up with. The design consultant drew up a potential design for the rebuild of the burnt part of the structure. He presented the design earlier tonight at 6:30 at the Sweetbriar school. Another subject we need to decide on is filling an alternate position on the IMPACT (Metro Policy Advisory Committee). Tim Clark, who is the chair of IMPACT, contacted me and currently the alternate position would go to other cities in Multnomah County and it's vacant. Tim asked if there was a City Councilor in Troutdale that would like to serve as the alternate. They deal with policy, regional transportation, management of the urban growth boundary and protection of lands outside the urban growth boundary etc. They typically meet on the second and fourth Wednesday of each month from 5 to 7pm at Metro. Is there anybody interested in volunteering?

Councilor Morgan states I will try it.

Councilor White states I will if no one else can do it.

Mayor Daoust states we received a note from Ron Wyden. Ron says, "It has come to my attention that your City was recently granted "Tree City Recognition" from the National Arbor Day Foundation. Congratulations on this accomplishment. I would also like to offer my support for your efforts to improve your communities and the lives of your residents. Let me know if I can do anything for Troutdale."

Mayor Daoust states I will not be at next Tuesday's meeting. I told staff the Community Enhancement Program meeting will stay on for next Tuesday. I just won't be there. Councilor Ripma will have to run the meeting in my absence. The URA budget approval was also on that night but I'm moving that meeting to June 28th so I can be present. Those are the 2 agenda changes that I'm proposing. Next, another position has come open on the Citizen's Advisory Committee. Zach Hudson contacted me that Danny Stoddard resigned because he is moving to Portland. The CAC has no alternate so Zach asked if he had my approval to assign Victoria Rizzo to the CAC. She really wanted to be on the CAC but she got her application in late. She told Zach she wanted to know if a position came open. I'm good with Victoria Rizzo being put on the CAC. But I would like her to re-apply in January. So she would just be filling in until January. Onto the Union Pacific meeting that Craig and I had today. They had 4 people show up from Union Pacific. There was a local Portland representative and some of their public relations staff. They're

meeting with all the cities along the Columbia River Gorge in light of the accident in Mosier. They know they have a public relations issue to deal with. What they talked about was that the train at Mosier was going only 26 mph when it derailed. They talked about more monitoring of the tracks and curves of the tracks. They're more concerned about the curves and talked about more inspections of 4 times a year. High rail inspections which are a special technology to monitor the rails. They talked about replacing the bolts because that is what caused the Mosier derailment. Some of the bolts sheared off below the surface so it's not anything you could physically see. They're talking about replacing all of the bolts and using lag screws between Troutdale and all the way past The Dalles. Their new methodology uses screws instead of hammer it in stakes. They're also talking about placing 4 foam cars along the Gorge and one right here in Troutdale/Gresham. They did say regular oil car traffic will resume in 2 weeks. We asked them about slowing down in Troutdale and their reply was "We'll go the required speed limit through Troutdale." So no change in speed limit.

Councilor Wilson asks what speed is that?

Mayor Daoust replies they couldn't answer that. We asked them. I just don't think they had that off the top of their head. They came to town to make us feel better that they're on top of things. They have a good safety record of 99.5%.

Craig Ward states Union Pacific is very aware of the proximity of our downtown to the railroad.

Councilor Wilson asks how did the City of Mosier get the trains to slow down to 10mph? They say they have a great safety record but I read in a newspaper that they've had over \$7 million dollars in a year because they failed to set the parking brakes on cars and have runaway trains.

Mayor Daoust replies I don't know if the 10mph through Mosier was a City Council dictate. I think it was Union Pacific deliberately slowing down because they had oil cars still on the side of the track. It was a temporary slowdown.

Councilor Wilson states I would still like to have a work session if the rest of the Council does even if it's a symbolic. We have a whole lot to lose on the north and south of the tracks here.

Mayor Daoust states they heard our concerns today. I don't know how many people we could get to show up. Maybe the local Portland Union Pacific representative.

Councilor Morgan states we could also do a resolution.

Zane Sparling, Gresham Outlook, states I'm the new reporter covering Fairview, Troutdale, Corbett and Wood Village. I would love to hear from any of you if you would support a non-binding resolution. It would be symbolic but I know that Multnomah County has issued one. Governor Brown has issued a symbolic one and of course, Mosier has as well. I don't know if you read the email from Len that pointed out that we are very close

to the train right now. As far as I can tell, Mosier was unlucky and rest of the state was lucky. Certainly a catastrophic explosion of a train right in the heart of downtown Troutdale would be that.

Bruce Wasson, Troutdale, Oregon, states I've been around railroads since I was 6 years old. I retired from Amtrak. I'll start with this derailment in Mosier. What they're talking about with the tie downs is the engines in the yard not being tied down. They don't tie down trains out of the main line. As for the bolts in there, the bolts that broke, as opposed to the old ties and spikes they used to use, on the spikes they used a softer and brittle metal. That's the reason that the old tie plates and old spikes didn't have that problem. The newer ones that they're using are more brittle and higher carbon content and they tend to break more under stress. As for oil trains blowing up, oil does not explode unless it is ignited by something that is put underneath it. It will burn if it's given sufficient heat but it does not explode. If I was concerned about something going by out here I would start looking at other things like liquefied petroleum natural gas, propane, ammonia, chlorine, benzene and denatured alcohol. This trying to get a passing of a resolution is not what a reporter should be doing. These guys at Union Pacific do the best they can in the situations they have. These railroads are doing a very fine job in difficult situations. I'm tired of seeing them vilified in the press because of this. I believe Union Pacific will take our concerns and deal with them. I'm irritated that this reporter would come up here and advocate something like that. I think he ought to be ashamed of himself.

Mayor Daoust states I talked to Kelly Broomall because he sits in the Depot Museum and watches the trains go by and he's been monitoring the speeds of the trains going by in Troutdale. And they have slowed down in Troutdale even though they don't have to. I witnessed a train only going around 20mph going through Troutdale. I empathize with having another work session but I don't know if it would do anything. They heard our concerns today.

Councilor White states I wanted to thank Rip Caswell and the Caswell family for their sculpture that they donated to Visionary Park and the many others that helped. I'm proud to say that it turned out really nice. Then on this Imagination Station, is this like a committee? Are you going to continue to meet and get ideas? Maybe we could involve some more members.

Mayor Daoust replies we did the design today because the kids are leaving school. We tried to time it so we could talk to the kids while they're still in school. The Council will be briefed by Tim Seery and the Parks Advisory Committee possibly having our first meeting in July. At that meeting we will have different options for Imagination Station.

Councilor Allen states I wanted to say I support community involvement and I appreciate what you did with the kids today regarding Imagination Station. Our Parks Director is very much in a leadership role and I'm all for it.

Mayor Daoust states Tim Seery is very much in a leadership role and he's doing a great job.

10. ADJOURNMENT:

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

Meeting adjourned at 10:13pm.



Doug Dabust, Mayor

Dated: 7/13/16

ATTEST:



Kenda Schlaht, Deputy City Recorder

CITY OF TROUTDALE
 City Council – Regular Meeting
 7:00PM

Tuesday, June 14, 2016
PLEASE SIGN IN

Name – Please Print	Address	Phone #
In This Together ^{Kathy} ^{Smith} ^{Lani}	PO Box 786 ^{Troutdale} 97060	503-319-9794
Chris Cudd		
ROBERT Butler	824 SW 18 th AV	503-222-4940
BRUCE WAGSON	TROUTDALE	503-661-1012
John Leamy	Troutdale	503-492-1243
EUGENIA TERZIS	Troutdale/Boring	
Dan Woods	Boring	503-989-8218
MARTY JONES	} MetroEast Media	(503) 667-8848
ROB BRADING		
Zach Holzon	755 SE Beaver Creek	665-5439
Norm Thomas	2751 SW Cloo CT	(503) 667-4320
Diane White		503-888-1405
Carola Allen	Troutdale	503-701-8979
Rob Canfield		503-995-5524
PAUL W/COSE	TROUTDALE	
Nancy Stalder	TROUTDALE	503-319-7732

Troutdale, Tuesday, June 14, 2016, 7:00 p.m.

Talking Points

I am here to highlight a couple of the many MHCRC activities over this past year; AND to seek your approval of the MHCRC Fiscal Year 2016-17 proposed budget.

I believe you have both the MHCRC's annual activity report and the proposed budget in front of you.

As a reminder, the Mt. Hood Cable Regulatory Commission is an intergovernmental partnership among Gresham, Fairview, Portland, Troutdale, Wood Village and Multnomah County.

Each of these jurisdictions appoints citizen representatives to the Commission.

The MHCRC has oversight, enforcement and public benefit responsibilities for the cable services franchises with the cities and the County.

Troutdale has two cable service franchises: Comcast and Frontier.

Over this past year, the MHCRC has provided many services to our communities and residents.

- The MHCRC continued its work with public school districts under the TechSmart Initiative for Student Success. Reynolds, David Douglas, Portland Public and Parkrose have active grants. We also just signed a grant agreement with Gresham-Barlow for a TechSmart investment that begins in this next school year.

About 151 classroom teachers are now supported by resources provided under the TechSmart Initiative.

The MHCRC launched the TechSmart initiative with plans to invest a total of \$19 million by 2021. We are a little over \$9 million into that investment goal.

- The Community Technology competitive grant round funded 12 new grants with community organizations. These grants leveraged over \$1.6 million in matching resources.

Like many others, the MHCRC Community Grants is supporting access to opportunity in the Rockwood neighborhood. Rockwood Library, Friends of the Children and Open School East have all been recent grant recipients.

- Affordable broadband has become more and more critical to our local public institutions. The MHCRC is leading a long-term network planning effort in partnership with 19 public agencies within Multnomah County. The current Institutional Network provides high speed broadband connectivity to 295 schools, libraries and public agencies throughout the County.
- The MHCRC provided funding and franchise enforcement support to MetroEast Community Media. This past year, MetroEast produced over 2,500 hours of original local programming. They also trained over 460 residents in digital media and literacy skills.
- The MHCRC addressed consumer protection issues both broadly and with individual subscribers. For example the MHCRC worked with the cable companies on issues related to clear information on subscribers' bills, service line extensions, phone answering standards and service fees.

The MHCRC assisted in the resolution of 330 complaints from cable TV subscribers.

- I'm happy to report that, once again, the MHCRC received a clean audit for FY2014-15. The full audit document is available on the MHCRC's website.

I also wanted to note a couple trends we are seeing in cable revenues. On page 9 of the Annual Report, you will see two graphs that show these trends. The number of cable subscribers grew consistently from about 2006 through 2012. However since then, subscriber numbers have been declining. Despite this decline, cable franchise fee revenues have consistently increased, beginning to flatten only in the past couple years. This is primarily due to cable companies raising rates and offering more services and program packages.

The MHCRC is closely watching these trends as they have possible future implications for franchise fee revenues for local government and for revenues that support MHCRC community grants and other programs.

- Coming up in FY16-17, the MHCRC is engaged in "future focus" planning. Considering rapidly evolving technology and public policy - and our community's increasing reliance on availability of broadband - the MHCRC is turning its sights on the future.

We intend to work with you and your city staff and our communities to identify needs and opportunities for our broadband future. The budget includes funds to assist the MHCRC in this endeavor.

- More specifically on the MHCRC's FY16-17 budget proposal, the annual budget allocation from all the jurisdictions collectively funds about half the MHCRC total operating budget. Another way to view it is that each jurisdiction spends about 5% of the cable franchise fees on regulation and administration services.

The remaining portion of the budget is funded by other MHCRC resources mostly to administer the dedicated capital revenues and related programs, such as the MHCRC Community grants, the I-Net and MetroEast Community Media.

Troutdale's allocation for FY16-17 is \$18,056.

I also want to note that although on paper, it looks as if the Commission has a high beginning fund balance for FY16-17; however nearly \$6 million of it is due to carry over, encumbrances and contingency for the MHCRC Community Grants.

- Before closing, I want to thank the Mayor and Council for supporting this county-wide partnership among the jurisdictions since 1993.

With that support, the MHCRC has been very successful at convening community members and public agencies to steward and creatively leverage resources and regulatory authority to amplify the benefit for all.

Over the coming year, we are excited to work with you to explore and discover how to leverage our success as we adapt to the evolving needs of our city and communities.

- I thank you for your time today. As always, please contact me or the MHCRC staff with any questions, ideas or concerns.

And to conclude:

The MHCRC respectfully requests that the Troutdale Council approve the Fiscal Year 2016-17 proposed MHCRC Fund Budget.