



CITY OF TROUTDALE

"Gateway to the Columbia River Gorge"

AGENDA

CITY COUNCIL – REGULAR MEETING

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

Tuesday, May 26, 2015 – 7:00PM

Mayor

Doug Daoust

City Council

David Ripma

Eric Anderson

Larry Morgan

Glenn White

Rich Allen

John Wilson

City Manager

Craig Ward

1. **PLEDGE OF ALLEGIANCE, ROLL CALL, AGENDA UPDATE.**
2. **PRESENTATION:** "If I Were Mayor" contest, winning entry. Mayor Daoust
3. **CONSENT AGENDA:**
 - 3.1 **RESOLUTION:** A resolution endorsing the Halsey Corridor Metro grant application.
 - 3.2 **RESOLUTION:** A resolution approving an Intergovernmental Agreement with the Port of Portland addressing environmental liability of all phases of the Troutdale Reynolds Industrial Park (TRIP), and the development of related infrastructure and public improvements.
4. **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.*
5. **REQUEST:** A request for the City to provide sponsorship for the Cruise-In. John Leamy
6. **PUBLIC HEARING / ORDINANCE (Introduced on May 12, 2015):** An ordinance amending Chapter 9.48 of the Troutdale Municipal Code to address wildlife hazards at the Troutdale Airport. Scott Anderson, Chief of Police
7. **RESOLUTION:** A resolution adjusting the sanitary sewer utility fee, confirming the average flow rate for an equivalent residential unit and rescinding Resolution No. 2251. Steve Gaschler, Public Works Director

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

Steve Gaschler, Public Works Director

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

Steve Gaschler, Public Works Director

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

Mayor Daoust

11. STAFF COMMUNICATIONS

12. COUNCIL COMMUNICATIONS

13. ADJOURNMENT



Doug Daoust, Mayor

Dated: 5/20/15

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

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

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

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

Tuesday, May 26, 2015

1. ROLL CALL, AGENDA UPDATE

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

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

ABSENT: None.

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

GUESTS: See Attached.

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

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

Mayor Daoust announced the winning entries:

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

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

3. CONSENT AGENDA:

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

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

Councilor Ripma read the consent agenda.

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

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

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

Motion Passed Unanimously.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Councilor Allen stated I am also a member.

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

No objections voiced.

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

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

Councilor Anderson asked how much did we give last year?

John Leamy replied \$1,500.

Councilor Ripma asked when is the event?

John Leamy replied August 2nd.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Motion Passed 7-0.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Amy Pepper asked is this for wastewater?

Mayor Daoust replied yes.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Motion Passed 7-0.

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

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

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

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

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

Councilor Morgan asked and this will?

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

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

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

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

Travis Hultin replied our newest reservoir was built around 1980.

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

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

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

Travis Hultin replied I am not sure.

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

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

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

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

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

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

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

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

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

Travis Hultin replied they have forecasts out there.

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

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

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

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

Motion Passed 7-0.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Councilor Morgan asked but the Council could amend that?

Steve Gaschler replied yes.

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

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

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

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

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

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

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

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

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

Councilor Wilson asked how do they know about this?

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

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

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

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

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

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

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

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

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

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

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

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

Steve Gaschler replied send them my way please.

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

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

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

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

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

Motion Passed 7-0.

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

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

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

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

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

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

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

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

Mayor Daoust stated that is not the intent.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Mayor Daoust stated we all agree with that.

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

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

MOTION WITHDRAWN

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

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

Motion Passed 4-3.

11. STAFF COMMUNICATIONS

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

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

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

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

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

Councilor Anderson asked shouldn't he come before us?

Craig Ward replied he could.

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

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

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

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

Craig Ward replied we could ask them to do that.

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

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

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

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

12. COUNCIL COMMUNICATIONS

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

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

Council agreed to hold a work session on this topic.

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

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

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



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

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

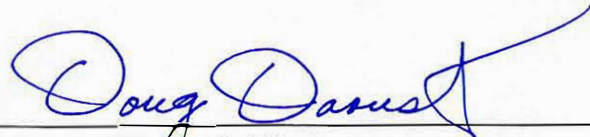
Mayor Daoust replied yes.

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

13. ADJOURNMENT:

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

Meeting adjourned at 10:49pm.



Doug Daoust, Mayor

Dated: 7/15/15

ATTEST:


Debbie Stickney, City Recorder

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

PLEASE SIGN IN

Name – Please Print	Address	Phone #
KEL DEEL	GRESHAM	
Ron Swaren	1543 SE Umatilla ^{POY} 97002	
Richard Goldie	2437 SE BEAVER CREEK	503 661-26
DAVID FENSKE	255 CA RIVER HWY	503-957-1879
ELIZABETH WALSTEAD	WVVA	
Jodi Rogers		503312-9636
Kim Kestly		
HENRY C. FONG		
CRAIG LICHTENHALER		
BOB HAYES		
Susan Hume	2550 SW Indian Mary	TROUTDALE
Debra Macleister	—	
Tina Leahy		
ARON McNALLY		
Ty Witt	Troutdale	
Shaun Anderson		
Debbi Waugh		
Claude Ginz	Tuttle	503 3999667
DAV ELLISON	2011 SE EVANS	
Karen Clausen		
MARK McCOMBY		
Tatjana Heinze	Tatjana Heinze	
Ratty Heinze		503-314-0331

Name – Please Print	Address	Phone #
Timothy Shoop		
John Leamy		
Tony Pham + Prady Trinh		
KEH HEINZE	1136 S.W. Wright St	Troutdale
Kerley Graham	City Hall	555-1212
STEVEN YOST	TROUTDALE	
DAVID BECKER	Troutdale	
CAROL ALLEN	Troutdale	
Diane Castillo Whit	TJ	503-588-1405

Meeting Date: _____

Page #: _____



WASTEWATER, WATER & STORMWATER FEES

MAY 26, 2015

The background of the slide features a vertical gradient from light yellow at the top to a deep blue at the bottom. Scattered throughout are several realistic water droplets of various sizes, some with highlights and shadows, giving a sense of freshness and water. The text is centered and rendered in a clean, sans-serif font.

INTRODUCTION

STEVE GASCHLER

The Value of Wastewater, Water &
Stormwater Service

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

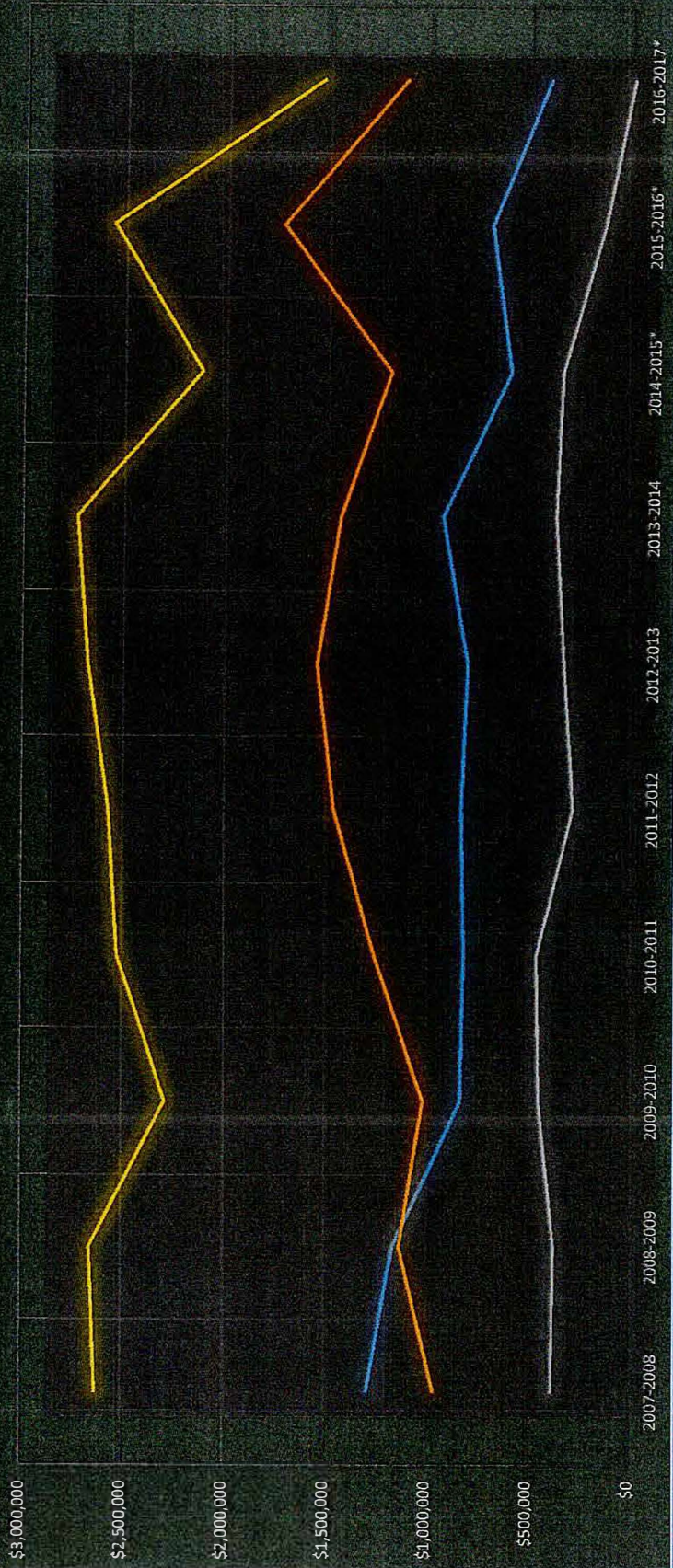
The background of the slide features a vertical gradient from light blue at the top to white at the bottom. Scattered throughout are several realistic water droplets of various sizes, some with highlights and shadows, giving a fresh and clean aesthetic.

THE NEED FOR INCREASED RATES

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

BEGINNING FUND BALANCE HISTORY

— WATER — SEWER — STORM SEWER — TOTAL



* Projected

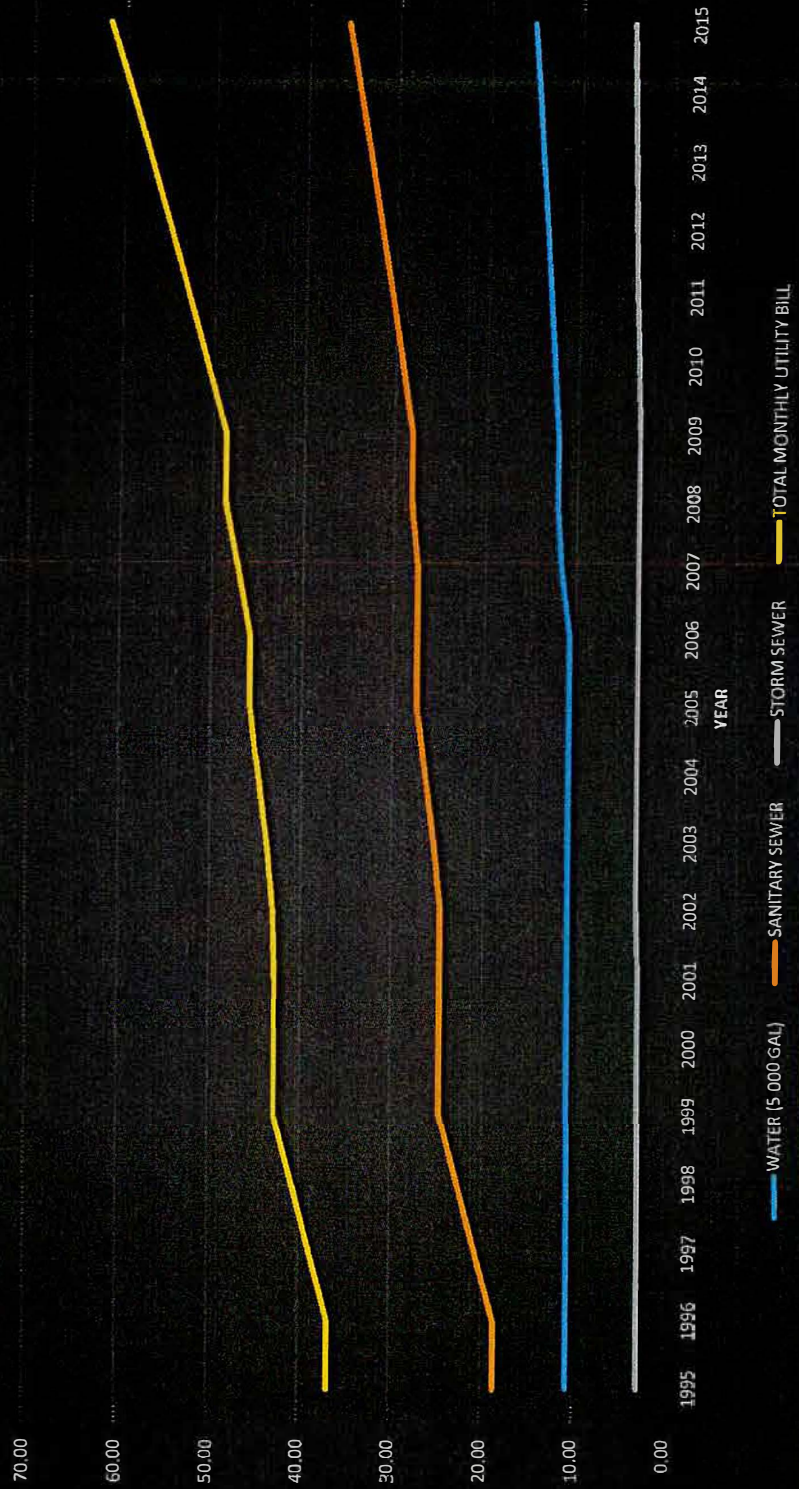
Fund Balances

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

The background features a vertical gradient from light yellow at the top to deep blue at the bottom. Numerous water droplets of various sizes are scattered across the surface, with some appearing in the top-left and bottom-right corners.

RATE COMPARISONS

20 YEAR RATE HISTORY - SINGLE FAMILY HOME



LEAGUE OF OREGON CITIES – SINGLE FAMILY HOME

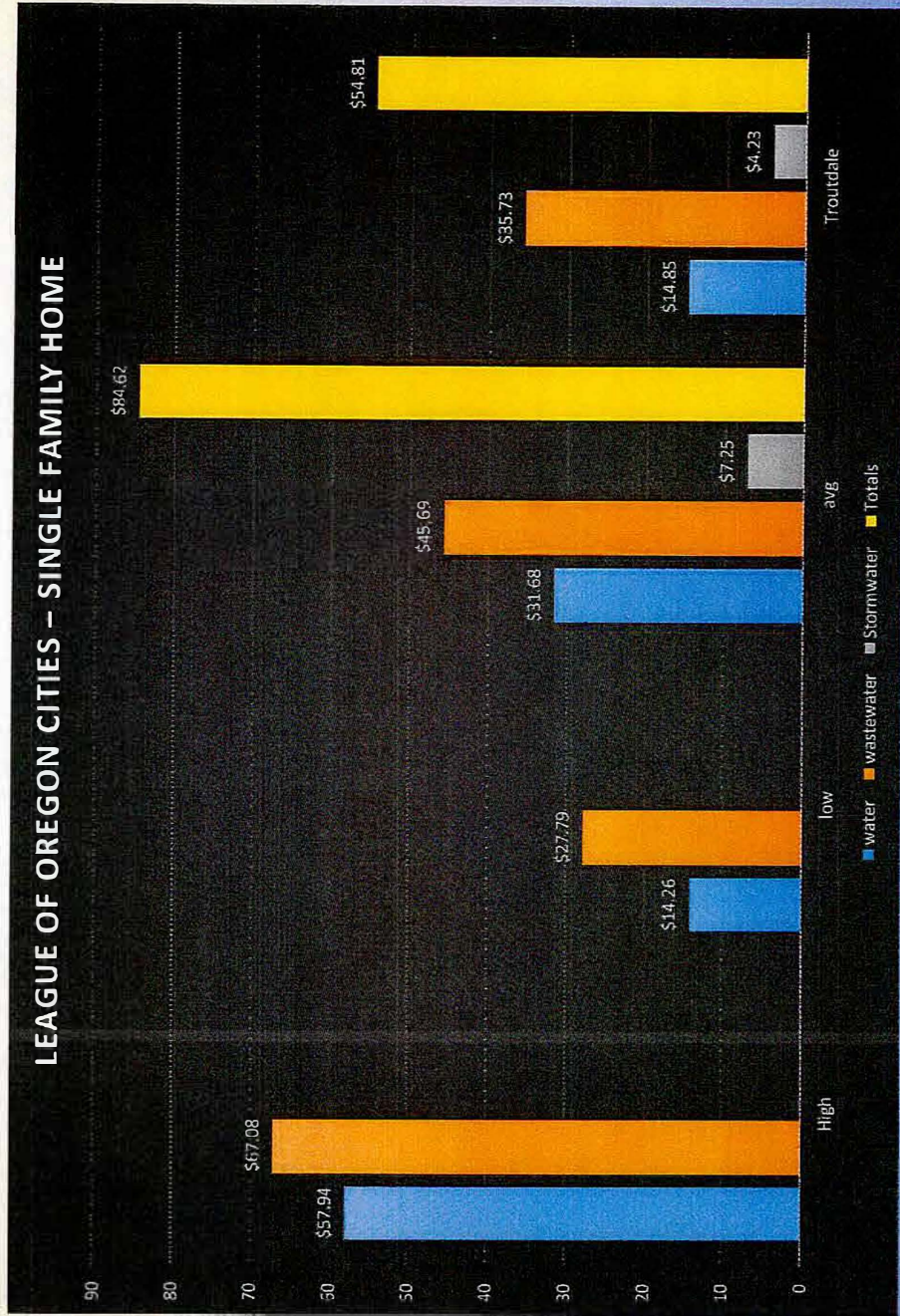
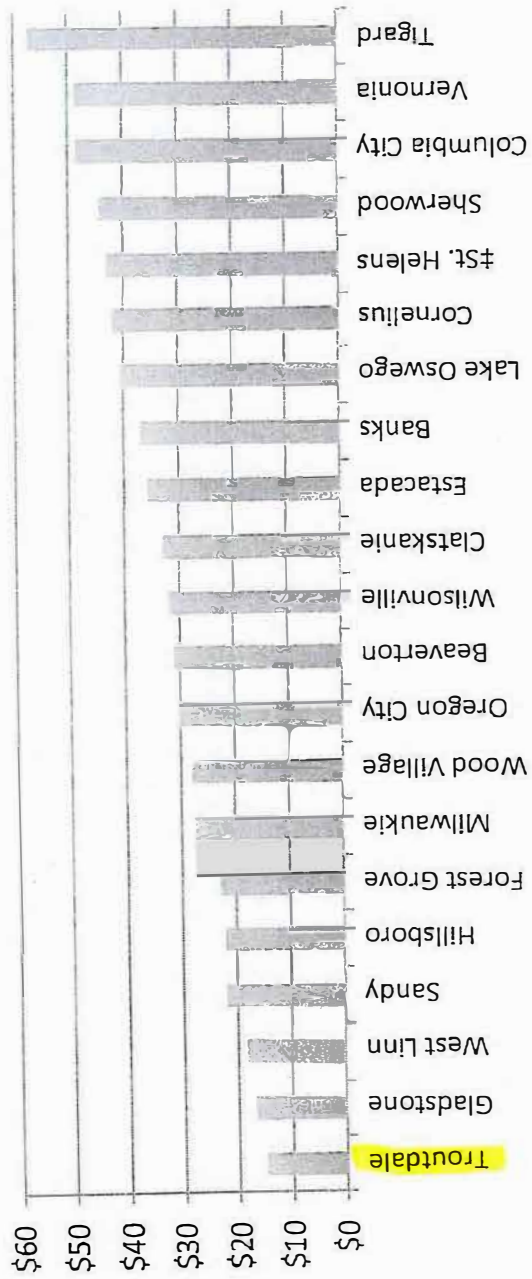


Chart C.2D: Portland/Mt. Hood Region Cities' Water Bill for 5,000 gallons



*League of Oregon Cities 2014 Report

Rate Comparisons - League Of Oregon Cities March 2015

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

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

Utility Rate Comparison 2015 Single Family Residential

CITY	POPULATION	WATER	SANITARY SEWER	STORM SEWER	STREET	PARKS	TOTAL
THE DALLES	14,400	\$57.94	\$44.78	\$2.00	-	-	\$104.72
SHERWOOD	18,771	\$44.24	\$37.99	\$14.27	\$2.00	-	\$98.50
CORNELIUS	12,161	\$42.02	\$44.08	\$12.15	-	-	\$98.25
WILSONVILLE	21,550	\$32.01	\$55.24	\$6.95	\$4.03	-	\$98.23
MILWAUKIE	20,500	\$27.46	\$51.21	\$14.89	\$3.35	-	\$96.91
OREGON CITY	33,390	\$30.27	\$45.66	\$9.05	\$11.50	-	\$96.48
WOOD VILLAGE	3,885	\$28.59	\$49.80	Combined w/streets->	\$9.43	-	\$87.82
HOOD RIVER	7,167	\$28.74	\$48.00	\$8.75	-	-	\$85.49
WEST LINN	25,425	\$18.55	\$33.62	\$5.58	\$10.31	\$10.70	\$78.76
CANBY	16,866	\$28.36	\$43.99	<-Combined w/sanitary	\$5.00	-	\$77.35
HAPPY VALLEY	16,321	\$22.03	\$43.50	\$9.50	-	-	\$75.03
GRESHAM	106,000	\$34.74	\$26.30	\$9.84	-	-	\$70.88
FAIRVIEW	9,153	\$30.02	\$31.98	\$8.78	-	-	\$70.78
FOREST GROVE	22,000	\$23.00	\$30.80	\$7.75	-	-	\$61.55
TROUTDALE (proposed)	16,015	\$15.45	\$35.74	\$4.27	-	-	\$55.46
GLADSTONE	11,495	\$16.80	\$27.79	-	-	-	\$44.59
Average	22,194	\$30.01	\$40.66	\$8.73	\$6.52	\$10.70	\$81.28

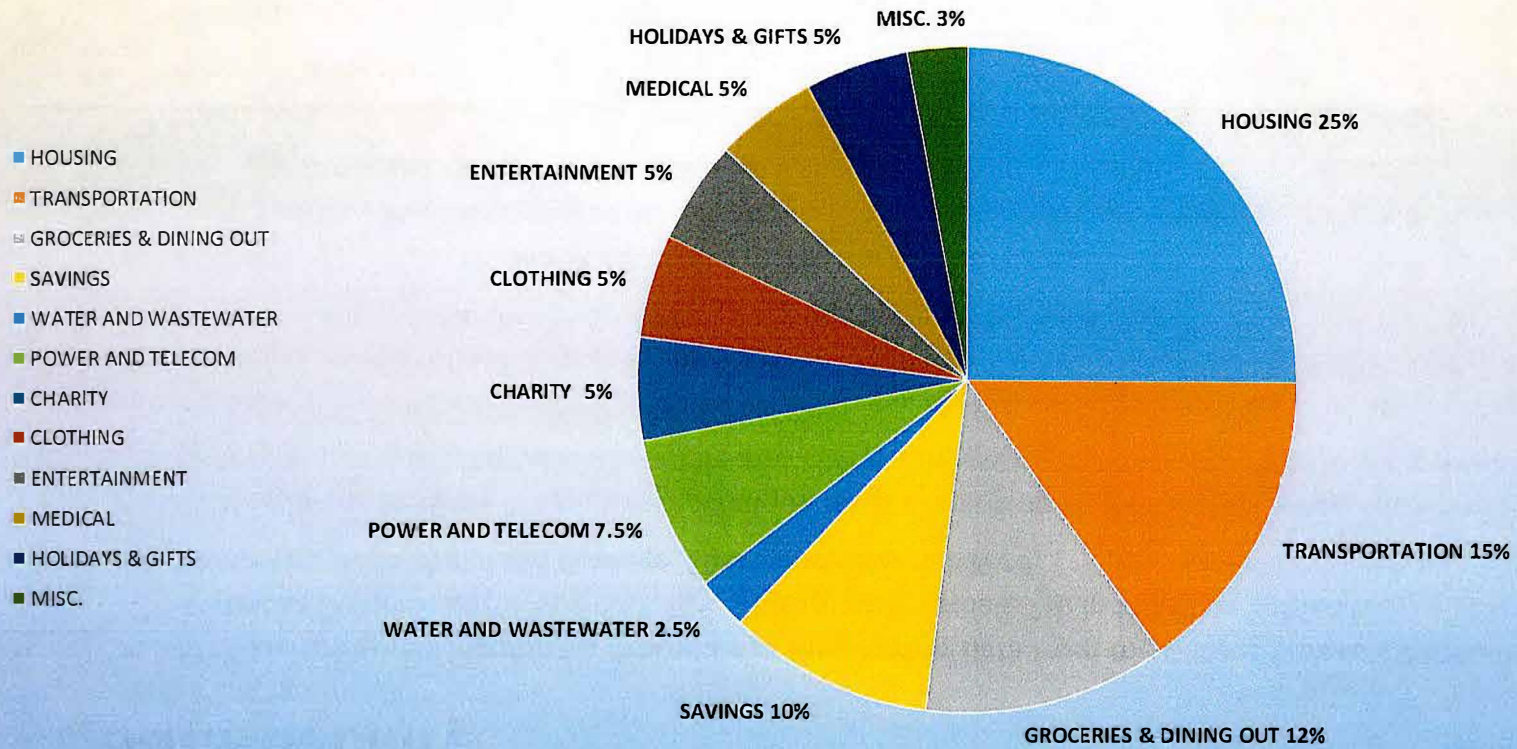
All cities except Troutdale, Hood River and Forest Grove charge water based on Cubic Feet
Comparisons are based on assumed equivalent water consumption of 5,000 gal per month

AFFORDABILITY

Affordability

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

Typical Single Family Household Spending Distribution

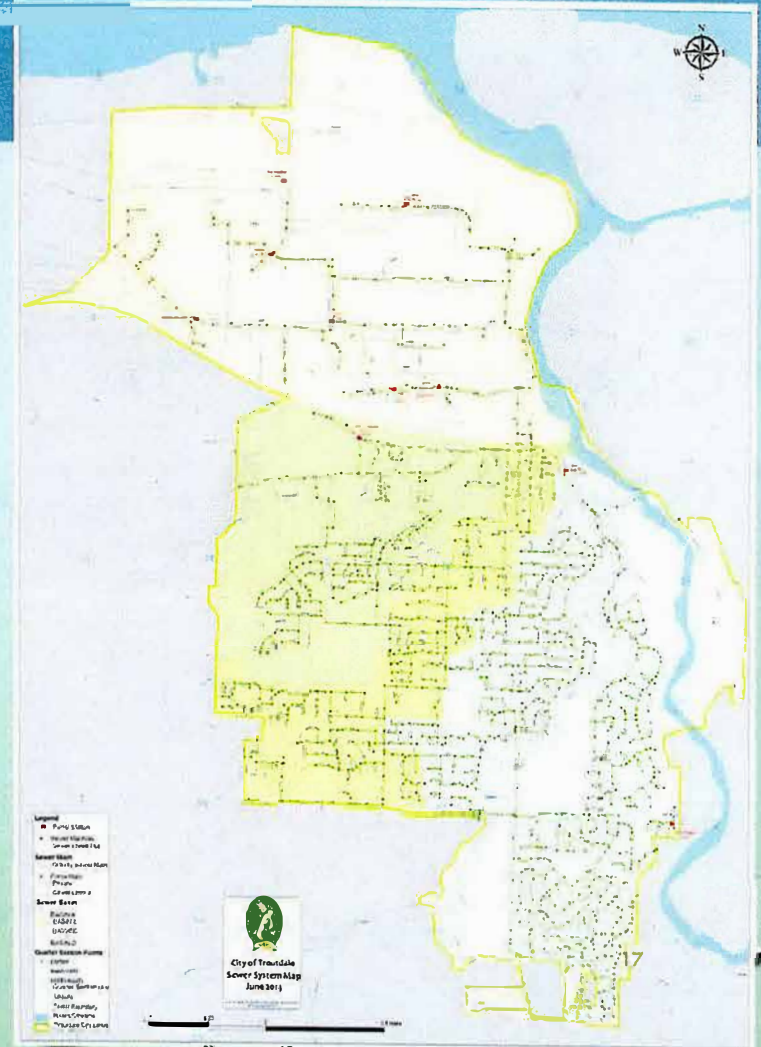


*Source: <http://petetheplanner.com/ideal-budget-2/>

Wastewater System

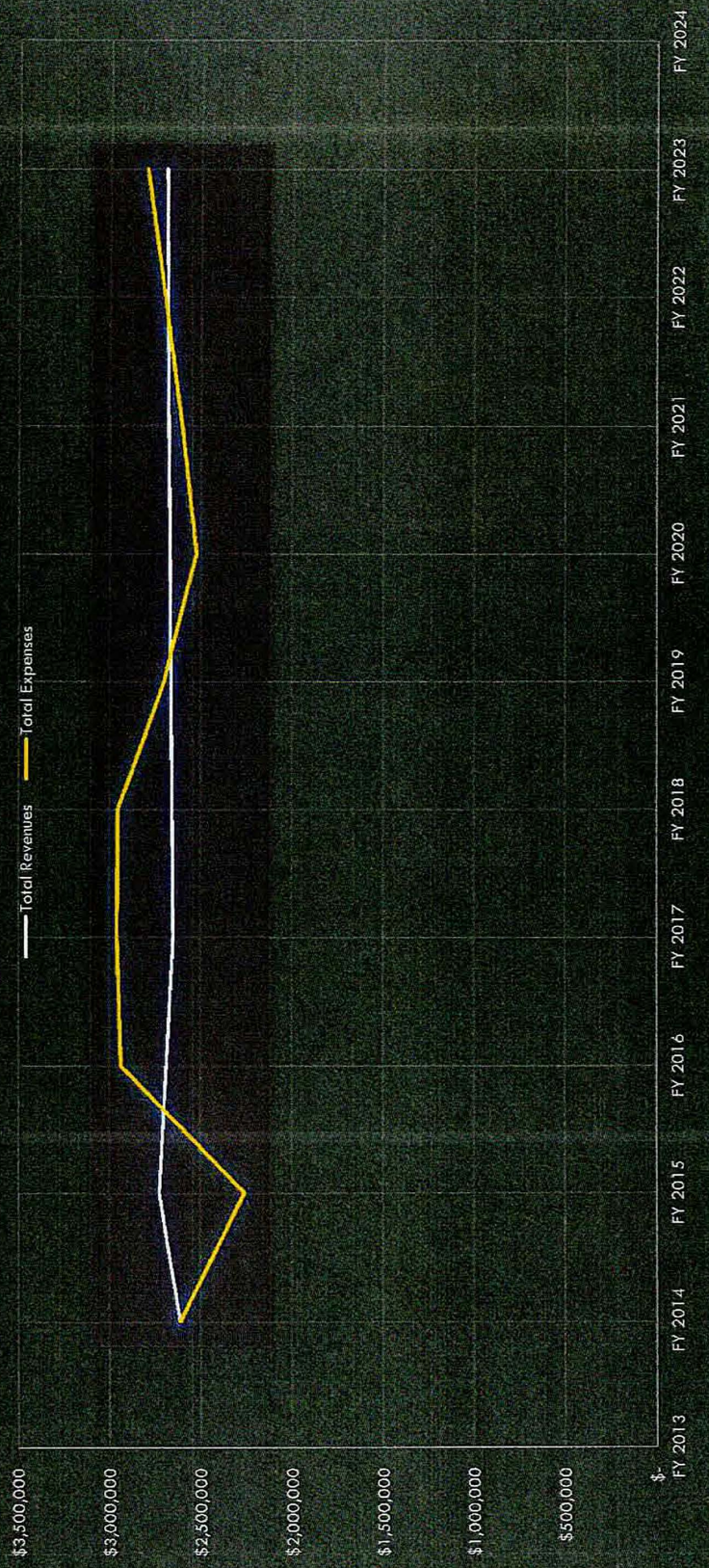
System Overview

- 51 miles of main lines
- 1,365 manholes
- 10 pump stations
- City owned and operated WPCF
- 1.4 MGD average daily discharge
- 3.0 MGD capacity
- Approximately 4,700 user accounts

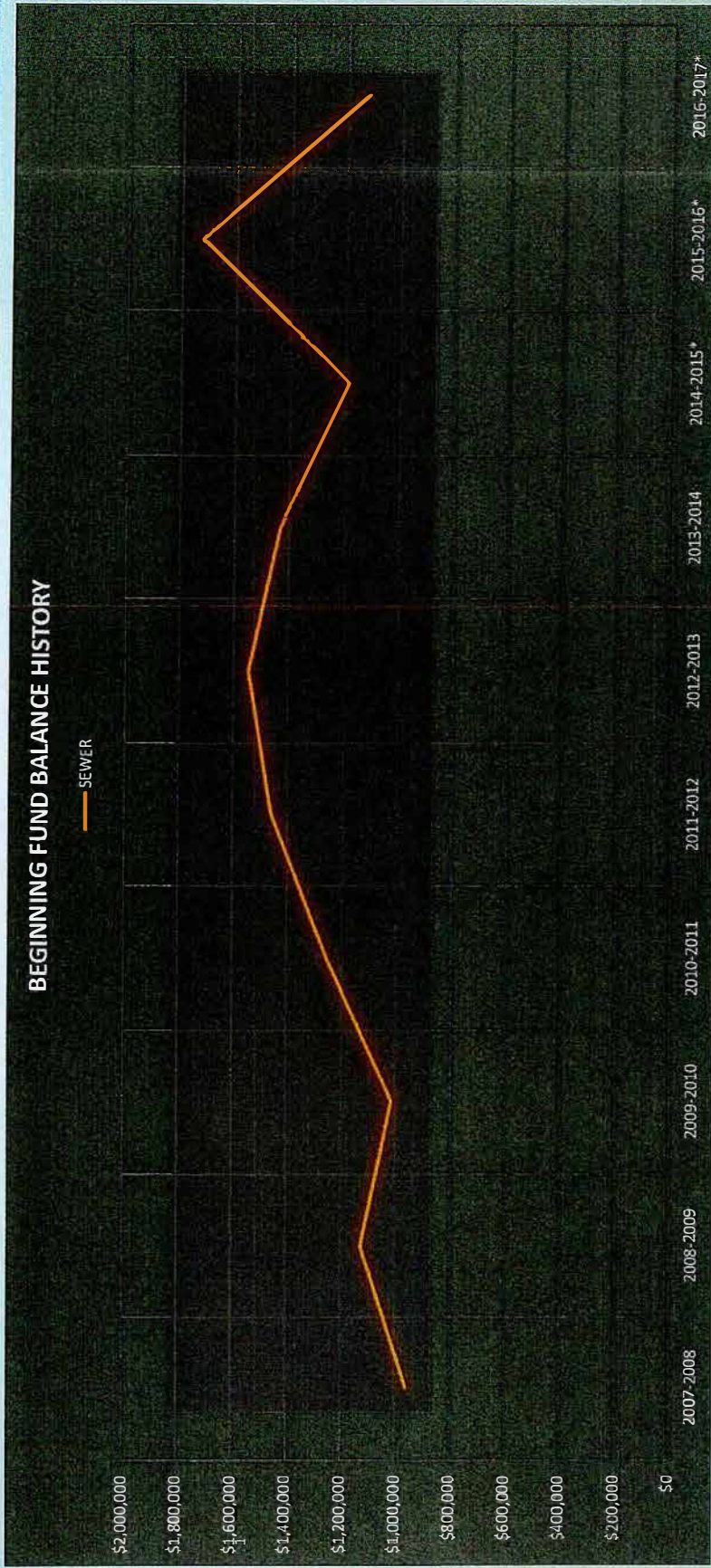


Wastewater System

Sewer Fund
Forecast with Rate Increases



Wastewater System



Wastewater System

Capital Projects – 3 General Master Plan Categories

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

Wastewater System

Recycled water

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

Wastewater System

UTILITY RATE COMPARISON 2015

Single Family Residential

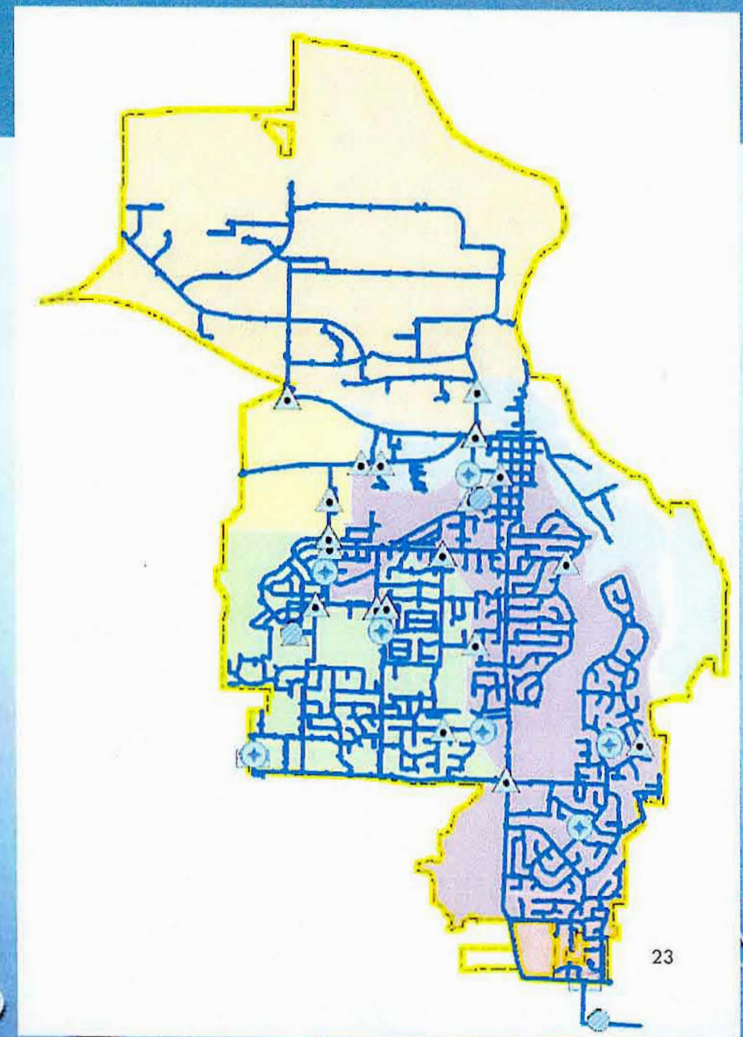
CITY	POPULATION	SANITARY SEWER
WILSONVILLE	21,550	\$55.24
MILWAUKIE	20,500	\$51.21
WOOD VILLAGE	3,885	\$49.80
HOOD RIVER	7,167	\$48.00
OREGON CITY	33,390	\$45.66
THE DALLES	14,400	\$44.78
CORNELIUS	12,161	\$44.08
CANBY	16,866	\$43.99
HAPPY VALLEY	16,321	\$43.50
SHERWOOD	18,771	\$37.99
TROUTDALE (proposed)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

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

Water System

System Overview

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



Water System

Financial Analysis And Rate Model

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

Water System



* Projected

Water System

Capital Projects – 3 General Master Plan Categories

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

Water System

Utility Rate Comparison 2015 Single Family Residential

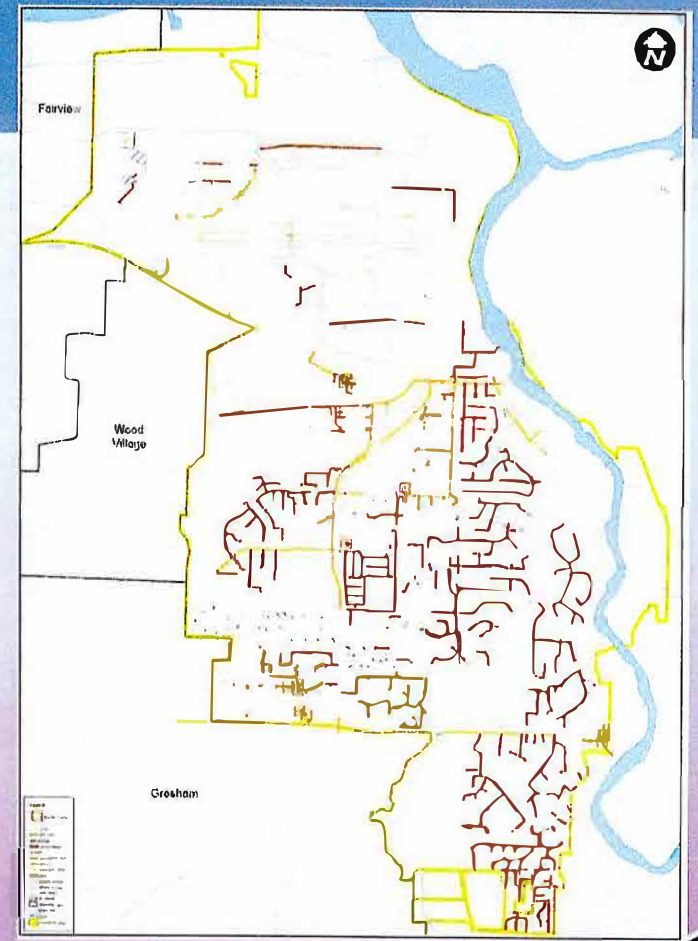
CITY	POPULATION	WATER
THE DALLES	14,400	\$57.94
SHERWOOD	18,771	\$44.24
CORNELIUS	12,161	\$42.02
GRESHAM	106,000	\$34.74
WILSONVILLE	21,550	\$32.01
OREGON CITY	33,390	\$30.27
FAIRVIEW	9,153	\$30.02
HOOD RIVER	7,167	\$28.74
WOOD VILLAGE	3,885	\$28.59
CANBY	16,866	\$28.36
MILWAUKIE	20,500	\$27.46
FOREST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

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

Stormwater System

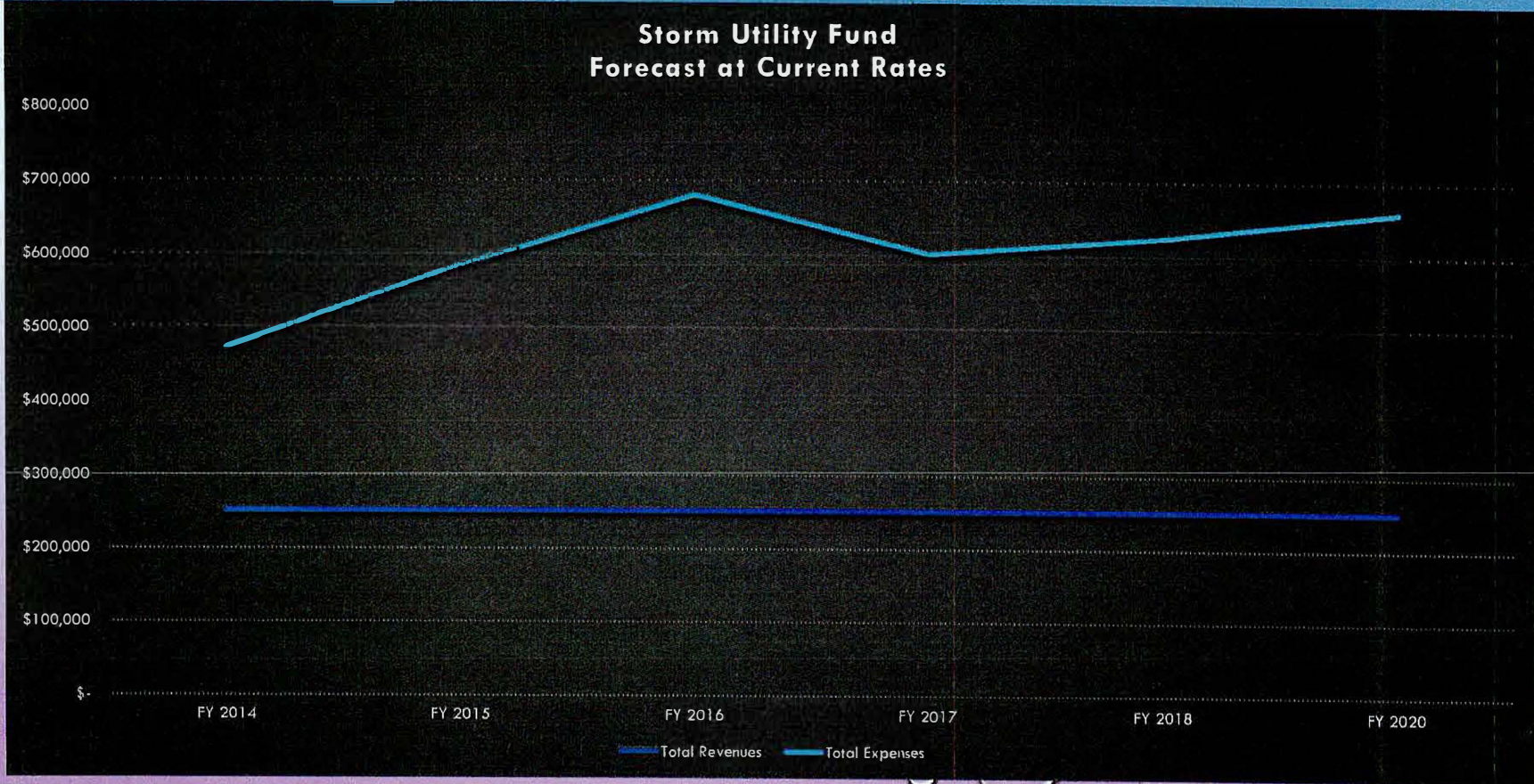
System Overview

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



Stormwater System

Storm Utility Fund
Forecast at Current Rates

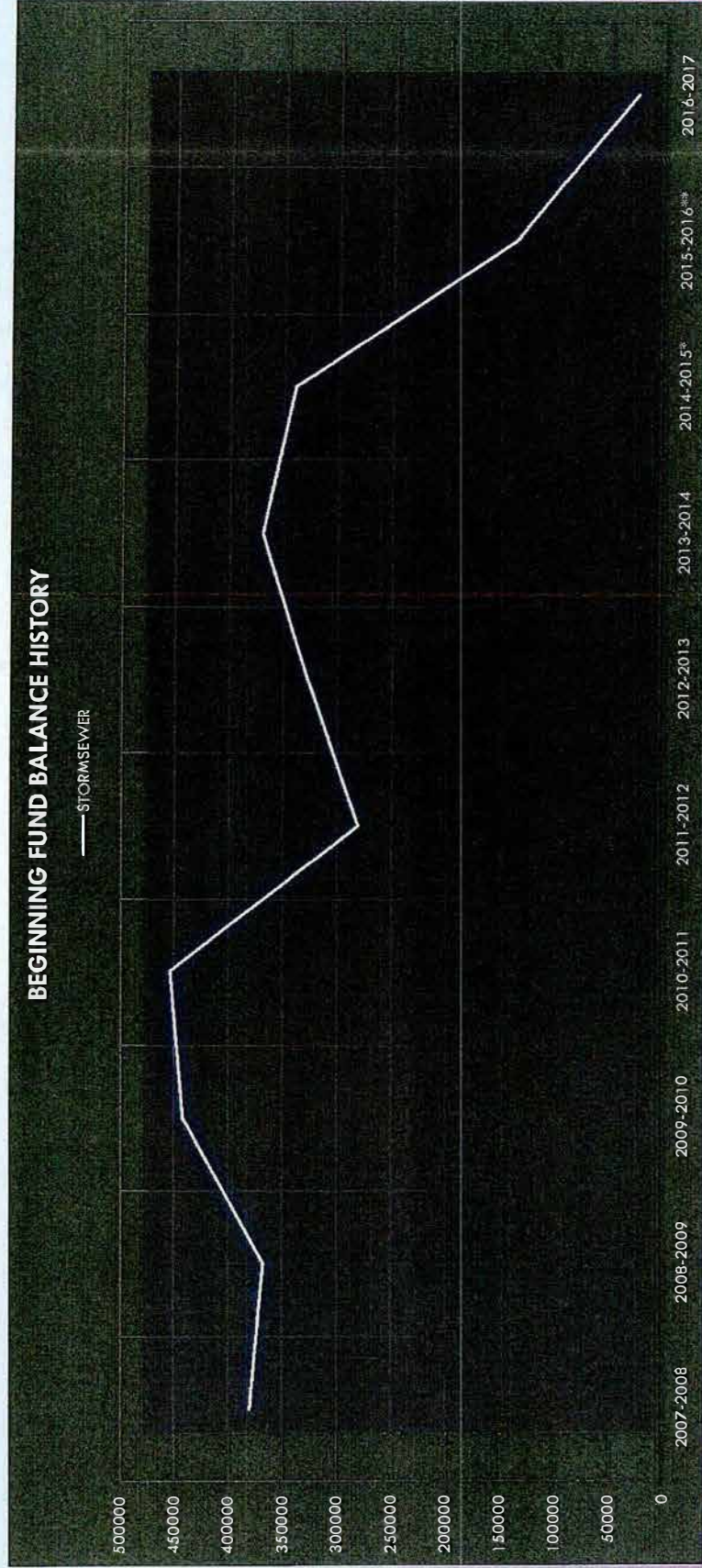


Stormwater System

Capital Projects

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

Storm Water System



* Projected

Stormwater System

Utility Rate Comparison 2015
Single Family Residential

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

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

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