



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 9, 2015 – 7:00PM

Mayor

Doug Daoust

City Council

David Ripma

Eric Anderson

Larry Morgan

Glenn White

Rich Allen

John Wilson

City Manager

Craig Ward

1. **PLEDGE OF ALLEGIANCE, ROLL CALL, AGENDA UPDATE.**
2. **CONSENT AGENDA:**
 - 2.1 **MOTION:** A motion to approve expenses of the May and June 2015 Neighborhood Meetings for an amount not to exceed \$3,300.
 - 2.2 **RESOLUTION:** A resolution approving an Intergovernmental Agreement with Metro for the Solid Waste Community Enhancement Program.
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 from the Troutdale Historical Society for sponsorship in the amount of \$4,000 for the Donor Party associated with the opening of the King of the Roads Exhibit. Len Otto
5. **PRESENTATION:** A Better Oregon – 2016 ballot measures to increase funding for critical services and schools. Reyna Lopez
6. **PUBLIC HEARING / RESOLUTIONS:** A public hearing on the following resolutions:
 - 6.1 A resolution certifying the City of Troutdale's *eligibility* to receive Fiscal Year 2015-2016 State Shared Revenues.
 - 6.2 A resolution declaring the City of Troutdale's *election* to receive State Shared Revenues for Fiscal Year 2015-2016. Erich Mueller, Finance Director

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

7.1 A resolution adopting the City of Troutdale's Fiscal Year 2015-16 Annual Budget and making appropriations.

7.2 A resolution imposing and categorizing Ad Valorem Taxes for Fiscal Year 2015-16.

Erich Mueller, Finance Director

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

Erich Mueller, Finance Director

9. STAFF COMMUNICATIONS

10. COUNCIL COMMUNICATIONS

11. ADJOURNMENT



Doug Daoust, Mayor

Dated: 6/3/15

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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

Tuesday, June 9, 2015

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

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

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

ABSENT: None.

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

GUESTS: See Attached List.

Mayor Daoust asked are there any agenda updates?

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

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

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

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

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

2. CONSENT AGENDA:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

No testimony received.

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

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

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

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

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

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

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

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

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

Erich Mueller replied this is part of the General Fund.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Councilor Ripma stated I think we should.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Councilor Anderson replied correct.

Councilor Ripma asked what contract revenue are you talking about?

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

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

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

Councilor White seconded the motion.

Councilor Allen replied there's no identified revenue source.

Councilor Morgan replied from the savings.

Councilor Allen asked where is that in the budget?

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

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

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

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

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

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

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

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

Councilor White stated I withdraw my second.

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

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

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

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

Motion Passed 6 – 1.

- 7. PUBLIC HEARING / RESOLUTIONS:** A public hearing on the following resolutions:
- 7.1** A resolution adopting the City of Troutdale's Fiscal Year 2015-16 Annual Budget and Making appropriations.
 - 7.2** A resolution imposing and categorizing Ad Valorem Taxes for Fiscal Year 2015-16.

Item 7.1

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

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

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

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

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

Motion Passed 7 – 0.

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

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

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

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

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

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

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

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

Mayor Daoust asked which ones are you talking about?

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Councilor Wilson replied yes I'll strike that word.

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

Councilor Wilson replied we eventually will anyway.

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

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

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

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

Motion Passed 4 – 3.

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

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

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

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

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

Councilor Wilson asked so maybe an off leash dog park?

Steve Gaschler replied that could be one of them.

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

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

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

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

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

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

Motion Failed 2 – 5.

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

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

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

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

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

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

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

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

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

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

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

Tanney replied yes.

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

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

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

Motion Passed 7 – 0.

Item 7.2

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

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

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

Motion Passed 7 – 0.

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

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

The Council discussed their concerns with the Neighborhood Meetings including:

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

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

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

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

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

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

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

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

Motion Passed 4 – 3.

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

9. STAFF COMMUNICATIONS

This agenda item was not discussed.

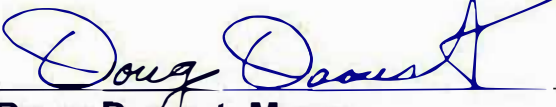
10. COUNCIL COMMUNICATIONS

This agenda item was not discussed.

11. ADJOURNMENT

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

Meeting adjourned at 10:17pm.



Doug Daoust, Mayor
Dated: 7/15/15

ATTEST:


Sarah Skroch, Deputy City Recorder

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

PLEASE SIGN IN

Name – Please Print	Address	Phone #
Debbie Waugh		
Noel Deal		
M BRICE		
Claude Cruz	WCCOC	503 677-9777
Michelle Metzler	7227 NE 55th Ave. Portland, OR	503-936-6036
TANNY STAFFENSON		503-319-7732
BRUCE WASSON		503-661-1042
Terry Blosser		503-492-6535
Len Otto		503 663 0794
Ross Grami		503-510-7020
Diego Hernandez		503 927-7545
Reyna Lopez		971-240-7414
Timothy Skopf		
JOHN BISHARD		503 936 0251
Mike Halseood		523-319-1311
Norm Thomas		503 667-4220

An update

KING OF ROADS ~

BYWAY OF THE PEOPLE

December 10, 2013

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

June 9, 2015

We have raised approximately \$140,000

Professionally designed exhibit

Production

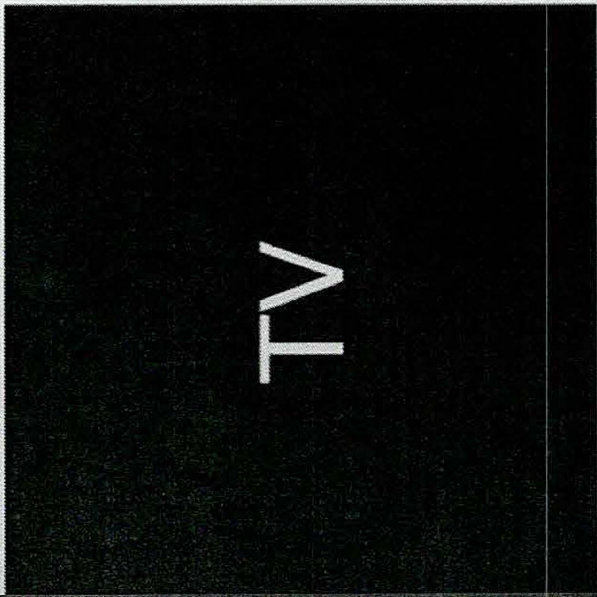
Wall graphic panels in place

Artifacts chosen

GRAND OPENING JULY 18, 2015 NOON

BUILT

BY LOCALS

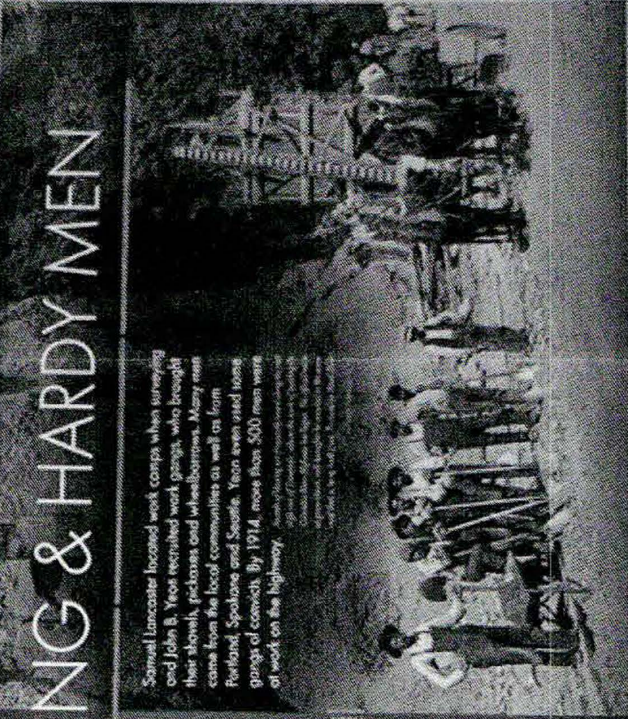


TV

NEEDED: STRONG & HARDY MEN

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

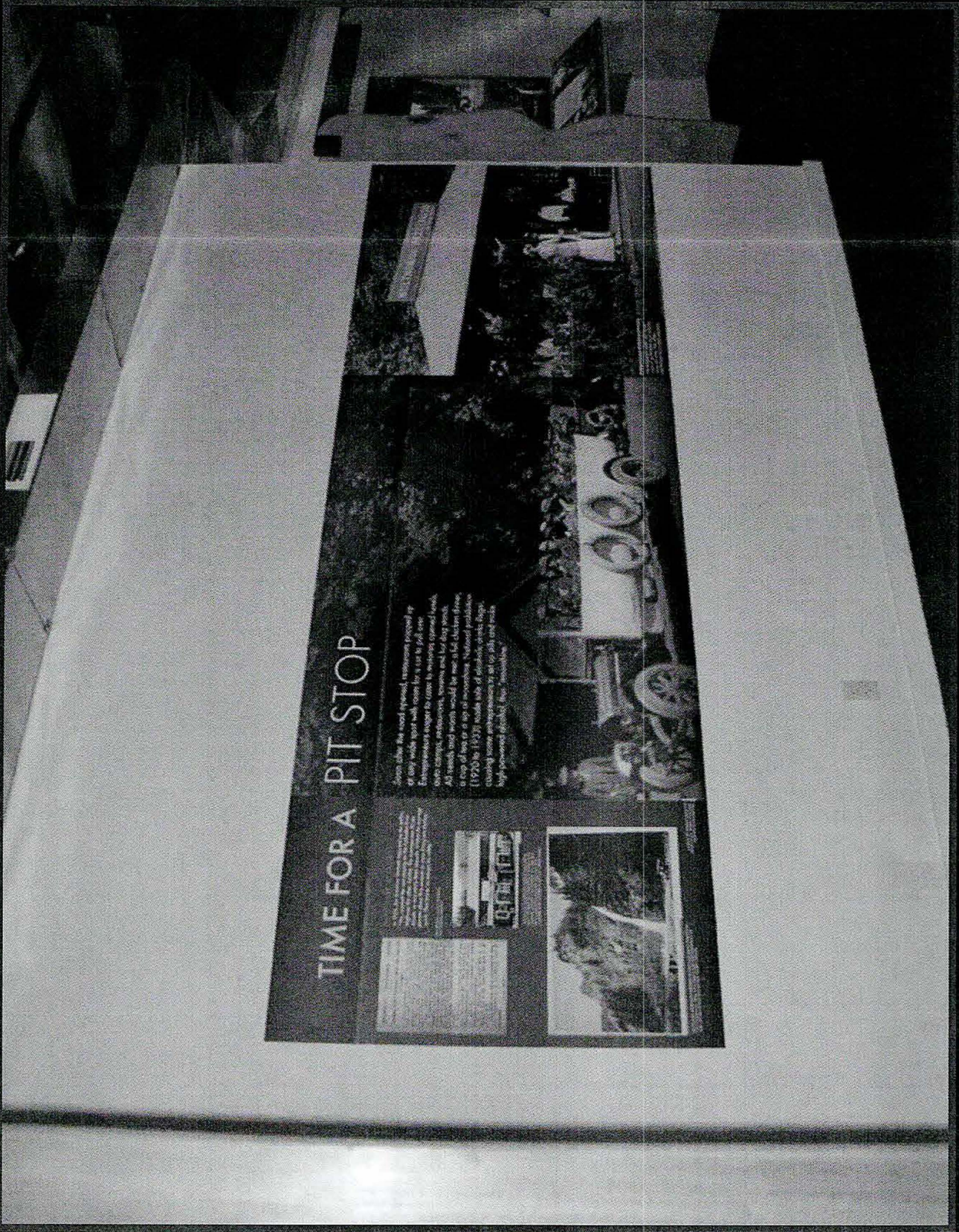
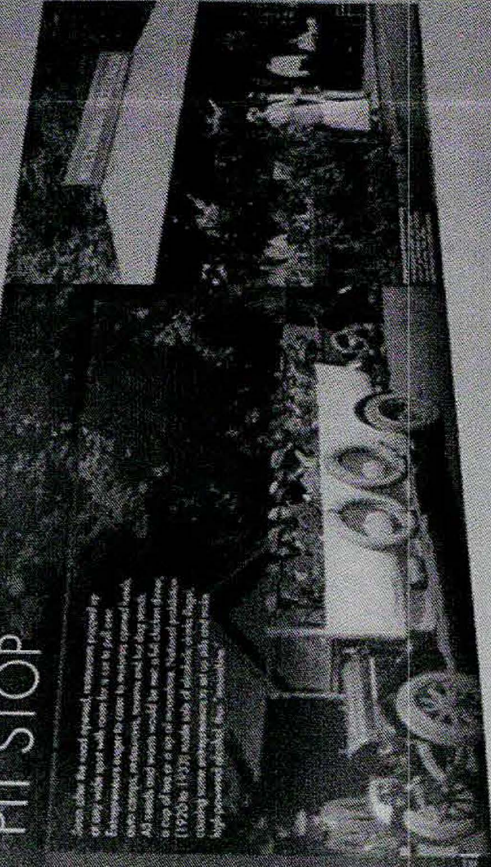
THE LEGACY OF THE ISLES
The Columbia Group sponsored a study of the islands' geology and history. The study was published in 1914 and is available in the archives of the University of Washington.



TIME FOR A PIT STOP

From the first road opened, travelers passed by a way-side spot with room for a 1918 to 1918 cars. Entrepreneurs began to cater to motorists, building over camps, restaurants, taverns and fuel stations. All roads and routes would be met in 1918, when there is a map of the road in a notebook. National Automobile (1920 to 1923) made up of standards, which began creating some entrepreneurs at the 1918 and 1920. High-powered diesel, the "standard"...

...the road opened, travelers passed by a way-side spot with room for a 1918 to 1918 cars. Entrepreneurs began to cater to motorists, building over camps, restaurants, taverns and fuel stations. All roads and routes would be met in 1918, when there is a map of the road in a notebook. National Automobile (1920 to 1923) made up of standards, which began creating some entrepreneurs at the 1918 and 1920. High-powered diesel, the "standard"...



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

NEW LIFE FOR THE

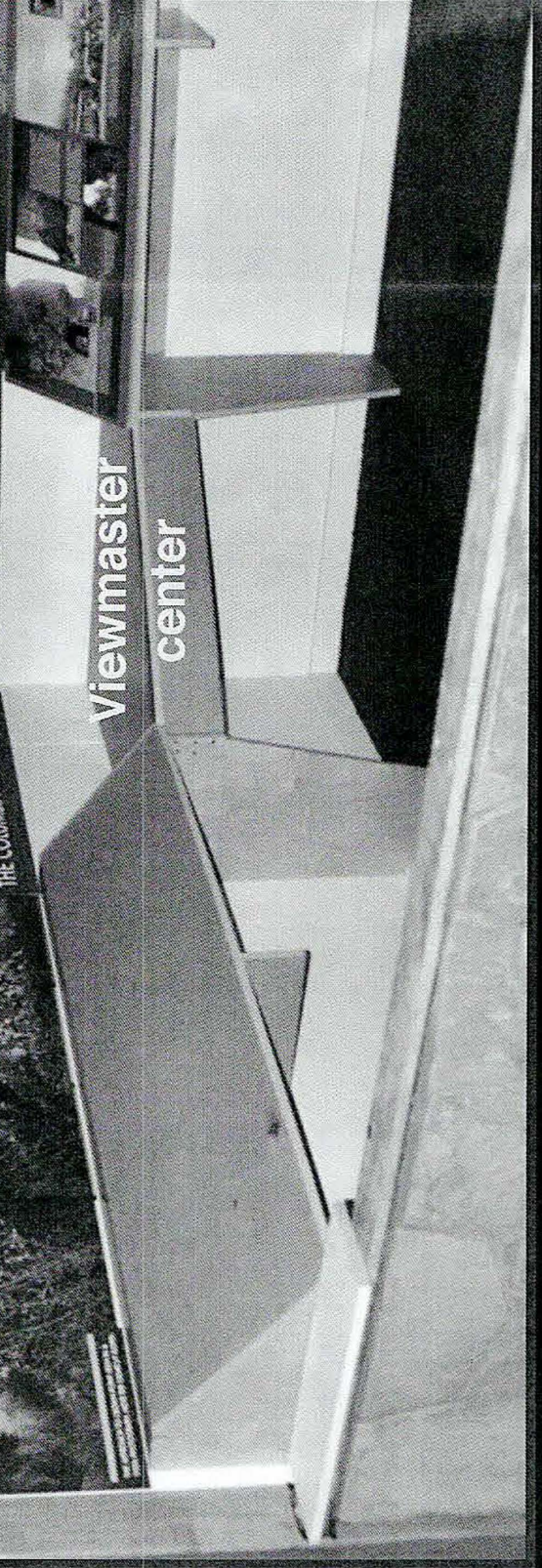
RESTORATION—RECLAIMING A HISTORIC AGE

THOSE WHO RESTORED

- GARY BANNAN
- BOB COSSMAN
- SENSE DRAPER
- JAMES EDWARDS
- ROBERT MADSON
- JACQUEE HESS
- KEN JERNSTEDT
- JEANETTE WOODS
- RICK KUERN
- HENRY KUNINOWSKI
- STEVE LEHL
- BRUCE LITT
- LEWIS MACARTHUR
- CLARENCE JACOBSON
- BILL PATTERSON



Viewmaster center



A plan



Byway of the People

KingofRoads.org
5 Blocks East

An exhibit of the Troutdale Historical Society



Byway of the People

503-661-2164

KingofRoads.org

732 Historic Columbia River Hwy

An exhibit of the Troutdale Historical Society



Byway of the People

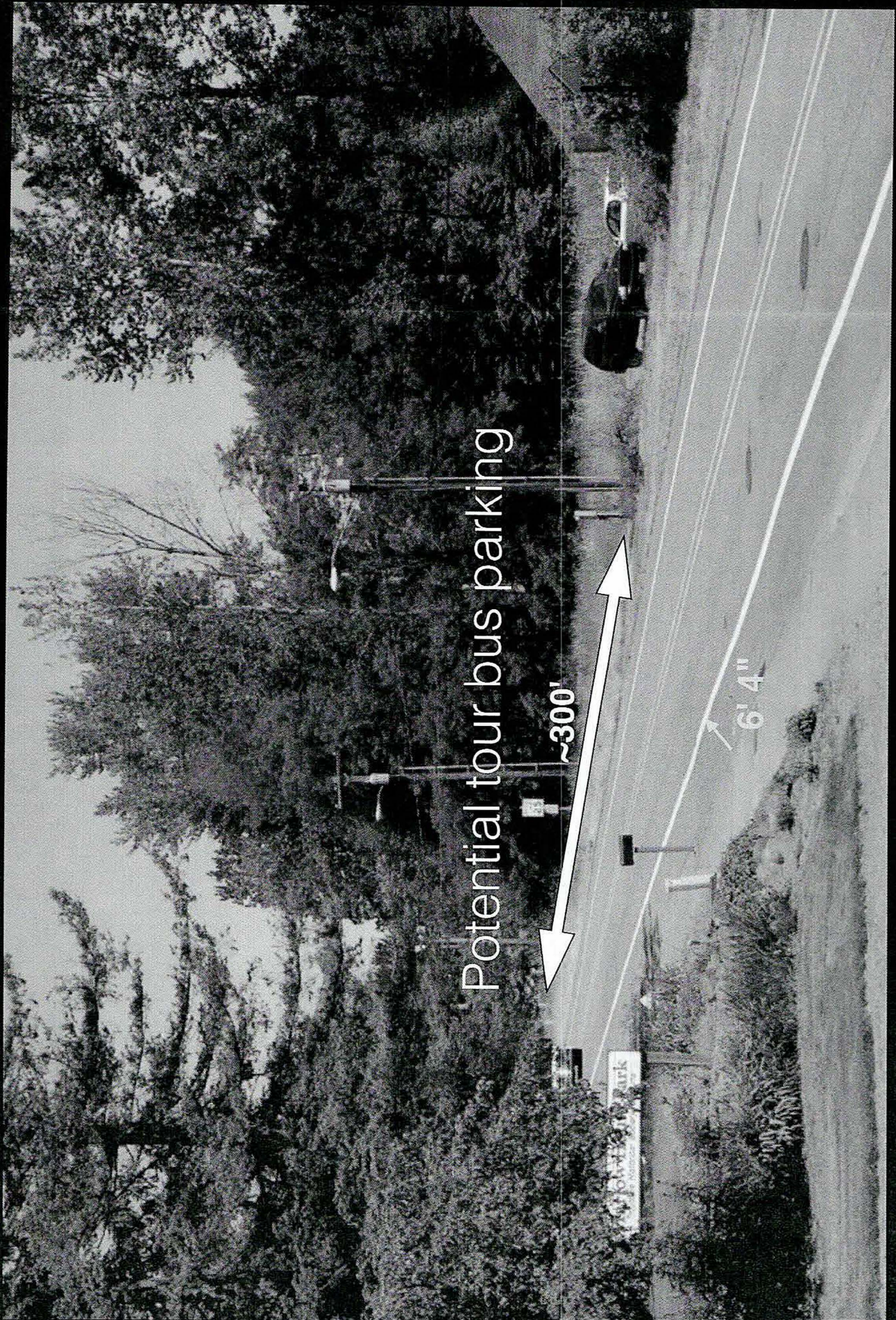
KingofRoads.org

Opening July 2015

An exhibit of the Troutdale Historical Society

Banners designed by Doug Rosenfield, CAL

A need...



A request

Troutdale's Sponsorship of Donor Party

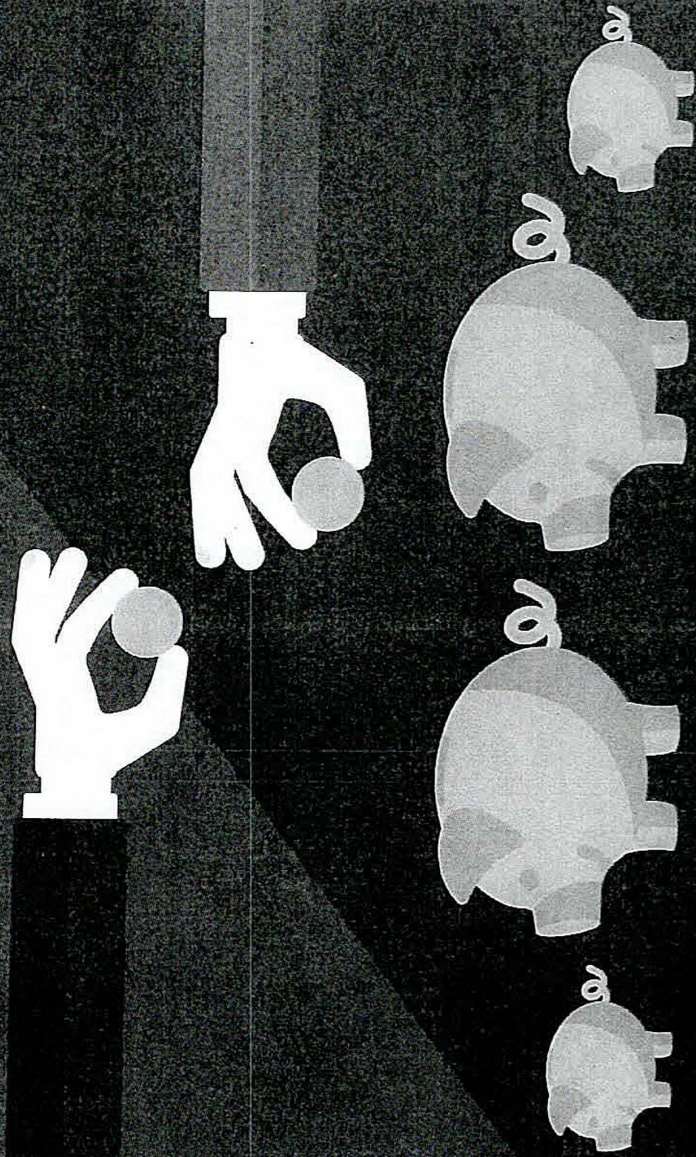
Guests will see Troutdale is solidly behind this exhibit

Opportunity to showcase Troutdale

Allow us to put finishing touches on exhibit

A BETTER OREGON

Investing in Oregon's Families



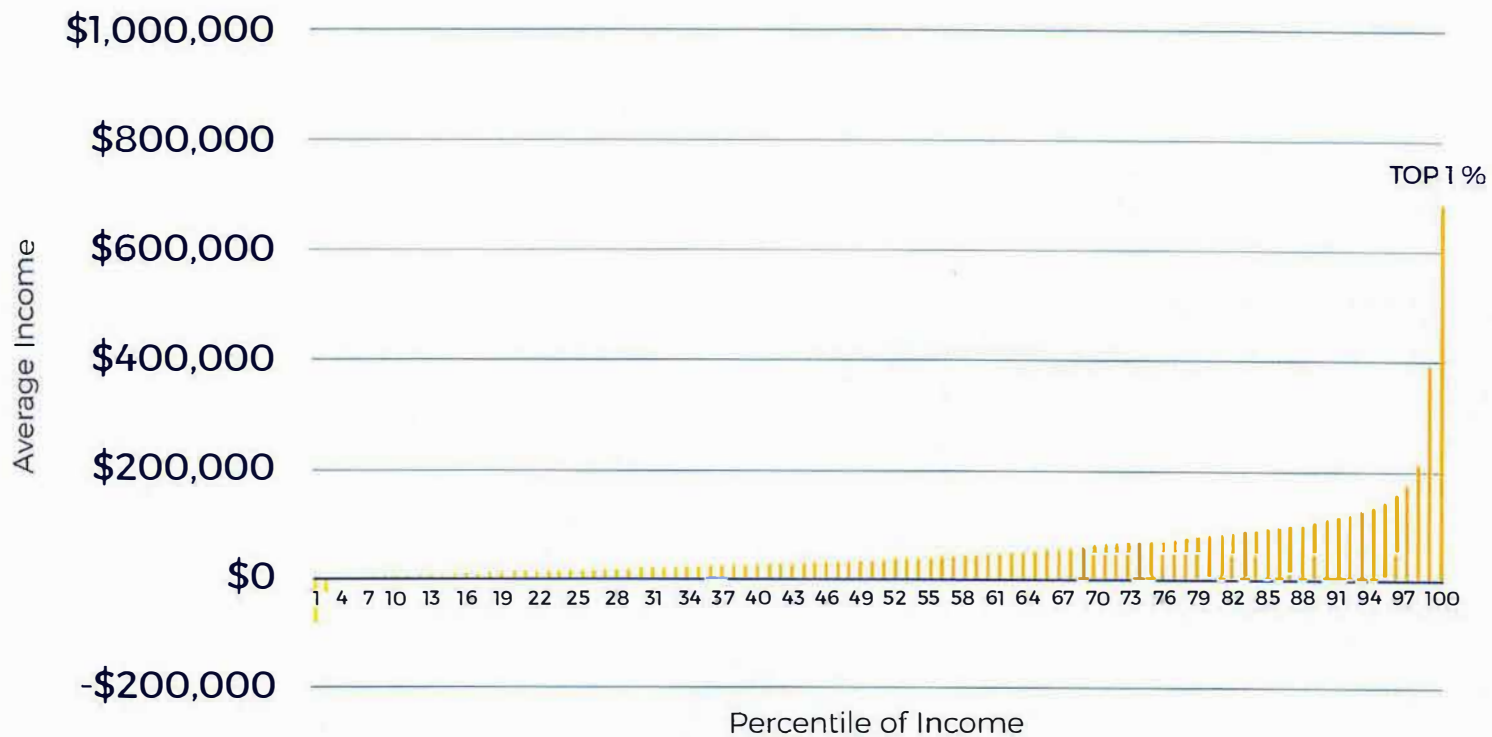
A BETTER OREGON

Investing in Oregon's Families



The State of Oregon's Economy

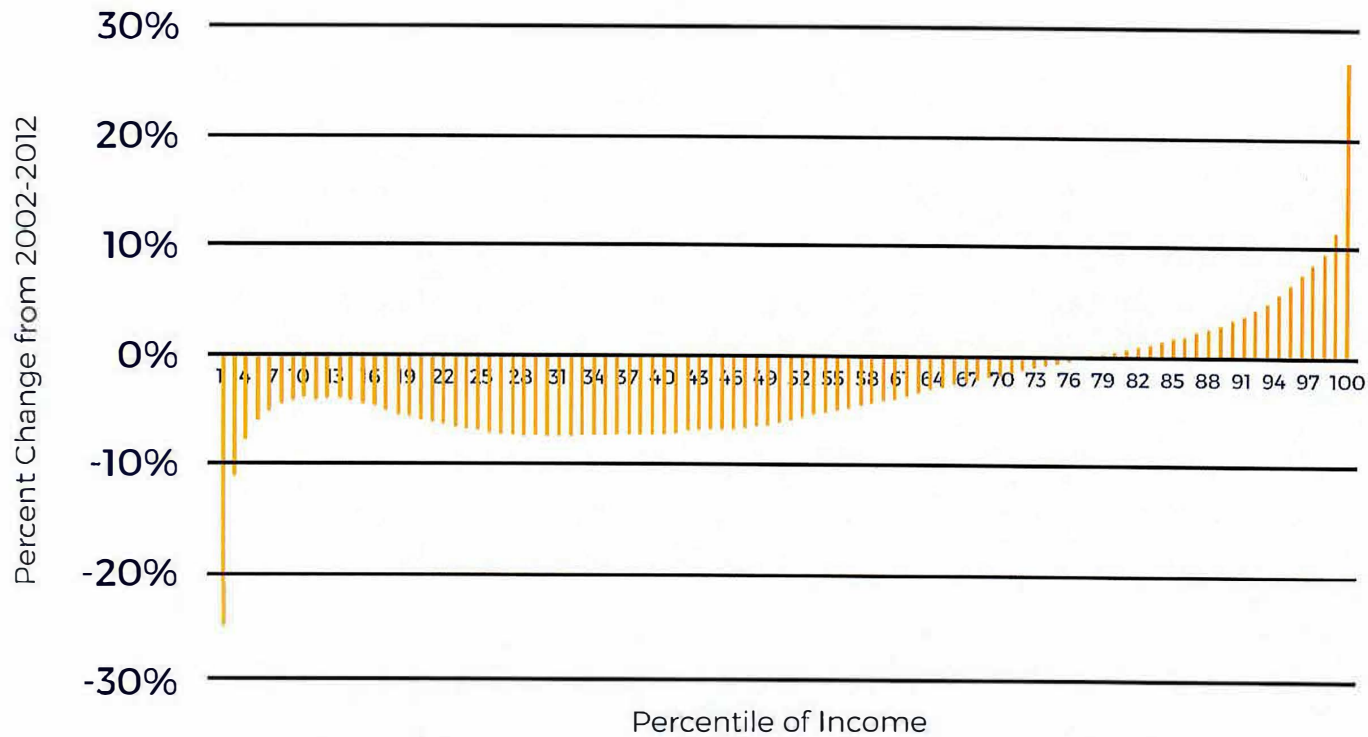
OREGON'S ECONOMY ISN'T WORKING FOR MOST FAMILIES



DISTRIBUTION OF INCOME

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

OREGON'S ECONOMY ISN'T WORKING FOR MOST FAMILIES



2012 PERCENTILE OF INCOME

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



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

Source: Analysis based on data from Oregon Department of Revenue

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



**MCDONALD'S
CEO**

\$8.75 Million

Annual Income



**BANK OF AMERICA
CEO**

\$14 Million

Annual Income



**WAL-MART
CEO**

\$25 Million

Annual Income

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

Oregon Has The Lowest Business Taxes

OREGON HAS THE LOWEST BUSINESS TAXES IN THE COUNTRY

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

Oregon is
50th
in business taxes

WHY?

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

By the way...

Corporate profits have **never been higher.**

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



GAS STATION ATTENDANT

\$21,754

Avg. Annual Income

7.3%

of income goes to taxes



RETAIL STORE MANAGER

\$39,478

Avg. Annual Income

7.6%

of income goes to taxes



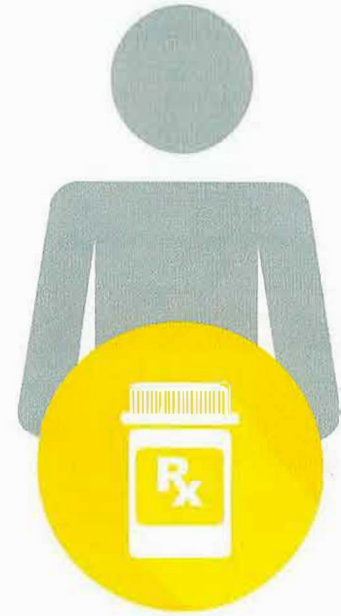
PLUMBER

\$64,670

Avg. Annual Income

7.8%

of income goes to taxes



HOSPITAL CEO

\$1.2 Million

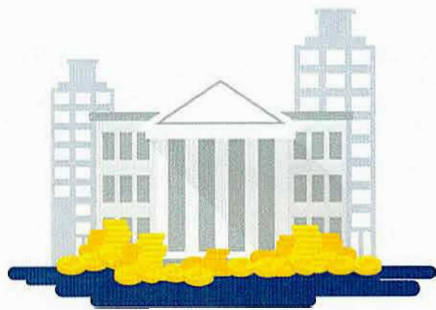
Avg. Annual Income

6.5%

of income goes to taxes

WORKING FAMILIES AND PARENTS DESERVE A BETTER OREGON

CORPORATE PROFITS
INCREASE

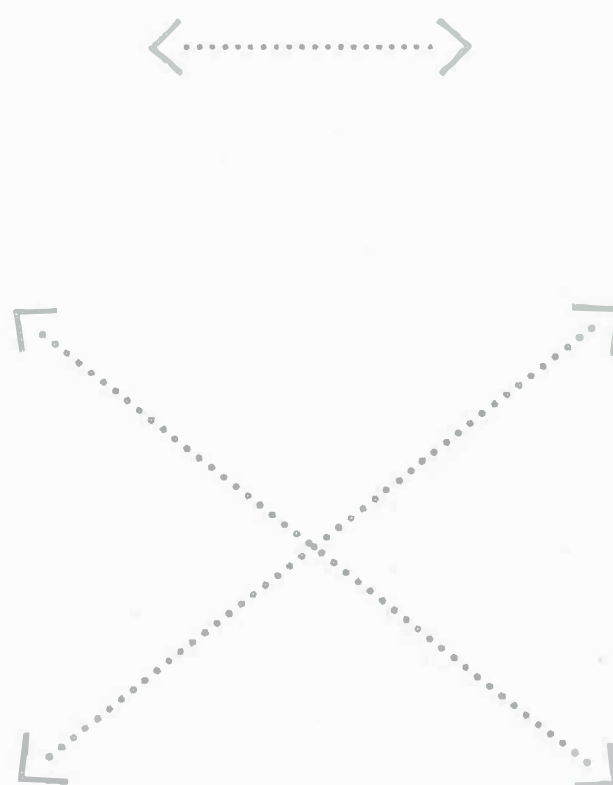


CORPORATIONS PAY
LESS TAXES



NEED FOR STATE SERVICES
INCREASES

OREGONIANS AREN'T PAID
LIVABLE WAGES



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

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

WE HAVE ONE OF THE
LARGEST CLASS SIZES IN
THE COUNTRY



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

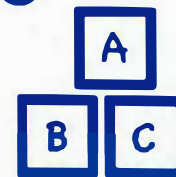
Lost Nearly
3,400
Teachers



MORE THAN
1,600 families
ARE ON THE **WAITING LIST** FOR **EMPLOYMENT**
RELATED DAY CARE

More than 30,000

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



**What Can We Do
About It?**

INVESTING \$1 BILLION IN OREGON WOULD HELP EVERY FAMILY



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

FAIR SHOT FOR ALL



PAID
SICK DAYS



RAISE THE
MINIMUM WAGE



A **SECURE**
WAY TO SAVE FOR
THE FUTURE



A **SECOND CHANCE**
FOR EVERY OREGONIAN



END
PROFILING

**Get Involved
Right Away**

TAKE ACTION FOR A BETTER OREGON

 facebook.com/keeporegonworking
 [@KeepORWorking](https://twitter.com/KeepORWorking)
 www.keeporegonworking.org

