

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

Tuesday, January 13, 2015

1. 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; Debbie Stickney, City Recorder; Shelby Rihala City Attorney; and Steve Gaschler, Public Works Director.

GUESTS: See Attached.

2. MOTION: Election of 2015 Council President.

Mayor Daoust opened up the nominations for Council President.

Nominations:

- Councilor Anderson nominated Councilor Morgan for Council President.
- Councilor Ripma nominated Councilor Allen for Council President.
- Councilor Wilson nominated Councilor Anderson for Council President.
- Mayor Daoust nominated Councilor Ripma for Council President.
- Councilor Morgan nominated Councilor White for Council President.

Councilor Ripma stating I appreciate the nomination, however, I would like to withdraw in favor of supporting Councilor Allen, who I nominated.

Each member of the City Council submitted their vote for Council President to the City Recorder (copy of the voting record is included in the meeting packet).

Debbie Stickney, City Recorder, announced the results: Councilor Allen received 3 votes; Councilor Morgan received 2 votes; Councilor Anderson received 2 votes. **Councilor Allen has been elected as the 2015 Council President.**

3. CONSENT AGENDA:

3.1 ACCEPT MINTUES: November 18, 2014 Work Session, November 25, 2014 Regular Meeting, November 25, 2014 Work Session and December 9, 2014 Regular Meeting.

MOTION: Councilor Wilson moved to accept the Consent Agenda. Seconded by Councilor White. Motion Passed Unanimously.

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

None.

5. MOTION: A motion accepting the Selection Committee's recommendation for appointments to the Parks Advisory Committee, Citizens Advisory Committee, Budget Committee, Planning Commission, Public Safety Advisory Committee and the Historic Landmarks Commission.

Mayor Daoust stated each year the City conducts a recruitment process to fill vacancies on city committees placing ads in the Gresham Outlook, the Troutdale Champion and the City's web site soliciting citizens to apply for a position on our volunteer committees. This year we received 19 applications. The Selection Committee interviewed the applicants. The Selection Committee's recommendation for appointments is as follows:

Parks Advisory Committee: Position #7 – Marilee Thompson; Position #9 – Ryan McNaughton.

Citizens Advisory Committee: Position #4 – Patricia "Skye" Troy; Position #6 – Lloyd Champion; Position #7 – Mary Burlingame; Position #8 – David Becker.

Budget Committee: Position #1 – Harry "Gene" Bendt Jr.; Position #6 – Victoria Rizzo; Alternate – Bruce Wasson.

Planning Commission: Position #2 – Marvin Woidyla; Position #4 – Shirley Prickett; Position #5 – Kevin Coulton; Alternate – Jamie Schaeffner.

Public Safety Advisory Committee: Position #6 – Cecil Tipton.

Historic Landmarks Commission: Position #4 – Ryan McNaughton; Position #5 – Jamie Schaeffner; Position #7 – Bruce Wasson.

Mayor Daoust stated on the Parks Advisory Committee we still have two vacant positions. I would recommend that the Council direct staff to conduct a recruitment to fill those two vacancies.

MOTION: Councilor Wilson moved to accept the Selection Committee's recommendation, and direct staff to conduct a recruitment for the Parks Advisory Committee. Seconded by Councilor Morgan. Motion Passed Unanimously.

6. APPOINTMENTS:

6.1 Appoint a member of the Council to the Fire Negotiation Team

6.2 Appoint two members to represent the City of Troutdale on the Fire User Board.

Mayor Daoust appointed Councilor White and Councilor Morgan to the Fire Negotiation Team.

Mayor Daoust appointed Councilor White and Craig Ward to the Fire User Board.

Mayor Daoust stated I am a member of the Urban Renewal Area Negotiation Team, but I would like to also appoint Councilor White to this negotiation team as well so that there are two members of the Council on this team.

Mayor Daoust stated the Sandy Drainage Improvement District is looking for someone from Troutdale to serve on their Board of Directors. I have talked to Tanney Staffenson and he has agreed to serve on this Board.

Mayor Daoust stated we are all involved in something. Councilor Wilson represents the City on the West Columbia Gorge Chamber of Commerce, Councilor Ripma represents us with the Historic Landmarks Commission and the Troutdale Historical Society, and Councilor Allen and Councilor Anderson are part of the negotiating team for the Multnomah County Sheriff's Office police services contract.

7. REPORT: Update on the Troutdale Reynolds Industrial Park (TRIP) and a presentation on the Troutdale Airport Master Planning Process by Kenneth Anderton, Senior Business Manager Marine and Industrial Properties and Steve Schreiber, Project Manager from the Port of Portland.

Ken Anderton, Port of Portland, showed the Council a PowerPoint Presentation (attached as Exhibit A) updating the Council on the Troutdale Reynolds Industrial Park (TRIP) activities.

Ken Anderton stated there is a lot of great news happening at the TRIP property. Over the last two years, in collaboration with Troutdale, Multnomah County and the Regional Solutions Team, we have been working towards getting a joint permit application. In December we received that permit which allows us to move forward with the construction stage. We have issued a request for proposals for the project, which is roughly a \$38 million build. We hope to issue a notice to proceed to the selected contractor by April 2015. We will need to enter into an IGA with the City that allows for the transfer of public improvements to the City where it is necessary. For example, we will be extending Swigert Way and reconstructing the entire length of Graham Road and making improvements on Sundial Road.

The lots shown in blue (on slide 3) depict which lots we are constructing. The lots shown in yellow were done under Phase 1, which included our anchor tenant FedEx. We will bring to the market 184 acres, which will be great for this community. It will take us two

years to do this; it is a very complicated process and project given that it is an EPA Superfund site.

Ken Anderton stated this slide shows the schedule of what needs to be accomplished over the next year to two years (slide #4). The big one is getting the contractor onboard so we know what our construction phasing is. We are already marketing these parcels, but a lot of the site selectors won't take you too serious until you show that you are under construction and you have a definite timeline in terms of when you can sell the parcel to them.

We have been focusing on the sale of Lot 1 to FedEx for their expansion. We are hoping that will take place in the next couple of months. We continue to work with Troutdale Energy Center (TEC) on their development of Lot 3. We also continue to work with Bonneville Power Administration (BPA) in terms of siting their substation as part of the I-5 corridor project.

Councilor Wilson stated at the meeting I attended they talked about these lots being 25 acres. Is that correct?

Ken Anderton replied they are a variety of sizes. We focus on larger lots, but we like to have a variety of lot sizes to meet the needs of the customers.

Ken Anderton continued with his presentation reviewing Slides 5-8 pertaining to their Gresham Vista Business Park (GVBP) development, and the economic benefits of both the TRIP and GVBP developments.

Steve Nagy, General Aviation Manager for Troutdale and Hillsboro Airports, stated Steve Schreiber our Project Manager was not able to attend this evening. Steve reviewed the PowerPoint Presentation (Exhibit A) which included: the background of the Troutdale Airport (slide 10), airspace of the Portland International Airport and Troutdale Airport (slides 11-12), and the Troutdale Airport Master Plan (slides 13-24).

Steve Nagy stated we are here tonight to ask you for your input on the future role of the airport, and for your recommendations on our outreach efforts.

Councilor Ripma stated on the project roadmap slide (slide 16) you said that this wasn't a traditional master plan. I am a bit alarmed by seeing a path that looks like you are turning the airport into industrial land, or at least that is an option. That is very concerning to me. Why are you doing it this way? Are you planning to close the airport? You have it all through this presentation that you are thinking of closing the airport. I for one would object.

Steve Nagy replied there is no plan in this Plan to close the airport. We are looking at a range of alternatives from an airport that is improved in its capabilities, to what happens if aviation significantly changes 20 to 30 years from now and it is not the same type of aviation that we have right now. That is really the reason we are looking at this; not because there is a plan to close the airport or convert any of the airport's land. Most airport

master plans end at the airport fence and have no connection to the community that surrounds it. Our goal is to try and understand what is going on around the airport and how it will either influence in a positive or negative way what may happen inside the fence over that 20-year horizon. It is not planning industrial land to look at and say how is that going to change the use of the airport. The use of the airport is going to be the use of the airport; it is going to respond to the uses in the community. This will look at all of those things that happen around the airport outside of the fence and how it will interact and coexist in that environment.

Councilor Ripma stated the reason I bring this up is because I hear it from users of the airport. The fact that closure is being discussed is not us, it is the Port that is talking about closing it. This kind of project roadmap is just the kind of thing that is alarming to people. For the Troutdale Airport why don't you just do another traditional project master plan like you did when the last one was done? Why adopt one like this unless you are planning on closing it. I'd prefer you dropped the closing idea and just say that you will work with the industrial land around the airport like you normally would.

Steve Nagy replied if you were to look at the way we do master planning for a place like Portland International Airport, or what we have done recently at Hillsboro Airport, we look at it in a more realistic way of what occurs around the airport, as well as what occurs on the airport. We are charged with looking at the financial health of the facility itself. The airport runs solely on the revenues that are generated onsite by the facility itself. In this instance we are not generating sufficient revenue. At Hillsboro, in addition to the airport itself, we have three commercial shopping centers on airport land and a hotel on the airport land so it has a positive cash flow. We are not talking about changing or closing the airport, we are looking at whether there are other things that we can do on airport land that would help supplement the use of the airport and bring in revenue to supplement the aviation uses. Maybe it is industrial land or a mix of industrial and commercial in addition to the aviation uses that are there, and therefore generate a positive cash flow on the airport itself.

Councilor Ripma stated that would seem consistent with the traditional project plan instead of having the arrow that shows having the airport go to industrial land (slide 16). I personally, as well as the residents and people that have businesses at the airport that have talked to me, would prefer that you do a traditional project plan not this hybrid that you said is not traditional.

Councilor Anderson stated I agree with Councilor Ripma one-hundred percent. How far are we into the 20-year grant cycle (see slide 17, where it states that no airport closure can happen without demonstration of expiration of current 20-year grant obligations)?

Steve Nagy replied the last grant that we took was in 2012. At a minimum you are looking at 2032.

Councilor Anderson asked if the airport were to hypothetically close, it couldn't happen for 17 years?

Steve Nagy replied correct. We are not looking to close the airport. We are looking at whether there are uses that we can supplement on the land that right now may have an obligation to the federal government, where we could approach them and say if it is not going to be used for an aviation use for the next 17 years is there something else we can put there that would benefit the economics of the airport. That is really why we are looking at some of these non-traditional things. I would also point out that we have a lot of airport businesses on our Project Advisory Committee who have direct input to the health, benefit and the outcome of this.

Councilor Anderson asked wouldn't it stand to reason that the expansion of TRIP could aid the airport operations?

Steve Nagy replied it could. Depending on if an industry located there and had an aviation component that they wanted to build a hangar for, or bring in their jet. That is what has happened at places like Hillsboro.

Ken Anderton stated you have to remember that 8 miles away there is an International Airport. A lot of corporations, if they do have a corporate jet, they are going to fly into an airport where there is international clearing, customs, and where they have full services. From our analysis there is not a lot of correlation; FedEx Ground has no correlation to FedEx Air. When we say industrial land it also means that there could potentially be a better way to use resources in terms of land in that we are doing additional economic development on our Port land, but the capacity of the airport isn't being compromised. So maybe the buildings get reconfigured. That is what we have done at Hillsboro and it has been very successful.

Councilor Morgan stated I think the question that you posed was for recommendations on public engagement. There are currently plans for two open houses. As part of that is there consideration for tours that would be offered to the public to see the area and to engage them? It is one thing to talk about it theoretically or see pictures, versus being able to see the lots and the land, and being able to remove the perception by seeing it yourself.

Steve Nagy replied at this time for the open houses, no we haven't thought of that. We did that for all of the Planning Advisory Committee members. We took everyone on a tour of the facilities and gave them an on the ground view. Generally we have held the open houses somewhere in town. We just don't have a large enough facility at the airport that is ADA compatible to host that. We could look at airport tours.

Lise Glancy, Local Government Relations Manager, stated as another outreach mechanism we could look at tours.

Councilor Morgan stated for me it was very helpful. A lot of people haven't been able to see all of the lots and the areas like where the TEC is proposed to be. And the fact that it

appears the projections for TRIP are twice as financially successful as the GVBP, \$410 million.

Steve Nagy stated an on the ground view of both facilities side-by-side.

Mayor Daoust stated several members of this Council attended your last Planning Advisory Committee meeting so we heard a little better flavor of what is being discussed at those meetings. I did promise to get input from the four Mayors because I assume that when you talk about the community economic benefit, you are talking about the four East County cities.

Steve Nagy replied yes.

Mayor Daoust stated there has been some discussion about a shorter runway. What does that mean?

Steve Nagy replied the runway is currently 5,400 feet in length and 150 feet wide. Based on the type of airport it is, and its classification with the FAA, when we look at reconstructing it we know that they won't pay for 150 feet in width. The one thing that we are going to look at with the Master Plan is if you have a forecast that says this is the type of aircraft that will use this airport for the next 20 to 30 years, and you are paying to rehabilitate your airport, what runway length serves those types of aircrafts. Right now it is 5,400 feet in length and is obviously constrained by the intersection of Graham Road on the east side and Sundial and Marine Drive on the west side so you have to stay within that footprint. But what is the appropriate length of a runway necessary for that forecast of aircraft that will be using the airport over that period. This plan will make a recommendation on what that is. The consultants that we have hired will look at the types of aircrafts that are forecast to use it over that 30 year period and the type of runway, based on the FAA's design criteria, that is needed to support those types of airplanes; the next time we rehabilitate what size should that runway be. We already know that they are not going to build it 150 feet wide, so we want to have a recommendation and a strength in argument that says this is the length that it needs to be for the FAA.

Mayor Daoust stated I think it was last year we went through a little bout of public concern that the FAA was going to shut down the tower at the airport, or they were considering it. If the FAA can just go ahead and do something like that, how close of a working relationship does this group or the Port of Portland have with the FAA to make sure you are not tripping over each other with recommendations or proposals?

Steve Nagy replied we did come before this Council at that time and the Council gave us a letter of support which we included with our justifications to the FAA. That was a national issue where they were looking at, during sequestration, removing contract towers at hundreds of airports across the country. The FAA has backed off of that position mainly through Congressional action, and because they realized they weren't following their own safety protocols for making decisions about aircraft operations and communities were challenging them. We are going to address that as part of this Plan. We are going to look

at what might happen if air traffic services went away. Part of our justification and the argument we made is that we are 8 nautical miles apart from each other (Portland and Troutdale airports), aircraft overfly from one airport to the other, you have the largest commercial airport in Oregon with one of the top five busiest airports in the State altogether with the number of operations that occur, and from a safety and efficiency of airspace prospective it makes no sense to get rid of the tower here. We have continued to make that argument; they have backed away from that. I think if they ever pick this issue up again they are going to be forced to go through a very thorough safety evaluation and operational efficiency evaluation process. We still watch it and we have representation in Washington that watches this. But for now it is an issue that has died down.

Lise Glancy stated with the Planning Advisory Committee we have a group of educated and informed members of the public that can join us in future advocacy if we need it.

Councilor Allen asked in the number of air operations logged, how does the Troutdale Airport compare with other airports in Oregon?

Steve Nagy replied right now I think we are the 3rd or 4th busiest airport in the State of Oregon. PDX is 1st, Hillsboro is 2nd, and Troutdale is at 110,000 operations. For the FAA to justify any change in use of an airport you have to demonstrate the benefits to civil aviation. So if we were going to take a portion of the land, if it is the entire airport or just a piece of land, we have to demonstrate how that has a benefit to it. If you have 110,000 air operations it is very hard to demonstrate to the FAA that closing the airport has a benefit to civil aviation. I hear the concern; we hear it as well from the public and from our tenants. We feel it is an issue that we should openly address because people talk about it. I can't see making a convincing argument to the FAA that there is a benefit to civil aviation to remove the whole thing completely.

Councilor Allen asked when you take a look at the length and width of the runway, are you considering the weather such as wind and the skill level of the pilots such as pilot training programs?

Steve Nagy replied the FAA has design standards based on the types and classes of aircraft that use your airport. What they will identify is what is called critical aircraft; an aircraft that has more than 500 operations a year. You could have other aircraft that have less than 500 operations but that are larger in capacity. They will look to design your airport to that predominate use aircraft. We are going to advocate as hard as we can for the maximum amount of use. We have not heard so much a concern about the runway environment and its reconstruction from the FAA. They are waiting to see what comes out of this process. They will have to approve the preferred alternative, the role of the airport, and the length of the runway, etc. before the plan is completed because they accept what is called an Airport Layout Plan, which is essentially a diagram for the airport at the end of the process. They are not going to approve or allow something that doesn't meet the criteria they have set for this size, capability, and capacity of an airport.

Councilor Allen stated it seems like we should at least consider flight training programs...

Steve Nagy interrupted and said yes it will, absolutely. Unfortunately, with a smaller aircraft a lot of the time that is not the most critical use aircraft for the airport. You may be looking at something more like a business jet that comes in here that supports economic development, etc.

Councilor Allen asked do we actively target businesses and invite them in?

Steve Nagy asked from an aviation prospective?

Councilor Allen replied yes.

Steve Nagy replied we have tried in the past, yes.

Councilor Wilson asked by shortening the runway will there be planes that are currently landing there that will have to go somewhere else?

Steve Nagy replied there are two components to the type of plane that an airport can accommodate. There is the length of the runway and the weight bearing capacity of the runway. The length of the current runway is 5,400 feet and the weight bearing capacity of the runway right now is roughly in the 30,000 to 40,000 pound range. Even though we have a runway of 5,400 feet, we can't accommodate the largest business jets that may be able to land at another airport that has a 5,000 foot runway mainly due to the configuration. It is a combination of the length and the structural component of a runway. This Master Plan will make a recommendation on both the structural stability and weight bearing capacity of the runway as well as the length of it.

Councilor Wilson asked if you shorten the runway are there planes that land there now that won't be able to land there?

Steve Nagy replied I don't have an answer for that. If we were to shorten a runway to a certain extent you are going to remove classes of aircraft. Some of those aren't landing there now because we structurally can't accommodate them, so we are already limited in the aircraft that we can accommodate even though we have a 5,400 foot runway.

Councilor Wilson stated I have a concern that as you shorten the runway you are going to possibly eliminate planes that are landing there now. As less planes land there the airport will be seen as less significant and it will be deemed as not needed any more.

Lise Glancy stated one of the reasons we are here today, and why we are going to other jurisdictions, is we want to hear exactly this kind of feedback and we will be sharing it with the Planning Advisory Committee.

Steve Nagy stated one of the things that we have to take into consideration as we are doing this is the fact that the Troutdale Airport doesn't sit in the middle of nowhere; it sits

within an 8 mile vicinity of PDX. PDX is in some way it's competitor for those aircraft. There are certain capabilities and capacities at PDX that if I am a pilot I weigh and choose. If both airports had a 5,000 foot runway and if PDX had services that weren't available here I would look at that. This plan is going to weigh that in relationship, as well as the fact that the airspace here is compressed because it is underneath PDX's. Also there is not an instrument capability at the Troutdale Airport right now partly because of where the airport is situated and where the bluff is actually situated up above it. It is hard for the FAA to develop an instrument approach that allows aircraft to come in during all weather conditions. So whether there is a runway that is 5,000 feet or 4,000 feet, we are somewhat limited by the fact that it sits underneath PDX's airspace, it sits 8 miles from its competitor, and it has a natural obstruction that sits a couple thousand yards off the end of the runway. All things being equal, even if it had a 5,000, 6,000 or 8,000 foot runway, it is still limited by its physical geography, its location and its configuration and all of the other things around it. This Plan will take all of those considerations and say here is your market, here is your role and here is where you should focus your efforts, and make it financially sustainable for the community and the airport for the next 20 year period. It is not our goal to have an airport that continues to operate in the red. If we chase off the aircraft that pay that freight we are doing ourselves no benefit either.

Councilor White stated there was a reason why so many of us were at the last meeting. We were getting feedback. All of my fears were diminished once I saw the panel and who all of the members were; their livelihood depends on the airport. I think you have a blue ribbon panel deciding this stull. I am hoping that you take into consideration in the Master Plan that Troutdale is poised for a lot of good things that will be coming our way that I think will compliment what you are going to try and accomplish at the airport. My concern is that if they are not actually finished you won't be able to count them. Things are going to be pretty closely coinciding with your Master Plan. I don't know if there is a way for you to look at some of that. Like if this piece falls, maybe we should do this. Also, at the meeting I heard less concerns about the runway and more concerns about lack of instrumentation at the tower to bring in more aircraft. Some people are bypassing our small airport because of the instrumentation; they don't want to risk landing their \$5 million jet in Troutdale. I don't know if there are plans to improve that or not.

Steve Nagy stated whether it is the local government, or in this case the Port that owns the actual infrastructure of the airport, the air traffic system, the instruments that land the aircraft, is the FAA. We work with them to make sure that we can get as much improvement as we can out of it. There are some problems associated just geographically with the airport and where it sits. We have been working with the FAA because with the update from a ground based navigation system to a satellite based navigation system for aircraft the tolerance for needing to leave a wider berth for an aircraft for its navigation purposes is getting smaller. That means perhaps instrument approaches can be fit in with an obstruction like the bluff that sits out there. We continue to work with the FAA to try to get those things. They are working on trying to develop a GPS based instrument approach that allows aircraft to land here in bad weather conditions. I would also say that there are improvements because this airport does sit 8 miles from PDX. You probably get much better radar coverage and air traffic handling then most other airports around. So it is a

balance. We push the FAA as much as we can. Our three airports are at the top of their asks every year for airports in the State of Oregon for funding.

Councilor White stated we would love to see events like the Wings and Wheels and the Troutdale Air Show that we used to have. If there is anything that we can do to team up with you and get more events happening out there.

Steve Nagy replied that would be great. We don't put the events on; they are partnerships. We are happy to let you use the airport as a venue for the event but like in Hillsboro the Airshow is put on by a non-profit organization. We don't take on the planning initiative to start one of those events, but we are happy to partner and sponsor an event.

Mayor Daoust stated even though there are no turbo jets that reside at our airport we do know that turbo jets land there. Ringo Starr landed here when he held a concert at Edgefield. At the Forest Service I managed an aviation program. We flew over every single forested acre in Oregon and Washington and digitally mapped problems with the forest. Troutdale is one of the airports that we utilized as a central location. The Forest Service has a tanker base at the Airport and I noticed that they are not part of the Planning Advisory Committee, but all it would take for that tanker base to get rejuvenated and used again would be a wildfire.

Steve Nagy stated they are a non-voting member. They have asked to be part of the technical advisory component; they are not actually sitting at the table. The one reason for that is the Forest Service is changing how they operate regarding forest fires. Their fleet of aircraft that they were using, which are mainly contract aircraft through private vendors, were mostly 1960's vintage aircraft. After some incidents and accidents over the last decade where those aircraft were reaching the end of their useful life and did not do well, they are overhauling their fleet. The aircraft that are supporting forest fires now are larger and faster and they have already informed us that based on the new contracts that our 5,400 foot runway is not going to be long enough for them to land. They will probably be dispatched out of places like Moses Lake and Redmond.

Mayor Daoust stated we appreciate you guys coming here tonight. The airport is very important to Troutdale.

Lise Glancy stated I will commit to sharing a summary of this discussion with you and you can let me know if I got it right and then we will present it to the Planning Advisory Committee.

Steve Nagy stated if any of you would like to visit the airport we would be happy to show you around. We should open that up for the public as well as part of our open house.

Lise Glancy stated it might also be interesting to visit Hillsboro Airport and see the adjacent uses and how they mesh.

Mayor Daoust stated the Port of Portland is one of our best partners in the region. Thank you again.

8. STAFF COMMUNICATIONS

Craig Ward, City Manager, stated the Troutdale Energy Center (TEC) continues to do its due diligence, which includes following up on a question they asked us a couple of years ago. Originally when they came to us they said that part of their operating plan was to use the effluent from our Water Pollution Control Facility (WPCF) as cooling water. Right now our effluent goes into the Sandy River under a permit from the State. TEC wants to know how much we are going to charge them to use our effluent. We have had conversations over the last few years with Public Works to try and figure that out. We have looked at the comparables but there aren't a lot of places right now that have a defined rate for their effluent because it has always just been dumped into the river. One of the realities of this is water is a limited resource and the TEC is proving that because suddenly we have a customer for our effluent. The intent is that they will take that effluent and they will treat it, run it through their coolers and then they will give it back to us. That water then goes back through our pipes and through our discharge into the Sandy River. There are issues that we have regarding the quality of that discharge and the sampling of that because it has to meet the requirements of the permit that we are responsible for.

My recommendation is that we charge half of the potable water commodity charge. We could go through an entire rate setting process for this effluent. I have communicated with Ed Trompke about whether or not we need to wait for that, and his opinion is that we don't. While we could deal with it through the rate structure, probably down the road we ought to deal with it through a formal rate analysis, but at this time unless you tell me that you want to do a work session on this and go through that process, my recommendation is that we tell the Development Partners (developer of the TEC) that our proposal is that we charge half of the potable water commodity charge, which is \$1.49/1,000 gallons. If the project ever comes about they are proposing to use all of our effluent. That amount varies through the year and their need will vary through the year. At that rate we are talking roughly \$815,000 in revenue that would go back to the WPCF's budget if they actually buy the effluent. In addition, once it comes back from them, since it is going back through our pipe, we are also proposing to charge a rate of \$0.25/1,000 gallons for discharging that water for them, which could bring in almost another \$100,000. That totals just over \$900,000. My question to the Council is are you comfortable with me proceeding with a contract with TEC to buy our effluent under those terms, or do you want to go through a rate setting process?

Councilor Ripma stated I don't mind not going through a rate setting process, but we don't have any information to authorize figures like that. What we need is some information. Is it comparable to what other cities charge? Just doing it under staff communications seems a little rushed. There isn't a rush is there?

Craig Ward replied a bit of one which is why I am bringing it to you. We have a meeting coming up with them and they want to know the answer. I can certainly say to them that

we don't have a firm number from the Council but my recommendation will be what I said today, but that ultimately the Council will establish the rate.

Councilor Ripma stated to me it sounds absolutely great; we don't do anything with the effluent now. I just don't have any information to base whether that is a good deal for us, or if we are selling ourselves cheap. I just don't know. That doesn't mean that I want to go through some elaborate rate setting. Couldn't you do a staff report?

Craig Ward replied if you would like we can do that and put it on the consent agenda if you prefer.

Councilor Ripma replied that would be perfectly acceptable to me.

Councilor Allen stated give us some background information.

Mayor Daoust stated there are certain things where we just have to rely on staff doing the proper work and we do not have to review every single thing that comes before the city. I personally would be comfortable with you working up a staff report and having it on the consent agenda if that is what the Council wants. We don't even know if TEC is going to become a reality or not. Spending a lot of time to do rate setting for something that may not even happen; we have more important things to do.

Councilor White stated they will be held to a higher standard for releasing the effluent water. My concern with this scenario is if we end up releasing it does that lower the standard of the cleanliness of the water. I wouldn't want to see that change. I have been following this issue fairly closely. I also think those are great numbers.

Craig Ward replied I can assure you that we are very cognizant that we will have to be monitoring the quality of the water that is coming back into our pipes. They will be held accountable for making sure that the water is compliant with our standards for discharge back into the Sandy River. That has been a major concern of ours for a long time at the staff level, and we will not let that ball drop.

Councilor Wilson asked are they at times going to need more effluent than what we produce?

Craig Ward replied they might. We understand that they are speaking with the Port about well water. I gather that the Port has water rights for the wells that came with the property when they acquired it. As we know there are issues with water partially because of contamination, and partially because people elsewhere use well water. If all of a sudden the TEC starts pumping the aquifer dry then they have a problem with neighbors. That is an issue for the TEC that they have made me aware of. Their preference is to use our effluent, and our preference is for them to use our effluent. But we still want to get a fair price because down the road, while there is no other competitor for it right now, water is becoming an increasingly scarce resource. This water is real. It is a question of how much money you have to put into it to treat it to meet standards. This is a great use for it and

we feel that half of the potable water rate is a fair price. ***I will demonstrate that in a staff report that we will put on the consent agenda for your consideration.***

Councilor Allen stated we do notice that when Portland turns on their wells along the river we see the water table drop. It is a consideration.

Craig Ward stated in 2011 the Council voted down an ordinance that would have implemented the business recycling requirement. That resulted in the loss of the City's share of what is called recycle at work funding which was about \$5,000 that would have went towards staff efforts to educate businesses about business recycling. The Council at that time chose to not go down that path. Metro recently sent us a notice saying that we are still non-compliant with the Regional Solid Waste Master Plan because of that. Would you like to proceed with our current status of non-compliance, or would you like us to schedule a work session to discuss this again?

Councilor Ripma asked is Metro forcing us to?

Craig Ward replied no. If we are non-compliant than we don't get our share of the Recycle at Work funding to educate the businesses about recycling solid waste. That is the only consequence that we are threatened with for non-compliance.

Councilor Ripma stated I am happy with status-quo.

Councilor Anderson stated I will take my chances.

Councilor White stated we are currently recycling more than their goal. The target audience was for businesses with 50 or more employees which we really don't have a lot of. They were also withholding the education piece prior to us adopting it, so unless they changed their stance on any of that I don't think we should change ours.

Mayor Daoust stated I don't either. We had a thorough discussion on this before.

Craig Ward stated I will view that as consensus on the part of the Council that no work session is required.

Craig Ward reminded the Council that we have a work session scheduled for January 20th on city hall space needs. Would you like the work session to start at 6:30pm or 7:00pm? ***Council consensus was to start at 6:30pm.***

Craig Ward reminded the Council that next Monday is Martin Luther King Jr. Day and non-emergency city facilities will be closed.

9. COUNCIL COMMUNICATIONS

Councilor Allen stated I appreciate this last holiday season and the efforts of our volunteers and staff and businesses that made another holiday season very enjoyable here.

Councilor Ripma wished everyone Happy New Year. The Troutdale Historical Society and the Friends of Vista House are holding a program this Sunday, January 18th at the Holiday Inn Express at 2pm. The subject is weather in the Gorge.

Councilor Anderson stated I want to commend Mayor Daoust for the appointments made tonight. I think they were the right thing, I think the right people are in place. We have some big decisions in front of us and I think we need to move with a purpose, but we also need to invite public opinion at every stage and we will do that. Being under a timeline, speaking specifically of the Sheriff's negotiations, that is going to move pretty quickly because it has to. Councilor Allen, myself and Craig will keep everybody in the loop on that.

Councilor White read a statement from Jason Gates, Law Enforcement Chief Deputy with Multnomah County regarding the toy drive: "We have completed an unprecedented toy drive this season collecting more toys than ever before. Additionally, we received \$2,500 in cash donations at the door, and an additional \$750 in checks. Our previous record was \$1,600. An awesome job by all of our sworn and civilian volunteers who worked tirelessly to keep the toy drive staffed over seven days. We handed out about 7,000 flyers, and a record 151 bags. We received 30 bikes. What a banner year. Also our distribution process has really excelled in my opinion. In the last two years the process of giving our toys over to both Human Solutions and SnowCap, sponsoring individually identified families and sponsoring some families on the fly, seems to suit us well. We can see more of how our efforts are being realized. Thank you for entrusting me with this process, and thank you for allowing me to serve with you."

Councilor White stated I would like thank our Troutdale Police Officers, the Star Wars characters which were a huge hit, Multnomah County Sheriff's Officers, Troutdale Public Safety Advisory Committee members, SnowCap, Human Solutions, Leamy Printing and the community for their generosity.

Mayor Daoust stated in December I attended the Columbia Corridor Association Annual Meeting. This is the group that addresses the levy re-accreditation and industrial land development. East Multnomah County Transportation Committee (EMCTC) is working on deciding which of four grants they are going to award money to. The West Columbia Gorge Chamber of Commerce has submitted a bicycle grant application and the Gresham Chamber has also submitted a bicycle program grant application. I believe that Multnomah County also submitted a grant application and there was another one that I don't recall.

In the newspaper, tying in with the arts initiative, Rip Caswell is working on a sculpture of Coach Donald C. Requa, a high school coach for Pendleton High School. They are tapping into our local artists; we need to do the same thing.

An item in Craig's weekly update caught my attention. That was that the pedestrian bridge crossing Beaver Creek has been deemed a threat to public safety. Can you add anything to that statement? I didn't quite understand it because that bridge is fairly new.

Steve Gaschler, Public Works Director, stated there are two bridges down there. The one we are referring to is the older one that is upstream from the newer one. I believe it was built in the early 90's. They dropped a couple of timbers across the creek and there is dry rot occurring and there has been some vandalism. We had an engineer working down there on an outfall, and since we knew this was a problem we asked him to look at this. He wrote a letter to us saying that it is a real problem and we need to address it. We are looking into what it will take to replace that bridge and we will be bringing that forward.

Mayor Daoust stated City Day at the Capital is Thursday, February 26th in Salem. This is a League of Oregon Cities lobbying effort. If any of you are interested in attending you need to let us know. I will probably be attending. I think Craig has scheduled times for us.

Craig Ward stated I have scheduled times with both the Senator and the Representative.

Mayor Daoust stated we have floodplain issues in Troutdale. I noticed that the Seminar Group is holding a floodplain development seminar to talk about regulations under FEMA and the Endangered Species Act. That is in Portland on March 27th.

Metro East Community Media is holding a 30 Year Celebration on Thursday, January 29th from 6-9pm. There will be food, drinks and music. Please RSVP if you plan on attending.

Multnomah County Health Department will be coming to our next meeting to discuss E-cigarettes.

10. ADJOURNMENT:

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

Meeting adjourned at 8:45pm.

Doug Daoust, Mayor

Approved January 27, 2015

ATTEST:

Debbie Stickney, City Recorder