

MINUTES
Troutdale City Council – Regular Meeting
Troutdale City Conference Building
223 Buxton Avenue
Troutdale, OR 97060-2099

Tuesday, May 22, 2012

1. ROLL CALL, AGENDA UPDATE

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

PRESENT: Mayor Kight, Councilor Ripma, Councilor Anderson, Councilor Thomas, Councilor White, Councilor Allen, and Councilor Daoust.

ABSENT: None.

STAFF: Craig Ward, City Manager; Debbie Stickney, City Recorder; David Ross, City Attorney; Rich Faith, Community Development Director; Elizabeth McCallum, Senior Planner; and Charlie Warren, Public Works Director.

GUESTS: See Attached.

2. CONSENT AGENDA:

- 2.1 ACCEPT OF MINUTES:** April 3, 2012 Work Session, April 10, 2012 Regular Meeting and April 24, 2012 Regular Meeting.
- 2.2 RESOLUTION:** A resolution approving an Intergovernmental Agreement between the City of Troutdale and the City of Wood Village for provision of water.
- 2.3 RESOLUTION:** A resolution approving an Intergovernmental Agreement with the City of Gresham to provide Netmotion Server for our MDT's.

MOTION: Councilor Ripma moved to adopt the consent agenda. Seconded by Councilor Daoust. Motion Passed Unanimously.

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

John Wilson, resident, stated after the last budget meeting a lot went through my mind about the process. You ended up spending a couple hours and basically walked away with what got brought to the table. As I started thinking about everything I started looking through your last work session and as I was thinking more about that I remembered when Councilor Anderson was interviewing for the position he is now in.

One of the statements that he made is that he supported and believed in the Council Goals. That was one of the reasons why Councilor Daoust thought he would be a good choice because he liked the idea that he believed in the Council Goals. I was looking through your Council Goals (from the April 24th meeting) right before the last budget meeting and Councilor Anderson had moved to rephrase Council Goal #3, Objective B, Measure #1 to read, "Increase general fund revenue and reduce general fund expenditures through the outsourcing and/or pooling of resources with neighboring jurisdictions", and he moved that we add to that Goal a Measure #4 which would read, "Strive to maintain or grow reserve funds throughout the budget process". This motion was seconded by Councilor Thomas and it was passed unanimously.

I know the budget is coming up and this may be early, but I just want to bring this up now so that you guys can give it some thought and hopefully these aren't just words. When I read this I was a little bit surprised that there wasn't more going on at the budget meeting to try and reduce some of the expenditures. I would ask that the City Council review what was agreed upon and ask the City to go back and make an overall reduction instead of line items. I think it would be a lot less painful. I think the decision process at the budget meeting would have been a lot easier. I want to thank Dave for at least standing up to try and make that meeting short by asking that the budget just be approved the way it was. In the end after spending several hours there it might as well have been.

Jack Glass, resident, stated I have just submitted a letter of request to renew the final five year term at Jack's Tackle with Rob Brown being the present operator. The current term of the contract expires June 30, 2012.

Karen Schaaf, West Columbia Gorge Chamber of Commerce, stated I am here on behalf of the SummerFest Committee. I would like to extend an invitation to the City to once again be the presenting sponsor for SummerFest. If you were the sponsor we would have the opportunity to bring in Johnny Limbo and the Lugnuts from 5-7pm. They would add a whole new dimension to SummerFest. We just received information that indicates that they would probably be available that night. The cost would be \$4,000. I am asking the Council for \$4,000 to be the presenting sponsor. I don't need an answer right now, but it would be nice to have an answer soon.

Mayor Kight asked what is the deadline?

Karen Schaaf replied the sooner the better. They are very busy. They think they have the date open so we would want to enlist their services soon.

Councilor Daoust stated we can discuss this under council concerns tonight (Agenda Item #8).

4. PUBLIC HEARING / ORDINANCE (Introduced April 24, 2012): An ordinance amending Troutdale Municipal Code Chapter 2.20, Committees and Commissions.

Mayor Kight read the ordinance title.

Debbie Stickney, City Recorder, stated tonight is the second hearing on the amendments to the Committees and Commission Chapter of the Municipal Code. At the first hearing on April 24th Council directed staff to change the Term for the Public Safety Advisory Committee members from a 4-year term to a 3-year term. That change is reflected in the ordinance that is before you this evening. In addition, I am proposing a minor language change to the last sentence in Section 2.20.120(C), which is outlined on page 2 of the staff report. This change is also reflected in the proposed ordinance before you for your consideration this evening.

Councilor Ripma asked what is the change to Section 2.20.120(C)?

Debbie Stickney stated the language will now read (new language in ***bold***): “All members of the committee will also be a resident and elector of the City ***or a Troutdale business owner*** except in the event that a high school student, who is not an elector, is appointed.” This change further clarifies that a Troutdale business owner who is not a resident can serve on this committee.

Mayor Kight opened the public hearing at 7:09pm.

No testimony received.

Mayor Kight closed the public hearing at 7:10pm.

MOTION: Councilor Thomas moved that we adopt an ordinance amending the Troutdale Municipal Code Chapter 2.20, Committees and Commissions. Seconded by Councilor Daoust.

VOTE: Councilor Ripma – Yes; Councilor Anderson – Yes; Councilor Thomas – Yes; Mayor Kight – Yes; Councilor White – Yes; Councilor Allen – Yes; Councilor Daoust – Yes.

Motion Passed 7 – 0.

5. PUBLIC HEARING / ORDINANCE (Introduction): An ordinance amending the Troutdale Development Code (Text Amendment No. 47) to comply with Title 13 of the Metro Urban Growth Management Functional Plan – Nature in Neighborhoods.

Mayor Kight read the ordinance title.

David Ross stated Item #5 of tonight’s meeting agenda is being processed as a Type IV Legislative Land Use Hearing in accordance with the provisions of the Troutdale Development Code. A staff report has been prepared for this matter and was made available before the hearing. The staff report identifies the approval criteria that apply and analyzes those criteria. The procedure the City will utilize for this hearing is as follows: 1) staff will present the report; 2) the Mayor will open the public hearing; 3) anyone who wishes to testify about the proposed text amendments will be given the

opportunity to do so; and 4) after all the testimony has been submitted, City Council will discuss the proposal. If you are going to testify, make sure that you have signed in and give your name at the beginning of your testimony so the City has it on record. If you are going to submit exhibits such as letters, reports or pictures, please identify the exhibit for the record and confirm that you want it included in the record before you distribute it to the Mayor and City Council members. Your testimony and the exhibits should address the applicable approval criteria. If you believe that other criteria apply in addition to those that are addressed in the staff report you must identify those criteria and explain why you believe they apply to the proposal that is being considered. The Mayor may reasonably limit oral presentations in length or content depending upon time constraints. Any party may submit written materials of any length while the public record is open. After all the testimony has been submitted, the Mayor may close tonight's public hearing and this matter will be set over for a second reading on June 12th. This summarizes the procedure. Before the staff report is presented, do any of the City Council members or the Mayor have any conflicts they wish to disclose?

Mayor Kight stated I have a potential conflict. Beaver Creek is in the front of my property and in the back is the overflow channel of the Sandy River. Part of this legislation could potentially affect my property.

David Ross stated you are a member of a class of people who are similarly affected.

Councilor White stated I am in the same situation as the Mayor.

Elizabeth McCallum, Senior Planner, read her staff report (copy included in the packet).

Elizabeth McCallum stated after the packet was delivered to you we received two letters. The first is dated May 17th and is from Tom Bouillion, Planning Manager with the Port of Portland. The second is dated May 22nd from Dalton Williams. Both parties are here to speak to their letters.

Councilor Daoust stated in the letter from the Port of Portland regarding off-site mitigation they reference a proposed amendment to Chapter 4.315.A.3 of the Troutdale Development Code. I cannot find exactly where they want to make this amendment.

Elizabeth McCallum replied I believe his reference is from a prior version of the amendment. The amendment that he is requesting would fall in the off-site mitigation section on page 12 of Exhibit A – 4.315.iii(a). They would like this language revised as proposed in his letter. The model ordinance does allow off-site mitigation in the same sub-watershed area.

Councilor Daoust asked so that would include the Sandy River Delta?

Elizabeth McCallum replied yes it would.

Councilor Daoust asked and that coincides with the model ordinance?

Elizabeth McCallum replied yes it does.

Councilor Daoust asked have we ever considered the Sandy River Delta to be off-site for mitigation?

Elizabeth McCallum replied the original proposed amendments to the Planning Commission (PC) in May of 2009 had that language included. The PC discussed it and the bottom line is that they thought that the mitigation should be in the city limits.

Mayor Kight asked is the issue that the Port is bringing forward called out in your proposed language? Is there issue resolved or not?

Elizabeth McCallum replied in the amendment their issue is not resolved. They have been requesting that change ever since the PC recommended to the Council to not have that option.

Mayor Kight asked regarding the letter from Mr. Dalton, is his language addressed in the changes?

Elizabeth McCallum replied no it is not. That was not brought forward in these streamlined amendments. It came originally as a request from an attorney representing McMenamins and that attorney does cite in her May 20, 2009 letter a section in the model ordinance allowing for that provision. It is not in conflict with the Metro Title 13 ordinance.

Mayor Kight asked so both Dalton Williams and McMenamins are not affected?

Elizabeth McCallum replied it is the request from Dalton Williams to have that amendment added because...

Mayor Kight interrupted and asked are you saying it is redundant?

Rich Faith replied no. It was in the old version that has been rejected. It is additional language that was not the absolute minimum for substantial compliance and therefore it was taken out of this set of amendments that is before you.

Mayor Kight asked because?

Elizabeth McCallum replied there were many amendments in the prior version that bulked it up and we were asked to totally streamline it.

Mayor Kight asked is his issue resolved?

Elizabeth McCallum replied no it is not. He is asking that this amendment be put back in.

Councilor Anderson stated you did exactly what we asked you to do – strip it down, go to Metro and get substantial compliance. Now we are going to start introducing some language back into it that got omitted because we asked you to do that. Mr. Ross, we are on a timeline here and hypothetically we are going to take a look at these two requests tonight and we may elect to put one, both or neither of them in the ordinance. What happens if someone comes to the second hearing on June 12th and says that we forgot something else? Do we have to have another public hearing after that?

David Ross replied no.

Councilor Anderson stated I just want to make sure that by adding any amendments tonight or on June 12th that we are okay with the timeline that our delegation negotiated with Metro.

David Ross stated there is going to be a first reading and public hearing tonight and there will be a second reading and public hearing on June 12th.

Councilor Daoust asked on what page would Dalton Williams' language appear?

Elizabeth McCallum replied it would go on page 7 of Exhibit A as 4.312.C.3, right before 4.313.

Councilor White stated I am confused because I was part of the delegation that met with Metro and we had Dalton's request as part of the 20 page packet.

Elizabeth McCallum replied you had the request that pertains to not requiring 80% density when property is affected by more than 50%. The two requests are not related. He was just very supportive of what McMenamins was wanting.

Councilor Ripma asked on the Port's request you made a comment in answering Councilor Daoust's question that referred to hydrological area or sub-watershed area. I got the impression from your comment that it took care of the Ports issue because it covered the Delta. Can you clarify?

Elizabeth McCallum replied the language that you have before you in the amendment does not cover what the Port is requesting. The Metro Title 13 model ordinance permits off-site mitigation within the same sub-watershed. The Port is asking us to put that provision into the amendments because the language that is before you is much narrower than that at the request of the PC.

Councilor Ripma stated in other words, both the Ports request and Dalton Williams request are not inconsistent with the model ordinance and probably shouldn't affect the agreement with Metro.

Elizabeth McCallum replied I would concur with that.

Councilor Anderson asked to be clear, your professional opinion is if we adopt these two things it is not going to affect the agreement that the delegation made with Metro?

Elizabeth McCallum replied based upon what I have read in the model ordinance, it should not end up as a conflict with how Metro sees us in substantial compliance.

Craig Ward stated we have two weeks in between meetings. If you are inclined towards endorsing these, really the question is will that keep the document faithful to the agreement we have with Metro. We will simply ask them and we will be able to come back to you in two weeks with an answer.

Councilor Daoust stated on Dalton Williams' proposal it says manmade water control facilities (these are uses and activities that would be exempt from the requirements of this chapter). My question is in regards to the words wastewater facilities and storm water quality facilities, which would be the City's wastewater facility, would there be an issue with exempting the City's wastewater facilities?

Elizabeth McCallum replied in my opinion no. Here is the exact language from Metro's Title 13 model ordinance, "Operation, maintenance and repair of manmade water control facilities such as irrigation and drainage ditches, constructed ponds or lakes, wastewater facilities, and storm water pretreatment facilities." They have that in the exemption section of the model ordinance so I do not see a conflict with putting that language in there.

Councilor Allen stated I like the idea of asking Metro their opinion.

Mayor Kight opened the public hearing at 7:32pm.

Tom Bouillion, Port of Portland, stated I believe you all have a copy of the letter I provided (copy included in the packet). There are really three major points for why we are making this request. The first is that we have a somewhat long-term and good working relationship with the US Forest Service. They have allowed us to plant vegetation, specifically trees, on their property on the east side of the Sandy River. They are actually looking for partners to help re-vegetate their property. In the past the City has allowed vegetation mitigation for tree cutting to occur on the US Forest Service property (related to tree cutting in and around the Troutdale Airport in 2005). It is also an area that is extensively used for recreation by Troutdale residents so we feel like it is a win-win for everybody. The second point is that despite the fairly large amount of acreage that the Port owns in Troutdale there are a lot of constraints to doing larger-scale tree planting and other types of vegetation mitigation. Some of the issues on the Port property include: the proximity to the Airport; proximity and location of BPA and other electrical power lines and easements; the fact that there is already a lot of areas outside of the levy that are heavily vegetated or planted with trees; and even on other public property within the City of Troutdale we feel like there are some limits as to what

we can do. Finally, Metro Title 13 model ordinance does allow for mitigation within the same sub-watershed. We have provided some proposed language in our letter.

Councilor Daoust asked you are talking about mitigating trees that have to be cut on the west side of the Sandy River?

Tom Bouillion replied yes.

Councilor Daoust asked are there that many trees that would need to be cut on the west side of the River? Weren't there a lot of trees cut on Forest Service land because of the Port of Portland needs for the Airport?

Tom Bouillion replied yes there was tree cutting on the east side of the river. There may be a need for a fair amount of tree cutting on the west side particularly related to development at the TRIP property. That could be potentially a few hundred trees at final development of the site. When you think about tree mitigation densities a typical planting regime might be planting trees 10' on center. You can end up consuming a fairly large area as you go through a mitigation process.

Councilor Daoust asked what type of agreements have you had with the US Forest Service in the past to plant on the Delta? Is it a formal written agreement with the Forest Service?

Tom Bouillion replied as far as I know we don't have a formal agreement, it has really been more of a handshake agreement with their manager. The planting has been done in conformance with their management plan for the site. The last time that I am aware of a planting that we did was on the area that they call Sundial Island.

Councilor Daoust stated if we open up the Forest Service Sandy River Delta for anybody to mitigate there, we are talking obviously more than just the Port of Portland, it could be any developer or anyone that wants to mitigate off-site. I don't expect you to answer that question. I expect the Council to ponder about whether we could limit it to just the Port of Portland.

Dalton Williams, resident, stated the first attempt at satisfying Metro's requirements, Text Amendment #47, had a section in it that dealt with ditches and that section has been left out. I sent a letter to Ms. McCallum regarding that (copy included in the packet). I would like to make a correction to the second paragraph of my letter. The Troutdale Development Code section that this should go into is 4.312C rather than 4.300. It would be adding an additional item (3) to that section. The text that I proposed was copied from the previous version of Text Amendment #47. As far as the actual content of that text, relative to the wastewater issue, I don't know if that actual term or word has to be there because there are no sewers or that sort of thing in there as far as wastewater. That just happens to be the text that matched the other documents. I don't believe that this has a negative impact on the changes on Metro's Title 13. I think it is compliance as Ms. McCallum has pointed out. It does have a major impact on my

property. If it is not included it complicates the ability to do anything on the property. The same issue was brought to light by McMenamins' attorneys. I am requesting that the text be amended.

There is another property in Troutdale that is currently being evaluated for a development and that is the old pond at the intersection of Jackson Park and the Historic Columbia River Highway. I used to own that property and I got to know Mrs. Espenel who lived across the street and we would frequently go through some of her family things. She had a picture of one of her sons and a couple of his acquaintances standing in the middle of that field where the pond is located right now. Based on that picture, which also has the barn in it, that pond is manmade because it was originally a field. Having this text added to the ordinance would help to facilitate further development of that property. I think it would make it much more desirable. I am not suggesting that someone eliminate the pond, but it is an amenity that has a lot more flexibility if this amendment is in place. Likewise for my property and the McMenamins property.

The ditch on my property became a ditch after I acquired the property to the west of my house. As I rehabbed that property after the house was removed, I had fill brought in and I had a guy with a backhoe clean out that ditch along the hill. There was a French drain in there at the time I opened it up as an open ditch. The City of Troutdale, and their contractor, mitigated a flooding problem that I had from next door by putting in an 8" drain to the storm sewer to my west. At that time they needed to stop the flow of the river coming off of the Harlow House property so I allowed them to pump that water into my ditch in exchange for making it larger and about 30' to 40' longer to the east. That provided them with the ability to pump into it and have it drain to west into that 24" culvert. There has been some City involvement in that ditch. The ditch was created to control the runoff from the hillside.

Councilor White asked have you met with staff in regards to this subject?

Dalton Williams replied yes.

Councilor White asked are you comfortable with the language?

Dalton Williams replied yes I am. It just duplicates what was in the prior version of the amendments.

Councilor White stated I appreciated your input on the reduced density. That was an excellent suggestion.

Peter Matskey, resident in Portland, stated I own a property that is affected by this action. My only contention is in regards to the monitoring and reporting section on page 15 (4.315.A.3.c.iv.h). The way this section reads is that the property owner is responsible for submitting color photographs of the mitigation plantings for five years annually. Each year they have to submit it with a cover letter. I think this section is very

excessive. Some of us have multiple properties and to keep track of every property and every issue with each property I think is excessive. I would humbly ask that you reconsider that section and would encourage you to strike it if possible.

Mayor Kight asked do you see a compromise?

Peter Matskey stated I personally don't think that the property owner should have to be responsible for taking photographs and submitting them. I don't think that should be their burden.

Councilor Daoust stated when the Negotiating Team was negotiating with Metro one of the sticking points with Metro was the monitoring of the mitigation planting. Because we relaxed the number of trees to plant Metro was very concerned and said that we will let you plant less trees but you better monitor them really well so that we know that they have survived after five years. So then the question was who is going to monitor it. Is the City going to spend money to send people out there to monitor the trees that a landowner plants? Probably not. The way it is worded it does fall on the landowner. But rather than having to submit a monitoring form the thought was providing photographs would be easier. As long as they survive everybody is happy. So how do you prove they are surviving? My only point here is that the Team discussed this with Metro quite a bit and they feel that monitoring and reporting is extremely important.

Councilor Thomas stated that is the way I remember the discussion as well. Really what we are trying to do is replace the canopy and not so much the quantity of trees. In order to make sure that we got the canopy replaced we had to ensure that there was a good chance of survivability.

Councilor White asked are you aware that you only have to do that if you are going to remove a tree from a riparian zone or if you are going to encroach in it for building purposes?

Peter Matskey replied on the property that I have in question there is a portion of it that any development would necessitate some action. I purchased another property a year ago and the property is in Portland and it had a \$13,000 plantings lien against it. I understand that it is not your jurisdiction, but I just think that some things are getting really out of hand and this just strikes me as that same vain; that it is being overly excessive on people that are trying to do good things.

Councilor White stated we hired an outside attorney to help us wade through Title 13. We have actually relaxed some of the requirements for tree mitigation. The bottom line is that 80% of the trees need to survive so we removed some of the language that talked about mulching, weeding and how often you have to water. This was a compromise. I don't think any of us were really happy with it; it definitely was a compromise.

Jack Glass, resident, stated I live on the east bank of the Sandy River which is probably one of the most sensitive areas in the State of Oregon to do any development or building because of the Columbia River Gorge requirements. I apologize that I haven't been able to follow-up with Troutdale as closely as I would like to. I received this notice so I came tonight basically because of the comment that this could affect my property values. I would like some help with some information beyond this meeting on how this could affect my property. Will my property value go down, or will it change anything?

Mayor Kight stated we can ask staff to address that after we complete taking testimony.

Jack Glass stated I am very familiar with the waterways in the area of the Sandy River because I make my living there. There have been a lot of changes to the Sandy River Delta since the US Forest Service has taken over. They have planted a lot of trees there; it is really taking shape and looks nice. The big change that is going to happen in the Delta is opening the old Sandy River channel. That will be a huge benefit to the entire watershed of the Sandy River. 25 years ago I proposed to Fish and Wildlife to make that change and they were reluctant to do it at the time. I am glad to see that will happen.

No further testimony.

Mayor Kight closed the public hearing at 7:59pm.

Mayor Kight asked Ms. McCallum if she would address Mr. Glass' question.

Elizabeth McCallum stated with respect to the actual language in the notification that went out to potentially affected property owners, that comes from the state statute for notifications for Measure 56. It says your property value may go up or may go down. Jack's property is a unique situation. He is on the east bank of the Sandy River and that is within the Columbia River Gorge National Scenic Area. As a result of our Intergovernmental Agreement with Multnomah County these particular development standards do not apply to Jack's property because under the Columbia River Gorge National Scenic Area Act they have their own Title 13 equivalent overlay standards. These really don't affect his property at all.

Councilor Allen asked is Dalton Williams property in the Town Center Overlay?

Rich Faith replied yes.

Councilor Thomas stated I have one question regarding the proposed change about the wastewater facilities. If we were to take that out would it create a problem? I am not exactly sure what it is applying to. We have our own wastewater facility and my concern is could we end up with other wastewater facilities if we left that in there.

Elizabeth McCallum replied referring back to the exempt uses and conditioned activities in Metro's Title 13 model ordinance, what that is saying is that a wastewater facility is

exempt from the requirements of this chapter. In other words we have a pond at our wastewater facility. We don't have to apply a 50' vegetation corridor to that pond. That is what that means. I think it is beneficial to leave it in there.

Councilor Daoust stated going back to the Port of Portland proposal to include the Sandy River Delta. I don't know if the rest of the Council is concerned about this, but I have a level of concern that we would open that up to anybody and everybody to look at the Delta for off-site mitigation. Because of the National Scenic Area it is managed by another federal agency and that agency has a Reforestation and Restoration Plan in affect already. They have their own plans as to where to plant trees, how many trees to plant, which channels to open. They have a plan for the whole area. I don't think we want to bombard the Forest Service with a bunch of off-site mitigation requests. I am thinking that we may want to change their proposal to be something like – the off-site property must lie within the city limits of Troutdale or the Troutdale Urban Planning Area. And then say something like the Port of Portland or TRIP property owners may implement mitigation plantings through an agreement with the US Forest Service on the Sandy River Delta. This would limit the off-site mitigation to the Port of Portland or TRIP property owners.

Councilor Anderson stated if we use that language then the Port gets what they want and it is also a safety valve to prevent anyone else from taking advantage of that. Am I understanding you correctly?

Councilor Daoust replied yes, that is my point. In our negotiations with Metro we did not have the Sandy River Delta in there. Now we are thinking about including that. I just want to get the Port of Portland what they desire, because I do see the necessity for that, but limit it to them.

Councilor Anderson asked Rich and Elizabeth, do you think that you can work with Mr. Bouillion to come up with suitable language that addresses the concerns of both Councilor Daoust and the Port of Portland?

Rich Faith replied he has offered specific language. I would start with that.

Councilor Anderson stated I would just work with Mr. Bouillion and the Port and make sure that they are okay with this because Councilor Daoust does raise a valid concern.

Elizabeth McCallum stated the model ordinance says that off-site mitigation shall be approved under this subsection provided that the applicant has demonstrated that it is not practicable to complete the mitigation on-site and that the applicant has documented that it can carry out and ensure the success of the off-site mitigation on a property within the same sub-watershed. The model ordinance language would afford that opportunity to anybody who can't do the mitigation on their property.

Councilor Ripma stated the Forest Service could always say no to someone. Really it doesn't seem like very many property owners in the city are going to go to the trouble of

developing an agreement with the Forest Service for mitigation. The Forest Service would only agree to it if they thought it was a good thing. It just seems like it wouldn't be that burdensome to the Forest Service. The Port is probably one of the few entities that would go to that trouble.

Councilor Thomas stated I really like the way that Councilor Daoust has worded that. One of my concerns initially with mitigation was I really wanted to see it stay within Troutdale as much as possible so that the citizens actually see a benefit from the mitigation. The more we allow it to be pushed outside of the City of Troutdale the less likely there is a direct benefit to us. The way Councilor Daoust worded it makes sense to me.

Councilor Allen stated I understand the concerns. Can you have an ordinance that treats one group different than the others?

David Ross replied it might be problematic.

Mayor Kight asked based upon the language that we have here today, do you believe that the concerns on the part of the Port of Portland have been addressed?

Rich Faith replied no, not in what we have now.

Mayor Kight asked if they wanted to do something as far as removing trees, what process would they have to go through?

Rich Faith replied that is really not the question. The question is when they remove trees where can they replant to mitigate for what they are removing. As it is proposed right now they are limited to doing that somewhere within the city limits or our Urban Planning Area. It doesn't have to be on their property, but it has to be within the boundaries of our city limits or our Urban Planning Area. Their request is to go beyond that area.

Councilor Anderson stated they want more options.

Rich Faith replied yes.

Councilor Allen stated it seems like a fair request. I would like to support it. My question is can we do it.

Councilor Anderson asked how does the Council feel about the Dalton Williams request? Is this something that we should instruct staff to reinsert?

Council consensus was to add Mr. Williams proposed amendment back into the Text Amendment.

Councilor Anderson suggested that in the next two weeks Mr. Bouillion, Mr. Ross, Mr. Faith and Ms. McCallum can get together and develop language that is suitable to the Port and accomplishes their objectives. If that is just adding what Mr. Bouillion has suggested that is fine. I share Councilor Daoust's concern. We don't want to open it up. I also agree with Councilor Ripma that the Forest Service has every right to say no. We are getting to broad. We have a simple request from the Port of Portland and I think there might be an issue with allowing an entity (only one).

Councilor Ripma stated we need to give staff direction. I think adopting the Port's request will either be done by limiting it only to the Port as having the right to do this subject to an agreement with the Forest Service, or not limiting it to just the Port and allowing anyone who has an agreement with the Forest Service to do it. That is the kind of direction we need to give.

Councilor Daoust stated I will obviously go along with what the Council wants to do. The only people in Troutdale that have even talked to the Forest Service about planting on their land is the Port of Portland. The City hasn't discussed this with the US Forest Service. How would you like it if the Forest Service said we would like to do off-site mitigation plantings on the City of Troutdale land without even talking to us? I don't know that we can sit here and say that we are going to do some off-site planting on Forest Service land without even checking with them. The Port is the only body that has checked with them and so that is part of the reason why I was trying to limit it rather than opening it up. I think the language that I was proposing covers the base and narrows it down to the people that have talked to the Forest Service.

Councilor Anderson stated I am fine with that. As long as it is all legal I am all for it.

Councilor Allen stated I agree with that statement.

Elizabeth McCallum stated I think we are making it too complicated with respect to Mr. Bouillion's request. Part A could be amended if you are amenable to allowing mitigation outside of the city limits just by saying what the language of the model ordinance says – the off-site property must be with-in the same sub-watershed where the trees were removed. The Port could then go make their agreement with the Forest Service and that is provided for on the bottom of page 12 (section.b.iv) which reads in part, "...including documentation that the applicant possesses legal authority to conduct and maintain the mitigation..." I think it is complicated to add a specific location rather than leaving it broad in the same sub-watershed.

David Ross stated and there has to be a showing of impracticability, right.

Elizabeth McCallum stated they have to show that there is a reason. That is explained on page 12 as well. It leaves it open for anybody.

Councilor Daoust stated from my perspective I think that general language makes it even more complicated. What you are doing is you are opening up the whole sub-

watershed to any land owner that wants to mitigate across the stream on someone else's land. A sub-watershed is a big area and is not just the Troutdale side, it is also the other side. I think that the general language in the model ordinance would make it more complicated.

Rich Faith stated I agree. Using just the word sub-watershed is open to a very broad interpretation. The Sandy River is a sub-watershed of the Columbia River. The Willamette River is a sub-watershed. This actually gets more refined, and they actually clarify what they mean by a sub-watershed and it is the sixth field hydrologic unit code. I don't know what that means but I am sure it is starting to get it down to a detailed area of what watershed.

Councilor Daoust stated I do know what that means. It is a rather large watershed.

Craig Ward stated I sense consensus on the part of the Council to take Councilor Daoust's language and meet with the Port of Portland and discuss it with Metro and David Ross and see if we can't blend those into a proposal that satisfies everyone.

Mayor Kight asked does the Council agree with that approach?

No objections were raised by Council.

Mayor Kight called for a break at 8:19pm and reconvened at 8:32pm.

6. RESOLUTIONS: Resolutions increasing the Storm Sewer, Sanitary Sewer and Water Utility Fees:

- 6.1** A resolution adjusting the storm sewer utility fee and rescinding Resolution No. 2105.
- 6.2** A resolution adjusting the sanitary sewer utility fee, confirming the average flow rate for an equivalent residential unit and rescinding Resolution No. 2106.
- 6.3** A resolution adjusting the water commodity fee and the water installation charge, confirming other water related fees and rescinding Resolution No. 2107.

Charlie Warren, Public Works Director, stated the issue before us is a proposed rate increase for storm sewer, water and sanitary sewer. This issue was discussed during the budget meetings and now it is up to the Council to decide whether or not these resolutions are passed that would actually increase water, sewer and storm sewer utility rates for the city. Storm sewer fees are being proposed to be raised by 4.3% which is the equivalent of \$.16 per month or \$1.92 per year with an approximate increase to our revenue of \$10,000 a year. Sanitary sewer fees would be raised by 4% from \$30.55 to \$31.77 per month per equivalent residential unit. That would be an increase of \$1.22 per month or \$14.64 per year with an approximate revenue increase of \$97,500 per year. No change is proposed for the septic tank effluent pump system fee. Water fees are being proposed to be increased by 3.8%, from \$2.65 to \$2.75 per 1,000 gallons. Based upon an average use of 7,000 gallons per month this would be an increase of

\$0.70 per month or \$8.40 per year. That would be an approximate revenue increase of \$56,500 a year.

The sanitary sewer and storm sewer fee increases are fairly easy to predict because they are based upon a flat fee. The water fee is based upon an assumption of consumption, and it is based upon the willingness of the users to use the water, and the type of weather we have in a year.

During the Budget Committee meeting I showed the rates for the City of Troutdale compared to other cities. The total combined rates for Troutdale, at an average of \$52.88 per month, is the lowest of those comparable cities including cities east of us that we discussed at the budget meetings. The average of the total group was \$74.32 per month.

The handout that I have given you (copy included in the packet) is from a host of different reports that we have. The City has a completed Storm Sewer Master Plan that was presented to the Council a couple of months ago. That Plan had a list of projects. On page 3 of the handout you will see all of those projects listed that were identified in the Master Plans (both North and South Master Plans). The City has recently completed a draft Water Master Plan. Projects in the draft Plan are shown on page 1 of my handout. I have listed each project, the priority of the project, the fiscal year we anticipate paying for the project and whether or not it will be paid with user fees, system development fees or both. The most important thing to identify from this list is to take a look at the cumulative amount for all of the projects. We have identified about \$6.8 million in projects that can be paid for from user fees. You will notice that we only have two projects being funded in 2012-13. Based on that, the Water Master Plan graph has identified rate increases far exceeding the 4% increase we are proposing tonight. It is not our intention to try and address full funding of any of these tonight. What we are trying to do is get a reasonable rate increase that keeps us a little bit ahead of the game. The sanitary sewer only has \$690,000 in projects listed and there are two reasons for that. Back when the new sewer treatment plant was built there was a full analysis for our sewer system and rates were increased substantially at that time in order to pay for the bonding. The second reason is that we don't have a current master plan for sanitary sewer so we don't know yet what projects will be added to this list.

Councilor Anderson asked of the three disciplines here, water, sanitary sewer and storm sewer, which is the most important that needs to be addressed right now? Meaning that if we did not implement all three rate increases and we were only going to implement one of them, which one would you choose?

Charlie Warren replied water. We have an existing Master Plan that identifies those projects. Several of the projects identified are very alarming, two in particular. They are the interior lining of Reservoirs #4 and #2. Those two projects are estimated at \$775,000. Those two projects alone are very disturbing to me in that with our current funding level we have no way to pay for those projects. We need much more than a 4% increase in order to do those. The water rate increase proposed will only bring us an

additional \$56,500 in revenue. We are going to need to think outside of the box to save some money in the water fund to be able to do those projects.

Councilor Anderson asked of all of the budget allocations that you have mentioned, how sure are you that replacing Well #2's pump and motor is going to cost \$50,000?

Charlie Warren replied I am almost dead certain that it will cost less than that.

Councilor Anderson stated so everything that is earmarked for this year you are pretty certain that it will be at or below the amount listed?

Charlie Warren replied absolutely.

A discussion took place regarding Well #5 and the issues of the brass shavings.

Councilor Allen stated I had an interesting conversation today regarding a town in Idaho who for thirty years underfunded their infrastructure and now they have a considerable bill to pay to try and get their infrastructure back. I would prefer to not get there. Another thing I want to comment on is I am not sure that we are actually the cheapest in the area, although we are near the bottom on the rates. Although technically what you stated was true.

Councilor Anderson asked when did the sewage treatment plant come online?

Councilor Thomas stated 2001 or 2002.

Charlie Warren stated I wasn't here but that sounds about right.

Councilor Anderson stated so it is a ten year old facility and the rates jumped to pay the bond. Why at twelve years old do we need to start looking at big expenses? Is it performing the way that it is supposed to?

Charlie Warren replied it is performing the way that it was designed. If you go back to that period of time gas and electricity was a lot cheaper. Generally the theory at that time was that bigger was better because Troutdale is going to grow through the roof and we were going to need every bit of that capacity. One of the things that I keep bringing up is that it has two aeration basins and three huge 75hp blowers that operate continually 24/7. We only need one of those aeration basins at any one time. We have been operating two basins continuously for all of these years. The blower projects will replace one of those blowers so we can shut down one of those and then it is ready for us when we need it. While I wouldn't say that the plant was built incorrectly, it was built for its time. We also had only one electrical meter for the whole plant. Now we are breaking it down to each section and we are doing an analysis on each section to try and get some efficiencies.

Councilor Daoust asked if all three of your proposed rate increases are agreed to then that would be an increase of about \$2.00 per month, correct?

Charlie Warren replied yes.

Councilor Daoust asked and if all three rate increases are approved you will only be able to fund one or two projects at the most off of this entire list of projects?

Charlie Warren replied I can justify a substantially higher rate increase for all three. What I am saying is if we don't do this minimal amount we are going to start digging ourselves a hole and we will fall further and further behind. You asked which one is the greatest need, sanitary sewer is the least need, but that doesn't mean that we shouldn't do it. If you look at how the budget is going, we have about a \$200,000 deficit spending going on in sanitary sewer in the 2012-13 year. With this rate increase we will gain about \$97,500. In 5 or 6 years when we pay off our sewer bond that will free up the revenue in the utility fund and then we can start using that money to pay for some of these big projects.

Councilor Anderson stated in essence these rate increases are not going to solely fund the work that you've decided to do this year. It will fund that, but it will also start off-setting that deficit spending, correct?

Charlie Warren replied that is what we are shooting for. But remember the rates for user fees also pays for materials, services and personnel for those funds.

Councilor Anderson asked you cite residential rates, what does this do to commercial?

Charlie Warren replied on storm sewer we have a cap of \$24.77. That is extremely low. FedEx pays \$24.77. Most communities charge based upon impervious surface. Sanitary sewer is based on their equivalent residential units. We have to figure out what the equivalent residential unit is for the type of industry they have and they pay on that basis. For water it is based on \$2.65 per 1,000 gallons used, but it is based on meter size and we have a monthly fee for the meter size.

Councilor Anderson stated the residential rate increases look somewhat innocuous, but I don't want our business owners' rates to go through the roof comparatively because of usage.

Charlie Warren stated I believe that any commercial or industrial businesses can get a good idea of what their actual increase would be by simply multiplying it by 1.04.

Councilor Daoust stated we raised these rates last year, and we are relooking at them again this year. Is it a probability that we will be looking at another rate increase next year?

Charlie Warren replied for water and storm sewer that is a given.

Mayor Kight asked is there any one here that would like to speak to this issue?

No public testimony received.

Councilor White stated I have a concern with the water rates continuing to go up. At our current rate you will be doubling our fee every 20 years or less. We have 32 people this month that have received a water turn-off notice. I did some calling on my own this week and Cascade Locks is \$0.45 per 1,000 gallons cheaper than us. The City of Sandy is \$0.55 per 1,000 cheaper than Troutdale. In the future I would like to include those two cities in our analysis when we look at the rates. I would like to see a plan where we are not always relying on the ratepayers to come up with the money. Erich Mueller mentioned that Troutdale may be getting an energy plant that would become this towns largest water user. I would just like to see some effort or a plan that looks at other sources to handle these projects. It may not sound like much, as Councilor Daoust pointed out that the total is only \$2 per month, but there is no end in sight.

Councilor Anderson asked Craig, is there a way that we can do a Pro Forma on the Troutdale Energy Center? Base it on hypothetical data; if it exists we think they might use this much and it will result in this much revenue. Is that even plausible at this stage?

Craig Ward replied sure.

Councilor Anderson stated I don't want to spend the money before we get it because that is how a lot of jurisdictions get into trouble. But, I would like to see an impact statement that if everything came together this is the amount of revenue that we feasibly think it could produce. And the second part of that is if they did come here, the percentage rate increase we would normally advocate, would we not advocate for it because of this.

Craig Ward stated I think we can give you the information on projected revenues if the project actually is built with a strategic investment zone. We already have those numbers and I thought we had shared them with you. Certainly we haven't put it in the context of if we have a million dollars more coming into the general fund, how would we spend that money. That I think is really the question that you are asking – could we use that to offset rate increases. That is a policy question for you.

Dalton Williams stated if there is going to be additional cities added to the estimate of what the general cost of water is in other jurisdictions, I think it would be appropriate to include in the analysis whether it comes from surface water as in reservoirs or drawn from wells. I think there is a difference in the cost depending on the source.

John Wilson stated when I looked at these numbers the other day the one thing that it doesn't say is what the citizens of each one of those cities get for that money. Portland and Gresham are using water money to build these new sidewalks so that the water

runoff is feeding vegetation, or building bicycle paths or other things that we may not be doing. That may be why these rates are higher. When you look at a number it is just a number until you find out why it is that much higher than ours. Just to increase rates because others are higher than ours does not make sense.

Councilor White stated Charlie gave me a tour of public works and I found everything to be in very good working order. I learned quite a bit about the rehabilitation of wells and I get it, but it is a concern.

MOTION: Councilor Ripma moved adoption of a resolution adjusting the storm sewer utility fee and rescinding Resolution No. 2105. Seconded by Councilor Allen.

VOTE: Councilor Ripma – Yes; Councilor Anderson – Yes; Councilor Thomas – Yes; Mayor Kight – Yes; Councilor White – Yes; Councilor Allen – Yes; Councilor Daoust – Yes.

Motion Passed 7 – 0.

MOTION: Councilor Ripma moved adoption of a resolution adjusting the sanitary sewer utility fee, confirming the average flow rate for an equivalent residential unit and rescinding Resolution No. 2106. Seconded by Councilor Daoust.

VOTE: Councilor Ripma – Yes; Councilor Anderson – No; Councilor Thomas – No; Mayor Kight – Yes; Councilor White – No; Councilor Allen – Yes; Councilor Daoust – Yes.

Motion Passed 4 – 3.

MOTION: Councilor Ripma moved adoption of a resolution adjusting the water commodity fee and the water installation charge, confirming other water related fees and rescinding Resolution No. 2107. Seconded by Councilor Daoust.

VOTE: Councilor Ripma – Yes; Councilor Anderson – Yes; Councilor Thomas – Yes; Mayor Kight – Yes; Councilor White – No; Councilor Allen – Yes; Councilor Daoust – Yes.

Motion Passed 6 – 1.

7. STAFF COMMUNICATIONS

Craig Ward stated I would ask the Council and the public to be patient over the next few days while we move city hall functions into leased space downtown. The June 12th Council meeting will be held at the new City Hall location at 219 E. Historic Columbia River Highway. Court functions will not be held at this location until July. City Hall will be closed on Memorial Day which is next Monday.

8. COUNCIL COMMUNICATIONS

Councilor Ripma stated I appreciated the public comments, and your comments Councilor White about these rate increases and the fact that there were 35 shut-off notices. I didn't enter the debate, but it wouldn't affect the consideration of what we had to do today. My conclusion was that staff has demonstrated the need to do this or we are going to be faced with really painful and hard choices later, which is just exactly what we shouldn't be doing. But I did listen to all of the comments and I appreciated it.

Councilor Thomas stated I was talking to one of the Gresham Councilors recently about their solar energy plant that they put on their waste water facility. I talked briefly with Charlie earlier this evening about the possibility of this being something that we ought to consider. It appears with their solar plant that they are able to pay a good portion of their electricity costs for what they need at their plant. I don't remember the exact percentages, but it was in the range of 45% to 50% that they are covering with the electricity generated from that plant. It would be nice to look at those types of things to maybe offset some of our energy costs for all city buildings.

I want to wish everyone a safe and happy holiday; please be careful around the water.

Councilor White stated I want to thank the Troutdale Lions Club for putting on the Troutdale Trot. It is an annual event that continues to be very successful and continues to grow participants.

Councilor Daoust stated I have had the honor of being in City Hall recently during the move effort and I have seen all of the boxes that it takes to pack up City Hall. It is a huge boxing effort. The one thing that I want to bring up tonight is that it was brought to my attention that there are a lot of records in City Hall that will not be moved, particularly those that are located in the vault. These are historic records that the City has to maintain. If we are going to keep the records there we may need to keep the heat on and some utilities going until we decide what to do with the records that are not going to be packed and moved out of the old City Hall.

Earlier tonight Karen Schaaf asked the Council to consider sponsoring Johnny Limbo and the Lugnuts to come play at SummerFest from 5pm to 7pm. She indicated that the cost would be \$4,000. We have \$8,000 in the budget that the Budget Committee approved for SummerFest and the Christmas celebration. If we used \$4,000 for this band, which I think would be a huge addition for SummerFest, that would still leave \$4,000 for the Christmas celebration. We are not adding money to the budget for this, we would just be using what is already in the budget. I think it is a good idea. Karen

needs to know right away because when you are trying to get a band like Johnny Limbo you don't wait until the last minute.

Councilor Ripma stated but this is the last minute. We are being asked at the very last minute.

Councilor Daoust stated she just found out today.

Councilor Ripma stated I realize that, but is there no planning done. It just seems incredible that we would entertain an additional \$4,000 expense on something that has been planned for a year. Just because we have \$8,000 doesn't mean we have to spend it. I think it is very last minute and not a good idea.

Councilor Anderson stated we were asked to be the title sponsor for SummerFest by Karen tonight.

Councilor Daoust stated for the band.

Karen Schaaf stated we would make you the presenting sponsor, and with your money we could get the band.

Councilor Anderson stated we were asked to be the presenting sponsor. We were the presenting sponsor last year. Typically when you have a presenting sponsor that is spending money they are the first person that you go back to. I tend to agree with Councilor Ripma, it is very last minute. This is tough for me because I have to take my business hat off. It is against everything that I do professionally for a living. I always line up my national advertisers first. They are the ones spending the money and I am going to make sure they are in the magazine first before I go out and sell to restaurants. I just can't do this. We should have had this discussion in August or September about our willingness to be the presenting sponsor. That would have given the Chamber the revenue certainty so that when this type of opportunity came along they could have used the money that was already earmarked. Here we are under the gun at the last minute. I will defer to the will of the Council. I just can't.

Councilor Thomas personally I love this band. Considering where we are budget wise, I just can't do the \$4,000 right now.

Councilor White stated I think that is exactly why we had the foresight to have that account. I wish it could have been planned, but I also understand that is sometimes how bands work. If they are available I think it would be a great asset to SummerFest. I support it.

Councilor Allen stated I am having difficulty with the budget being as high as it is. I don't have as much concern about the timing, but I am concerned about the budget.

Mayor Kight stated it doesn't appear that there is support to provide funding for Johnny Limbo and the Lugnuts band. However, what I did hear is that in the future if we can plan a little further ahead we may be amenable to supporting something like that, depending on the budget constraints. Thanks for coming.

Mayor Kight updated the Council on meetings and events that he has recently attended:

- March 20th - Gresham Chamber Business Lunch
- May 21st - Regional Mayor's meeting in Tualatin
- Participated in a police ride-along
- Met with the staff of Senator Jeff Merkley and did a complete tour of the City of Troutdale focusing on the Marine Drive project.
- Attended the State of the County Address by Chair Cogan
- Attended Senator Laurie Monnes-Anderson's Legislative Update
- Attended the April 2nd EMCTC Meeting
- Connections Study meeting at Fairview City Hall
- Taping of the Rose Garden for the Comcast newsmakers
- Met with the Mt. Hood Community College President
- Ribbon Cutting and Official Grand Opening of Caswell Gallery
- Sunrise Services at Mayors Square on Easter

9. ADJOURNMENT:

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

Meeting adjourned at 9:18pm.

Mayor Jim Kight

Approved July 10, 2012

ATTEST:

Debbie Stickney, City Recorder