

MINUTES
Troutdale City Council – Regular Meeting
Troutdale City Hall – Council Chambers
104 SE Kibling Avenue
Troutdale, OR 97060-2099

Tuesday, August 24, 2010

1. ROLL CALL, AGENDA UPDATE

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

PRESENT: Mayor Kight, Councilor Wand, Councilor Thomas, Councilor White, Councilor Kyle, and Councilor Daoust.

ABSENT: None.

STAFF: Craig Ward, City Administrator; Debbie Stickney, City Recorder; David Ross, City Attorney; Charlie Warren, Public Works Director; Scott Anderson, Chief of Police; and Erich Mueller, Finance Director.

GUESTS: See Attached.

Councilor White requested that Item 4.5 be removed from the Consent Agenda and put on the next meeting agenda.

There was no objection to Councilor White's request.

Mayor Kight introduced Craig Ward, the new City Administrator.

2. OATH OF OFFICE: Officer Kyle Harris

Mayor Kight administered the Oath of Office to Kyle Harris.

Chief Anderson stated it is a privilege to introduce Kyle Harris to you. Kyle competed against 89 applicants for one position; unfortunately he did not get that position. He came to the folks in the department and said he wasn't done because he hadn't reached his goal. Kyle worked hard and never looked back. The way he responded to that was incredible. He is a person of character and he lives the values that we believe in. If there is one thing that stands out about Kyle it is persistence. When he sets a goal he is going to achieve it. We need police officers that are both tender hearted and also warriors because police officers need to be compassionate at times and they need to be ready to go to battle at a moments notice. Kyle represents all of those attributes. I am very proud of Kyle because he did not give up; he had a goal in mind and he sought out the mentoring that we offered to him because it meant that much to him. It is a privilege to welcome you to the Troutdale Police Department. Kyle, like any other

officer, is going to need your support and encouragement. My job is to bring to him the encouragement and the support by way of training and equipment, and things that are going to keep him safe. He has a history of going into dangerous situations. He has been with the Air Force for about 7 years, he did duty in Iraq and he has been a Reserve Officer with us.

3. RECOGNITION: 2010 Citizen and Youth of the Year

Mayor Kight recognized Jim Jensen as the 2010 Citizen of the Year. Jim has been on the City of Troutdale Budget Committee for 30 years. Can you share with us some of the other community service you have done?

Jim Jensen stated I have served on the East County Economic Development Committee, Gresham Community Emergency Response Team, Patriot Guard Riders, Optimist Club, Volunteer work for Multnomah Falls, and I volunteer for the US Forest Service.

Mayor Kight recognized Omar Rachdi as the Youth of the Year. Omar has a very interesting story about collecting pencils for children in Morocco. Can you share that story with us?

Omar Rachdi stated last year I was with my friend Joseph Starpelli and we kind of joked around about starting a non-profit organization. But then I started realizing how lucky we have it in the United States. For example, if I forget to bring a pencil to school I can just grab one from my teacher, or if I forget some school supplies I can ask another student. From stories that my father has told me there are some schools that all you need to have to go to school is a pencil and some kids couldn't go to school. That kind of hit me hard this summer, so I called my friend Joseph and said let's make this happen. Over the last summer we collected close to 50 pounds of school supplies and we sent them to a rural school district within Morocco, and I believe that every kid that was even close to that school district got to go to school that year.

Mayor Kight stated this young man also started a program to have a blood drive at SummerFest. It is very important to encourage young folks like this, and other folks like Jim Jensen because volunteers are the backbone of any community. Thank you for your service gentlemen.

4. CONSENT AGENDA:

- 4.1 ACCEPT MINUTES:** May 11, 2010 Regular Meeting, May 25, 2010 Regular Meeting, June 8, 2010 Work Session, June 8, 2010 Regular Meeting, June 22, 2010 Regular Meeting and July 13, 2010 Regular Meeting.
- 4.2 RESOLUTION:** A resolution accepting a public utility easement from Everett T. Merritt adjacent to NW Dunbar Avenue right-of-way.
- 4.3 RESOLUTION:** A resolution accepting a right-of-way deed from Everett T. Merritt for NW Dunbar Avenue right-of-way.

4.4 RESOLUTION: A resolution accepting a statutory warranty deed for the dedication of Tracts A and B of the Estates at Riverbend West from Centex Homes.

~~**4.5 RESOLUTION:** A resolution to approve the acquisition of a tax foreclosed property for non-housing purposes. (This item was pulled from the consent agenda and will be scheduled for a future meeting.)~~

MOTION: Councilor Daoust moved to adopt the consent agenda (Items 4.1 - 4.4). Seconded by Councilor Wand. Motion Passed Unanimously.

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

None.

6. RESOLUTION: A resolution to approve a Memorandum of Agreement (MOA) with Summit BioFuels for use of property, and approval of a revocable license for non-federal use of GSA property.

Councilor Thomas stated the Economic Development Subcommittee reviewed this item this afternoon and is recommending that the Council approval the resolution.

Charlie Warren, Public Works Director, stated the MOA and the revocable license are dovetailed together because one, we are getting the property (adjacent to our sewer plant) from GSA and this property will go into a temporary ownership situation with the City through the revocable license until such time as we get a decision on the application which we submitted on August 9th to actually get ownership of the property for \$1. It is a good deal for the city in that we are promoting business, it is green technology that will be coming in, it is creating property adjacent to our existing sewer treatment plant that we need in the future and it will take care of a portion of our sludge in the near future (and in the long term hopefully more of it). The recommendation from staff is that you approve the resolution for the MOA and the Revocable License for the GSA property.

Councilor Daoust stated the Economic Development Subcommittee heard a presentation on this topic earlier today. Could you elaborate on how many steps there are and where we are in the process?

Charlie Warren replied we are about four or five steps into what may be a fifteen to twenty step process. The Council authorized staff to apply for the ownership of the property; that was probably step two or three after numerous meetings with Summit BioFuels. The MOA is just a basis and it has four or five off-ramps if things fail such as we can't secure the purchase of the property or if Summit BioFuels isn't able to get financing, etc. If we proceed we will go into further lease agreements with Summit BioFuels and there will be particulars that will be required from GSA in order to be able to utilize that existing warehouse and property to the north. We will be reporting to you through these steps to make sure that we are addressing each item.

Mayor Kight stated there is going to be considerable staff time involved in this and it is going to be a very lengthy process. Do you have any concept of the cost that is going to be involved as far as staff time?

Charlie Warren replied I have discussed with the Council before our energy sustainability program that we are going through at the sewer plant. We are doing a full year analysis of systematically improving the efficiency of the sewer plant. As part of that program I have been keeping track of my time and staff's time on anything that is related to energy sustainability. We are creating monthly reports to track our time spent on this. Those items can be incurred as our cost towards this project. It may not be retroactive, but once we get into the situation where we own the property and we keep track of our hours, those are costs that we can recoup from Summit BioFuels or whoever we lease this to. It is a substantial amount of staff time, but it is worth it because the benefits to the city are substantial in the area of taking care of that sewer sludge, which is costing us \$100,000 this year alone in order to get rid of about 1/3 of the sludge.

Mayor Kight asked what is your best guess on what portion of the \$100,000 will be saved in future years if this works?

Charlie Warren replied for this year we are too late to save any of the \$100,000. Summit BioFuels has told me that they need an upfront amount equaling about 10% of our biosolids. In the first year of operation we will get rid of about 10%.

Mayor Kight stated which translates to about \$10,000.

Charlie Warren replied you could say that. As we get into this we have the capability to expand our operations into that warehouse and what I am thinking is that eventually we can get to the point where we utilize the entire warehouse and take care of our total demand each year by creating a compost product which will be sold to local folks. Most sewer plants are now starting to think of themselves as energy producers. We should be at least energy neutral.

Mayor Kight stated we are handling sludge and it can be rather odoriferous. Is that going to be a problem?

Charlie Warren replied Summit BioFuels prototype that they are promising us is not supposed to be odoriferous. One of the other concerns is whether or not it attracts birds. Those are two areas we are concerned about.

Mayor Kight asked are they going to be charging us for the product?

Charlie Warren replied there is a tipping fee for the product. We are promised that the product will not cost anything more than their cost. It will not be more expensive than we what we would pay anyplace else. The same applies if they produce energy; they

would meet or beat PGE rates. We can't make any money off of this but what the City can do ...

Mayor Kight interrupted and stated CREBS.

Charlie Warren replied not only that but we can work up a franchise fee.

David Ross stated the MOA states that any credits belong to Summit, not the city.

Councilor Wand asked Mr. Ross, are you comfortable that this MOA has sufficient out clauses if we get into this more and realize that it isn't something we are interested in?

David Ross replied I think it states that it is a preliminary document and if this thing is going to fly there will have to be other more detailed agreements entered into.

Councilor Daoust stated Charlie indicated that there are probably 15 steps in this process and we are on step 5. The critical point that we are at now is to do a couple of things to allow Summit BioFuels to get financing so they can move forward and meet the requirements of GSA in obtaining the property. That is why we need to do this now.

Councilor Kyle asked does their process include the use of any hazardous chemicals?

Charlie Warren replied to my knowledge there are no hazardous chemicals added, but one of the problems that will need to be addressed is what nutrients might be brought back to our sewer plant. That will need to be addressed in future negotiations. We don't want to overload our sewer plant. We have some existing uses in Troutdale that have to do a preliminary processing of their product before we can take it at our plant, and that might be the case here.

Councilor Thomas asked don't we already have a pretreatment plan in place to handle that if necessary?

Charlie Warren replied yes.

MOTION: Councilor Thomas moved to adopt the resolution to approve a Memorandum of Agreement with Summit BioFuels for use of property, and approval of a revocable license for non-federal use of GSA property. Seconded by Councilor Kyle. Motion Passed Unanimously.

7. REPORT: A report on the Mobility Corridor "connections" program and funding request.

Charlie Warren, Public Works Director, stated I have included a letter dated November 2nd from Multnomah County addressed to Metro with regards to the Mobility Corridor 15

Refinement Plan. At one time this was a study to determine which route would best connect Hwy. 26 and I-84. This has evolved and each of the communities (Troutdale, Fairview, Wood Village, Gresham, Multnomah County and Metro), have all got together to identify the true meaning of this corridor, which is now being called the "connections" program. This program is now to study the corridors, and there is at least four north and south corridors, and the connections to our different industries and businesses to make it all work better. The results of this study will result in numerous solutions for 257th, 242nd and other corridors. In order to get this project we had to lobby Metro to include it as one of the two finalists for new mobility corridors and we won. That was a big victory for the City of Troutdale and other communities. At this point they have identified a little over \$700,000 in funding and the match required by the cities and county is a little over \$70,000 or 10.27% of the total dollar amount. What we are requesting from you tonight is for you to approve a concept where the city is going to negotiate with these other communities based upon the 10.27% needed for our local match. Mayor, you have been attending these meetings, do you want to add anything?

Mayor Kight stated we are looking at several different formulas. The City of Gresham no longer has a connection relative to the transportation dollars with Multnomah County because they opted out. Troutdale, Fairview and Wood Village have our roads serviced and owned by Multnomah County. One of the formulas we discussed is to cut that amount in half, and half of that would go to the City of Gresham and then Multnomah County would pick up 25% and then the three cities (Troutdale, Fairview and Wood Village) would split the remaining 25% on a per capita basis. I would like to ask the Council if I can operate in a negotiating capacity and whatever we (the other 3 Mayors) come up with for the formula I will bring to the Council.

Charlie Warren stated what would be best for tonight is for the Council to consider a motion to approve the uniform amount of 10.27% as being the fair share from the local bodies and to allow the Mayor and staff to negotiate what our fair share of that would be and we will report back to the Council.

Councilor Wand stated I have been involved in this process for a year and a half now along with Mayor Kight at the East Multnomah County Transportation Committee (EMCTC) and truly getting this has been remarkable. When we started down this path we were told that we had no chance. Commissioner McKeel and other members of EMCTC including Councilor Widmark, Councilor Cooper, Mayor Kight, Mayor Fuller and myself all went jurisdiction by jurisdiction all over the East Metro area to get support and endorsements. At the end of the technical review of all of the different corridor studies in the Metro area we were in last place. Solely on the strength of our unity and the political pressure we brought by working together we won. We knew going in that we would need to come up with some matching funds because the other three corridor studies that we were competing with all agreed that they were going to fund a portion of their own corridor study. That allowed us to have skin in the game, but it also allowed Metro to seek funding elsewhere in the form of matching funds because some of these grants require matching funds. The fact that we are here now with \$700,000 plus just waiting to give us the information that we have been asking for for years is phenomenal.

Rod Park really helped to shepherd this process as well. This request is for 10.27% matching funds and in the grand scheme of things, considering the enormous benefit we will get, it isn't too tremendous of a burden to ask.

MOTION: Councilor Thomas moved to go forward with the 10.2% match involving the Mayor and staff to negotiate an agreement to bring back to us for future approval. Seconded by Councilor Wand.

Craig Ward clarified that the motion is for a 10.27% match.

Councilor Thomas agreed.

Mayor Kight stated but that is for all five entities to split.

Motion Passed Unanimously.

8. UPDATE: Update on the Tiger II Grant Proposal

Mayor Kight stated Mr. Ward and I attended a luncheon at the new Port of Portland Building regarding the Tiger II Grant, which is a federal highway grant. We are looking at this grant for the updates on Graham Road to handle the heavier trucks, and add a bike/pedestrian pathway to provide alternative ways for folks to access the TRIP property. The Tiger II Grant is for \$10 million, with the Port of Portland's portion at \$3.2 million and the City of Troutdale's portion at \$1.1 for a total project cost of \$14.3 million. It looks like we have a good opportunity to get this grant. If we do it will make a huge difference to the TRIP property, particularly Lots 1 and 3, which are FedEx and the lot immediately to the east which fronts along Graham Road.

Councilor Wand stated all of these letters appear to be on Metro letterhead, is Metro asking for every single one of these?

Mayor Kight replied Metro is one of the partners through the Joint Policy Advisory Committee for Transportation (JPACT) and these are letters of support that went into the application package.

Councilor Wand asked are we being asked to support any of these other than the one on Swigert Way?

Mayor Kight replied no.

Councilor Thomas asked is there a letter from Troutdale included?

Mayor Kight replied yes, we have sent a letter of support.

Craig Ward stated we were told by the Port of Portland that there will only be one grant recipient in the State of Oregon.

Mayor Kight stated that is correct.

9. STAFF COMMUNICATIONS

Craig Ward stated while I have only been here for a short time, both the Tiger II Grant application and the Summit BioFuels/GSA project were pending. I give a lot of credit to my predecessor, Ron Garzini. More importantly I give a huge amount of credit on both issues to the staff. I saw a lot of hard work being done on very short notice by staff. Both of these items were team efforts that deserve a lot of commendation because they had to be timely, staff had to work hard and partner with the Port of Portland to get these done. I wanted to thank staff for all of their hard work.

10. COUNCIL COMMUNICATIONS

The Mayor and Council welcomed Craig Ward as our new City Administrator.

Councilor Thomas stated I wanted to follow-up on the status of the change to our web address.

Erich Mueller, Finance Director, stated the “.gov” domain extension, unlike .com or .net or any of the other number of extensions available through several commercial registers, is tightly controlled by the GSA. In order to acquire a .gov extension there is an extensive process, protocol and procedure as of which we are part of the way through. I don't have a target date, but it is in process.

Councilor White stated when we moved Tri-Met into Glenn Otto Park we discussed that the last bus in would start closing the gate and I wanted to follow-up on that because that is not happening and the park is being left open.

Craig Ward stated we will look into that.

Mayor Kight stated there was an article in the Outlook about Joyce Lindsey a resident of Troutdale who recently received a \$4,000 scholarship from the Pat Tillman Foundation. Ms. Lindsey is a mother of four children and her husband was killed in his last tour of duty in Afghanistan. She left her career in the banking industry and is going into the education field focusing on special needs children. I want to give her a “shout-out” because she has went through a very difficult time. I prepared a letter that I am going to be sending to Ms. Lindsey, which reads, “Recently you were featured in an article in the *Gresham Outlook*. I would like to congratulate you on receiving the Pat Tillman scholarship. You have certainly met a milestone in your career. Also I want to thank you for the service your husband provided for his country. It is obvious that his dedication was to his family and country for which he bravely gave the ultimate sacrifice. I want to wish you the best in the future and thank you for being the kind of excellent example we can all emulate.”

Mayor Kight stated Hewitt Place Townhomes, located off of 257th, recently had a ribbon cutting ceremony after completing an acquisition and renovation project. Once a month they give out locally grown vegetables to folks who are in need. I received an email from the staff of Innovative Housing, Inc. and they are looking for volunteers. If anyone is interested they can contact Angie Harbin at 503-226-4368 Extension 6.

Councilor Wand stated I spoke with Commissioner McKeel about the opening of the Troutdale Branch Library and she has asked that I relay to the Council and community that it is now the fourth busiest branch in the entire system.

Mayor Kight stated I understand that on the first day 237 books went out the door and it hasn't stopped. Visitors are coming from Springdale, Corbett, Wood Village, Gresham and Portland.

Erich Mueller stated there is an additional recommendation of the Economic Development Subcommittee from this afternoon's meeting. Since subcommittees are not authorized to actually approve expenditures we had one item that came before the Subcommittee this afternoon that they are recommending approval on. I believe most, if not all of you, attended the 5 Cities Meeting and heard the Portland-Vancouver Regional Partners presentation. There was subsequent follow-up discussion with Mr. Garzini, and a presentation at a previous Economic Development Subcommittee meeting. Today was the follow-up on their proposed customized 3-City membership option for us to join with Wood Village and Fairview to provide a combined membership at a reduced cost. The Subcommittee discussed this item and is recommending approval of the \$1,900 expenditure for the 3-City membership. I am looking for direction from the Council to go forward with this expenditure. If approved, I would include this in a supplemental budget to be brought before the Council at a later date along with a number of other items that have occurred since the budget.

Mayor Kight stated you said there are a number of other issues that need to come before the Council relative to asking the Council for approval for a supplemental budget. Among them is the demolition of the house behind City Hall. I am wondering if we should wait until we can see a complete package.

Erich Mueller stated I am not prepared tonight to provide you with a complete package. This was a specific recommendation that came forward from the Subcommittee meeting this afternoon and I either need to move forward with this or inform them that we don't have authorization to move forward. As it relates to the rest of the items, that is a different topic.

Mayor Kight asked Mr. Ward, what is your recommendation? Should we look at this as an isolated budget issue, or should we look at all of the items as a complete package?

Councilor Wand stated it sounds like all Mr. Mueller is doing is asking us if he should include this expenditure in a supplemental budget for a later discussion and approval;

he is not asking us to vote tonight to authorize this \$1,900 expenditure. Am I correct Mr. Mueller?

Erich Mueller replied no. I am asking for approval to go forward and make the expenditure. There was a second request brought to the Subcommittee that they have chosen not to recommend funding. Neither of them is in the 2010-11 Budget. We need to get back to the other two cities, as well as the Portland-Vancouver Regional Partners as to whether or not we are going to join. I am asking for the approval to make the expenditure since the Subcommittee does not have the authority to spend money.

Councilor Daoust stated in relation to the timing of this, the Regional Partners are sending invoices out soon. Joe Gall talked to the Subcommittee about the discount package that they are giving us for the 3-City membership. In response to the package that they are offering us, and in response to the timing of the invoices, we thought that we would make this recommendation tonight.

Councilor Thomas stated this is a \$1,900 price tag, which is a reduced rate if the three cities join together. This organization was very helpful when we were setting up our Enterprise Zone. They have worked really well together and there is a lot of valuable information. That is one of the reasons that the Subcommittee has unanimously recommended approval of joining this organization.

Councilor Daoust stated Fairview is waiting on us to make a decision. If we were to join by ourselves the fee is \$3,500.

Erich Mueller stated \$1,900 is the proposed share for Troutdale. We are not sure what Wood Village is going to do.

Mayor Kight asked what if Wood Village does not join?

Erich Mueller replied there is \$400 at issue.

Mayor Kight asked and what if Fairview does not join?

Erich Mueller replied Fairview has been a member for several years.

Mayor Kight asked is this staff involvement or political involvement?

Erich Mueller replied both.

Councilor Thomas stated Joe Gall indicated that it is mostly staff, but it is open for any of us to go.

Mayor Kight asked do we have a voting role?

Erich Mueller replied what is being proposed is that we are going to share a vote for the three cities versus spending \$3,500 to have a vote, and I understand that we are going to be one of about forty-five in the room. I don't know if they all vote, but they are all there and participate. This is not a group that spends a budget. The utility companies are there, the counties are there, the development commission participates, and you have cities from the west side. There are a wide variety of professionals involved in economic development that attend. The benefits that Joe Gall discussed was if you have a proposal to go forward all of the people that you would need to work with in this region are in the same room and you are going to have established relationships with them. Equally so, when there are opportunities or possibilities from the members that they bring to this group to make folks aware, we then become aware of things going on in the region that you wouldn't necessarily hear about.

Councilor Thomas stated David Eatwell also spoke very highly of this group.

Mayor Kight stated this is a one-year membership so if we feel that we are not getting our monies worth we don't have to participate next year.

Craig Ward stated to address the question of whether we are prepared to act on this tonight or should we postpone this decision pending a full elaboration of all the potential budgetary amendments that Council may want to consider, I think the amount of money that we are talking about here is not particularly consequential. I don't want to discount \$1,900, but in the big scheme of things we have other budget amendments that are ten times this size and those really need some attention. You could easily condition a motion here that says we will only join provided that Fairview also joins so you don't have to worry about being stuck with the full package amount, and whether you want to include Wood Village in that or not is up to you. If you are particularly reluctant to make a motion tonight, you could always authorize us to let them know that the Council endorses this but that it is subject to budgetary amendments that are forthcoming. We don't know how long it will be before those amendments come forward. I don't think for this amount of money that it is worth the confusion over that point and I recommend that you go forward with this if you are comfortable.

Mayor Kight stated so the minimum we would spend would be \$1,900 but we could spend up to \$2,300 if Wood Village does not join.

Craig Ward replied we would split Wood Village's share of \$400 with Fairview, so our outside risk is probably \$2,100.

MOTION: Councilor Wand moved to authorize the expenditure. Seconded by Councilor Thomas.

Mayor Kight stated this is authorizing the expenditure of \$1,900 to \$2,100 for the Portland-Vancouver Regional Partners Council for Economic Development (RP) 3-City membership deal.

Motion Passed Unanimously.

Councilor Wand asked are we not considering the East Metro Economic Alliance (EMEA) expenditure?

Councilor Daoust stated the Subcommittee did consider that request at two meetings. Travis Stovall came and spoke to us at the previous meeting and we had a lot of questions for him. He answered our questions but we wanted a little more time and input to make a final recommendation. This afternoon we voted to recommend that we not fund EMEA for \$7,500. That recommendation was not coming before the Council tonight.

Councilor Wand requested a full report on that recommendation. I am interested in hearing what the reasoning was behind that recommendation.

Craig Ward stated we can put that on a future agenda for discussion.

Council agreed to schedule a work session to discuss this issue.

11. ADJOURNMENT:

MOTION: Councilor Wand moved to adjourn. Seconded by Councilor White. Motion passed unanimously.

Meeting adjourned at 8:11pm.

Jim Kight, Mayor

Approved September 14, 2010

ATTEST:

Debbie Stickney, City Recorder