

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

Tuesday, February 27, 2007

1. PLEDGE OF ALLEGIANCE, ROLL CALL, AGENDA UPDATE

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

PRESENT: Mayor Thalhofer, Councilor Kight, Councilor Ripma, Councilor Thomas, Councilor Canfield, Councilor Kyle and Councilor Daoust.

ABSENT: None.

STAFF: John Anderson, City Administrator; Jim Galloway, Public Works Director; Rich Faith, Community Development Director; Kathy Leader, Finance Director; Marnie Allen, City Attorney; Debbie Stickney, City Recorder; Beth McCallum, Senior Planner, Travis Hultin, Chief Engineer; Olaf Sweetman, Engineer; Dave Nelson, Chief of Police and Jack Hanna, Code Compliance Officer.

GUESTS: See Attached.

2. OATH OF OFFICE: Officer Jeff Potter and Reserve Officer Chris Stephens

Mayor Thalhofer administered the Oath of Office for Officer Jeff Potter and Reserve Officer Chris Stephens.

3. CONSENT AGENDA:

3.1 MOTION: A motion to adopt the 2007-08 City Council Goals

3.2 RESOLUTION: A resolution delegating authority to resolve certain claims to the City Administrator.

MOTION: Councilor Canfield moved to accept the consent agenda. Seconded by Councilor Kyle. Motion Passed Unanimously.

4. STATE OF THE CITY MESSAGE

Mayor Thalhofer gave his State of the City Message for 2006 (a copy is included in the packet).

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

Brent Kusish informed the Council of a nuisance problem at 1235 SE Kibling Avenue where there are presently nine or ten vehicles that are being kept on the lawn, in the driveway and on the streets. The vehicles are up on blocks, they have flat tires, vehicles with rotten tires, vehicles without current license stickers, vehicles without license plates, and a 20' sailboat on a trailer with cracks and rot that hasn't been moved for fifteen years. Some of these vehicles have not been so much as washed in the last thirteen years. This last year another 25' sailboat appeared on the street out in front of this house. It stayed there for about a month and then it was moved off of the street and parked along side of the rotten sailboat on the grass. Of all of these vehicles I have only seen two of them move in the last year. To no avail, twice I and other neighbors have taken the time to testify in court proceedings regarding these code violations. Mr. Kusish asked the City Council and City Attorney to assist our city employees in pursuing enforcement of our codes.

Jack Hanna, Code Enforcement Officer stated this situation started back in 1994 and at that time it was being handled by the Multnomah County Code Compliance Officer. I started working on this in 1996. The owner of that property has been sent many notices about the violations and he will fix them for a short period of time. I have photos going back to 1996 and they are at least two and maybe three vehicles that are in the exact same spot now as there were in 1996. This is a valid complaint by the neighbors. Jack did cite the individual into Troutdale Municipal Court where he was convicted in court and ordered to pay a fine. He appealed the conviction to Multnomah County Circuit Court in 2001 and the Circuit Court Judge ruled that it was a property use issue and if he wants to store his junk vehicles on his property he has a right to do that. The judge reversed the Troutdale Municipal Court decision. I have discussed this with our City Attorney and I am working on putting together a more complete case including documentation and photos and once my investigation is complete we will file this case directly into Multnomah County Court instead of coming back to Municipal Court.

Mayor Thalhoffer asked is this case being handled?

Marnie Allen replied an investigation is being done and after Mr. Hanna completes his investigation our intent is to look at the factual information we have and then assess what kind of complaint to file and where to file it. As you may know, we can cite people into Troutdale Municipal Court. Because we are not a court of record the person gets a new trial in Circuit Court if they don't agree with the decision in our Municipal Court. Because this case was appealed once before with the same property owner, we are thinking about not giving him a trial here but instead evaluate the option to file the complaint directly in Circuit Court. We will be coming back to you once the investigation is complete and we have formalized our recommendation on the nature of the complaint going forward because it would require Council approval to initiate a complaint that is filed in Circuit Court.

Councilor Kight asked worse case scenario, if you fail again in Circuit Court, could it be taken to the Circuit Court of Appeals?

Marnie Allen replied to the Oregon Court of Appeals, yes.

Councilor Canfield asked in the event that the City prevails in Circuit Court, what is the penalty for the property owner?

Marnie Allen replied typically we would be asking the Court to order the property owner to abate the nuisance, to remedy the condition that exists on the property. If they refuse to do that, give the City permission to go onto the property to abate the nuisance and impose a lien on the property to recoup our costs.

Councilor Kight asked is there any possibility of the city recouping our costs for attorney fees?

Marnie Allen replied I don't know, but I will look into that.

Councilor Ripma asked how long do you anticipate the investigation to take?

Jack Hanna replied I anticipate completing it by the end of March.

Councilor Thomas stated I know we have some authority to go and clean up nuisances. Do we need a conviction in Circuit Court before we can go onto the property and abate the nuisance?

Marnie Allen replied maybe not. I would need to look at our Code and give some thought as to whether or not this is a case where we want to get the proper authority to go onto the property and abate the nuisance. We don't recover the cost from the lien on the property until the property changes hands.

Councilor Thomas stated I would like to see this done once and for all and to see if that would be the best way to approach this.

Lance Acton stated I am working on my citizenship for the Scouts. Our neighbors to the right play their music really loud and we have asked them not to but they won't listen to us. We have called the police a couple of times but they won't stop. I was hoping that you could give us some help to get this stopped. My dad works graveyard shift and they play their music really loud in the morning and they mow their lawn at 6:30 while my dad is trying to sleep and it really disturbs us, so I was hoping something could be done.

Mayor Thalhoffer asked Mr. Anderson to refer this issue to the Police Department.

6. REPORT: A presentation of the West Columbia Gorge Chamber of Commerce Annual Report.

Max Maydew provided the Council with a handout (a copy of the handout is included in the packet). Troutdale has a transient lodging tax ordinance and in that ordinance the city imposes a six and ninety-five one hundredths percent tax on the hotels and motels. The ordinance says that ninety-five one hundredths of one percent of that taxable rent will be dedicated to the West Columbia Gorge Chamber of Commerce. The ordinance, as amended

last year, says that the Chamber shall submit annually without cost to the City of Troutdale a financial statement using a comprehensive method of accounting approved by the finance director of the City of Troutdale and a review of tourism and business related activities. I was chosen by the Chamber Board Members to make this presentation and to come up with the method to use for showing you our expenses. During the past year the Chamber changed accountants and changed their accounting system. We engaged the services of CPA Tome Graves and his job is to make sure that the Chamber is maintaining their books in accordance with generally accepted accounting principles. The report that I have provided to you shows twelve months of information from January 2006 to December 2006 specifically related to activities of the Visitor Center and Troutdale. Max reviewed the profit and loss statement with the Council (copy included in the packet).

Diane McKeel, Executive Director of the West Columbia Gorge Chamber of Commerce stated our membership is a dynamic and diverse group of businesses that work as partners to make contributions to our area. They have vision, commitment and they know how to take action to achieve great things for our region. A number of them have already had significant impact on Troutdale projects. Tonight I want to speak to you about the projects that the chamber has been working on this past year. As you know, I often speak of how important our partnerships are to the work that the Chamber does. Tonight I am going to share with you some recent statistics that were gathered from around the state on percentages and dollar amounts that are received by other visitor and convention bureaus in the state. We receive .95% of the hotel/motel tax which was \$51,027 this year and we are incredibly grateful to receive this money. I point out these numbers to you because often we are asked why we don't advertise on television or large national magazines like Sunset, etc. like some other cities do. Hood River receives in the range of \$300,000 annually in hotel/motel tax and The Dalles receives close to \$200,000. Around the state, the cities hotel/motel tax contribution to local convention and visitor bureaus ranges from 16% to 60%. The range in dollars is \$146,000 to over a million dollars in some larger cities. What these numbers illustrate is how critical our partnerships are to us to leverage our marketing dollars. We have very active chamber members who work on a number of projects that have great significance to Troutdale. Many of our chamber members volunteer their time to sit on boards or committees for the following partners: Travel Oregon which is the state tourism agency; Oregon Association of Convention and Visitor Bureaus; Oregon State Chamber of Commerce; Rivers Confluence Project; East Metro Economic Alliance; Columbia-Cascade River District; Columbia River Gorge Visitors Association; Mt. Hood Scenic Byways; Troutdale's 100 Year Celebration Committee which some chamber members have already made major contributions toward the centennial arch (Max and Sheryl Maydew, Bremik Construction, and Caswell Gallery); and the Urban Renewal District where at least 6 of the original urban renewal group were chamber members. You may say how does that benefit you other than that people are attending a lot of meetings. The 1st benefit is that it shows the respect that our chamber has throughout the state. They could choose anyone to serve on these boards or committees, but they chose members of the West Columbia Gorge Chamber of Commerce. The 2nd benefit is the partnerships that are formed among these groups. Let's start with Travel Oregon. Because of our partnership we were able to place Troutdale in the narrative portion of their magazine for our region. To place an ad that size would certainly cost over \$1,000. This is the state tourism publication that is mailed out by the state to anyone who inquires about traveling to Oregon. They print about 300,000 copies plus they

also have a website. That, along with the Travel Portland Magazine, Gorge Guide, Northwest Travel and Culinary Tourism with the number of copies published by each magazine, the Chamber has been able to place over 600,000 mentions of Troutdale both nationally and internationally. The Chamber was able to partner with Travel Oregon, Hood River, The Dalles and Clackamas County to obtain B-roll video footage of the area which is what is needed to attract travel writers, movie and film video crews. The cost to us was \$500. For us to do that alone would have been over \$2,000. This is a tourism tool that was not available to us before this partnership. You may remember when the legislature passed the 1% increase in funds to Oregon tourism for additional marketing dollars for the state, they designated that a portion of that funding be returned to the regions for their own promotion. Our region is the Mt. Hood Gorge Region and with those dollars we were able to produce the Infinity Loop brochure and website. It highlights the numerous things to do and sights to see in our region. We promote this loop as more than a day drive when you are staying in Portland, we want it to be a multi-day activity for folks. Identified lodging hubs are Troutdale, Cascade Locks, Hood River, The Dalles and the Villages of Mt. Hood. The Chamber encourages visitors to stay in Troutdale and enjoy all there is to do in this area. There were 100,000 of these originally printed and another 100,000 will be printed within the next 18 months. There is also a website with more details. We have also been able to partner with the Portland Metro region to market nationally and internationally and to bring travel writers to the area. The Rivers Confluence Project is a Lewis and Clark project which is 1 project with 7 sites. One of the sites is the Sandy River Delta. The artist and architect for this project is world-renowned artist Maya Lin who is famous for the Vietnam wall in Washington, DC among other projects. This project is slated to begin in the fall of this year. The Chamber has written a number of letters of support, the most recent being with ODOT for a grant to fund improvements to Exit 18. The Chamber was also able to access a Visitor Development Fund grant for this project in the amount of \$35,000. Statistics show that the cultural tourist generates on average \$67/day into the local economy. This project will easily bring thousands of visitors to Troutdale. The Chamber was one of the partners who helped to obtain the Scenic Byways destination for the newest Byway which is the Mt. Hood Scenic Byway. Our chamber members worked actively on the designation, signage and marketing materials. Added to the Historic Columbia River Highway, which is a Scenic Byway and an All-American Road, we are fortunate to have 2 designated byways in our area. We know that traveling the Scenic Byways is very important to the International Visitor. The Scenic Byways Research Center is now in the process of developing a tool so that local communities can evaluate the economic impact of having a Scenic Byway and All-American Road in your area. A national coordinator will be here in March with more information. There are three publications on the scenic byways that represent at least 150,000 copies of these brochures, magazines and publications that promote the scenic byways. The Chamber is also active with the East Metro Economic Alliance (EMEA). We have several very active members on the EMEA board. We attend the general meetings and members participate in Land Use, Transportation, Multnomah County Business Income Tax and the Columbia-Cascade River District Committees. The Columbia-Cascade River District includes the Alcoa property which is the largest parcel of land within the district. We have written letters of support for federal grants submitted by the Port of Portland for transportation improvements to Exit 17 and Frontage Road, which is critical for access to the site as well as to our Troutdale businesses. We also wrote a letter of support for grant funding to pave the dike along the river portion to complete the 40-Mile Loop and bring the connectivity into the urban renewal district and downtown Troutdale. We continue to

stay current on the issue of the Multnomah County Business Income Tax. I have just been asked to serve on a County task force looking into this issue. Other projects that chamber members are involved in include: support for finding a site to locate a library in Troutdale; support location of the Manufacturing 21 Research and Development Facility on the Troutdale portion of the Mt. Hood Community College Property; East County Visitor Development Fund; the Chamber wrote the grants for \$10,000 to market Paint the Gorge and \$5,000 to market the Bluegrass and Bite Festival; the Chamber helped in accessing \$35,000 in funding for the Rivers Confluence Project and \$35,000 in funding for the Mt. Hood Aquatic Center; we host a monthly chamber update on Metro East Community Media; we are the coordinating sponsor for SummerFest; we are the administrative support to the Bluegrass Festival as well as writing the grant for \$5,000 to market the event; and the Chamber pays the annual fee for the I-84 attractions signage that showcases downtown Troutdale which is \$225 a year. As we continue to look at opportunities for uses of the Hotel/Motel tax dollars we focus on how to best help the lodging properties in our area. They are the ones making the contribution, so we feel they are the target market for these dollars. We know that occupancy is high in the summer months so our goal is to look at opportunities that will increase room nights in the slower seasons. There are several new projects we are involved in and excited about that will bring events and visitors year round. The first is the Mt. Hood Aquatic Center. The aquatic center is in the process of making renovations to the swimming area which will allow them to host large national and international meets. The pool will be ready the first part of June and they already have 4 meets booked for this year. USA swimming projects the economic impact of these meets to the local economy of \$1 million dollars apiece. The Chamber has written letters of support as well as put together packets of visitor information to showcase the area when an aquatic director travels to bid for these meets. We were also able to help secure a Visitor Development Fund grant for \$35,000 for this project. Keep in mind that these swim meets are year round opportunities. The Chamber has just opened a visitor kiosk in Gorge Winds Aviation at the Troutdale Airport. Aviation Tourism has long been an interest of the Chamber. We feel we have a gem and an opportunity right here at the Troutdale Airport and it is important to increase traffic there. In our conversations with general aviation groups they tell us that with the exception of January, they will fly all of the other months year round. There doesn't have to be a special event, they just want to know what there is to do in the area. The visitor kiosk has maps, brochures and information on our member businesses as well as events throughout the year. We will also begin advertising in general aviation publications. Statistics show that the economic impact of the aviation tourist on average is \$250/person into the local economy. We could easily have thousands of people flying in and out of the Troutdale Airport. To jump start this effort we are bringing back the Troutdale Air Fair and Fly-In to the Troutdale Airport on July 28. More details will follow. The Chamber feels there is great potential for a lot more activity at this airport and we are working hard to make that happen. I think you all should have received an invitation to our Business AM Wednesday morning at Gorge Winds Aviation where we will talk more about the Troutdale Air Fair and showcase our visitor kiosk. Two of our most recent marketing opportunities have had to do with Troutdale's 100 Year Celebration. Again, through a partnership with the East County Visitors Development Fund the chamber is able to market on a full page ad with Travel Oregon. The top of the page will be the Rose Festival which is also celebrating 100 years this year. The bottom part of the page will be 1/8 page ads consisting of east county attractions and hotels. Troutdale's 100 Year Celebration will be one of the 1/8 pages. These will be inserted into 875,000

newspapers in Oregon, Washington, Idaho and California on April 22nd, plus 75,000 in e-mail circulation. There will also be a fulfillment piece on the back which will feature the Chamber's award winning Beyond Words Brochure and we will be able to track those numbers of requests. The cost of this ad to the Chamber with our partners is \$900. To do this ad alone would have cost us over \$7,000. This is an exceptional marketing opportunity for Troutdale. The Chamber's second exciting opportunity is through the Oregon Business Magazine which is turning 25 this year. To celebrate they are conducting the Business is Good 2007 Tour. It will consist of business leaders, elected officials, and media. Last summer the magazine contacted communities about submitting proposals on why they should bring this tour to your city. I wrote a proposal, forwarded it to John Anderson for consultation and submitted it in September. Oregon Business Magazine received 40 proposals from communities and they chose 18 for the tour and Troutdale is one of those cities. The spotlight is on communities positioning themselves for future success through innovation, new products, and strategies to be vibrant and competitive in the future. Our date is Wednesday, September 26 in the morning. I hope you all can be available on that date to greet the tour as our local dignitaries. We have been invited to re-work our proposals a bit with the sub theme being Innovation, Sustainable Practices and Branding and Marketing Strategies. I invite your help on this as we move forward with refining the proposal. We will need a planning team so that Troutdale can showcase our many wonderful existing businesses, as well as our developable lands and innovative strategies we have for the future. The tour will be covered in the November issue of the magazine as well as the website and the communities will be spotlighted many times through press releases leading up to the tour. The last opportunity the Chamber wants to highlight for our area is the importance of the conference center/music venue that McMenamins has proposed for the Pig Farm. This would be such an important venue for our region – again bringing convention goers year round. There is no facility in our region, in fact in the entire gorge, that can facilitate mid-size conferences. As one example, we cannot host the State Tourism conference which attracts about 500 attendees and showcases our area to tourism leaders in the industry. Statistics show that the economic impact of the overnight visitor is over \$200/person. Again this is a year round opportunity and could attract significant numbers of people into the area. The Chamber has had conversations with McMenamins about this venue and we will continue to support their effort as we feel it would benefit all business in the area. In closing, I would like to thank you for your time. I would also like to point out that the chamber business is really accomplished by a great group of volunteers and chamber members. They believe in the chamber and our mission. We, as staff, can never thank our members and volunteers enough. They are an exceptional group of people. Membership in the chamber is strong and continues to grow. We just added 14 new members in the last 2 weeks. I also brought for you tonight our new 2007 Business and Membership Directory. You may remember from last year we received a state publication award for this outstanding directory. We have just begun publishing a newsletter. We are very proud of this publication. This is our second month and we have already increased from 8 to 12 pages and doubled our publication numbers. As the Chamber speaks about important partnerships, we want to thank all of you and the City of Troutdale for your support of the Chamber. We have a lot of opportunity here and together, we can make great things happen.

Councilor Canfield thanked Max and Diane for coming here tonight. I am really impressed by the major brochures throughout many sources. I really appreciate the efforts the Chamber

made to obtain a grant for the Bluegrass Festival which I believe will be a real success and also for the Open Art Festival. These events were a lot of fun and helped our downtown a lot. Has the Chamber had any more success in persuading the cities of Fairview, Wood Village and Cascade Locks to pony up annual contributions to the Chamber?

Diane McKeel replied Cascade Locks gives us tourism dollars. I will be making a presentation to Fairview City Council soon.

Councilor Daoust stated it is a very impressive list of accomplishments. You are really good with forming partnerships and leveraging the dollars that you do have. I am looking forward to the Air Fair on July 28th. I remember when I first came to this city seventeen years ago there was an air fair and it was a very popular event. I think you are getting more coverage than you have displayed. In the Vancouver newspaper, The Columbian, downtown Troutdale was listed as a place to visit.

Councilor Kight stated you have done a stellar job with your presentation. You touched on an area important to me, which is the convention center in East County. If McMenamins chooses not to go forward with the project, have you talked to other parties that may be interested in doing a hotel and convention center our here?

Diane McKeel stated I haven't, but I would be happy to.

Councilor Ripma stated you are doing a great job. Good luck in persuading Fairview to join in contributing, that would be welcome.

Councilor Thomas stated thanks for the good job. Your financial report was put together very well.

Mayor Thalhofer stated excellent presentation.

7. PUBLIC HEARING / ORDINANCE (Introduced 2/13/07): An Ordinance adopting a Development Agreement approving Tyson's Place Single Family subdivision.

Mayor Thalhofer read the ordinance title and opened the public hearing at 8:20pm.

Marnie Allen, City Attorney stated this is a quasi-judicial land use hearing on an ordinance that would approve a development agreement. The Development Agreement approves a subdivision and variances from the Troutdale Municipal Code. It is being processed according with the quasi-judicial land use procedures that are set out in state law and the Troutdale Municipal Code. A staff report was prepared and made available before the first public hearing two weeks ago. Because state law requires us to approve the development agreement by ordinance, we have to hold two public hearings. The procedure that the City follows for quasi-judicial land use hearings is as follows: The staff will make a short presentation. The Mayor will then open the public hearing. After the Mayor opens the public hearing the applicant will have an opportunity to speak to the Council in support of the Development Agreement, subdivision and variances. Anyone who is here who then wants to

testify on this matter will have a chance to address the Council and then the applicant's representative will have the final rebuttal. If you are going to testify, please sign-in and give your name at the beginning of your testimony so that it is in the record and we can send you notice of the decision. The City Council, after the public hearing is closed, will make a decision tonight to act on the ordinance. If you disagree with any of the issues that have been raised with any of the criteria in the staff report, or you believe there was a criterion that applied and it hasn't been addressed, you need to raise that for the Council's consideration. Any issue that you don't raise at this hearing tonight before the Council will not be able to be raised on appeal later before LUBA or in Circuit Court if you were to challenge this decision. I remind the Council to disclose any conflicts of interest or ex-parte contacts if there are any.

Councilor Kyle stated being a realtor I have a piece of property listed in the area. I have had no discussions regarding the development.

Mayor Thalhoffer stated Ms. McCallum, at the last hearing you did an excellent job of going over the details of the proposed subdivision. For those of you that are attending the hearing tonight there is a staff report and exhibits to the staff report that includes a detailed analysis of the proposed subdivision. Since the Council has already reviewed this material and held one public hearing, and given the length of our meeting agenda tonight, I am going to ask Ms. McCallum to limit her presentation tonight to the matters that were raised at the last hearing. We would like you to briefly summarize the items that Council asked staff to follow-up on. After Ms. McCallum's presentation I will open up the public hearing for testimony from the applicant and other parties.

Beth McCallum stated at the first hearing you requested that staff consider revisions to the language in Exhibit B, which is Exhibit 2 of tonight's staff report. Those revisions have been included. The revisions include adding language in the findings and in the condition that addresses the narrower pavement width that may be determined necessary by public works at the intersection of Edgefield Avenue and SW 10th Street. The possibility of gaining additional right-of-way for this new public street which is shown in Exhibit 1 of my staff report and in a larger format drawing that I provided on your desk this evening. That drawing shows how the applicant has been able to show in a tentative plat drawing a 40-foot right-of-way with 28-foot pavement, with some adjustments to the easement along the south boundary of the property and also considering a variance approval from the street side yard setback down to as narrow as 5 feet when the standard requires 10 feet. Those changes have been added to Exhibit B, which will be part of the ordinance that is under consideration. Language has been clarified in Condition #4d pertaining to street improvements and Conditions #4q and #5b that pertain to the guardrail along 257th Avenue. A new Condition #17 has been added that will limit development in the steep slope area to the maximum allowed by the standard which is 30% of the steep slope area. That is to accommodate for storm water drainage lines that have been addressed in one of the conditions of approval so that storm water is conveyed in a pipe and to also accommodate the building footprints that are shown on Lots 6 and 9 that will be within that area.

Councilor Canfield stated I am a little concerned about the placement of Lots 5 through 9. Could you fill me in on the requirements for the setbacks in a steep slope area, especially for Lot 9?

Beth McCallum replied in the steep slope development standards there is no setback required. The steep slope area may be used within the city when there is no other reasonable way to develop the property under the uses allowed in the Development Code. The Settlement Agreement is for 9 lots and staff considered the applicant's presentation, narrative, report and studies. To get a reasonable shaped development with 9 lots with a reasonable width for a public street, some use of the steep slope area has been determined to be necessary and is in compliance with our steep slope development standards.

Councilor Canfield asked were you basing your decision on what the Council agreed on for the 9 lots more than what the Development Code standards are?

Beth McCallum replied the Development Code standards would allow a developer, in order to retain the density allowed in a development, to use some of that steep slope if necessary to obtain that density. There are accompanying variances that go with this such as moving the houses closer to the street than ordinarily would be allowed. Staff believes that under the provisions of using that steep slope area that the standards are met.

Councilor Kyle stated at the last meeting there was a lot of discussion about the sidewalk easement such as lighting issues, safety issues, narrowing it, widening it, etc. One of the Sedona Park residents asked if we could possibly incorporate the easement into this development. Are we legally required to have this sidewalk here?

Beth McCallum stated the sidewalk in question is the one on the south side. That sidewalk and easement came about because of the desire to have a connection from 257th Avenue to the undeveloped County Farm property for which we have a long range goal in our Parks Plan to have a city park facility in that area. When the Troutdale Terrace Apartments were built that easement was obtained as a means for pedestrian access, and this easement along this side was also obtained which happens to be on top of an existing waterline easement. With adequate development of the new sidewalks that will connect to 257th Avenue, it is likely that this easement could be entirely vacated because there appears to be an alternative to getting east from 257th for pedestrians and bicyclists with this proposed layout.

Councilor Daoust stated I don't have any questions but you just introduced an interesting option.

Councilor Kight asked has it been determined where the guardrail will be located?

Beth McCallum replied Multnomah County will be working with the developer to determine exactly where the guardrail should be located on the frontage of the developer's property. As I understand it, Multnomah County is working independently to have the guardrail continue south from this development to Sturges.

Councilor Thomas stated I think Councilor Kyle's idea has a lot of merit.

Ed Sullivan stated I represent the applicants. We have read the staff report as revised and we have read the proposed revised conditions and we agree with both. We will waive final

written argument unless there is someone here in opposition tonight or the Council has any major concerns. Regarding the sidewalk easement on the south, this is the first that we have heard that there might be some change. Our understanding was that you would prefer to keep that easement. If you change it, that is fine. All we ask for is a decision tonight. We are asking you to adopt the proposed ordinance that is before you along with the findings and conditions.

Councilor Canfield stated I have a question for your engineer. On Lots 5 through 9, what kind of precautions will you be taking to ensure the stability of that slope both during construction and after?

Curt Pellatz, Project Manager with Sisul Engineering, replied I would have to defer that question to our Geotechnical report and engineer.

Ed Sullivan stated you do remember that we had one of those issues before and the City hired a geotech. My understanding, and I don't know if you used the same geotech to review the subdivision as you did the condominium, but they gave us a clean bill of health. I know it is a different structurally, but it appears to be much lighter on the slope than the originally proposed condos.

Councilor Daoust stated if we approved the ordinance tonight, that recognizes that the 7' sidewalk easement be obliterated. I take it you would be willing to redesign your plan to move things south. My only question is, does removing that easement create a burdensome timeline?

Ed Sullivan stated I think you have to vacate the easement. We wouldn't object to doing that.

Councilor Daoust asked would that additional 7' address some of the slope issue and some of the street width issues?

Curt Pellatz replied yes.

Marnie Allen asked because that sidewalk was part of the Partition Plat and you are the only property owner, why wouldn't we amend that through the Plat, so we would be re-platting that by showing a new Plat without the sidewalk?

Ed Sullivan replied the only concern I have is that whether or not you have noticed folks before you do that. This thing was born out of notice and I am a little concerned about it.

Marnie Allen stated if you agree with initiating a vacation proceeding then the City can do that, it is just more time consuming.

Ed Sullivan replied if the City were to initiate it we would concur and would sign all of the necessary papers.

Councilor Daoust asked could we still approve the ordinance tonight?

Marnie Allen replied yes and you would separately give staff direction to look into vacating that sidewalk.

Rich Faith, Community Development Director stated if the Council wants to authorize the relinquishment or termination of that easement, it ought to be addressed in some manner in a condition to go with this agreement and ordinance. It all comes down to Condition 4B which has now been drafted to allow for that easement to be reduced in width from the current 12' to 7'. I guess if it is the wish of the Council to terminate that easement then this condition could be modified to allow for that. I drafted some language to do that but it was contingent upon whether or not we could get a comparable sidewalk connection from that new street. Staff's concern, when we were talking about shifting everything to the south, was whether or not we could get a comparable type of sidewalk intersection because there is quite a bit of difference in the grade. Our concern would be if it can be designed and constructed to allow for a fairly level connection of sidewalks, that would be a fair substitute for what we currently have on the south and we would have no objections to vacating that easement. So the condition that I have crafted opens the door for that, subject to a reasonable intersection of sidewalks.

Councilor Daoust stated I see two additional sidewalks further north that serve the same purpose.

Rich Faith stated right, they serve the same purpose but the problem that I am trying to convey here is that there is a elevation difference at this location than on the southern boundary of the property. There will have to be some angled sidewalk to meet the grade in order for that to be a similar type of sidewalk connection.

Councilor Daoust asked where it meets 257th?

Rich Faith replied right. It couldn't be done at a 90° angle like it is shown. It would have to either be angled to the south or the north or something would have to be done differently so that you would have a more continuous connection as opposed to steps or an overly steep grade to make that connection.

Councilor Daoust stated I assume that can be worked out.

Curt Pellatz stated we did take a quick look at that and in order to meet the existing sidewalk grade we would probably have to cut 2' to 3' in order to make that grade for the emergency vehicle access. In doing that the sidewalk to the south of that we believe would match up with a nice even gradual slope to the existing sidewalk. The sidewalk to the north of the emergency vehicle access would possibly need to have steps. An alternative would be to eliminate that connection and, I guess go parallel to 257th up by the new street and cut across and make it a sidewalk there. So there would be just one connection to 257th but we would still have sidewalks on both sides.

Councilor Daoust stated that would be my recommendation.

Councilor Kight asked what is the criteria for notification to the Sedona Park residents if we initiate the vacation?

Rich Faith replied if you were to go through a vacation proceeding as it is spelled out in the Development Code, that would require a Type IV Procedure and it would need to go through the Planning Commission and they would forward a recommendation to the Council.

Councilor Kight asked given the sensitivity to this particular development, don't you think that would be the wisest direction to go?

Rich Faith replied I would agree it would be prudent to do so. My only concern would be the time involved. There is a tight timeframe to carry out the terms of the agreement.

Councilor Kight asked what do you see as the benefit to vacating that easement?

Rich Faith replied it is not really necessary if we can get an adequate sidewalk connection. That walkway on the south side was there to provide a connection for the Sedona Park residents to 257th, but more than that it was intended to provide overall community access to the County Farm property with the understanding that we would have a future trail or parkland on that property and this is a way for folks to access that property.

Councilor Ripma asked if we passed the ordinance tonight with language that would allow for the vacation, if it turns out that there are no ADA problems with the connection at 257th, then we could vacate that right-of-way, is that right?

Rich Faith replied yes. If the Council feels that the correct way to eliminate the easement is through vacation as opposed to simply amending the ordinance to authorize it to be terminated with the platting of this property, which is an option.

Marnie Allen stated if you want to eliminate that sidewalk as part of the approval of this plat, I would recommend that you set it over for two weeks and give notice because anyone who has come to the City and requested information about this subdivision has seen that sidewalk on all of the drawings and in the staff report. I think you have some flexibility to consider doing it as part of this proceeding but it would result in a delay. If you want to be done with it tonight and adopt the ordinance and findings you would revise the language to create flexibility to vacate in the future.

Councilor Ripma asked if we approved it tonight with that flexibility, is there time to go through a regular vacation procedure?

Ed Sullivan replied I would like to suggest the following language: The Council may consider, at a future date, the vacation of the public easement at the southern end of this site. In the event the vacation is approved the Development Director may approve an alternative design that moves the northern portion of the development south by 7'.

Councilor Ripma asked if we do adopt that, how much trouble would it cause you if we went through the regular vacation process?

Ed Sullivan replied it really depends on how much notice is required under your code and how many hearings you have to have.

Rich Faith stated it would probably take 90 days.

Councilor Ripma asked if we adopt that language we would have the flexibility to proceed with the vacation?

Marnie Allen replied yes. I agree with the proposed language and that approach.

Councilor Kight stated I don't think I heard the answer to my question, what is our notification process for the folks in Sedona Park?

Rich Faith replied under the Development Code we have to follow the notification proceedings outlined in state law for vacations. For right-of-ways it talks about extending out the terminus of the right-of-way 400' in each direction and then you go laterally to the next street or 200' whichever is first. It would not necessarily include all of the people in Sedona Park but we could include all of them.

Councilor Kight stated given the history of this particular project, don't you think it would be prudent?

Rich Faith replied sure, we could do that.

Mayor Thalhoffer asked is there anyone here to speak in opposition to this matter?

No testimony received.

Mayor Thalhoffer closed the public hearing at 8:59pm.

MOTION: Councilor Daoust moved to approve the ordinance adopting a Development Agreement approving Tyson's Place single family subdivision with the following addition (new Condition #18): The Council may consider at a future date, the vacation of the pedestrian easement at the southern end of the site. If that vacation is approved, the Development Director may approve an alternative design that moves the development south. Seconded by Councilor Ripma.

Councilor Daoust stated I think this is a positive addition to what we have been looking at.

Councilor Ripma stated I agree. I think this is a good ordinance and I think we will follow it up with direction to staff to initiate the vacation proceeding as soon as possible.

Councilor Canfield stated I am satisfied with the ordinance and the change.

Councilor Kyle stated I think the addition will resolve a lot of the concerns we had at the last meeting regarding safety issues for the neighborhood with creating a tunnel.

Councilor Kight stated the only cautionary note that I would have is the notification of the vacation to the folks in Sedona Park.

Mayor Thalhofer stated giving the notice to everyone in Sedona Park about this vacation is very important.

VOTE: Councilor Canfield – Yes; Councilor Kyle – Yes; Councilor Daoust – Yes; Councilor Kight – Yes; Councilor Ripma – Yes; Councilor Thomas – Yes; Mayor Thalhofer – Yes.

Motion Passed Unanimously.

Rich Faith stated Mayor and members of the City Council; I realize that it is out of the ordinary for me to speak out about matters such as what we have been through this past year with the Tyson's Place development. The events surrounding this development have been anything but ordinary. For the most part I have chosen to remain silent and have not said much in response to all of the public comment. Now that the final decision has been rendered I feel that it is necessary to get some things off my chest. The proposed Tyson's Place development has been in the spotlight for over a year going back to when DA Gray and Ridge Investments first submitted their application for a 20-unit attached townhouse condominiums in November of 2005. As everyone who has suffered through this long ordeal can attest, this has been Troutdale's land use nightmare. During that time much has been spoken about flawed procedures, inadequate notification and city staff mistakes. I will be the first to acknowledge that the land use planning process is far from a perfect system. At times it can be very messy. The Tyson's Place project is a testament to that. From the beginning when notice was first sent out about the proposed Tyson's Place Condominium project, the uproar of the Sedona Park neighborhood has caught everyone's attention. Their united opposition gave cause to examine this project in a fuller light and with a clearer understanding of its impacts on that neighborhood. When initial word of the proposed development spread among the Sedona Park residents, the neighborhood raised questions about how such a project was even possible. There was shock and dismay about prior land use actions, mainly the partition plat and lot line adjustment that the previous property owner, Jim Winkler, was granted. After doing a little homework, some residents of Sedona Park began to realize that the land use process is not simple and straight forward. I appreciate those residents who took the time to contact the planning office to get the background information about this proposal and to learn about all that had taken place previously and to become knowledgeable about the procedures pertaining to the land use application. However, based upon their reading of the Troutdale Development Code, some Sedona Park residents have questioned whether the Code was followed correctly in processing the Winkler Partition Plat and Lot Line Adjustment in 2002. I find nothing wrong with people disagreeing with how I or my staff have interpreted and applied the Code. Anyone who is familiar with land use regulations, and with local zoning codes in particular, knows that they are not always clear and concise and they often require some degree of interpretation to implement.

The Troutdale Development Code is certainly no exception. As the City's Director of Community Development I have the responsibility of administering the Development Code based upon my best understanding of the regulations. Given the complexity of the Code, I think it is fair for others to differ with me in how I am interpreting the Code and applying its provisions. But I believe a foul has been committed when my ethics, or that of my staff, is cast in doubt as has been the case with this project. Over the course of the Tyson's Place land use application and appeal, some of the neighboring residents have chosen to direct their anger at the city planners, which boils down to the two people who have worked most directly with this project, Beth McCallum and me. Through both written correspondence and verbal commentary, acquisitions have been made that we must have in some way been in camp with the developers from the start or this project would never have gotten as far along as it did. A similar acquisition that has been made implicitly, if not directly, is that the planners collaborated with the prior property owner, Jim Winkler, and the current owner/developer, David Gray, to get this project through without the knowledge of the Sedona Park residents. They have contended that notice of earlier land use action was purposely withheld from their neighborhood in order to accomplish that. The following is a sampling of some of the statements that appeared in early correspondence from residents of the neighborhood. "Troutdale city government is in the pocket of whatever developer comes through." Another resident wrote, "Please reference ORS 92.465 wherein fraud and deceit are prohibited. All parties are guilty it seems to me." This person specifically listed the city planning division as a party in this matter. A third quote, "I see the developer is already advertising the condos. Is this a done deal already?" Finally a resident stated the following, "Only notifying the homeowners within 250' of this development is a backdoor attempt to further the interest of Ridge Investments." Most statements of this type were made without the accuser bothering to get the facts about procedures spelled out by the Development Code, without knowing where the role of the planner begins and ends and without understanding what aspects of property development are completely outside of our control. These people prefer instead to jump to an impulsive conclusion that a development of this type could not have been given life in the first place unless the city planners were somehow pushing for it or perhaps even benefiting from it. I am personally offended by that type of thinking. These character attacks against Beth and me were simply unwarranted and unjustified. I want to use this opportunity to simply ask the citizens of Troutdale to please not rush to judgments about those of us that serve in these positions, those of us who have the responsibility to fairly and equitably administer the laws and regulations of the City. As the City's Community Development Director I have the duty to honor and respect the rights of all property owners. Those rights are enumerated and framed, for better or worse, by the Troutdale Development Code. I have the responsibility to administer the Code to the best of my ability for all citizens. That is no easy task and it often puts the planning staff in the middle of unavoidable land use disputes. The Tyson's Place development project has been an eye opening experience for all of us. I have learned an important lesson in what to do and what not to do in handling similar land use applications regardless of what I understand the letter of the Code to be. I want it to be known that my staff and I will continue to honor and respect the rights of all property owners to use and develop their land within the allowances of State land use laws and the Troutdale Development Code. I am sure this Council would expect nothing less of us. I would like to thank you for allowing me to speak my peace.

Mayor Thalhofer called for a break at 9:10pm and reconvened at 9:25pm.

8. PUBLIC HEARING / ORDINANCE (Introduction): An Ordinance clarifying procedures for imposing system development charges and amending Chapter 12.02 of the Troutdale Municipal Code.

Mayor Thalhoffer read the ordinance title and opened the public hearing at 9:25pm.

Jim Galloway, Public Works Director stated over a period of time we have had an opportunity to review and utilize the Code and we have come across a few things that we think should be clarified. The three major items are identified on the first page of my staff report. One has to do with a practice that has developed over time where we view the system development charge (SDC) as benefiting the property where the development occurs as opposed to a benefit to any particular individual. We have a proposed change in Section 12.02 where we clarify that particular issue. Prior practice has also been to require the collection of SDC's if there is a change in usage as well as when a permit for new development is issued. That is spelled out in one portion of the ordinance but not in another so we are proposing a change in Section 12.02.060 to clarify that issue. A third item has to do with an allowance for existing development. There is an allowance in the Code as it exists now that says if there is an existing development that has been using our system they get credit for that. If they expand the development they only have to pay for the incremental difference. If that development goes away, property burns down or is demolished, they still get credit for what previously existed, in other words they wouldn't have to pay twice. That language in the Code doesn't address one issue that we believe is rather important. It doesn't stipulate that the prior development had to be within the City of Troutdale. We are proposing some language to clarify that. On the second page of my staff report there are some administrative changes that we are proposing. One is to allow an automatic annual adjustment based on a particular index for the SDC as opposed to coming back each year with new proposals for you. This is something that the Community Development Director has requested and that he may utilize for Parks SDC's. We would anticipate still coming back to you each year for the other utilities. We are proposing a change in Section 12.02.050 adding some language from the ORS which talks about notification requirements. There are two notification requirements in the ORS, one requirement is when you are either adopting the methodology or changing the methodology it requires a 90-day review requirement which has been in our Code language for some time. There is a shorter notification review process when you are simply making an adjustment to the charge based on inflation or a change in your Capital Improvement Plan and we have incorporated that language in the Code for clarification. The remaining changes are word changes, for example in some places we have used "street system" and in other places we used "transportation system", so we are proposing these changes for consistency.

Councilor Canfield stated most of the changes that you are proposing provide solutions to some potential problems except for changes to 12.02.030(B) which were recommended by the Community Development Director. I am not sure that there is a problem with the current language.

Rich Faith, Community Development Director stated the Parks Advisory Committee (PAC) has reviewed a revised methodology for our Parks SDC. During their discussion they talked about an automatic annual adjustment based upon some kind of an index. I told them that

there is already some reference to that in the Municipal Code but they were not sure that the index that is mentioned in the Code, the Construction Cost Index, would be the most appropriate one to use with respect to land acquisition for future parks and open spaces. Without making any kind of official recommendation, they expressed a desire that we would at least have the opportunity to use a different index and that could be predetermined at the initial adoption of an SDC rate.

Councilor Canfield stated SDC increases are very sensitive to a lot of people including myself.

Councilor Kyle stated I am concerned about the change to 12.02.030. If I am reading this right it sounds like it would automatically adjust without the benefit of a hearing or without the benefit of the public knowing that there was a change being made. Is that what I am reading?

Jim Galloway replied yes.

Councilor Kight stated regarding the Park SDC, have we identified an index to use and what could that potentially be 1%, 2%?

Jim Galloway replied Mr. Faith has not identified the particular index that the PAC may want to bring forward. If they were to use the Construction Cost Index, which is what we use for the utility system development charges, it has been as low as zero and the high was a little over 4%.

Councilor Kight asked what is the current Parks SDC rate for a single-family home?

Rich Faith replied it is currently \$3,600.

Councilor Kight stated so if we used that index a 4% increase would equate to an increase in the rate by approximately \$120. Is there another index you are considering?

Rich Faith replied the PAC asked me to bring them several different indexes to look at. We looked at the Consumer Price Index, the Construction Cost Index and a local Real Estate Index. The Real Estate Index is significantly higher than the others. The PAC merely wanted to convey that when we adopt a SDC rate that there should be built-in inflationary increases because the cost of land is going to increase in value and our intent is to collect that money to purchase parkland and the construction costs are going to increase. Which index is used is not really as much of an issue as is having a built-in automatic inflationary adjustment.

Councilor Thomas stated I have concerns about the automatic indicator. I am not at all comfortable with an automatic increase.

Rich Faith stated there seems to be an impression that by adopting it into this ordinance that you are automatically adopting it with an SDC rate. That comes later.

Councilor Thomas stated we are allowing you the option here but when we adopt it later, if it was adopted with an automatic indicator, then when we adjust the SDC rates is when it would kick in.

Rich Faith stated it still has to be your decision when you adopt the SDC rate. At that time you will determine whether you want to also include an automatic annual adjustment. It is not triggered by this language in the Code.

Councilor Thomas stated you are saying that we will still have to adopt the new rate every year.

Rich Faith replied when you adopt the initial rate you can allow for an automatic annual increase if you wish.

Councilor Thomas stated that is the part I don't like.

Mayor Thalhoffer asked is there any one here that would like to speak to us on this issue?

No testimony received.

Mayor Thalhoffer closed the public hearing at 9:45 and stated that there will be a second hearing on this issue in two weeks.

9. PUBLIC HEARING / RESOLUTION: A resolution approving the annexation of approximately 569 acres of real property (Land Use File No. 06-096 Reynolds Property Annexation) and adopting findings.

Mayor Thalhoffer read the resolution title and opened the public hearing at 9:46pm.

Beth McCallum, Senior Planner showed the Council a PowerPoint Presentation (copy included in the packet).

Beth McCallum stated this annexation comes before the city as a petition from the property owners: Alcoa/Reynolds Metals Company, Bonneville Power Administration (BPA) and Portland General Electric (PGE). The subject area is approximately 569 acres in area. In the staff report to the Planning Commission there were four tax lots owned by BPA, but as explained in Exhibit D there has been a property line adjustment between BPA and Alcoa which resulted in the creation of a fifth tax lot for BPA. The affected tax lots are listed in the Resolution and are all entirely encompassed in the legal description. We have properties that we call islands, once this annexation is approved, that are owned by Pacific Power and Light (PP&L) and James River which are not part of this annexation. To the north of the affected territory there are two owners, Russell Towboat Moorage Company and Morse Bros. Inc. They at some later date could annex to the City upon request because they are within our urban planning area. There are two annexation criterion in the Troutdale Development Code. Criteria A - The proposal conforms to the Comprehensive Land Use Plan, or substantial changes in conditions have occurred which render the comprehensive Land Use Plan inapplicable to the annexation. There have been no changes that render the Comprehensive

Land Use Plan inapplicable and these goals and policies are met. Criteria B – Inclusion of the territory within the city would be consistent with the purpose served by the city. In the Findings of Fact forwarded to you from the Planning Commission that criteria has been found to be met. It is consistent with the City's purposes which are generally outlined in the Comprehensive Land Use Plan Goals and Policies. In addition to meeting the City of Troutdale's annexation standards, an annexation must comply with the following Metro Codes: The annexation is consistent with the City's annexation plan and is identified in its Urban Planning Area Agreement with the County; it is consistent with the Comprehensive Land Use Plan for the City; it is consistent with the Metro Regional Framework and Metro Functional Plans; it is timely, orderly and promotes the economic provisions of public facilities and services; and it is consistent with state and local laws pertaining to annexation. These codes have been met. Staff is recommending approval of the annexation.

Councilor Daoust asked why are James River, PP&L, Russell Towboat Moorage Company and Morse Bros. not part of this annexation?

Beth McCallum replied this was an owner initiated annexation and they chose not to participate.

Councilor Daoust stated we get no tax revenue from the property owned by BPA and PGE.

Beth McCallum replied that is my understanding.

Kathy Leader, Finance Director stated I believe that we get some revenue from PGE.

Councilor Kight asked how much can we expect in property tax revenue from this annexation?

Beth McCallum replied I have requested that the applicant respond to those types of questions.

Councilor Kight asked as that property is developed what are we looking at as far as costs to the City?

Beth McCallum replied with most development the developers pay their way as they go. For example they pay for the extension of the utilities and they pay for the public roads. I don't know of any costs that there will be to the City.

Councilor Kight asked do we have to accept the fact that the other properties are not included in this annexation?

Marnie Allen replied the City can initiate an annexation, especially when you have an island.

Tom Bouillion, Port of Portland stated the approval criterion is fairly straight forward and staff did a good job characterizing the proposal. In terms of the question regarding the islands, PP&L and James River were requested to participate in this. I can appreciate that from a planning standpoint it is a lot cleaner to not have these islands. In terms of any fiscal issues,

our understanding is as the developer we would be responsible for installing infrastructure to city standards and making frontage improvements whether it was a county or city road. We may also be responsible for some off-site traffic improvements. The Port is a tax exempt entity, but as land is leased or sold they would then pay local property tax.

Mayor Thalhoffer asked is there anyone here that would like to speak to us on this issue?

No testimony received.

Mayor Thalhoffer closed the public hearing at 10:10pm.

MOTION: Councilor Thomas moved to adopt the resolution approving the annexation of approximately 569 acres of real property, Land Use File No. 06.096 Reynolds Property Annexation, and adopting findings. Seconded by Councilor Kight.

Councilor Thomas stated I think this is a major step forward in building our industrial base and job creation. A lot of us have talked about how we can get business in and help Troutdale with job growth and our future livability.

Councilor Kight stated to add to what Councilor Thomas said, that job source was lost with the closure of Reynolds Metals. With the Port of Portland purchasing this property and cleaning it up and also the fact that it will be annexed into the City of Troutdale we will see an increase of income to our general fund. I think this is a win win for all of the parties.

Councilor Canfield stated I agree with what has been said.

Councilor Ripma stated this property, when it did have industrial facilities on it, had a lot of good paying jobs but we couldn't annex it at that time. It is good that we are getting a chance to annex it now; it is Troutdale's future as far as being able to develop more good paying jobs. It is very important that what the Port does here is at least balanced. I am strongly in favor of this.

Mayor Thalhoffer stated Bill Wyatt the Executive Director for the Port of Portland said that they wanted to have a balance between manufacturing and warehouse distribution.

VOTE: Councilor Canfield – Yes; Councilor Kyle – Yes; Councilor Daoust – Yes; Councilor Kight – Yes; Councilor Ripma – Yes; Councilor Thomas – Yes; Mayor Thalhoffer – Yes.

Motion Passed Unanimously.

10. RESOLUTION: A resolution providing for budget transfers and making appropriation changes for Fiscal Year 2006-07.

Kathleen Leader, Finance Director stated the proposed resolution before you tonight is in response to the Council approved Settlement Agreement between the City and DA Grey and also with the adoption of the Ordinance and the Development Agreement. The terms of that Settlement Agreement between the City and DA Grey required the City to tender payment of \$300,000 to DA Grey as consideration for DA Grey developing a 9-lot subdivision instead of a 19-unit condominium development. The terms of the agreement establish a payment schedule for the City to disburse to DA Grey. Under the terms of the agreement, DA Grey may be eligible to collect up to \$125,000 of the total settlement amount during the current fiscal year. This resolution would transfer that \$125,000 from the General Fund Contingency to the General Government department for that payment. As part of the budget process for next fiscal year we will include a line item in the General Government Fund to complete that final payment of \$175,000.

Councilor Canfield stated if this is approved, the contingency for the 2006-07 budget would be reduced from \$200,000 down to \$75,800, is that correct?

Kathleen Leader replied yes.

Mayor Thalhofer asked is there anyone here that would like to speak to us on this agenda item?

No testimony received.

MOTION: Councilor Daoust moved to adopt the resolution providing for budget transfers and making appropriation changes for Fiscal Year 2006-07. Seconded by Councilor Kight.

Councilor Kight stated this brings this issue to a conclusion. We made an agreement with DA Grey and this is the fulfillment of the financial portion of that agreement.

Councilor Canfield stated I know the majority of the Council voted in favor of this settlement, however, I am probably the lone no vote here.

VOTE: Councilor Canfield – No; Councilor Kyle – Yes; Councilor Daoust – Yes; Councilor Kight – Yes; Councilor Ripma – Yes; Councilor Thomas – Yes; Mayor Thalhofer – Yes.

Motion Passed 6 – 1 (Councilor Canfield)

11. STAFF COMMUNICATIONS

None.

12. COUNCIL COMMUNICATIONS

Councilor Canfield asked staff to schedule a work session regarding the garbage problem that took place during the last storm.

Councilor Daoust stated there are some invasive plants growing within the City that are on the State of Oregon's list of invasive plants. They are located along 257th, heading north as you approach the last curve before you reach Historic Columbia River Highway, on the up hill side we have scotch broom growing. Councilor Daoust asked staff to contact Multnomah County and ask them if they have any plans to remove this invasive plant.

13. ADJOURNMENT:

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

Meeting adjourned at 10:25pm and convened into Executive Session.

Mayor Thalhofer called the regular meeting back to order at 10:55 following the Executive Session.

MOTION: Councilor Thomas moved to modify the City Administrator's contract for a 3-month extension. Seconded by Councilor Kight. Motion passed unanimously.

Meeting adjourned at 10:57pm.

Paul Thalhofer, Mayor

Dated: Approved June 12, 2007

ATTEST:

Debbie Stickney, City Recorder