

MINUTES
TROUTDALE CITY COUNCIL - REGULAR MEETING
TROUTDALE CITY HALL
104 SE KIBLING AVENUE
TROUTDALE, OR 97060-2099

7:00 P.M. -- JULY 23, 1991

ITEM #1: PLEDGE OF ALLEGIANCE, ROLL CALL, AGENDA UPDATE

Mayor Cox called on Councilor Thalhoffer to lead the pledge of allegiance.

City Recorder, Valerie Raglione, called the roll.

PRESENT: **Bui, Cox, Fowler, Schmunk [Left at 8:40 p.m.], Thalhoffer, Wakeman**

STAFF: **Christian, Cline, Collier, Gazewood, Raglione, Wilder**

PRESS: **Steve Amick, Oregonian**
 Dave Pinson, Outlook

GUESTS: **Dave Simpson, Jody Fischer, Sally Wakeman, Karen Burger-Kimber**

Mayor Cox asked City Administrator Christian if there were any agenda updates.

Christian stated that there was a Resolution added to the Consent Agenda for a name change replacing Resolution 898-R. [914-R]

ITEM #2: CONSENT AGENDA

Mayor Cox called this agenda item.

MOTION: Councilor Bui moved to approve the consent agenda as written [2.1 - City Council Minutes 6/25/91 and 7/9/91; 2.2 - Ratify Resolution. Councilor Wakeman seconded the motion.

YEAS: 5
NAYS: 0
ABSTAINED: 0

Bui - Yea; Fowler - Yea; Schmunk - Yea; Thalhoffer - Yea; Wakeman - Yea

ITEM #3: PUBLIC COMMENT

Mayor Cox called this agenda item.

Dave Simpson and Jody Fischer were in the audience to present an update from ODOT regarding the I-84/Hwy 26 routes. Dave Simpson presented materials to Council and gave an overview of the routes that were being considered.

Simpson stated that an EIS was expected by the end of 1991; ODOT hearings/local hearings; and a build late in 1997 was the expected timelines. Routes were 1] Hogan Corridor I-84 Wood Village interchange to Palmquist - SE to meet 26th with 2 signals N. of Stark (Burnside/Powell). 2] Kane which followed Hogan to Stark/257th to Hwy 26 with no signals. 3] Dotted line was to satisfy requirements of the National Emergency Study and still recognized the City of Troutdale opposing route [if chosen was still decision of the City of Troutdale]. 4] TAC unanimously rejected -- Eastern corridor Williams [268th] staying within the Urban Growth Boundary. If the City of Gresham requested a study of the 4th option, it would be studied further - public involvement of the citizens in the area would be done.

Councilor Bui asked Simpson if he was aware of any political resentment from other cities since the City of Troutdale was first on record rejecting the parkway through the City?

Simpson stated that he didn't hear much about it any more, however, Gresham could veto any routes at the end, the same as the City could.

Councilor Thalhoffer asked why 257th was considered to be too far east, at one time, and the Williams route was further east yet? He stated the site had been lost as to the purpose of the highway -- 70% was to move local traffic and 30% was to move Hwy 26/I-84 traffic.

Simpson stated that the State felt local jurisdictions wanted to move further east and it would meet the goal of moving traffic. The State and the City of Gresham were willing to look at changing the goal.

Councilor Fowler stated that there would be a total of 10 years from start to finish for this project plus costs less to construct the road than to do the study and planning.

Councilor Schmunk stated that an EIS would be done on Williams because, in her opinion, the City of Gresham would request it.

Simpson stated that the City of Gresham would look heavily at Hogan. Troutdale elected not to participate and therefore, it didn't matter what the City thought.

ITEM #4: DISCUSSION/ORDINANCE: Imposing Water, Sewer, Street, Storm Water and Parks System Development Charges and Repealing Ord. #566. [Tape 1, Side 2 12:49]

Mayor Cox called this agenda item and asked for Declarations, Challenges, Ex Parte Contact.

Wilder presented information regarding the capital improvement program component of the system development charge ordinance. He presented several charts and graphs as he reviewed each project and costs associated with each. Projects reviewed were: Marine Drive culverts \$127,000 with participation; Flood storage access [Reynolds Aluminum] \$25,000. The wetlands could be used for detention; Driveway \$14,000; Fund SDC or private; Railroad spur crossing; Gas ditch crossing; Marine Dr/Sundial Rd conversion \$480,000; Columbia River Hwy crossing and detention [close to dog tract] \$12,500; Wood Village Bypass to cross Halsey \$56,000; Marine Drive Diversion \$1122,000; Marine Drive \$111,000; Frontage Road culvert \$14,000; Columbia River Hwy Improvements \$57,000; Capitalized equipment \$45,000.

Councilor Fowler asked about Reynolds?

Wilder stated that Reynolds has their own pump and was not included at this point.

Wilder discussed the Sandy River zone -- 1. Halsey Street diversion took water to gravity area and provided service for less cost. 2. Sandy River Basin - \$193,000 as development occurred developer would pay proportionate costs - City of Troutdale, Multnomah County could also be a participant - \$193,500. 3. 262/Hensley [N/S conduit to take to gravity system - \$220,000. Would require an ordinance - contributors to the downtown system would pay fair share but no additional costs as a result of prior LID. 4. Jackson Park Interceptor - As Dix property developed the bulk should be borne by development as it happens - \$79,300. Could extract payment for development - \$1.5 million. Beaver Creek erosion [metering station Stark at Beaver Creek - \$33,000].

Wilder discussed the South Troutdale Interceptor Sweetbriar Creek was a candidate for extracting monies from developers - \$143,000. The second component of capital projects equipment [drywells, pumping equipment, vacuuming equipment] - \$45,000

Councilor Schmunk asked how many projects were done by CDBG?

Wilder stated that between 80-90% in the area were by CDBG funding.

Wilder stated that further information would be before Council at future meetings.

ITEM #5. RESOLUTION: Award Bid for 8th Street Project [Tape 1, Side 2 12:56]915-R

Mayor Cox called this agenda item and asked for Declarations, Challenges, Ex Parte Contact.

Councilor Bui stated that his residence was on 8th Street.

Wilder stated that bids ranged from a low of \$137,812.50 [Dirt & Aggregate] to a high of \$171,467. The engineer estimate for this project was \$129,800. He stated this was subject to review and approval by CDBG and recommended the project be awarded to Dirt & Aggregate.

Wilder stated that contractors were busy and there were less bidders as a result. The bid was 6% over the engineer's estimate.

Councilor Schmunk asked when the project was expected to begin?

Wilder stated 15 days after the notice to proceed. It was hoped to be completed before school started. He stated that some of the signage and stripping might be removed from the contract to reduce costs through change orders. Multnomah County or City crews might be able to perform some of those portions of the project.

MOTION: Councilor Schmunk moved to adopt the resolution. Councilor Fowler seconded the motion.

**YEAS: 5
NAYS: 0
ABSTAINED: 0**

Bui - Yea; Fowler - Yea; Schmunk - Yea; Thalhoffer - Yea; Wakeman - Yea

ITEM #6. RESOLUTION: Establishing Sewer Rates User Fees [Tape 1, Side 2 19:40] 916-R

Mayor Cox called this agenda item and asked for Declarations, Challenges, Ex Parte Contact

Wilder stated that the City's financial advisor suggested increasing the rates by 10%. The combined increases would result in a sewer rate of \$15.18 per ERU. The current rate was \$13.20/ERU.

Wilder stated that Section 3A should note 170 lbs of BOD/year and 150 lbs SS/year; Section 3B should reflect 220 mg/l(annual average), suspended solids (SS) concentration of not more than 190 mg/l. [252 gals per household per day].

MOTION: Councilor Thalhoffer moved to adopt the resolution with the noted inclusions. Councilor Bui seconded the motion.

**YEAS: 5
NAYS: 0
ABSTAINED: 0**

Bui - Yea; Fowler - Yea; Schmunk - Yea; Thalhoffer - Yea; Wakeman - Yea

ITEM #7. RESOLUTION: Establishing Water Rates User Fees, Commodity Charges, Standpipe Charges [Tape 2, Side 3 1:30] 917-R

Mayor Cox called this agenda item and asked for Declarations, Challenges, Ex Parte Contact.

Wilder stated to mitigate the tax limitation measure and Attorney General's opinions the "system charge" and "availability charge" were removed since they constituted a "tax", subject to the limitation measure. The costs must be spread back into the rate base and paid for by the purchase of the water commodity. The new rates and charges reflect those changes.

Wilder stated that an addition for Hydrants had been made of \$100 deposit + \$25/mo. + Water Usage. There had been a recurring problem with individuals keeping hydrants for the deposit amount only and no monthly being charged so there was no incentive to return the hydrants.

MOTION: Councilor Bui moved to adopt the resolution including the addition for hydrants. Councilor Wakeman seconded the motion.

YEAS: 5

NAYS: 0

ABSTAINED: 0

Bui - Yea; Fowler - Yea; Schmunk - Yea; Thalhoffer - Yea; Wakeman - Yea

Councilor Thalhoffer stated that the Attorney General's opinion was not law and asked if the City would want to challenge because he believed it was 'winable'?

Wilder stated that this could be a 'test' case if Council choose to do so.

Christian stated that City Attorney Jennings would soon be attending the Attorneys Conference and could bring further information back to the next meeting following the Conference.

ITEM #8. RESOLUTION: Foreclosure of Delinquent Assessment Liens [Tape 2, Side 3 19:55]

Mayor Cox called this agenda item and asked for Declarations, Challenges, Ex Parte Contact.

Gazewood reviewed this item for Council. He stated that a letter had been received [same day as Council meeting] from RMAC asking to allow them until August 8th to pay all accounts up to date. He stated if no payment was received by August 13 a resolution authorizing foreclosure would be on the agenda for action.

Gazewood stated that the resolution was delayed to determine the legal standing of the City to protect its interest with the assessment liens on the Marine Drive/Sundial Road Sewer LID. The assessment on properties in 12 month delinquent status in the Water LID were six months past due in the Sewer LID.

Gazewood stated that the City had been carrying the costs and other money was supporting these non-payments.

ITEM #9. RESOLUTION: Establishing and Revising Specific Fees & Charges [Tape 2, Side 3 25:13] **918-R**

Mayor Cox called this agenda item and asked for Declarations, Challenges, Ex Parte Contact.

Staff reviewed the minor changes that had been made to better meet the actual costs of doing business.

MOTION: Councilor Bui moved to adopt the resolution. Councilor Thalhoffer seconded the motion.

**YEAS: 5
NAYS: 0
ABSTAINED: 0**

Bui - Yea; Fowler - Yea; Schmunk - Yea; Thalhoffer - Yea; Wakeman - Yea

ITEM #10. APPOINT: Planning Commission Member to Fill Vacancy + 1 Alternate [Tape 2, Side 4 4:00]

Mayor Cox called this agenda item and asked for Declarations, Challenges, Ex Parte Contact.

Christian stated that a resignation had been received from Mr. Ragan from the Planning Commission. Christian reviewed the Selection Committee recommendations for Council. The Selection Committee consisted of Bruce Thompson, representing Council; Walt Postlewait, representing Planning Commission and the Mayor. Candidates were interviewed on July 17 and were recommended to be appointed as follows: Joanna Moyer to Position 4 - Term expiring 1/1/95; Frank Grande to Position #7 - Term expiring 1/1/92. There were no other applicants and an alternate term expiring 1/1/95 would remain vacant until a later date.

MOTION: Councilor Bui moved to appoint Joanne Moyer to the Planning Commission to Position #4 [Term Expiring 1/1/95]; Frank Grande to Position #7 [Term Expiring 1/1/92]. Councilor Schmunk seconded the motion.

**YEAS: 5
NAYS: 0
ABSTAINED: 0**

Bui - Yea; Fowler - Yea; Schmunk - Yea; Thalhoffer - Yea; Wakeman - Yea

ITEM #11. ASSUMPTION: SR Construction-Mountain Vista LID [Tape 2, Side 4 7:00]

Mayor Cox called this agenda item and asked for Declarations, Challenges, Ex Parte Contact.

Wilder stated that the City had formed a local improvement district to build a public facility for the Mountain Vista Subdivision. The agreement was by and between the City and MJB Enterprises. MJB Enterprises wished to sell the subdivision and transfer the LID non-remonstrations agreement to the new buy, Bob Spikes of SR Construction. The sale of the project was conditional upon the City allowing assumption of the LID non-remonstrations agreement. Staff recommendation was to authorize the Mayor to execute the assumption agreement and all provisions of the local improvement district be assumed in total by Mr. Spikes subject to: 1] the installment of \$33,956.38 due August 1, 1991, plus accrued interest, be paid within ten business days of the due date; and 2] all LID costs in excess of the amount preassessed must be paid in full within ten business days of the billing date.

MOTION: Councilor Fowler moved to approve of Spikes assumption of Mountain Vista LID subject to 1] the installment of \$33,956.38 due August 1, 1991, plus accrued interest, be paid within ten business days of the due date; and 2] all LID costs in excess of the amount preassessed must be paid in full within ten business days of the billing date. Councilor Bui seconded the motion.

YEAS: 5

NAYS: 0

ABSTAINED: 0

Bui - Yea; Fowler - Yea; Schmunk - Yea; Thalhoffer - Yea; Wakeman - Yea

ITEM #12. **PUBLIC HEARING: Public Works - Special Public Works Fund Loan App.**
[Tape 2, Side 4 11:27]

Mayor Cox called this item.

Christian stated this had been noticed on two different occasions. Councilor Fowler had raised the issue of notice and asked if it had meet the conditions of notice for public hearings. Staff, since OED required City to have an ordinance before Council [August 13], asked that Council leave the hearing open for continuation to the next regular Council meeting. That would allow for additional testimony should there be any at the time the Council considers action to the Ordinance.

.1: Open Public Hearing - 8:45 P.M.

.2: Declarations, Challenges, Ex Parte Contact - None stated

.3: Summation by Staff - Wilder stated that as part of the continuing process with Council being the advisors in pursuing continuing funds - staff first presented a preliminary application to the Oregon Economic Development Fund for Special Public Works Fund Loan monies. The application was approved and the City was asked to submit a final application. If approved the City would be awarded in total or in part, \$4.061632 million for expansion of the sewage treatment facility. Wilder stated the advantages of using this source of money were many. The City's financial advisor had indicated that the savings over the bond payment schedule of the project would amount to about 15% to the rate payers -- this source as opposed to regular revenue bonds that the City might have to sell

themselves. The State has a better chance of getting better interest rates. The State would finance and fund the cost as an outright grant for the sale of the bonds, estimated at \$67,000 that would be an outright grant. They would provide and set aside the reserve monies that the City would normally have to provide, as well as a number of other benefits that lead to an overall cost to the City by doing it through this source.

Wilder stated that since 1980 the City had grown from just under 4,000 to exceeding 8,000 currently. The Treatment Plant had been able to process the flow during that time for both existing customers as well as holding enough reserve capacity for those prepaid reserves. As the City approached the 1991 era, it is estimated that approximately 12-18 months at the current rate before some type of development moratorium must be considered by the City. We will be at functional capacity. The Special Public Works Fund places emphasis on money awards and loans towards the economic development side. That doesn't mean that the normal housing growth along with economic and commercial growth. Included in the rate structure is expansion component of other capital required to meet the current and pending discharge regulations.

Wilder stated that water use indirectly translates into water processed through the treatment plant. In 1987 approximately 10.8% of the total metered sales went to commercial/industrial users; currently that is at 18.5% in a span of about 5 years. The City expects to peak at 22-25% industrial commercial the balance remaining forever within the growth boundaries for residential use. Wilder stated that revenue generated for planning/building fees indicated a drastic growth since late 1986-87 and is still continuing. Another indicator was the increased collections of system development charges - in 1984/85 the average was \$20,000/yr and is now in excess of \$150,000/yr with no rate changes in system development charges during that period of time. Sewer has been \$1,250 throughout the entire period. The revenue collected is all a direct reflection of growth and not rate changes. [Exhibits]

Wilder stated there was a service area in which the City of Troutdale had a DEQ requirement to provide a '208' responsibility to provide sewer whether inside or outside the City. The area happens to be outside currently [some area has been annexed] the intent is to see it grow and develop to utilize the facility (1984). In 1986 the City had bits and pieces of development begin to happen - Wastewater Management adding industrial facility, hangars and bits around the airport. In 1988 the City began to prepare and build for things to come - investments in two local improvement districts, system development charge revenues primarily. Water lines to serve the County Farm and the area along Marine Drive which has now been annexed to the City. There still is a service responsibility for the area. Investments in water and sewer facilities of over \$2 million. Of that investment there has been an excess of considerably more than \$12 million of development growth that followed. Construction of pump stations and sewer facilities along Marine Drive, upgrade of pump station on Frontage Rd. [allowing Burns Bros. etc to develop], upgrades to the Treatment Plant and engineering of a new outfall. Construction of the facilities were followed by Burns Bros. Woodpecker Trucking and Schwans Distributing on Port property which wouldn't have been possible. Remodeling of Bennett along Columbia River Highway. In 1990 considerably more growth - Diebold Lumber, RMAC Tire Recycling, Walsh, Marathon LaTourneau, McDonald's and Flying J. In 1991, two additional developments: Medical Media and Skyline on Marine Drive; remodeling improvements to Chevron, Shari's and Taco Bell under construction; Burger King; Factory Outlet stores; McMinneman

development were added. All but the factory outlet stores were added as a result of the upgrades and facilities.

Wilder stated that as part of the overall application process, the Community Development department put considerable time and effort into developing the requirements for the application -- vacant lands inventory [1-commercial; 1-industrial] for the Economic Development Commission to review and analyze to see what the anticipated growth affect will have on the Treatment Plant and to pay the bonded monies back.

Wilder stated the application itself was included in the packet and all staffing at City Hall had worked very hard to put it together. The Oregon Economic Development Department financial advisory considered this application packet an anchor tenant to their overall loan package for selling their bonds in September. If the full amount is funded, it will be the largest Special Public Works project that has been funded. The odds are very good for Troutdale. The application is in and we should be hearing in the next two to three weeks. The hearing will be continued to the next meeting also for an ample opportunity to solicit public comment. An Ordinance will be before Council at the August 13, meeting also.

Christian stated that an additional requirement to the City process under the Development Code which specifically stated that sewage treatment facilities go to the Planning Commission - conditional use permit - on the August 21 agenda of the Planning Commission.

- .4: Public Testimony: Proponents - City
- .5: City Council Questions - None
- .6: Public Testimony: Opponents - None
- .7: City Council Questions - None

Karen Burger-Kimber asked when the original sewage treatment plant was constructed and what was it designed for and a population figure at that time?

Wilder stated the plant was designed to handle 1.6 mgd. It wasn't targeted at any growth or development.

Burger-Kimber stated when this plant was built [1981] and a system development charge [reservations could be acquired for consideration of future construction] - what was the population figure used?

Wilder stated 12,000 ERU's which did not mean 12,000 population. [i.e., a restaurant would contribute significantly more than a residence and could be assigned 100 ERU's]. An ERU is considered to be 250 gallons. The City was right at about 12,000 now. There was 8,200 population equivalents now. The Plant was at capacity now and at times exceeding capacity. Average plant capacity is 1.2 flow mgd average...peak is 1.6.

Burger-Kimber asked what happened to the funds that were set aside to help pay for sewer development later on?

Wilder stated currently there was \$500,000 of prepaid reserves which was considered as used plant capacity. The point was rapidly being reached where the City couldn't meet the daily flow requirements physically plus the obligations...that is when the plant is full. No more development could occur.

Burger-Kimber asked with the sewer reservations, how is the population equivalent estimated on those reservations?

Wilder stated that the record was kept. If someone came in to build a house that had a reservation, it was taken off the books at that time. They pay the balance of their deposit and the real capacity is traded versus the reserve capacity. Those people with reservations are guaranteed capacity in the plant and included in the capacity calculations whether they have built or not.

Burger-Kimber asked if the \$500,000 in reserves was applied to improvements in the... Wilder stated that money had already been spent on the system. Burger-Kimber asked what the buffer was from existing use and anticipated use. Wilder stated the blue line was the buffer.

Christian stated the money in the reserves went into the original expansion in 1980-81 to allow the City to handle the capacity at the time reservations were being purchased plus the existing population at that time.

Burger-Kimber stated that she was talking about the buffer between the black line and blue line and wanted to know what it represented in population equivalents?

Christian stated that an ERU accounted for 3.24 people per household versus population and the 3.24 would be translated into a population equivalent.

Wilder stated there were \$519,000 of outstanding deposits amounted to 842 reserves which was 842 ERU's times 3.24 = 2700 people.

Burger-Kimber stated that answered her question.

.8: Rebuttal - None

.9: City Council Questions - None

.10: Recommendation by Staff - Wilder

.11: City Council Questions - None

.12: Close Public Hearing Process - The Hearing was open for consideration of additional hearing and testimony at the August 13, 1991 meeting.

ITEM #13. COUNCIL CONCERNS AND INITIATIVES

Mayor Cox called this agenda item.

ITEM #14. ADJOURNMENT.

MOTION: Councilor Bui moved to adjourn the meeting at 9:10 p.m. Councilor Fowler seconded the motion.

YEAS: 5

NAYS: 0

ABSTAINED: 0

Bui - Yea; Fowler - Yea; Schmunk - Yea; Thalhoffer - Yea; Wakeman - Yea

Sam K. Cox, Mayor

Dated: _____

ATTEST:

Valerie J. Raglione, CMC
City Recorder

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