

MINUTES
TROUTDALE CITY COUNCIL - WORK SESSION
COUNCIL CHAMBERS
TROUTDALE CITY HALL
104 SE KIBLING AVENUE
TROUTDALE, OR 97060-2099

7:00 P.M. ~ NOVEMBER 26, 1991

ITEM 1: PLEDGE OF ALLEGIANCE, ROLL CALL

Mayor Cox called the Council to Session at 7:00 P.M. on November 26, 1991 and called on Councilor Thalhofer to lead the pledge of allegiance.

City Recorder, Raglione, called the roll.

PRESENT: Cox, Fowler [7:14], Schmunk, Thalhofer, Thompson, Wakeman

ABSENT: Bui

STAFF: Christian, Cline, Collier, Gazewood, Ortega, Raglione
Jim Jennings, City Attorney

GUESTS: Janet Renfro, David Ripma, Peter Van Dyke, Bill Brookhart, Lee Brookhart, Joann Brookhart, Earl Smith

ITEM #2: PUBLIC COMMENT:

Mayor Cox stated that the Council was meeting for purposes of a work session only and that there would be no final, form decisions on issues at this meeting. He then called for comments from the audience and asked that they limit them to three minutes.

BASKETBALL HOOPS:

Peter Van Dyke, 1221 SW Hewitt, asked that the Council exercise reasonableness when defining hazards relating to basketball hoops. He stated his hoop was between his driveway and a vacant field and felt that it was causing no hazards. He asked that the City consider a permit system which could charge a \$10-\$15 fee to have inspector review the area of locations for basketball hoops. If Council intended to continue the ordinance as was written, he asked that there be a Ban of the other activities which involved playing in City streets [i.e., touch football, skateboards, bicycles, etc. He stated there were no parks in his residential area where the kids could be playing.

Bill Brookhart, 1852 SW Kings ByWay, stated that he lived on a dead end street and the hoop he was concerned with had been in place since 1979. Brookhart contended that the City had not looked at the ordinance correctly. A notice of a violation had been sent to him, however, a formal complaint hadn't been made. He stated that the process hadn't been done correctly. According to the City's ordinance there should be a complaint, an investigation, then a hearing process at which time the offender could cross examine witnesses that had formally complained against him. He stated that process wasn't followed and objected stating the hoop was not a nuisance, and not a hazard where it was located. He asked Council to make it clear to City Administrators what their job was suppose to be.

Earl Smith, 1436 SE 29th Ct., stated he has a hoop in front of his house which was located on a cul-de-sac. Kids would be playing in street if the hoop wasn't there. He didn't want his kids walking half mile somewhere else to play and expressed concerns about the safety of his children. They could easily see the kids playing where the hoop was located and preferred that they be close to home. The street was a quiet cul-de-sac, lightly traveled.

Mayor Cox gave background information as to how the ordinance was originally before Council and why it was passed. He stated that a letter had been received from an Attorney complaining of a near accident hitting a child while he was driving through an area street. The point was made that the City could be sued because of allowing hoops on streets. The City Attorney for Troutdale, at that time, did advise Council that the City would be liable. It was Council responsibility to take such advice and therefore, had taken the action that was at issue regarding the basketball hoop concerns.

Concerns addressed by Staff were:

1. permitting structures in the City rights-of-way;
- 2) driver safety in maintenance of the streets if hoops are allowed to be in the City right of way;
- 3) public safety issues of children being encouraged to play in the streets;
- 4) would a 'current' dead end street always be a dead end street [i.e., stub streets end up through streets when development continues at a later date] In which cases how would 'grandfathering' these hoops be addressed in the future?
- 5) private utilities placed close to curbs would create a conflict with utilities;
- 6) City staff members assuming responsibility of liability by approving a permit [which could be construed as approving that all state, county and local laws had been met].

After much discussion and questions it became clear that more information needed to be at hand before Council could continue. Jennings was directed to review the Beaverton ordinance for standards and clear criteria based on the concerns discussed. The issue of liability was a major concern for staff and Council and required information from an insurance carrier regarding what types of policies could be provided that would put the City in a 'hold harmless' position.

Christian stated there was enough direction to enable staff to gather information and bring options back to City Council for the second meeting in January as a discussion item only. Councilors could better refine the City position at that time from the information presented.

REQUEST CHANGE OF CITY PICNIC DATE: SIDE 2 10:20

Renfro introduced herself and stated she was before Council as the Head of windjam steering committee and to follow up on a letter which she mailed to the Mayor. The letter was requesting a change in the City's picnic date from July 18 to possibly another weekend. The Windjam would be scheduled for July 18-19th. Jazz week was scheduled for the first week in August. The event had brought in approximately 5,000 over the two days last year.

Councilor Thalhofer stated the City Picnic was traditionally the third Saturday in July. What about next year?

Janet Renfro stated it would depend on the sponsorship and events booked. She stated she would like to have the best talent booked for the Sandy River Blues.

Mayor Cox polled the Council. The consensus of the Council was that it would not be a problem to reschedule the City Picnic.

APPOINTEES TO CITIZENS CRIME COMMISSION SIDE 2 16:36

Public Safety 2000 issue - Citizens Crime Commission discussions with consolidation of services. Public Safety service in Multnomah County recommended the Citizens Crime Commission evaluate the issues.

Christian stated that three names were to be submitted to the Public Safety 2000 Commission to represent Troutdale area. The Technical Committee would have the Chief on it; the Chambers from all areas would be included.

The three names given to Christian by Council were:

David Ripma; Nev Scott; Mrs. Finch; [Bill Quinn]

ITEM #2: PHILOSOPHY OF SDC'S Side 2: 26:56

Christian introduced Ken Rust, Public Financial Management. Rust supplied handouts and proceeded to address the Council in providing a background and update of analysis of charges under State law.

He had been reviewing with staff all of the different SDC's charges and what state law is. The philosophy that had been followed was a 'cost of service approach'. It was used mostly for water, sewer, gas, electric kinds of services. Assigning costs and setting a charge in proportion to what it costs to provide services regardless of the type of customer [i.e., residential/commercial/industrial].

Rust stated there were basically 4 Keys:

- 1] What costs were to be collected to serve customers? Capital Improvement costs or costs the City needs to build capacity to serve customers.
- 2] Who are customers, what are demands, how will they use system? The number of customers is a factor used in equating charge or allocating charge for customer class.
- 3] cost allocation process [peak day costs - water, fire protection costs on water; sewer loadings etc.];
- 4] determine schedule of rates and charges based on costs which we have to recover, the demand being placed on the system by the new customers and the cost that can be allocated to each customer class.

Rust stated these four steps were what had been followed and was consistent with the method the City had established its rates and charges and was consistent with the methods most cities in Oregon had approached rate setting with this type of charges.

There were also requirements of State law which must be followed. As of 7/1/91 the imposition of these charges was made subject to certain state law requirements. Key areas of this type of charge which was 'How are costs measured?' The law states that you can measure costs that you are going to incur in the future to serve new customers. The capital improvements that you will make to serve those that aren't here yet. That is referred to as an Improvement Fee. The costs that you have already put in the ground and incurred can also be reviewed. There is a lot of capacity that was waiting for new growth to occur and use the capacity. That is referred to as a Reimbursement Fee. A combination of these costs can be looked at to arrive at a cost.

Three types of costs allowed by State law. Improvement Fee, Reimbursement Fee, and a combination of the two.

State Law being used to work under: To establish costs incurred which had increased capacity in the utility systems which are available for use by customers that will show up in the future. Using those costs as the basis for the charge and design the scheduled charges that will be assessed against new customers when they hook up or take out a building permit in the City.

Currently looking only at an improvement fee for capital improvements to provide capacity. For sewers, capacity has already been reached so there isn't any capacity to recover. For water, a combination of the two fees could be used. However, the numbers being used for the purposes of this discussion we have used the Improvement Fee costs under State legislation.

The capital costs identified in the four areas that we are setting charges for are: water, sewer, streets and parks. The numbers come from the Public Facilities Plan/Capital Improvement Program that the City had approved. The types of utilities vary.

Water system improvements are approximately \$2.8 million; Sewer \$8.5 million. These vary on the given utility and the need to expand the utility to meet planned growth during the twenty year planning period. The Parks system represent the portion of parks capital costs that have been determined to be needed to meet future growth - approximately 2/3 of the Parks Master Plan costs have been identified as growth related and 1/3 required to serve the existing population as it currently is. Parks number has been \$1.7 million and the figures being used are 2/3 of that amount. Rust stated these were construction costs using 1991 dollars, as estimated by Public Works staff.

What happens if the growth doesn't occur when we have to expend the monies? If we borrow the monies in order to have the funds available to build the improvements as they have been scheduled them to be made, we would incur financing costs. An estimate of when growth will happen had to be made as well as the revenues that would produce and financing costs associated with carrying those improvements until the growth occurs and the costs can be paid. Those figures have been added to all of the options to give a sense of two ways in which the costs can be measured: including capital costs and the costs of financing facilities [as estimated] based on timing of improvements and timing of growth served by the improvements. When the financing element is added to the costs it varies considerably because it increases costs which means additional costs in charges.

Each area has a different focus in terms of what is the factor being used to assess customer charges. Water SDC is based on meter size or meter equivalencies as an indicator of useage or demand of the system. The bigger the meter the bigger demand placed on the system; the more the City has to spend to build storage, supply and distribution facilities to meet the demand that the larger meter size places on the system. The equivalencies are expressed based on meter size - estimated on consumption of the City now, historically, and the capacity of facilities that will be built - what the number of equivalent meters that represents. In keeping with the cost of service principles. If someone can place a larger demand on the system, they will pay more for that demand they are imposing.

Rust stated in trying to set the charge was trying to apply cost of service rate making principles [i.e., people pay a portion to what it costs to provide them service. By line - what drives cost is the need to provide PM peak hour capacity - the land uses that develop that add PM peak hour trips should pay in proportion to the number of PM peak hour trips they add to the system. If they don't add very many they should pay less than those that add a lot. In looking at this kind of information [extremely detailed] but basically an encyclopedia of information is created that says for a given kind of office building with 'x' amount of sq. ft. in it or/ 'x' amount of employees you generate these number of PM peak hour trips and here is the charge. It was a fair and equitable method. In trying to employe these kinds of considerations in it it allows a framework or methodology in it and gives it some defensability of it. This would allow it to be based on City costs and development patterns in this City and the demand that creates in arriving at a number which is unique only to Troutdale.

Christian asked Rust to address an issue on growth occurring and/or not occurring and the sliding of Capital Improvements in terms of monitoring the improvement funds.

Rust exampled the Wastewater Plant. The money had been borrowed to make the expansion of which a portion of the revenue stream that would help pay the debt service on the loan which was

connection fees. When the new customers [for which the plant is really being built] show up in the numbers expected [in a cyclical fashion] - in some years more money will be collected than expected and some years not as much money will be collected. The City and Council needs to recognize the need to be prepared to meet the bad years by not spending all the money, or else be prepared to raise rates and charges when the revenues aren't there. When the money hasn't been spend [i.e., the Plant expansion] there is some ability to defer projects when growth slows down. Stage improvements so all the money isn't spent up front. Sometimes that isn't possible [i.e., Plant expansion]. To add capacity the facility needs to be built and financing helps to spread costs out and helps make the impact more tolerable.

Rust stated that other improvements roads and parks - there was an opportunity to make the improvements more incrementally. Caution to not spend the money before it is there and if it isn't there, you defer the improvements or save the money over a two or three year period and then build all the improvement at once. It would require careful management. But, by adopting the SDC it doesn't mean there is nothing to worry about...it creates a new set of problems and worries. The alternative is to fall back on all of the existing resources there are now and make the current ratepayers bear the burden or, the current property owners undergo even more crowded park conditions because there isn't the means to build more improvements to serve the growin population. It changes the complexion of the problem. There needs to be preparations to manage the problems that are faced in the real world and recognize things as they occur in order to anticipate what needs to be done. There is an obligation to pay and if the money isn't accumulated to pay, rates may need to be raised for a period of time until growth returns.

Rust stated this was an improvement over not having the fee available.

Christian reviewed the list of improvements projected which was the list that Rust used to arrive at fees being discussed. Christian stated staff need comments, concerns and directions before presenting Council with an ordinance.

Councilor Fowler asked why the ordinance had to cover everything now. He could understand the water and sewer but the rest required information that was not available at this time. It was unknown who would have the roads to maintain.

Rust stated that the non-city owned roads and the maintenance of those roads and then the City's own improvements to its streets for handling the growth. Rust stated he needed a consensus for Street SDC's and Parks SDC's for direction.

Consensus was to look at SDC's for both streets and parks using land use as the basis.

MOTION:Councilor Thompson moved to adjourn. Councilor Wakeman seconded the motion.

YEAS: 5

NAYS: 0

ABSTAINED: 0

Fowler - Yea; Schmunk - Yea; Thalhofer - Yea; Thomopson - Yea; Wakeman - Yea

The Work Session was adjourned at 9:20 p.m.

Sam K. Cox

Valerie J. Raglione, CMC
City Recorder

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