

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

7:00 P.M. ~ JUNE 23, 1992

ITEM 1. PLEDGE OF ALLEGIANCE, ROLL CALL, AGENDA UPDATE

Mayor Cox called the meeting to order at 7:00 p.m. and called on Councilor Schmunk to lead the pledge of allegiance.

City Recorder, Raglione, called the roll.

PRESENT: Bui, Cox, Schmunk, Thalsofer, Thompson

ABSENT: Fowler, Wakeman

STAFF: Christian, Collier, Cline, Gazewood, Raglione, Sorensen

PRESS: -0-

GUESTS: George W. Harding, Fred Rathbone

ITEM 2. CONSENT AGENDA:

Mayor Cox called this agenda item.

Christian stated the two agreements scheduled to ratify as resolutions had changes made to them. She had the agreements if any Councilors wished to review them. Council could vote to authorize the Mayor to enter into the agreements. Time was of the essence in order to have Multnomah County finance before the end of the fiscal year. The County would be awarding the contract and the City would turn the funds over to the County in order to pay for the work done. Due to changes in personnel and a high level of activity, the City wasn't able to manage the project. However, the County had agreed to manage the project in accordance with the City's downtown plan. The City would finalize the project before it went out to bid. Pg. 2 County obligations para. B - the change to a 'minimum of \$180,000'. to ensure funds to complete the project due to the retaining walls on the north side of Historic Columbia River Hwy.

MOTION: Councilor Schmunk moved to accept the Consent agenda [2.1 Accept Minutes - Regular Session June 9, 1992; 2.2 RATIFY: RESOLUTION: Authorizing the Mayor to Enter into an Intergovernmental Agreement between Multnomah County, and the City of Troutdale ~ Kendall-Kibling; 2.3 RATIFY: RESOLUTION: Authorizing the Mayor to Enter Into and Execute an Agreement between the STATE OF OREGON, MULTNOMAH COUNTY, and the CITY OF TROUTDALE for the Transfer of Crown Point Highway to County for Improving the Section of the Highway from Kendall-Kibling]. Councilor Thompson seconded the motion.

YEAS: 4

NAYS: 0

ABSTAINED: 0

Bui - Yea; Schmunk - Yea; Thallofer - Yea; Thompson - Yea

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

Christian stated both formal resolutions would be before Council at the July 14, 1992 Council meeting.

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

Mayor Cox called this agenda item. None were offered.

ITEM 4a.      PUBLIC HEARING: FY 1991-92 Supplemental Budget  
Declarations, Challenges, Ex Parte Contact

.1: Open Public Hearing - Mayor Cox opened the public hearing at 7:08 p.m.

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

.3: Summation by Staff - Gazewood gave overview. The Budget was approved April 23 by the Budget Committee. Tax Supervising and Conservation Commission had certified the budget, as presented with no recommendation outside certification for approval. \$1,898,317 was the aggregate sum.

The Supplemental budget had met the State law required public notices.

.4: Public Testimony: Proponents - City

.5: City Council Questions -0-

.6: Public Testimony: Opponents -0-

.7: City Council Questions -0-

.8: Rebuttal -0-

- .9: City Council Questions -0-
- .10: Recommendation by Staff - Was to adopt the resolution as presented.
- .11: City Council Questions -0-
- .12: Close Public Hearing Process. 7:15 p.m.

ITEM 4b. RESOLUTION: Adopting FY 1991-92 Supplemental Budget and Making Appropriation Gazewood

Mayor Cox called this agenda item and read the resolution by title.

MOTION: Councilor Bui moved to adopt the resolution as written. Councilor Thompson seconded the motion.

YEAS: 4

NAYS: 0

ABSTAINED: 0

Bui - Yea; Schmunk - Yea; Thalhoffer - Yea; Thompson - Yea

ITEM 5. RESOLUTION: Providing for Budget Transfers and Making Appropriation Changes for FY 1991-92 Gazewood

Mayor Cox called this agenda item and read the resolution by title.

Gazewood briefly reviewed this item. He referred to pg. 3 - contingency 05.00 should be 06.00. He stated the net effect of the transfers would be -0- since the overall appropriation of a specific fund was zero. The law requires a major category expense to balance. The resolution deals with request in budgeting monies for debt service in two areas 1] debt service on Wastewater Treatment Plant project [1st interest expense which was paid on the loan - \$63,000 split between sewer fund and sewer improvement fund] 2] sewer tanker truck first payment which needed to be budgeted. The resolution reflected these two major areas.

MOTION: Councilor Thompson moved to adopt the resolution as written. Councilor Bui seconded the motion.

YEAS: 4

NAYS: 0

ABSTAINED: 0

Bui - Yea; Schmunk - Yea; Thalhoffer - Yea; Thompson - Yea

ITEM 6. RESOLUTION: Providing for Interfund Loan for FY 1991-92 Pursuant to ORS 294-460(1) Gazewood

Mayor Cox called this agenda item and read the resolution by title.

Gazewood gave brief explanation of the resolution. He stated this had been before Council on the contingency that it be needed. \$95,000 was budgeted currently and the fund needed to be righted to have the balance at the end of the year. \$350,000 draw down would be received by June 30. This resolution would in essence loan money to finance the projected cash deficit to right the fund at the end of the fiscal year. If the money from the State is received by June 30 the transfer would not be needed.

MOTION: Councilor Bui moved to adopt the resolution as written. Councilor Thompson seconded the motion.

YEAS: 4

NAYS: 0

ABSTAINED: 0

Bui - Yea; Schmunk - Yea; Thalhoffer - Yea; Thompson - Yea

ITEM 7a.      PUBLIC HEARING: Proposed Uses of Oregon Revenue Sharing Fund for FY 1992-93      Gazewood  
Declarations, Challenges, Ex Parte Contact

- .1: Open Public Hearing - 7:20 p.m. Mayor Cox opened the public hearing.
- .2: Declarations, Challenges, Ex Parte Contact -0-
- .3: Summation by Staff - Gazewood stated this was the second public hearing on revenue sharing. The first occurred before the Budget Committee on April 16, 1992. This hearing was required to be held before City Council prior to adoption of the new Budget for 1992-93. The budget was ready and available for public review. The Oregon revenue sharing was split between two funds cigarette-liquor tax and general shared revenue. \$340,750 was gas tax revenues of which 99% goes to street fund. 1% of the gas tax is required to be placed for bike/trail funds.
- .4: Public Testimony: Proponents
- .5: City Council Questions -0-
- .6: Public Testimony: Opponents-0-
- .7: City Council Questions -0-
- .8: Rebuttal -0-
- .9: City Council Questions-0-
- .10: Recommendation by Staff - approve
- .11: City Council Questions
- .12: Close Public Hearing Process.

ITEM 7b.      RESOLUTION: Certifying the City of Troutdale Eligibility to Receive State Shared Revenues      Gazewood  
Declarations, Challenges, Ex Parte Contact

Mayor Cox called this agenda item and read the resolution by title.

MOTION: Councilor Schmunk moved to adopt the resolution as written. Councilor Thompson seconded the motion.

YEAS: 4

NAYS: 0

ABSTAINED: 0

Bui - Yea; Schmunk - Yea; Thalhoffer - Yea; Thompson - Yea

ITEM 8. RESOLUTION: Declaring the City of Troutdale's Election to Receive State Shared Revenues Gazewood

Mayor Cox called this agenda item and read the resolution by title.

MOTION: Councilor Thompson moved to adopt the resolution as written. Councilor Thalhoffer seconded the motion.

YEAS: 4

NAYS: 0

ABSTAINED: 0

Bui - Yea; Schmunk - Yea; Thalhoffer - Yea; Thompson - Yea

ITEM 9a. PUBLIC HEARING: FY 1992-93 Budget

.1: Open Public Hearing 7:26 p.m.

.2: Declarations, Challenges, Ex Parte Contact-0-

.3: Summation by Staff- Gazewood reviewed the purpose of resolution which included appropriation of General, Water, Sewer, Street, Water/Sewer/Street Improvement and Debt Service Funds.

Gazewood stated one difference from the one approved by the Budget committee, which was recommended by Tax Supervising and Conservation Commission, was making an adjustment in the Contingency account. as Measure 5 reduction - the difference between tax levy and compressed tax levy amount - [a change in procedure during prior year] - complying with Tax Supervising and Conservation Commission requirement \$139,218 less in that amount. The \$199,521 was recommended to adopt with it remaining in unappropriated general fund balance.

.4: Public Testimony: Proponents -0-

.5: City Council Questions -0-

.6: Public Testimony: Opponents-0-

.7: City Council Questions - Councilor Bui asked if the City intended to go for a bond to do development of parks in the City? Did staff know how much that would be?

Christian stated the Parks Advisory Board reached consensus on a \$600,000 bond. The report would be before Council to present a recommendation at the July 14, 1992 meeting.

Councilor Bui stated he was concerned with the loss of a recreational coordinator and asked if it would be able to be included in this type of a bond request?

Christian stated in order to keep outside of the \$10.00 limit there were limitations [capital acquisition or land/buildings/development] and the position wouldn't be considered in that.

.8: Rebuttal -0-

.9: City Council Questions -0-

.10: Recommendation by Staff - Approve as written.

.11: City Council Questions

.12: Close Public Hearing Process. 7:36 p.m.

ITEM 9b. RESOLUTION: Adopting FY 1992-93 Budget and Making Appropriation

Gazewood

Mayor Cox called this agenda item and read the resolution by title.

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

YEAS: 4

NAYS: 0

ABSTAINED: 0

Bui - Yea; Schmunk - Yea; Thalhoffer - Yea; Thompson - Yea

ITEM 10. RESOLUTION: Levying Ad Valorem Taxes for FY 1992-93

Mayor Cox called this agenda item and read the resolution by title.

Gazewood stated that the levy of property taxes of 1,727,488 + debt service of \$9,566 for a total of \$1,737,054 of total property tax requirements. Collection of this amount would pay off the remaining bonds due 92-93 plus provide carryover monies of the 1993-94 debt service for general obligation bonds. In essence, if a Park bond was passed it would be in and of itself. The amount of \$1,737,054 would be presented to the County Assessor.

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

YEAS: 4

NAYS: 0  
ABSTAINED: 0

Bui - Yea; Schmunk - Yea; Thalhoffer - Yea; Thompson - Yea

Councilor Bui asked in projecting per \$1,000 what would be the increase? Gazewood stated \$5.67/\$1,000 and the debt service portion would add approximately .03 cents.

ITEM 11. RESOLUTION: Accepting the Public Facilities for Stuart Ridge - Phase I Into the City's Fixed Asset System Ortega  
Declarations, Challenges, Ex Parte Contact

Mayor Cox called this agenda item and read the resolution by title.

Councilor Bui stated he had noted a house already under construction.

MOTION: Councilor Bui moved to adopt the resolution as written. Councilor Thompson seconded the motion.

YEAS: 4  
NAYS: 0  
ABSTAINED: 0

Bui - Yea; Schmunk - Yea; Thalhoffer - Yea; Thompson - Yea

ITEM 12. RESOLUTION: Accepting a Sanitary Sewer Easement for Purposes of Maintaining and/or Reconstruction of the Sanitary Sewer and Appurtenances in the Old Sweetbriar Farm Subdivision. Ortega  
Declarations, Challenges, Ex Parte Contact

Mayor Cox called this agenda item and read the resolution by title.

Councilor Schmunk stated she worked with the homeowner's association of the subdivision.

Christian stated the resolution was necessary because Sweetbriar Meadows Phase II was coming under construction and this would be needed to serve the continuing subdivision.

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

YEAS: 4  
NAYS: 0  
ABSTAINED: 0

Bui - Yea; Schmunk - Yea; Thalhoffer - Yea; Thompson - Yea

ITEM 13. LEASE REVIEW: Wastewater Management Inc. Jennings

## Declarations, Challenges, Ex Parte Contact

Mayor Cox called this agenda item.

Jennings reviewed the purpose of this item before Council at this meeting. The violations of the lease continuing reports with the last one being May 26, 1992. That memo was before Council. He stated the legal posture in March, 1992 was the lease was in default. Waste Water Management was given amount of time to cure defaults and the lease was not specifically terminated.

Since the report of May 26, 1992, there has been 1] a change in access to the metering system and the treatment plant staff had been provided a key to enter into the building; 2] Taxes - all lawful real and personal to be paid. [Lessee is still in default since they remain unpaid]; 3] Improvements - Lessee was to comply with site and design in that paving remain undone [a portion has not been completed]; 4] Environmental standards - Not done, however, the City gave them the opportunity to participate at their cost. That testing is gradually being undertaken; 5] Insurance - City was named in late Feb. early March; 6] Operations/Maintenance Manual - Has been turned into staff. Staff is currently reviewing. One of staff concerns is how system operates and what to do to shut it down in emergency. As builds were also required and not yet received; 7] History of plant is that discharge had been substantially in excess of the amount stated. In order to continue that discharge level they are to pay additional SDC charges. Memo - \$18,875.63 - Lease provides if additional ERU's to be purchased they were to be in blocks of 5 according to lease. ERU's to be paid [if lessee wants additional capacity it would be \$25,050]; 8] Lessee paid additional lease rate - Appraisal report [1989, property appraised at \$36,000; 1992 - \$39,500 - Increase of \$3,500 in property value. Lessee must pay 14% of increased amount or approximately \$40/month increase.

Jennings It is Council decision whether or not to terminate the lease. They are still in default of the terms of lease [notified in March and given 60 days to clear defaults. If lease is not declared terminated then staff would need direction to negotiate a new lease which would reflect the new lease rate and such as staff deems appropriate [i.e., environmental needs]. Only sell additional capacity if additional materials won't negatively affect the Plant. Discharge is still being testing. The bottom line is to determine whether or not to even sell additional capacity.

Jennings asked if Council wanted to declare the lease be terminated at this point?

Councilor Thalhoffer asked about the completion of the testing? Jennings stated no. However, the program has just begun. There were several potential threats to the Plant and staff was trying to be selective as to which tests are to be run. Not sure of discharge into Plant at this time. Possible under pre-treatment plan that there would be pre-treatment before being discharged into plant.

Is there enough capacity from a hydrology point?



Councilor Thalhoffer: O&M - is that satisfactory? Jennings stated staff hadn't met and critiqued it yet. The as-builds were not submitted with plan and therefore it was difficult to review in that context. The main concern would be which valves to turn off in event of tragedy.

Councilor Bui - As result of numerous violations and by the fact that the lease was released with the understanding that this type of occurrence wouldn't happen - does staff have a recommendation?

Jennings - Decision is a policy makers decision and they are still in default with two of the issues. Occupancy was discovered - no final inspection only a temporary occupancy permit. That was attended to but was also in violation of the lease. Jennings stated that defaults still exist in the lease.

Councilor Bui asked if there had been formal complaints by any neighbors i.e., Columbia Factory Outlet Stores. He asked if there had been anything formally received?

Sorensen stated yes, the City had received one from Mary Graves. She toured the plant with the staff and had not called since that tour.

Councilor Thompson asked if the lessee offered any guarantees of not breaching the agreement again? It was difficult to have trust when it had already violated the lease in the past.

Jennings stated he didn't know. The performance of the lease should be expected.

Councilor Thalhoffer: The provisions had been discussed previously and he felt the lessee should be asked about the provisions still in default.

Councilor Thalhoffer: Having heard comments he asked what the response was to the violations.

Steve Lewis, attorney Waste Water Management, 2460 NE Division Gresham - Key was provided to staff to comply. Taxes were not paid in full. They did reach agreement with Multnomah County to pay at the rate of \$1,000/month and at that rate they would be paid up in 1 yr. The paving had been completed and inspected at this point.

Christian stated based on first site and design review - according to last site and design review. It was paved as first site and design review stated and permit was taken out and inspected [final inspection done].

Lewis: Insurance had been complied with. O&M was supplied to staff and they were waiting for response from staff. The As builds were included in the manual. Maybe not artistic but in. If something further was required, they would need to know. Lease on SDC's and lease rate increase - Would be glad to work an addendum to lease in response to either and/or both items. Anxious to get to point that meets output.

Mr. Thompson's concern - name is on guarantee and nothing further could be offered. Do intend to comply with lease fully and be good Troutdale citizens.

Councilor Thalhoffer: Mindful of management change recently. Appears to be running more smoothly and that may have something to do with lease being honored in every aspect.

Lewis urged not to terminate lease there had been a good faith effort, even though late. They had met the requirements but if fine tuning of the manual was needed, then we will comply. It was not their intention to not be in compliance.

Councilor Schmunk: Questioned reissuing or renegotiations of lease for several reasons. Unpaid taxes - if renegotiated they are into city for more money; would have to pay more SDCs for more capacity to treatment plant. Question what kind of effluent would be placed in treatment plant. She didn't agree that the City knew what would be going into the plant. Not willing to renegotiate lease.

Jennings asked about the as-builds included and if a certified engineer - do the as builds. What was included was difficult to count on and to track where things were based on the drawings.

MOTION: Councilor Thompson moved to terminate lease. Councilor Schmunk seconded motion.

Councilor Thompson stated his reason was unfortunately Mr. Lewis made a point was the reputation of Waste Water Management made to City and he wasn't willing to trust that as it had been handled in past. He would comply with terms of lease. City had

Foss, P.O. Box 186 Troutdale. In 1983 he and partner had funds to build processing plant. Put funds up with City Engineer, Duane Lee arranged for this. Private industry to process Troutdale's sludge - 1983 when plant started now worth \$1.5 million lightly state want to terminate lease. [Read from letter as noted] signed by Sam K. Cox statement 10/13/83. On this basis decided to continue with plant. Homes and property put up to begin business. Once doors opened, politics of City changed. Short funds and couldn't complete lots of things suppose to complete. Machinery was operational. Never have done on any basis whatsoever Troutdale sludge - begged for some - that's all we got. 4 yrs. ago City informed taxes not met. Paid lease on regular basis, bank payment on regular basis. Not aware of taxes thought had tax relief because of nature of business we were in. Bought \$18,900 - 68,000 gallons per week discharge permit - SDC's. Under tremendous pressure to keep doors open - continued on and tried every way to work with City. Offered to do City sludge, no money to pass hands pay discharge as usual. Wanted to be friendly not adversary. However, no reason - Mike S very friendly but can't give you sludge, not in a position to do so. Our plant totally pretreat everything discharged into plant. Over years - treatment plant takes samples every week and does testing. Nothing found that was found to be harmful to your plant. Primarily organic sludges. If can't be treated in our system - we refuse it. We don't take anything we can't treat ourselves.

Waters discharged to City are clean processed waters. Used on Windust property, no harm to it or his cattle. Owe \$13,000 in unpaid taxes and you would take now lives of the people before you and trash them because of \$13,000? We want to pay these up. Paying as best we could, County agreed to it. Will pay them in full tomorrow morning if that's what you want. Just finished paying over \$20,000 in asphalt and after this your saying for nothing at all.

Councilor Thompson stated if continue to pay lease willing to pay tomorrow morning why not paid till now.

Foss stated there was a high interest so they didn't borrow. He didn't think taxes crucial to this point.

Councilor Thompson: in other words you don't feel badly about lease being in default.

Foss: Not trying to take advantage, rob or cheat anybody. Not a cheap plant to operate, if nobody brings in goods to treat - difficult to keep doors open. Small Business loan expensive. Given no help by anybody. DEQ recognizes us and have been down several times. Not been red-tagged by them, fire dept. inspected system and only some deficiencies were found by your inspectors. Electrical passed right off bat. Automatic door closures - Building Official found problems with minor deficiencies.

Mr. Jennings painted a poor picture of us. Beg you really to please take another look at us and give us a chance to live up to what we signed to do. Give level playing field. True no building permit but why was City remise in letting us know? Told Sue asphalt was completed - people came down supposedly and stated we were in compliance. Two of you made up your minds already. Only city that has this kind of a plant and would like you to take advantage of it but city hadn't given us a break except give you another chance to operate under this lease.

Councilor Thalhoffer opposed the motion because there is no question of being in violation of lease. However, it appears they have attempted or did comply on every issue. New management, which is very important in this situation. When business is in community need to do all we can to keep it in community. Would hope to give these people another chance if they pay taxes if not tomorrow but asap. They have an attorney here and have done an about face in past few months. Unhappy that no full Council here to respond when there are important matters such as this. The smell problem overall is unknown whether the Wastewater Treatment Plant or this business. I discussed this before and asked to find out what part you are causing.

Foss: Contacted same company that put in odor control in WasteWater Treatment Plant and they are going to come done to put a like system in our plant.

Fred Rathbone, 1470 Willow brook Ct., Gresham. Purpose in coming was to get acquainted with community. You mentioned smell in community - present mall has interest in trying to find out what it is and what to do to eliminate it. Report to client potential and if I have to say this is horrendous I will no longer have client. There must be system to determine that. I think must be

lagoon. IF they spent \$1.5 million and you want to shut them off then I don't know that I want to build something in this community. I think they have shown good faith tonight and hopefully. How you treat them, I don't have that money ours will be \$3 million but it isn't my money.

Councilor Schmunk - Called for question.

Mayor Cox called for a show of hands

YEAS: 3

NAYS: 1 [Thalhofer]

ABSTAINED: 0

Bui - Yea; Schmunk - Yea; Thalhofer - Nay; Thompson - Yea

ITEM 14. COUNCIL CONCERNS AND INITIATIVES

Mayor Cox called this agenda item.

Councilor Thompson:

Two new routes for Orient Express in paper today. Schmunk stated she understood they were going to talk to CAC again. 6 weeks ago value engineering changed some routes quite a bit. Looked at potential costs at what was proposed - looks at function trying to achieve rather than what everyone thinks would be nice. - Trying to achieve and least cost of doing it. Routes not purely based on value engineering study because highway engineering modified it again. - Still kind of fuzzy.

Councilor Thompson

Two additional freeways - raised. I assumed if Gresham was aware or presented with this then Troutdale probably knew about it.

Christian stated she would follow up and get information to Council.

Councilor Thompson

How is our water system?

Christian not on Bull Run system - deep well system. In talking to Kubicki we always encourage water conservation. Not at this time looking at forced conservation - however, if not cognizant it could come to City to curtail lawn watering and car washing.

Councilor Thompson

I encourage conserve now. I lived here all my life and never seen it this dry with no relieve in site.

Christian stated newsletter will be going out and request curbing use.

Councilor Thalhofer

Pretty gloomy staff report about the violation of the lease. Meetings for local government services - what point would City be attending?

Councilor Thompson asked for City input yet?

Councilor Thalhofer stated should be in on ground floor.

Christian not asking for input yet but sure that they would.

Law enforcement working in concert with Public Safety 2000 Committee.

Collier PS 2000 very good job of investigating issues.

Christian: Ripma representing COT and he will be reporting at next Council meeting what is going on.

Mayor Cox meeting for two weeks and put Don Clark on for Metro Charter Review Committee.

Christian: Ned Look, representative on Charter Review Committee. Won't be meeting again until later in July. July 13 at 12:00 in Fairview City Hall.

Councilor Bui

Fire Department taking over July 1 the fire station. He asked if we have been notified of appeal? Christian stated not until August for appeal.

Christian stated staff spent several hours with Fire Marshall from Gresham, Len Malmquist. It was an excellent meeting and we felt much better about process and integrating him into inspections and needed areas of concern with fire issues.

Councilor Bui

Donation of \$1,000 from Ladies Lioness and ask Mayor to send letter of thanks. Cox stated Lions giving \$1,000 also - Community Building ceiling.

ITEM 15. ADJOURNMENT.

Mayor Cox called this agenda item.

MOTION: Councilor Schmunk moved to adopt the resolution as written. Councilor Bui seconded the motion.

YEAS: 4

NAYS: 0

ABSTAINED: 0

Bui - Yea; Fowler - Yea; Schmunk - Yea; Thalsofer - Yea; Thompson - Yea

The meeting was adjourned at 8:45 p.m.

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Sam K. Cox, Mayor

Dated: \_\_\_\_\_

ATTEST:

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Valerie J. Raglione, CMC

City Recorder

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