

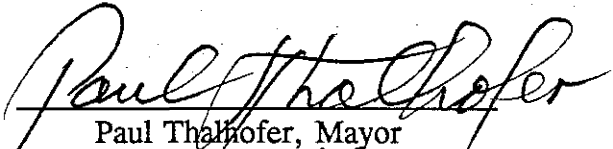


CITY OF TROUTDALE

AGENDA
TROUTDALE CITY COUNCIL - SPECIAL MEETING
COUNCIL CHAMBERS
TROUTDALE CITY HALL
104 SE KIBLING AVENUE
TROUTDALE, OR 97060-2099

7:00 P.M. -- DECEMBER 7, 1994

- (A) 1. PLEDGE OF ALLEGIANCE, ROLL CALL
- (A) 2. CONSENT AGENDA:
 - 2.1 Accept Liquor Licenses - King Lam Restaurant, Flying "J".
- (A) 3. RESOLUTION: A Resolution Rescinding the City of Troutdale Pickup of PERS Member Contributions and Adjusting the Salary Plan.
- (A) 4. ADJOURNMENT.


Paul Thalhoffer, Mayor
Dated: 12-7-94

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**Minutes
Troutdale City Council Special Meeting
Troutdale City Hall
Council Chambers
104 SE Kibling Avenue
Troutdale, Oregon 97060-2099**

December 07, 1994

I. PLEDGE OF ALLEGIANCE, ROLL CALL, AGENDA UPDATE

Mayor Thalhoffer called the meeting to order at 7:00 p.m. and called on Councilor Thompson to lead the Pledge of Allegiance.

City Recorder Martinez called the roll.

PRESENT: Thalhoffer, Schmunk, Ripma, Thompson, Kight, Lloyd, Burger-Kimber

STAFF: Berrest, Christian, Faith, Galloway, Gazewood, Martinez, Sercombe

GUESTS: Ron Dupas, Russ Hosey, Jeff Lam, Hope Reynolds, Mary Eaton, Debbie Stickney, Jerry Ortega, Josh Moriarty, Ed Schmunk, Michael Martin, Barry Arnold, Ed Kubicki, Mike Alderson, Pat Newton, David Boyce, Greg Farr, Marc Shrake, Kurt Sorenson, Leon Berg, Marion Berg, Randy Ross, Brad Huwe, Dick Goldie, Scott Harbert, Sue Barker, Frank Grande

PRESS: Web Ruble - Oregonian

2. CONSENT AGENDA: 2.1 Accept Liquor Licenses, King Lam Restaurant, Flying "F".

Mayor Thalhoffer called this item.

MOTION: Councilor Ripma moved to approve the consent agenda. Councilor Kight seconded the motion.

YEAS: 6

NAYS: 0
ABSTAINED: 0

3. RESOLUTION: A Resolution Rescinding the City of Troutdale Pickup of PERS Member Contributions and Adjusting the Salary Plan.

Mayor Thalhofer recessed the council meeting and re-opened the public hearing at 7:04 P.M.

Christian stated, the PERS pick-up was instituted in February 1980 in lieu of a Cost of Living increase to the employees. It has continued since that time. In the packet is a variety of charts showing the impacts to the city if various things occur. We do have on bargaining unit that does have a contract and under the Ballot Measure the contract is valid until the expiration date which is June 30th 1996. We do have a bargaining unit established for the non-supervisory, non-exempt employees, but they have just been certified and do not have a contract at this time. I believe their agent Tom O'Dea, has testified to the council that if this resolution is passed they would be willing to agree to this action.

Sercombe gave an summary of the resolution and stated, the council has met three times on this issue. Last night they heard testimony from people who are in favor, and opposed to this action that is before the council.

Russ Hosey, 126 SE Harlow, stated, I am a staff member with the Parks and Facilities Division. At this point I also represent the newly formed union of employees and what Pam stated about the Union agreeing to this action is true. On my own behalf not speaking for the union I would like to say, that last night we heard from both sides, good and bad. We heard about money saved in the budget on benefits, also noted was a pay cut in lieu of establishing this retirement system we are talking about now. Not brought up was the fact that the city has been placed on wage freezes in the past because of budget restraints. We have had to cut the budget 25% because of Measure #5, now it is Measure #8, what is next? At least with 5 we knew where the money would go, but we don't know what will happen to the money under 8, it will go into a pot and you guys will decide what will happen to it latter. What is next, should we start paying the water bills for these people. We work hard for this city, these measures continually keep coming up that effect the workers of this city. I grew up in Troutdale, and what Anderson said about a war in Troutdale is not the answer. The employees here are hard working people. Many of the City Officials, Pam Christian, Valerie Lantz, donate their own time, not city time, to things like Imagination Station, Bingo, Etc. and they don't even live in the city, but they do it because they are good employees, dedicated to the city and their job. We do a lot of things for this city that we don't have to, just because we care. I would like to know why this Mad Group is not happy with the city employees, I heard no reasons last night. They also talked about how much money we make over everybody else. Most of my friends make 5 to 10 thousand dollars more than I do, working at factories and selling cars. Six years ago before I moved back to Troutdale I was

making over \$36,000. a year plus bonuses etc. I moved back to be in Troutdale with my family and to be where I grew up. Last night the employees addressed the impact, and it is a big impact.

Ron Dupas, City Employee, stated, I want to tell my story on this concept of public employees being so much better paid than the private sector. Prior to working for the city I worked for a large corporation in downtown Portland. My salary was 5 thousand dollars more a year than when I started here, and that firm paid in the mid range of the private sector, they also had a fully paid retirement plan, and profit sharing. I chose to take the lower paying job because there is more important things than money. I wanted to eliminate the long commute to spend more time at home. I wanted more control over what I did. I wanted to be valued and respected by my employer, and I believe I found those things here. My objections to having my pay cut, and that is what it would be if the council doesn't take this action tonight, the PERS compensation was part of my package when I came to work at the city 10 years ago, it helped soften the impact of less pay, and still helps to partially offset the difference of what the larger employers pay. What I make should be determined by a city procedure based on objective data on what I do and how I do it, not by the public on the basis of mis-information. I don't feel that I should be the scape goat for the voters anger and frustration of government in general. The quality, quantity, and nature of my work does not warrant a pay cut, as evidenced by my evaluations and compensation studies conducted by the city. Even if the taxes could be reduces by cutting pay the city would still be buying wrenches, desks, Etc. with money that could be used to soften the blow of loosing the PERS pick-up, and this gives the impression that thing the city owns are more valued than it's employees. People voted for #8 for varied intentions, the only legitimate action is to do everything the measure says to do, do nothing that is prohibited by it, and avoid doing anything based on conjecture about what the majority of voters intended by the approval of the measure.

Don McGinnis, 151 SW 257th, The media lately talked about public agencies are thwarting the public will by granting the increase. I was under the impression that when the legislature passed this in 75 that was the public will. No matter how much they say it is a loop hole the public voted for a law that allows you to do this so that is also the public will as far as I can see it. I am here to urge you to do what is right by you own conscience, not mine. There is no reason to bash public employees. I hope that you will grant them, not a raise for God's Sake, but a way to come close to staying whole.

Mark Berrest, Chief of Police, I see a lot of concerned employees and not so many mad people. I am not a member of the police association, there are also 7 other members of the police department who are not members of the association. We will be directly affected by Measure #8 on January 1st. In reality the action taken in 1980 did not even allow the employees to break even at that time. The City of Troutdale is well within its' rights to give the 6% back to the employees prior to January 1st, the measure states this very clearly. As I understand it the city would like to treat all employees equally, however the members of the

association will not be effected by this measure for another two years, is it the city's intent to discriminate against the employees who do not have representation. If Measure 8 is found to be unconstitutional who is going to reimburse the employees, plus interest. I believe the information on public employees that retire with higher income than when they were working is the exception not the rule, the public was mis-informed. The city needs to consider its employees as an investment in the future, once you make the original investment care needs to be taken so that the investment operates as though it is intended. You do that for the machinery, I hope you can do that for the employees.

Bob Gazewood, Finance Director, I just want to point out a couple of things, this is an implied contract for the employees who were hired under the current system, courts have ruled that this can not be taken away from employees once it has been given to them.

Julie Sorenson, 316 SE 13th, stated, My husband and myself voted no on measure #8, our reasons were that this was a contractual agreement in lieu of a raise, it should not be a part of a constitutional change. What was the percentage of the vote in Troutdale?

Councilor Ripma stated it was approximately, 54.8% yes, and 45.2% no.

Sorenson stated the reason I asked is because the Mad group that was here last night said they were representing the voters of Troutdale, they do not represent me. I would urge the council to deal with this matter before them in accordance with their conscience and in the best interest of the City of Troutdale and its' employees.

Christian stated, I would like to add something to the testimony that has been given here, I have been signing letters of offer of employment to employees for years. In those letters we have always outlined the benefits, including the PERS pick-up by the employer. These letters are signed by myself and the employees as conditions of employment.

Michael Martin, 123 SE 34th Circle, I think above anything else this is an issue of fairness. The Grant Homes issue, the council voted to reimburse the citizens for their re-inspection fees. There were a lot of different feelings among the council on whether or not to do this, so of you we afraid of setting a dangerous president. I think when you voted to reimburse them, that was fair, Troutdale has had a long history of being fair. I think if you vote to adjust the salary you would be being fair to your citizens and your employees. Your citizens have a very hard working crew on their hands. These employees go far and beyond what is expected, what a lot of you see happening in Portland doesn't happen here, these people really care about this city. Many of you were threatened with recall last night, you are here because we put you here, you are here to make decisions, this is a very important decision that will seriously effect the moral of your employees, don't let the fear of recall effect your decision.

Mayor Thalhofer closed the public hearing and reconvened the council meeting at 7:37 P.M.

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

Councilor Schmunk stated, I feel this was given to the employees in lieu of a salary increase and I think they need to keep it, it is part of their salary. They do not have the option of not putting it into their retirement. I don't feel it is fair that some of the employees with a bargaining unit will be protected from the measure and others won't.

Councilor Ripma, stated, It is a distortion to claim that measure 8 has determined the issue we are discussing tonight. The measure gives us until January 1, to offset the effects on employees, if that is what we decide to do. This gives us the option to cut the pay, or not to cut the pay. To have these people here that say we should follow the will of the voters, which voters? I voted for the measure for a reform of the system not to cut the wages of the employees. We are faced with a decision with serious consequences, the testimony opposing this resolution has been forceful, I talked to many voters who want us to cut the employees pay, but when I asked about the consequences to the city, having to replace employees that will leave, the employee moral which will effect the service we get in this city, the effect this will have on the employees lives, their response was it was not their problem, cut the pay. I disagree it is our problem, we have to consider what is best for Troutdale. The group that was here spoke strongly against this resolution, threats of recall were made, but it was a one sided argument, it was all cut the pay with no consideration of the effects. We must consider the effects. Anybody who professes any knowledge of this city, its' employees, its' government, should not for a minute consider cutting the employees' pay. We are very fortunate to have the dedicate work force we have. Most citizens don't realize this, they are angry at government and I can understand that. To people who will listen I will justify the vote I am going to give. To the people who threaten recall and chose not to listen, I assert my obligation to do the right thing as I see it, that is what we are all up here for. I support the resolution and urge the entire council to.

Councilor Thompson, stated, I fully intend to vote for this resolution because of some of the same reasons that have already been stated. The pick-up was a salary increase granted to save money. To take it away is essentially a 14 year retroactive provision, and there is no justification for that. If I were an employee and my salary was cut under this situation my moral would go into the basement. The employees will not gain anything by this, we are trying to make them break even. It would be a mean spirited slap in the face of the employees if we were to do nothing. This has nothing to do with the performance of the employees. Any salary adjustment should be tied closely to performance and quality of services. This measure was passed because of concern over the perception of a overly generous PERS, this does nothing but give the employees a slap in the face. If you want to reform PERS than go ahead, but that is not what the

measure does, it gives employees a pay cut. Public employees should not be a scape goat. There was no way for the people in 1980 to forecast what would happen 14 years later, who would have guessed that citizens would take the ballot measure path to try to something about the pick-up, they did it in good faith. We have adhered to it in good faith ever since, and we should continue to adhere to the spirit of it as close as possible, and that is what this resolution would do, it will still amount to a slight pay cut for the employees. I believe that this is an implied contract, this type of issue is still in the courts. The citizens who threaten recall over a single issue like this, I find it inexcusable and I certainly refuse to bow to them. The council has to do what is right, and not what is politically expedient, the right thing to do is to give the employees the 6% as proposed to remediate the situation as much as possible.

Mayor Thalsofer stated, I believe in 1980 there was an implied contract, that was meant to save money, which it did. Now it is 1994 and the voters have said they do not want us to do that any more. To be fair we must give back the 6% salary adjustment, it is a matter of fairness and it is a matter of a contract. The police union has indicated that they would amend their contract to join with us in this resolution as a matter of equality and fairness to all employees. I think everyone on this council is in favor of the employees picking up the PERS contribution, but we don't think they should have a pay cut in the process. We have excellent employees. The citizens need to realize that when they need their services right away, it is a city employee that is their to help them whether it be the police or a problem with their sewer, water, etc. Our employees do a lot of things that other cities don't do, they go out of their way for us. The public employee bashing the is going on now is ridicules, I know that all of our employees do an honest days work and they need to be compensated for that. I wish the people who were here last night were here tonight so I could address their threat of recall. I am not intimidated by their threats and it made me angry that they thought they could intimidate the council, it is easy to start a recall but to get the votes is not so easy. The people up here are here to do the best thing for the city, they are volunteers, we don't get paid. I would like to say on my own behalf, I know there has been recall talk about me and others, but I have been elected four times, three times to the council, once as mayor, the last election I was involved in I won by the widest margin I have ever won in Troutdale, 61% to 39%. I have work hard and I listen to the citizens. I say if they want to have a recall then come ahead, we will fight you every inch of the way.

Councilor Kight stated, What we are talking about tonight is fairness, to the voters and employees. The benefit to the voter is that Measure 8 eliminates the tax free 6% PERS pick-up by the employer for the employee, it no longer allows the employee to use sick leave as a factor to calculate retirement benefits. I think this is the intent of Measure #8, it is a feeble attempt but an attempt none the less to reform the PERS. The benefit to the employees is that the 6% will be shifted from the retirement side to the salary side but will be subjected to taxes, and will result in a net loss, so it is not necessarily a benefit. In 1980 they agreed to have the employer pick-up the 6% as a benefit to both

sides while saving money. I believe the 6% should now be transferred back to the salary side which would still honor what they did 14 years ago. This will provide fairness to everybody and that is what we are talking about.

Councilor Lloyd stated, I enjoyed last night's meeting, I learned from that type of debate more than I would have from hearing just one side of the issue. I wish the people that felt so strongly opposed to this last night were here tonight. We all look at this just a little bit differently and all come to the same conclusion. I explained before that I voted for Measure #8 and why and why I would vote for this resolution, recognizing there is some inconsistency perhaps in those positions. I do not perceive it as such, I have always felt that Measure #8 is a broad measure that applies to all public employees and attempts to address a perception that some public employees are paid beyond what is fair, however, Measure #8 recognized by its' terms that that overall judgement may not be true in all cases. All public employees are not the same, so it is not fair to try to apply something like Measure #8 across the board. I try to look at this as how it would effect public employees in Troutdale. There is a lot of mis-information out there, some of the people last night testified that this would not be a pay cut, I don't know how you could see this as anything but a pay cut. I have to make my decision on the City of Troutdale employees. My involvement with the city over a number of years tells me that we have a lot of really good employees, but, even if they are good employees that are over paid you need to do something. The fact is though that our employees are not over paid, we have done salary surveys, we have looked at it throughout the budget process. Our employees bought into and accepted a change in the medical benefits that saved the city money. We have been, as a city, employees, council, and citizens, very fiscally responsible. Measure #8 as it applies to the City of Troutdale employees is an unfair pay cut and therefore I am in favor of the resolution.

Councilor Burger-Kimber asked if we could act on this issue tonight?

Sercombe stated the council can take action tonight.

Councilor Burger-Kimber stated, I want to clarify my position with all of you here and make a public statement for the record what my position is on this. I have had numerous threats of recall over the past few years because I have taken a position that I should vote my conscience and what was appropriate for myself. My opinion was and still is have at it. If you don't want me here than I don't want to be here. There have been implications that I have been involved with this group that was here last night. I did receive a call from one of those people last Friday and they told me what they were going to do, I told them I can't tell them what to do but I did tell them the recall process is rather cumbersome and not necessarily effective, even though it sounds pretty good, even if it is successful you would have to hold another election and they would be hard pressed to find better people than what they have sitting up here tonight. I just want to clarify that I did not encourage or discourage those people. I don't expect

people to agree with me all of the time but I hope they can respect my right to disagree with them without taking it personal. I wanted to be brief but everyone else has told their story, and under the circumstances of what has happened over the last few months and what has happened tonight, I need to tell my story. I have been in the city 17 years and I love this community, I am proud of it, and am also very emotional about it. I am pleased that I sit on this council with these people and we have had our disagreements and God knows that I have been blasted all over the press, but I have always been able to go home and sleep at night. The last couple of weeks I have not gotten much sleep, this has been a real moral dilemma for me and I honestly said last Tuesday that I did not know what to do about this. I think all of you do an excellent job. I have wanted to make a difference, I wanted to bring a voice to the people of the city. I have sat out there and felt that no one was listening to what the community wants. I feel this council is responsible to the voters. I recognize that the employees are under paid, and I appreciate the job they are doing. I know in the 80's that a lot of you didn't even know if you were going to have a job, and you took a lot of cuts. Measure #5 the same type of thing happened. If I was not proud of this community and proud of the work the employees do than I would not be here, I would be part of the mad group. I want you to know that I came to sit on this council because of my strong beliefs in the rights of the citizens to run their own city and the right for them to have a choice and the ability to have a voice, and I can not argue with that right. I want you to understand that I am duty bound to be true to my personal values, and conscience. I felt that this whole issue of Measure #8 could have been handled through the court process that I know is coming up. I got a lot of feed back from the community. I was confident that the city would have addressed the issues of salaries through the surveys and collective bargaining, but the voter have made a mandate. I feel duty bound to support the voters, not that I agree with them, but I honor their decision. If this were an ordinance and we had to have two hearings I wouldn't put the council or any of you through any of this I would feel duty bound to vote against the ordinance but I would vote for it the first time so that we could get through it and then I would vote against it the second time, because I need to make a statement that I need to support the voters in this. I am going to vote no on the resolution on behalf of the voters because I do not want to circumvent the voters will, whether I agree with them or not I am duty bound.

Mayor Thalsofer stated, I don't think that any of us up here think that we are thwarting the will of the voters. I think that under Ballot Measure #8 we are doing what we are allowed to do prior to January 1st. it tells us not to break any contracts and we are honoring the contract from 1980. I think the folks we heard from last night were very angry and they have that right if they think their version of Measure #8 is correct. I found that the people last night would not listen to us, we listened to them, but when it was our turn to ask questions they shut their minds and that offended me. What we are doing to night is within the parameters of Measure #8.

Councilor Burger-Kimber stated, I did not want us to start a debate, everybody spoke

their mind and I have a right to my own opinion without having to defend it, I defended it the best way I know how, this is not an easy decision for me, you can laugh, but I feel compelled to interpret Measure #8 in the way that I feel compelled to interpret it. It would be much easier for me not to be here tonight and I could have done that. I know how all of you guys felt about and I knew I was the only one that was going to take this position, I wanted to give you an opportunity to understand why I am doing this so you could at least honor my right to my own opinion. It is not going to reflect the outcome and I understand that, but I am duty bound to vote my conscience and that is the voters made this decision and I feel duty bound to honor that whether I agree with that or not, and I would appreciate it if you would respect that and that the city employees and the other members of this community would respect that, and not bash me for it and not write me up in the press or anything, because I feel duty bound to have an opinion that may not be necessarily popular in this room.

Councilor Thompson called for the question.

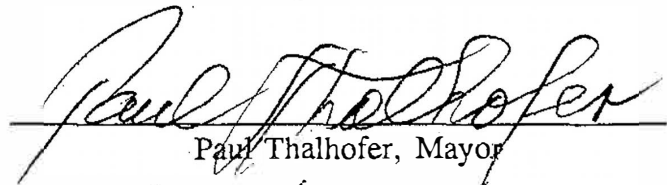
YEAS: 5
NAYS: 1 (Burger-Kimber)
ABSTAINED: 0

4. ADJOURNMENT.

MOTION: Councilor Schmunk moved to adjourn. Councilor Ripma seconded the motion.

YEAS: 6
NAYS: 0
ABSTAINED: 0

Mayor Thalhofer adjourned the meeting at 8:25 P.M.


Paul Thalhofer, Mayor

Dated: 3/15/95

ATTEST:


George Martinez, City Recorder

CITY OF TROUTDALE

PUBLIC ATTENDANCE RECORD

MEETING DATE 12/4/94 TYPE Council

PLEASE COMPLETE THE FOLLOWING

PRINT NAME	ADDRESS	PHONE#
Bob Crozewood	City Hall	665-5175
Mark Berrest	City Hall	665-5175
JEFFREY CHAM from Kingman	City Hall	760-5609
Ron Super	2201 SE Dayleng Crown Point	665-1330
Mary Entin	City of Tr	665-5175
Patricia Stokrom	1141 11th	665-5175
VERLY ORYEGE	1820 BW 65th	661-3372
JOSE MORRISON	City Hall	661-1734
Walt Rupp	11 Crown Point	700-5030
Ed Schmopek	104 SE 65th	665-7906

CITY OF TROUTDALE

PUBLIC ATTENDANCE RECORD

MEETING DATE _____ TYPE _____

PLEASE COMPLETE THE FOLLOWING

PRINT NAME	ADDRESS	PHONE#
MICHAEL MARTIN	123 SE 3 RD ST TROUTDALE	
Barry Arnold	PUBLIC WORKS	
Ed Wubick	32215 Columbia Richmond	605-5455
MIKE ALDERSON	45656 SE COALMAN	668-8475
Pat Newton	City Hall	665-5175
David Boyce	TPD	605-6129
Greg Farr	City Hall	
MARC STRALE	POLICE DEPT	665-6129
Kurt Sovenson	Police Dept	605-6129
Leon Berg	Police Dept	665-6129

CITY OF TROUTDALE

PUBLIC ATTENDANCE RECORD

MEETING DATE _____ TYPE _____

PLEASE COMPLETE THE FOLLOWING

PRINT NAME	ADDRESS	PHONE#
Marvin Berg	City Hall	
Randy Ross	"	
Bud Hume	2550 SW Indian Hwy CT	667-4442
DICK Goldie	2437 SE BEAVERCREEK DR	661-0126
Hope Reynolds	City Hall	665-5175
Scott Harbert	IS	665-5175
Sue Barker	City	
FRANK GRANDE	PO BOX 111	