



# CITY OF TROUTDALE

"Gateway to the Columbia River Gorge"

## AGENDA

### CITY COUNCIL – REGULAR MEETING

TROUTDALE CITY HALL  
104 SE KIBLING AVENUE  
TROUTDALE, OR 97060-2099

#### Mayor

Paul Thallofer

#### City Council

Pat Smith  
David Ripma  
Bruce Thompson  
Jim Kight  
Paul Rabe  
Doug Daoust

**Tuesday June 26, 2001 – 7:00 P.M.**

- (A) 1. **PLEDGE OF ALLEGIANCE, ROLL CALL, AGENDA UPDATE**
- (A) 2. **CONSENT AGENDA:**
- 2.1 **Accept Minutes:** June 12, 2001 Regular Meeting.
  - 2.2 **Resolution:** A Resolution providing for budget transfers and making appropriation changes for Fiscal Year 2000-01.
  - 2.3 **Resolution:** A Resolution approving an Intergovernmental Agreement between the City of Troutdale and Metro for the Commercial Technical Assistance Program.
  - 2.4 **Resolution:** A Resolution authorizing the refund of a water system development charge overpayment.
- (I) 3. **PUBLIC COMMENT:** Please restrict comments to non-agenda items at this time.
- (A) 4. **PRESENTATION:** Oregon Science & Technology Park.  
*Shelly Parini, Business Assistance Program Manager, City of Gresham and Hiroshi Morihara, Volunteer Chair, Oregon Science & Technology Park Consortium*
- (A) 5. **PUBLIC HEARING / RESOLUTIONS:**
- 5.1 Resolution certifying the City of Troutdale's eligibility to receive State Shared Revenue.
  - 5.2 Resolution declaring the City of Troutdale's election to receive State Shared Revenues.
  - 5.3 Resolution adopting the City of Troutdale's Fiscal Year 2001-2002 Annual Budget and Making Appropriations.
  - 5.4 A Resolution Imposing and Categorizing Ad Valorem Taxes for Fiscal Year 2001-2002.

*Kyra Williams, Finance Director*

[A] **6. RESOLUTION:** A Resolution regarding the payment of franchise fees by City owned utilities.

Kyra Williams, Finance Director

(I) **7. COUNCIL CONCERNS AND INITIATIVES:**

(A) **8. ADJOURNMENT**

  
Paul Thainhofer, Mayor

Dated: 6-19-01

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

**June 26, 2001**

Meeting was called to order at 7:00pm by Mayor Thalhofer

**PLEDGE OF ALLEGIANCE, ROLL CALL, AGENDA UPDATE**

Mayor Thalhofer lead us in the Pledge of Allegiance.

**PRESENT:** Smith, Thompson, Thalhofer, Kight, and Daoust.

**ABSENT:** Rabe (excused), Ripma (excused).

**STAFF:** Faith, Galloway, Sercombe, Stickney, and Williams.

**GUESTS:** See Attached List.

Mayor Thalhofer asked are there any agenda updates?

Galloway replied we have no agenda updates this evening, just a reminder that we have a work session immediately following the regular meeting this evening.

**2. CONSENT AGENDA:**

- 2.1 **Accept Minutes: June 12, 2001 Regular Meeting**
- 2.2 **Resolution: A Resolution providing for budget transfers and making appropriation changes for fiscal year 2000-01.**
- 2.3 **Resolution: A Resolution approving an Intergovernmental Agreement between the City of Troutdale and Metro for the Commercial Technical Assistance Program.**
- 2.4 **Resolution: A Resolution authorizing the refund of a water system development charge overpayment.**

**MOTION:** Councilor Thompson moved to adopt the Consent Agenda. Seconded by Councilor Kight.

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

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

Mayor Thalhoffer called this item and asked is there anyone here to speak to us on a non-agenda item?

No public comment received.

**4. PRESENTATION: Oregon Science & Technology Park.**

Mayor Thalhoffer called this item.

Shelly Parini, Business Assistance Program Manager with the City of Gresham stated thank you for allowing us to talk to you this evening about this proposal for Oregon's future Science and Technology Park. To help me set the stage this evening I would like to read a quote to you from an executive summary to Governor John Kitzhaber from the Economic Development Joint Board working group, I think it best summarizes our mission and our intent. "Over the past decade two institutions important to Oregon's economic well-being, higher education and business, have been on parallel journeys. The birth of a knowledged economy has caused each to change. While they have become more nimble and responsive to citizens and customers, they have changed largely independent of each other. Around the US and the World, economies that depend on intertwined industry and education can more clearly see and are determining their own future. Oregon too, and the East Multnomah County communities, will benefit by gaining higher education and business more closely together. The Consortiums goal, in conjunction with Gresham and East Multnomah County's vision of creating smart growth, smart kids and smart industry is to help merge those two institutions here in East County and potentially within the City of Troutdale. The site for consideration of Oregon's future Science and Technology Park is the Troutdale Industrial Park area located north of I-84 and bordered by the beautiful Columbia and Sandy Rivers." Here to talk to you in more detail about this dynamic vision is the Father of this concept, Dr. Hiroshi Morihara.

Dr. Hiroshi Morihara stated this presentation was prepared for a presentation in Salem to Oregon University Presidents and to State Representatives Karen Minnis and Laurie Monnes Anderson and Senator Minnis and business communities. (Dr. Morihara showed the Council a power point presentation) The State of Oregon and the universities and also the high tech community have a mandate to create a premier research university in Oregon by the year 2010. If we are able to create a premier research university, we will have a stronger cohort of research scientists and engineers. This will also minimize the amount of capable high school graduates going out of state to go to other premier schools such as Stanford. This could also have a great impact on the state economic development. We will have increased R&D funding from all sources. That means increased high-tech high wage jobs. University research will attract new research and manufacturing businesses, incubation of new businesses, expansion of infrastructure capability, increase in flow of venture capital and this will create jobs with a future. If you are going to have a premier research university, I believe that no university is big enough at the present time to do it alone, because the State of

Oregon is such a small state, we do not really have a large university, so I am proposing that all universities collaborate and have a joint large research facility someplace. That could be done in the science and technology park type of environment. That was done in North Carolina in the 60's. In order for this to happen quickly we need action partnership strategy. Universities need to expand research activities and professional work force development. Community colleges support work force development through transfers of technical degrees and certification. Community colleges must do a much better job of educating during the first two years so that the four-year schools can graduate more engineers. One of the problems we have in Oregon is we have to bring in engineers from outside of Oregon. Only one out of ten engineers are educated in Oregon. We have to have great business partnerships between the universities and businesses. The government has to have a pro-industry support system in that in order for Oregon to be successful initially you have to fund some money so they have some seed money to expand. When that happens investors will come and you will have more money to move forward. My proposal is that the Oregon Science and Technology Park should be placed in the Troutdale Airport/ Reynolds Metal site. Reynolds Metals site has a total of 725 acres, out of that about 350 acres are buildable. There is already an extensive utility infrastructure in place, easy access to Portland Airport and I-84. There could be a possible light-rail expansion either from Gresham or from Troutdale to the airport. Another marketing feature of this site is it has its own on-site airport. There is already a fair number of existing high-tech industry. (Moriyama showed a vicinity area map and aerial photo of site.)

Mayor Thalhoffer stated I am very impressed. It is sad that we are importing engineers in this state. I think that comes from our lack of commitment to education in this state. I think this is a great idea and to have all of the universities involved would be wonderful. We are ready to help in any way we can.

Councilor Kight asked have you made this presentation to the Port of Portland and were they receptive?

Moriyama replied Jim Bauck from the Port of Portland is in charge of real estate came to our presentation in Salem on May 4<sup>th</sup>. He, himself, thought that this would be the best use for the unused portion of the airport. I have talked with Mr. Yoshida and he is going to let us know when we can talk to the Port of Portland Commissioners.

Councilor Kight stated it sounds very positive.

Councilor Daoust stated I appreciate this vision that I am seeing tonight. I know that the feasibility study will be thorough. One thing that we have noticed in the Columbia River Gorge is the issue of air quality in the scenic area, and the effects on the endangered fish species being that close to the Columbia and Sandy River. I am sure the feasibility study will have to address those issues, but those are just issues that we have talked about lately that are wider than Troutdale. Why would we have to limit it to Oregon Universities, would there be some reason to extend our invitation to Washington Universities.

Moriyama replied I see no reason why we couldn't.

Councilor Thompson stated I think this is an exciting vision.

**5. PUBLIC HEARING / RESOLUTIONS:**

- 5.1 Resolution certifying the City of Troutdale's eligibility to receive State Shared Revenue.**
- 5.2 Resolution declaring the City of Troutdale's election to receive State Shared Revenues.**
- 5.3 Resolution adopting the City of Troutdale's Fiscal Year 2001-2002 Annual Budget and Making Appropriations.**
- 5.4 A Resolution Imposing and Categorizing Ad Valorem Taxes for Fiscal Year 2001-2002.**

Mayor Thalhoffer opened the Public Hearing at 7:37pm and read the Resolution Titles.

Kyra Williams, Finance Director, stated the first two resolutions are regarding state revenue sharing. The revenue sharing laws require that cities hold two public hearings on the uses of state shared revenue. The first public hearing was held before the Troutdale Budget Committee on April 23<sup>rd</sup> of this year. This is the second required hearing before the governing body of Troutdale. These resolutions are required each year for us to receive state revenue.

Councilor Kight asked on addendum "B" you have a contingency fund of \$20,600. and that is actually a decrease in the operating contingency.

Williams stated that applies to the next resolution and I can cover that in a few minutes.

Mayor Thalhoffer asked is there any questions on the first two resolutions?

Council had no further questions.

Williams stated the third resolution is a resolution to adopt the 2001-02 budget, addendum "B" does detail the changes. To address Councilor Kight's question, the first decrease in operating contingency in the general fund is for a consultant related project in the solid waste recycling department. It was a last minute project brought to our attention. Metro is providing us with some grant funding in this fiscal year to be spent next year. The easiest way for us to change our budget was to make a decrease in the contingency. The second decrease in the operating contingency is due to the discontinuation of our passport acceptance program. We did have \$15,000. as a revenue source and during this last fiscal year we only received approximately \$2,000. in revenue and we were using a lot of city employee time to answer questions and very few people were coming to the City of Troutdale to apply for their passport, they were going to other jurisdictions that provide that service. The last resolution is to impose and categorize Ad Valorem taxes for Fiscal Year 2001-02. We have a permanent rate in Troutdale set at \$3.7652 per \$1,000 assessed value. We have projected that our assessed value for next fiscal year will be \$754,032,652. This assessed value does include the allowed 3% increase and in addition to that a \$28,000,000 increase in

new property or new improved property. We will be continuing to levy taxes for our general obligation bond issues. The total of the two issues, both the parks bond and the sewer bonds are \$477,149. In addition this year we are levying a tax to repay Bancroft bonds, the total of that levy is \$220,638. I did make one correction in the supplemental schedules of the original budget that was proposed to the Budget Committee, the dollar amount for the levy for the Bancroft bond is actually a decrease of approximately \$100.

Councilor Kight asked the Bancroft bonds, is that for the RMAC property?

Williams replied yes.

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

No public comment received.

Mayor Thalhoffer closed the Public Hearing at 7:45pm.

**MOTION: Councilor Daoust moved to adopt Resolution 5.1, 5.2, 5.3 and 5.4.  
Seconded by Councilor Kight.**

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

**6. RESOLUTION: A Resolution regarding the payment of franchise fees by City owned utilities.**

Mayor Thalhoffer called this item and read the resolution title.

Kyra Williams stated this is a resolution regarding franchise fees charged to city owned utilities. Currently city owned utilities do not pay a franchise fee, all other utilities operating in the city limits do pay franchise fees to the city. We have contacted several cities in Oregon and the majority of them charge a franchise fee to their city operated utilities. We are recommending a franchise fee of 5% to begin on July 1, 2001. The estimated resources and requirements for the proposed franchise fees are included in the budget that you just adopted.

Mayor Thalhoffer asked could you explain the rationale for the city charging itself. It could be viewed as a way to transfer money from other funds to the general fund, is that the flow?

Williams replied yes that is the flow of funds. We have gone with the same theory as the privately operated utilities in that we are charging them for the right to install or operate utilities in our rights-of-way, that is the basic idea behind it.

Councilor Kight asked what are we talking about revenue wise?

Williams replied an estimate for this fiscal year is \$158,000.

Councilor Kight asked do you anticipate an increase in any of those fees in order to cover the 5% franchise fee?

Williams replied not currently, but that could change.

Councilor Kight asked I think at some point you would have to make up that difference. You couldn't keep taking \$158,000 from the water, sewer and storm fees without having to make that money up at some point, am I right?

Williams replied your guess is probably correct.

Galloway stated I agree with the Finance Director. We have sufficient reserves in the water, sewer and storm funds for the coming fiscal year so that will not require an immediate increase. Obviously, as you have pointed out, taking those monies out of the funds for a number of years will require either a rate increase earlier than otherwise would have been required or a rate increase larger than otherwise would have been required.

Councilor Daoust asked why are we doing this?

Williams replied basically to treat city owned utilities the same way as we treat privately operated utilities.

Councilor Daoust asked was there a finding from some outside organization that led us down this path?

Williams replied not that I am aware of.

Councilor Daoust stated so it is an internal decision.

Williams replied it came to me from the City Administrator.

**MOTION: Councilor Kight moved to adopt the Resolution regarding the payment of franchise fees by City owned utilities. Seconded by Councilor Thompson.**

**Councilor Kight stated I think it wasn't mentioned but I think one of the reasons is the general fund has been on a decline since Measure 50. In fact our taxes two years ago were rolled back to 1995-96. We can only increase our taxes at this point and time at 3%. That does not allow enough growth in our general fund to cover our vital services, particularly in the Police Department and the School Resource Officers that we have at our schools that I think are critical. Very soon those matching dollars for our School Resource Officers are going to be running out and we may be called upon to meet, if**



not part maybe all of their salaries in order to keep them in the schools if the school district isn't able to come up with the match. To ensure that those officers and other vital services within the city operating under the general fund budget operate smoothly and professional with well trained people, we need this inclusion of monies in our general fund.

Councilor Thompson stated I have no addition to what Councilor Kight stated.

Mayor Thalhofer stated this is a resolution to bolster the general fund and also treat the city utilities the same as private utilities are treated. The general fund has been reduced dramatically by different measures that were passed. Not many people realize that the cities are crippled. All across the state local government is struggling to provide the services that people want, need and expect. We are not in a position to deliver those services that we have in the past and each year it will get worse. I hope that some day somebody will come up with a plan to revise the taxing system of this state. What we have now is by initiative and a lot of it was poorly done and most of the people that did it have never served in local government and had to make these tough decisions that we have to make. I hope someday our legislature has the courage to tackle this huge problem of taxation in this state.

YEAS: 5  
NAYS: 0  
ABSTAINED: 0

## 7. COUNCIL CONCERNS AND INITIATIVES:

Mayor Thalhofer stated I want to congratulate the Reynolds High School building construction class for building the shed that is on the beach for the lifeguards to store their gear in. Please fly your American Flag on the 4<sup>th</sup> of July.

Councilor Kight stated have a safe 4<sup>th</sup> of July, if you are going to be using fireworks hopefully you will use some caution.

Councilor Daoust stated on the 4<sup>th</sup> of July at Blue Lake Park, east county will be hosting a fireworks display at 10pm thanks to the Yoshida Group who is sponsoring the fireworks.

## 8. ADJOURNMENT.

**MOTION:** Councilor Thompson moved to adjourn. Seconded by Councilor Kight.

YEAS: 5  
NAYS: 0  
ABSTAINED: 0

Meeting was adjourned at 8:02pm.

  
Paul Thofoer, Mayor

Dated: 7-25-01

**ATTEST:**

  
Debbie Stickney, City Recorder

