

AGENDA

REGULAR CITY COUNCIL MEETING

November 28, 2011

5:30 p.m.

CITY HALL COUNCIL CHAMBER
313 COURT STREET
THE DALLES, OREGON

1. CALL TO ORDER
2. ROLL CALL OF COUNCIL
3. PLEDGE OF ALLEGIANCE
4. APPROVAL OF AGENDA
5. PRESENTATIONS/PROCLAMATIONS
 - A. Audit Presentation [**Agenda Staff Report #11-103**]
6. RECESS TO URBAN RENEWAL AGENCY MEETING
7. RECONVENE CITY COUNCIL MEETING
8. AUDIENCE PARTICIPATION

During this portion of the meeting, anyone may speak on any subject which does not later appear on the agenda. Five minutes per person will be allowed. If a response by the City is requested, the speaker will be referred to the City Manager for further action. The issue may appear on a future meeting agenda for City Council consideration.
9. CITY MANAGER REPORT
10. CITY ATTORNEY REPORT
11. CITY COUNCIL REPORTS

CITY OF THE DALLES

"By working together, we will provide services that enhance the vitality of The Dalles"

12. CONSENT AGENDA

Items of a routine and non-controversial nature are placed on the Consent Agenda to allow the City Council to spend its time and energy on the important items and issues. Any Councilor may request an item be "pulled" from the Consent Agenda and be considered separately. Items pulled from the Consent Agenda will be placed on the Agenda at the end of the "Action Items" section.

- A. Approval of November 14, 2011 Regular City Council Meeting Minutes

13. PUBLIC HEARINGS

- A. Public Hearing to Receive Testimony Regarding a Proposed Rate Increase of 2.2% by The Dalles Disposal, Effective January 1, 2012 [**Agenda Staff Report #11-104**]

1. Resolution No. 11-031 Approving a 2.2% Rate Increase by The Dalles Disposal

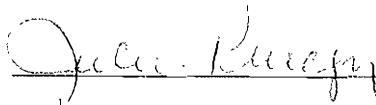
14. ACTION ITEMS

- A. Consideration of Department Manager's Salaries [**Agenda Staff Report #11-105**]

15. ADJOURNMENT

This meeting conducted in a handicap accessible room.

Prepared by/
Julie Krueger, MMC
City Clerk

_____



CITY of THE DALLES

313 COURT STREET
THE DALLES, OREGON 97058

(541) 296-5481
FAX (541) 296-6906

AGENDA STAFF REPORT
CITY OF THE DALLES

MEETING DATE	AGENDA LOCATION	AGENDA REPORT #
November 28, 2011	Presentations 5, A	11-103

TO: Honorable Mayor and City Council

FROM: Kate Mast, Finance Director

THRU: Nolan K. Young, City Manager *ny*

DATE: November 17, 2011

ISSUE: Presentation of FY 10/11 Audit by Merina & Company.

BACKGROUND: This is the first year that Merina & Company has audited our books and I am pleased with the working relationship we are developing. Our Audit Manager is Tonya Moffitt, and she will be presenting the audit to you at the Council Meeting.

The Management Letters are attached to this report. The bottom line is that we have only one finding this year and it concerns our booking of capital assets. We had a similar finding last year, and while we have made efforts to improve in this area, we still have more to do. We are working with Tonya to get this issue on track.

BUDGET IMPLICATIONS: None.

ALTERNATIVES:

- A. **Staff Recommendation:** Move to accept the FY10/11 Audit as presented.

November 16, 2011

To the Honorable Mayor, Members of the City Council, and Board of Directors
City of The Dalles and Columbia Gateway Urban Renewal Agency
The Dalles, Oregon

EXECUTIVE SUMMARY OF EXIT CONFERENCE

The purpose of this executive summary is to assist you in fulfilling your responsibilities for oversight of the City's and Agency's financial reporting. This letter summarizes the results and conclusions of certain matters required to be communicated to those charged with governance. The full communication to those charged with governance as required by Statement of Auditing Standards 114 and 115 for the City and Statement of Auditing Standards 114 for the Agency that was passed out to you with this letter.

- We have completed our audit of the financial statements and related disclosures of the City of The Dalles and Columbia Gateway Urban Renewal Agency. We issued our report, which contain "clean opinions" on November 16, 2011.
- City:
 - Our opinion on the City's financial statements is limited to the basic financial statements, supplemental data, and audit comments.
 - The introductory and statistical section of the report has not been audited by us and, accordingly, we expressed no opinion on that data.
 - The financial statements were submitted to the Government Finance Officers Association for the Certificate of Achievement for Excellence in Financial Reporting.
 - We also performed a single audit of the federal awards expended by the City. There was one finding on page 116.
- Columbia Gateway Urban Renewal Agency:
 - Our opinion on the Agency's financial statements is limited to the basic financial statements and audit comments.
 - The Agency's introductory section of the report has not been audited by us and, accordingly, we expressed no opinion on that data.

Required Communications to Those Charged with Governance

- There were no restrictions on our audit scope.
- There were no disagreements with management.
- There were no significant difficulties incurred during the course of the audit.
- There was one new significant policy for GASB 54 adopted or changes from policies previously adopted.
- Management judgments and accounting estimates were found to be appropriate in the circumstances. Estimates included depreciation, compensated absences payable, allowance for doubtful accounts, and OPEB for the City and depreciation for the Agency.
- We did not find any transactions entered into by the City during the year that lack authoritative guidance.
- There were uncorrected misstatements with a total financial effect of \$982 that management has determined that the effect of the uncorrected misstatements is immaterial for the City.
- There were material misstatements that were corrected for proper presentation of the financial statements for the City and Agency.
- In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a “second opinion” on certain situations. There were no such consultations with other accountants.

Audit Comments and Disclosures in accordance with Minimum Standards

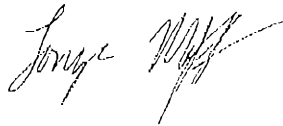
- Audit Comments and Disclosures required by state regulations are located on page 107 for the City and page 20 for the Agency.
- We tested the following in connection with Oregon Minimum Standards:
 - Deposits of public funds with financial institutions.
 - Indebtedness, limitations, restrictions, and repayments.
 - Budgets legally required.
 - Insurance and fidelity bonds in force or required by law.
 - Programs funded from outside sources.
 - Highway revenues used for public highways, roads, and streets.
 - Authorized investment of surplus funds.
 - Public contracts and purchasing.

Control Deficiencies

- There was a deficiency identified during the course of the audit which we considered to be a significant deficiency/material weakness that we are required by Statement of Auditing Standards 115 to communicate to you. This is communicated in a separate letter accompanying the full memo.

During the course of our audit, we noted areas for improvement. These have been communicated to management in a separate letter.

We appreciate the opportunity to have been of service and look forward to working with you in the future. If you have any questions now or in the future please do not hesitate to contact us.

A handwritten signature in black ink, appearing to read "Tonya Moffitt", with a stylized flourish extending from the end.

Tonya Moffitt, CPA
Merina & Company, LLP

November 16, 2011

To the Honorable Mayor and Members of the City Council
City of The Dalles, Oregon

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of The Dalles, Oregon for the year ended June 30, 2011. Professional standards (for Certified Public Accountants) require that we provide you with the following information about our responsibilities under general accepted auditing standards and, if applicable, *Government Auditing Standards* and OMB Circular A-133, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated May 31, 2011. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City of The Dalles are described in Note I to the financial statements. As described in Note IV, F to the financial statements, the City of The Dalles implemented a new accounting pronouncement, GASB Statement No. 54. We noted no transactions entered into by the governmental unit during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the City's financial statements were:

Management's estimate of the accumulated depreciation is based on historical cost or estimated historical cost if purchased or constructed and donated capital assets are recorded at estimated fair market value at the date of donation.

Management's estimate of the compensated absences payable is based on current wages.

Management's estimate of the allowance for doubtful accounts represents the portion of receivables not expected to be collected.

Management's estimate of the Other Post Employment Benefits (OPEB) is based on an Actuarial valuation.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. We noted some known and likely uncorrected misstatements of the financial statements with a total financial statement effect of \$982. Management has determined that the effect of the uncorrected misstatements is immaterial, both individually and in the aggregate, to the financial statements taken as a whole. The City relies on Merina and Company, LLP to propose audit adjustments that are necessary for recording capital assets and accumulated depreciation for proper presentation of the financial statements. Some of these proposed audit adjustments are material misstatements.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated November 16, 2011.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We noted certain matters that we reported to management of the City of The Dalles, Oregon's in a separate letter dated November 16, 2011.

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the governmental unit's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

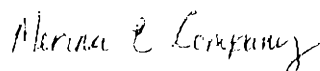
Other Information in Documents Containing Audited Financial Statements

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

This information is intended solely for the use of Honorable Mayor and Members of the City Council and management of the City of The Dalles and is not intended to be and should not be used by anyone other than these specified parties.

If you should have any questions or comments, we will be pleased to discuss this report with you at your convenience.

Very truly yours,

A handwritten signature in cursive script that reads "Merina & Company".

Merina & Company, LLP
Certified Public Accountants and Consultants

To the Honorable Mayor and Members of the City Council
and Management of the City of The Dalles, Oregon

In planning and performing our audit of the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of The Dalles, Oregon as of and for the year ended June 30, 2011, in accordance with auditing standards generally accepted in the United States of America, we considered City's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses and therefore there can be no assurance that all such deficiencies have been identified. In addition, because of inherent limitations in internal control, including the possibility of management override of controls, misstatements due to error or fraud may occur and not be detected by such controls. However, as discussed below, we identified a deficiency in internal control that we consider to be material weakness.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency or combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the following deficiency in the City's internal control to be material weaknesses:

2011-01

Condition: Inadequate controls over the capital asset financial reporting process at the end of year, including controls to record capital assets to ensure that they are properly recorded and depreciated.

Criteria: The auditor assisted in the recording of period end financial statement adjustments for capital assets on behalf of the City of The Dalles.

Effect: A material journal entry for capital assets was required during the course of the audit.

Cause: The City controls around the asset listing and booking of capital assets asset adjustments had not yet been established.

Recommendation: We recommend that the City reviews the internal controls and incorporate controls around the recording of capital assets.

Management's response: Management agrees with the condition and the auditor's recommendation and will review the internal controls and will continue to improve the procedures and controls over capital assets.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiency noted above to be a significant deficiency in the City's internal controls.

This communication is intended solely for the information and use of management, Honorable Mayor and Members of the City Council, and others within the organization and is not intended to be and should not be used by anyone other than these specified parties.

Merina & Company

Merina & Company, LLP
West Linn, Oregon
November 16, 2011



AGENDA STAFF REPORT
CITY OF THE DALLES

MEETING DATE	AGENDA LOCATION	AGENDA REPORT #
November 28, 2011	Consent Agenda 12, A	N/A

TO: Honorable Mayor and City Council

FROM: Julie Krueger, MMC, City Clerk

THRU: Nolan K. Young, City Manager

DATE: November 16, 2011

ISSUE: Approving items on the Consent Agenda and authorizing City staff to sign contract documents.

A. ITEM: Approval of November 14, 2011 Regular City Council Meeting Minutes.

BUDGET IMPLICATIONS: None.

SYNOPSIS: The minutes of the November 14, 2011 regular City Council meeting have been prepared and are submitted for review and approval.

RECOMMENDATION: That City Council review and approve the minutes of the November 14, 2011 regular City Council meeting.

MINUTES

REGULAR COUNCIL MEETING
OF
NOVEMBER 14, 2011
5:30 P.M.
THE DALLES CITY HALL
313 COURT STREET
THE DALLES, OREGON

PRESIDING: Mayor Jim Wilcox

COUNCIL PRESENT: Bill Dick, Carolyn Wood, Dan Spatz

COUNCIL ABSENT: Brian Ahier, Tim McGlothlin

STAFF PRESENT: City Manager Nolan Young, City Attorney Gene Parker, City Clerk Julie Krueger, Public Works Director Dave Anderson, Finance Director Kate Mast, Administrative Fellow Cooper Whitman, Police Chief Jay Waterbury, Senior Planner Dick Gassman

CALL TO ORDER

Mayor Wilcox called the meeting to order at 5:48 p.m.

ROLL CALL

Roll call was conducted by City Clerk Krueger; Councilors Ahier and McGlothlin absent.

PLEDGE OF ALLEGIANCE

Mayor Wilcox invited the audience to join in the Pledge of Allegiance.

APPROVAL OF AGENDA

It was moved by Wood and seconded by Spatz to approve the agenda as presented. The motion carried unanimously; Ahier and McGlothlin absent.

AUDIENCE PARTICIPATION

Pat Combs, 733 Lee Street, The Dalles, said she was a volunteer at the Veteran's Service Office and wanted the City Council to know that it was a problem to have the Greyhound buses stopping there several times each day. She said some people were belligerent and angry with the staff and she was concerned about personal safety. Mrs. Combs said she was also concerned that the people going in and out of the building during the winter would be very hard on the carpet.

City Manager Young said staff had been in contact with Greyhound and they were looking for a different place for their bus stop but he was reluctant to cancel the lease, saying the City was receiving \$300 for the curbside lease. He said staff would continue to encourage Greyhound to find a new location.

It was the consensus of the Council to direct staff to monitor their relocation progress and to bring back to Council in December to determine whether additional action was necessary.

Debbie Richelderfer, 2310 East 19th Street, The Dalles, asked for clarification of the local improvement district process. She said she had heard that it could not move forward without permission of the property owners, then had heard that two-thirds of the property owners could agree and the project could move forward.

City Manager Young said there would be an opportunity for the property owners to participate in a public hearing and to formally object to the project. He said if two-thirds of the property value within the project objected, the City would be required to suspend the project for at least six months.

Richelderfer said if it was shown prior to the hearing that the property owners didn't want the project, it would save time and money to abandon the project. City Manager Young said the procedures followed by City ordinance allowed each property owner the opportunity to study the proposal and to make an informed decision based on facts, rather than personal opinions. Mayor Wilcox agreed, saying property owners had the right to all the information before making a decision as to whether they supported the project.

Shirley Walsborn, 1912 Thompson Street, The Dalles asked if all affected property owners would be notified about the project. City Manager Young said all property owners within the proposed district would be notified. He said it was a formal process, set out by ordinance.

Dean Cameron, 3725 Klindt Drive, The Dalles, said he represented the PEP Group and asked the Council to consider repealing the systems development charges for fire systems.

MINUTES (Continued)
Regular Council Meeting
November 14, 2011
Page 3

City Manager Young said Mr. Cameron should make an appointment to meet with him to work on the issue he raised.

Diana Cheadle, 1715 Thompson, The Dalles, asked about the proposed schedule for the local improvement district on Thompson Street. Mayor Wilcox said it was not known at this time.

CITY MANAGER REPORT

None.

CITY ATTORNEY REPORT

City Attorney Parker said The Dalles Disposal had requested a rate increase and that issue would be discussed at the November 28th Council meeting. Parker said he and Police Department staff continued to work on the Second Hand Dealer ordinance and he hoped to bring it to Council for consideration in December.

Parker reported the Codes Enforcement Officer would be having surgery and be out of the office for one to two weeks.

CITY COUNCIL REPORTS

Councilor Wood reported the Historic Landmarks Commission would meet on November 16th.

Councilor Dick reported the Urban Renewal Advisory Committee would meet on November 15th.

Councilor Spatz said the Mid-Columbia Economic Development District quarterly meeting would be held on December 15th.

Mayor Wilcox said he had received positive remarks about having a Council meeting at the High School and hoped it could be an annual event. He reported on other meetings he had attended and said he would be making a presentation on November 28th about getting agencies to work together. Wilcox said he had participated in the school's Challenge Day and encouraged other Councilors to participate next year. It was noted none of the Councilors had been made aware of an invitation to participate.

CONSENT AGENDA

It was moved by Spatz and seconded by Wood to approve the Consent Agenda as presented. The motion carried unanimously; Ahier and McGlothlin absent.

MINUTES (Continued)
Regular Council Meeting
November 14, 2011
Page 4

Items approved by Consent Agenda were: 1) approval of October 10, 2011 regular City Council meeting minutes; 2) approval of October 24, 2011 regular City Council meeting minutes; and 3) approval to declare vehicle as surplus property.

PUBLIC HEARINGS

Public Hearing to Receive Testimony Regarding the Sale of the 19th Street Reservoir Property

Mayor Wilcox reviewed the procedures to be followed for the public hearing.

City Attorney Parker reviewed the staff report.

Mayor Wilcox asked if the City needed to retain any of the property for easement purposes. Public Works Director Anderson said there were no utilities remaining on that property.

Testimony

Rodger Nichols, 1617 Oregon Street, The Dalles, asked why the sale of the property was not on the open market to get the highest bid.

City Manager Young said part of the criteria for disposing of surplus property was to evaluate the best interest of the public. He said the value and sale price were the same and benefitting a community facility for the benefit of the entire community was important.

Hearing no further testimony, the public hearing was closed.

Resolution No. 11-030 Accepting an Offer from the Mid-Columbia Medical Center to Purchase a Surplus Parcel of Real Property Commonly Known as the Nineteenth Street Reservoir Property

It was moved by Dick and seconded by Wood to adopt Resolution No. 11-030 accepting an offer from Mid-Columbia Medical Center to purchase a surplus parcel of real property commonly known as the Nineteenth Street Reservoir property. The motion carried unanimously, Ahier and McGlothlin absent.

CONTRACT REVIEW BOARD ACTIONS

Approval to Purchase Police Patrol Vehicles

Police Chief Waterbury reviewed the staff report.

MINUTES (Continued)
Regular Council Meeting
November 14, 2011
Page 5

Councilor Spatz asked if any local dealers could meet the price. Chief Waterbury said he had asked and they could not meet the State bid price.

It was moved by Wood and seconded by Spatz to authorize the purchase of three vehicles from Wilsonville Dodge in the amount of \$66,240.00. The motion carried unanimously, Ahier and McGlothlin absent.

ACTION ITEMS

Special Ordinance No. 11-544 Assessing the Properties Located at 414 West Sixth Street and 1290 West Eighth Street for the Cost of Abatement of Hazardous Vegetation

City Attorney Parker reviewed the staff report.

City Clerk Krueger read Special Ordinance No. 11-544 by title.

It was moved by Wood and seconded by Dick to adopt Special Ordinance No. 11-544 assessing the properties located at 414 West Sixth Street and 1290 West Eighth Street for the cost of abatement of hazardous vegetation. The motion carried unanimously, Ahier and McGlothlin absent.

Resolution No. 11-029 Assessing the Property Located at 1914 Dry Hollow Road for the Cost of Abatement of Junk and Hazardous Vegetation

City Attorney Parker reviewed the staff report.

It was moved by Dick and seconded by Spatz to adopt Resolution No. 11-029 assessing the property located at 1914 Dry Hollow Road for the cost of abatement of junk and hazardous vegetation. The motion carried unanimously, Ahier and McGlothlin absent.

Consideration of Department Manager's Salaries

City Manager Young reviewed the staff report.

Mayor Wilcox clarified that the one percent salary increase mentioned in the alternatives had already been approved by the City Council.

Councilor Wood said she would prefer to take no action at this time. She said there were many variables and qualifications of the Department Managers, all bringing different specialties to the City. She said it was more reasonable to leave the system in place.

MINUTES (Continued)
Regular Council Meeting
November 14, 2011
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Councilor Spatz said he would prefer to discuss the matter when the full Council was in attendance, but that he preferred Option #3 or #4. He said it was important that the Public Works Director and Police Chief have external equity and was unfair to current staff to be paid at a rate that the City could not use to recruit someone new for the position.

Mayor Wilcox said he believed the Police Chief and Public Works Director needed to have a salary adjustment.

Councilor Dick said he would like to discuss with the entire Council. He said the City's staff was great and if it was just money, he would like to give the increases, but that the Council needed to consider the overall financial health of the City.

Mayor Wilcox allowed public input.

Barbara Pashek said the City Council had previously said salaries needed to hold the line because the budget for the year was tight. She said if there was now extra money in the budget it should be used to reduce water rates, not give more money to staff.

It was the consensus of the Council to discuss this issue at the November 28th Council meeting.

DISCUSSION ITEMS

Review of Chenoweth Interchange Area Management Plan (IAMP) Supplemental Transportation Systems Development Charges

Senior Planner Dick Gassman reviewed the staff report. He said it had been anticipated that the Council would adopt supplemental systems development charges (SDC's) for the IAMP area. He asked the Council if they wished staff to develop a methodology for the SDC's at this time or to delay action.

Following discussion, there was consensus to direct staff to develop a methodology for the supplemental transportation SDC's for the Chenoweth IAMP area for Council consideration. There was general consensus that it was important to have the SDC in place, though the amount should not be for full funding of a third access to the area.

Review of Proposed Tree Plan

Senior Planner Gassman reviewed the staff report.

MINUTES (Continued)
Regular Council Meeting
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It was moved by Wood and seconded by Spatz to adopt the Tree Committee's work plan as presented. The motion carried unanimously, Ahier and McGlothlin absent.

ADJOURNMENT

Being no further business the meeting adjourned at 7:03 p.m.

Submitted by/
Julie Krueger, MMC
City Clerk

SIGNED:

James L. Wilcox, Mayor

ATTEST:

Julie Krueger, MMC, City Clerk



AGENDA STAFF REPORT

CITY OF THE DALLES

MEETING DATE:	AGENDA LOCATION:	AGENDA REPORT #
November 28, 2011	Public Hearings 13, A, 1	11-104

TO: Honorable Mayor and City Council

FROM: Gene E. Parker, City Attorney

THRU: Nolan K. Young, City Manager *ny*

DATE: November 16, 2011

ISSUE: Public Hearing regarding a request by The Dalles Disposal Service for a rate increase averaging approximately 2.2% for increased operational costs, and adoption of Resolution No. 11-031 approving the requested rate increase.

RELATED CITY COUNCIL GOAL: None.

PREVIOUS AGENDA REPORT NUMBERS: None.

BACKGROUND: The Dalles Disposal has submitted a request to the City to consider granting an increase averaging approximately 2.2% in the rates charged by the company for solid waste and recycling services, to be effective January 1, 2012. The increase is being requested due to increased operational costs and tip fees.. A portion of the rate increase is also being requested due to a disposal cost increase for the landfill to be imposed by Wasco County, and a pass through Household Hazardous Waste tax of 3% as of January 1, 2012.

General Ordinance No. 92-1155, which includes the provisions regulating franchisees who provide solid waste collection and recycling services, provides that rates established under the ordinance shall be just and reasonable and adequate to provide necessary collection service. The City Council reviews and approves the rates charged by The Dalles Disposal Service. The rates approved by the Council can include provisions allowing The Dalles Disposal Service to recover

any additional costs of education, promotion, and providing notice of the opportunity to recycle at the minimum level required by the State of Oregon or at a higher level of recycling required or permitted by the City.

The City is required by state law to provide an opportunity for interested persons to comment on the proposed enactment of the fee increases. A public hearing has been scheduled for this meeting. A proposed Resolution (#11-031) approving the requested rate increase is included with the staff report for the Council's review and consideration.

BUDGET IMPLICATIONS: If the requested rate increase is approved, the City will probably receive a modest increase in the amount of the franchise fee collected from The Dalles Disposal, as the franchise fee is calculated on the amount of gross revenue received by The Dalles Disposal.

ALTERNATIVES:

- A. Staff Recommendation. *Move to adopt Resolution No. 11-031, approving a rate increase averaging approximately 2.2% for The Dalles Disposal Service for increased operational costs.*
- B. Modify the proposed rate increase, and direct staff to bring a revised resolution to the City Council at a future Council meeting.
- C. Decline to take any action concerning Resolution No. 11-031, which will have the effect of denying the requested rate increase.

RESOLUTION NO. 11-031

**A RESOLUTION APPROVING A RATE INCREASE
AVERAGING APPROXIMATELY 2.2% FOR SERVICES
PROVIDED BY THE DALLES DISPOSAL SERVICE, FOR INCREASED
OPERATIONAL COSTS INCURRED BY
THE DALLES DISPOSAL SERVICE, INC.**

WHEREAS, The Dalles Disposal Service, Inc. submitted a request on October 31, 2011, for a rate increase averaging approximately 2.2% for increased operational costs and tip fees, and for an adjustment to the company's rate schedule as a result of a pass through by Wasco County for an increase for disposal costs at the Wasco County Landfill, and a pass through Household Hazardous Waste tax of 3%, which is scheduled to take effect on January 1, 2012; and

WHEREAS, Section 11 of General Ordinance No. 92-1155 provides that the City Council shall review all requests for a rate increase for companies providing solid waste collection services, to determine whether the proposed rates are just and reasonable and adequate to provide necessary collection services; and

WHEREAS, pursuant to ORS 294.160, the City Council conducted a public hearing on November 28, 2011, to provide an opportunity for public comment upon the proposed rate increase; and

WHEREAS, The Dalles Disposal Service, Inc. submitted testimony that the company has incurred recent increased operational costs including costs for health care, and truck and equipment repair; and

WHEREAS, The Dalles Disposal Service, Inc. provided further testimony that their company uses the Federal Bureau of Labor Statistics CPI Index for Portland/Salem to benchmark their operational costs, and the most recent comparison for the months of June 2010 to June 2011 showed an increase of 2.60%; and

WHEREAS, The Dalles Disposal Inc. submitted additional testimony that the individual rates included in the rate schedule change by different percentages based upon the disposal weight component of each rate. A service with no weight (e.g., a carry out charge) might increase 2.20%, while a per ton drop box overage charge will only increase 0.4%, and all other rates will increase by some combination of the two percentages, averaging out at approximately 2.0%; and

WHEREAS, the City Council finds that the requested rate increase for the company's increased operational costs and the pass through for the Wasco County Landfill costs and Household Hazardous Waste tax are just and reasonable and necessary to allow The Dalles

Disposal Service, Inc. to provide collection service, in light of the cost increases which the company has reasonably incurred, and to allow the company to continue to provide solid waste collection and recycling services to the citizens of The Dalles;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE DALLES AS FOLLOWS:

Section 1. Rate Increases Approved. The rate increases requested by The Dalles Disposal Service, Inc., as set forth in the attached Exhibit "A", are hereby approved, and shall take effect on January 1, 2012.

Section 2. Effective Date. The effective date of this Resolution shall be November 28, 2011.

PASSED AND ADOPTED THIS 28th DAY OF NOVEMBER, 2011

Voting Yes, Councilors: _____
Voting No, Councilors: _____
Absent, Councilors: _____
Abstaining, Councilors: _____

AND APPROVED BY THE MAYOR THIS 28th DAY OF NOVEMBER, 2011

SIGNED:

James L. Wilcox, Mayor

ATTEST:

Julie Krueger, MMC, City Clerk



WASTE CONNECTIONS, INC.
Change with the future
The Dalles Disposal

October 31, 2011

City of The Dalles
313 Court Street
The Dalles, Or. 97058

Attn:
Gene Parker, City Attorney

Dear Mr. Parker, Honorable Mayor and Council Members:

The Dalles Disposal would like to respectfully request a rate adjustment averaging approximately 2.2% to help offset rising operational costs and tip fees. We request this adjustment to be effective January 1, 2012. Some examples of these increases include, but are not limited to, health care, and truck and equipment repair.

We use the Federal Bureau of Labor Statistics CPI index for Portland/Salem to benchmark our changes in operational costs. This index is computed as of June 30 and December 31. The most recent June to June comparison increased 2.60%, and we believe this is a good indicator of our overall experience. The Wasco County Landfill anticipates increasing both its gate rate and the pass-through Household Hazardous Waste tax by 3.0%, effective January 1. We have incorporated these increases into the attached proposed rate schedule.

Individual rates change by different percentages based upon the disposal weight component of each rate. A service with no weight (eg, a carry out charge) might increase 2.20%, while a per ton drop box overage charge will only increase 0.4%. All the other rates will increase by some combination of the two percentages, averaging out at about 2.0%.

We would like to be scheduled on the council agenda at your earliest convenience to discuss our proposal. We appreciate the continued opportunity to provide the City of The Dalles with high quality solid waste service.

Sincerely,

Erwin Swetnam
District Manager

Enclosure: Proposed Rate Sheets

THE DALLES CITY GARBAGE RATES

Proposed Increase January 1, 2012

SERVICE	CURRENT RATE	Total LF Increase	Business Increase	Ffee	TOTAL INCREASE	NEW RATE
RESIDENTIAL						
CANS/ROLLCARTS						
Weekly						
- (1) 20 gal can	\$10.72	\$0.06	\$0.19	\$0.01	\$0.26	\$10.98
- (1) 32 gal can	\$15.45	\$0.10	\$0.27	\$0.01	\$0.38	\$15.83
- 90 gal rollcart	\$22.52	\$0.27	\$0.32	\$0.02	\$0.61	\$23.13
- 105 gal cart (Phase Out)	\$24.19	\$0.32	\$0.33	\$0.02	\$0.67	\$24.86
- each add'l can	\$15.45	\$0.10	\$0.27	\$0.01	\$0.38	\$15.83
EOW						
- (1) 32 gal can	\$12.62	\$0.06	\$0.23	\$0.01	\$0.30	\$12.92
Call In						
- (1) 32 gal can	\$11.05	\$0.03	\$0.22	\$0.01	\$0.26	\$11.31
- 90 gal rollcart	\$16.50	\$0.08	\$0.31	\$0.01	\$0.40	\$16.90
YARD DEBRIS						
* 12 month min sign-up period * \$18 restart fee if service cancelled and restarted within year * 60 gal yard debris cart						
Weekly	\$7.63	\$0.18	\$0.06	\$0.01	\$0.25	\$7.88
EOW	\$5.24	\$0.11	\$0.05	\$0.01	\$0.16	\$5.40
SPECIAL CHARGES						
* The following additional charges whose cans, rollcarts or containers pose a potential safety risk to our employees due to the difficult and unsafe location of their service containers.						
Additional Charge:						
- Sunken Can	\$6.70	\$0.00	\$0.14	\$0.00	\$0.15	\$6.85
- Excess distance	\$6.70	\$0.00	\$0.14	\$0.00	\$0.15	\$6.85
- Steps/stairs	\$6.70	\$0.00	\$0.14	\$0.00	\$0.15	\$6.85
- Through gate	\$6.70	\$0.00	\$0.14	\$0.00	\$0.15	\$6.85
-extra can/bag/box	\$6.12	\$0.01	\$0.12	\$0.00	\$0.14	\$6.26
- loose yardage per yd	\$25.89	\$0.21	\$0.43	\$0.02	\$0.66	\$26.55
(over-the-top extra around conts-cans-rollcarts or on the ground)						
- bulk items (*Bring to transfer station)						
- return trip can	\$8.78	\$0.01	\$0.14	\$0.01	\$0.15	\$6.93
- return trip rollcart	\$9.03	\$0.00	\$0.19	\$0.01	\$0.20	\$9.23
- rollcart redelivery	\$9.35	\$0.00	\$0.20	\$0.01	\$0.20	\$9.55
- Off day PU	\$6.70	\$0.00	\$0.14	\$0.00	\$0.15	\$6.85
- Delinquent fee	\$11.75	\$0.00	\$0.25	\$0.01	\$0.26	\$12.01
(Acct delinquent after 30 days from billing)						
- NSF/unhonored check fee	\$27.75	\$0.00	\$0.59	\$0.02	\$0.61	\$28.36
- New Acct set up fee	\$5.36	\$0.00	\$0.11	\$0.00	\$0.12	\$5.48
- Change in service	\$5.35	\$0.00	\$0.11	\$0.00	\$0.12	\$5.47
(name/address/service)						

THE DALLES CITY GARBAGE RATES

Proposed Increase January 1, 2012

SERVICE	CURRENT RATE	Total LF Increase	Business Increase	Ffee	TOTAL INCREASE	NEW RATE
COMMERCIAL						
Weekly						
- (1) 32 gal can	\$18.47	\$0.10	\$0.33	\$0.02	\$0.45	\$18.92
- 90 gal rollcart	\$27.77	\$0.27	\$0.43	\$0.03	\$0.73	\$28.50
- 105 gal cart (Phase Out)	\$28.27	\$0.32	\$0.42	\$0.03	\$0.76	\$29.03
- each add'l can	\$18.47	\$0.10	\$0.33	\$0.02	\$0.45	\$18.92
EOW						
- (1) 32 gal can	\$15.45	\$0.06	\$0.29	\$0.01	\$0.37	\$15.82
Call In						
- (1) 32 gal can	\$12.16	\$0.03	\$0.24	\$0.01	\$0.28	\$12.44
- 90 gal rollcart	\$18.24	\$0.08	\$0.34	\$0.01	\$0.43	\$18.67

SPECIAL CHARGES

* The following additional charges are assessed to customers whose cans, rollcarts or containers pose a potential safety risk to our employees due to the difficult and unsafe location of their service containers.

Additional Charge:						
- Sunken Can	\$6.70	\$0.00	\$0.14	\$0.00	\$0.15	\$6.85
- Excess distance	\$6.70	\$0.00	\$0.14	\$0.00	\$0.15	\$6.85
- Steps/stairs	\$6.70	\$0.00	\$0.14	\$0.00	\$0.15	\$6.85
- Through gate	\$6.70	\$0.00	\$0.14	\$0.00	\$0.15	\$6.85
			\$0.00			
-extra can/bag/box	\$6.12	\$0.01	\$0.12	\$0.00	\$0.14	\$6.26
- loose yardage per yd	\$25.89	\$0.21	\$0.43	\$0.02	\$0.66	\$26.55
(*extra garbage ontop or around cans and rollcarts which must be manually handled & placed in truck)						
- bulk items (*Bring to transfer station)						
- return trip can	\$6.78	\$0.01	\$0.14	\$0.01	\$0.15	\$6.93
- return trip rollcart	\$9.03	\$0.03	\$0.17	\$0.01	\$0.21	\$9.24
- rollcart redelivery	\$9.35	\$0.00	\$0.20	\$0.01	\$0.20	\$9.55
- Off day PU	\$6.70	\$0.00	\$0.14	\$0.00	\$0.15	\$6.85
- Delinquent fee	\$11.75	\$0.00	\$0.25	\$0.01	\$0.26	\$12.01
(Acct delinquent after 30 days from billing)						
- NSF/unhonored check fee	\$27.75	\$0.00	\$0.59	\$0.02	\$0.61	\$28.36
- New Acct set up fee	\$5.36	\$0.00	\$0.11	\$0.00	\$0.12	\$5.48
- Mileage 15 miles RT from LF	\$2.40	\$0.00	\$2.40	\$0.08	\$2.40	\$2.40
- Change in service	\$5.36	\$0.00	\$0.11	\$0.00	\$0.12	\$5.48
(name/address/service)						

THE DALLES CITY GARBAGE RATES

Proposed Increase January 1, 2012

SERVICE	CURRENT RATE	Total LF Increase	Business Increase	Ffee	TOTAL INCREASE	NEW RATE
CONTAINERS						
1 1/2 Yd Containers						
- Call In	\$28.16	\$0.17	\$0.50	\$0.02	\$0.69	\$28.85
- EOW	\$41.10	\$0.37	\$0.66	\$0.04	\$1.06	\$42.16
- 1XPW	\$82.25	\$0.73	\$1.32	\$0.07	\$2.13	\$84.38
- Additional day rate = # days x 1 x wk rate						
2 Yd Containers						
- Call In	\$39.68	\$0.22	\$0.71	\$0.03	\$0.97	\$40.65
- EOW	\$54.96	\$0.49	\$0.89	\$0.05	\$1.42	\$56.38
- 1XPW	\$109.89	\$0.97	\$1.77	\$0.10	\$2.84	\$112.73
- Additional day rate = # days x 1 x wk rate						
3 Yd Containers						
- Call In	\$56.32	\$0.34	\$1.00	\$0.05	\$1.38	\$57.70
- EOW	\$82.20	\$0.73	\$1.32	\$0.07	\$2.13	\$84.33
- 1XPW	\$164.50	\$1.46	\$2.65	\$0.15	\$4.26	\$168.76
- Additional day rate = # days x 1 x wk rate						
SPECIAL CHARGES						
- Delivery	\$30.22	\$0.00	\$0.64	\$0.02	\$0.66	\$30.88
- Rent	\$29.47	\$0.00	\$0.63	\$0.02	\$0.65	\$30.12
- Rent-a-bin	\$66.34	\$0.00	\$1.41	\$0.05	\$1.45	\$67.79
- Loose yardage	\$25.89	\$0.21	\$0.43	\$0.02	\$0.66	\$26.55
Containers with difficult access (per cont chg)						
- Not on solid surface	\$7.38	\$0.00	\$0.16	\$0.01	\$0.16	\$7.54
- Stuck in the mud	\$7.38	\$0.00	\$0.16	\$0.01	\$0.16	\$7.54
- Lodged in loose gravel	\$7.38	\$0.00	\$0.16	\$0.01	\$0.16	\$7.54
- Overweight	\$7.38	\$0.00	\$0.16	\$0.01	\$0.16	\$7.54
- Excess distance	\$7.38	\$0.00	\$0.16	\$0.01	\$0.16	\$7.54
- Rolloff curb	\$7.38	\$0.00	\$0.16	\$0.01	\$0.16	\$7.54

THE DALLES CITY GARBAGE RATES

Proposed Increase January 1, 2012

SERVICE	CURRENT RATE	Total LF Increase	Business Increase	Ffee	TOTAL INCREASE	NEW RATE
COMPACTORS						
* 50,000 max gross weight						
- Per compacted yard	\$28.32	\$0.57	\$0.27	\$0.03	\$0.87	\$29.19
- over 2 tons for 10 yds						
- over 4 tons for 20 yds						
- over 6 tons for 30 yds						
- over 50,000 GW x Fee (*Per each 2,000 lb excess)	\$327.35	\$0.00	\$6.95	\$0.23	\$7.17	\$334.52
DROP BOXES						
- 10 yd min fee empty	\$178.38	\$2.07	\$2.59	\$0.17	\$4.83	\$183.21
- 15 yd min fee empty	\$274.88	\$3.10	\$4.05	\$0.26	\$7.41	\$282.29
- 20 yd min fee empty	\$356.76	\$4.13	\$5.19	\$0.34	\$9.66	\$366.42
- 30 yd min fee empty	\$535.15	\$6.20	\$7.78	\$0.51	\$14.49	\$549.64
- Delivery	\$62.94	\$0.00	\$1.34	\$0.04	\$1.38	\$64.32
- Pickup	\$62.94	\$0.00	\$1.34	\$0.04	\$1.38	\$64.32
- Swap	\$62.94	\$0.00	\$1.34	\$0.04	\$1.38	\$64.32
- Ex miles	\$62.94	\$0.00	\$1.34	\$0.04	\$1.38	\$64.32
- Demurrage per day after 5 days	\$13.40	\$0.00	\$0.28	\$0.01	\$0.29	\$13.69
- LS ydg	\$17.84	\$0.21	\$0.26	\$0.02	\$0.48	\$18.32
- over 2 tons for 10 yds						
- over 4 tons for 20 yds						
- over 6 tons for 30 yds						
- over 50,000 GW x Fee (*Per each 2,000 lb excess)	\$327.35	\$0.00	\$6.95	\$0.23	\$7.17	\$334.52

THE DALLES CITY GARBAGE RATES

Proposed Increase January 1, 2012

SERVICE	CURRENT RATE	Total LF Increase	Business Increase	Fee	TOTAL INCREASE	NEW RATE
TRANSFER STATION						
Minimum Charge:						
Household Garbage						
• 1 can or 1 bag	\$6.79	\$0.02	\$0.13	\$0.01	\$0.16	\$6.95
- Per Yard (After Minimum)	\$12.60	\$0.11	\$0.20	\$0.01	\$0.32	\$12.92
- MINIMUM YARD CHARGE (3 Yards)	\$25.20			\$0.00	\$0.64	\$25.84
Bulk Items:						
- Mattress/box springs						
- Recliners/large chairs						
- Couches/furn/ty's (minimum fee plus)	\$8.05	\$0.00	\$0.17	\$0.01	\$0.18	\$8.23
Appliances:						
- each	\$10.73	\$0.00	\$0.23	\$0.01	\$0.24	\$10.97
- Refrigerators	\$29.92	\$0.00	\$0.63	\$0.02	\$0.66	\$30.58
- Tires (each)	\$12.05	\$0.00	\$0.26	\$0.01	\$0.26	\$12.31
- Tires with rims to 16" (each)	\$24.12	\$0.00	\$0.51	\$0.02	\$0.53	\$24.65
Brush and Wood:						
(Must be clean/no garbage/ for recycling)						
- Per Yard (After Minimum)	\$6.14	\$0.11	\$0.07	\$0.01	\$0.18	\$6.32
- MINIMUM YARD CHARGE (3 Yards)	\$18.42			\$0.00	\$0.54	\$18.96
Yardage calculation: multiply width x length x height divide by 27 = total yards						



CITY of THE DALLES
313 COURT STREET
THE DALLES, OREGON 97058

(541) 296-5481
FAX (541) 296-6906

AGENDA STAFF REPORT

CITY OF THE DALLES

MEETING DATE	AGENDA LOCATION	AGENDA REPORT #
November 28, 2011	Action Items 14, A	11-105

TO: Mayor and City Council
FROM: Nolan K. Young, City Manager *NKY*
DATE: November 15, 2011
ISSUE: Department Managers Salaries

PREVIOUS ASR: July 25, 2011 #11-081; November 14, 2011 #11-100 (attached)

BACKGROUND: At the November 14, 2011 City Council Meeting the Council the Council considered the Department Managers salaries. Because two of the Council members were unable to attend the Council deferred the issue to the November 14th meeting. Attached is an excerpt of the minutes from the discussion at the previous meeting. Since there were no requests for additional information we have attached the Agenda Staff Report 11-100 from that meeting.

COUNCIL ALTERNATIVES:

1. Give the City Manager further direction on Department Manager Salaries.



CITY of THE DALLES

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AGENDA STAFF REPORT CITY OF THE DALLES

MEETING DATE	AGENDA LOCATION	AGENDA REPORT #
November 14, 2011	Action 13, C	11-100

TO: Mayor and City Council

FROM: Nolan K. Young, City Manager

DATE: October 31, 2011

ISSUE: Department Managers Salaries

PREVIOUS ASR: July 25, 2011 #11-081

BACKGROUND: At the July 25th City Council Meeting the Council reviewed the Department Managers salaries. Attached is a copy of the minutes for that meeting along with the staff report and attachments that were sent to the City Council. At the meeting, there were a variety of opinions and options on where to go from here. The Council specifically asked for additional information on the education and skill qualifications for the various managers. Attached is a new chart that summarizes that information.

To assist the City Council we have identified four options for consideration.

1. Maintain current salary equity for all six Department Managers and on July 1, 2012 in addition to any cost of living (COLA) adjustment move all Department Managers to a new A+ grade 3% higher than the current salary in Grade A.
2. Maintain the current equity with all six department managers and provide them with a 1.4% cost of living adjustment (COLA) effective November 1, 2011, in addition to the 1% COLA that all exempt employees receive January 1, 2012. The total cost of this option would be \$6,768.

3. For the four positions of Public Works Director, Community Development Director, Finance Director and Police Chief in addition to the 1% COLA in January 2012 increase their salaries by 1.25% on November 1, 2011 to bring their salaries in line with the City of Pendleton. This option will cost the City \$4,052.
4. On November 1, 2011 create a new A+ Grade 3% higher than the current Department Manager salary in Grade A. Move the positions of Police Chief, Public Works Director, and Community Development Director into this new A+ Grade. This will cost the city \$9,725.

COUNCIL ALTERNATIVES

1. Give the City Manager further direction on department manager salaries.

MINUTES (Continued)
Regular Council Meeting
July 25, 2011
Page 9

Discussion Regarding Department Managers Salaries

City Manager Young reviewed the staff report.

Mayor Wilcox said he didn't believe Department Managers were all equal and said Police and Public Works were the most vital departments of the City. He said the Police Chief and Public Works Director had more responsibilities and were more vital and should be paid a higher salary.

Councilor Wood said she had spoken with a Human Resources person who told her the City should hire an outside agency to set criteria for the salaries. She said the City implemented the equal pay for Department Managers to have internal consistency and that she believed prior to that, there had been gender issues with female Department managers being lower paid.

Wilcox said he had spoken with former Councilors who told him the current plan was the easy way out, not the right way.

Councilor Ahier said other cities did not pay all their Managers the same salary and said the City was de-valuing the Police Chief by underpaying him.

Councilor Dick said the Council should not discuss particular employees, rather positions. He said if changes were to be made, criteria should first be developed to determine the salary levels.

City Manager Young said he would look at the positions and develop common criteria for the positions and consider external and internal equity. He said as a group, the Department Managers were the lowest paid compared to others and suggested comparing with Pendleton salaries. He said providing a 1.4% cost of living adjustment and an 1.25% increase would bring the City's salaries more in line with the pay scale for Pendleton Managers.

Extend Time of Meeting

It was moved by Dick and seconded by Ahier to extend the meeting to 9:00 p.m. The motion carried unanimously, Spatz absent.

EXECUTIVE SESSION

Mayor Wilcox recessed the meeting to Executive Session at 8:34 p.m. in accordance with ORS 192.660 (2) (d) to conduct deliberations with persons designated by the governing body to carry on labor negotiations.



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THE DALLES, OREGON 97058

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AGENDA STAFF REPORT CITY OF THE DALLES

MEETING DATE	AGENDA LOCATION	AGENDA REPORT #
July 25, 2011	Discussion Items 14, B	11-081

TO: Mayor and City Council
FROM: Nolan K. Young, City Manager *NKY*
DATE: July 13, 2011
ISSUE: Discussion of Department Manager's Compensation.

BACKGROUND: At the June 13th Council meeting when the Council was considering the compensation package for exempt employees the Council requested that the City Manager provide additional information on the Department Manager's salaries and bring this information back to the Council for discussion. Attached to this report there are three charts:

Chart #1: Salary Survey Comparison for Department Managers, this survey looks at the differences in the 2008 and 2010 surveys as well as identifying from the 2010 survey starting and top salaries and average number of employees supervised.

Chart #2: Department Managers Responsibilities and Comparison, this chart looks at the employees supervised, budgets managers are responsible for and the primary areas of responsibility.

Chart #3: Salary Survey details, this identifies the salaries by city that participated in the survey to determine the average. We have also identified some general observations regarding this information at the bottom of this chart.

BUDGET IMPLICATIONS: If the Council wishes to adjust the salary of one or more of the department managers, the additional cost for each 1% for each non public safety manager is \$1,062, and the public safety manager (one) is \$1,136 (public safety retirement is higher).

COUNCIL ALTERNATIVES:

1. Give the City Manager further direction on this issue.

Chart #1

Salary Survey Comparison

Position	% Difference Top Step 2008	% Difference Top Step 2010	Average Top Salary	The Dalles Top Salary	Survey Average Starting	City Salary Starting	Average # Supervised	The Dalles Supervised
Department Managers								
Public Works Director	11.2%	-5.2%	\$7,481.78	\$7,248.77	\$5,651.00	\$5,702.00	23.8	41.0
Comm. Devel. Director	-12.0%	2.1%	\$7,402.17	\$7,248.77	\$5,512.00	\$5,894.00	4.2	4.5
Finance Director	12.9%	7.5%	\$7,790.88	\$7,248.77	\$5,889.00	\$5,894.00	5.2	4.0
Police Chief	-12.8%	10.0%	\$8,037.00	\$7,248.77	\$6,148.00	\$5,894.00	28.2	25.0
City Clerk/Recorder	11.2%	4.6%	\$6,917.83	\$7,248.77	\$4,616.00	\$5,894.00	2.3	3.0
Library Director	8.2%	7.3%	\$6,721.29	\$7,248.77	\$5,097.00	\$5,894.00	10.0	12.0

Observation.

- 1 The drop in the deficit percent for the Public Works Director and Community Development was more a product of the cities who did or did not respond this time than an improvement in salary. (see Chart #3)
- 2 The change in City Clerk is because of an effort to more closely compare to positions that have managerial responsibilities similar to our clerk. See Observations on Chart #3.

Chart #2

Department Manager's Responsibility Comparison

Position	Employees Supervised	Operation Funds	Capital/Debt Funds	Primary Areas of Responsibility
Public Works Director	41	\$ 7,386,166	\$ 8,915,508	Streets, Water Utility, Sanitary Sewer Utility, Storm Water
Comm. Devel. Director	4.5	\$ 567,319	\$ 13,317,237	Planning, Urban Renewal, Economic Development
Finance Director	4	\$ 492,062	\$ 2,700,707	Finance, Debt
Police Chief	25	\$ 3,116,166	\$ -	Police
General Services/City Clerk	3	\$ 562,012	\$ 256,221	City Clerk/Recorder, Human Resources, General Buildings, State Office Building
Library Director	12	\$ 950,272	\$ -	County Library System

Chart #3

2010 Salary Survey: Department Managers

(Top Salary)

Position	Canby	Central Point	Coos Bay	Dallas	Gladstone	La Grande	Pendleton	Prineville	The Dalles	Average	\$ Difference	% Difference
Public Works Director	8,366	8,500	8,675	7,749	n/a	6,809	7,340	6,297	7,249	7,623.13	(374.13)	-5.2%
Comm. Devel. Director		8,500	7,064	7,451		6,809	7,340		7,249	7,402.17	(153.17)	-2.1%
Finance Director	8,836	8,500	8,675	7,451		6,809	7,340	7,467	7,249	7,790.88	(541.88)	-7.5%
Police Chief	9,366	8,500	8,675	7,749	8,312	6,809	7,340	8,333	7,249	8,037.00	(788.00)	-10.9%
General Services/City Clerk	8,336	8,000			6,833	5,583	5,506		7,249	6,917.83	331.17	4.6%
Library Director	7,791		7,126	6,441	6,833	6,103	5,506		7,249	6,721.29	527.71	7.3%

Observation:

- 1 City Clerk: When the City Clerk was not the Human Resources Director (HR Director) in a city we used the HR salary because that reflects the management nature of our position, not the clerical emphasis in some cities. (Canby, Central Point, La Grande)
- 2 Police Chief: The Canby salary causes a lot of the gap between other department managers. The Gladstone salary adds to that gap.
- 3 Community Development Director: The average falls a little because of Canby, who is one of the high paying cities, but does not have this position.

Chart #2

Department Manager's Responsibility Comparison

Position	Employees Supervised	Operation Funds	Capital/Debt Funds	Primary Areas of Responsibility
Public Works Director	41	\$ 7,386,166	\$ 8,915,508	Streets, Water Utility, Sanitary Sewer Utility, Storm Water
Comm. Devel. Director	4.5	\$ 567,319	\$ 13,317,237	Planning, Urban Renewal, Economic Development
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Police Chief	25	\$ 3,116,166	\$ -	Police
General Services/City Clerk	3	\$ 562,012	\$ 256,221	City Clerk/Recorder, Human Resources, General Buildings, State Office Building
Library Director	12	\$ 950,272	\$ -	County Library System

Position	The Dalles Education Requirements	Other Cities	The Dalles Yrs Experience Required	Other Cities A
Public Works Director	Bachelors Related	Bachelors Related	10 years	5-16 years
Comm. Devel. Director	Bachelors Related	Bachelors Related	5 years	4-16 years
Finance Director	Bachelors Related or CPA	Bachelors Related	4 years	4-16 years
Police Chief	Bachelors Related	Bachelors Related	10 Years + DPSST	10-16 years
General Services/City Clerk	HS/GED	HS/GED	5 years	none
Library Director	MLS	MLS	5 years	none -16 years

Consideration of Department Manager's Salaries

City Manager Young reviewed the staff report.

Mayor Wilcox clarified that the one percent salary increase mentioned in the alternatives had already been approved by the City Council.

Councilor Wood said she would prefer to take no action at this time. She said there were many variables and qualifications of the Department Managers, all bringing different specialties to the City. She said it was more reasonable to leave the system in place.

Councilor Spatz said he would prefer to discuss the matter when the full Council was in attendance, but that he preferred Option #3 or #4. He said it was important that the Public Works Director and Police Chief have external equity and was unfair to current staff to be paid at a rate that the City could not use to recruit someone new for the position.

Mayor Wilcox said he believed the Police Chief and Public Works Director needed to have a salary adjustment.

Councilor Dick said he would like to discuss with the entire Council. He said the City's staff was great and if it was just money, he would like to give the increases, but that the Council needed to consider the overall financial health of the City.

Mayor Wilcox allowed public input.

Barbara Pashek said the City Council had previously said salaries needed to hold the line because the budget for the year was tight. She said if there was now extra money in the budget it should be used to reduce water rates, not give more money to staff.

It was the consensus of the Council to discuss this issue at the November 28th Council meeting.