

AGENDA

REGULAR CITY COUNCIL MEETING

May 14, 2012

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. Presentation of AWWA Award of Excellence in Communication
 - B. Presentation by YouthThink Regarding Program Sustainability
6. 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.

7. CITY MANAGER REPORT
8. CITY ATTORNEY REPORT
9. CITY COUNCIL REPORTS
10. 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.

CITY OF THE DALLES

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

- A. Approval of April 23, 2012 Regular City Council Meeting Minutes
- B. Approval of April 16, 2012 Town Hall Meeting Minutes
- C. Approval of Agreement to Provide Water Service to Property Located at 6594 Mill Creek Road, Outside City Limits

11. PUBLIC HEARINGS

- A. Public Hearing to Receive Testimony Regarding Repealing Section 13.070.040 (C) of General Ordinance No. 98-1222 Regarding Signs Placed in Public Right of Way or City Owned Real Property [**Agenda Staff Report #12-031**]
 - 1. General Ordinance No. 12-1323 Repealing Section 13.070.040 (C) of General Ordinance No. 98-1222 Concerning signs Placed in the Public Right of Way or on City Owned Real Property

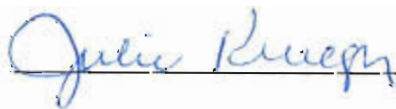
12. ACTION ITEMS

- A. Resolution No. 12-006 Amending Various Provisions of the City's Exempt Employee Handbook [**Agenda Staff Report #12-029**]
- B. General Ordinance No. 12-1324 Establishing Procedures for the Formation of Economic Improvement Districts and for Levying and Collecting Special Assessments [**Agenda Staff Report #12-032**]
- C. Approval of QLife Intergovernmental Agency Budget for 2012-13 Fiscal Year [**Agenda Staff Report #12-030**]
- D. Resolution No. 12-005 Approving an Enterprise Zone Extended Abatement Agreement With Phytotechnology Corporation [**Agenda Staff Report #12-033**]
- E. Approval to Apply for CDBG Grant for Home Repair Program [**Agenda Staff Report #12-034**]

13. ADJOURNMENT

This meeting conducted in a handicap accessible room.

Prepared by/
Julie Krueger, MMC
City Clerk





AGENDA STAFF REPORT

CITY OF THE DALLES

MEETING DATE	AGENDA LOCATION	AGENDA REPORT #
May 14, 2012	Consent Agenda 10, A - C	N/A

TO: Honorable Mayor and City Council

FROM: Julie Krueger, MMC, City Clerk

THRU: Nolan K. Young, City Manager

DATE: May 2, 2012

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

A. ITEM: Approval of April 23, 2012 Regular City Council Meeting Minutes.

BUDGET IMPLICATIONS: None.

SYNOPSIS: The minutes of the April 23, 2012 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 April 23, 2012 regular City Council meeting.

B. ITEM: Approval of April 16, 2012 Town Hall Meeting Minutes.

BUDGET IMPLICATIONS: None.

SYNOPSIS: The minutes of the April 16, 2012 Town Hall meeting have been prepared and are submitted for review and approval.

RECOMMENDATION: That City Council review and approve the minutes of the April 16, 2012 Town Hall meeting.

C. **ITEM:** Approval of Agreement to Provide Water Service to Property Located at 6594 Mill Creek Road, Outside City Limits.

BUDGET IMPLICATIONS: Prior to connection, the applicant would be charged a water SDC of \$2,317 to connect to the City system with a 3/4 inch meter, more if a larger meter is requested. The applicant would then pay the City on a time and materials basis for work necessary to make the connection to the water transmission line and install a meter. The applicant would be responsible for construction of the service line from the meter to the house. Lastly, the applicant will be charged out of city rates for monthly water service, currently 1.5 times the in-city rate at \$64.00 per month.

SYNOPSIS: The City has received a request from Brant and Amy Schwartz with a residence located at 6594 Mill Creek Road to connect to the City's domestic water system. The City's ordinance (No. 91-1133) requires City Council authorization to provide water service to properties outside the city limits. If allowed, this service would be connected to one of the two water transmission lines that run through this property from the Wicks Water Treatment Plant to the reservoirs. The water system has the capacity to accommodate the request.

Historically, the City had entered into agreements with the previous two owners of the property for water service but the connections were never completed. Neither of the prior agreements were transferrable to subsequent property owners. The proposed agreement with the Schwartzes (attached) is designed to be transferrable to future owners of the property and would be recorded with Wasco County.

The applicant will need to obtain a Statewide Goal Exception from Wasco County to obtain urban services for a property located outside the Urban Growth Boundary.

RECOMMENDATION: Approve the request to provide water service to 6594 Mill Creek Road.

MINUTES

REGULAR COUNCIL MEETING
OF
APRIL 23, 2012
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, Brian Ahier, Tim McGlothlin

COUNCIL ABSENT: None

STAFF PRESENT: City Manager Nolan Young, City Attorney Gene Parker, City Clerk Julie Krueger, Finance Director Kate Mast, Public Works Director Dave Anderson, Community Development Director Dan Durow, Police Chief Jay Waterbury, Airport Manager Chuck Covert

CALL TO ORDER

Mayor Wilcox called the meeting to order at 5:33 p.m.

ROLL CALL

Roll call was conducted by City Clerk Krueger; all Councilors present.

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 McGlothlin to approve the agenda and supplemental agenda as presented. The motion carried unanimously.

MINUTES (Continued)
Regular Council Meeting
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PRESENTATIONS/PROCLAMATIONS

Presentation by Scott McKay Regarding Senior Center

Scott McKay thanked the City for their past and present support of the Senior Center, saying it wouldn't exist if the City hadn't helped with the purchase of the property to build it. He provided an update of Senior Center activities, outcome survey, financial health, the Building Fund, community partners and the Center as a resource for others in the community.

AUDIENCE PARTICIPATION

Chere Jones, 515 West 19th Street, The Dalles, said she had received a copy of Resolution No. 01-029 regarding the Sunridge Development agreement and questioned whether it was a legal document. She asked if the City had asked the developer if they would support completing construction of East 16th Street. Jones said many people were concerned about the East 19th Street extension, noting they would lose portions of their yards, special trees and it would cause parking problems. She said bus drivers were concerned about the ability to back up buses.

City Attorney Parker said the Resolution was a legal document and would write a letter stating it was legal if Ms. Jones wanted a letter.

City Manager Young said the City had not spoken with the Sunridge Developer about changing the agreement to extend East 16th Street. He said it was a condition of the agreement and that option would not be pursued at this time.

Ms. Jones said more people should be involved in the decision making regarding the East 19th Street extension and there should be better communication.

Ms. Jones said she was disappointed in the recent Council action to give raises to City employees. She said the Council had agreed four months ago that the timing was not good to give salary increases, then changed their decision and gave the increases.

Jones asked for an inventory of City vehicles. City Attorney Parker said Ms. Jones would need to complete a public records request and the information could be provided to her.

Bob McNary, 1525 East Ninth Street, The Dalles, said he appreciated the topic of community pride, discussed at the recent Town Hall meeting. He said the Oregon Cherry Growers should also participate by cleaning up their property at the east end of the City. McNary said the pile had grown and looked terrible for people entering the community.

MINUTES (Continued)
Regular Council Meeting
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CITY MANAGER REPORT

City Manager Young reminded the Council that Budget Committee meetings would begin on April 30, 5:30 p.m.

Young said the Public Works Department would have information available at the Cherry Festival Health Fair.

CITY ATTORNEY REPORT

City Attorney Parker said staff continued to meet with the second hand dealers to develop the second hand dealers ordinance and hoped to bring it for Council consideration in June. Parker reported he had been working on amendments to the Exempt Employee Handbook and those would be scheduled for approval on the May 14 Council meeting. He said the Dallesport Water District agreement to annex the Airport property into the District was ready to be signed. It was noted this was a condition of the water service agreement and a motion to direct staff to sign it was not necessary.

CITY COUNCIL REPORTS

Councilor Ahier said he had attended the Distinguished Young Women pageant last week and that it was a great event that inspired pride in The Dalles.

Ahier expressed his opposition to meeting in Executive Session unless it was absolutely required. He said he would prefer to discuss issues in a public forum and be as open as possible.

Councilor Spatz reported the Strengthening the Economy Series was continuing. He said he was involved in a meeting that would promote renewable energy related to unmanned aerial vehicles. Spatz said he continued to work with others regarding job recruitment and said he hoped the Urban Renewal Agency Board could discuss ways to help remedy the downtown building vacancies.

Councilor McGlothlin said work continued with Traffic Safety Commission to develop a safe crosswalk configuration on Brewery Grade.

Mayor Wilcox said he had provided the welcome to the Job Fair. He said there were many exhibitors and it was a great event for the community. He said he continued his work on League of Oregon Cities committees.

MINUTES (Continued)
Regular Council Meeting
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Councilor Spatz asked if Union Pacific Railroad had replied regarding presenting information to the Council regarding coal trains. City Attorney Parker said they had asked to be kept apprised of future meetings. City Manager Young suggested a special work session. The Council agreed a work session would be appropriate and asked staff to invite rail and coal industry representatives to provide their perspectives regarding the issue of coal transportation.

CONSENT AGENDA

It was moved by Wood and seconded by Dick to approve the Consent Agenda as presented. The motion carried unanimously.

The item approved by Consent Agenda was approval of the April 9, 2012 regular City Council meeting minutes.

CONTRACT REVIEW BOARD ACTIONS

Approval of Contract for Airport Runway Phase II Project

The staff report was reviewed by Airport Manager Chuck Covert. He provided a letter from the FAA concurring with the bid award recommendation. Covert said this project would help resolve the line of sight issue on the runways.

Councilor Ahier said the FAA letter contained a different figure than was included in the staff report. Covert said the difference was that the FAA letter didn't include the taxes.

Councilor Wood noted the funds for this project were not from local tax dollars, but from federal and state grants.

It was moved by Ahier and seconded by McGlothlin to award the base bid for Phase II of the Runway 12-30 Rehabilitation Project to Granite Construction in the amount of \$1,821,065.55 and approve awarding to Granite Construction Additive Bids A and B for Phase II if funds become available for that work. The motion carried unanimously.

ACTION ITEMS

Approval of Chamber of Commerce Community Marketing Contract Work Scope and Budget for Fiscal Year 2012-13

City Manager Young reviewed the staff report.

MINUTES (Continued)
Regular Council Meeting
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Chamber Director Dana Schmidling provided handouts to show examples of their promotions and highlighted some of the new projects proposed for the upcoming year.

It was moved by Spatz and seconded by Ahier to approve the proposed fiscal year 2012-13 work scope and budget for the Community Marketing Program as presented by the Chamber of Commerce. The motion carried unanimously.

General Ordinance No. 12-1322 Amending Section 11 of General Ordinance No. 06-1266 Establishing an Exemption From Water Systems Development Charges for Certain Residential, Commercial and Industrial Development

City Attorney reviewed the staff report. It was discovered the ordinance provided for the meeting did not have the correct language stated in one section. Parker asked for a recess to make copies of the correct language. He said the size of meters for fire suppression, explained in Section 2, A, had been removed.

Recess

Mayor Wilcox recessed the meeting at 6:45 p.m.

Reconvene

The meeting reconvened at 7:10 p.m.

City Clerk Krueger read General Ordinance No. 12-1322 by title.

It was moved by Spatz and seconded by McGlothlin to adopt General Ordinance No. 12-1322 amending Section 11 of General Ordinance No. 06-1266 establishing an exemption from water systems development charges for certain residential, commercial and industrial development, by title. The motion carried unanimously.

Councilor Ahier said he was pleased to see the exemption for fire suppression and said the City Council had been focusing on reducing costs for commercial and industrial development, but that there should also be a focus on residential development incentives.

Approval of First Amendment for Agreement Concerning Maintenance of Downtown Street Trees

City Attorney Parker reviewed the staff report.

MINUTES (Continued)
Regular Council Meeting
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It was moved by Wood and seconded by Ahier to authorize the City Manager to execute the first amendment to the intergovernmental agreement between the City and Northern Wasco County Parks and Recreation District for maintenance of a portion of the Riverfront Trail, associated landscaping and downtown street trees. The motion carried unanimously.

EXECUTIVE SESSION

Mayor Wilcox recessed the meeting to Executive Session at 7:21 p.m. in accordance with ORS 192.660 (2) (e) to conduct deliberations with persons designated by the governing body to negotiate real property transactions.

Reconvene to Open Session

The meeting reconvened to open session at 7:43 p.m.

DECISIONS FOLLOWING EXECUTIVE SESSION

None.

ADJOURNMENT

Being no further business, the meeting adjourned at 7:43 p.m.

Submitted by/
Julie Krueger, MMC
City Clerk

SIGNED:

James L. Wilcox, Mayor

ATTEST:

Julie Krueger, MMC, City Clerk

MINUTES

TOWN HALL MEETING
OF
APRIL 16, 2012
5:30 P.M.
MID COLUMBIA SENIOR CENTER
THE DALLES, OREGON

PRESIDING: Mayor Jim Wilcox

COUNCIL PRESENT: Bill Dick, Carolyn Wood, Dan Spatz, Brian Ahier

COUNCIL ABSENT: Tim McGlothlin

STAFF PRESENT: City Attorney Gene Parker, City Clerk Julie Krueger, Public Works Director Dave Anderson, Police Chief Jay Waterbury, Librarian Sheila Dooley, Community Development Director Dan Durow, Finance Director Kate Mast

CALL TO ORDER

Mayor Wilcox called the meeting to order at 5:30 p.m.

PRESENTATION REGARDING COAL TRAINS IN THE COLUMBIA RIVER GORGE

Lauren Goldberg provided a presentation regarding coal exports and potential impacts to The Dalles. She provided background information regarding proposed coal terminals in Oregon and Washington and discussed the number of trains that would need to be added to carry the coal to the terminals for export. Ms. Goldberg asked that the Council consider sending a letter to state and federal decision makers, or adopting a resolution asking for a review of the impacts of coal exports to rail communities.

Dennis Morgan addressed the City Council, saying he was speaking as a concerned citizen and pointed out there were four at-grade crossings in The Dalles and if additional trains were added, it could cut off the downtown from the river. He said the community had been working hard to reconnect the community with the river and this would be detrimental to the efforts. He asked the City Council to call for an investigation of the impacts and to further study the issue.

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Town Hall Meeting
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Luise Langheinrich urged the Council to give a voice to the opposition of adding coal trains through the community, saying the environmental consequences to the citizens and environment could be severe. She said emissions from coal burning in China had been proven to return to the United States, causing additional health concerns.

John Nelson said The Dalles was a beautiful community to live in and feared the coal trains passing through the area could devastate the environment and also cause the town to be cut off from the river due to the large volume of trains that would be added to the rail system. He asked the City Council to be the voice for the community and ask for further review of the impacts to rail communities.

Katy Young noted that the railroad companies had their own laws and had a lot of control over important issues. She noted a derailment that had occurred in the past and no other agencies, law enforcement, or environmental agencies were allowed at the site until the railroad had completed their clean up. Young said it was very important for the community to ask questions and to take a stand in opposition of the addition of coal trains passing through our town.

Phil Brady provided a demonstration of how coal easily turned to dust and would be carried in the wind. He also showed coal suspended in water, noting that it would stay in the water and air for a very long time. He said some would like to see coal cars covered, but that could cause them to explode, so was not an option that could be pursued to keep the dust down. He talked about the economics of coal exporting, saying consumption could level off and that the amount of exported coal would depend on the cost of coal in the United States, compared to the cost of coal in China. He asked the Council to oppose the coal exports to protect water life, business, and the environment.

Dewanda Clark said this was a wonderful community to live in. She said another concern of adding more trains to the system was that it could hurt businesses on the Port because of their need to go over the railroad crossings. She urged the Council to gather additional information and urged citizens to speak up about the issue.

Jim Gordon said he did not think there was any safe method for transporting coal.

Mary Merrill suggested the City work with other communities to collaborate regarding the questions, concerns and protecting all the Gorge rail communities.

Councilor Ahier expressed concern regarding the capacity of the railroads to add the number of trains that would be needed to transport large quantities of coal.

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Ms. Goldberg said she believed the Burlington Northern line in Washington was currently at 70% capacity and Union Pacific line in Oregon was currently at 60% capacity. She said questions should be asked about how the railroads would accommodate, whether by adding rails or sidings.

Councilor Wood asked if the local agriculture industry had concerns regarding the coal trains. It was noted that vineyards in the Dallesport and Skagit Valley areas had expressed concern.

Councilor Spatz asked if there had been any studies regarding the impact of the coal residue to the fish or agriculture industries. Ms. Goldberg said she did not believe there had been any formal studies. She said there was some concern also expressed by some of the Native American Tribes.

Councilor Ahier said he had learned that in 2005, there were two train derailments in Wyoming and both were caused by coal dust on the rails.

PRESENTATION REGARDING PRIDE IN THE DALLES PROGRAM

Mayor Wilcox reviewed his proposal to develop a program to take a positive approach to keeping our community clean and cared for. He said he hoped someone would sponsor a beautification program for individual properties or neighborhoods, hoping people would help one another to get neighborhoods looking good again. Wilcox said it was also important for government agencies and schools to keep their own properties in good condition and wanted to encourage civic organizations to get involved in helping people in need. He said he hoped Boy Scouts, churches, and civic organizations would help those in need to refresh their properties and neighborhoods.

Tim Pitts said it would be helpful to provide information to citizens regarding dry landscaping methods, which would make yards look nice without having to spend too much money for irrigation.

Callie Jordan shared an idea to create a group of people, "Pride Corps", who could establish official work days in the community or neighborhoods and provide before and after pictures for publication.

It was noted the Master Gardeners or County Extension Service may be good resources for various landscaping methods.

John Westhaver, Faith Lutheran Church, said the church property had a lot of lawn and landscaping and it was very expensive to irrigate. He said it would be helpful if there was a rate incentive for larger properties.

MINUTES (Continued)
Town Hall Meeting
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A citizen from Dallesport spoke about the Dallesport Community Clean Up annual event, noting that people signed up in advance of the event, either to receive assistance in cleaning up their property or to help clean up properties. She said the program was very successful.

Mayor Wilcox said the City may need to review their current program to see if it could be adjusted to be even more successful.

Callie Jordan noted the annual clean up event in The Dalles was so crowded with vehicles that some people didn't participate because they had to wait so long to dispose of their items. She suggested the event occur more than one time per year.

Mary Merrill commented that she had been recovering bicycles from the community clean-up event and took them to someone to restore. She suggested someone else could help with bike rehabilitation and offer the bikes to those in need.

Dana Schmidling said one easy way to help keep the community clean was to just pick up litter as people are walking.

Councilor Spatz said he supported re-implementation of the Beautification Award.

There was discussion regarding creation of block parties to celebrate neighborhoods that get cleaned up.

Jim Gordon said people would not appreciate more laws to keep the community clean and suggested the City Council serve in a support role of any programs developed toward community clean up, but not to run the program through the City.

Teresa Myers said it was also important to get people to change how they think about disposing of items. She said many things could be re-purposed.

Bobbie Miller said she thought the recently adopted burn ban was ridiculous and she said she was disappointed that there was not alternative view presented regarding the coal train issue.

Bob McNary said the City needed to take care of its streets, sidewalks and curbs, which would help to make the City more presentable.

It was noted that street maintenance was funded by fuel taxes and that while the local fuel tax had not increased, the cost of asphalt had more than doubled in recent years. Public Works Director Anderson said there were approximately 88 miles of City streets. He said the goal was to re-pave 5% or about 3 ½ miles per year, but it was not possible to keep up due to revenues.

MINUTES (Continued)
Town Hall Meeting
April 16, 2012
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Marilyn Clifford said she had been disgusted by the bad smell at Sorosis Park, caused by a portable toilet. She said there were many smelly places in the community that needed to be addressed, including Dirt Hugger on the Port, Cherry Growers, and the Tie Plant.

It was suggested the City consider alternate sources of revenue to keep the streets maintained.

ADJOURNMENT

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

After recording:
Return to: City Clerk
313 Court Street
The Dalles, OR 97058

AGREEMENT

THIS AGREEMENT, made this _____ day of _____, 2012, by and between Colton Brant and Amy Louise Schwartz, husband and wife, hereinafter called "Owners" and the City of The Dalles, a municipal corporation of the State of Oregon, hereinafter called the "City", WITNESSETH:

WHEREAS, the Owners own a parcel of real property located at 6594 Mill Creek Road, which property is located outside the City limits of the City, and which property is further described as follows:

Replat Minor Partition #2006-0004, Parcel 2, Slide A-119B, Microfilm #2006-0844; and

WHEREAS, on April 20, 1977, the City entered into an agreement with the Owner's predecessor whereby the City agreed to provide one domestic water service to the above-described property, and it appears the water service was not actually provided to the property; and

WHEREAS, the Owners have submitted a request to the City to provide water service to the residential structure which will be located upon their property; and

WHEREAS, Section 17 of General Ordinance Number 91-1133 provides that under no circumstances shall water service be extended to persons located outside of the City limits of the City of The Dalles without the express permission of the City Council; and

WHEREAS, at the regular City Council meeting held on _____, 2012, the City Council reviewed the provisions of this Agreement under which the City would agree to provide water service to the above-described property of the Owners, and the City Council voted to approve the proposed AGREEMENT;

NOW, THEREFORE, IN CONSIDERATION OF THE MUTUAL CONDITIONS SET FORTH HEREIN, IT IS HEREBY AGREED AS FOLLOWS:

1. The City agrees to provide one (1) water service for domestic purposes only, and the Owners agree to accept one (1) domestic water service. The Owners agree that they will pay for and install their service line from the City water main to the site of the proposed residential structure, at no cost to the City. Provision of the water service by the City to the Owners shall be subject to the provisions of City ordinances and policies for water service provided to property located outside the City limits, and to the Owners complying with all applicable land use requirements imposed by Wasco County and the State of Oregon, including but not limited to, a Comprehensive Land Use Goal #11 Exception. Owners shall pay the applicable rate charged by the City for their water utility service which is in effect at the time of installation of said service, and they shall also pay any applicable rate charges which may be approved in the future.
2. Owners understand and agree that the City shall have a right of access which shall be limited to the above-described property, for the purposes of repairing and maintaining the City's water main. City shall exercise this right of access by entering onto the Owners' property at any reasonable time upon providing the Owners a minimum of

twenty-four (24) hours notice, and by entering onto the property in such a manner as to minimize any inconvenience to the Owners. In the event of an emergency, City may enter onto the above-described property only after having attempted and not been able to make contact with the Owners or the Owners' authorized representative, and having determined that such entry is necessary to protect the public health, safety and welfare.

3. This Agreement and all of the terms, conditions, rights, and obligations herein contained shall inure to and be binding upon the parties hereto, their successors, lessees, and assigns; and it is distinctly agreed that neither party shall assign its rights under this Agreement without the prior written consent of both parties.
4. A copy of this Agreement shall be recorded with the Wasco County Clerk's office at the Owners' expense.

IN WITNESS WHEREOF, the parties have executed this Agreement the day and year first written above.

CITY: CITY OF THE DALLES

BY: Nolan K. Young, City Manager

Approved as to Form:

SEAL:

Gene Parker, City Attorney

ATTEST: Julie Krueger, City Clerk, MMC

OWNERS:

Colton Brant Schwartz

Amy Louise Schwartz

STATE OF OREGON)
County of Wasco) ss.

Personally appeared this _____ day of _____, 2012, the above-named Colton Brant and Amy Louise Schwartz, husband and wife, know to me, and acknowledge the forgoing instrument to be their voluntary act and deed.

SEAL:

ATTEST: _____



CITY of THE DALLES

313 COURT STREET
THE DALLES, OREGON 97058

(541) 296-5481 ext. 1122
FAX: (541) 296-6906

AGENDA STAFF REPORT

CITY OF THE DALLES

MEETING DATE:	AGENDA LOCATION:	AGENDA REPORT #
May 14, 2012	Public Hearings 11, A	12-031

TO: Honorable Mayor and City Council

FROM: Gene E. Parker, City Attorney

THRU: Nolan K. Young, City Manager

DATE: April 30, 2012

ISSUE: Public Hearing and Adoption of General Ordinance No. 12-1323, repealing Section 13.070.040(C) of General Ordinance No. 98-1222, concerning signs placed in the public right-of-way or on City-owned real property

RELATED CITY COUNCIL GOAL: None.

PREVIOUS AGENDA REPORT NUMBERS: #12-021.

BACKGROUND: On March 15, 2010, the City Council adopted General Ordinance No. 10-1303, which included provisions concerning the removal of signs improperly placed in the public right-of-way or on City owned real property. These provisions were adopted in part to address a problem caused by the placement of yard and garage sale signs in the public right-of-way. Under the provisions, the City was required to store any sign which was confiscated, and notify the owner of the sign of their right to redeem the sign upon payment of an impoundment fee (which fee increased with each alleged violation up to a maximum of \$100), or to request a hearing to challenge the impoundment.

On March 26, 2012, the City Council conducted a public hearing to consider the adoption of proposed General Ordinance No. 12-1319, which would have enacted new provisions regulating the placement of signs in the public right-of-way or on City-owned real property. Following the

close of the public hearing on March 26, 2012, the Council deliberated and determined the current enforcement provisions in Section 13.070.040(C) of the General Ordinance No. 10-1301 required a significant expenditure of staff time and resources, and any problems resulting from placement of the signs in the public right-of-way or on City-owned real property did not warrant the continued expenditure of such staff time and resources. The Council directed staff to prepare an ordinance repealing the provisions set forth in Section 13.070.040(C) of General Ordinance No. 98-1222, which were enacted by the adoption of General Ordinance No. 10-1303.

NOTIFICATION: Pursuant to Section 3.020.060(C), notice of the proposed legislative hearing was published in The Dalles Chronicle on May 4, 2012.

COMMENTS: As of the date of preparation of this staff report, no comments have been received.

APPLICABLE CRITERIA:

A. LAND USE AND DEVELOPMENT ORDINANCE #98-1222

Section 3.110.020 Review Procedure

- A. Applications. Applications for Ordinance Amendments shall be made in accordance with the provisions of *Section 3.010: Application Procedures*.
- B. Review. Text amendments shall be processed as legislative actions in accordance with *Subsection 3.020.060; Legislative Actions*, with the following addition:
 - 1. The Historical Landmarks Commission shall review requests for text amendments concerning historic resources, and make a recommendation to the Planning Commission either supporting or opposing the request. This recommendation shall be made a part of the Planning Commission's review of the proposed text amendment.

Section 3.010.040. Applications

- B. Completeness. An application shall be considered complete when it contains the information required by this Ordinance, addresses the appropriate criteria for review and approval of the request, and is accompanied by the required fee, unless waived by the City Council per *Section 1.120: Fees* of this Ordinance. Complete applications shall be signed and dated by the Director.

FINDING OF FACT #1: The application was found to be complete on April 4, 2012. The 120 day State mandated decision deadline is August 2, 2012. The hearing is within the required time line. Pursuant to Section 3.010.040(C), the City Manager may waive application fees for City projects on City-owned property or in the public right-of-way without resolution or other approval of the City Council.

CONCLUSION OF LAW: The criteria in Section 3.010.040 have been satisfied.

Section 3.020.060 Legislative Actions

- A. Decision Types. Legislative actions include, but are not limited to, the following:
 - 2. Ordinance Amendments (*Section 3.110*).
- B. Public Hearings.
 - 1. The Commission shall hold at least one legislative public hearing to review applications for legislative actions and, by duly adopted resolution, make a recommendation to the Council to approve, approve with conditions, or deny the request.
 - 3. Legislative hearings shall be conducted per the procedures of *Section 3.020.070: Public Hearings*.
- C. Notice of Hearing. At least 10 days before the legislative hearings of the Historic Landmarks Commission, the Planning Commission, or the Council, notice of the hearing shall be published in a newspaper of general circulation. Such notice shall:
 - 1. Explain the application and the proposed amendment(s), change(s), or use(s) which could be authorized.
 - 2. List the applicable Ordinance standards and/or criteria, Comprehensive Plan Policies, Oregon Planning Goals and Guidelines, Oregon Administrative Rules, and Oregon Revised Statutes that apply to the particular application.
 - 3. Set forth the geographical reference to the subject area.
 - 4. State that in order to preserve any potential appeal rights to LUBA, persons must participate either orally or in writing in the legislative action proceeding in question.
 - 5. Include the name and telephone number of the Director to contact for additional information.

Section 3.020.070 Public Hearings.

- B. Legislative Hearing Procedure. The Historic Landmarks Commission, Planning Commission, and Council each have the authority to hold legislative hearings. All legislative hearings will be held in accordance with the Oregon public meetings law as described in ORS 192.610-192.710, "Public Meetings".

1. Conflict of Interest. At the start of each public hearing on legislative actions, the presiding officer shall ask if any member of the hearings body wishes to make any disclosure, or abstain from participating or voting on the matter being heard because of possible financial gain resulting from the legislative action.

FINDING OF FACT #2: A copy of the notice of the hearing published in The Dalles Chronicle on May 4, 2012 is included with this staff report and incorporated herein by this reference. A review of the notice indicates all of the criteria in Section 3.020.060(C) have been addressed. The hearing will be conducted as a public meeting in accordance with Oregon law. Any Councilor with a conflict of interest resulting from possible financial gain caused by the proposed legislative action will be required to disclose that conflict of interest prior to the commencement of the public hearing, and not participate in the hearing.

CONCLUSION OF LAW: The criteria in Sections 3.020.060 and 3.020.070 have been satisfied.

Section 3.110.030 Review Criteria

Proposed text amendments shall be consistent with the Comprehensive Plan, and State Law and Administrative Rules.

FINDING OF FACT #3: The applicable review criteria for this legislative application in the LUDO have been cited previously in this staff report. There are no provisions of the City's Comprehensive Plan which are applicable to this application, and there are no provisions of Oregon State Law, or any provisions in the State Administrative Rules which are applicable to this legislative action.

CONCLUSION OF LAW: The criteria in Section 3.110.030 have been satisfied.

BUDGET IMPLICATIONS: None.

ALTERNATIVES:

- A. Staff Recommendation: *The Council move to adopt General Ordinance No. 12-1323 by title only.*

NOTICE OF PUBLIC LEGISLATIVE HEARING

Notice is hereby given that on May 14, 2012, at 5:30 P.M. in the City Council Chambers, City Hall, 313 Court Street, The Dalles, Oregon, 97058, the City Council of the City of The Dalles will be conducting a public hearing to review General Ordinance No. 12-1323, an ordinance proposing to repeal Section 13.070.040(C) of General Ordinance No. 10-1303, concerning the enforcement of provisions prohibiting placement of signs in the public right-of-way or on city-owned real property.

The review criteria for the legislative hearing is set forth in Section 3.110.030, which provides that an ordinance proposing to amend the City's LUDO, which is referred to as a "text amendment", shall be consistent with the City's Comprehensive Plan, and State Laws and Administrative Rules. The proposed amendment applies to properties within the City of The Dalles planning jurisdiction.. In order to preserve any potential appeal rights to the Oregon Land Use Board of Appeals, persons must participate either orally or in writing in this legislative action. Comments may be provided in writing prior to the date of the hearing to the Community Development Department at the above address.

A staff report will be available for inspection at least seven days prior to the hearing at the Community Development Department of the City of The Dalles located at the above address. For additional information call 541 296-5481 extension 1151. A copy of the material may be purchased at standard charges for copies.

****PLEASE PUBLISH ONCE. FRIDAY, MAY 4, 2012**
THANK YOU, CAROLE TRAUTMAN, SECRETARY

GENERAL ORDINANCE NO. 12-1323

**AN ORDINANCE REPEALING SECTION 13.070.040(C) OF GENERAL
ORDINANCE NO.98-1222, CONCERNING SIGNS PLACED IN THE
PUBLIC RIGHT-OF-WAY OR ON CITY-OWNED REAL PROPERTY**

WHEREAS, on March 15, 2010, the City Council adopted General Ordinance No. 10-1303, which amended General Ordinance No. 98-1222 to include provisions concerning the placement of signs in the public right-of-way or on City-owned real property; and

WHEREAS, on March 26, 2012, the City Council conducted a public hearing to consider the adoption of proposed General Ordinance No. 12-1319, which would have enacted new provisions regulating the placement of signs in the public right-of-way or on City-owned real property; and

WHEREAS, following the close of the public hearing on March 26, 2012, the Council deliberated and determined that the current enforcement provisions in Section 13.070.040(C) of General Ordinance No. 98-1222, which were originally adopted as part of the LUDO amendments contained in General Ordinance No. 10-1303, required a significant expenditure of staff time and resources, and any problems resulting from the placement of signs in the public right-of-way or on City-owned real property did not warrant the continued expenditure of such staff time and resources; and

WHEREAS, the City Council directed staff to prepare an ordinance repealing the provisions set forth in Section 13.070.040(C) of General Ordinance 98-1222; and

WHEREAS, the City Council has reviewed the proposed findings of fact and conclusions of law set forth in the Agenda Staff Report presented during the May 14, 2012 Council meeting;

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF THE DALLES ORDAINS AS
FOLLOWS:**

Section 1. The City Council hereby approves the proposed findings of fact and conclusions of law set forth in the Agenda Staff Report presented during the May 14, 2012 Council meeting, and incorporates those findings of fact and conclusions of law herein by this reference.

Section 2. The provisions set forth in Section 13.070.040(C) of General Ordinance No. 98-1222, as adopted by General Ordinance No. 10-1303, adopted on March 15, 2010, are hereby repealed. Section 13.070.040(D) of General Ordinance No. 98-1222 shall be renumbered Section 13.070.040(C).

PASSED AND ADOPTED THIS 14th DAY OF MAY, 2012

Voting Yes, Councilors: _____

Voting No, Councilors: _____

Absent, Councilors: _____

Abstaining, Councilors: _____

AND APPROVED BY THE MAYOR THIS 14th DAY OF MAY, 2012

James L. Wilcox, Mayor

ATTEST:

Julie Krueger, MMC, City Clerk

**CITY of THE DALLES**313 COURT STREET
THE DALLES, OREGON 97058(541) 296-5481 ext. 1122
FAX: (541) 296-6906

AGENDA STAFF REPORT

CITY OF THE DALLES

MEETING DATE:	AGENDA LOCATION:	AGENDA REPORT #
May 14, 2012	Action Items 12, A	12-029

TO: Honorable Mayor and City Council**FROM:** Gene E. Parker, City Attorney**THRU:** Nolan K. Young, City Manager**DATE:** April 26, 2012**ISSUE:** Resolution No. 12-006, amending certain provisions of the City's Exempt Employee Handbook**RELATED CITY COUNCIL GOAL:** None.**PREVIOUS AGENDA REPORT NUMBERS:** #05-39.

BACKGROUND: On May 9, 2005, the Council adopted Resolution No. 05-018 adopting a Revised Exempt Employee Handbook. City staff has recently been working with representatives of City County Insurance Services (CIS) to enable the City to qualify for CIS's Risk Management Bonus Program. One primary benefit of this program is that it provides an opportunity for the City to receive a reduction in its insurance premiums for the upcoming fiscal year.

As part of the process to qualify for the Risk Management Bonus Program, CIS reviewed the existing Exempt Employee Handbook. This review resulted in recommendations to adopt certain new policies. In addition to these new provisions, staff has proposed other housekeeping language to clarify certain policies. The following is a summary of the proposed revisions set forth in Exhibit A to Resolution No. 12-006:

1. The policy concerning pre-employment drug testing in Section 5.3 was updated to comply with recent federal court decisions.
2. New policies are proposed concerning Veterans' Preference in Hiring (section 12.3); Whistleblower Protection (section 21); Meeting Protection (section 22); Religious Accommodation (section 23); and Departing Employee Records Guidelines (section 57).
3. The method for calculating performance evaluation dates is clarified in section 16.
4. The method for calculating when an employee's retirement benefit begins is clarified in section 28.
5. The Council's recent modification of the Exempt Employee Pay Plan is included in Section 14.
6. The Council's recent modification concerning vacation accrual is included in section 36.

BUDGET IMPLICATIONS: Adoption of these revisions to the Exempt Employee Handbook will assist in the City's qualification for CIS's Risk Management Bonus Program, which will reduce the costs of liability and property insurance for the next fiscal year.

ALTERNATIVES:

- A. Staff Recommendation. *Move to adopt Resolution No. 12-006.*

RESOLUTION NO. 12-006

**A RESOLUTION AMENDING CERTAIN PROVISIONS
OF THE REVISED EXEMPT EMPLOYEE HANDBOOK**

WHEREAS, on May 5, 2005, the City Council adopted Resolution No. 005-018 adopting a Revised Exempt Employee Handbook; and

WHEREAS, City staff members have recently been working with representatives of the City's liability and property insurance carrier, City County Insurance Services (CIS), to allow the City to take advantage of CIS's risk management bonus program; and

WHEREAS, as part of the process to qualify for the risk management bonus program, City staff and representatives of CIS have reviewed the provisions of the City's Revised Exempt Employee Handbook; and

WHEREAS, the review process resulted in CIS representatives recommending several revisions to the City's Revised Exempt Employee Handbook, including creation of several new policies to include in the handbook; and

WHEREAS, the City Council has reviewed the proposed revisions and additions to the Revised Exempt Employee Handbook, which are set forth in Exhibit "A" attached hereto, and has approved the proposed revisions and additions;

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF THE DALLES
RESOLVES AS FOLLOWS:**

Section 1. Revisions Approved. The proposed revisions to the City's Exempt Employee Handbook which are set forth in Exhibit "A", which is attached hereto and incorporated herein by this reference, are hereby approved.

Section 2. Effective Date. This Resolution shall be effective as of May 14, 2012.

PASSED AND ADOPTED THIS 14TH DAY OF MAY, 2012

Voting Yes, Councilors: _____

Voting No, Councilors: _____

Absent, Councilors: _____

Abstaining, Councilors: _____

AND APPROVED BY THE MAYOR THIS 14TH DAY OF MAY, 2012

James L. Wilcox, Mayor

ATTEST:

Julie Krueger, MMC, City Clerk

EXHIBIT A

1. Page 2, Section 4.3.1. The reference to Section 54.4.3 should be changed to Section 58.4.3.
2. Page 3, Section 4.5. The reference to Section 33.2 should be changed to Section 36.2.
3. Page 4, Section 5.3.

Conditional offers of employment, including promotions may, depending on the physical requirements of the essential functions of the particular job require the applicant(s) take an appropriate medical examination. Positions subject to the provisions of Section 6.3 of the City's Drug and Alcohol Policy will require a pre-employment drug test. Information obtained as a result of medical examination will be limited to job related inquiries, and/or specific physical job requirements, consistent with business necessity, and maintained in a separate, confidential file.

4. Page 4, Section 6. Employment of Aliens

Employees must be citizens of the United States, resident aliens or persons possessing a visa permitting them to work in the United States. Verification documentation is required of all new hires, and employees are expected to inform the City immediately if their eligibility changes. The immigration status of an alien will be ascertained by the City prior to consideration for employment. Employment of a permanent nature, whether full-time or part-time, is possible only for those aliens having immigrant status as "permanent resident aliens"; however, employment of a temporary nature is provided for under certain non-immigrant visa classifications.

5. Page 6, Section 11. The reference to Section 52 should be changed to Section 56.
6. Page 7, After Section 12.2.4 insert a new Section 12.3 Veterans' Preference in Hiring.

12.3 VETERANS' PREFERENCE IN HIRING

All things being equal, the City may give preference to veterans, when making hiring decisions. The City does not discriminate against individuals based upon current or prior military service.

7. Page 7, Section 14.1.

14.1 EXEMPT/MANAGEMENT EMPLOYEE PAY PLAN

The Exempt/Management Employee Pay Plan was amended by the City Council on April 9, 2012. A copy of the amended Plan is attached as Exhibit "D". The hourly pay range for the Library Janitor, Police Evidence Officer, and Library Page positions are also set forth in Exhibit "D".

8. Page 8, Section 14.2. The reference to Section 43.3 should be changed to Section 46.3.

9. Page 9, Section 16. Pay Changes

16.1. PERFORMANCE

16.1.1 For full-time employees hired at the Base Salary, advancement to Step 1 will be upon completion of the appropriate probationary period, as defined in Section 4, and completion of a satisfactory evaluation. Advancement to successive steps may occur each year thereafter on the anniversary date of the last increase in accordance with Section 46.3. If the date of a successful probation conclusion should fall on any date between the 1st and 15th of the month, the employee's annual review date and pay increase will begin at the first of that month. If the date of a successful probation conclusion should fall on any date between the 16th and the end of the month, the annual review date and pay increase will be the first of the following month.

16.1.2 For employees hired above the Base Salary level, upon completion of probationary period and satisfactory evaluation, they may either stay at the step level originally hired, or advance to the next step in the pay grade in accordance with Section 46.3. The employee's annual review date shall be calculated in the manner set forth in Section 16.1.1.

16.1.3 Regular part-time employees scheduled to work more than 20 hours a week, who are hired at the base salary, will advance to Step 1 upon completion of the appropriate probationary period, completion of one (1) year service, and completion of a satisfactory performance evaluation. Subsequent step increases shall be granted upon completion of each one (1) year of work and a satisfactory performance evaluation, until the top step of the pay grade is reached. The percentage of the step increase will be consistent with the appropriate pay plan. The employee's annual review date shall be calculated in the manner set forth in Section 16.1.1.

16.1.4 Regular part-time employees working less than 20 hours per week are required to perform two (2) years of service before advancing to the next step level, and to complete a satisfactory performance evaluation. The employee's review date shall be calculated in the manner set forth in Section 16.1.1.

10. Page 10, Section 17.2.

At the option of the Department Head, exempt employees identified in Section 14.1.2 may accrue compensatory time in lieu of overtime payment. Compensatory time shall be earned at one and one-half (1 ½) rate for hours worked in excess of the maximum work

hours allowed for an established work week. The total number of compensatory time hours that may be accumulated shall be limited to the equivalent of three work weeks. All compensatory time taken must be approved by the Department Head in advance. Any accumulated compensatory time in excess of 80 hours as of June 30th each year shall not be cashed out, but shall be contributed to the employees HRA/VEBA account.

11. Page 12, Section 21. This section shall be renamed WHISTLEBLOWER PROTECTION.

SECTION 21. WHISTLEBLOWER PROTECTION

The City does not discriminate against employees who report in good faith alleged violations of state or federal laws, rules, or regulations.

12. Page 12, Section 22. This section shall be renamed MEETING PARTICIPATION.

SECTION 22. MEETING PARTICIPATION

The City does not take adverse employment action against employees who choose not to attend City sponsored meetings where the City's "position" regarding religious or political matters, will be presented.

13. Page 12, Section 23. This section shall be renamed RELIGIOUS ACCOMMODATION.

SECTION 23. RELIGIOUS ACCOMMODATION

The City may provide reasonable ACCOMMODATION for religious observances or practices of employees, unless providing the accommodation would impose an undue hardship on the City; this may also include accommodating the wearing of religious clothing. With management approval, an employee may use vacation or other available leave for religious activities. If accrued leave is not available, then an employee may request to take unpaid leave.

14. Page 12. The current sections 21, 22 and 23 will be renumbered 24, 25 and 26. Beginning with Section 24, Social Security, the current sections 24 through 53, Involuntary Termination will be renumbered 27 through 56.

15. Page 12, Section 23.1.1 (renumbered 26.1.1). The reference to Section 35 should be changed to Section 38.

16. Page 13, Section 25.1 (renumbered 28.1).

Employees are eligible to participate in the City's retirement plan after one year of continuous employment with the City. If the anniversary date of the employee's initial hire date should fall on any date between the 1st and 15th of the month, the employee's retirement benefit will begin at the first of that month. If the anniversary date of the

employee's initial hire date should fall on any date between the 16th and the end of the month, the employee's retirement benefit will begin at the first of the following month.

17. Page 16, Section 32.5 (renumbered 35.5). The reference to Section 32.4 should be changed to Section 35.4.

18. Page 16, Section 33 will be renumbered 36.

36.1 Vacation leave is earned at the following rates for full-time employees:

<u>Years of Service*</u>	<u>Monthly Accrual</u>	<u>Annual Accrual</u>
1 through 5	8.00 hours	12 days
6 through 10	10.00 hours	15 days
11 through 15	13.33 hours	20 days
16 or more	15 hours	23 days

* The years of service listed in each category are intended to be a full-time period for purposes of vacation accrual.

Part-time employees accrue vacation time on a pro-rata basis, based on the regularly scheduled work schedule.

19. Page 17, Section 33.2 (renumbered 36.2).

New employees shall accrue vacation from their initial date of hire. If the anniversary date of the employee's initial hire date should fall on any date between the 1st and 15th of the month, the employee's vacation accrual rate increase will begin at the first of that month. If the anniversary date of the employee's initial hire date should fall on any date between the 16th and the end of the month, the employee's vacation accrual rate increase will begin at the first of the following month. However, vacation time is not earned and may not be taken until the employee performs six (6) months of service; provided further that the City Manager has the discretion to authorize an employee to use vacation within the first six months of employment.

20. Page 22, Third paragraph of Section 42 (renumbered to Section 45) concerning the VEBA plan.

As an incentive for rewarding employees who have accrued more than 800 hours of sick leave, the City Council has approved a sick leave incentive policy for exempt employees. Exempt employees eligible for compensatory time off ("comp time"), who have accumulated compensatory time in excess of 80 as of June 30th of each year, will have all excess comp. time over 80 hours contributed to the employee's VEBA account. Comp. time balances will be reduced by the amount of that contribution. Exempt employees

who have an “E” day balance of up to 100 % of their annual accrual on June 30th of each year will have that amount contributed to their VEBA account annually, as of June 30th. “E” day balances will be reduced to zero as of June 30th annually. “E” days may not be cashed out by employees.

21. Page 32, Section 52.2 (renumbered 55.2). The reference to Section 25 should be changed to Section 28.
22. Page 34. Following Section 56. Involuntary Termination (which was formerly Section 53), a new Section 57, DEPARTING EMPLOYEE RECORDS GUIDELINES, will be inserted.

SECTION 57. DEPARTING EMPLOYEE RECORDS GUIDELINES

- 57.1. These guidelines define the roles and responsibilities of Department Heads and employees regarding the management and protection of records and information when an employee permanently leaves the City, or transfers to a new position within the City. An employee includes full-time, part-time, temporary or seasonal workers and interns.

Department Heads have custodial responsibility for the records and City resources under the control of their subordinates. Department Heads are responsible for ensuring City records are returned upon an employee’s departure whether or not the departing employee is able to participate.

Any intentional destruction or removal of records may lead to a criminal conviction under Oregon law. Although City records may not be removed, departing employees may request copies of records under Oregon’s public records law through the City’s public records request procedures. Incidents of unauthorized records destruction or removal from departmental custody without appropriate approval should be reported immediately to the departing employee’s Department Head and the City Clerk’s office, as well as the City Attorney.

57.1. DEPARTING EMPLOYEE RESPONSIBILITIES

57.1.1. The departing employee will ensure:

- 57.1.1.1. Timely notification of impending departure to his/her Department Head.
- 57.1.1.2. The protection of public records in his/her custody through succession planning with appropriate staff.
- 57.1.1.3. That all City public records are turned over as soon as practicable upon termination of employment (this includes the return of any records stored on home computers,

portable devices, or portable media, whether owned by the employee or the City).

57.2. DEPARTMENT HEAD RESPONSIBILITIES

57.2.1. The Department Head, with assistance from the departing employee (if available) and knowledgeable program and administrative staff, as well as the City Clerk's office, will ensure:

- 57.2.1.1. Timely notification to the Human Resources representative or staff member designated by the City Manager of the employee's impending departure.
- 57.2.1.2. The identification, review and inventory of the departing employee's records for location, content and disposition.
- 57.2.1.3. Coordination with the City's IT Manager for appropriate removal of any personal information or non-work related records.
- 57.2.1.4. The removal of materials by the departing employee is limited to personal papers and pre-approved copies (otherwise document any unauthorized removal, loss or destruction of records).

- 23. Page 34. Sections 54, DISCIPLINARY ACTION, 55, GRIEVANCE PROCEDURE, and 56, DISCLAIMER, will be renumbered Sections 58, 59, and 60, respectively.
- 24. Page 35, Section 54.4 (renumbered 58.4). The reference to Section 55 should be changed to Section 59.
- 25. Page 36, Section 54.4.5 (renumbered 58.4.5). The reference to Section 53.3 should be changed to Section 56.3.

Exempt / Management Salary Table FY12/13

Approved by City Council 04/09/12

Effective July 1, 2012

1.5% All Exempt + New except Range A1 3% higher than Range A - move Public Works Director and Police Chief to new Range A1

Job Classification		BASE		STEP 1		STEP 2		STEP 3		STEP 4		STEP 5		STEP 6		STEP 7	
		Month	Annual	Month	Annual	Month	Annual	Month	Annual	Month	Annual	Month	Annual	Month	Annual	Month	Annual
A+	Public Works Director	6,223.41	74,660.86	6,410.11	76,921.29	6,602.41	79,228.93	6,800.48	81,605.79	7,004.50	84,053.97	7,214.63	86,575.59	7,431.07	89,172.85	7,654.00	91,848.04
	Police Chief																
A	City Clerk/Gen Svc Director	6,042.14	72,505.70	6,223.41	74,680.87	6,410.11	76,921.29	6,602.41	79,228.93	6,800.48	81,605.80	7,004.50	84,053.97	7,214.63	86,575.59	7,431.07	89,172.86
	Finance Director																
	Library Director																
	Planning Director																
B		5,866.16	70,393.88	6,042.14	72,505.69	6,223.41	74,680.86	6,410.11	76,921.29	6,602.41	79,228.93	6,800.48	81,605.80	7,004.50	84,053.97	7,214.63	88,575.59
C		5,695.30	68,343.57	5,866.16	70,393.88	6,042.14	72,505.69	6,223.41	74,680.86	6,410.11	76,921.29	6,602.41	79,228.93	6,800.48	81,605.80	7,004.50	84,053.97
D	City Engineer	5,529.42	66,352.98	5,695.30	68,343.57	5,866.16	70,393.88	6,042.14	72,505.70	6,223.41	74,680.87	6,410.11	76,921.29	6,602.41	79,228.93	6,800.48	81,605.80
E		5,368.36	64,420.37	5,529.42	66,352.98	5,695.30	68,343.57	5,866.16	70,393.88	6,042.14	72,505.69	6,223.41	74,680.87	6,410.11	76,921.29	6,602.41	79,228.93
F	Police Captain	5,212.00	62,544.05	5,368.36	64,420.37	5,529.42	66,352.96	5,695.30	68,343.57	5,866.16	70,393.88	6,042.14	72,505.69	6,223.41	74,680.86	6,410.11	76,921.29
G	Water Quality Supervisor	5,060.20	60,722.38	5,212.00	62,544.05	5,368.36	64,420.37	5,529.42	66,352.99	5,695.30	68,343.58	5,866.16	70,393.88	6,042.14	72,505.70	6,223.41	74,680.87
H		4,912.81	58,953.76	5,060.20	60,722.37	5,212.00	62,544.05	5,368.36	64,420.37	5,529.41	66,352.98	5,695.30	68,343.57	5,866.16	70,393.87	6,042.14	72,605.69
I	Water Distribution Manager	4,769.72	57,236.67	4,912.81	58,953.77	5,060.20	60,722.38	5,212.00	62,544.05	5,368.36	64,420.37	5,529.42	66,352.98	5,695.30	68,343.57	5,866.16	70,393.88
	Wastewater Collection Manager																
	Transportation Manager																
	Info Technology Manager (added 07/01/12 per Council action 02/27/12)																
	Project Engineer																
	Regulatory/Admin Manager																
	Police Sergeant																
J	Senior Planner	4,630.80	55,689.57	4,769.72	57,236.66	4,912.81	58,953.76	5,060.20	60,722.37	5,212.00	62,544.04	5,368.36	64,420.36	5,529.41	66,352.97	5,695.30	68,343.56
K		4,495.92	53,951.04	4,630.80	55,569.58	4,769.72	57,236.66	4,912.81	58,953.76	5,060.20	60,722.38	5,212.00	62,544.05	5,368.36	64,420.37	5,529.42	66,352.98
L		4,364.97	52,379.66	4,495.92	53,951.05	4,630.80	55,569.59	4,769.72	57,236.67	4,912.81	58,953.77	5,060.20	60,722.39	5,212.00	62,544.06	5,368.37	64,420.38
M		4,237.84	50,654.04	4,364.97	52,379.66	4,495.92	53,951.05	4,630.80	55,569.58	4,769.72	57,236.67	4,912.81	58,953.77	5,060.20	60,722.38	5,212.00	62,544.05
N	Engineer-In-Training	4,114.40	49,372.85	4,237.84	50,854.04	4,364.97	52,379.66	4,495.92	53,951.05	4,630.80	55,569.58	4,769.72	57,236.67	4,912.81	58,953.77	5,060.20	60,722.38
	Accountant																
	Associate Planner																
	Dvlpmnt Inspctr/Project Mgr																
O		3,994.57	47,934.79	4,114.40	49,372.84	4,237.84	50,854.02	4,364.97	52,379.64	4,495.92	53,951.03	4,630.80	55,569.56	4,769.72	57,236.65	4,912.81	58,953.75
P		3,878.22	46,536.63	3,994.57	47,934.79	4,114.40	49,372.84	4,237.84	50,854.02	4,364.97	52,379.64	4,495.92	53,951.03	4,630.80	55,569.56	4,769.72	57,236.65
O		3,765.26	45,183.15	3,878.22	46,536.64	3,994.57	47,934.80	4,114.40	49,372.84	4,237.84	50,854.03	4,364.97	52,379.65	4,495.92	53,951.04	4,630.80	55,569.57
R		3,655.59	43,867.13	3,765.26	45,183.15	3,878.22	46,536.64	3,994.57	47,934.80	4,114.40	49,372.84	4,237.84	50,854.03	4,364.97	52,379.65	4,495.92	53,951.04
S	Accountant-In-Training	3,549.12	42,589.45	3,655.59	43,867.13	3,765.26	45,183.15	3,878.22	46,536.64	3,994.57	47,934.80	4,114.40	49,372.84	4,237.84	50,854.03	4,364.97	52,379.65
T	Planner	3,445.75	41,348.98	3,549.12	42,589.45	3,655.59	43,867.13	3,765.26	45,183.15	3,878.22	46,536.64	3,994.57	47,934.80	4,114.40	49,372.84	4,237.84	50,854.03
U	Executive Secretary	3,345.39	40,144.65	3,445.75	41,348.98	3,549.12	42,589.45	3,655.59	43,867.14	3,765.26	45,183.15	3,878.22	46,536.65	3,994.57	47,934.81	4,114.40	49,372.85
V		3,247.95	38,975.41	3,345.39	40,144.67	3,445.75	41,349.01	3,549.12	42,589.48	3,655.60	43,867.17	3,765.27	45,183.18	3,878.22	46,536.68	3,994.57	47,934.84
W	Planning Tech	3,153.35	37,840.17	3,247.95	38,975.38	3,345.39	40,144.64	3,445.75	41,348.98	3,549.12	42,589.45	3,655.59	43,867.13	3,765.26	45,183.15	3,878.22	45,538.64
	Payroll Tech																
X	Senior Library Tech	3,061.50	36,738.04	3,153.35	37,840.18	3,247.95	38,975.38	3,345.39	40,144.64	3,445.75	41,348.98	3,549.12	42,589.45	3,655.59	43,867.14	3,765.26	45,183.15
Y		2,972.33	35,667.99	3,061.50	36,738.03	3,153.35	37,840.17	3,247.95	38,975.38	3,345.39	40,144.64	3,445.75	41,348.98	3,549.12	42,589.45	3,655.59	43,867.13
Z	Administrative Secretary	2,885.76	34,629.13	2,972.33	35,668.00	3,061.50	36,738.04	3,153.35	37,840.18	3,247.95	38,975.39	3,345.39	40,144.65	3,445.75	41,348.99	3,549.12	42,589.46
AA	Crime Victim Advocate	2,801.71	33,620.50	2,885.76	34,629.12	2,972.33	35,667.99	3,061.50	36,738.03	3,153.35	37,840.17	3,247.95	38,975.38	3,345.39	40,144.64	3,445.75	41,348.98
	Codes Enforcement																

Hourly Employees	Base	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7
Police Evidence Officer	13.73	14.15	14.57	15.01	15.46	15.92	16.40	16.89
Library Janitor	10.14	10.44	10.76	11.08	11.41	11.75	12.11	12.47
Library Page	9.03	9.30	9.57	9.86	10.16	10.46	10.78	11.10

Contract Employees

City Manager	10,513.37	126,160.44	Per City Council 1.5% increase as of July 1, 2010; No increase in 2011				
City Attorney	8,276.06	99,312.74	Per City Council 1.5% increase as of July 1, 2010; No increase in 2011				
Municipal Judge		22,200.00	No Increase in 2011				



CITY of THE DALLES

313 COURT STREET
THE DALLES, OREGON 97058

(541) 296-5481 ext. 1122
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AGENDA STAFF REPORT

CITY OF THE DALLES

MEETING DATE:	AGENDA LOCATION:	AGENDA REPORT #
May 14, 2012	Action Items 12, B	12-032

TO: Honorable Mayor and City Council

FROM: Gene E. Parker, City Attorney

THRU: Nolan K. Young, City Manager

DATE: April 30, 2012

ISSUE: Adoption of General Ordinance No. 12-1324, establishing procedures for the formation of economic improvement districts, and for levying and collecting special assessments.

RELATED CITY COUNCIL GOAL: Goal 3, Promote economic development opportunities that will provide job creation and retention and enhance livability.

PREVIOUS AGENDA REPORT NUMBERS: None.

BACKGROUND: The Main Street Steering Committee has been working with City staff to implement the Main Street Program. The Steering Committee has been working with staff on the preparation of an ordinance to provide the City with the tool of creation of economic improvement districts. Oregon state law authorizes cities to establish economic improvement districts and to use assessments from the districts to fund specific economic improvement projects. The proposed ordinance is similar to ordinances adopted by other cities, and includes provisions used by the cities of Tigard and Bend in their economic improvement district ordinances.

Section 1 of the ordinance provides a definition for what constitutes an “economic improvement” and an “economic improvement plan”. Section 3 provides that the City Council can consider the creation of an economic improvement district on its own motion, or upon the

request of any person, entity, association, or City staff. The initial step in the creation of a proposed economic improvement district is the creation of an economic development plan.

Once that plan is created, the City Council will hold a public hearing on the establishment of the proposed district. Notice of the hearing is mailed or delivered personally to the affected property owners located within the boundary of the proposed district. The hearing is held within 30 days of the mailing or delivery of the notice. In order for the district to be formed, the City Council must make a finding that the proposed district would afford a special and peculiar benefit to the properties within the proposed district which is different in kind or degree than the benefit that would be afforded to the general public by the proposed economic improvement. The Council would adopt an ordinance setting forth those findings, and the method of proposed assessments for the costs of the improvements.

Notice of the proposed assessments is then mailed or delivered to the affected property owners. A second public hearing is held during which the property owners can appear to either support or object to the proposed assessments. If remonstrances from property owners which reflect more than 33% of the total amount of proposed assessments are received, the proposed economic improvement district will not be formed. Under the proposed ordinance, residential real property and any portion of a structure which is used for residential purposes, properties which are exempt from general property taxation under State law, and any other type of property which the City Council determines should be exempt, are exempt from assessment. If the remonstrances which are submitted are not sufficient to defeat the project, the City Council will adopt an ordinance levying the final assessments. The assessments will be entered in the City lien docket, and collected in the same manner as assessments for other local improvements.

The proposed ordinance provides that any economic improvement district formed under the ordinance shall be in effect from 3 to 5 consecutive years as recommended in the economic improvement plan. The City Council has the authority to extend the duration of the district by following the procedures set forth in state law. The ordinance also provides for the ability to appoint an advisory committee for the formation of the district to allocate expenditures of monies for economic improvement activities within the scope of the ordinance. The ordinance provides that the Council shall strongly consider appointment of owners of property within the economic improvement district to serve on any advisory committee.

BUDGET IMPLICATIONS: The ordinance includes a provision for the City to determine if any administrative fee should be imposed for administering the economic improvement district. The goal of the Main Street Committee is to hire an administrator who would be responsible for administering any economic improvement district which is created. The economic improvement plan will recommend a proposed formula for assessing any properties included within the boundary of a proposed economic improvement district.

ALTERNATIVES:

- A. Staff Recommendation *The City Council move to adopt General Ordinance No. 12-1324 by title only.*

GENERAL ORDINANCE NO. 12-1324

AN ORDINANCE ESTABLISHING PROCEDURES FOR THE FORMATION OF ECONOMIC IMPROVEMENT DISTRICTS, AND FOR LEVYING AND COLLECTING SPECIAL ASSESSMENTS

WHEREAS, ORS 223.112 to ORS 223.161 authorizes the City to establish economic improvement districts and to use assessments from the districts to fund specific economic improvement projects, which power is in addition to other powers of the City to form economic improvement districts under ORS 223.132; and

WHEREAS, the City Council has determine that it is reasonable and necessary to establish Economic Improvement Districts in order to make economic improvements and to assess the cost of these improvements to the benefitted property;

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF THE DALLES
ORDAINS AS FOLLOWS:**

Section 1. Definitions. As used in this ordinance, the following words and phrases shall have the following meanings, except when the context requires otherwise:

- A. “Economic improvement” means:
 - 1. The planning or management of development or improvement activities;
 - 2. Landscaping or other maintenance of public areas;
 - 3. Promotion of commercial activity or public events;
 - 4. Activities in support of business recruitment and development;
 - 5. Improvements in parking systems or parking enforcement; or
 - 6. Any other economic improvement activity for which an assessment may be made on property specifically benefitted thereby.
- B. “Economic improvement plan” means a plan setting out:
 - 1. A description of economic improvements proposed to be carried out, with any appropriate phasing plan or schedule;
 - 2. The number of years, subject to the provisions in this ordinance concerning the duration of economic improvement districts, in which assessments are proposed to be levied;

3. A preliminary estimate of the annual cost of the proposed economic improvements;
 4. The proposed boundaries designated by map or perimeter description of an economic improvement within which subject properties would be assessed to finance the cost of the economic improvement;
 5. The proposed formula for assessing the cost of economic improvements against subject properties;
 6. If applicable, information about the organization requesting the creation of the economic improvement district;
 7. Reasons why the economic improvement district should be created;
 8. If applicable, a list of anticipated agreements between the proposed economic improvement district and other organizations; and
 9. The administration fee, if any, to be paid to the City for administering the economic improvement district.
- C. “Lot” means a lot, block, or parcel of land.
- D. “Owner” means the owner of the title to real property or the contract purchaser of record shown on the last available complete assessment roll in the office of the Wasco County Assessor.

Section 2. Economic Development Plan. The City Council may consider creation of an economic improvement district on its own motion, or at the request of any person, entity, association, or City staff. Any request for consideration of the creation of an economic improvement district shall contain a proposed economic development plan. If the City Council decides to consider such a district on its own motion, it shall instruct the City staff to prepare an economic improvement plan. If an organization is willing to carry out improvement activities, City staff shall coordinate with that organization in developing the economic improvement plan.

Section 3. Notice. A public hearing before the City Council shall be held on the question of establishment of the economic improvement district. Notices of the proposed hearing shall be mailed or delivered personally to affected property owners, and shall announce the intention of the City Council to construct or undertake the economic improvement project and to assess benefitted properties. The notice shall state the time and place of the public hearing. This hearing shall be scheduled not sooner than thirty (30) days after the mailing or delivery of the notice.

Section 4. Hearing. If, after the hearing held pursuant to Section 3, the City Council determines that the economic improvements would afford special and peculiar benefit to properties within the economic improvement district different in kind or degree from that

afforded to the general public, and that the economic improvement district should be established, then the City Council may adopt an ordinance stating those findings and establishing the district. The City Council shall then determine whether the properties benefitted shall bear all or a portion of the cost, and shall require notice of any proposed assessment be mailed or personally delivered to the owner of each lot to be assessed, which notice shall state the amount of the assessment proposed on the property of the owner receiving the notice. The ordinance shall require the City Clerk to prepare the proposed assessment for each lot. The notice shall state the time and place of a second public hearing at which affected property owners may appear to support or object to the proposed assessment. The second hearing shall not be held sooner than thirty (30) days after the mailing or personal delivery of the notices. At the second hearing, the City Council may consider objections and may adopt, correct, modify or revise the proposed assessments. The City Council shall exempt residential real property and any portion of a structure used for residential purposes, those properties exempt from general property taxation under State law, and any other type of property that the City Council determines should be exempt from the assessment. The ordinance shall also provide that the assessments will not be made and the economic improvement project will be terminated when written objections are received at the second public hearing from owners of property upon which more than 33% of the total amount of the assessments is levied.

Section 5. Duration. Any economic improvement district formed pursuant to the provisions of this ordinance, shall be in effect for a period of three (3) to five (5) consecutive years as recommended in the economic improvement plan, commencing upon adoption of an ordinance assessing the affected properties as provided for in Section 7 of this ordinance. The City Council may extend the duration of the economic improvement district, after following the required public notice requirements and opportunity for remonstrances contained in ORS 223.132.

Section 6. Assessment. If written objections equivalent to the requisite 33% are not received as provided above, the City Council may adopt a final ordinance levying the appropriate assessments. Upon adoption of the final ordinance, the City Clerk shall enter any assessments in the City lien docket. The assessments shall be collected in the same manner as provided by general ordinance for the collection of local improvement assessments. Failure to pay may result in foreclosure in the same manner as provided for such other local improvement assessments.

Section 7. Advisory Committee. Any assessment ordinance may require creation of an advisory committee for each economic improvement district, to allocate expenditures of monies for economic improvement activities within the scope of this ordinance. If an advisory committee is created, the City Council shall strongly consider appointment of owners of property within the economic improvement district to the advisory committee. An existing association of property owners or tenants may enter into an agreement with the City to provide the proposed economic improvement.

Section 8. Expenditures. Money derived from assessments levied under the procedures set forth in this ordinance shall be spent only for the economic improvements set forth in the Economic Improvement Plan and for the cost of the City administration of the economic improvement district.

Section 9. Partition. When there has been an approved partition of a parcel and that parcel has a special assessment outstanding which remains wholly or partially unpaid, and full payment or an installment payment is not due, then any owner, mortgagee, or lien holder of any property affected by this partition may apply for an apportionment of the special assessment. Apportionment of the special assessment shall be done by resolution of the City Council, and that resolution shall be filed in the City lien docket. Where the special assessment is being paid in installments, the installments remaining unpaid shall be prorated among those small parcels so that each parcel shall be charged with the percentage of the remaining installment payments equal to the percentage of the unpaid assessment charged to the parcel upon apportionment. Apportionment shall be on the same basis as the original assessment.

Section 10. Severability. Should any portion of this ordinance be held to be invalid or unenforceable, it shall not affect the validity of the ordinance as a whole or of any other portion thereof.

PASSED AND ADOPTED THIS 14TH DAY OF MAY, 2012

Voting Yes, Councilors: _____

Voting No, Councilors: _____

Absent, Councilors: _____

Abstaining, Councilors: _____

AND APPROVED BY THE MAYOR THIS 14TH DAY OF MAY, 2012

James L. Wilcox, Mayor

Attest:

Julie Krueger, MMC, City Clerk



CITY of THE DALLES

313 COURT STREET
THE DALLES, OREGON 97058

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AGENDA STAFF REPORT CITY OF THE DALLES

MEETING DATE	AGENDA LOCATION	AGENDA REPORT #
May 14, 2012	Action Item 12, C	12-030

TO: Mayor and City Council

FROM: Nolan K. Young, City Manager

DATE: May 1, 2012

ISSUE: Approval of the Fiscal Year 2012-13 QualityLife Intergovernmental Agency Budget

BACKGROUND: Section 2.3.2 of the QualityLife Intergovernmental Agency (QLife) amended Intergovernmental Agreement addresses financial matters of the Agency (copy of section attached). It states that *"Approval of the Annual Budget...require the affirmative authorization of each party to be bound, such authorization to be expressed by Resolution, Ordinance or other binding commitment of the party's governing body"* Attached is the Budget approved by the QLife Budget Committee will consider the attached budget on May 7, 2012. We will notify the Council of any amendments. Final Board adoption of the Budget is scheduled for the June 21, 2012 QLife Board Meeting.

Section 2.5 of the Agency Agreement (attached) addresses the work scope. The financial policies adopted by the Board are attached (page 4-5 of the budget). The approved Budget fully meets Financial Priorities #1-9. The work scope covered by the Budget includes six areas:

1. Maintenance and Operation of the current looped system, including managing current agreements for maintenance and operation of the system and for administrative services.
2. Making debt payment on loans used to construct the system and connect to the LS Network.
3. Construction of minor line extensions and electronic upgrades to meet the needs of current and future customers.
4. Cash reserve or contingency equal to one month's customer billing.

5. Creation of a \$140,000 reserve for expansion, modernization, or replacement of the system.
6. Reserve for Debt payments (\$107,340) to complete payment in three years; three years early.

Approval of this Budget by the City Council includes authorization for the QLife Board to proceed with all six areas under the Scope of Work. Approval by Wasco County is also required for this Budget and Scope of Work to be implemented.

BUDGET IMPACT: The QLife Budget does not require any specific financial expenditure by the City of The Dalles. The City is proposed to receive up to \$20,000 for financial, clerical and administrative services and receives \$5,244 for rent of the QLife rooms in City Hall, and \$15,790 from the right of way fees.

COUNCIL ALTERNATIVES:

1. Staff Recommendation: Approve the Fiscal Year 2012-13 QLife Budget and Work Scope as presented.
2. Amend and then approve the QLife Budget.
3. Postpone action on the QLife Budget until June to allow for additional research.

QLife Network

QualityLife Intergovernmental Agency

Fiscal Year 2012-13

PROPOSED BUDGET

of the

**QUALITYLIFE INTERGOVERNMENTAL
AGENCY**



A Partnership of
Wasco County, Oregon
City of The Dalles, Oregon

QUALITYLIFE INTERGOVERNMENTAL AGENCY

Fiscal Year 2012-13

PROPOSED BUDGET

Presented to the QLife Budget Committee
by
Nolan Young, QLife Budget Officer

QLife Agency, Budget Committee Members

Agency Board: President, Dan Ericksen
 Vice President, Dan Spatz
 Secretary/Treasurer, Erick Larson
 Member, Scott Hege
 Member, Brian Ahier

Lay Members: Ken Farner
 David Karlson
 Kenneth Leibham
 Jim Broehl
 Chip Wood

Staff Support

Legal Counsel: Keith Mobley
Administrative: City of The Dalles City Manager, Nolan Young
Finance Director: City of The Dalles, Kate Mast
Secretarial: City of The Dalles, Izetta Grossman

Agency Partners

Wasco County
City of The Dalles

QUALITYLIFE INTERGOVERNMENTAL AGENCY

Proposed Budget FY 2012-13

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QUALITYLIFE INTERGOVERNMENTAL AGENCY

BUDGET MESSAGE FY 2012-13

QLife is an intergovernmental agency, consisting of the City of The Dalles and Wasco County, that is governed by a Board of Directors. QLife provides broadband, ethernet, wide area networks, internet access, and virtual private networks through local internet service providers. The QLife System has been operational since December 2003.

The following narrative explains the proposed budget for the Quality Life Intergovernmental Agency for fiscal year 2012 - 2013. The budget amounts shown here represent two funds: Operating Fund and Capital Fund.

This budget is prepared based on the Financial Priority Policy adopted by the Agency Board for 2012. A list of those Financial Priorities follows this Budget Message. We were able to budget funding for Financial Priorities Items #1 through #9.

- 1. Fund #1 - Maintenance and Operation - \$629,538:** The proposed Maintenance and Operation budget is based on past operations.

A. Resources: This funds revenue primarily comes from customer-generated sources.

1. Beginning Fund Balance (\$50,438) This is our estimated net revenues over expenditures for FY11/12, the current fiscal year. This decrease of \$70,123 from our actual FY11/12 beginning balance is due to larger transfers to the Capital Fund in FY11/12.
2. User Fees (\$526,350) These are the charges to customers to transport data on our fiber to other locations on our system or to the NoaNet Big Eddy Point of Presence (POP), collocation in our equipment room, and for dark fiber leases. The chart of page 9 shows the customer type by use. We are estimating a 2.5% increase in user fees based on current orders.
3. LSN Credits (\$0) This assistance that LSN provided us to retire initial debt based on the customers we provided them ended in FY11/12.
4. Connect Charges (\$2,250) These are the fees that new customers pay to connect to our broadband system.
5. E-Rate Payment (\$40,000) This is the assistance that our education customers receive from a support program. We budget an expenditure of an equal amount: as when we receive this money, we send it to the education agencies.

B. Expenditures:

1. Qlife is a contract operation with six primary operating contracts.
 - a. Administrative Services (\$20,000) The City provides financial, management, and clerical services at actual cost of salary and benefits.
 - b. Contractual Service County (\$7,000) – GIS System support
 - c. Outside Plant Maintenance (\$28,000) - This is for overhead maintenance work that is needed including line repair and pole work mandated by those whose poles we are connected to.
 - d. Legal Services - (\$8,400)
 - e. Network System Management (\$64,000) – QLife has a contract with a consulting firm to provide the following: (Because of increased activity this line item is up \$6,000.)
 - ✓ Technical maintenance of the system and its electronics;
 - ✓ Customer Service issues;
 - ✓ Sign up and connection of new customers;
 - ✓ Coordinate backbone and spur line repairs and manage the line maintenance contract;
 - ✓ Coordinate with LightSpeed Networks on Technical issues;
 - ✓ Report monthly to the QLife Board.
 - f. Engineering Services (\$12,000) – We contract with Erik Orton who has been with us from the beginning of the system for routine engineering and assistance with new customers.
4. Pole Contracts (\$9,000) – for pole contact fees with Northern Wasco County PUD and CenturyLink. This is increased \$1,000 to reflect increased rates from PUD.
5. Electronics Reserve (\$20,000) – This meets Priority #3 of our Financial Priorities Policy for upgrading and replacement of the electronics of the system as needed.
6. ROW Fee (\$15,790) – Payment of a right of way equal to 3% of customer fees.
7. Scholarship (\$2,000) – This item was added in FY10/11 for scholarships in the technology fields at Columbia Gorge Community College.
8. Assets < \$5,000 (\$2,500) – This is for a new computer for QLife GIS.
9. Transfers Out (\$315,844) – Only a portion of all fees (Transport & LSN Credits) are expended in this fund (34%). The remaining 66% is transferred to the Capital Projects Fund for current debt retirement (\$249,784) and system improvements (\$65,660).

10. Contingency (\$47,000) – \$4,000 is an operating contingency. The remaining \$43,000 is to fund Board priority #4, a cash reserve approximately equaling one month of user fees.

II. Fund #2 - Capital Projects (\$633,468): The Capital Projects Fund is for debt retirement and projects for new customers and system enhancement.

A. Revenue:

1. Beginning Fund Balance (\$219,124) – Includes carryover funds for completion of redundancy/bisector projects
2. Enterprise Zone Payments (\$50,000) – for the next nine years QLife will receive \$50,000 from Enterprise Zone Payments. This is designated for the CSB loan payment.
3. Transfer from Operating Fund (\$315,844) – User fees used for current debt retirement (\$249,784) and system improvements (\$65,660).

B. Expenditures:

1. Telecom Equipment (\$19,500) – for new customer switches and completion of the redundancy project.
2. Outside Plant Primary (\$86,975) – completion of the bisector project.
3. Outside Plant – Secondary (\$32,500)
 - a. \$12,500 paid by customers for service extensions
 - b. \$20,000 Priority #6 “up to \$20,000 to assist new customers with build out of connection”
4. Reserve for Debt (\$0) – Priority #9: As available use additional funds to retire additional debt of the Agency not yet due. Funds that would have previously been reserved for future debt are now being budgeted to make additional payments.
5. General Debt Payments (\$249,784) – The payment of loan principal and interest due this fiscal year on QLife loans, plus additional principal payment as funds allow (Priority #9). The Table on page 14 summarizes QLife’s current debts.
6. Reserve for System Improvements (\$140,000) – Priority #8 “Create a reserve of \$140,000 for future expansion, modernization or replacement of system.” During the year the Board will determine which projects it may pursue as opportunities arise.
7. Contingency (\$50,209) – For unanticipated needs

Future Budgets

Attached following the Debt Summaries is a ten (10) year projection based on current trends. It shows a bright future for QLife.

QUALITYLIFE NETWORK INTERGOVERNMENTAL AGENCY POLICY

Financial Priorities for Fiscal Year 2012-13

Purpose:

The purpose of this policy is to establish a prioritization of expenditure of funds for the QualityLife Network Intergovernmental Agency prior to each Fiscal Year's budget preparation.

Primary objective

The primary objective is to provide general direction for the QLIFE Budget Committee in establishing the annual budget and to make public the general intentions of QLIFE in regard to potential monetary reserves of the Agency.

Section I.

Policy

It is the policy of the QLIFE Board that expenditures of revenue not *specifically* committed to another purpose through grant or loan agreements or other contractual obligations shall be budgeted in the following priority:

A. Routine Costs:

1. Normal maintenance and operating costs of the QLIFE Agency as determined appropriate through the budgeting process.
2. Amounts needed for annual debt retirement responsibilities of the Agency incurred through formation of the Agency or by the construction of the original plant, or any expansions of that plant.
3. Up to \$20,000 for upgrading and replacement of the electronics of the system to always maintain agreed-upon capacity for QLife customers.
4. A cash reserve or contingency equal to one month's customer billing to maintain a minimum cash balance in the operating fund.
5. Up to \$15,000 for unexpected system plant repairs or alterations in addition to contingency. Budgeted in Capital Fund: Outside Plant Primary

B. Discretionary Costs:

6. Up to \$20,000 to assist new customers with build out of connection. Budgeted in Capital Fund: Outside Plant Secondary.
7. Immediately use the loan payment reserve of \$138,000 to retire early additional debt of the agency not yet due.

8. Maintain a reserve of \$140,000 future expansion, modernization, or replacement of system
9. As available use additional surplus funds to retire additional debt of the agency not yet due.
10. Create a reserve to engineer and extend broadband services to other parts of Wasco County.
11. After all long term agency debt is retired establish local Technology grant programs for public and non-profit organizations. The rules for expenditures from this fund will be established by the Board, subject to the approval of all partners to the agreement.

Section II.

Amendment of this policy


This policy may be amended at any time by action of the Board.

Section III.

Conflict with annual budget process

If anything in this policy conflicts with the annual budget process as outlined in the Intergovernmental Agreement (IGA), the IGA will take precedence. The partners to this agreement may approve an initial budget and work scope or an amended budget and work scope that varies from this policy by an affirmative majority vote of the Boards of all partners.

Amended and approved by QLife Board March 19, 2012


Dan Evlksen, President

QUALITYLIFE INTERGOVERNMENTAL AGENCY

PRIOR YEAR COMPARISON SUMMARY

	FY09/10 Actual	FY10/11 Actual	FY11/12 Budget	FY012/13 Proposed
Beginning Balance	237,246	222,282	379,625	269,562
Customer Fees	465,974	567,759	603,700	561,100
Other Sources	326,458	408,209	498,226	406,344 *
Total Resources	1,029,679	1,198,250	1,481,551	1,237,006
QLIFE - General Fund	427,634	503,036	658,800	572,538
QLIFE - Capital Fund	185,038	123,087	376,257	177,475
Debt Service	194,725	191,942	290,347	249,784
Reserves	-	-	79,842	140,000
Contingency	-	-	76,305	97,209
Total Expenditures	807,397	818,064	1,481,551	1,237,006
Ending Balance	222,281	380,186	-	-

* Includes Interfund Transfers of \$407,626

QUALITYLIFE INTERGOVERNMENTAL AGENCY

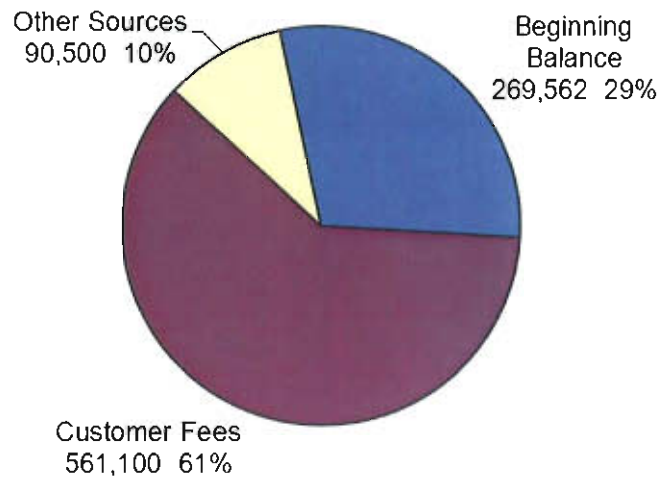
OVERVIEW SUMMARY Proposed Budget FY 2012-13

	Agency General Fund	Capital Fund	Total Proposed FY12/13
Beginning Balance	50,438	219,124	269,562
Customer Fees	528,600	32,500	561,100
Other Sources	40,500	50,000	90,500
Grants / Loans	-	-	-
Transfers In	-	315,844	315,844
Total Resources	619,538	617,468	1,237,006
Operating Expenditures	196,694	18,000	214,694
Capital Projects	20,000	159,475	179,475
Debt Service	-	249,784	249,784
External Transfers	40,000	-	40,000
Internal Transfers Out	315,844	-	315,844
Reserves	-	140,000	140,000
Contingency	47,000	50,209	97,209
Total Expenditures	619,538	617,468	1,237,006

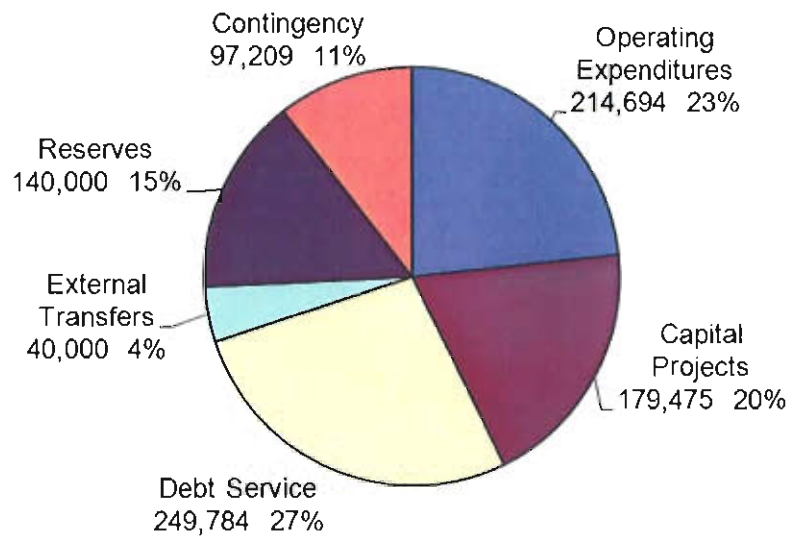
QUALITYLIFE INTERGOVERNMENTAL AGENCY

REVENUES AND EXPENDITUES BY SOURCE Proposed FY 2012-13

**QLife Revenues - Total FY12/13
(excluding internal transfers)**



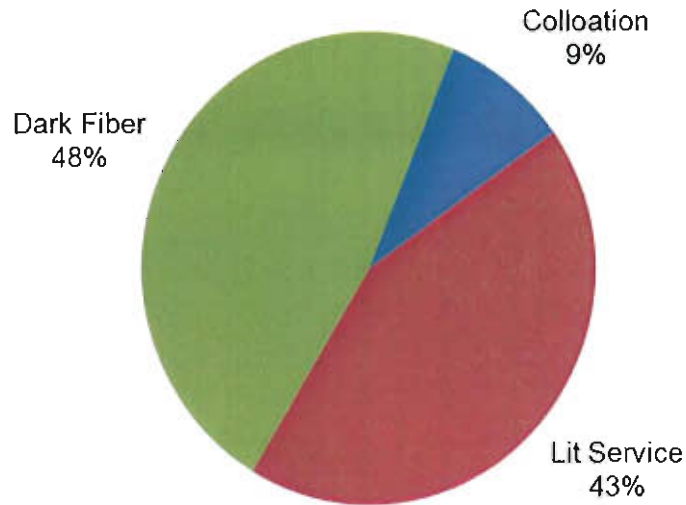
**QLife Expenditures - Total FY12/13
(excluding internal transfers)**



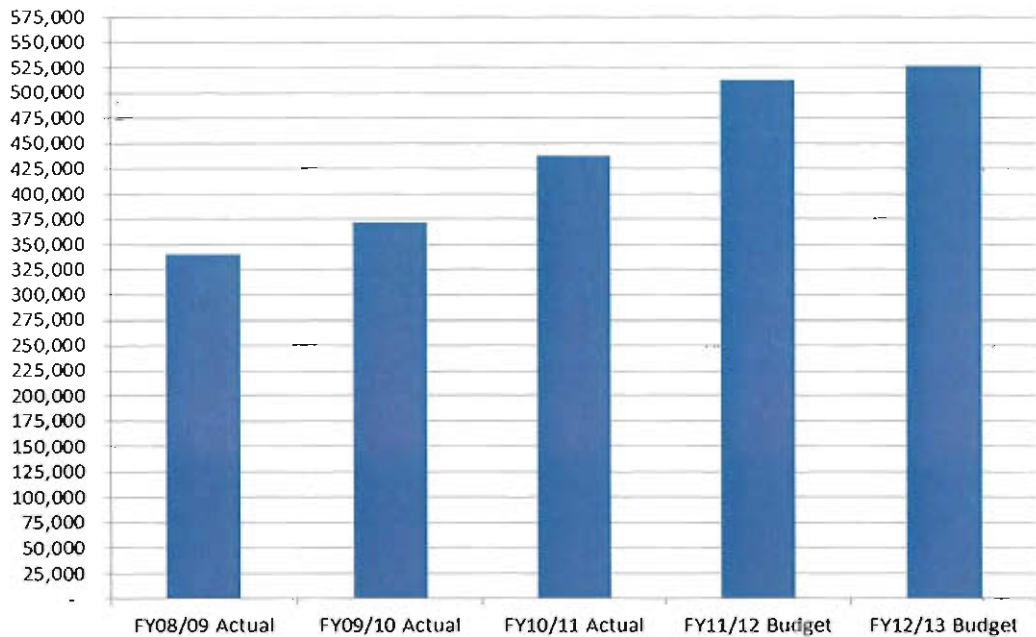
QUALITYLIFE INTERGVERNMENTAL AGENCY

CUSTOMER REVENUES & USER FEES Proposed FY 2012-13

QLife User Fees by Type 27 Users = \$41,375/ mo

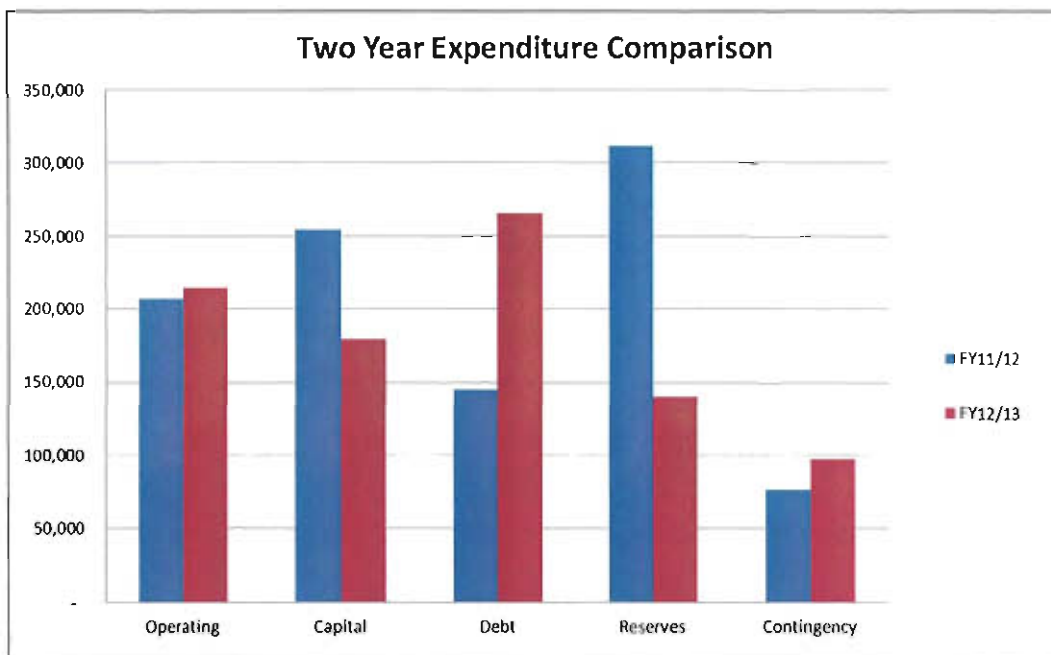
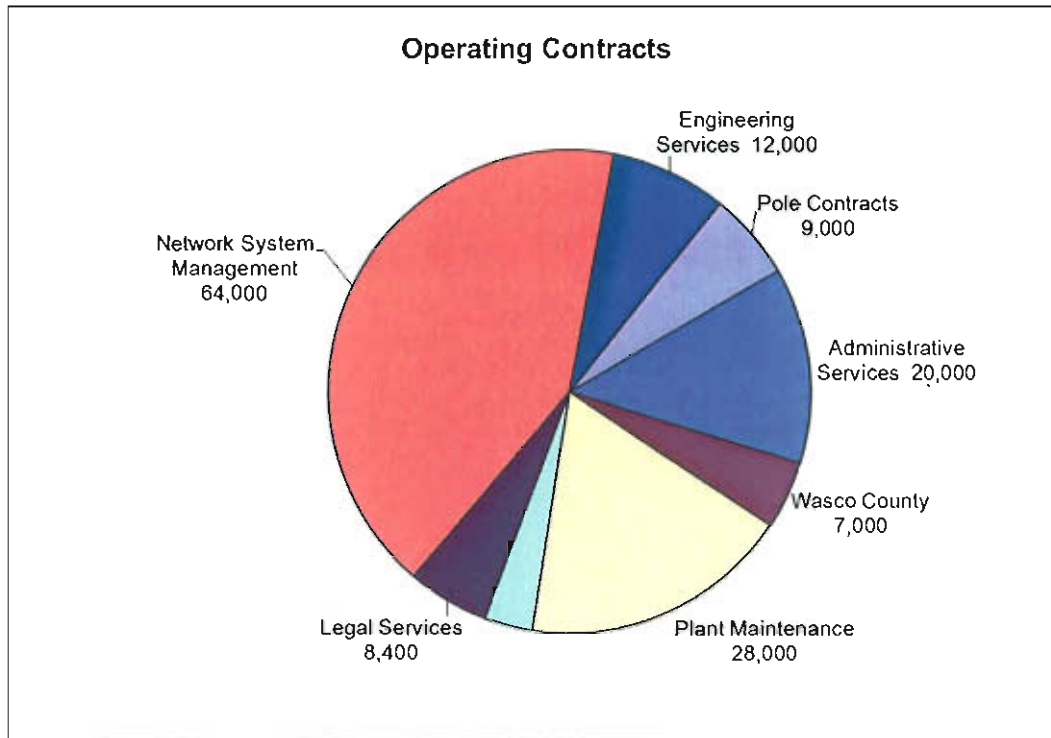


User Fees



QUALITYLIFE INTERGOVERNMENTAL AGENCY

OPERATING CONTRACTS Proposed FY 2012-13



QUALITYLIFE INTERGOVERNMENTAL AGENCY

Proposed Budget FY 2012-13

FY09/10 Actual	FY10/11 Actual	FY11/12 Budget	Account #	Description	FY12/13 Proposed	FY12/13 Approved	FY12/13 Adopted
QLIFE AGENCY FUND 600							
REVENUES							
29,491	83,450	120,000	600-0000-300.00-00	Beginning Balance	50,438		
371,915	437,965	513,450	600-0000-344.10-00	Utility Service Charges	526,350		
66,000	66,000	27,500	600-0000-344.15-00	LSN Credits	-		
6,526	4,050	2,250	600-0000-344.20-00	Connect Charges	2,250		
823	613	600	600-0000-361.00-00	Interest Revenues	500		
360	-	-	600-0000-369.00-00	Other Misc Revenues	-		
35,969	31,519	40,000	600-0000-369.20-00	E-Rate Reimbursements	40,000		
-	-	-	600-0000-371.90-00	Misc Sales and Services	-		
511,084	623,597	703,800	TOTAL REVENUES		619,538	-	-
EXPENDITURES							
Materials & Services							
12,568	14,700	20,000	600-6000-660.31-10	Administrative Services	20,000		
-	-	5,000	600-6000-660.31.15	Contractual Svc - County	7,000		
15,771	7,638	28,000	600-6000-660.31-20	Outside Plant Maint	28,000		
5,600	5,600	5,000	600-6000-660.32-10	Audit	5,000		
3,645	10,770	6,000	600-6000-660.32-20	Legal Services	8,400		
22,788	14,705	12,000	600-6000-660.34-10	Engineering Services	12,000		
59,033	56,320	58,000	600-6000-660.34-30	Network System Mgmt	64,000		
-	-	10,000	600-6000-660.34-50	Special Studies /Reports	-		
82	700	2,000	600-6000-660.43-10	Buildings & Grounds	2,000		
1,615	1,190	4,600	600-6000-660.43-25	Network Equipment	4,600		
250	89	1,000	600-6000-660.43.87	Utilities Locates	1,000		
3,132	3,660	5,244	600-6000-660.44-10	Office Space Rental	5,244		
5,164	5,181	5,500	600-6000-660.52-10	Liability Insurance	5,500		
-	-	300	600-6000-660.52-30	Property Insurance	-		
93	54	200	600-6000-660.53-20	Postage	200		
330	393	360	600-6000-660.53-30	Telephone	360		
176	455	400	600-6000-660.53-40	Legal Notices	400		
607	403	1,000	600-6000-660.54-00	Advertising	1,300		
-	-	400	600-6000-660.57-10	Permits	400		
-	-	400	600-6000-660.58-10	Travel, Food & Lodging	400		
-	150	200	600-6000-660.58-50	Trainings & Conferences	700		
65	40	200	600-6000-660.58-70	Memberships/Dues/Subs	200		
-	2,000	2,000	600-6000-660.58-80	Scholarships	2,000		
38	7	200	600-6000-660.60-10	Office Supplies	200		
418	408	500	600-6000-660.69-50	Misc Expenses	500		
7,482	7,838	8,000	600-6000-660.69-60	Pole Connection Fees	9,000		
11,157	13,139	14,670	600-6000-660.69-70	Right of Way Fees	15,790		
-	-	-	600-6000-660.69-80	Assets < \$5000	2,500		
150,015	145,440	191,174	Total Materials & Services		196,694	-	-
Capital Outlay							
2,344	-	20,000	600-6000-660.74-20	Telecom Equipment	20,000		
2,344	-	20,000	Total Capital Outlay		20,000	-	-
Other							
239,306	326,077	407,626	600-9500-600.81-91	QLife Capital Fund	315,844		
35,969	31,519	40,000	600-9500-600.83-10	ESD E-Rate Transfers	40,000		
-	-	45,000	600-9500-600.88-00	Contingency	47,000		
275,275	357,596	492,626	Total Other		402,844	-	-
427,634	503,036	703,800	TOTAL EXPENDITURES		619,538	-	-
83,450	120,561	-	REVENUES LESS EXPENSES		-	-	-

QUALITYLIFE INTERGOVERNMENTAL AGENCY

Proposed Budget FY 2012-13

QLIFE CAPITAL FUND 601									
REVENUES									
207,755	138,832	259,625	601-0000-300.00-00	Beginning Balance	219,124				
21,534	59,744	60,500	601-0000-344.20-00	Connect Charges	32,500				
-	-	-	601-0000-369.00-00	Other Misc Revenues	-				
50,000	50,000	50,000	601-0000-369.10-00	Enterprise Zone Payment	50,000				
-	-	-	601-0000-391.60-00	IF Pmt from Agency Fund					
239,306	326,077	407,626	601-0000-391.90-01	Qlife Operating Fund	315,844				
-	-	-	601-0000-393.10-00	Loan/Bond Proceeds					
518,595	574,654	777,751	TOTAL REVENUES			617,468	-	-	
EXPENDITURES									
Materials & Services									
14,133	11,365	10,000	601-6000-660.34-10	Engineering Services	10,000				
-	-	4,000	601-6000-660.34-70	Customer Connections	4,000				
20,000	-	-	601-6000-660.34-90	Other Services	-				
-	-	2,000	601-6000-660.43-86	Lines, Maint & Supplies	4,000				
-	-	-	601-6000-660.57-10	Permits	-				
34,133	11,365	16,000	Total Materials & Services			18,000	-	-	
Capital Outlay									
-	-	15,500	601-6000-660.72-20	Buildings	15,500				
54,233	28,225	103,806	601-6000-660.74-20	Telecom Equip	19,500				
880	28,873	173,951	601-6000-660.76-10	Primary (System Maint)	86,975				
95,793	54,174	62,000	601-6000-660.76-20	Secondary (Line Extensions)	32,500				
-	450	5,000	601-6000-660.76-30	Pole Make Ready Costs	5,000				
150,906	111,722	360,257	Total Capital Outlay			159,475	-	-	
Debt Service									
141,100	146,798	251,440	601-6000-660.79-50	Loan Principal Payments	215,444				
53,625	45,144	38,907	601-6000-660.79-60	Interest Payments	34,340				
194,725	191,942	290,347	Total Debt Service			249,784	-	-	
Other									
-	-	39,842	601-9500-600.84-15	Reserve for Sys Imprmnts	140,000				
-	-	40,000	601-9500-600.84.20	Reserve for Co Expansion	-				
-	-	-	601-9500-660.84.30	Reserve for Debt Retirement	-				
-	-	31,305	601-9500-600.88-00	Contingency	50,209				
-	-	-	601-9500-600.89-00	Unappropriated Ending Fund Balance					
-	-	111,147	Total Other			190,209	-	-	
379,763	315,029	777,751	TOTAL EXPENDITURES			617,468	-	-	
138,832	259,625	-	REVENUES LESS EXPENSES			-	-	-	

QUALITYLIFE INTERGOVERNMENTAL AGENCY

Long Term Debt as of July 1, 2012

QLife will have the following long term debt as of July 1, 2012:

1. Mt Hood Economic Alliance: Final payment was made in FY11/12 prior to the August 2, 2011 due date.
2. OIB Phase I – IV Loan: Original loan = \$42,552; Term = Seven (7) years; Interest = 4.0%. Final payment is due December 30, 2012. However, the QLife Board will be considering budget amendments on April 17, 2012, that, if approved, will allow this debt to be paid in full in FY11/12.
3. Columbia State Bank Refinance: Columbia State Bank (formerly Columbia River Bank) provided a fully amortized ten (10) year loan at 5% interest in May 2008 to refinance the Columbia River Bank original line of credit debt for NoaNet Oregon that paid for the LightSpeed Networks (LSN) and the State of Oregon Special Public Works Funds (SPWF) loan. Final payment is due May 13, 2008. The QLife Board will be considering budget amendments on April 17, 2012, that, if approved, will allow for an additional principal payment of approximately \$138,000 on April 30th.

This proposed budget includes an additional principal payment of \$107,340. The ten year projections for QLife on the following page shows that additional principal payments could be made in FY 2013-14 and FY 2014-15. This will result in the loan being paid off three years early.

QUALITYLIFE INTERGOVERNMENTAL AGENCY

Ten Year Projections

	FY 12-13	2	3	4	5	6	7	8	9	10
Begin Balance	\$283,053	\$110,500	\$110,500	\$110,500	\$110,500	\$110,500	\$110,500	\$110,500	\$110,500	\$110,500
Local Line Charges	\$526,500	\$552,825	\$580,466	\$609,490	\$639,964	\$671,962	\$705,560	\$740,838	\$777,880	\$816,774
Misc. Revenue	\$11,325	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
Total Operating Rev.	\$537,825	\$557,825	\$585,466	\$614,490	\$644,964	\$676,962	\$710,560	\$745,838	\$782,880	\$821,774
Insurance	\$5,500	\$5,720	\$5,949	\$6,187	\$6,434	\$6,692	\$6,959	\$7,238	\$7,527	\$7,828
Maintenance/Operation	\$78,894	\$82,050	\$85,332	\$88,745	\$92,295	\$95,987	\$99,826	\$103,819	\$107,972	\$112,291
Management	\$64,000	\$67,200	\$69,888	\$72,684	\$75,591	\$78,614	\$81,759	\$85,029	\$88,431	\$91,968
Administration	\$37,200	\$38,688	\$40,236	\$41,845	\$43,519	\$45,259	\$47,070	\$48,953	\$50,911	\$52,947
Total Operating Expend.	\$185,594	\$193,658	\$201,404	\$209,460	\$217,839	\$226,552	\$235,614	\$245,039	\$254,840	\$265,034
Contingency	\$110,500	\$110,500	\$110,500	\$110,500	\$110,500	\$110,500	\$110,500	\$110,500	\$110,500	\$110,500
e-Zone Revenue	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
Funds Available	\$574,784	\$414,167	\$434,062	\$455,029	\$477,125	\$500,410	\$524,946	\$550,800	\$578,040	\$606,740
Debt Service	\$249,784	\$237,331	\$237,331	\$0	\$0	\$0	\$0	\$0	\$0	\$0
System Expand/Repl.	\$58,000	\$60,320	\$62,733	\$65,242	\$67,852	\$70,566	\$73,389	\$76,324	\$79,377	\$82,552
Planned Capital Improv.	\$121,000									
Funds For Projects/Res	\$146,000	\$116,516	\$133,998	\$389,787	\$409,274	\$429,844	\$451,558	\$474,475	\$498,663	\$524,188
Total Reserves	\$146,000	\$262,516	\$396,515	\$786,302	\$1,195,575	\$1,625,420	\$2,076,977	\$2,551,453	\$3,050,116	\$3,574,304



CITY of THE DALLES

313 COURT STREET
THE DALLES, OREGON 97058

(541) 296-5481 ext. 1125
FAX: (541) 298-5490

AGENDA STAFF REPORT

Meeting Date	Agenda Location	Agenda Report #
May 14, 2012	Action Items 12, D	12-033

TO: Honorable Mayor and City Council

FROM: Dan Durow; Enterprise Zone Manager, and Community Development Director

THRU: Nolan K. Young, City Manager

DATE: June 23, 2012

ISSUE: Decision on the Enterprise Zone, (4) four or (5) five-year “extended abatement” for **Columbia Phytotechnology, LLC**, 250 Steelhead way, The Dalles, Oregon, 97058.

BACKGROUND: Columbia Phytotechnology has applied for an “extended abatement” period of five (5) years under the Enterprise Zone program. The standard three-year abatement period can be extended to four or five years if certain qualifications are met and with the approval of the zone sponsors; City of The Dalles and Wasco County. Beside all the regular qualifications, during each of the five years starting with the first year of qualification, the average annual compensation for new employees must be at least 150 percent of the county average wage. The 2010 Wasco County average annual payroll rate (latest available) is \$31,311.77, of which 150 percent equals \$46,967.65.

The zone sponsors can require additional local requirements for the additional 4th and 5th years. The Oregon Revised Statutes (ORS's) and the Oregon Administrative rules (OAR's) provide the guidelines by which these additional requirements can be placed on the applicant. One important provision is that the sponsor must be consistent with all businesses in its application of the additional requirements as well as the pattern of approving or not approving the extended abatement period. However, the requirements may be differentiated among relevant business firms; for example, the size of the investment or the firm's type of industry. The differentiation must be based upon definable characteristics, consistently used, and explicated in terms of a public purpose.

The City and County did approve one, five-year extended abatement agreement in the first ten-year Enterprise Zone Designation from 1986 to 1996, which was for Northwest Aluminum

Specialties. In the second ten-year Enterprise Zone Designation from 1996 to 2007, there was again one business approved for a five-year extended abatement agreement, which was Homeshield Corporation. However, Homeshield Corporation was not able to qualify for the additional 4th and 5th years because they did not meet the 150 percent wage requirement in the first year of the exemption. They did qualify for, and took advantage of, the standard 3-year exemption.

Design LLC, was approved under a different category of extended abatement called “long-term”, which is a 7 to 15-year abatement period. In the agreement with Design LLC, they are required to contribute annually for all fifteen years to support local institutions and projects. Although the Design LLC development is unusual and the firm is clearly definable and different from Northwest Aluminum Specialties and Homeshield Corporation, it does indicate that some requirement for supporting community needs would be fair and equitable.

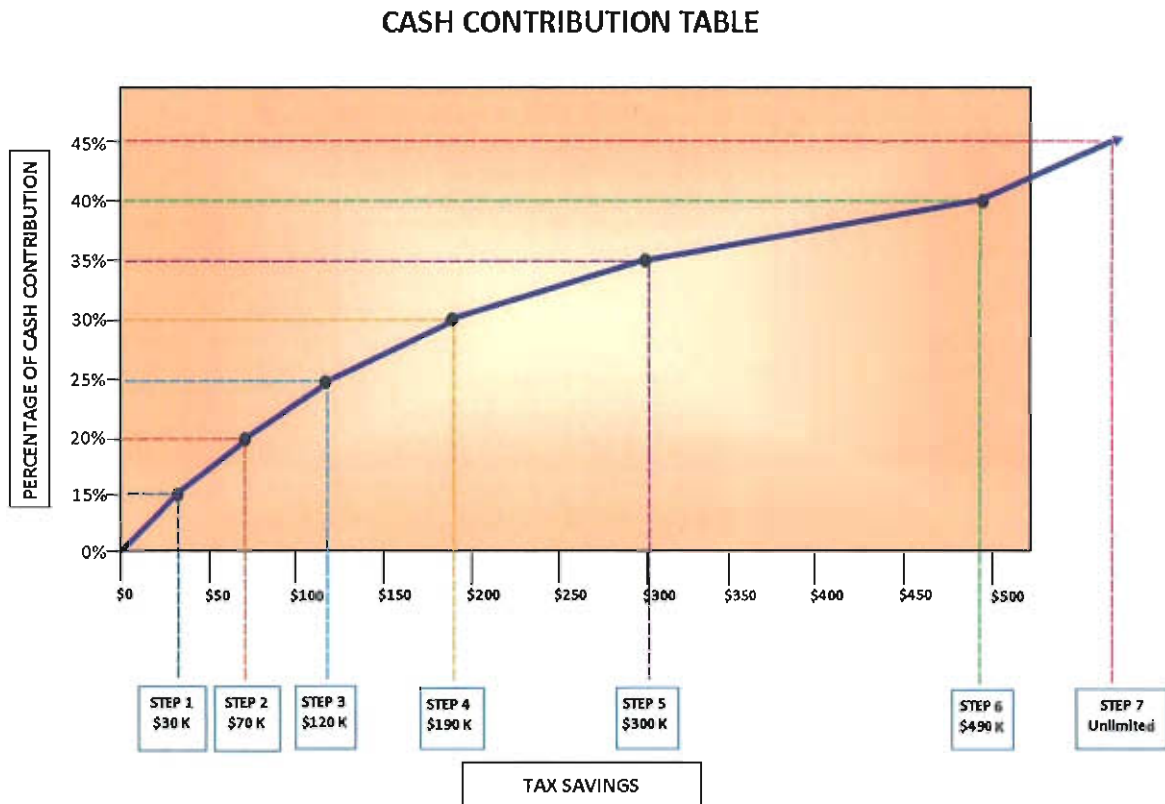
After the Columbia Phytotechnology, LLC application was received, a few City and County staff and elected representatives met to discuss a suggested policy of additional requirements for extended abatements. This was done in order to give the Enterprise Zone Manager some direction as to what would be acceptable for a standard approach to this and future extended abatement agreements. School District 21 was also invited to participate but was unable to be at the initial meeting. The school district’s superintendent did submit comments later through emails and phone calls. There was general agreement on this approach. During the City and County Enterprise Zone Designation application process, SD-21 asked that they be included in any negotiations when a business is asking for an extended abatement. This requirement was then added to the E.Z. Designation Order from the State.

Any “cash contribution” provided by a business through the Agreement would be divided equally between the City and County. This money would be discretionary and could be spent as provided for in the Agreement. In addition, the City and County could spend it on goods or services provided by another taxing district.

The following table and chart of Tax Savings and Cash Contribution for the additional 4th and/or 5th years shows what the suggested direction was for any future extended exemptions agreements. This suggested policy approach is for general discussion and is open to further review and revision by the full governing bodies. Once a policy approach is agreed to, it will be used for any future “extended abatement” agreements. The County Commission and City Council as sponsors will need to approve the Agreement and pass a resolution containing the identical requirements.

TABLE

Tax Savings for each of years 4 and 5	Tax Savings Per Year	Total Cash Contribution Per Year
	\$0.00 to \$29,999	15 percent of tax savings
	\$30,000 to \$69,999	20 percent of tax savings
	\$70,000 to \$119,999	25 percent of tax savings
	\$120,000 to \$189,999	30 percent of tax savings
	\$190,000 to \$299,999	35 percent of tax savings
	\$300,000 to \$489,999	40 percent of tax savings
	\$490,000 to \$unlimited	45 percent of tax savings



BUDGET IMPLICATIONS: The Enterprise Zone program is intended to be another tool to encourage economic development and jobs. Allowing an additional two years of tax exemption does provide greater incentive for those businesses that pay higher wages to expand or locate in Wasco County. Budget impacts will depend on the value of investments for each business.

RECOMMENDATION:

Approve Resolution No. 12-005, approving the proposed Extended Abatement Agreement with Columbia Phytotechnology, LLC, for (5) five years, and recommend approval to the Wasco County Commission.

Suggested Motion: Move to approve Resolution No. 12-005, approving the Extended Abatement Agreement with Columbia Phytotechnology, LLC for (5) five years, and to recommend approval of this Agreement by the Wasco County Commission.

ALTERNATIVES:

1. Approve the Agreement with Columbia Phytotechnology, LLC for a (4) four-year extended tax abatement period and recommend that the County Commission approve the same. If this is

the course of action, then the standard approach to any future requests would be to only allow a 4th year.

2. Allow only the regular exemption period of three (3) years.

3. Modify the proposed Agreement in some other way and recommend that the County Commission approve the modified agreement.

RESOLUTION No. 12-005

**A RESOLUTION APPROVING THE ENTERPRISE ZONE TAX ABATEMENT
AGREEMENT BETWEEN THE SPONSORS OF THE DALLES/WASCO
COUNTY ENTERPRISE ZONE III AND COLUMBIA
PHYTOTECHNOLOGY, LLC:
AND ESTABLISHING A GENERAL POLICY FOR FUTURE EXTENDED
ABATEMENT AGREEMENTS**

WHEREAS, the Oregon Legislative Assembly has adopted the provisions of ORS 285C.050 to 285C.250 to provide tax incentives to certified business firms that invest in a qualifying facility located within a non-urban enterprise zone in a county with chronically low income or chronic unemployment; and

WHEREAS, the City of The Dalles and Wasco County jointly sponsor a non-urban enterprise zone known as The Dalles/Wasco County Enterprise Zone III; and

WHEREAS, Columbia Phytotechnology proposes to make investments in a production facility and to operate said production facility on real property located inside The Dalles/Wasco County Enterprise Zone III, which will employ a number of persons that will be compensated on average at a rate of at least 1.5 times that of the County average annual wage; and

WHEREAS, to facilitate the investment in the production facility by Columbia Phytotechnology within The Dalles/Wasco County Enterprise Zone III, it is necessary for a written Agreement between Columbia Phytotechnology and the City of The Dalles and Wasco County to be executed, and for the governing bodies of the City and County to adopt resolutions approving the property tax exemption for Columbia Phytotechnology; and

WHEREAS, the City Council has reviewed the terms of the proposed Enterprise Zone Tax Abatement Agreement between the City of The Dalles, Wasco County, and Columbia Phytotechnology, and the City Council finds that approval of the Agreement is in the best interests of the citizens of The Dalles; and

WHEREAS, in adopting this resolution, the City Council is establishing the following as a general policy for any future "extended abatement" agreements with similar businesses that meet the qualifications for the tax exemption for the 4th and 5th years:

In the fourth and fifth calendar years of the extended abatement period and prior to December 31st of those fourth and fifth years, a qualifying firm shall contribute to the Zone Sponsors a cash contribution calculated from the table below, which shall be split equally between the Zone Sponsors. The cash contributions will be used by the Zone Sponsors to support public infrastructure, economic development, and/or public services.

Tax Savings for each of years 4 and 5	Tax Savings Per Year	Total Cash Contribution Per Year
	\$0.00 to \$29,999	15 percent of tax savings
	\$30,000 to \$69,999	20 percent of tax savings
	\$70,000 to \$119,999	25 percent of tax savings
	\$120,000 to \$189,999	30 percent of tax savings
	\$190,000 to \$299,999	35 percent of tax savings
	\$300,000 to \$489,999	40 percent of tax savings
	\$490,000 to \$unlimited	45 percent of tax savings

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF THE DALLES RESOLVES AS FOLLOWS:

Section 1. Agreement Approved. The City Council hereby approves the Enterprise Zone Tax Abatement Agreement between the City of The Dalles, Wasco County, and Columbia Phytotechnology. The City Manager is authorized to execute the agreement on behalf of the City.

Section 2. Policy Established. The City Council hereby establishes the general policy of requiring cash contributions from qualifying firms for extended abatements in the amounts calculated from the table above.

Section 3. Effective Date. This Resolution shall be considered effective as of May 14, 2012.

PASSED AND ADOPTED THIS 14TH DAY OF MAY, 2012

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

AND APPROVED BY THE MAYOR THIS 14TH DAY OF MAY, 2012

James L. Wilcox, Mayor

Attest:

Julie Krueger, MMC, City Clerk

THE DALLES/WASCO COUNTY ENTERPRISE ZONE III

EXTENDED ABATEMENT AGREEMENT

WITH

COLUMBIA PHYTOTECHNOLOGY, LLC
AKA, POWDERPURE

**WRITTEN AGREEMENT WITH THE SPONSORS OF THE
DALLES/WASCO COUNTY ENTERPRISE ZONE III AND COLUMBIA
PHYTOTECHNOLOGY LLC, TO EXTEND PROPERTY TAX
EXEMPTION TO FIVE (5) CONSECUTIVE YEARS IN TOTAL FOR
CAPITAL INVESTMENT AND JOB CREATION.**

The sponsors of The Dalles/Wasco County Enterprise Zone III comprising the governing bodies of the City of The Dalles and Wasco County, Oregon, hereinafter the "Zone Sponsors" and Columbia Phytotechnology, LLC, hereinafter the "Firm" do hereby enter into the Columbia Phytotechnology, LLC, Extended Abatement Agreement, hereinafter the "Agreement"; an agreement for extending the period of time in which the Firm shall receive an exemption on its proposed investments in qualified property in The Dalles/Wasco County Enterprise Zone III contingent on certain special requirements, under ORS 285C.160.

The Zone Sponsors and the Firm jointly acknowledge that, subject to approval of the application for authorization submitted on September 12, 2011, and the satisfaction of other requirements under ORS 285C.050 to 285C.250, the Firm is eligible for three years of complete exemption on its qualified property; that nothing in this Agreement shall modify or infringe on this three-year exemption or the requirements thereof, and that this Agreement becomes null and void if the Firm does not qualify for these three years of the exemption.

The Zone Sponsors extend the Firm's property tax exemption an additional two (2) years on all property that initially qualifies in The Dalles/Wasco County Enterprise Zone III in the assessment year beginning on January 1, 2013, and thereby sets a total period of exemption of five (5) consecutive years during which statutory requirements for the standard three-year enterprise zone exemption must also be satisfied and maintained.

CONFIRMATION OF STATUTORY PROVISIONS

In order to receive the additional two (2) years of enterprise zone exemption granted herein, the Firm agrees herewith under 285C.160(3)(a)(A) that for each year of the entire five-year exemption period, all of the Firm's new employees shall receive an average level of compensation equal to or greater than 150 percent of the county average annual

wage, in accordance with the specific definitions and guidelines in Oregon Administrative Rules (OAR), Chapter 123, Division 65 (123-065-41), which provides that:

1. Such compensation may include non-mandatory benefits that can be monetized;
2. The county average annual wage is set at the time of authorization, except as pursuant to ORS 285C.160(4), according to the 2010 Wasco County average annual payroll rate of \$31,311.77, of which 150 percent equals **\$46,967.65**.
3. Only employees working at jobs filled for the first time after the application for authorization but by December 31st of the first full year of the initial exemption and performed within the current boundaries of The Dalles/Wasco County Enterprise Zone III are counted; and
4. Only full-time, year-round and non-temporary employees engaged a majority of their time in the Firm's eligible operations consistent with ORS 285C.135 & 285C.200(3) are counted, regardless if such employees are leased, contracted for or otherwise obtained through an external agency or are employed directly by The Firm.

LOCAL ADDITIONAL REQUIREMENTS

For the Firm to receive the additional two (2) years of enterprise zone exemption granted herein, the Zone Sponsors and the Firm agree that the Firm shall do the following, in addition to statutory requirements, as reasonably requested by the Zone Sponsors under ORS 285C.160(a)(B):

In the fourth and fifth calendar years of the extended exemption period and prior to December 1st of those fourth and fifth years, the Firm shall contribute to the Zone Sponsors a cash contribution calculated from the table below, which shall be split equally between the City and County. The cash contributions will be used by the Zone Sponsors to support public infrastructure, economic development, and/or public services.

Tax Savings for each of years 4 and 5	Tax Savings Per Year	Total Cash Contribution Per Year
	\$0.00 to \$29,999	15 percent of tax savings
	\$30,000 to \$69,999	20 percent of tax savings
	\$70,000 to \$119,999	25 percent of tax savings
	\$120,000 to \$189,999	30 percent of tax savings
	\$190,000 to \$299,999	35 percent of tax savings
	\$300,000 to \$489,999	40 percent of tax savings
	\$490,000 to \$unlimited	45 percent of tax savings

ACCEPTING FOR THE SPONSORS

City of The Dalles
James L. Wilcox, Mayor

_____, Dated, _____, 2012
Signature

Wasco County Commission
Rod Runyon , Commission Chair

_____, Dated, _____, 2012
Signature

ACCEPTING FOR COLUMBIA PHYTOTECHNOLOGY, LLC

_____, Owner

Title: _____

_____, Dated, _____, 2012
Signature



CITY of THE DALLES

313 COURT STREET
THE DALLES, OREGON 97058

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FAX: (541) 298-5490

AGENDA STAFF REPORT

MEETING DATE	AGENDA LOCATION	AGENDA REPORT #
May 14, 2012	Action Items 12, E	12-034

TO: Mayor and City Council

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

FROM: Dave Peters, Columbia Cascade Housing Corp.
Dan Durow, Community Development Director

DATE: May 2, 2012

ISSUE: Request to proceed with a Community Development Block Grant (CDBG)
Pre-application for the Home Repair Program.

BACKGROUND: This CDBG housing repair program is intended to become a part of a comprehensive Residential Renewal Program for the City of The Dalles, which originated from the recommendations by the Committee to Identify Economic Barriers. The work has begun to create this program, which should be completed by the end of 2013.

Oregon Housing and Community Services provides grants that are available through a competitive process to local governments for the purpose of creating and maintaining Home Repair Programs.

In 2007, Columbia Cascade Housing Corporation (CCHC) acting as a sub-grantee, and Sherman County acting as the applicant and grantee, received CDBG funds to develop a Home Repair Program for Sherman County. In 2009, CCHC received another grant for Wasco County with Wasco County being the applicant and grantee. In 2010, Hood River became a partner by becoming a grantee. The repayments from these loans go into a revolving Regional Home Repair program administrated by CCHC. Because of CDBG restrictions, none of the original CDBG applicants will be eligible to apply for additional funds at this time. The City of The Dalles is an eligible applicant so the CCHC is asking

that the City participate in this program as the applicant and grantee. Although this program would be County-wide, it is anticipated that most of the loans would be in The Dalles since it has the largest concentration of eligible housing. A County-wide application would also be more competitive.

The application is due by June 30th, 2012, so a decision is needed for CCHC and the Housing Resource Center to proceed with the application process.

BUDGET IMPLICATIONS: The grant is a 2-year grant with a maximum total of \$400,000. \$320,000 of this funding would go directly into home repairs in Wasco County and the remaining funds covers administration and program costs for the Housing Resource Center. The city is not allowed to receive funding for their administrative costs, which should be minimal. If the grant is approved, the funds will pass through the City budget so the revenue will equal the expenditure. At no time would the city release funds without prior funding from the State of Oregon.

COUNCIL ALTERNATIVES:

- A. Staff Recommendation: **Suggested motion:** *Move to approve the request to proceed with a Community Development Block Grant (CDBG) application for the Home Repair Program.*
- B. Do not approve the request.



Project Notification & Intake Form

Prepared by: **Regional Coordinator**

Phone:

This Project Notification & Intake Form (PNIF) has been prepared by the above named Regional Coordinator with information gathered from the Potential Applicant and with advice from other IFA staff.

Date PNIF Circulated for IFA Review:

Project Category: ☐ TA ☐ Const ☐ Other

County:

Population of potential applicant's jurisdiction:

Low/Mod Income: %

Median Household Income: \$

Distressed Area: ☐ Yes ☐ No ☐ Mixed

Rural: ☐ Yes ☐ No ☐ Mixed

SDWRLF Letter of Interest Number: SD- -

PORTFOL Numbers:

Client Number:

Deal Number:

CTS Concept Number:

Project Name: **Mid Columbia Home Repair Program**

Project Location: **Wasco County**

Potential Applicant: **The City of The Dalles**

If potential applicant is an entity other than city or county, specify the type of entity (special district, authority, association, etc.) and identify the ORS under which the entity is formed.

Local Contact Name: **David Peters**

Phone: **David Peters**

Fax: **541-296-8570**

Title: **Housing Resource Center Specialist**

Email: **davep@columbiacascadehousingcorp.org**

Street Address: **312 Court St. Suite 419**

Mailing Address : **312 Court St. Suite 419**

The Dalles, OR 97058

The Dalles, OR 97058

City, State & Zip code:

City, State & Zip code:

Estimated Funding Request

	Amount	Status of Funding
Funding Assistance from IFA	\$ 400,000	n/a
Funds from potential applicant +	\$	<input type="checkbox"/> Pending <input type="checkbox"/> Available
Other Funds (identify source)	\$	<input type="checkbox"/> Pending <input type="checkbox"/> Available
Other Funds (identify source) +	\$	<input type="checkbox"/> Pending <input type="checkbox"/> Available
Estimated Total Project Cost =	\$ 400,000	

Date of Project Cost Estimate: **5/1/2012**

Estimate Prepared by: **David Peters**

If funding assistance from IFA includes a loan, how will a loan be repaid? NA

Estimated Project Start Date: 10/1/2012

Estimated Project Completion Date: 9/31/2014

Estimated Date First Cash Reimbursement is needed: 11/1/2012

Readiness to Proceed for Construction Projects

For construction projects, the proposed project is (select one):

- ☐ Budgeted or will be budgeted within the potential applicant's FY2010-2011 budget.
- ☐ Planned to be budgeted within FY2011-2012.
- ☒ Planned to be budgeted within FY2012-2013.
- ☐ Planned to be budgeted later in: FY

~~For construction projects, has a licensed engineer or architect certified in a Master Plan, Facilities Plan or other technical report that the project is feasible and cost effective? ☐ Yes ☐ No~~

~~Date of Plan or Report:~~

~~If No, when will an engineering or architectural report be completed?~~

For construction projects, has the governing body of the potential applicant conducted a public meeting (Council or Board meeting, public hearing, workshop, etc.) to identify and discuss the proposed project, including such items as nature and need for project, starting date, financing requirements that may involve taking on additional debt, and consistency with the local comprehensive land use plan?

☐ Yes ☒ No

Type of public meeting: City Council Meeting Date of public meeting:

If No, when will a public meeting be held? 5/14/2012

If Other Funds are identified as a pending or committed source of funding for the proposed project, identify when these funds are expected to be available and the actions needed to secure these funds.

~~If USDA Rural Development Funds are being identified as a source of permanent financing, what source of funding has been identified for interim construction financing?~~

~~Have interim construction funds been applied for?~~

~~☐ Yes ☐ No~~

~~If Yes:~~

~~Has there been approval?~~

~~☐ Yes ☐ No~~

~~If Yes, provide detailed information.~~

~~When will these interim funds be available?~~

~~Are there any limitations on the use of these interim funds?~~

~~☐ Yes ☐ No~~

~~Explain:~~

Project Description

Brief statement describing the problem or the opportunity:

Wasco County, like many other rural counties, has a disproportionate share of the nation's substandard housing. Estimates are as high as 30 percent of rural households have at least one major housing problem with plumbing, heating,

Project Description

electricity or maintenance. Wasco County has a disproportionate share of substandard housing because they have a higher incidence of poverty¹ and they have a significantly older housing stock² as compared to the state as a whole. The combination of low income and an older housing stock is caustic because older homes require more repairs and maintenance and low to moderate income households are significantly less likely to make needed repairs to their homes.

Brief statement describing the proposed solution to the identified problem or opportunity

The City of The Dalles plans to build on the progress made in Wasco County through the Wasco County partnership with Columbia Cascade Housing Corporation in previous Regional Housing Rehabilitation Grants. The amount requested is \$400,000 with deductions for Program Administration and Management will provide \$320,000 to rehabilitate the homes of up to 20 low to moderate income homeowners in Wasco County.

The Mid Columbia Home Repair Program will complement a suburban renewal project being developed by the City of The Dalles. The City is investigating opportunities to create homeowners incentives such as tax abatement, fee reduction and zero interest loans for improvements to their properties. The geographic area for The City's renewal effort will be more limited than the scope of this application, but the two can work together to provide homeowners with significant options for home repair funding.

The repayments made by homeowners following the award of this grant will be added to any funds that are repaid to the same Regional Program funded by the completed Sherman County and Wasco County grants as well as the current Hood River County grant, creating a much larger basis of funds for the Regional Program. The previous Wasco County program helped 22 people in 14 homes with much needed home repairs. Low-income seniors, families, and special needs

¹ Mid Columbia Economic Development District estimates in their *2011-12 Comprehensive Economic Development Strategy* Report average poverty rate of 14.1% for Wasco County as compared to 13% for Oregon statewide.

² According to the U.S. Census the percentage of homes built prior to 1980 in Wasco County is 75.3% while Oregon as a whole is only 66%.

Project Description

residents benefitted from new roofs, ADA improvements, new windows, painting and siding. Funds from this round provide a solution to the need by helping more residents who otherwise could not afford improvements to the safety and efficiency of their homes.

Is the project consistent with the local acknowledged comprehensive plan? ☒ Yes ☐ No

Is the project listed on any local countywide or regional plan (e.g., adopted capital improvement plan, Master or Facility Plan, local inventory of planned projects, etc) ☐ Yes ☒ No

Will the project result in locating or expanding industrial or major commercial firm(s)? ☐ Yes ☒ No
If yes, firm's name and estimated number of jobs that will be created and/or retained.

For Water or Wastewater Projects Only

Current Monthly Residential User Charge
(assume 7,500 gallons per month water consumption):

\$ ____/month Water \$ ____/month Wastewater

Planned Monthly Residential User Charge at Construction Completion (Complete for Final Design Only, Construction Only, or combined Final Design & Construction)(must adequately cover operation, maintenance, replacement and debt financing):

\$ ____/month Water \$ ____/month Wastewater

What is the existing annual debt service for the existing system? \$ ____

What amount, if any, of the existing annual debt service for the system is paid by property taxes?

\$ ____/year Water \$ ____/year Wastewater

What is the annual cost of material & services and personal services to maintain the existing system?

\$

What is the estimated cost of material & services and personal services for the new system?

\$

Does an Operation, Maintenance & Replacement (OM&R) Manual exist? ☐ Yes ☐ No

Does the potential applicant annually budget for both Maintenance and Replacement expenditures? ☐ Yes ☐ No

COMPLIANCE

Is the utility now, or soon to be, out of compliance with State or Federal standards? ☐ Yes ☐ No

What regulatory agency has been contacted and when?

Is there written documentation or confirmation of the compliance issue? *If yes, attach.* ☐ Yes ☐ No

Will the proposed project bring the utility into compliance? *If no, attach explanation.* ☐ Yes ☐ No

USE	Current / Existing System		Future / At Completion of Construction	
	EDUs	Flow	EDUs	Flow
Residential				
Commercial & Business				
Industrial				
Other				
Total Uses				
Of Residential, Number occupied by Permanent Residents				
Percent Permanent Residential	%	%	%	%
Number of connections				
Number of Service Meters (for water)				

Are all current service connections required to be metered?

☐ Yes

☐ No

For Potential Water Projects Based on Safe Drinking Water Letters of Interest (LOIs)

Does the referenced LOI(s) include Green Project Reserve (GPR) Activity?

☐ Yes

☐ No

Has GPR Activity been identified since submittal of the referenced LOI(s)?

☐ Yes

☐ No

If No to both questions, skip the remainder of this section.

Does the entire potential project qualify for GPR designation?

☐ Yes

☐ No

If No, skip to the next question. If Yes, using the Green Project Reserve (GPR) Project Eligibility Guidance (EPA) Guidance dated April 20, 2010 describe what the GPR activity(ies) are and specify whether these activities qualify as **"green infrastructure, water efficiency improvements, energy efficient improvements, or environmentally innovative" GPR Types.**

If the potential project is not entirely a GPR project, do any component activities qualify as GPR? ☐ Yes ☐ No

If Yes, using the Green Project Reserve (GPR) Project Eligibility Guidance (EPA) Guidance dated April 20, 2010 describe what the GPR activity(ies) are and specify whether these activities qualify as **"green infrastructure, water efficiency improvements, energy efficient improvements, or environmentally innovative" GPR Types.**

What are the estimated costs for the identified GPR activities? Complete the table below.

Green Project Reserve (GPR) Activity	Type of GPR	Estimated Cost
<i>(Example: Install AMR Meter System)</i>	<i>(Water Efficiency Improvement)</i>	<i>(\$500,000)</i>

GPR Component Cost Total:

(If entire potential project is GPR, the total of GPR component estimated costs should equal total project cost from Estimated Funding Request Section.)

Current Project Activity with IFA

1. List each open CDBG grant award by project name, project number, grant award amount (\$) and describe the status of each. None

2. Does potential applicant have more than three open CDBG grants?

☐ Yes

☒ No

If "Yes," explain.

3. Is potential applicant meeting the age and expenditure requirements for all open CDBG grants funded by Oregon Housing and Community Services and IFA? (See requirements below.)

☒ Yes

☐ No

Requirements for open ONE YEAR grants are:

- Any Regional Housing Center (RHC) grant that is one or two years old must be meeting contract requirements.
- Any Microenterprise grant that is one year old must be 70% drawn
- Any Microenterprise grant that is two years old must be administratively closed
- Any RHC grant that is three years old must be administratively closed

Requirements for open MULTI YEAR grants are:

- Any grant that is two years old must be 60% drawn
- Any grant that is three years old must be 100% drawn
- Any grant that is four years old must be administratively closed

If "No," explain.

4. Does the potential applicant have other open grant and loan awards from IFA?

☐ Yes

☒ No

If Yes, identify each award by project name, project number, award amount (\$) and describe the status of each project.

Instructions for Project Notification & Intake Form

The Project Notification & Intake Form (PNIF) provides information necessary to determine if a potential project is ready-to-proceed, such that a complete application may be invited from the potential applicant.

Once the Infrastructure Finance Authority (IFA) determines that the PNIF provides sufficient information to determine that a potential project appears to be an eligible project ready-to-proceed, the Regional Coordinator shall invite the prospective applicant to submit a complete application. The potential applicant has one year to submit a complete application for funding consideration. If a complete application is not submitted within the one-year period, after consultation with the potential applicant, the Regional Coordinator may prepare a revised PNIF for IFA approval before a new complete application will be invited.

Project Name: Name of the potential applicant, Name of the project (ex. Stayton Water System Improvements)

Project Location: City/unincorporated area/county where project is/will be located or, if the project doesn't involve a physical location, the city(ies)/county(ies) that will benefit from the project (ex. Applicant is Deschutes County, and the project location is in Bend, Oregon, or the benefiting entity is a district such as Odell Sanitary District.)

Potential Applicant: Entity that will contract with the IFA for financial assistance and will manage the project.

Information for Contact Person: Information for the person we should contact if we have questions about the project.

Estimated Funding Request: Indicate the amounts committed or pending from the potential applicant and other sources and the amount requested from the IFA. The Estimated Project Cost should include all costs to complete the project, such as: construction, contingencies, engineering, administration, permits, inspection, legal, etc.

Date of Project Cost Estimate: Date the estimated project cost was determined. If older than one (1) year, the estimate must be updated. Also, identify who prepared the cost estimate.

How would a loan be repaid: List the specific source(s) of revenue intended to repay a loan (monthly user fees, property tax assessments, etc.).

Estimated Start Date (m/yr): This date (m/yr) also provides a guide for determining when a contract must be signed by the potential applicant and developing a timeline for managing the project. If "Pre-award Costs" are not requested in this intake, a contract must be signed before work can be commenced.

Estimated Project Completion Date (m/yr): The date (m/yr) when construction activity is anticipated to be completed.

Estimated first Draw: The date (m/yr) the potential applicant will require the first disbursement of funds. This date is required so that the IFA can monitor cash flows by program.

Readiness To- Proceed for Construction Projects: The following requested information is needed by the IFA as part of the evaluation of when identified high priority projects are expected to be ready to proceed with application, award and construction phases. Information supplied by the potential applicant will help determine when a proposed high priority project will be invited to submit a complete application for funding consideration.

Fiscal Year in which the potential applicant will budget for the proposed construction project: Identify and select the specific fiscal year (FY2010-11, 2011-12, 2012-13, or other) in which the project is anticipated to begin and funds need to be budgeted by the potential applicant.

Certification of Master, Facilities or other technical Plan: Has a licensed engineer or architect certified in a Master Plan, Facilities Plan or other technical report that the project is feasible and cost effective? If not, when will a report be prepared?

Public meeting review of proposed construction project: Has the governing body of the potential applicant conducted and documented the results of a public meeting (Council or Board meeting, public hearing, workshop,

etc.) to identify and discuss major factors and options of the proposed project, including such items as nature and need for project, starting date, financing requirements that may involve taking on additional debt, and consistency with the applicable comprehensive land use plan? If not, when will a public meeting be held?

Status of Other Funds: When are the other funds identified as pending or committed expected to be available and what actions are needed to secure these funds.

Rural Development Participation: When USDA Rural Development is expected to provide funds for the proposed project, the potential applicant must identify the source of interim loan financing, since Rural Development only provides take-out financing. Remember that the grant funds provided by Rural Development cannot be used on project expenditures until all of the interim loan funds have been expended. Rural Development must release the potential applicant to expend funds on the project (any source). Failure to obtain this release could jeopardize Rural Development participation in the project funding.

The potential applicant must provide the status of the interim loan financing, such as when they applied for the funds and if they received confirmation that funding would be provided. The potential applicant must also indicate when the funds are available. They must indicate if there are any limitations on the use of these funds. IFA analysis for funding of this proposed project will consider these limitations. At the least, a special condition of award shall be placed in the Special Condition of Award exhibit of the contract.

Local Acknowledged Comprehensive Plan: In order to determine that the project is consistent with the Comprehensive Plan, the potential applicant should provide that portion of the plan that supports a yes answer. If a change in zoning will be needed for the project to proceed, an explanation of the status of the zoning change is required.

Local, Countywide, Regional Plan: Identify whether the proposed project is listed on any local plan or inventory of planned projects. Also, identify the priority of the proposed project to the potential applicant.

Industrial/Commercial Development: Is there a "firm business commitment" to create/retain jobs associated with the proposed project? If yes, provide company name(s) and estimated number of jobs that will be created and/or retained.

Project Description

Problem Statement: This information should be simple and to the point (i.e., non-compliance, lack of capacity for economic development, inability to provide required services)

Solution or Opportunity Statement: This statement should describe how the problem will be resolved. The information should be simple and to the point. Indicate if there are any circumstances that would prevent the potential applicant from proceeding with the project after funding is awarded and a contract is signed. State whether the proposed solution is a planning (feasibility, preliminary engineering, etc.) only, final design only, construction only, or combined final design/construction project.

For Water or Wastewater Projects Only:

Current Monthly Residential User Charge: According to the potential applicant's current rate schedule, the amount of a residential user's monthly charge if 7500 gallons of water were used. For Wastewater projects provide the sewer rate for residential users.

Planned Monthly Residential User Charge at Construction Completion: For final design, construction, or combined final design & construction potential projects, provide the necessary residential user monthly charge that is needed at completion of construction to adequately cover operation, maintenance, replacement and debt financing requirements.

Existing annual debt service for the system: Amount paid annually (from all sources) to retire existing debt for prior improvements made to the existing system. (This is the system that is being improved by the requested funding)

Amount of the existing annual debt service paid by property taxes: If property tax revenues are used to retire debt that was incurred to make improvements to the existing system, what is the annual amount of property tax revenues used?

Annual cost of Material & Services: These include Personal Services and Materials and Services line items found in the Municipal Audit, and do not include Capital Outlay, Debt Service, Depreciation, Replacement Reserves or other non-operating expenses.)

Estimated operation/maintenance costs after the project: Estimated annual operation/maintenance expenses after the proposed improvements are completed.

Operation, Maintenance & Replacement Manual: Does an Operation, Maintenance & Replacement (OM&R) Manual exist for the system?

Budgeting for Maintenance and Replacement costs: Does the potential applicant annually budget for both Maintenance and Replacement costs for the system?

Compliance: Identify whether utility system is now, or soon to be, out of compliance with state or federal standards. If "yes", attach documentation from DEQ or the Department of Human Services, Drinking Water Program that supports the yes answer (i.e., formal letter, e-mail).

The potential applicant must indicate when they last spoke with the regulatory agency regarding the compliance issue.

The recipient is to provide a copy of the MAO or MOU from the regulatory agency (i.e., DEQ, DHS)

If the potential applicant indicates that the project will not bring the utility into compliance they must provide an explanation as to why.

Number of Equivalent Dwelling Units (EDUs): For water systems, an Equivalent Dwelling Unit is one residential connection up to the equivalent of 7,500 gallons of usage, whichever is less. A recent Water Master Plan or Facility Plan should determine the number of EDUs for your system. (Commercial and industrial users normally account for multiple units.)

Number of Total Available Residential Uses: The maximum number of residences and flows, which could be served by the system.

Number of Commercial & Businesses Uses: Number of EDUs assigned to commercial and business units and their Flows.

Number of Industrial Uses: Number of EDUs assigned to industrial units and their Flows.

Number of Other Uses: Number of EDUs assigned to other units, such as schools, hospitals, etc., and their Flows.

Total Uses: Number of EDUs and Flows assigned to the sum of Permanent Residential, Commercial & Business, Industrial and Other Uses.

Number of Permanent Residential Uses: Of the number of Residences, how many are occupied by permanent residents. For potential projects to be considered for CDBG funding, the potential project must serve primarily residential units, of which a majority of residences are permanent residences; that is, the occupants must reside in the residence for more than six months of the year.

Percent Permanent Residential: Total Permanent Residential EDUs or Flows divided by The Respective Total EDUs or Flows multiplied by 100.

Number of connections: The number of service connections, which are currently connected to the system. This includes all types of connections (permanent residential, commercial & business, industrial, and other).

Number of Service Meters (for Water): Number of service meters among all uses.

Service Meter Requirement: If current service connections are not required to be metered, the project must include metering of the entire system. The project budget must be adjusted accordingly. The potential applicant will be required to adopt a resolution, ordinance or order requiring all future service connections to be metered as part of this project.

For Potential Water Projects Based on Safe Drinking Water Letters of Interest (LOIs)

Using the document entitled Green Project Reserve (GPR) Project Eligibility Guidance (EPA Guidance dated April 20, 2010), identify whether the potential project is entirely GPR, or whether components of the potential project are GPR

Current Project Activity Funded by IFA

Identify the status of all **OPEN** IFA grant and loan funding awards previously made to the potential applicant.