

MINUTES

REGULAR COUNCIL MEETING
OF
JUNE 28, 2010
5:30 P.M.
CITY HALL COUNCIL CHAMBER
313 COURT STREET
THE DALLES, OREGON

PRESIDING: Mayor Jim Wilcox

COUNCIL PRESENT: Bill Dick, Carolyn Wood, Brian Ahier, Tim McGlothlin

COUNCIL ABSENT: Dan Spatz

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

CALL TO ORDER

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

ROLL CALL

Roll call was conducted by City Clerk Krueger; Councilor Spatz absent.

PLEDGE OF ALLEGIANCE

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

MINUTES (Continued)
Regular Council Meeting
June 28, 2010
Page 2

APPROVAL OF AGENDA

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

PRESENTATIONS/PROCLAMATIONS

Mayor Wilcox presented a Certificate of Appreciation to Rodger Nichols for his service as a reporter with The Dalles Chronicle. Wilcox commended Nichols for his fair and accurate reporting of City Council meetings and said he had done a great job for many years. Wilcox wished him well in his new career.

AUDIENCE PARTICIPATION

None.

CITY MANAGER REPORT

City Manager Young presented a Certificate of Achievement for Excellence in Financial Reporting for the year 2009.

The City Council commended Finance Director Mast for her work.

Young announced the dedication ceremony for the Roundabout had been scheduled for July 8, 2010 at 3:30 p.m. and encouraged the City Council to attend.

Young reported the City had been awarded a grant from EDA in the amount of \$2 million for the marine terminal project. He said the City was waiting to hear about a Connect Oregon III grant for the same project and if it was received, the City should be able to complete the entire project, including the festival area. Young said staff had met with the Yakama Nation representatives regarding fishing sites and were working to mitigate the issues.

City Manager Young said the contractor working on water lines on Dry Hollow Road had agreed to postpone the work until after the cherry harvest was finished.

Young said staff was working on an application to apply for stimulus funding to complete the entire riverfront connection project that would include all components, including the Riverfront Trail, Lewis and Clark Fountain and other pieces of the project.

Young said the City had applied for a grant to complete the Webber Street Interchange Area Management Plan (IAMP), but did not get the funding.

CITY ATTORNEY REPORT

City Attorney Parker reported he had been working on the Chenoweth IAMP ordinance for adoption at the July 12th Council meeting and said he had been assisting the Planning Department in developing agreements for the Urban Renewal grants recently awarded to three applicants.

CITY COUNCIL REPORTS

Councilor McGlothlin reported he had attended the Traffic Safety Commission meeting where three main topics were discussed. He said the Commission had requested the School District to consider some curbing and cross walk options near the middle school, delaying a decision to place a four way stop at East 12th and "H" Streets; a decision for a speed reduction on West Tenth Street near Webber Street had been postponed; and there had been a discussion regarding a request for a stop sign on Fourth Street at Court had been denied.

Councilor Ahier reported the QLife Agency staff continued to work on developing the wireless cloud project, which was being done with a grant.

Mayor Wilcox thanked staff for their replies to questions which had been raised at the recent Town Hall meeting. He said the Airport Board would be meeting this week to consider the final draft of the Airport Master Plan, which would then be forwarded to the City Council and Klickitat County for final approval.

CONSENT AGENDA

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

Items approved by Consent Agenda were: 1) approval of June 14, 2010 regular City Council meeting minutes; 2) authorization for City Clerk to endorse annual OLCC license renewals; 3) approval of Amendment #3 with OMI for Wastewater Treatment Plant Operations for the 2010-11 fiscal year; and 4) authorization for City Clerk to endorse OLCC New Outlet applications for Celilo Inn and Comfort Inn.

PUBLIC HEARINGS

Public Hearing to Receive Testimony Regarding Proposed Surplus Real Property Known as the Mesplie Reservoir

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

The staff report was reviewed by City Attorney Parker.

Testimony

Hearing no testimony, the public hearing was closed.

Resolution No. 10-014 Declaring a Parcel of Real Property Commonly Known as the Mesplie Reservoir Property as Surplus Property

It was moved by Ahier and seconded by McGlothlin to adopt Resolution No. 10-014 declaring a parcel of real property commonly known as the Mesplie Reservoir property as surplus property. The motion carried unanimously, Spatz absent.

ACTION ITEMS

Resolution No. 10-011 Authorizing Transfers of Funds Between Categories of Various Funds, Making Appropriations and Authorizing Expenditures for the Fiscal Year Ending June 30, 2010

Finance Director Mast reviewed the staff report.

Councilor Ahier asked for clarification regarding the transfer of \$700,000 from Water Capital Reserve to Water Materials and Services Fund.

Finance Director Mast explained that these expenses were for engineering services which should be in materials and services and not a capital outlay fund.

It was moved by Wood and seconded by McGlothlin to adopt Resolution No. 10-011 authorizing transfers of funds between categories of various funds, making appropriations and authorizing expenditures for the fiscal year ending June 30, 2010. The motion carried unanimously, Spatz absent.

Request for Refund of Transient Room Tax Penalties by Shilo Inn

Finance Director Mast reviewed the staff report. In response to a question, Mast said she had been told someone had apparently not understood the priority to pay the taxes and not include them as their revenue. She said the company had worked diligently to correct the problem and were now current on their tax payments.

Councilor Ahier asked if the interest would also be refunded. Finance Director Mast said the ordinance did not allow the return of the interest, only the penalties.

Councilor Wood said she had difficulty understanding how a company with so many hotels did not understand that they did not get to keep the tax they collected on behalf of the City.

It was moved by McGlothlin and seconded by Dick to grant a refund of penalties paid by the Shilo Inn in the amount of \$1,349.40.

Councilor Ahier said he was uncomfortable with the proposal, saying this could happen with other hotels who were struggling financially too.

Councilor Dick said he viewed the penalty as an aid in enforcement of the ordinance and that if the Finance Director recommended the penalties be refunded, he was comfortable with it.

The motion to grant a refund of penalties paid by the Shilo Inn in the amount of \$1,349.40 was voted on and carried; Wood voting no, Spatz absent.

Resolution No. 10-012 Accepting a Deed of Dedication of Property for Public Street Purposes from Icon Holdings LLC

City Attorney Parker reviewed the staff report.

Councilor Ahier said he did not believe he had any conflict of interest, but because he was an employee of Mid Columbia Medical Center, who was involved in the project, he would decline from participating in the discussion and voting on this subject.

It was moved by Dick and seconded by McGlothlin to adopt Resolution No. 10-012 accepting a deed of dedication of property for public street purposes from Icon Holdings LLC. The motion carried unanimously; Ahier abstaining, Spatz absent.

MINUTES (Continued)
Regular Council Meeting
June 28, 2010
Page 6

Recommendation from Columbia Gorge Regional Airport Board to Approve a Three Year Airport Management Agreement With Aeronautical Management, Inc.

City Attorney Parker reviewed the staff report, noting he had not received a reply from the Klickitat County Attorney or Aeronautical Management regarding proposed language changes. He asked the Council to allow a one month extension of the current agreement, allowing the new agreement to be retroactive to July 1 regarding compensation.

It was moved by Wood and seconded by Dick to direct staff to allow a one month extension to the current Airport Management agreement and allow the compensation portion of the new agreement to be retroactive to July 1. The motion carried unanimously, Spatz absent.

AUDIENCE COMMENTS

Doug Hattenhauer said he would have liked to have an opportunity to speak about the Action Item regarding the penalty refund for the Shilo Inn. He said he did not agree with the decision because it would set a precedent for others to not pay their taxes and he said he did not understand why he was not allowed to address Council during that discussion.

Mayor Wilcox said the Council did not take public comment on every action item. City Manager Young said the decision to refund the penalty did not set any precedent and that the Council had the ability to decide whether or not to accept public comment on action items. He suggested if someone in the audience wished to speak on a matter, they raise their hand and the Mayor could call on them if it was appropriate.

Mr. Hattenhauer said he had asked the Council at a previous meeting to consider a payment to Cannon Packer store due to the hardships they had endured during the construction of the round about. He said that question had not been addressed.

Councilor Dick said the City Council agendas were posted on the City's website ten days in advance of the meetings and were available at City Hall. He said citizens should look at the agenda and if they have concerns or questions about an issue, call a City Councilor or the City Manager in advance of the meeting. He said it was frustrating for the Council to have an agenda established and then be side tracked by having to address issues that they didn't have any information about and were asked to make decisions on.

City Manager Young said he did not recommend any compensation to Cannon Packer for their disruption during the construction. He said many businesses experienced disruptions during

necessary construction projects. Young said he understood the owner of the Cannon Packer building did offer alternatives to that store and they chose to remain there during the construction period.

Mayor Wilcox agreed, saying that business made a decision to remain in the location.

It was the consensus of the City Council that if the business owner requested compensation, they could do so through the proper chain, by submitting their request in writing to the City Manager.

DISCUSSION ITEMS

Discussion Regarding the League of Oregon Cities 2011 Legislative Agenda

City Manager Young reviewed the staff report, highlighting the eight items recommended by staff for Council consideration. The items were: 1) D. Community Development: continue efforts to resolve conflicts between the Transportation Planning Rule (TPR) and other statewide land use planning goals by changes to Oregon Department of Transportation/Department of Land conservation and Development (ODOT/DLCD) procedures and rules, or by legislative action; 2) E. Energy: reauthorize Business Tax Credit (BETC) to leverage local investments in energy conservation, fuel conservation, renewable energy projects, as well as recruitment and expansion of renewable energy resource equipment manufacturing facilities; 3) G. Finance & Taxation: maintain and strengthen the state's historic commitment to the State Shared Revenue funding formula. Any additional taxes or surcharges on these items must be incorporated into the current formula so cities may continue to provide services related to these revenues; 4) K. General Government: Attach municipal court fines to tax returns; 5) U. Transportation: Advocate for sustainable alternatives to fuel taxes to address decreasing State Highway Fund revenues as a result of an increase in automobile efficiency and the development of new technologies; 6) BB. Water/Wastewater: Protect existing and future water rights from conditions that would prevent municipalities from meeting current or future demands; 7) J. General Government: Restore the Department of Public Safety Standards and Training (DPSST) Regional Training Program and protect DPSST from further cuts; and 8) R. Telecommunications: Address tax equity issues in the context of state telecommunications laws including removing existing preemptions that have led to declining revenues. Work toward an alternative revenue system for telecommunications provider. Oppose preemption of city franchising, rights of way and taxing authority.

Mayor Wilcox asked to add an item to the list for consideration: A. Community Development: Support an urban growth boundary agenda that would provide for a more efficient urban growth management system (as outlined in the full Community Development Committee long term recommendation).

Following discussion It was moved by Ahier and seconded by McGlothlin to submit the following items as the City's priorities for the 2011 Legislative Session: 1) G. Finance & Taxation: maintain and strengthen the state's historic commitment to the State Shared Revenue funding formula. Any additional taxes or surcharges on these items must be incorporated into the current formula so cities may continue to provide services related to these revenues; 2) A. Community Development: Support an urban growth boundary agenda that would provide for a more efficient urban growth management system (as outlined in the full Community Development Committee long term recommendation); 3) BB. Water/Wastewater: Protect existing and future water rights from conditions that would prevent municipalities from meeting current or future demands; and 4) J. General Government: Restore the Department of Public Safety Standards and Training (DPSST) Regional Training Program and protect DPSST from further cuts. The motion carried unanimously, Spatz absent.

EXECUTIVE SESSION

Mayor Wilcox recessed the meeting to Executive Session at 7:13 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

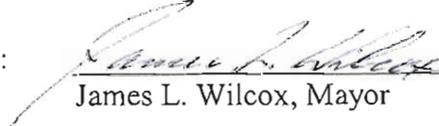
The meeting reconvened to open session at 7:25 p.m.

ADJOURNMENT

Being no further business, the meeting adjourned at 7:26 p.m.

Submitted by/
Julie Krueger, MMC
City Clerk

SIGNED:


James L. Wilcox, Mayor

ATTEST:


Julie Krueger, MMC, City Clerk