

SUPPLEMENTAL AGENDA

REGULAR CITY COUNCIL MEETING

May 23, 2011

5:30 p.m.

CITY HALL COUNCIL CHAMBER
313 COURT STREET
THE DALLES, OREGON

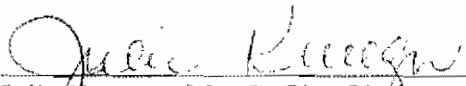
**Items to be Added to the May 23, 2011
City Council Meeting Listed Below**

12. ACTION ITEMS

- E. Authorization of Collection Agreement With US Forest Service to Conduct Environmental and Engineering Analyses Related to Proposed Replacement of Dog River Diversion Pipeline

13 EXECUTIVE SESSION

- A. Recess to Executive Session in Accordance With ORS 192.660 (2) (h) to Consult With Counsel Concerning the Legal Rights and Duties of a Public Body With Regard to Current Litigation or Litigation Likely to be Filed


Julie Krueger, MMC, City Clerk



CITY OF THE DALLES
Department of Public Works
1215 West First Street
The Dalles, Oregon 97058

AGENDA STAFF REPORT

CITY OF THE DALLES

MEETING DATE	AGENDA LOCATION	AGENDA REPORT #
May 23, 2011	Action Item	

TO: Honorable Mayor and City Council

FROM: Dave Anderson, Public Works Director

THRU: Nolan K. Young, City Manager

DATE: May 16, 2011

ISSUE: Authorization of Collection Agreement with US Forest Service to conduct environmental and engineering analyses related to proposed replacement of Dog River Diversion Pipeline

CITY COUNCIL GOALS: Goal 1, Tier 1, B – *Continue environmental work for increasing capacity of Crow Creek Dam and Dog River water line replacement in two to three years.*

BACKGROUND: Last fall, the City submitted a Proposed Action to the US Forest Service related to replacement of the 100-year old wooden Dog River Diversion Pipeline. The Proposed Action anticipates constructing a new 24-inch diameter ductile iron pipeline along the route of the existing pipeline. While only a few inches larger in diameter, the new pipeline would have about twice the capacity of the existing one.

A couple years ago, the City entered into a Collection Agreement to “hire” the Forest Service to conduct preliminary natural and cultural resource surveys in the areas of the proposed pipeline replacement project. The cultural resource surveys and some of the natural resource surveys have been completed; we still have an unused credit from monies paid under that Agreement. The next step in the environmental permitting (NEPA) process is for the Forest Service to analyze the proposed action in terms of natural resource, cultural, and recreational impacts, conduct public scoping on the project, complete an engineering review of the pipeline design (which may be conducted after a decision is issued since we likely won’t design the project until we have a decision in our hands), and issue a decision on the City’s Proposed Action. Like the survey work, the City will need to pay for the Forest Service staff time to analyze and process the Proposed Action.

The estimated cost to analyze and process the Proposed Action to the point of a decision is \$53,445.00 including the credit that we have from the Collection Agreement. If the Proposed Action is processed in

less time than anticipated in the estimated work plan, unused funds will be returned to the City. The current schedule anticipates a decision in late 2012. The cost estimate does not include any work that would be associated with potential appeals of the decision or litigation; if they arise, we would address those issues at that time.

BUDGET IMPLICATIONS: Funds are available in Fund 53, the Water Reserve Fund, in both the current fiscal year and the 2011-12 approved budget for this permitting process. Most, if not all, of this work will occur in the City's 2011-12 fiscal year; \$64,670 is identified within the approved 2011-12 budget for Forest Service permitting. The amount of the proposed Collection Agreement is within the funds budgeted for this purpose.

RECOMMENDATIONS:

1. Staff Recommendation: Authorize the City Manager to sign a Collection Agreement with the US Forest Service in the amount of \$53,445 for work related to permitting the Dog River Diversion Pipeline replacement project.
2. Deny authorization to sign the Collection Agreement and provide additional direction to staff about how to proceed.