

AGENDA

REGULAR CITY COUNCIL MEETING

June 28, 2010

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
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.

OFFICE OF THE CITY MANAGER

COUNCIL AGENDA

- A Approval of June 14, 2010 Regular City Council Meeting Minutes
- B Authorization for City Clerk to Endorse Annual OLCC License Renewals
- C Approval of Amendment #3 with OMI for Wastewater Treatment Plant Operations for the 2010-11 Fiscal Year
- D Authorization for City Clerk to Endorse OLCC New Outlet Applications for Celilo Inn and Comfort Inn

11 PUBLIC HEARINGS

- A. Public Hearing to Receive Testimony Regarding Proposed Surplus Real Property Known as the Mesplie Reservoir **[Agenda Staff Report #10-045]**
  - 1. Resolution No. 10-014 Declaring a Parcel of Real Property Commonly Known as the Mesplie Reservoir Property as Surplus Property

12. ACTION ITEMS

- A. 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 **[Agenda Staff Report #10-046]**
- B. Request for Refund of Transient Room Tax Penalties by Shilo Inn **[Agenda Staff Report #10-047]**
- C. Resolution No. 10-012 Accepting a Deed of Dedication of Property for Public Street Purposes From Icon Holdings LLC **[Agenda Staff Report #10-048]**
- D. Recommendation from Columbia Gorge Regional Airport Board to Approve a Three Year Airport Management Agreement With Aeronautical Management, Inc. **[Agenda Staff Report #10-049]**

13 DISCUSSION ITEMS

- A. Discussion Regarding the League of Oregon Cities 2011 Legislative Agenda **[Agenda Staff Report #10-050]**

14. EXECUTIVE SESSION

- A. Recess to Executive Session in Accordance With ORS 192.660 (2) (c) to Conduct Deliberations with Persons Designated by the Governing Body to Negotiate Real Property Transactions
- B. Reconvene to Open Session

15. DECISIONS FOLLOWING EXECUTIVE SESSION

16. ADJOURNMENT

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**This meeting conducted in a handicap accessible room.**

Prepared by/  
Julie Krueger, MMC  
City Clerk



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

(541) 296-5481

**AGENDA STAFF REPORT**  
**CITY OF THE DALLES**

MEETING DATE	AGENDA LOCATION	AGENDA REPORT #
June 28, 2010	Consent Agenda 10, A- D	N/A

**TO:** Honorable Mayor and City Council**FROM:** Julie Krueger, MMC, City Clerk**THRU:** Nolan K. Young, City Manager**DATE:** June 16, 2010**ISSUE:** Approving items on the Consent Agenda and authorizing City staff to sign contract documents.**A. ITEM:** Approval of June 14, 2010 Regular City Council Meeting Minutes.**BUDGET IMPLICATIONS:** None.**SYNOPSIS:** The minutes of the June 14, 2010 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 June 14, 2010 regular City Council meeting.**B. ITEM:** Authorization for City Clerk to Endorse OLCC Annual License Renewals.**BUDGET IMPLICATIONS:** The City receives \$35.00 per renewal, credited to the General Fund.**SYNOPSIS:** The list of annual OLCC license renewals has been reviewed by the Police Department and they recommend all be endorsed.**RECOMMENDATION:** That City Council authorize the City Clerk to endorse OLCC annual license renewals, as recommended on the attached list.

- C. **ITEM:** Authorization for City Manager to Sign Amendment #3 with OMI for Operation of the Wastewater Treatment Plant for the 2010-11 Fiscal Year.

**BUDGET IMPLICATIONS:** This expenditure is identified in the 2010-11 Wastewater Fund, line code 31-10. The total cost of the contract amendment will be \$880,462 and is within the amount budgeted for this purpose.

**SYNOPSIS:** The City entered into a ten year contract with OMI beginning July 1, 2008 to provide contract operation of the Wastewater Treatment Plant. The approved 2010-11 budget anticipated payment for the third year of that contract.

The renewal reflects a total annual cost increase of 1.43% compared to 2009-10. This amendment will pay a management fee of \$112,797 to OMI, an increase of 2.02% over last year, based on the Consumer Price Index for All Urban Consumers (US City Average) as per the terms of the contract. Direct costs of the facility (labor and benefits, materials and services) are increasing 1.34% to \$767,665. A philosophy of mutual risk/benefit has been maintained in the amendment as the City and OMI will equally split the costs of any increases in electrical costs above the budgeted amount up to 10%. The city remains liable for any electrical rate increase above the 10%.

**RECOMMENDATION:** That City Council authorize the City Manager to sign amendment #3 to the contract with OMI for operations of the Wastewater Treatment Plant for fiscal year 2010-11.

- D. **ITEM:** Authorization for City Clerk to Endorse OLCC New Outlet Applications for Celilo Inn and Comfort Inn.

**BUDGET IMPLICATIONS:** If approved, \$100 would be collected for each application and credited to the General Fund.

**SYNOPSIS:** Zar Shuck has submitted OLCC license applications for the Celilo Inn and the Comfort Inn. The Police Department has investigated the applications and recommends they be approved.

**RECOMMENDATION:** That City Council authorize the City Clerk to endorse the OLCC New Outlet applications for Celilo Inn and Comfort Inn.

## **MINUTES**

REGULAR COUNCIL MEETING  
OF  
JUNE 14, 2010  
5:30 P.M.  
CITY HALL COUNCIL CHAMBER  
313 COURT STREET  
THE DALLES, OREGON

**PRESIDING:** Mayor Jim Wilcox

**COUNCIL PRESENT:** Carolyn Wood, Dan Spatz, Brian Ahier, Tim McGlothlin

**COUNCIL ABSENT:** Bill Dick

**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, Engineer Dale McCabe, Administrative Intern Cooper Whitman, Librarian Sheila Dooley, RARE Planner Nora Donovan

### **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 Dick absent.

### **PLEDGE OF ALLEGIANCE**

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

### **APPROVAL OF AGENDA**

Mayor Wilcox asked the City Council to add an item to the Consent Agenda, Resolution No. 10-013 appointing a tree ordinance committee; and said Action Item 12, D, Airport Management agreement needed to be removed for additional work before being adopted.

It was moved by Ahier and seconded by Wood to approve the agenda as amended. The motion carried unanimously, Dick absent.

### **PRESENTATIONS/PROCLAMATIONS**

#### **Presentation by the Transportation Systems Development Charge Fee Committee Regarding a Recommended Plan**

Mayor Wilcox noted for the record that Councilor Dick was not in attendance at this meeting but that he had informed the City Council that he was in favor of the recommendations of the Committee and appreciated their work.

Committee members Kristi McCavic and John Nelson presented the findings of the Committee and recommended the City Council approve the recommendations included in the staff report immediately.

The recommendations were as follows:

1. Re-use or re-development of existing vacant buildings including expansions; expansion limits are 50% of original building size with 5,000 square feet maximum, in Central Business Zone receive full waiver of Traffic SDC.

Mrs. McCavic clarified recommendation #1 included new construction or relocation of a business for the full waiver.

2. Re-use or re-development of existing vacant building including expansions; expansion limits are 50% of original building size with 5,000 square feet maximum, city wide except the central business zone, receive 75% waiver of net traffic SDC, after credits.
3. Expansion of existing businesses through new construction on same site, city-wide, receive 50% waiver of net traffic SDC after credits.
4. Relocation of existing businesses in the City to a new site with construction of new facilities, city-wide, receive 50% waiver of net traffic SDC after credits.

5. Construction of new small scale developments 10 or less employees in The Dalles and 5,000 square feet or less in size, city wide, receive 75% waiver of net traffic SDC after credits.
6. Construction of new small scale developments 20 or less employees in The Dalles and 10,000 square feet or less in size, city wide, received 50% waiver of net traffic SDC after credits.

Councilor Spatz questioned how the City would account for the number of required employees in recommendations # 5 and #6. He asked if these would be full-time or part-time employees.

Councilor Ahier said it may be too difficult to track the number of employees and suggested the specific number of employees could possibly be removed.

City Manager Young said staff did have the ability to track employee information and had done so through the Enterprise Zone procedures. He said the City Attorney could include language in the implementing ordinance to describe the procedure for tracking number of employees.

Young said the number of employees had intentionally been kept low because the impact to traffic would be low.

Mayor Wilcox said he was supportive of the recommendations and appreciated the suggestion for an annual review. He asked if the Committee members would be willing to reconvene in one year to review the impacts of the recommendations. The Committee members agreed they would be willing to meet again to review the data.

Councilor Ahier said he believed the incentives would boost business and the City would actually realize more revenue in traffic SDC's compared to a scenario where there was no business development because the SDC's were too expensive.

Councilor Spatz asked for more information regarding the Committee's discussions regarding implementation of a business license.

Mrs. McCavic said the Committee had discussed but did not pursue that option. She said it could be considered by the City Council in the future. Mayor Wilcox said he was considering establishing a committee to study the possibility of a business license. He said with the concurrence of the City Council, he would work to establish the committee in the Fall.



Councilor Wood asked if the traffic SDC trigger would continue to be applications for building permits. McCavic said the Committee had looked at other methods, but determined the building permit was the most commonly used trigger in other cities and seemed to work best.

It was the consensus of the City Council to approve the recommendations of the Committee and direct staff to draft an ordinance for adoption at the July 12, 2010 City Council meeting.

Mayor Wilcox thanked the Committee members and staff who worked so hard to accomplish this task and for accomplishing it in a short period of time.

#### **AUDIENCE PARTICIPATION**

Dean Cameron, 1410 Meek Street, The Dalles, thanked the City Council for their consideration of the reduction of traffic SDC's, saying he hoped to move his business proposal forward and would be better able to afford it with the reductions.

Mike Zing, Design Structures, The Dalles, commended the work of the Committee and said he supported their recommendations. Zing said it was important that someone create an inventory of shovel ready land available for development in the community, and to also develop an inventory of vacant commercial and industrial buildings. He said it was an important tool in comparing our own potential for development against other communities competing for business.

City Manager Young said the Community Outreach Team included members who could work on that particular issue. He suggested Mr. Zing speak with the Port of The Dalles as a possible leader in developing the inventories.

Dave Griffith, Griffith Motors, The Dalles, applauded the work of the committee. He said it addressed concerns for small business development and said it would also be wise to consider waivers and reductions for large businesses. Griffith said the community should have an open door for everyone.

It was noted by staff that through the Enterprise Zone policies, there were waivers for water and sewer SDC's, and it would be possible to make amendments to include traffic SDC's.

Doug Hattenhauer, 3205 Doane Road, The Dalles, reminded the City Council that it would be detrimental to allow for traffic SDC waivers in the area that would be included in the Chenoweth Interchange Area Management Plan (IAMP). He said the Plan had been designed to make the improvements needed by funds collected through traffic SDC's.

City Manager Young clarified that SDC's included in the Chenoweth IAMP were in addition to base SDC's charged by the City. He said that would be clarified in the ordinance prepared by the City Attorney.

### **CITY MANAGER REPORT**

City Manager Young reported he had attended meetings last week for the Connect Oregon III grant applications. Young said two City projects had been moved forward to the next level for consideration, the Airport Runway rehabilitation project and the Marine Terminal project.

Young said the City had received an approximate \$3,300 grant from the Northern Wasco County PUD toward the purchase of electric shuttles for The Dalles Dam Tour program. He said Administrative Intern Cooper Whitman and the Chamber of Commerce staff would be making a presentation to the Oregon Investment Board later in the week, applying for an additional \$10,000 in grant funding for the shuttles.

Young said staff had re-submitted a COPS grant request for their second round of funding. He said if the City was awarded a grant, it would pay for an officer for a three year period.

Young said staff was working to prepare a ceremony to dedicate the new East Gateway, but it would be delayed until sometime in August to ensure we could have federal representatives in attendance.

### **CITY ATTORNEY REPORT**

City Attorney Parker said he was currently working with Klickitat County to finalize concerns regarding the Airport Management Agreement, saying it would be back for approval at the June 28<sup>th</sup> Council meeting.

### **CITY COUNCIL REPORTS**

Councilor Wood said she had attended a ceremony at Pioneer Cemetery, where a monument was dedicated to the City. She said the monument contained over 200 names of the people who had been buried at the cemetery and noted it's importance because when a fire had burned through the cemetery in the 1800's, the crosses had burned. She said the monument would serve as a history for the City.

Wood said she had conducted a historic tour of the downtown area for a group, and thanked Bob McNary for his work to clean up the Lewis and Clark site.

MINUTES (Continued)  
Regular Council Meeting  
June 14, 2010  
Page 6

Councilor Spatz said he had attended his first Mid Columbia Economic Development District meeting as the City representative. He reported the Marine Terminal project was listed as their number one project. Spatz also noted the Oregon Investment Board was searching for a representative from Wasco County to serve.

Councilor Ahier reported he was involved in the group working on the walkability assessment. He said the group was looking to expand to a new focus area near Dry Hollow school

Mayor Wilcox reported he had spoken at a Boy Scout dinner last week. He said it was appreciated not to see the yard sale signs at intersections and many citizens had mentioned to him how much better it looked.

Mayor Wilcox acknowledged the passing of former City Councilor Mary Ann Davis. He said she had served on the City Council from 1993 through 2004, served as the City's representative to the Sister Cities Association and on the QLife Board. He said she had contributed countless hours of service to the City.

### **CONSENT AGENDA**

Mayor Wilcox noted for the record that the May 17, 2010 minutes discussed salary information for the City Manager and City Attorney. He said it was important to state that the City Manager and City Attorney did not ask for any pay increases, that the City Council chose to do that.

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

Items approved by Consent Agenda were: 1) approval of May 24, 2010 regular City Council meeting minutes; 2) approval of May 19, 2010 special airport tour meeting minutes; 3) approval of May 17, 2010 special City Council meeting minutes; 4) Resolution No. 10-013 appointing a Tree Ordinance Committee

### **PUBLIC HEARINGS**

#### **Public Hearing to Receive Testimony Regarding Proposed Uses of State Shared Revenue**

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

Finance Director Mast reviewed the staff report.

Testimony

Doug Hattenhauer, 3205 Doane Road, The Dalles, testified that additional funds should be dedicated to the Street Fund for operations.

Hearing no further testimony, the public hearing was closed.

Resolution No. 10-008 Declaring the City's Election to Receive State Shared Revenue for Fiscal Year 2010-11

It was moved by Wood and seconded by Ahier to adopt Resolution No. 10-008 declaring the City's election to receive State shared revenue for fiscal year 2010-11. The motion carried unanimously, Dick absent.

Public Hearing to Receive Testimony Regarding the Proposed 2010-11 Fiscal Year Budget

Mayor Wilcox asked the record to reflect that Councilor Dick was in support of adoption of the budget and in particular the financial partnership with the County to support the Discovery Center to pay debt for infrastructure.

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

Finance Director Mast reviewed the staff report.

Councilor Ahier said the Budget Committee had recommended that the street sweeping function be removed from the Street Fund and placed in the Storm Water Fund. He questioned if that had been accomplished.

City Manager Young said the transfer of the sweeping function had been done and saved approximately \$66,000 to the Street Fund operations budget.

Testimony

Doug Hattenhauer, 3205 Doane Road, The Dalles, requested State Revenue be added to Street Fund operations. He said additional funding was needed for maintenance and to address streets in recently annexed areas. Hattenhauer said the budgets appeared to increase for wages and benefits, but not for maintenance of the streets. He said most other cities were cutting back, but The Dalles was not and questioned why.

Hearing no further testimony, the public hearing was closed.

MINUTES (Continued)  
Regular Council Meeting  
June 14, 2010  
Page 8

Resolution No. 10-009 Adopting the Fiscal Year 2010-11 Budget for the City of The Dalles, Making Appropriations, Authorizing Expenditures, Levying Taxes, and Authorizing the City Manager to Take Such Action as Necessary to Carry Out the Adopted Budget

Mayor Wilcox said the water and sewer funds were healthy due to previous City Councils taking action to increase rates to support the infrastructure, but acknowledged the Street Fund was not in good financial condition. He said it was a priority of the City Council to continue addressing revenue issues for that Fund.

Councilor Ahier agreed, saying staff and Council had been considering options to add revenue to the Street Fund. He said the City was fortunate to have an excellent staff managing the budgets and commended them for their work in the past which allowed the City to not have to make cuts in staff.

It was moved by Spatz and seconded by Wood to adopt Resolution No. 10-009 adopting the fiscal year 2010-11 budget for the City of The Dalles, making appropriations, authorizing expenditures, levying taxes and authorizing the City Manager to take such action as necessary to carry out the adopted budget. The motion carried unanimously, Dick absent.

**ACTION ITEMS**

Resolution No. 10-010 Adopting the Final Report of the City Engineer, Proposing an Assessment and Providing for Notices and a Hearing for the West First Street, Terminal Way and Bargeway Road Reconstruction Project

The staff report was reviewed by City Clerk Krueger.

It was moved by Ahier and seconded by McGlothlin to adopt Resolution No. 10-010 adopting the Final Report of the City Engineer, proposing an assessment and providing for notices and a hearing for the West First Street, Terminal Way and Bargeway Road reconstruction project. The motion carried unanimously, Dick absent.

Approval of Annual Insurance Renewals for Property, Liability and Worker's Compensation

Jerry Frazier, Agent of Record, recommended the City continue the property and liability insurance with City County Insurance (CIS) and the worker's compensation with SAILF Corporation. He reviewed the City's history of claims and explained concerns regarding the City's worker's compensation rates. Frazier said the City had put several policies into place for a safe workplace and hoped the rates would decrease in the future.

MINUTES (Continued)  
Regular Council Meeting  
June 14, 2010  
Page 9

Following discussion, the Council asked staff to provide quarterly reports regarding worker's compensation claims.

It was moved by Ahier and seconded by Spatz to continue the property and liability insurance with City County Insurance (CIS) and the worker's compensation with SAIF Corporation. The motion carried unanimously, Dick absent.

General Ordinance No. 10-1304 Amending Section 11 of General Ordinance No. 92-1149 Prohibiting Skateboard Use on Center Island of Roundabout Located at East Second Street and Brewery Grade

City Attorney Parker reviewed the staff report. He noted the Ordinance had been posted according to Charter requirements and could be adopted by title if the Council desired.

City Clerk Krueger read General Ordinance No. 10-1304 by title.

It was moved by Wood and seconded by Spatz to adopt General Ordinance No. 10-1304 amending Section 11 of General Ordinance No. 92-1149 prohibiting skateboard use on the center island of the roundabout located at East Second Street and Brewery Grade, by title. The motion carried unanimously, Dick absent.

Other Business

Mayor Wilcox thanked The Dalles Chronicle Reporter Rodger Nichols for his attendance and reporting of City Council meetings. Wilcox said his reporting had been accurate and was appreciated and said Nichols would be missed when he moves to a different career in the near future.

EXECUTIVE SESSION

Mayor Wilcox recessed the meeting to Executive Session at 7:35 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 7:45 p.m.

MINUTES (Continued)  
Regular Council Meeting  
June 14, 2010  
Page 10

**DECISIONS FROM EXECUTIVE SESSION**

It was moved by Ahier and seconded by Wood to direct staff to schedule a public hearing for June 28<sup>th</sup> City Council meeting, to hear testimony to declare real property known as Mesplie Reservoir as surplus property. The motion carried unanimously, Dick absent.

**ADJOURNMENT**

Being no further business, the meeting adjourned at 7:48 p.m.

Submitted by/  
Julie Krueger, MMC  
City Clerk

SIGNED:

\_\_\_\_\_  
James L. Wilcox, Mayor

ATTEST:

\_\_\_\_\_  
Julie Krueger, MMC, City Clerk



POLICE DEPARTMENT

**CITY of THE DALLES**

401 COURT STREET  
THE DALLES, OR 97058  
(541) 296-2613  
FAX (541) 298-2747

## MEMORANDUM

**DATE:** June 3, 2010  
**TO:** Julie Kruger, City Clerk  
**FROM:** Jay B. Waterbury, Chief of Police  
**SUBJECT:** 2010 Annual OLCC Renewals

The following outlets have been investigated and are approved for OLCC license renewal for the fiscal year 2010 – 2011.

9<sup>th</sup> St. Sugarbowl  
Allen's Food Center  
American Legion Post # 19  
Anana's Boutique  
Baldwin Saloon  
Bi-Mart #645  
Bolton Cellars  
Canton Wok  
Casa El Mirador  
Che Verre  
Clock Tower Ales  
Columbia Portage Grill  
Cousin's Creative Cottage  
Cruz Thru Grocery  
Denny's #6807  
Dinty's Market  
Downtown Chevron & Food Mart  
Eagles Lodge #2126  
Elks Lodge #303  
Fred Meyer  
Hatt's 76 Fuel Stop  
Healthy Harvest Market  
HiWay House  
Ixtapa  
Jack's Mini Market # 2  
Kmart #3888  
La Michoacana

Lone Pine 76  
Moose Lodge #2075  
New York City Sub Shop  
Petite Provence  
Poppy's Mini Mart  
Portside Pub and Windseeker  
Quenett Winery  
Rite Aid #5334  
Riverenza  
Romul's  
Safeway #1489  
Shari's #247  
Spooky's  
Spud Cellar Deli  
Taco Del Mar  
Tang's  
The Barbeque  
The Dalles Grocery Outlet  
The Vault Bistro & Lounge  
Tijuana  
Walgreen's  
Water's Edge Bistro  
West 6<sup>th</sup> Street 76  
West Second Food Mart  
Windy River  
Zim's Brau Haus





CH2M HILL  
105 Laughlin  
The Dalles, OR 97058  
Tel 541.298.1779  
Fax 541.298.2458

**AMENDMENT NO. 3**  
**To the**  
**OPERATIONS, MAINTENANCE AND MANAGEMENT SERVICES**  
**For the**  
**THE CITY OF THE DALLES, OREGON**

This Amendment No. 3 to the Agreement for Operations, Maintenance, and Management Services for the City of The Dalles is made effective this 1<sup>st</sup> day of July 2010 by and between the City of The Dalles, (hereinafter "Owner") whose address for any formal notice is 313 Court Street, The Dalles, Oregon 97058 and Operations Management International, Inc., (hereinafter "CH2M HILL OMI") with offices at 9193 South Jamaica Street, Suite 400, Englewood, Colorado. 80112. This is Amendment No.3 to the Agreement dated July1, 2008 between the Owner and CH2M HILL OMI ("Agreement").

NOW THEREFORE, Owner and CH2M HILL OMI agree to amend the Agreement as follows:

1. Appendix E, Subsection E.1.1 is deleted in its entirety and replaced with the following:

E.1.1 Owner shall pay to CH2M HILL OMI as compensation for services performed under this Agreement an Annual Fee of Eight Hundred Eighty Thousand Four Hundred Sixty Two Dollars (\$880,462) for the contract year commencing July 1, 2010 through June 30 2011. The Annual Fee includes the sum of the estimated Total Direct Cost and Management Fee.

2. Appendix E, Subsection E.1.2 is deleted in its entirety and replaced with the following:

E.1.2 The estimated Total Direct Cost for providing services under this Agreement is Seven Hundred Sixty Seven Thousand Six Hundred Sixty Five Dollars (\$767,665) for the contract year commencing July 1, 2010.

3. Appendix E, Subsection E.1.3 is deleted in its entirety and replaced with the following:

E.1.3 The Management Fee for providing services under this Agreement is One Hundred Twelve Thousand Seven Hundred Ninety Seven Dollars (\$112,797) for the contract year commencing July 1, 2010. Subsequent years' Management Fee shall be adjusted by the Cost Adjustment Formula shown in E.3.

4. This Amendment No 3 together with the Agreement constitutes the entire agreement between the Parties and supersedes all prior oral and written understandings with respect to the subject matter set forth herein. Unless specifically stated all other terms and conditions of the Agreement shall remain in full force and effect. Neither this Amendment nor the Agreement may be modified except in writing signed by an authorized representative of the Parties.

The Parties, intending to be legally bound, indicate their approval of the Amendment by their signatures below.

Authorized Signature:

**OPERATIONS MANAGEMENT  
INTERNATIONAL, INC.**

Authorized Signature:

**CITY OF THE DALLES, OREGON**

\_\_\_\_\_  
Name: Natalie L. Eldredge  
Title: Vice President and  
Business Manager  
Date: \_\_\_\_\_

\_\_\_\_\_  
Name: Nolan Young  
Title: City Manager  
Date: \_\_\_\_\_



## 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 #
June 28, 2010	Public Hearings 11, A, 1	10-045

**TO:** Honorable Mayor and City Council

**FROM:** Gene E. Parker, City Attorney

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

**DATE:** June 17, 2010

**ISSUE:** Public hearing to receive testimony regarding Resolution No. 10-014, declaring a parcel of real property commonly known as the Mesplie Reservoir property as surplus property

**RELATED CITY COUNCIL GOAL:** None.

**PREVIOUS AGENDA REPORT NUMBERS:** None.

**BACKGROUND:** The City owns a parcel of property, which was conveyed by Theodore Mesplie to the City in the late 1890's for reservoir purposes. The property is located on Mill Creek Road adjacent to property owned by Mike and Walter Kortge. The Kortge's recently submitted an application to Wasco County to construct an expansion of their existing dwelling. The City was notified of the pending application by Wasco County, as there was a potential issue as to whether the proposed addition encroached upon the City's property. A determination was made that the proposed addition would not encroach upon the City's property.

City staff has had preliminary discussions with the Kortges about whether the City would consider conveying ownership of the City-owned property to the Kortges. City staff has confirmed the City has no public need to retain ownership of the property for reservoir purposes. The Kortges have offered to convey an easement to the City which will facilitate the eventual

relocation of the water line located on Mill Creek Road. As a condition of granting the easement, the City would agree to continue to provide domestic water service for a one inch line for the Kortge's property. This provision is included in the current easement agreement between the City and the Kortges.

In order to facilitate transfer of the property from the City to the Kortges, the City Council must adopt a resolution declaring the property to be surplus real property. Resolution No. 10-014, which declares the property to be surplus, is enclosed with this staff report

**BUDGET IMPLICATIONS:** Assuming the Council adopts Resolution No. 10-014, and ultimately approves the transfer of ownership of the property to the Kortges, the City will continue to provide domestic water service for the one inch service for the Kortges property at no cost to the Kortges.

**ALTERNATIVES.**

- A. **Staff Recommendation.** The Council move to adopt Resolution No. 10-014

**RESOLUTION NO. 10-014**

**A RESOLUTION DECLARING A PARCEL OF REAL  
PROPERTY COMMONLY KNOWN AS THE MESPLIE  
RESERVOIR PROPERTY AS SURPLUS REAL PROPERTY**

WHEREAS, the City of The Dalles owns a parcel of real property, which is identified as Township 1 North, Range 12 East, Section 13 of the Willamette Meridian, Tax Lot 700, which property is further described as follows:

A parcel of land for reservoir purposes located in the East 22.72 chains of the John Halligan Donation Land Claim 39 in Section 13, Township 1 North Range 12 East of the Willamette Meridian

which property is also shown on the map attached as Exhibit "A"; and

WHEREAS, Walter and Mike Kortge have requested the City to initiate the process to declare the property to be surplus property; and

WHEREAS, ORS 271.310 provides that a political subdivision may sell, exchange, convey or lease for any period not exceeding 99 years all or any part of its interest in real property, when that property is not needed for public use, or whenever transfer of the property may further the public interest; and

WHEREAS, the City Council has reviewed the recommendations of City staff concerning the proposal to declare the property to be surplus and any public testimony which was offered during the public hearing;

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

Section 1 Property Declared Surplus. The real property identified as Township 1 North, Range 12 East, Section 13 of the Willamette Meridian, Tax Lot 700, which property is further described as follows:

A parcel of land for reservoir purposes located in the East 22.72 chains of the John Halligan Donation Land Claim 39 in Section 13, Township 1 North Range 12 East of the Willamette Meridian

which property is further described on Exhibit "A" attached hereto is declared to be surplus property, not needed for public use. A transfer of the public property will further the public interest, based upon the following reasons:

A. The property was originally conveyed by Theodore Mesplie to the City for reservoir purposes, and the City no longer needs the property for such purposes. Walter and Mike Kortge, who own a parcel of property adjacent to the City's property, have offered to acquire the property from the City in exchange for an easement being granted by the Kortges to the City to facilitate the relocation of the water mainline located on Mill Creek Road. Obtaining the easement from the Kortges furthers the public interest as it provides the avenue by which the water mainline located on Mill Creek Road can be relocated in the future.

Section 2. Effective Date. This Resolution shall be considered effective as of June 28, 2010.

PASSED AND ADOPTED THIS 28<sup>TH</sup> DAY OF JUNE, 2010.

Voting Yes, Councilor: \_\_\_\_\_  
Voting No, Councilor: \_\_\_\_\_  
Absent, Councilor: \_\_\_\_\_  
Abstaining, Councilor: \_\_\_\_\_

AND APPROVED BY THE MAYOR THIS 28<sup>TH</sup> DAY OF JUNE, 2010.

\_\_\_\_\_  
James L. Wilcox, Mayor

Attest:

\_\_\_\_\_  
Julie Krueger, MMC, City Clerk

THIS MAP WAS PREPARED FOR  
ASSESSMENT PURPOSE ONLY

SECTION 13 T.1N. R.12E. W.M.  
WASCO COUNTY

IN 12 13

1" = 400'

800  
400  
0  
SCALE IN FEET

11 12  
14 13

SEE MAP IN 12 12

12 7

SW COR. 1/4 SECTION 13

200  
77.93 AC.

100  
62.40 AC.

13

18

LOT 1 22.40

LOT 2 37.93

SEE MAP IN 12

12-5

PART. PLAT

91-0023

SEE MAP IN 12

SEE MAP IN 12 14

LOT 2 29.00

LOT 3 24.97

1000  
17.32 AC.

900  
13.00 AC.

1200  
40.90 AC.

1100  
21.85 AC.

NE COR. LAFAYETTE COLWELL D.L.C. 38

CR.

MARKET RD.

1200

600

SW COR. D.L.C. 39

100

SE COR. D.L.C. 39

100

100

100

100

SEE MAP IN 12

13 18  
24 19

692.000

Revised  
8/22/2005, DLW  
IN 12 13

Exhibit "A"



## CITY of THE DALLES

313 COURT STREET  
THE DALLES, OREGON 97058

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

### AGENDA STAFF REPORT CITY OF THE DALLES

MEETING DATE	AGENDA LOCATION	AGENDA REPORT #
June 28, 2010	Action Items 12, A	10-046

**TO:** Honorable Mayor and City Council

**FROM:** Kate Mast, Finance Director

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

**DATE:** June 15, 2010

**ISSUE:** 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.

**BACKGROUND:** Oregon Budget Law recognizes that annual budgets are estimates of revenues and expenses, and that certain events and circumstances during the fiscal year may cause funds to experience costs above approved category limits. Therefore, Oregon Budget Law allows for transferring of budgeted funds between approved category limits within the same fund to prevent any category from being over-expended at the end of the fiscal year. Categories that are over-expended at the end of the fiscal year are a violation of Oregon Budget Law.

The proposed resolution as prepared today includes the following changes:

- \$12,000 transferred from the General Fund Contingency line item to the City Council Department to cover a \$12,000 shortage in the Contractual Services line item due to a payment to the Parks & Recreation District for Riverfront Trail and downtown tree maintenance in FY08/09. P&R did not provide the appropriate invoices until May 2010.
- \$15,000 transferred from the General Fund Contingency line item to the City Council Department to cover a \$15,000 shortage in the Labor Negotiations Line item.



- \$3,000 transferred from the General Fund Finance/Utility Billing Department to the City Manager Department to cover a shortage due to an unanticipated shortage in personnel costs.
- \$20,000 transferred from the Special Grants Fund UGB/NSA Boundary Department to the CDBG Department to cover a shortage due to receipt of grant draw downs in FY09/10 from both prior years and the current year that in total exceed the amount of the grant that was budgeted. Since the City's fiscal year and the grant year are on different schedules, we receive draw downs from two grant years during our one fiscal year, which routinely exceeds the amount we budget for a single year. This is a common pass-through issue.
- \$700,000 transferred from the Water Capital Reserve Fund Capital Outlay Category to the Materials & Services Category to cover a shortage due to two projects that were undertaken in FY09/10, but were not budgeted. 1) the design for the upgrade of the lone Pine Well carried over from the prior year; and 2) the conceptual and final design of the Terminal Reservoir, which was not covered by stimulus funds

We will continue to monitor our budget vs. actual reports right up until the Council meeting on June 28<sup>th</sup> in order to make sure that the resolution covers every instance that might require a transfer. We will provide the Council with an updated version of this proposed resolution at that meeting if necessary.

**BUDGET IMPLICATIONS:** These budget transfers or amendments reduce one category and increase another category in the same fund by an equal amount, so there is no impact on any fund's total budget amount.

**ALTERNATIVES:**

- A. **Staff Recommendation:** *Move 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.*
- B. The Council could choose not to adopt the proposed resolution, which would leave the departments and categories described above in an over-expended status as of June 30, 2010. This would mean that the City would be in violation of Oregon Budget Law and would result in disclosure of those violations in our annual audit report that would cause repercussions from the State.

**RESOLUTION NO. 10-011**

**A RESOLUTION AUTHORIZING TRANSFERS OF FUNDS BETWEEN CATEGORIES  
OF VARIOUS FUNDS, MAKING APPROPRIATIONS AND AUTHORIZING  
EXPENDITURES FOR THE FISCAL YEAR ENDING JUNE 30, 2010**

**WHEREAS**, during the adopted budget year certain funds may experience expenditures above approved category limits; and

**WHEREAS**, Oregon Budget Law recognizes these events and allows for transferring of funds between approved category limits; and

**WHEREAS**, for various reasons the following funds and the budgeted limits within various departments and/or categories have been exceeded in the Fiscal Year ending June 30, 2010; and

**WHEREAS**, some reallocation of resources is necessary to correct the FY09/10 Budget;

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

**Section 1. Authorizing Budget Transfers.** The City Council hereby authorizes the following transfers of funds between budgeted transfers:

<b><u>FUND OR DEPT.</u></b>	<b><u>BUDGETED</u></b>	<b><u>RESOURCES NEEDED</u></b>	<b><u>REALLOCATED</u></b>
<b><u>GENERAL FUND (001)</u></b>			
transferred from Contingency	\$ 629,273	\$ 602,273	- \$ 27,000
transferred to City Council Dept	\$ 206,627	\$ 233,627	+ \$ 27,000
transferred from Finance/Utility Billing Dept	\$ 511,454	\$ 508,454	- \$ 3,000
transferred to City Manager Dept	\$ 275,284	\$ 278,284	-\$ 3,000
<b><u>SPECIAL GRANTS FUND (018)</u></b>			
transferred from Materials & Services UGB/NSA Boundary Dept (2627)	\$ 160,000	\$ 140,000	- \$ 20,000
transferred to Materials & Services CDBG Dept (2500)	\$ 48,000	\$ 68,000	+ \$ 20,000
<b><u>WATER RESERVE FUND (053)</u></b>			
transferred from Capital Outlay	\$ 1,557,807	\$ 2,257,807	- \$ 700,000
transferred to Materials & Services	\$ 35,000	\$ 735,000	+\$ 700,000

**Section 2. Effective Date.** This Resolution shall be effective upon adoption.

**PASSED AND ADOPTED THIS 28<sup>th</sup> DAY OF JUNE, 2010.**

Voting Yes, Councilors: \_\_\_\_\_

Voting No, Councilors: \_\_\_\_\_

Absent, Councilors: \_\_\_\_\_

Abstaining, Councilors: \_\_\_\_\_

**AND APPROVED BY THE MAYOR THIS 28th DAY OF JUNE, 2010.**

SIGNED:

ATTEST:

\_\_\_\_\_  
James L. Wilcox, Mayor

\_\_\_\_\_  
Julie Krueger, MMC, City Clerk



## CITY of THE DALLES

313 COURT STREET  
THE DALLES, OREGON 97058

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

### AGENDA STAFF REPORT CITY OF THE DALLES

MEETING DATE	AGENDA LOCATION	AGENDA REPORT #
June 28, 2010	Action Items 12, B	10-047

**TO:** Honorable Mayor and City Council

**FROM:** Kate Mast, Finance Director

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

**DATE:** June 15, 2010

**ISSUE:** Consideration of Shilo Inn's Request for a Refund of Penalties Paid for Delinquent Transient Room Taxes.

**BACKGROUND:** According to Ordinance No. 02-1243 Transient Room Tax reports and taxes are due to the City on the 15<sup>th</sup> day of the month following the month the taxes were collected, and are delinquent on the last day of the month in which they are due.

Staff contacted the Shilo Inn on February 9, 2010 by certified letter because the City had not received either the report or payment of the taxes collected in December 2009. During the next week we had several phone and email conversations with representatives of the Shilo Inn, and were told that they could not pay the taxes due to cash flow problems due to the recession. At this point we were told that they would also not be able to pay the taxes collected in January by the due date of February 15<sup>th</sup>.

Staff explained that since these taxes are required to be collected by the lodging operator specifically to be turned over to the City, they cannot be considered as "revenue" or part of the "cash flow" to the operator; they are restricted funds that must be turned directly over to the City on the timeline set by the Ordinance.

Our correspondence was referred to Mr. Wes Raborn, Shilo's General Counsel, who we were able to work with to set up a payment plan that would allow them to pay off the delinquent taxes collected in December and January within four months. The plan also required that they first pay all of the penalties and interest that had accrued, and further required that they pay all of their current taxes by the 15<sup>th</sup> of each month.

Mr. Raborn had requested a waiver of the penalties, but Section 9, (6) of the Ordinance states: *"Any operator who fails to deliver the return and pay the tax herein levied within the time herein stated shall pay the penalties herein stated; provided, however, the operator may petition the city council for waiver and refund of the penalty or any portion thereof, and the city council may, if a good and sufficient reason is shown, waive all or a portion of the penalty, and direct that the entire penalty or a portion thereof be refunded to the operator."* We told Mr. Raborn that if all of the deadlines and requirements of the payment plan were met, he could request that the penalties Shilo had paid, in the amount of \$1,349.40, be refunded, and that staff would recommend to the Council that the refund be granted.

Mr. Raborn made every effort to work out a payment plan that would work for both the City and the Shilo Inn. He accepted graciously our denial of certain accommodations that he requested and responded immediately when we contacted him about issues that occurred. Staff believes that Mr. Raborn, acting on the Shilo's behalf did everything possible to meet our requirements, honor the payment plan deadlines, and maintain a good working relationship with the City. All of the requirements of the payment plan have now been met and the Shilo is now current on their Transient Room Tax payments. Mr. Raborn's letter requesting the refund of the penalties is attached to this report. Staff recommends that the refund of penalties be granted.

**BUDGET IMPLICATIONS:** FY09/10 General Fund actual revenues will be reduced by \$1,349.40. However, these penalties were not anticipated and have no specified allocation, so there is no affect on the budget.

**ALTERNATIVES:**

- A. **Staff Recommendation:** Move to grant a refund of penalties paid by the Shilo Inn in the amount of \$1,349.40.
- B. Council could chose to refuse to grant any refund of the penalties. The penalties were legitimately charged according to the Ordinance. However, this may damage the City's relationship with one of our major lodging operators.
- C. Council could chose to grant a refund of a portion of the penalties, instead of the full amount of \$1,349.40.

**Shilo  
INNS**  
**Suites Hotels**  
"Affordable Excellence"™

June 11, 2010

Ms. Kate Mast  
Finance Director  
City of The Dalles  
313 Court St  
The Dalles, OR 97058

Dear Ms. Mast,

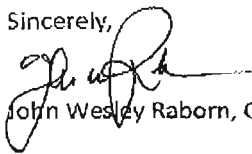
Thank you for your email correspondence dated June 1, 2010 regarding the payment of the Transient Room Taxes for Shilo Inn, The Dalles, LLC. Per your email, Shilo Inn, The Dalles is now current on their Transient Room Taxes and has paid all delinquent and current amounts due in full.

We understand from your email correspondence that any request to waive the penalties associated with these taxes must be directed to the City Council for formal decision. We ask that you present this letter to the Council for their consideration at their June 28, 2010 meeting. We would greatly appreciate the Council's consideration of a full refund of the penalties paid in connection with the Transient Room Taxes in the amount of \$1,349.40.

Please share our gratitude with the members of the City Council for the City's patience and cooperation in this matter. We look forward to a busy summer season in The Dalles.

Again, we thank you for your assistance in this matter and look forward to your reply.

Sincerely,



John Wesley Raborn, General Counsel

Sales & Marketing Fax: (503) 644-0868  
Accounting Fax: (503) 643-7261  
Legal Fax: (503) 419-1750

**Shilo Management Corporation**  
11600 SW Shilo Lane  
Portland, Oregon 97225-5995

Phone: (503) 641-6565  
[www.shiloinns.com](http://www.shiloinns.com)  
Reservations 1-800-222-2244

**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 #
June 28, 2010	Action Items 12, C	10-048

**TO:** Honorable Mayor and City Council

**FROM:** Gene E. Parker, City Attorney

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

**DATE:** June 16, 2010

**ISSUE:** Resolution No. 10-012, accepting a Deed of Dedication from Icon Holdings, LLC for public street purposes.

**RELATED CITY COUNCIL GOAL:** None.

**PREVIOUS AGENDA REPORT NUMBERS:** None.

**BACKGROUND:** As part of the development of Lone Pine Village, which includes the Wellness Center being constructed for the Mid-Columbia Medical Center, Icon Holdings LLC is being required to dedicate a portion of property to be used for purposes of establishing a public street between US Highway 197 and Lone Pine Drive. Icon Holdings, LLC has executed a Deed of Dedication for the designated property to be used for public street purposes. Acceptance of the proposed dedication requires the City Council to adopt a resolution accepting the dedication. Resolution No. 10-012, accepting the dedication from Icon Holdings, LLC, has been prepared for the Council's review and approval.

**BUDGET IMPLICATIONS:** None.

**ALTERNATIVES:**

- A. Staff Recommendation. The Council move to adopt Resolution No. 10-012.



**RESOLUTION NO. 10-012**

**A RESOLUTION ACCEPTING A DEDICATION OF  
PROPERTY FOR PUBLIC STREET PURPOSES FROM  
ICON HOLDINGS, LLC**

WHEREAS, at the City's request, Icon Holdings, LLC has agreed to dedicate a portion of property described in the attached deed, for public street purposes, which is necessary to ensure public access to a portion of property being developed by Icon Holdings, LLC; and

WHEREAS, it is in the public interest to accept the dedication for public street purposes;  
NOW, THEREFORE,

THE CITY COUNCIL RESOLVES AS FOLLOWS:

Section 1. Dedication Accepted. The dedication for public street purposes set forth in the attached deed is hereby accepted. The City Manager and City Clerk are authorized to execute the acceptance of the dedication and to take other necessary action to record the appropriate documents.

PASSED AND ADOPTED THIS 28<sup>TH</sup> DAY OF JUNE, 2010.

Voting Yes, Councilor: \_\_\_\_\_  
Voting No, Councilor: \_\_\_\_\_  
Absent, Councilor: \_\_\_\_\_  
Abstaining, Councilor: \_\_\_\_\_

AND APPROVED BY THE MAYOR THIS 28<sup>TH</sup> DAY OF JUNE, 2010.

\_\_\_\_\_  
James L. Wilcox, Mayor

Attest:

\_\_\_\_\_  
Julie Krueger, MMC, City Clerk

**GRANTOR:** Icon Holdings, LLC  
Lone Pine Village  
201 Osprey Lane West  
The Dalles, OR 97058

**GRANTEE:** City of The Dalles  
313 Court Street  
The Dalles OR 97058

**After recording, return to:**

City Clerk  
313 Court Street  
The Dalles, OR 97058

### **DEED OF DEDICATION**

KNOW ALL MEN BY THESE PRESENTS, that Icon Holdings, LLC, a limited liability company of the State of Oregon, Grantor, does hereby dedicate, grant and convey to the Public, and that the City of The Dalles, a Municipal Corporation of the State of Oregon, hereinafter called the Grantee, does hereby accept on behalf of the public, for use as a public right-of-way the following described real property located in Wasco County, State of Oregon, to-wit:

**See attached EXHIBIT "A" Legal Description and  
attached EXHIBIT "B" Plat Sketch for Legal Description**

TO HAVE AND TO HOLD the above described, dedicated, granted and conveyed premises unto said Grantee, its successors and assigns forever.

The City of The Dalles shall have the right to open, construct, improve, and maintain roads and streets of its design upon such lands and, in addition thereto, shall have the right to place or to permit others to place sidewalks, sewers, utilities, cables, pipes, electrical transmission wires, communications equipment, and such other improvements as the City shall deem necessary and convenient upon, above, or below the surface of the dedicated area.

The true consideration for this conveyance is \$0.00 and other valuable consideration.

**BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON**

TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007. THIS INSTRUMENT DOES NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY THAT THE UNIT OF LAND BEING TRANSFERRED IS A LAWFULLY ESTABLISHED LOT OR PARCEL, AS DEFINED IN ORS 92.010 OR 215.010, TO VERIFY THE APPROVED USES OF THE LOT OR PARCEL, TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES, AS DEFINED IN ORS 30.930, AND TO INQUIRE ABOUT THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007.

IN WITNESS WHEREOF, the parties have executed this document this 2 day of June, 2010.

Icon Holdings, LLC

By: Robert Gilham  
Member- Manager

STATE OF Oregon )  
City of The Dalles :s.s.  
County of Wasco )



2010 This instrument was acknowledged before me this 2nd day of June, by Robert Gilham.

Notary Public for Oregon

My Commission Expires: June 23 2013

This dedication is accepted by the City of The Dalles pursuant to the provisions of Resolution No. 10-\_\_\_\_\_, adopted on \_\_\_\_\_, 2010.

\_\_\_\_\_  
Nolan K. Young, City Manager

Attest: \_\_\_\_\_  
Julie Krueger, MMC, City Clerk

**Exhibit 'A'**  
**TERRA SURVEYING**  
**P.O. Box 617**  
**Hood River, OR 97031**  
**PHONE & FAX (541) 386-4531**  
**E-Mail: terra@gorge.net**

**LEGAL DESCRIPTION**  
**FOR A**  
**RIGHT OF WAY DEDICATION**  
**TO THE**  
**PUBLIC**

**Page 1 of 1**

A tract of land within a portion of Lot 4 of Lone Pine Village, Columbia Plaza, Wasco County Subdivision Plat #2009-0009, recorded on slide D-77B in the Wasco County clerk's office on March 31<sup>th</sup> 2009. Said tract is located in the northwest quarter of Section 1 in Township 1 North, Range 13 East in Willamette Meridian in the County of Wasco and State of Oregon.

Commencing at a 5/8" iron rod monumenting the southeast corner of said Lot 4; thence N (North) 10°49'20" E (East) a distance of 44.10 feet along the western right of way of U.S. 197 to the **point of beginning** of this dedication.

Thence N 79°07'38" W (West) a distance of 93.68 feet to a curve concaved southwesterly whose chord bears N 80°52'17" W a distance of 55.09 feet. Radius point bears S(South) 10°52'22" W a distance of 905.00 feet, thence along said curve through central angle 3°29'18" a distance of 55.10 feet to a point, thence N 7°23'05" E a distance of 70.00 feet to a non-tangential curve concaved southwesterly whose chord bears S 80°52'17" E a distance of 59.35 feet. Radius point bears S 7°23'05" W a distance of 75.00 feet, thence along said curve through central angle of 3°29'18" a distance of 59.36 feet to a point, thence S 79°07'38" E a distance of 93.62 feet to a point on the western right of way of U.S. 197, thence S 10°49'20" W along said right of way a distance of 70.00 feet to the point of beginning.

Contains 10,560 Sq. Ft., more or less  
April 8, 2010  
EMC

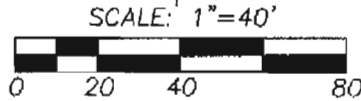
Exhibit 'B'

TERRA SURVEYING

LEGEND:

- FOUND MONUMENT OF RECORD
- CALCULATED, NOT FOUND OR SET

LOT 4 OF  
PARTITION PLAT #2009-0009 AS  
RECORDED IN WASCO COUNTY  
RECORDS



L59.36'  
R975.00'  
 $\Delta=03^{\circ}29'18''$   
C LEN59.35'  
BRGS 80°52'17" E

TAX LOT 400

TAX LOT 500

LONE PINE DRIVE  
(PUBLIC)

N 07°23'05" E  
70.00'

S 79°07'38" E  
93.62'

L55.10'  
R905.00'  
 $\Delta=03^{\circ}29'18''$   
C LEN55.09'  
BRGN 80°52'17" W

POINT OF BEGINNING

POINT OF COMMENCEMENT

LOT 5 OF  
PARTITION PLAT #98-0018 AS  
RECORDED IN WASCO COUNTY  
RECORDS

WEST RIGHT OF WAY OF U.S. HIGHWAY NO. 197

REGISTERED  
PROFESSIONAL  
LAND SURVEYOR

FOR REVIEW

OREGON  
December 30, 2005  
ERIK M. CARLSON  
72306

Expires: December, 2011

EXHIBIT A MAP  
FOR  
RIGHT OF WAY  
DEDICATION

DATE: APRIL 8, 2010

SCALE: 1" = 40'

PROJECT: 10031

P.O. BOX 617

HOOD RIVER, OREGON 97031

PHONE (541) 386-4531

terra@gorge.net



## CITY of THE DALLES

313 COURT STREET  
THE DALLES, OREGON 97058

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

### AGENDA STAFF REPORT CITY OF THE DALLES

MEETING DATE	AGENDA LOCATION	AGENDA REPORT #
June 28, 2010	Action Items 12, D	10-049

**TO:** Mayor and City Council

**FROM:** Nolan K. Young, City Manager *NKY*

**DATE:** June 16, 2010

**ISSUE:** Recommendation Regarding Airport Management Agreement With Aeronautical Management, Inc.

**BACKGROUND:** At the June 14, 2010 Council meeting, this issue was removed from the agenda to allow City staff additional time to address concerns raised by Klickitat County regarding the proposed agreement. The City Council directed staff to place this item on the June 28<sup>th</sup> agenda for approval.

The City Attorney is working with Klickitat County and will send the proposed agreement to the City Council as soon as issues have been resolved, but prior to the meeting. It is not included with this staff report because it has not yet been completed.

**BUDGET IMPLICATIONS:** The annual amount for the contract (\$92,314) is included in the fiscal year 2010-11 budget.

**COUNCIL ALTERNATIVES:**

1. **Staff Recommendation:** *Move to authorize the City Manager to sign the Airport Management Agreement for the Columbia Gorge Regional Airport as presented, contingent upon approval by Klickitat County Commission.*
2. Amend the agreement, then authorize signature.

3. Postpone action to allow for additional research in working with the Airport Board.



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

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

## AGENDA STAFF REPORT CITY OF THE DALLES

MEETING DATE	AGENDA LOCATION	AGENDA REPORT #
June 28, 2010	Discussion Item 13, A	10-050

**TO:** Mayor and City Council

**FROM:** Nolan K. Young, City Manager

**DATE:** June 2, 2010

**ISSUE:** Discussion of League of Oregon Cities (LOC) Legislative Priorities

**BACKGROUND:** LOC's eight policy committees have finished indentifying 28 Legislative objectives for the 2011 Legislative Session. For the second session in a row, the League is asking for city input to help prioritize these objectives. We have received the committees' proposed legislative priorities complete with background explanations (attached). This material has been mailed to every city in Oregon. This information is also available on the Leagues website ([www.orcities.org](http://www.orcities.org)).

The League has asked that all cities participate in this important biannual process to help the League be successful in its advocacy efforts. Cities have until July 16 to officially determine which four issues are the most important to them. The four choices should be the most critical, not necessarily ranked 1-4. The LOC Board will be considering these results to determine the priority issues for the 2011 Legislative Session.

We have scheduled an opportunity for the City Council to discuss these items at the June 28<sup>th</sup> Council meeting. To assist in that discussion we've attached information from city staff as we have analyzed the issues as they relate to our city and identified the top eight priorities.

At the meeting, we propose the following process to move toward our final four:

- Individual Councilors add legislative objectives of interest to the eight (8) proposed by City staff.
- Council discussion and questions on the list of selected objectives



- Council may delay action until the July 12<sup>th</sup> meeting if more information or time is needed
- Council by consensus removes from consideration objectives they don't feel are City priorities.
- Council rank objectives through placement of red dots on their top four choices.
- Council use ranking and discussion to amend ranking as desired to select top four objectives.



P.O. Box 928 • Salem, Oregon 97308  
(503) 588-6550 • (800) 452-0338 • Fax: (503) 399-4863  
[www.orcities.org](http://www.orcities.org)

May 24, 2010

Dear Chief Administrative Official:

For the last three months eight policy committees have worked very diligently to identify and propose specific actions as part of the League's effort to develop a pro-active legislative agenda for the 2011 session. They have identified 28 legislative objectives as set forth in the enclosed ballot and legislative recommendations materials. These objectives span a variety of issues and differ in the potential resources required to seek their achievement. Therefore, it is desirable to prioritize them in order to ensure that efforts are focused where they are most needed.

Each city is being asked to review the recommendations of the policy committees and provide input to the Board of Directors as it prepares to adopt the League's 2011 legislative agenda. After your city council has had the opportunity to review the 28 proposals and discuss them with your staff, please return the enclosed ballot (please note that the ballot is double sided) indicating the top four issues that your city council would like to see the League focus on in the 2011 session. **The deadline for response is July 16, 2010.** The Board of Directors will then review the results of this survey of member cities, along with the recommendations of the policy committees, and determine the League's 2011 legislative agenda.

Your city's participation and input will assist the Board in creating a focused set of specific legislative targets that reflect the issues of greatest importance for cities. Thank you for your involvement, and thanks to those among you who gave many hours of time and expertise in developing these proposals.

Do not hesitate to contact me or any member of the Intergovernmental Relations Department with questions.

Sincerely,

Craig S. Honeyman  
Legislative Director

cc: Oregon Mayors (letter only)

City of:

Please mark 4 boxes with an X that reflect the top 4 issues that your city recommends be the priorities for the League's 2011 legislative agenda.

**Community Development**

- ☐ A. 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).
- ☐ B. Support legislation that would: 1) create an exception to allow cities to propose and adopt population forecasts using a specified methodology, taking into consideration certain factors; 2) include conflict resolution procedures between cities and counties when adopting or amending population forecasts.
- ☐ C. Support legislation that provides conflict resolution procedures between cities and counties when adopting or amending an urban growth boundary or urban reserve area.
- ☐ D. Continue efforts to resolve the 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. (Note: this priority is duplicative of priority "S" forwarded by the Transportation Committee. Both priorities are brought forward here, representing the discussion of the Community Development and the Transportation policy committees.)

**Energy**

- ☐ E. Reauthorize the Business Energy 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.

**Finance & Taxation**

- ☐ F. Take an active role in facilitating and promoting processes and measures to bring about an overhaul of the state property tax system. The outcomes of this overhaul must create a system which taxes property equitably, brings assessed values closer to real market values, and is stable and predictable to both governments and taxpayers.
- ☐ G. 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.
- ☐ H. Allow local governments a more flexible use of transient lodging tax to meet the increased demands placed both on essential services and infrastructure created by tourism activities.

**General Government**

- ☐ I. 9-1-1 tax for pre-paid cell phones.
- ☐ J. Restore the Department of Public Safety Standards and Training (DPSST) Regional Training program and protect DPSST from further cuts.
- ☐ K. Attach municipal court fines to tax returns.

**Human Resources**

- ☐ L. "Manager" designation for local governments.
- ☐ M. Lengthen time for last best offer submission from 14 days to 28 days.
- ☐ N. Allow employers to require paperless pay.
- ☐ O. Work to achieve healthcare cost containment and protect local decision making authority in benefit design.
- ☐ P. Allow employees to choose alternative retirements option and protect the integrity and stability of Public Employee Retirement System (PERS).
- ☐ Q. Eliminate the requirement for employers to provide identical health benefits for retirees as they do for active employees.

**Telecommunications**

- ☐ R. Address tax equity issues in the context of state telecommunications laws including removing existing preemptions that have led to declining revenues. Work towards an alternative revenue system for telecommunications providers. Oppose preemption of city franchising, rights-of-way and taxing authority.

**Transportation**

- ☐ S. Resolve the disconnect between the Transportation Planning Rule (TPR) and other statewide land use planning goals. (Note: this priority is duplicative of priority "D" forwarded by the Community Development Committee. Both priorities are brought forward here, representing the discussion of the Community Development and the Transportation policy committees.)

*Turn over for more issues*

- ☐ T. Ensure that transportation/land use planning requirements, especially those established to address greenhouse gas emissions and other air quality issues, are developed with certain caveats (as outlined in the full Transportation Committee recommendation).
- ☐ U. 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.
- ☐ V. Seek funding distribution mechanisms and formulas that reflect need as determined by system demand, function and condition.
- ☐ W. Seek additional funding, efficiencies and program support for multi-modal transit and rail projects.
- ☐ X. Increase the funding allocation to Oregon's small cities for road and street development and maintenance from \$1 million to \$5 million without unfairly impacting larger cities' share of the State Highway Fund.
- ☐ Y. Enact legislation establishing a "shared road" designation allowing cities to reduce speed limits below the state-mandated minimum of 25 mph on roads that have limited capacity but are utilized by other modes.

#### Water/Wastewater

- ☐ Z. Support establishing statewide product stewardship programs to ensure recycling or proper disposal of toxic products at the end of their lifecycle.
- ☐ AA. Recapitalize state municipal infrastructure funds to fully meet local demand on a sustained basis and fully leverage federal matching funds for water and wastewater infrastructure.
- ☐ BB. Protect existing and future water rights from conditions that would prevent municipalities from meeting current or future demands.

## LOC Policy Committees' Legislative Recommendations

Priority	Description
<b>Community Development</b>	
<p>A. Support an urban growth boundary agenda that will:</p> <ul style="list-style-type: none"> <li>○ Determine problems to the current urban growth boundary and urban reserve system from a statewide perspective;</li> <li>○ Consider different policies for the annexation of areas that are pre-urbanized (those that receive services annexations vs. greenfield annexations (those without current services);</li> <li>○ Evaluate upcoming Court of Appeals decision re: <i>1,000 Friends v. LCDC/City of Woodburn</i> for parameters to codify clear standards/rational basis in ORS 197.298 for the use of higher priority land with less appeal opportunity;</li> <li>○ Streamline the Oregon Land Conservation and Development's (LCDC) review of urban growth boundary and urban reserve decisions by adding a "raise it or waive it" requirement to such reviews.</li> <li>○ Propose conflict resolution procedures between cities and counties when adopting or amending urban growth boundaries or urban reserves;</li> <li>○ Consider legislation that would allow the sequential adoption of urban growth boundary expansion components for cities over 25,000.</li> <li>○ Consider the effects of the transportation planning rule on urban growth boundary management;</li> <li>○ Consider the concerns of individual cities per their recent urban growth boundary, urban reserve and annexation experiences; and</li> <li>○ Propose appropriate legislation.</li> </ul>	<p>Appeals of urban growth management amendments are growing exponentially, and are time-consuming and expensive for cities. The Community Development Committee recognizes that long term solutions require a broad, systemic approach that may take extensive evaluation</p> <p>Surveys, work groups, focus groups, and professional and technical assistance from city planners and attorneys will be used to evaluate and formulate appropriate changes to existing statutes to provide a more efficient urban growth boundary management system.</p>

## LOC Policy Committees' Legislative Recommendations

<p>B. Support legislation that would: 1) create an exception to allow cities to propose and adopt population forecasts using a specified methodology, taking into consideration certain factors; 2) include conflict resolution procedures between cities and counties when adopting or amending population forecasts.</p>	<p>Statutes require counties to provide "coordinated" population forecasts to urban and rural areas, but for a variety of reasons, either have not or do not provide timely updates. Statutes provide cities certain alternatives, but cities in particular situations have experienced untimely and inadequate remedy. Currently there are no statutory remedies, enforcement actions, or conflict resolution procedures for counties that do not comply with the requirements.</p>
<p>C. Support legislation that provides conflict resolution procedures between cities and counties when adopting or amending an urban growth boundary or an urban reserve area.</p>	<p>Both a county and a city must adopt amendments to their comprehensive plans when a city adopts or amends an urban growth boundary or an urban reserve area. There is no statutory conflict resolution process when a county and a city can't agree on urban growth management decisions which can become contentious and may not be sufficiently guided by urban growth management agreements.</p>
<p>D. Continue efforts to resolve the conflicts between the transportation planning rule and other statewide land use planning goals by changes to ODOT/DLCD procedures and rules, or by legislative action. (Note: this priority is duplicative of priority "S" forwarded by the Transportation Committee. Both priorities are brought forward here, representing the discussion of the Community Development and the Transportation policy committees.)</p>	<p>Interpretations of the Transportation Planning Rule (TPR) has led to direct conflicts with the implementation other statewide planning goals, including Goal 10 (Housing) and Goal 9 (Economic Development). Declining financial resources has made the situation worse; as cities look at efficiency measures for how to grow more densely within urban growth boundaries, many areas are eliminated from consideration because of TPR requirements.</p>

### Energy

<p>E. Reauthorize the Business Energy 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.</p> <ul style="list-style-type: none"> <li>o Extend the program sunset dates;</li> <li>o Maintain BETC access for public projects;</li> <li>o Ensure funding for a full range of manufacturing, renewable energy, energy conservation, and fuel conservation projects;</li> <li>o Make the pass-through process more predictable and market-driven; and</li> <li>o Maximize certainty for BETC applicants.</li> </ul>	<p>The Business Energy Tax Credit provides a powerful incentive for Oregon communities and businesses to become more energy efficient, develop renewable energy, and foster a clean energy economy. In recent years, dozens of Oregon cities have leveraged funds using the BETC "pass-through" to invest in projects such as high-efficiency lighting, HVAC system upgrades, transit systems, photovoltaic energy production, and efficiency upgrades at wastewater treatment plants. The BETC has also been instrumental for local efforts to attract new businesses, foster job creation, and make local economies more efficient. The BETC is currently scheduled to sunset as early as 2012, however, and recently has been hampered by a lack of certainty for BETC applicants.</p>
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## LOC Policy Committees' Legislative Recommendations

### Finance & Taxation

F. Take an active role in facilitating and promoting processes and measures to bring about an overhaul of the state property tax system. The outcomes of this overhaul must create a system which taxes property equitably, brings assessed values closer to real market values, and is stable and predictable to both governments and taxpayers.	Severe limitations imposed on local governments by Measure 5 and 50 to raise revenue have seriously jeopardized the ability of cities to provide essential services and foster economic growth. A comprehensive property tax fix is necessary which, along with equity, stability, and a stronger correlation between assessed value and real market value, should include an allowance for local control in setting appropriate long term local tax rates and grant consideration of the impact of the state's school funding methods on the property tax system. To this end, in a multi-year effort, the League of Oregon Cities will take a lead and active role in forming a coalition to facilitate conversations across the state and develop an education program to inform legislators and the public of the current crisis and the options available.
G. 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.	State Shared Revenue stand as a historical commitment by the state to local governments; cities accepted preemptions on certain taxes and fees in exchange for a state promise to share in their revenues of liquor, cigarettes, 9-1-1, and gasoline taxes. These distributions are a critical facet of each cities' ability meet increased demands on local services from alcohol related incidences, traffic impacts, and public safety issues. Any further cuts to State Shared Revenue will jeopardize the ability of cities to provide essential services. The state should respect local government's reliance on State Shared Revenue and honor its historic commitment.
H. Allow local governments a more flexible use of transient lodging tax to meet the increased demands placed both on essential services and infrastructure created by tourism activities.	Current preemption restricts cities to control of just 30 percent of their own local transient lodging revenue. Tourism activities can place increased demands on city infrastructure and services, but this preemption necessitates these added costs be borne by local residents rather than tourists and may jeopardize the ability of cities to provide other essential services. Increasing city flexibility in the use of local transient lodging revenue lessens the burden on local residents.

### General Government

I. 9-1-1 tax for pre-paid cell phones.	Support legislation to require pre-paid cell phones to contribute to pay 9-1-1 tax as all other telephones capable of dialing 9-1-1 do.
J. Restore the Department of Public Safety Standards and Training (DPSST) Regional Training program and protect DPSST from further cuts.	Work to restore regional training services and other critical services provided by DPSST.
K. Attach municipal court fines to tax returns.	Support legislation to allow municipal and other local courts to seize income tax returns to pay delinquent municipal court fines.

### Human Resources

L. "Manager" designation for local governments.	Allow cities to designate an employee as a "managerial employee" under the PECBA for purposes of collective bargaining (currently limited to only the State).
M. Lengthen time for last best offer submission from 14 days to 28 days.	<p>Currently when a strike-prohibited union advances their collective bargaining to Interest Arbitration, the parties' Last Best Offers (LBOs) are not due until 14 days prior to the actual hearing. ORS 243.746(3). This leads to a number of problems/issues:</p> <ul style="list-style-type: none"> <li>○ If the parties' submit their LBO just 2 weeks prior to the actual hearing, only to discover that they are "very close" to a possible settlement, they can be discouraged from settling since the 14-day time frame is beyond most arbitrators cancellation policy. In other words, the parties still have to pay the full cost of the arbitrator fees for each day of the scheduled hearing and any non-refundable travel costs.</li> <li>○ The 14-day period does not encourage either party to get to their "bottom-line" until just before a hearing.</li> <li>○ Most hearing exhibits are developed in conjunction with a parties LBO, including costing of the LBOs. Therefore, many of the exhibits are unnecessarily delayed in development until you see the other party's LBO. This would also apply to the decision</li> </ul>

## LOC Policy Committees' Legislative Recommendations

	<p>as to who your needed witnesses are.</p> <ul style="list-style-type: none"> <li>o The expanded time frame would provide for a more meaningful time frame within which to consider the other parties position and/or to seek mediation assistance.</li> </ul>
N. Allow employers to require paperless pay.	Develop legislation that will allow employers to require employees to accept electronic or payroll card payment and eliminate the requirement that a paper check be a payment option.
O. Work to achieve healthcare cost containment and protect local decision making authority in benefit design.	<p>Oregon cities, as responsible employers and leaders for healthy communities, have a vested interest in ensuring that Oregonians have access to affordable medical and preventative care. Oregon cities have proven to be innovators in providing wellness and healthcare benefits in challenging economics times to employees and have invested substantially in the health of employees. The League of Oregon Cities will support healthcare reform that:</p> <ul style="list-style-type: none"> <li>o Respects the right of Oregon's city leaders to determine the manner of providing health insurance benefits in consultation with their employees;</li> <li>o Reduces unrecoverable medical care costs for providers by expanding coverage to uninsured Oregonians;</li> <li>o Ensures that capitalization in the healthcare market place is based on community need;</li> <li>o Incentivizes the use of evidence/value based medicine;</li> <li>o Fosters innovation and rewards creativity in reducing costs and promoting wellness; and</li> <li>o Promotes transparency in costs and quality.</li> </ul>
P. Allow employees to choose alternative retirements option and protect the integrity and stability of Public Employee Retirement System (PERS).	<p>Support changes to the PERS system that allows employees to opt for alternative retirement plans. Additionally, the League should ensure that any PERS legislation passed by the Legislature:</p> <ul style="list-style-type: none"> <li>o Does not shift additional costs to employers;</li> <li>o Respects the needs for predictable rates while not destabilizing the system; and</li> <li>o Allows PERS to provide an attractive retirement benefit for employees while being fiscally sustainable.</li> </ul>
Q. Eliminate the requirement for employers to provide identical health benefits for retirees as they do for active employees.	Eliminate the requirement for public employers to provide the same health benefit plans for retirees as for active employees and at the same premium rates as paid by active employees.
<b>Telecommunications</b>	
R. 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 providers. Oppose preemption of city franchising, rights-of-way and taxing authority.	<p>Technology has rapidly advanced in the last decade and will continue to evolve in ways that cities cannot predict. This has led to significant implications for city rights-of-way authority and telecommunications revenues affecting the provision of local services. Cities have experienced an onslaught of challenges to franchising, rights-of-way management and taxing authority through local referrals, state and federal legislation and litigation. Meanwhile, the predominate system of franchising telecommunications providers has not kept pace with technology. In particular, the shift from landline telephones to wireless technologies has resulted in an erosion of telecommunications revenues. To protect city rights-of-way authority and preserve critical telecommunications revenues, cities need to consider moving to an alternative revenue system. The alternative revenue system proposal developed by a task force of city officials is a gross revenues tax specific to telecommunications providers. The League began discussions during the 2009 legislative session, but recognized that the issue would be a multi-session effort. While this move to an alternate system remains the ultimate goal, there are several incremental steps that can be taken to both address local revenue issues as well as set the stage for future discussion of an alternate telecommunications revenue system.</p>



## LOC Policy Committees' Legislative Recommendations

### Transportation

S. Continue efforts to resolve the disconnect between the Transportation Planning Rule (TPR) and other statewide land use planning goals. The TPR should:

- Be used as a growth management tool that avoids burdening cities with unintended transportation consequences which unduly add to the cost of city infrastructure;
- Be consistent with land use decisions;
- Not be used to effect a moratorium on growth;
- Encourage partnerships to avoid disproportional funding contributions from local jurisdictions.

(Note: this priority is duplicative of priority "D" forwarded by the Community Development Committee. Both priorities are brought forward here, representing the discussion of the Community Development and the Transportation policy committees.)

T. Ensure that existing and new transportation/land use planning requirements, especially those established to address greenhouse gas emissions and other air quality issues, are developed with the following caveats:

- Cities are stakeholders in the policy-making process and are to be included in all discussions.
- A sense of proportionality should be maintained, taking into account the transportation sector's contribution to the problem.
- There must be a commitment to identifying and collecting new revenue to assist cities with compliance.
- There is clarity with regard to governance authority and accountability.

Oregon has a strong commitment to planning, and the nexus between land use and transportation planning has become very evident. While this has properly contributed to good coordination between land use and transportation development, it also creates adverse impacts due to the mismatch between planning requirements, development timelines and the availability of financial and other resources. This can sometimes impede development and create conflicts with other statewide land use goals.

The sheer complexity of issues attendant to land use and transportation planning can result in confusion or even conflict between competing goals and priorities. Objectives such as reduction of vehicle miles traveled, transit-based land use, increased population density in some urban areas (UGBs), reduction in greenhouse gas emissions, compliance with other clean air standards, and interchange and access management are but a few of the interests, sometimes competing, that factor into transportation / land use policy discussions.

## LOC Policy Committees' Legislative Recommendations

<ul style="list-style-type: none"> <li>○ Recognition that "one size does not fit all", meaning that rules must be flexible enough to allow cities the right to determine and respond to local and regional needs.</li> <li>○ Requirements are based on outcomes rather than formulas and honors regional transportation planning efforts.</li> <li>○ Rules factor the effect of market forces (cost of fuel, availability of alternative technology, etc.) in achieving goals.</li> <li>○ Attempt to reduce greenhouse gas emissions and improve air quality while still supporting economic development.</li> </ul>	
<p>U. 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.</p>	<p>In 2009 the Legislature approved HB 2001, a major transportation policy and funding measure containing a 50 percent increase in road and street funding for cities. In 2011 transportation policy measures, especially related to planning, are more likely than transportation funding and program legislation.</p>
<p>V. Seek funding distribution mechanisms and formulas that reflect need as determined by system demand, function and condition.</p>	<p>Notwithstanding the new funding that HB 2001 is providing, city transportation budgets remain disproportionately underfunded. This has been exacerbated by the temporary preemption of a local funding mechanism. Long term, there remains the challenge of identifying and establishing more sustainable and equitable systems of raising and distributing funding in support of the expansion, preservation and maintenance of the state's transportation system.</p>
<p>W. Seek additional funding, efficiencies and program support for multi-modal transit and rail projects that result in:</p> <ul style="list-style-type: none"> <li>○ Creation and funding of a State Rail Authority to clarify goals and objectives and to undertake planning for passenger and freight rail service.</li> <li>○ Coordination between transit providers resulting in more efficient operations.</li> <li>○ Augmentation of elderly/disabled transit funding in order to maximize fixed route service.</li> </ul>	
<p>X. Increase the funding allocation to Oregon's small cities (population 5,000 or less) for road and street development and maintenance from \$1 million to \$5 million without unfairly impacting larger cities' share of the State Highway Fund.</p>	

## LOC Policy Committees' Legislative Recommendations

<p>Y. Enact legislation establishing a "shared road" designation allowing cities, within established criteria, to set speed limits below the state-mandated minimum of 25 mph on roads that have limited capacity but are nevertheless utilized by motor vehicles, bicyclists and pedestrians.</p>	
<p><b>Water/Wastewater</b></p>	
<p>Z. Support establishing statewide product stewardship programs to ensure recycling or proper disposal of toxic products at the end of their lifecycle.</p>	<p>Product stewardship programs improve water quality and reduce the environmental and health impacts of products that contain toxins through product-supported recycling and disposal programs. These programs reduce the burden on municipalities and others to implement water treatment technologies and other costly programs. The Oregon Legislature created an "E-Waste" product stewardship program for recycling computers and electronic waste in 2007 and a pilot product stewardship program for architectural paint in 2009. Additional stewardship programs could include products such as pharmaceuticals, batteries, and lighting that contains mercury.</p>
<p>AA. Recapitalize state municipal infrastructure funds to fully meet local demand on as sustained basis and fully leverage federal matching funds for water and wastewater infrastructure.</p>	<p>The state's Special Public Work Fund and the Water/Wastewater Fund are used to finance water and sewer systems, public buildings, road construction, downtown revitalization, energy and communications facilities, land acquisition, environmental clean-up, and port facilities. The state also must provide a 20 percent match to leverage federal funds available through the Safe Drinking Water State Revolving Fund and Clean Water State Revolving Fund. State revolving funds have failed to keep pace with growing local infrastructure demand that totals billions of dollars statewide.</p>
<p>BB. Protect existing and future water rights from conditions that would prevent municipalities from meeting current or future demands.</p> <ul style="list-style-type: none"> <li>○ Limit new ecological flow conditions to projects funded through HB 3369 (2009); and</li> <li>○ Oppose water use limits that interfere with approved water rights.</li> </ul>	<p>Due to the unique nature of municipal water suppliers' need to plan for growth and infrastructure investment, cities often "grow" into water rights over time before those rights become certificated water rights. Cities currently must develop a Water Management and Conservation Plan (WMCP) for approval by the state to maintain these water rights. Special interests, however, have called for new municipal water use standards and limits that would affect existing water rights.</p>

**City of The Dalles Department Manager Comments  
on League of Oregon Cities Legislative Priorities**

The City's Department Managers met and discussed the Legislative Priorities list submitted by the League of Oregon Cities (LOC) Policy Committee. We have identified the following eight issues as possible candidates for the City Council's selection of the top four issues to submit to the LOC. Following each item is a brief comment on why it was selected for further consideration.

**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.**

*Within the larger scope of land use planning in Oregon, the Oregon Department of Transportation, through the power of Statutes and Rules, has become the dominant agency in local land use planning. Transportation requirements have taken precedence over other local community goals and desires, which would otherwise be provided by the Statewide Planning Goals. This leads to an unbalanced application of the Goals and planning results that are less than ideal for local communities and a loss of economic development opportunities.*

**E. Energy: Reauthorize the 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.**

*Potential to bring family wage manufacturing jobs to The Dalles with incentives for equipment manufacturing facilities, and use of our current enterprise zone incentives, and the ideal location because we are close to wind farm sites, and the local college offers wind technology classes.*

**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.**

*The City has budgeted to receive \$337,599 in the General Fund from Cigarette Taxes, Liquor Taxes and general State Revenue Sharing. The Council elects to accept these revenues each year to support General Fund activities. If these State Sharing Revenues are reduced or if new revenues that should be included in the sharing are siphoned away for to other state functions, the City will face the need to cut General Fund services. As the State struggles to meet its own budget requirements, the cities need to work together to encourage the legislature to ensure that the State Sharing Revenue formula is maintained and that new revenues that historically should be earmarked to be shared are not diverted to other state needs.*

**K. General Government: Attach municipal Court Fines to tax returns.**

*The City normally carries between \$700,000 and \$800,000 in court fines receivables. During this fiscal year approximately \$15,000 fines were added and approximately \$22,000 fines were paid. That leaves \$791,000 in unpaid fines that are between ten months and many years old. If municipal court fines could be collected from the individual income tax refunds each year, the City would actually receive a major*

*portion of the money owed for these court fines. Anyone having a payment plan in place and complying with the requirements of such a plan could be exempt from the annual collection of fees owed from their tax return. The court does not generate enough revenue to fully fund its operations, but the City does need to make every effort to collect those revenues that are generated. If the court had the authority to collect unpaid fines from the individual income tax returns each year, it would not only provide more funds for operations, but would keep our court receivables up to date and provide a more accurate picture of the City's financial status.*

**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.**

*City transportation budgets statewide are disproportionately underfunded. A large portion of the funds received by the state to fund transportation system projects currently comes from fuel taxes. Although HB 2001 passed by the 2009 Legislature increased street funding to cities, long term these revenues have been declining as a result of increased vehicle efficiencies and development of alternative fuel technologies. Approximately 1/2 of this City's annual street fund revenues come from State Highway Fund sources.*

*This Legislative Issue would look at establishing more sustainable and equitable systems of raising funds in support of the expansion, preservation and maintenance of transportation systems in the state as fuel tax revenues decline.*

**BB. Water/Wastewater: Protect existing and future water rights from conditions that would prevent municipalities from meeting current or future demands.**

*Municipal water rights have historically been afforded a high level of protection allowing cities to obtain water rights and grow into them over time. Since virtually all of the water in Oregon is currently allocated and new water rights are extremely difficult to obtain, it is even more important that existing water rights be protected to accommodate growth.*

*Municipal water rights are under increasing scrutiny and challenges from environmental groups. Municipal rights account for only about 10% of the rights in Oregon, but have proven to be easier targets for challenges than other types of users. Municipalities already have to do more measuring and reporting than other users, and must develop and receive approval of Water Management and Conservation Plans before additional water rights can be developed. However, all this data, information, and planning then gets used against them by groups who want to challenge the water use.*

*If cities are to grow over time, it is essential to ensure protection of municipal water rights, now and into the future. Without water, all plans for UGB expansions and commercial/industrial development are unattainable.*

**J. General Government: Restore the Department of Public Safety Standards and Training (DPSST) Regional Training program and protect DPSST from further cuts.**

*As funds have become tight, the State of Oregon services provided by DPSST have been reduced. They have already eliminated the certification and training programs for command and supervisory personnel. They have also been restricting the number of classes for patrol officers. This is making it*

*difficult for the City of The Dalles and other cities to get new hires into the training program and increasing the time it takes to get them working independently on the city streets.*

**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.**

*Efforts need to continue to protect the city's right of way authority and to preserve critical telecommunications revenue. The City of The Dalles telecommunications revenues had been increasing from 8 to 12 percent over the last several years. We are currently considering a tax on cell phone service. Legislative assistance in open up this revenue generation avenue for cities could become critical to that effort if fully pursued.*