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City Council Work Session
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CITY COUNCIL & KLICKITAT COUNTY BOARD OF COMMISSIONERS JOINT WORK SESSION

COLUMBIA GORGE REGIONAL AIRPORT
APRIL 3, 2025
10:00 a.m.
VIA ZOOM/ IN PERSON

PRESIDING: Mayor Richard Mays

COUNTY COMMISSIONERS: Ron Ihrig, Lori Zoller, Todd Andrews

COUNCIL PRESENT: Tim McGlothlin, Rod Runyon, Scott Randall, Dan Richardson

COUNCIL ABSENT: Ben Wring

STAFF PRESENT: City Manager Matthew Klebes, City Attorney Jonathan Kara, Police Chief Tom Worthy, Finance Director Angie Wilson, Airport Manager Jeff Renard, Executive Assistant Abigail Jara

CALL TO ORDER

The meeting was called to order by Mayor Mays at 10:05 a.m.

DISCUSSION ITEMS

Mayor Mays stated the purpose of the joint work session was to provide an opportunity for the City of The Dalles and Klickitat County to become better acquainted as collaborative agencies, and to begin discussion on the 2002 Joint Operating Agreement (JOA), which both parties acknowledged is in need of revision after 23 years.

Introductions

Each attendee introduced themselves, sharing background and connection to the region.

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Mayor Mays explained City of The Dalles has a different form of government. He noted in this system, the City Manager functioned as the Chief Executive Officer. All city staff except the City Attorney, who reports to the Council. The Council sets policy, while the City Manager and staff handle daily operations.

Mayor Mays asked if the elected District Attorney also served as the county's attorney, and Quesnel confirmed.

Kara clarified that while this was once the case in Wasco County, the roles are now separate. He noted some Oregon counties still combine the positions, but Wasco County uses special counsel, currently provided by Campbell Phillips with Kristin Campbell.

Commissioner Ihrig said the County Auditor and the County Treasurer were also elected officials for Klickitat County.

City Manager Klebes provided an update on the City's current initiatives. He highlighted several key projects and efforts:

- Recently adopted updated Water Master Plan, critical projects included; replacing the water treatment plant, upgrading transmission lines, and raising the height of the Crow Creek Dam to increase water storage capacity.
- Updating Wastewater Master Plan later this year.
- Street and stormwater projects included; 6th Street widening project adding a center turn lane and the 12th Street extension project aimed at improving infrastructure for housing development.
- Noted challenges posed by the National Scenic Area boundary, which restricts urban growth but emphasized City efforts to maximize land use within city limits, such as the Brownfield program.
- The Columbia Gorge Urban Renewal Agency downtown projects included; redevelopment of the Tony's Town & Country site and First Street streetscaping.
- Work on a Plaza on Federal Street.
- Other initiatives included; digitizing city records, updating animal and dog control ordinances, and regulations around fireworks.

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- Collaborating with Klickitat County and Columbia Gorge Community College for new T-hangars and a new master plan at the Airport.

Commissioner Andrews asked when future expansion of the urban growth boundary might be possible.

Klebes responded that expanding the urban growth boundary requires a specific process and is limited by the National Scenic Area. He said retraction of the NSA is not currently feasible, and no effective process has been identified to change its boundary.

Commissioner Andrews asked if expanding the urban growth boundary would be easier without the National Scenic Area and noted that areas like Dallesport could offer growth opportunities.

Klebes explained that Oregon cities must maintain a 20-year supply of buildable land for employment or housing. If the City runs out of land within that period, it could justify expanding the urban growth boundary; however, doing so would be difficult, as the City is entirely surrounded by the National Scenic Area. Expansion would require a state-level retraction of the Scenic Area boundary.

Mayor Mays noted the Scenic Area includes six counties: Klickitat, Clark, Skamania, Wasco, Multnomah, and Hood River. He said although there is demand for housing and development, urban growth boundary expansions have been repeatedly blocked due to Gorge Commission restrictions since the Scenic Area's establishment in 1986.

Commissioner Ihrig discussed ongoing planning and development efforts in the County, including a major solar and battery storage project. He noted the critical area ordinance update should be ready for review in the coming months and highlighted ongoing public meetings to update the County's comprehensive plan, in place since the late 1970s.

Commissioner Ihrig clarified the discussion included updates to both the critical area ordinance and the County's comprehensive plan, which covers areas outside Goldendale, Bingen, and White Salmon. The County only manages wastewater when systems fail, as most are handled by the PUD. He cited Bickleton as an example where a new water system by the PUD prevented County involvement and emphasized the importance of that partnership.

Commissioner Zoller summarized the broad responsibilities of the Klickitat County Board, including work with department heads across economic development, planning, and health. She emphasized the need to update the County's Comprehensive Plan to guide development for the next 20 to 50 years and noted the County supports its three incorporated cities while acting as the

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governing body for unincorporated communities. Klickitat's geographic and cultural diversity adds complexity to governance.

She listed key efforts including water rights, short-term rental regulation, nuisance compliance, and road program oversight. She highlighted the County's involvement with the National Scenic Area, praised former member Sandra Clark, and commended her replacement, Val Fowler. Additional updates included environmental cleanups at industrial sites, the new Department of Corrections, support for Hood River Bridge replacement, software transitions, and fireworks policy discussions.

Commissioner Andrews reported working closely with Richard Foster on development through MCCED and Klickitat County Public Economic Development Authority (KCPEDA). He expressed optimism about the airport's potential following a tour with Jeff Renard and noted growing momentum despite past challenges.

Klebes asked for a brief overview of KCPEDA for the benefit of the councilors.

Foster explained KCPEDA is a 15-member board focused on economic development in Klickitat County, with representation from the Port, PUD, incorporated cities, and seven at-large members.

Commissioner Ihrig said County Commissioners hold legislative, administrative, and quasi-judicial roles, which limits communication outside public meetings. Independently elected officials like the Treasurer, Auditor, Sheriff, and Prosecutor add complexity. All official communication should go through the BOCC email for transparency.

Mayor Mays inquired about department oversight in Klickitat County, noting that in The Dalles, department heads report to the City Manager. Commissioner Ihrig explained that most department directors report to the Board, while independently elected officials manage their own departments. The Board's authority is mainly limited to budget approval.

Commissioner Zoller noted that internal communication is challenging in Klickitat County, as discussions with department directors must be shared with the full Board during official sessions.

Commissioner Ihrig stated that the Board meets weekly on Tuesdays, with additional workshops on Thursdays to review the budget and departmental priorities. He confirmed that meetings are held in Goldendale, with Tuesday sessions available via Zoom. Thursday workshops are in-person with department heads and are not streamed.

Mayor Mays acknowledged that Klickitat County commissioners serve on various committees, similar to Wasco County. Commissioner Ihrig mentioned his involvement in transportation-

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related groups, such as the RTC, emphasizing the importance of engagement in state and federal funding processes.

Mayor Mays asked Commissioner Zoller how long she had served as the county's representative to the airport. Commissioner Zoller shared that she has been working with the airport board for two years and highlighted challenges with the decision-making process, which requires consensus and often slows progress.

City Manager Klebes explained that the Airport Manager reports to both him, the Klickitat County Commission, and the Airport Board, which includes representatives from both entities. He emphasized the inefficiencies of the jointly operated airport and suggested revisiting the Joint Operating Agreement (JOA) to improve coordination.

Councilor McGlothlin asked about the status of the gravity-fed generator project from the Goldendale plan. Commissioner Ihrig responded it was still undergoing the permitting process.

Councilor Runyon inquired about Klickitat County's management of complex projects without a central administrator, asking whether they rely on consultants or internal staff. Commissioner Ihrig explained that department directors, such as the Planning Director, typically oversee such projects, with involvement from the Economic Development Administrator. The discussion also included the potential benefits of reinstating a County Administrator. Commissioner Andrews noted the county had this position in the past, and Commissioner Zoller emphasized the county's effective department communication, with weekly updates and follow-up action by the board. Commissioner Ihrig mentioned the county's reliance on staff, like the HR Director, and ongoing discussions about creating a County Administrator role. Mayor Mays noted the City's frequent meetings with department directors, which may reduce the need for such a position.

The City and County began a discussion of finances, with highlights including the City's solid financial situation, partly due to Google revenues, which will help offset a water rate increase. The County's financial outlook is positive, with major revenue sources coming from property taxes and landfill contracts, although a \$1 million budget decrease resulted from the loss of some landfill contracts. Both the City and County emphasized the importance of avoiding reliance on reserves for long-term financial stability. The County also plans a budget workshop in June to assess available funding, particularly in light of uncertainty around state and federal funding.

They discussed the impact of renewable energy projects on revenue. Challenges included the requirement to refund sales tax on green projects and changes in state tax policy that have reduced expected revenues, shifting costs to local property owners. However, potential future revenue from large-scale projects like pump storage and data centers was highlighted, particularly if the County is able to retain sales tax. The County also raised concerns about the

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state's role in overriding local planning decisions related to green energy projects, which has financial implications for local projects and services.

The meeting recessed and reconvened at 11:25 a.m.

The discussion focused on the outdated 2002 Joint Operating Agreement (JOA) for the airport. Commissioner Zoller reviewed the agreement, noting it was outdated and required only minor housekeeping updates. She suggested a collaborative review process with both the City Council and County Commissioners to ensure a shared vision for the airport's future. Zoller also pointed out an issue with the term "Oregon airport located in Washington" and emphasized that the airport is subject to Washington state regulations.

Renard clarified the origin of the "Oregon airport" designation, tracing it back to a 1941 document when Dallesport was not incorporated. He confirmed that despite the designation, the airport follows Washington state laws. Klebes noted outdated elements in the JOA, including references to a golf course and unclear budgeting timelines. He called for clarifying the overlap of Oregon and Washington law and improving the airport board's structure.

Quisnel expressed concerns about the airport board's role, suggesting a reevaluation to better reflect current operations. Mayor Mays acknowledged the need for a revision and proposed forming a small working group with representatives from both the City and County to begin the review process. Commissioner Ihrig suggested including an Airport Board member and staff in the group.

The group agreed that the City's Attorney and City Manager would represent the City in meetings, aiming to finalize an agreement within six months. Kara offered to create a draft for comparison, and Councilor McGlothlin recommended communicating through the attorney to avoid conflicts of interest.

Mayor Mays raised the possibility of altering the airport's operational structure and asked if the group was open to considering changes beyond the current framework. Councilor Runyon confirmed that structural changes would be reviewed in committee meetings, considering all necessary legal requirements.

The committee was finalized to include City Manager Klebes, City Attorney Kara, Councilor McGlothlin, Commissioner Zoller, and Mr. Quesnel. Mayor Mays scheduled the first meeting and requested initial comments on the JOA to be shared for the first redlined draft, with the goal to return the revised document within six months.

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Klebes then inquired about the County's process for setting agendas, comparing it to the City's practice of distributing packets 7–10 days in advance. Commissioner Ihrig explained that the County's process differs, with agenda items reviewed by 10 a.m. on Thursdays for the following Tuesday's meeting, without regular staff meetings. Agenda scheduling depends on availability and may require two weeks' notice. Commissioner Zoller explained that the Airport Manager submits agenda items through Mr. Quesnel for approval. Quesnel added that to be placed on the agenda, consult with the Clerk and provide a time frame for scheduling.

Commissioner Andrews asked the Mayor about the City's perspective on the airport's value and its future goals. Mayor Mays highlighted economic development as a key benefit, despite the lack of property or sales tax revenue from airport-related developments. Klebes emphasized the airport's role as an economic driver for the region and its untapped potential, benefiting both The Dalles and Klickitat County.

Mayor Mays noted the biannual meetings with elected officials in Washington, D.C., and offered to carry any concerns from Klickitat County. Klebes shared past collaboration on Congressionally Directed Spending (CDS) requests, including support for the airport, and inquired about Klickitat County's vision for the airport.

Commissioner Andrews stressed the need for a balanced approach, acknowledging the limited financial gain from the airport while focusing on revenue generation. He emphasized bringing all stakeholders together for clearer direction over the next decade.

Commissioner Zoller emphasized the airport's value for the county, praising improvements like the fuel system and the growing military presence, which would increase revenue. She mentioned the airport's designation as a state emergency staging area in the event of a major disaster and noted the potential for military reserves at the airport.

Renard confirmed the airport's inclusion in resiliency plans for both Oregon and Washington and its capability for emergency transport. Commissioner Zoller expressed hope for future discussions on developing military reserves at the airport.

Klebes clarified that while the airport is an economic asset, it operates as an enterprise fund, with its revenues dedicated to sustaining the airport. He expressed confidence that upcoming projects would make the airport self-sustaining, cash-positive, and able to reinvest in itself.

Councilor McGlothlin inquired about the airport's 1941 federal designation, questioning whether the name accurately reflects its location and the relationship between the entities. Commissioner Zoller expressed concerns about the challenges of complying with Washington's regulations despite the airport being labeled as an Oregon airport.

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Councilor McGlothlin asked whether renaming or re-designating the airport might be beneficial. Renard clarified that the airport is co-owned and that changing its designation could complicate federal grants and operations. Klebes acknowledged the historical Oregon designation but suggested clarifying the current situation, noting the airport's location in Washington.

Councilor McGlothlin proposed revisiting the 1941 designation to address concerns, though Commissioner Andrews clarified he had not heard discussions about renaming the airport. Renard agreed to provide the original 1941 airport document to the group.

Klebes emphasized the importance of maintaining the Oregon designation for grant eligibility, a point confirmed by Renard. Commissioner Zoller asked Richard Foster about potential issues with state grants, and Foster explained that Oregon grants offer more flexibility than Washington grants, which are typically more restrictive.

Klebes added that when applying for grants, the airport is framed as an Oregon facility for Oregon grants and a Washington location for Washington grants. Despite challenges, Commissioner Andrews noted the bi-state partnership has been beneficial for securing funding.

Renard highlighted the importance of leveraging funds for projects, citing the recent south apron and taxiway updates, which were made possible through congressional support. Foster added that Washington state grants hold the county liable but did not foresee significant concerns.

Kara asked if changing the designation to Washington would affect grant eligibility, to which Foster responded that it would not. Quesnel proposed the creation of an independent co-owned entity for airport management, which could avoid political changes and ensure stability. Kara supported exploring this model, noting it may take more time than expected.

Mayor Mays suggested meeting annually after decisions are made.

Commissioner Ihrig motioned to adjourn the workshop, which was seconded by Commissioner Andrews and passed unanimously.

Mayor Mays then called for a motion to adjourn the City of The Dalles workshop. Councilor Richardson moved, and Councilor Randall seconded. The motion to adjourn.

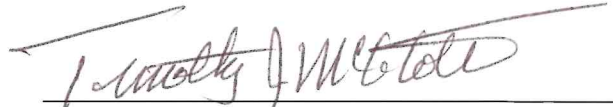
ADJOURNMENT

Being no further business, the meeting adjourned at 12:25 p.m.

Submitted by/ Abigail Jara, Executive Assistant

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SIGNED:


Richard A. Mays, Mayor
Council President

ATTEST:


Amie Ell, City Clerk