

BUDGET ISSUE PAPERS

Fiscal Year 2017-18

As of 003/01/17

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BUDGET ISSUE PAPER CITY OF THE DALLES

BUDGET YEAR AFFECTED	DEPARTMENT(S) AFFECTED	BUDGET DOCUMENT REFERENCE NUMBER
FY 17-18	Public Works	17-001

TO: City of The Dalles Budget Committee
FROM: Dave Anderson, Public Works Director
THRU: Julie Krueger, City Manager
DATE: April 10, 2017
ISSUE: Street Fund Preventive Maintenance Focus

RELATED COUNCIL GOAL: A-2: Develop street construction projects and focus resources on preventive maintenance projects (ie: patching, crack sealing, chip sealing) through fiscal year 2017-18.

RELATED FUND AND LINE ITEM: Fund 5, Lines 005-0500-431.60-87 and 005-0500-431.75-10; Fund 13, Line 013-1400-431.75-10

BACKGROUND: The proposed 2017/18 budget identifies funding for street maintenance projects that focus on lower-cost pavement preservation projects rather than more extensive reconstruction or rehabilitation projects, consistent with the stated goals of the City Council. The projects identified in the proposed budget only include crack sealing and chip sealing of street surfaces; some of the proposed chip seal projects require a thin pre-leveling with asphalt to fill tire ruts prior to chip sealing.

The budgeted work plan for FY2016/17 emphasized maintenance activities that focused primarily on improving the surface of the travel lanes only while usually only doing crack sealing in the parking lanes. In addition to the on-going work to patch potholes and repave utility trenches, the 2016/17 work plan provided for the following maintenance on City streets:

- chip sealing about 5 miles of streets

- asphalt inlaying about 1000 feet of West 6th Street
- in-house crack sealing on 12+ miles
- asphalt rut/seam repairs on West 2nd Street
- overlaying about 1.7 miles of streets.

The 2017/18 budget has again been prepared with a focus on preventive maintenance projects for the City's street system using a combination of treatments that includes pot hole patching, crack sealing, and chip sealing; no overlays or asphalt inlays are proposed in the budget. In an effort to extend the available funding as far as possible, most of the chip seal projects will be applied to the travel lanes only rather than to the full width of many of the streets. The streets proposed for chip seals total about 1.5 miles and include:

- West 10th Street from Walnut to Cherry Heights
- West 9th Street from Cherry Heights to the Mill Creek Bridge
- 4th Street from 3rd Place to Jefferson
- Riverview from 13th to 17th
- Vey Way from 8th to 10th

Within Fund 13, the Transportation System Reserve Fund, the proposed FY2017/18 budget allocates funds for the repair of structural cement on the 6th Street Bridge as identified by an ODOT bridge inspection report, and the widening of West 6th Street at Snipes in conjunction with construction of a new motel. These projects will utilize Surface Transportation Funds as allocated by the State which are funds that cannot be used for ordinary street maintenance activities. Fund 13 also identifies \$802,603 in accumulated Transportation SDC funds that can only be used for projects that increase capacity of the transportation systems as identified in the Transportation System Plan (TSP); the identification of specific SDC-funded projects is pending adoption of the updated TSP.

As was mentioned each of the last two years, the FY2015/16 and FY2016/17 levels of maintenance were not sustainable with current funding sources; financial reserves that were previously being saved for some larger projects were spent in those years to improve the surface condition of County roads inside the City limits prior to transferring jurisdiction to the City, and to contract for crack sealing services. The proposed FY2017/18 budget anticipates the transfer of \$150,000 from the General Fund, in addition to the \$81,402 previously allocated from Northwest Natural Gas franchise fees, like was done the last two years, to help fund the proposed level of maintenance. With this funding, a total of \$210,660 is proposed to be budgeted in FY2017/18 for crack seal and chip seal projects. This compares to \$450,090 and \$690,120 in FY2015/16 and FY2016/17 respectively.



BUDGET ISSUE PAPER CITY OF THE DALLES

TO: City of The Dalles Budget Committee
FROM: Angie Wilson, Finance Director
THRU: Julie Krueger, City Manager
DATE: March 3, 2017
ISSUE: **BIP 17-002 Operating Fund Summary by Expense Categories**

BACKGROUND: The purpose of this Budget Information Paper (BIP) is to provide a breakdown and summary of the City's major operating funds to help the Committee review the potential full budget and its significant changes due to the changes in our revenue resources and expense appropriation requests. A summary of the proposed budgets for the General Fund and Other Operating Funds by department and expense category within in each fund is shown below.

The bottom line within the General Fund is an overall increase of \$161,444 (1.737%) in the Budget Officer's recommended budget for FY17/18 from the current FY16/17 budget. General Fund Personnel Services increased overall by 1.9% due to the proposed 2% COLA and the 8% cap on increases of health benefits, anticipated step increases, transitions in the City Manager, City Clerk, Executive Secretary, and Legal Secretary positions, the Council approved upward movement on the Exempt Wage Table of the Police Captain and Sergeant positions, and the Human Resources Director position.

Materials & Services shows an overall increase of \$64,745 (3.3%). A portion of this was due to the anticipated cost of the GeTac tablets and the subsequent changes in the needs of those affected departments. The reduction in the Economic Development Department was offset by moving some of the expenses to City Manager budget and programs to other General Fund Departments.

Capital Outlay is up 29.5%, due the need in the Police and General Services Departments for the coming fiscal year.

Operating Transfers Out decreased by -25.9% (\$75,111) due to the decrease in the transfer for the airport. Also we will not be transferring money into the unemployment fund for the 2017/18 fiscal year.

Contributions to Agencies, is the amount of the Transient Room Taxes that we collect and pass on

to the Parks and Recreation District which is budgeted at the same level as last year.

The proposed Contingency/Unappropriated shows an increase of .6%.

Other fund operating budget changes from last year include:

- Library Fund: Overall increase of .1%, mostly due to the increase in the contingency fund/Unappropriated fun balance
- Street Fund: Overall decrease of -19.8% due to the contribution of another \$150,000 from the General Fund in FY17/18 and a reduction of the capital projects budgeted.
- Water Utility Fund: Overall decrease of -15.6%.
- Wastewater Fund: Overall decrease of -10.0%.

Please see below for the breakdowns by department and categories within each fund.

City Council Breakdown	Current FY16/17	FY17/18 Request	\$ Difference	% Difference
Materials & Services	428,457	235,772	(192,685)	-45.0%
Capital Outlay	-	-	-	
Total	428,457	235,772	(192,685)	-45.0%
		-		
City Clerk Breakdown	Current FY16/17	FY17/18 Request	\$ Difference	% Difference
Personnel Services	114,577	123,451	8,874	7.7%
Materials & Services	6,315	24,065	17,750	281.1%
Capital Outlay			-	
Total	120,892	147,516	26,624	22.0%
		-		
City Manager Breakdown	Current FY16/17	FY17/18 Request	\$ Difference	% Difference
Personnel Services	166,508	262,422	95,914	57.6%
Materials & Services	26,528	77,449	50,921	192.0%
Total	193,036	339,871	146,835	76.1%
		-		
Legal Breakdown	Current FY16/17	FY17/18 Request	\$ Difference	% Difference
Personnel Services	218,511	221,533	3,022	1.4%
Materials & Services	41,064	40,489	(575)	-1.4%
Total	259,575	262,022	2,447	0.9%

Judicial Breakdown	Current FY16/17	FY17/18 Request	\$ Difference	% Difference
Personnel Services	113,048	115,678	2,630	2.3%
Materials & Services	91,075	98,928	7,853	8.6%
Total	204,123	214,606	10,483	5.1%
		-		
Finance Breakdown	Current FY16/17	FY17/18 Request	\$ Difference	% Difference
Personnel Services	303,678	288,693	(14,985)	-4.9%
Materials & Services	59,957	66,659	6,702	11.2%
Total	363,635	355,352	(8,283)	-2.3%
		-		
Utility Billing Breakdown	Current FY16/17	FY17/18 Request	\$ Difference	% Difference
Personnel Services	142,727	147,747	5,020	3.5%
Materials & Services	55,668	61,207	5,539	10.0%
Capital Outlay	-	-	-	0.0%
Total	198,395	208,954	10,559	5.3%
		-		
Human Resources Breakdown	Current FY16/17	FY17/18 Request	\$ Difference	% Difference
Personnel Services	115,821	117,521	1,700	1.5%
Materials & Services	12,116	30,360	18,244	150.6%
Total	127,937	147,881	19,944	15.6%
		-		
Planning Breakdown	Current FY16/17	FY17/18 Request	\$ Difference	% Difference
Personnel Services	436,457	454,657	18,200	4.2%
Materials & Services	48,710	120,130	71,420	146.6%
Capital Outlay	-	-	-	
Total	485,167	574,787	89,620	18.5%
		-		
Economic Development	Current	FY17/18	\$	%
Personnel Services	119,625	-	(119,625)	-100.0%
Materials & Services	132,694	66,287	(66,407)	-50.0%
Total	252,319	66,287	(186,032)	-73.7%
		-		
Code Enforcement	Current	FY17/18	\$	%
Personnel Services	63,735	65,555	1,820	2.9%
Materials & Services	27,641	27,641	-	0.0%
Capital Outlay	-	-	-	
Total	91,376	93,196	1,820	2.0%
		-		
Police Breakdown	Current FY16/17	FY17/18 Request	\$ Difference	% Difference
Personnel Services	2,973,576	3,069,408	95,832	3.2%
Materials & Services	587,034	782,604	195,570	33.3%
Capital Outlay	55,000	60,750	5,750	10.5%
Total	3,615,610	3,912,762	297,152	8.2%

Technology Breakdown	Current FY16/17	FY17/18 Request	\$ Difference	% Difference
Personnel Services	103,639	106,255	2,616	2.5%
Materials & Services	173,385	100,718	(72,667)	-41.9%
Capital Outlay	7,000	12,000	5,000	71.4%
Total	284,024	218,973	(65,051)	-22.9%
		-		
General Services Breakdown	Current FY16/17	FY17/18 Request	\$ Difference	% Difference
Personnel Services	66,551	69,908	3,357	5.0%
Materials & Services	257,780	281,560	23,780	9.2%
Capital Outlay	6,000	53,000	47,000	783.3%
Total	330,331	404,468	74,137	22.4%
		-		
Animal Control Breakdown	Current FY16/17	FY17/18 Request	\$ Difference	% Difference
Personnel Services	47,991	36,406	(11,585)	-24.1%
Materials & Services	32,500	31,800	(700)	-2.2%
Capital Outlay	-	-	-	
Total	80,491	68,206	(12,285)	-15.3%
		-		
Other Uses Breakdown	Current FY16/17	FY17/18 Request	\$ Difference	% Difference
Charges for Services	607,279	619,844	12,565	2.1%
Operating Transfers Out	290,111	215,000	(75,111)	-25.9%
Contingency/Unappropriated	1,360,436	1,369,141	8,705	0.6%
Total	2,257,826	2,203,985	(53,841)	-2.4%
		-		
Breakdown	Current FY16/17	FY17/18 Request	\$ Difference	% Difference
General Fund Totals	9,293,194	9,454,638	161,444	1.7%
		-		
General Fund Breakdown	Current FY16/17	FY17/18 Request	\$ Difference	% Difference
Personnel Services	4,986,444	5,079,234	92,790	1.9%
Materials & Services	1,980,924	2,045,669	64,745	3.3%
Capital Outlay	68,000	125,750	57,750	84.9%
Charges for Services	607,279	619,844	12,565	2.1%
Operating Transfers Out	290,111	215,000	(75,111)	-25.9%
Contingency/Unappropriated	1,360,436	1,369,141	8,705	0.6%
Total	9,293,194	9,454,638	161,444	1.737%

PUBLIC WORKS FUNDS				
Street Fund Breakdown	Current FY16/17	FY17/18 Request	\$ Difference	% Difference
Personnel Services	801,559	834,624	33,065	4.1%
Materials & Services	613,322	661,023	47,701	7.8%
Capital Outlay	826,736	147,060	(679,676)	-82.2%
Total	2,241,617	1,642,707	(598,910)	-26.7%
Other Uses				
Charges for Services	-	-	-	
Operating Transfers Out	256,087	295,625	39,538	15.4%
Contingency	34,174	92,000	57,826	169.2%
Total	290,261	387,625	97,364	33.5%
Street Fund Totals	2,531,878	2,030,332	(501,546)	-19.8%
Water Utility Fund Breakdown	Current FY16/17	FY17/18 Request	\$ Difference	% Difference
Water - Treatment Division				
Personnel Services	846,862	876,132	29,270	3.5%
Materials & Services	486,674	481,984	(4,690)	-1.0%
Capital Outlay	87,500	191,500	104,000	118.9%
Total	1,421,036	1,549,616	128,580	9.0%
Water - Distribution Division				
Personnel Services	1,254,463	1,272,798	18,335	1.5%
Materials & Services	606,333	612,132	5,799	1.0%
Capital Outlay	124,700	83,163	(41,537)	-33.3%
Total	1,985,496	1,968,093	(17,403)	-0.9%
Other Uses				
Charges for Services	-	-	-	
Operating Transfers Out	3,067,205	1,873,716	(1,193,489)	-38.9%
Contingency	77,887	138,502	60,615	77.8%
Total	3,145,092	2,012,218	(1,132,874)	-36.0%
Water Fund Totals	6,551,624	5,529,927	(1,021,697)	-15.6%
Wastewater Fund Breakdown	Current FY16/17	FY17/18 Request	\$ Difference	% Difference
Wastewater Fund				
Personnel Services	1,255,840	1,287,372	31,532	2.5%
Materials & Services	1,748,157	1,800,408	52,251	3.0%
Capital Outlay	126,250	209,600	83,350	66.0%
Total	3,130,247	3,297,380	167,133	5.3%
Other Uses				
Charges for Services	-	-	-	
Operating Transfers Out	3,199,902	2,368,678	(831,224)	-26.0%
Contingency	60,180	84,582	24,402	40.5%
Total	3,260,082	2,453,260	(806,822)	-24.7%
Wastewater Fund Totals	6,390,329	5,750,640	(639,689)	-10.0%

OTHER FUNDS				
Library Fund Breakdown	Current FY16/17	FY17/18 Request	\$ Difference	% Difference
Personnel Services	750,580	775,161	24,581	3.3%
Materials & Services	708,499	569,776	(138,723)	-19.6%
Capital Outlay	148,000	85,000	(63,000)	-42.6%
Charges for Services	-	-	-	
Interfund Transfers	88,565	84,999	(3,566)	-4.0%
Contingency/Unappropriated	694,605	878,095	183,490	26.4%
Total	2,390,249	2,393,031	2,782	0.1%
State Office Building Fund Breakdown	Current FY16/17	FY17/18 Request	\$ Difference	% Difference
Personnel Services	66,547	69,908	3,361	5.1%
Materials & Services	129,222	105,388	(23,834)	-18.4%
Contingency	54,823	32,093	(22,730)	-41.5%
Total	250,592	207,389	(43,203)	-17.2%



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BUDGET ISSUE PAPER

CITY OF THE DALLES

TO: City of The Dalles Budget Committee

FROM: Julie Krueger, City Manager

DATE: March 24, 2017

ISSUE: **BIP 17-003 City Council Supported Programs**

BACKGROUND: The Dalles City Council, under its Contractual Services line item, provides financial support to a number of activities. Last year a number of the contributions that are considered to be ongoing were moved into the operating budgets of various General Fund Departments as follows:

- Fort Dalles Museum Support paid to Wasco County (\$17,500) was moved into the Contractual Services line item in the Planning Department.
- Juvenile Work Crew use for graffiti clean up (\$13,650) and the City's share of the Emergency Operations Center (\$9,000) have both been moved to the Contractual Services line item in the Police Department.
- Main Street Manager Support (FY15/16 = \$25,000; FY16/17 = \$50,000) has been moved to the Contractual Services line item in the Economic Development Department.

A new policy was adopted last year that provides criteria and timelines for requests to the Council for support funds for various programs. A cap of \$25,000 was set as the total amount of contributions (grants) to be approved. For the 17-18 fiscal year, applications were received from the following:

- Home at Last for health pets grant (spay, neuter and licensing program)
- The Dalles Farmer's Market Power of Produce program
- Columbia Gorge Veterans Museum, A/V system for virtual museum
- Mid-Columbia Senior Center for flooring
- Youth Empowerment Shelter for a commercial dishwasher
- D21 Education Foundation Cultural Festival speaker costs

The Council considered the grant applications at their meeting on March 13, 2017, and agreed to fund all of the proposals above, at a cost of \$19,848.

The chart below lists prior activities that have been supported (LINK, the Sister Cities Program and the 4th of July Celebration), along with the activities that have been recommended for support in FY17/18.

City Council Contractual Services					
Service	Partner	FY 15/16 Budget	FY 16/17 Budget	FY 17-18 Proposed	Funding Source
Upgrades to Museum	Ft. Dalles Museum	\$17,500.00	\$5,000.00	Planning Budget	TRT
LINK	MCCOG Transportation	\$10,000.00	\$10,000.00	\$10,000	TRT
Sister City Program	Local Non-Profit Association	\$2,500.00	\$5,000.00	\$7,500	TRT
War Memorial	Verterans & Civic Organizations	\$2,000.00	\$2,000.00		TRT
4th of July Celebration	Verterans & Civic Organizations	\$20,000.00	\$25,000.00	\$25,000	TRT
Six Rivers Mediation	Six Rivers Mediation Services	\$4,000.00			
Substance Abuse	YouthThink	\$13,000.00	\$10,600.00	\$12,000	TRT
Juvenile Work Crew	Wasco County	\$13,650.00	Police Budget		TRT
Main Street Manager	Main Street Program	\$25,000.00	Planning Budget		TRT
Senior Center Support	The Dalles Senior Center	\$5,000.00			
Youth Shelter	Youth Empowerment Shelter	\$20,000.00			
Wasco County ECO	Wasco County/Mid Columbia F&R	\$9,000.00	Police Budget		TRT
Cruise the Gorge Equipment	Rotary Club		\$1,500.00		NRR
Expand Leaders Program	Columbia Gorge Earth Center		\$3,500.00		NRR
Banner/POP	The Dalles Farmers Market		\$2,100.00		NRR
Fort Dalles Rodeo (2015)	Ft. Dalles Rodeo Association	\$10,000.00			
Community Concerts			\$96,500.00	\$5,000	TRT
Small Grants (listed above)				\$19,848	NRR
	Total:	\$151,650.00	\$161,200.00	\$79,348	

Last year the City Council approved a request from Randy Haines and Nolan Hare, producers of community concerts, for funding in the amount of \$96,500 for three concerts. While the entire amount was not spent, the City Manager is recommending a flat fee sponsorship of \$5,000 in the 2017-18 fiscal year, toward the concerts. A flat sponsorship is more conservative and the City doesn't take on the risk of whether ticket sales offset the promoter's costs.

The \$5,000 sponsorship is included in the proposed budget.



BUDGET ISSUE PAPER

City of The Dalles

TO: City of The Dalles Budget Committee

FROM: Angie, Finance Director

THRU: Julie Krueger, City Manager

DATE: April 17, 2017

ISSUE: **BIP 17-004 General Fund Contingency, Unappropriated Ending Fund Balance, and Non-Recurring Revenues**

BACKGROUND:

- I. **Contingency:** The adopted City Council Policy is to maintain a 10% General Fund Contingency. The General Fund Contingency this year is proposed at \$685,065, which meets the 10% policy. This is calculated by taking the total operating budgets of the departments, excluding the Special Payments, Transfers Out and removing the costs of any Main Street support. 10% of the remaining amount is calculated, and then the \$34,000 in Enterprise Zone fees advanced to Mid-Columbia Fire and Rescue District for the remodel of Fire Station #2 on Columbia View Heights is subtracted. \$34,000 of the \$68,000 that was advanced was repaid in fiscal year 2016-17 and the other \$34,000 will be repaid in 2017-18 from Enterprise Zone fees received by the City.
- II. **Unappropriated Ending Fund Balance:** The City Council has a policy to maintain an Unappropriated General Fund Balance equal to the first four months of net operating expenses. We average the first four months from the prior five years average to set the unappropriated amount for the coming year. This allows us to have sufficient cash flow until property tax revenues begin to come in during November.

We have proposed an Unappropriated Ending Fund Balance of \$684,076. This is an decrease of \$87,854 (11%) from FY16/17. However, this amount is only what is available to budget, and is \$383,039 short of the calculated goal of \$1,067,115.

III. Non-Recurring Revenues: Each year the resources for the General Fund include a portion that are one time or non-recurring revenues, that will not necessarily be available in future years. In expending those funds we need to use caution, to make sure they are not spent on operational expenses that will require continuation of the resource in future years. For example, it would be unwise to budget for positions that we know you will have to find funds for next year.

This year in the General Fund we have not identified a portion of the Beginning Fund Revenue as one time revenue:

The Budget Committee may wish to review the one time expenditures listed above to determine if any of them should be eliminated or reduced so that one-time revenues are used for one-time expenditures.



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BUDGET ISSUE PAPER

CITY OF THE DALLES

TO: City of The Dalles Budget Committee
FROM: Angie Wilson, Finance Director
THRU: Julie Kruger, City Manager
DATE: March 29, 2017
ISSUE: **BIP 17-005 Expenditure of Transient Room Tax Revenue**

BACKGROUND: The City of the Dalles has, by ordinance, a tax on transient room rentals (stays of less than 30 days). It is often referred to as “Room Tax”. The tax is specifically added to the room rate and paid by the person renting the room. The first transient room tax for the City of The Dalles was adopted in 1977. The City has had a 6% rate in effect since 1984, with a short-term additional 2% rate for a special need in the early 1990's. An additional 2% tax was implemented January 1, 2003. A portion of that 2% was used to pay off the Union Street Underpass debt, and the remainder went to the Northern Wasco County Parks and Recreation District. The debt was paid off in FY13/14, so now, by Ordinance, that 2% tax goes to the Northern Wasco County Parks and Recreation District.

The ordinance establishing the 6% room tax for General Fund purposes requires a minimum of 21% be used for tourism promotion. The City has historically spent the amount not used for tourism promotion, in the General Fund, as the City Council and Budget Committee deems best.

In 2003 the State Legislature adopted legislation that is now contained in ORS 320.300 to 320.350. The law requires that “A local government that imposed a local transient lodging tax on July 1, 2003 may not decrease the percentage of total local transient lodging tax revenues that are actually expended to fund tourism promotion or tourism related facilities on or after July 2, 2003...” (ORS 320.350(3)). The City of The Dalles expended 50.2% of the 6% room tax on tourism promotion or tourism related facilities in 2003. This budget maintains that percentage as identified in Table 1.

We are estimating that we will collect \$770,496 in room tax in fiscal year 2017-18. This is \$8,000 more than was estimated for FY16/17.

Department budgeted	Activity	FY 17/18 Proposed	Percent
Special Payments	Main Street For Tourism Promotion	40,000	5.19%
Special Payments	Tourism Promotion (Chamber of Commerce)	243,844	31.65%
City Council	Sister City Program	7,500	0.97%
City Council	The Dalles Farmers Market	1,630	0.21%
City Council	Columbia Gorge Veterans Museum	5,000	0.65%
City Council	Mid Columbia Senior Center	7,000	0.91%
City Council	Youth Empowerment Shelter	3,718	0.48%
City Council	Education Foundation of D21	500	0.06%
City Council	Home At Last	2,000	0.26%
City Council	YouthThink	12,000	1.56%
City Council	Fort Dalles Fourth Celebration	25,000	3.24%
City Council	MCCOG Link	10,000	1%
City Council	Community Concerts	5,000	0.65%
Economic Dvl	Main Street Support	50,000	6.49%
Planning	Ft. Dalles Museum Support	20,000	2.60%
Police	Juvenile Work Crew	13,650	1.77%
Police	Wasco County EOC	9,000	1.17%
General Services	Downtown Tree Replacement	12,000	1.56%
General Services	Festival Dock Park	34,600	4.49%
		Subtotal	462,442
	Other General Fund Activities	308,054	39.98%
		770,496	100.00%

The following is a description of the some of these proposed uses for this year.

Tourism Promotion:

For fiscal year 2017-18, we are proposing \$243,844 for Tourism Promotion. As indicated, a minimum 21% is to be used for tourism promotion. For the past 19 year period, tourist promotion has been done through an agreement the City has with The Dalles Area Chamber of Commerce. We are in the third year of the current five year contract. The end product we receive for the tourism promotion expenditure includes staffing of a visitor center, a tourism coordinator, advertising/marketing efforts, promotional brochures, and special project planning and events. Each year the City and Chamber negotiate a budget and work plan. Attached is the Chamber's proposal, for fiscal year 2017-18.

Fort Dalles Museum:

The City participates with the County in the operation of this visitor attraction.

4th of July Celebration:

The City Council has contributed to this event for the past four years.

YouthThink, Mid Columbia Senior Center, Home At Last and Farmers Market, Columbia Gorge Veterans Museum, Youth Empowerment Shelter, Education Foundation of D21:

Each of these entities applied for one-time grants through the new program and they were awarded the amounts shown.

Main Street:

The City has been supporting the development of a non-profit Main Street Organization in our downtown for the last few years. In fiscal year 2013/14 this new non-profit was provided a full time coordinator through the states AmeriCorps – RARE program. A permanent Main Street Coordinator was hired in FY14/15 and the City has continued to provide \$50,000 per year to help them maintain a full time Executive Director. This year an additional \$40,000 has been proposed to support the Tourism Promotion.

River Front Trail Maintenance:

The City's contracts with the Parks and Recreation District for maintenance of a section of the River Front Trail from the boat basin to Union Street and from Union Street undercrossing west a quarter mile. We are also contracting for maintenance of the downtown street trees.

Lewis and Clark Festival Park and Dock:

Construction on these two new facilities was completed in June 2012. We are providing maintenance and utilities for both. We have not included the personnel costs to maintain and operate these tourist attractions. This would be an allowable expense.

Sister City Program:

This is cultural exchange program operated by the Sister City nonprofit in partnership with our sister city of Miyoshi, Japan. This program involves sending delegations of students and adult representatives to exchange ideas, culture, experiences, etc.



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

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BUDGET ISSUE PAPER

CITY OF THE DALLES

TO: City of The Dalles Budget Committee

FROM: Steven Harris, AICP, Planning Director

THRU: Julie Krueger, City Manager

DATE: April 6, 2017

ISSUE: **BIP 17-006 Planning Department Minutes Clerk**

RELATED COUNCIL GOAL: F –Transparent Efficient Government

RELATED FUND AND LINE ITEM: General Fund-Planning Department: Contractual Services 001-1100-000.31-10

BACKGROUND: The Planning Department currently has one budgeted clerical position (Department Secretary) to provide administrative support to four monthly commission/board meetings (Planning Commission (2), Historic Landmarks Commission (1) and Urban Renewal Agency Board(1)), in addition to the daily support needs of the department staff. Each meeting requires proper notice, and preparation of agendas, reports and minutes. Although various department staff assist in the preparation of the agenda packets, the burden falls primarily on the Department Secretary. Given these and other duties, the ability to transcribe meeting minutes in a timely manner can be problematic at times.

Depending upon the format of the meeting minutes and complexity of the discussion topics, the task of transcription can require between 1.5 and 2 hours for each hour of meeting time. Given an average total meeting time of 8 hours monthly for the four commission/board meetings, transcribing the minutes could require between 12 and 16 hours per month. Given the Department Secretary's other job responsibilities and the need to transcribe a set of minutes on a weekly basis, it can be difficult to find uninterrupted time for minutes preparation.

It is my recommendation to retain a part-time contractual dedicated Minutes Clerk to transcribe minutes and to attend meetings on an as needed basis. The Minutes Clerk would work remotely and submit draft minutes for staff review via email or other digital means (e.g., drop box, etc.).

BUDGET IMPLICATIONS: For FY2017-18 the Department is requesting \$6,000 to fund the proposed part-time Minutes Clerk. In addition to the regular monthly commission/board meetings, the Department's proposed FY2017-18 work program includes updates to the City's Vision Action Plan and other planning-related matters that will necessitate a number of community/neighborhood meetings. It is anticipated that meeting minutes will be also required for these public outreach activities. Also, having the option of the Minutes Clerk attending meetings could result in reduced overtime/compensatory time expenses associated with the Department Secretary attendance at the meetings.



BUDGET ISSUE PAPER CITY OF THE DALLES

TO: City of The Dalles Budget Committee

FROM: Angie Wilson, Finance Director

THRU: Julie Krueger, City Manager

DATE: March 24, 2017

ISSUE: **BIP 17-007 Public Works and Library Fund Transfers to General Fund for Administrative Services**

BACKGROUND: The following seven General Fund departments provide services to the City's Library and Public Works Funds: City Council, City Manager, City Clerk, City Attorney, Finance, Technology, and Personnel. To compensate the General Fund for the cost of the services, a percentage of the expenses of each department is charged to the three Public Works operating Funds. The calculations of these services are based on the levels of services provided. We have used four indicators of services: proposed operating budgets for the coming fiscal year, and prior fiscal year information on the number of employees, number of invoices processed, and number of agenda items for each of the Public Works Funds. The services provided by the Technology Department were distributed based on the IT Manager's time and the actual hardware, software, applications, and server share used by each department.

Please note that the Library Operating Fund Budget has not been considered in any of the allocations to the General Fund Departments because the majority of those revenues come from one source, the distribution of the Library District taxes.

These indicators are weighted for each of the General Fund Departments assigned to the Library and each of the Public Works funds as follows:

City Council Department: The Contractual Services line item is designated to the General Fund. The remaining City Council operating budget is spread based on the number of agenda items (40%) and the PW operating budgets (60%).

City Clerk Department: This department has two main aspects: City Clerk (based on budgets and agenda items); and General Services (considered to be General Fund activities). Each aspect is considered to be 1/3 of the department's time on average, although work fluctuates somewhat. The City Clerk portion is affected by both items on the Council Agendas and other documents generated on non-agenda items represented by the size of the PW budgets. The 1/3 of the City Clerk functions is split between those two items.

City Manager Department: The City Manager department considers the PW operating budgets at 40%; the number of agenda items at 20%; and the number of employees at 40%.

Economic Development Sub-Dept: This sub-department to the Planning Department has not been used in the FY17/18 proposal for Public Works, as no direct services are provided to those funds.

Legal Department: The Legal Department uses the PW operating budgets (40%); number of employees (40%); and number of agenda items (20%). This considers that the more activity in a fund, the more time spent on legal documents and other issues for that fund.

Judicial Sub-Dept: This sub-department of the Legal Department is designated as General Fund only.

Finance Department: Since the Finance Department processes all billing, receipting, and payroll, the spread is calculated using the PW operating budgets at 40%, the number of Accounts Payable invoices at 30%, and the number of employees at 30%.

Utility Billing Sub-Dept: The percent of the current rates for in-city residential are rounded at 54% water and 46% wastewater (includes stormdrain fees). These percentages are used to spread this total sub-department to the Water and Sewer Funds.

Planning Dept: With the exception of one-half of the personnel services costs of the Right-of-Way Planner and the Project/Infrastructure Inspector, all of the Planning costs are designated to the General Fund. The total of the exceptions shown above are designated as 33% to the Street Fund, 33% to the Wastewater Fund, and 34% to the Water Fund.

Police Dept: With the exception of one-half of the personnel costs of a Police Officer assigned to Watershed Patrol during the summer, all of the Police Department costs are designated to the General Fund. Half of the costs of the watershed patrol Police Officer is assigned to the Water Fund.

Technology Department: The costs of the WiFi system are removed before the following calculations are made. The time spent in each PW department for departmental projects is considered when spreading the IT Personnel costs, and the cost of hardware, software, server share, applications, etc., for each of the PW departments is considered when spreading the IT M&S and Capital Outlay, with both items receiving equal weight.

Personnel Department: The number of employees in each of the PW departments determines the percent of the Personnel Department costs. Human Resources (based on the number of employees);

The attachment (Appendix B) shows the cost of distribution of the General Fund departments' costs between the General Fund, Street Fund, Water Fund, and Wastewater Fund as proposed for FY15/16. Pages 4 – 7 show the calculations that were made to arrive at the final transfer amounts.

City of The Dalles, Oregon
DETAIL OF TRANSFERS FOR SERVICES PROVIDED BY THE GENERAL FUND
TO THE LIBRARY AND PUBLIC WORKS FUNDS FOR FY17/18

Department	Total	General Fund		Street Fund		Water Fund		W. Water Fund		PW	Library Fund		GRAND
	Expenditures	%	Amount	%	Amount	%	Amount	%	Amount	% Total	%	Amount	TOTALS
City Council	182,320	58.65%	148,345	11.65%	9,573	14.92%	12,259	14.78%	12,143	100.00%	0.00%	-	100.00%
City Clerk	147,516	87.29%	128,764	3.99%	5,886	4.33%	6,392	4.39%	6,474	100.00%	0.00%	-	100.00%
City Manager	288,507	56.33%	162,521	9.62%	27,759	17.31%	49,929	13.65%	39,384	96.91%	3.09%	8,914	100.00%
City Attorney	262,022	54.59%	143,048	9.62%	25,211	17.31%	45,346	13.65%	35,769	95.17%	4.83%	12,649	100.00%
Finance	361,352	41.01%	148,202	11.80%	42,634	23.65%	85,444	16.77%	60,602	93.23%	6.77%	24,470	100.00%
Utility Billing	208,954	0.00%	-	0.00%	-	53.50%	111,790	46.50%	97,164	100.00%	0.00%	-	100.00%
Technology	234,651	47.89%	112,371	8.69%	20,389	17.80%	41,773	16.62%	38,999	91.00%	9.00%	21,119	100.00%
Human Resources	147,881	51.72%	76,490	6.90%	10,199	18.97%	28,046	10.34%	15,298	87.93%	12.07%	17,848	100.00%
Court	215,056	100.0%	215,056	0.0%	-	0.0%	-	0.0%	-	100.00%			100.00%
Planning	582,287	100.0%	582,287	0.0%	-	0.0%	-	0.0%	-	100.00%			100.00%
Economic Development	70,007	100.00%	70,007	0.00%	-	0.00%	-	0.00%	-	100.00%		-	100.00%
Police	3,884,009	100.0%	3,884,009	0.0%	-	0.0%	-	0.0%	-	100.00%			100.00%
General Services	402,580	100.0%	402,580	0.0%	-	0.0%	-	0.0%	-	100.00%			100.00%
Code Enforcement	93,196	100.0%	93,196	0.0%	-	0.0%	-	0.0%	-	100.00%			100.00%
Dog Control	68,206	100.0%	68,206	0.0%	-	0.0%	-	0.0%	-	100.00%			100.00%
Totals	7,148,544		6,235,082		141,651		380,981		305,832			84,999	
Right of Way Planner - 1/2 of personal services costs *				58,730	19,381		19,381		19,381			-	
Infrastructure Inspector/Codes - 1/2 of personal services costs **				50,492	16,662		17,167		16,662			-	
Watershed Patrol- 1/2 of personal services costs***				60,250	-		60,250		-				
Sub Total					36,043		96,798		36,043				
Total Interfund Transfer from Other Funds for Admin Services					177,694		477,779		341,875			84,999	

For FY 17/18		Calculations Used for Service Costs							
Op Budgets proposed FY17/18 - Tech & Employees from FY16/17 - Stats from FY14/15									
	Operating Budgets *	Employees	Technology **	Agenda Items	# A/P Invoices				
Library	-	14	18.00%	-	1,006			1,062	
Streets	1,620,597	8	7.00%	24	1,781			1,919	
Water	3,529,954	22	13.00%	6	2,846			2,743	
Wastewater	3,316,876	12	12.00%	9	1,651			1,732	
General	7,148,544	60	50.00%	138	2,294			2,294	
	15,615,971	116	100.00%	177	9,578			9,750	
Library	0.00%	12.07%	18.00%	0.00%	10.50%			10.89%	0.39%
Streets	10.38%	6.90%	7.00%	13.56%	18.59%			19.68%	1.09%
Water	22.60%	18.97%	13.00%	3.39%	29.71%			28.13%	-1.58%
Wastewater	21.24%	10.34%	12.00%	5.08%	17.24%			17.76%	0.53%
General	45.78%	51.72%	50.00%	77.97%	23.95%			23.53%	-0.42%
	100.00%	100.00%	100.00%	100.00%	100.00%				
* Operating Budgets Only - does not include transfers, contingency, unappropriated, or reserves.									
** Technology - based consideration of the IT Manager's time and the actual hardware, software, applications, server share, etc., used by each department.									
**** PW includes ten (10) admin personnel split between Streets (3), Water (3), and Wastewater (4)									
City Council Dept						City Council Dept Weighted Calcs			
Remove Contractual Services from operating budget and apply to General Fund only. The spread is based on the remaining operating budget and number of agenda items, with budgets weighted at 60% and agenda items weighted at 40%.						Library	Weight	% to Use	
	Budget	# Agenda Items			% to Use for Budget	Budget	60.00%	0.00%	
Library Fund	0.00%	0.00%			0.00%	# Agenda Items	40.00%	0.00%	
Street Fund	10.38%	13.56%			11.65%			0.00%	
Water Fund	22.60%	3.39%			14.92%				
Wastewater Fund	21.24%	5.08%			14.78%	Streets	Weight	% to Use	
General Fund	45.78%	77.97%			58.65%	Budget	60.00%	6.23%	
	100.00%	100.00%			100.00%	# Agenda Items	40.00%	5.42%	
								11.65%	
						Water	Weight	% to Use	
						Budget	60.00%	13.56%	
						# Agenda Items	40.00%	1.36%	
								14.92%	
						Wastewater	Weight	% to Use	
						Budget	60.00%	12.74%	
						# Agenda Items	40.00%	2.03%	
								14.78%	

City Clerk Dept						City Clerk Dept Weighted Calcs		
City Clerk (based on budgets and agenda items). The City Clerk portion is affected by both items on the Council Agendas and other documents generated on non-agenda items represented by the size of the budget.						Library	Weight	% to Use
	Employees	# Agenda Items	Budget	Gen Svcs	% to Use for Budget	Employees	0.00%	0.00%
Library Fund	0.00%	0.00%	0.00%	0	0.00%	# Agenda Items	16.67%	0.00%
Street Fund	0.00%	13.56%	10.38%	0	3.99%	Budget	16.67%	0.00%
Water Fund	0.00%	3.39%	22.60%	0	4.33%			0.00%
Wastewater Fund	0.00%	5.08%	21.24%	0	4.39%			
General Fund	0.00%	77.97%	45.78%	0.00%	87.29%	Streets	Weight	% to Use
	0.00%	100.00%	100.00%	0.00%	100.00%	Employees	0.00%	0.00%
						# Agenda Items	16.67%	2.26%
						Budget	16.67%	1.73%
								3.99%
						Water	Weight	% to Use
						Employees	0.00%	0.00%
						# Agenda Items	16.67%	0.57%
						Budget	16.67%	3.77%
								4.33%
						Wastewater	Weight	% to Use
						Employees	0.00%	0.00%
						# Agenda Items	16.67%	0.85%
						Budget	16.67%	3.54%
								4.39%
City Manager Dept						City Manager Dept Weighted Calcs		
Consider operating budgets, weighted 40%; number of agenda items, weighted 20%; and number of employees, weighted 40%.						Library	Weight	% to Use
	Budget	# Agenda Items	Employees		% for Budget	Budget	40.00%	0.00%
Library Fund	0.00%	0.00%	12.07%		3.09%	# Agenda Items	20.00%	0.00%
Street Fund	10.38%	13.56%	6.90%		9.62%	Employees	40.00%	3.09%
Water Fund	22.60%	3.39%	18.97%		17.31%			3.09%
Wastewater Fund	21.24%	5.08%	10.34%		13.65%			
General Fund	45.78%	77.97%	51.72%		56.33%	Streets	Weight	% to Use
	100.00%	100.00%	100.00%		100.00%	Budget	40.00%	4.15%
						# Agenda Items	20.00%	2.71%
						Employees	40.00%	2.76%
								9.62%
Economic Development Dept								
FY15/16: Use only personnel costs of the Fellow or Intern, with same percentages as calculated for the City Manager								
FY16/17: Do not spread any of the Economic Development to PW funds. PW contributes in-kind to most Economic Development projects.						Water	Weight	% to Use
	% for Budget					Budget	40.00%	9.04%
Library Fund	0.00%					# Agenda Items	20.00%	0.68%
Street Fund						Employees	40.00%	7.59%
Water Fund								17.31%
Wastewater Fund								
General Fund	100.00%					Wastewater	Weight	% to Use
	100.00%					Budget	40.00%	8.50%
						# Agenda Items	20.00%	1.02%
						Employees	40.00%	4.14%
								13.65%

Legal Dept					Legal Dept Weighted Calcs		
Consider operating budgets, weighted 40%; number of agenda items, weighted 20; and number of employees, weighted 40%, as the more activity in the Department, the more time spent on Legal documents and other issues.							
	Budget	# Agenda Items	Employees	% for Budget	Library	Weight	% to Use
Library Fund	0.00%	0.00%	12.07%	4.83%	Budget	40.00%	0.00%
Street Fund	10.38%	13.56%	6.90%	9.62%	# Agenda Items	20.00%	0.00%
Water Fund	22.60%	3.39%	18.97%	17.31%	Employees	40.00%	4.83%
Wastewater Fund	21.24%	5.08%	10.34%	13.65%			4.83%
General Fund	45.78%	77.97%	51.72%	54.59%	Streets	Weight	% to Use
	100.00%	100.00%	100.00%	100.00%	Budget	40.00%	4.15%
					# Agenda Items	20.00%	2.71%
					Employees	40.00%	2.76%
							9.62%
					Water	Weight	% to Use
					Budget	40.00%	9.04%
					# Agenda Items	20.00%	0.68%
					Employees	40.00%	7.59%
							17.31%
					Wastewater	Weight	% to Use
					Budget	40.00%	8.50%
					# Agenda Items	20.00%	1.02%
					Employees	40.00%	4.14%
							13.65%
Finance Dept					Finance Dept Weighted Calcs		
Consider operating budgets, weighted 43%; number of A/P invoices (weight 27%), number of employees (weight 30%).							
	Budget	A/P Invoices	Employees	% for Budget	Library	Weight	% to Use
Library Fund	0.00%	10.50%	12.07%	6.77%	Budget	40.00%	0.00%
Street Fund	10.38%	18.59%	6.90%	11.80%	A/P Invoices	30.00%	3.15%
Water Fund	22.60%	29.71%	18.97%	23.65%	Employees	30.00%	3.62%
Wastewater Fund	21.24%	17.24%	10.34%	16.77%			6.77%
General Fund	45.78%	23.95%	51.72%	41.01%	Streets	Weight	% to Use
	100.00%	100.00%	100.00%	100.00%	Budget	40.00%	4.15%
					A/P Invoices	30.00%	5.58%
					Employees	30.00%	2.07%
							11.80%
					Water	Weight	% to Use
					Budget	40.00%	9.04%
					A/P Invoices	30.00%	8.91%
					Employees	30.00%	5.69%
							23.65%
					Wastewater	Weight	% to Use
					Budget	40.00%	8.50%
					A/P Invoices	30.00%	5.17%
					Employees	30.00%	3.10%
							16.77%

Technology					IT Dept Weighted Calcs		
Computers is based two separate calculations: 1) time spent in each department (personnel costs); and 2) cost of hardware, software, server share, applications, etc., (M&S and Capital Outlay) for each department, based on the percentage of each department that is allocated to the receiving funds. The costs of the WiFi were removed before calculation. Weighted equally					Library	Weight	% to Use
	Budget	Technolog y		% for Budget	Budget	50.00%	0.00%
Library Fund	0.00%	18.00%		9.00%	Technology	50.00%	9.00%
Street Fund	10.38%	7.00%		8.69%			9.00%
Water Fund	22.60%	13.00%		17.80%			
Wastewater Fund	21.24%	12.00%		16.62%	Streets	Weight	% to Use
General Fund	45.78%	50.00%		47.89%	Budget	50.00%	5.19%
	100.00%	100.00%		100.00%	Technology	50.00%	3.50%
							8.69%
					Water	Weight	% to Use
					Budget	50.00%	11.30%
					Technology	50.00%	6.50%
							17.80%
					Wastewater	Weight	% to Use
					Budget	50.00%	10.62%
					Technology	50.00%	6.00%
							16.62%
Human Resources							
Consider number of employees.							
	Employees						
Library	12.07%						
Street Fund	6.90%						
Water Fund	18.97%						
Wastewater Fund	10.34%						
General Fund	51.72%						
	100.00%						
Planning							
Right of Way Planner (Dawn) - 1/2 of personal services costs *							
Infrastructure Inspector/Codes (Jim S) - 1/2 of personal services costs **							



BUDGET ISSUE PAPER CITY OF THE DALLES

TO: City of The Dalles Budget Committee
FROM: Julie Krueger, City Manager
DATE: March 29, 2017
ISSUE: **BIP 17-008 General Fund Capital Improvement Plan**

BACKGROUND: We have prepared a General fund supported Five Year Capital Improvement Plan. The Definition of Capital Improvement we are using for this plan is not the same as for fixed asset control (\$5,000). We have included major maintenance items such as painting, new carpet, restroom renovation, and items that extend the life of the asset and most office and data processing equipment.

We have attached the detail Capital Improvement Plan. Included in this plan are all non-Public Works projects. We have included the line item numbers for all items in the proposed budget. After the first couple of years of the five year plan, the improvements list becomes less firm. As we update the plan each year, the document becomes stronger and serves as a long-term planning tool.

The total proposed General Fund resources (excluding Airport,) directed toward these projects for this year is \$189,500. Last year's amount was \$342,500. We are projecting Capital projects General fun costs of \$380,050 in two years.

This packet also includes capital improvements for Library (\$102,000), Airport (\$3,979,472), and the State Office Building (\$60,000).

MAJOR EXPENDITURE PLAN

City Hall Offices

Administration

FUND	Line #	PROJECT	17-18	18-19	19-20	20-21	21-22
General	001.0200.000.69.80	City Clerk Computer			\$ 2,000		
General	001.0300.000.69.80	City Manager/HR/City Clerk	\$ 500		\$ 500	\$ 500	\$ 501
General	001.0300.000.69.80	City Manager Computer		\$ 2,000			
General		HR Computer	\$ 2,000				
General		Maintenance Laptop			\$ 2,000		
General		Fellow PC		\$ 2,000			
		SUB TOTAL	\$ 2,500	\$ 4,000	\$ 4,500	\$ 500	\$ 501

Planning/Economic Development/Codes Enforcement

FUND	Line #	PROJECT	17-18	18-19	19-20	20-21	21-22
General	001.1100.000.39.00	GIS Software License	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000
General	001.1100.000.69.80	Computer replacement		\$ 2,000	\$ 4,000	\$ 2,000	\$ 2,000
General		Replace Copier					
		SUB TOTAL	\$ 2,000	\$ 4,000	\$ 6,000	\$ 4,000	\$ 4,000

Finance

FUND	LINE #	PROJECT DESCRIPTION	17-18	18-19	19-20	20-21	21-22
General	69-80	Replace Accountant & A/P Computers				4,000	
General	69-80	Replace Finance Director's computer					2,000
General	69-80	Replace iPad		1,000			
General	69-80	Replace Finance Director's Laser Printer		1,000		1,000	
General	69-80	Replace Color Laser Printer	1,000				
General	69-80	Purchase Production Printer, with signor drawer (40%)				2,000	
General	69-80	Purchase/replace 3 desk scanners compatible w/ software			3,000		
General	69-80	Replace Battery Backups / Replacement Batteries		500		500	
General	69-80	Replacement furniture: chairs, etc.	800	600	600	600	600
General	69-80	Replacement furniture for Finance Director's office					
		SUB TOTAL	1,800	3,100	3,600	8,100	2,600

Utility Billing

FUND	LINE #	PROJECT DESCRIPTION	17-18	18-19	19-20	20-21	21-22
General	69-80	Replace Front Desk & Utility Billing computers			4,000		
General	69-80	Replace Front Desk & Utility Billing desk printers	1,000	1,000	1,000	1,000	1,000
General	69-80	Replace Receipt Printer or Check Scanner	1,000	1,000	1,000	1,000	1,000
General	69-80	Purchase Production Printer, with signor drawer (60%)					
General	69-80	Purchase/replace 2 desk scanners compatible w/ software			2,000		2,000
SAIF Funds		Replace two front desk windows: tempered glass & adequate transaction openings	2,000				
General	69-80	Replacement furniture: chairs, etc.	600	400	400	400	400
		SUB TOTAL	4,600	2,400	8,400	2,400	4,400

Legal/Judicial							
FUND	Line #	PROJECT	17-18	18-19	19-20	20-21	21-22
General	001.4000.000.64.80	Codes Enforcement Computer					
General	001.0700.000.69.80	CA Sec/City Attorney Computer		\$ 1,800			\$ 2,500
General	001.0700.000.69.80	Crime Victims Computer					
		Laptop/Judge	\$ 2,000				
		Printer Court/Secretary					
		Video arraignment system		\$ 7,000			
		CA laptop			\$ 2,000		
		Muni Court Clerk Computer			\$ 1,800		
		Replacement Codes Enforcement Vehicle					
		SUB TOTAL	\$ 2,000	\$ 8,800	\$ 3,800	\$ -	\$ 2,500

CAPITAL IMPROVEMENT PLAN							
General Services							
FUND	LINE ITEM	PROJECT DESCRIPTION	17-18	18-19	19-20	20-21	21-22
Cap Pjct	037.3700.000.72.20	Replace HVAC Unit	\$ 9,000	\$ 9,000	\$ 9,000	\$ 9,000	\$ 9,000
Cap Pjct	037.3700.000.69.80	Light replacement to LED lighting					
General	001.2300.000.43.77	HVAC Unit Cleaning			\$ 6,000		\$ 6,000
General	001.2300.000.43.10	Clean City Hall exterior/paint cornices, windows	\$ 15,000				
General	001.2300.000.43.10	Muni Court paint, blinds, wiring					
		Asbestos Removal					
		seal/strip City Hall parking lot		\$ 4,000			
		Transportation Center					\$ 4,000
		Paint/Stripe parking lot				\$ 2,000	
General	002.2300.000.72.20	Replace gas furnace				\$ 8,000	
		ARCO LOT					
General	001.2300.000.43.12	Replace lawn					\$ 3,000
		Stripe Parking lot			\$ 5,000		
		OTHER					
General	001.2300.000.43.10	Downtown tree replacement	\$ 12,000	\$ 12,000			
General	001.2300.000.43.72	Union St. crossing lights to LED					
		New truck and sander - Terry	\$ 45,000			\$ 45,000	
	001-2300.000.43.11	Electrical box - Park- moisture control					
		Replace asphalt walkway at Heka Park			\$ 6,000		
		Festival Park bark replacement	\$ 6,000		\$ 6,000		\$ 6,000
	001.2300.000.43.11	Fence off front of park					
	001.2300.000.43.11	Additional security camera at park		\$ 8,000			
	001.2300.000.43.11	Replace used snow plow		\$ 8,000			
	001.2300.000.43.11	Speaker mounts for park					\$ 30,000
		TOTAL	\$ 87,000	\$ 41,000	\$ 32,000	\$ 64,000	\$ 58,000

FIVE YEAR MAJOR EXPENDITURES

Police Department

FUND	Line Item #	PROJECT DESCRIPTION	17-18	18-19	19-20	20-21	21-22
Cap Pro	037.3700.000.72.20	HVAC Unit Replace/1 /year)	\$ 8,000	\$ 9,000	\$ 9,000	\$ 9,000	\$ 9,000
Cap Pro		Paint Garage	\$ 7,500				
Cap Pro		Paint Building	\$ 15,000				
Cap Pro		LED Lighting	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
General	001.1300.000.74.20	Police Patrol Vehicles	\$ 60,750	\$ 94,000	\$ 60,000	\$ 90,000	\$ 60,000
		2 suv		3 cars	2 cars	3 cars	2 cars
General	001.1300.000.74.20	Police Unmarked Vehicles replacement			\$ 25,000		\$ 25,000
General	001.1300.000.69.80	GeTac Tablets MDT replacement	\$ 62,313	\$43,079	\$ 43,079	\$ 43,079	\$ 43,079
General	001.1300.000.60.80	Patrol Vest Replacements	\$ 4,200	\$ 3,500	\$ 4,900	\$ 2,100	
			(5)	(5)	(7)	(3)	
General	001.1300.000.69.80	*Computer Replacement(\$1,500 +/-)	\$ 6,400	\$ 55,000	\$ 6,400	\$ 1,600	\$ 6,400
			(5)	(11)	(4)	(1)	(4)
General	001.1300.000.69.80	Cameras	\$ 750	\$ 750	\$ 450	\$ 450	\$ 750
			(5)	(5)	(3)	(3)	(5)
General	001.1300.000.69.80	Radars	\$ -	\$ -	\$ 3,000	\$ 3,000	\$ -
			0	0	(3)	(3)	
General	001.1300.000.69.80	Chairs	\$ 2,000	\$ -	\$ 1,000	\$ -	\$ -
			(4)		(6)		
SAIF	001.1300.000.74.90	Body Cams	\$ -	\$ 6,500	\$ 6,500	\$ 6,500	\$ 6,500
SAIF	001.1300.000.74.90	Body Cam Switches	\$ -	\$ -	\$ -	\$ -	\$ -
General	001.1300.000.43.10	Garage Door Repair	\$ 2,000	\$ 1,000	\$ 1,000	\$ 2,000	\$ 2,000
General	001-1300-000.64-90	*GeTac Hardware	\$ 27,426	\$ 27,426	\$ 27,426	\$ 27,426	\$ 27,426
General	001-1300-000.64-80	*2FA software subscription	\$ 1,320	\$ 1,320	\$ 1,320	\$ 1,320	\$ 1,320
General	001-1300-000.53-30	*ATT Data plan	\$ 12,600	\$ 12,600	\$ 12,600	\$ 12,600	\$ 12,600
General	001-1300-000.64-80	*NetMotion Mobility Maintenance	\$ 1,733	\$ 1,733	\$ 1,733	\$ 1,733	\$ 1,733
General	001-1300-000.64-80	Taser Assurance Program	\$ 2,622	\$ 2,622	\$ 2,622	\$ 2,622	\$ 2,622
		TOTAL	\$ 219,614	\$ 263,530	\$ 211,030	\$ 208,430	\$ 203,430

DOG CONTROL

General	001.4500.000.60.85	Specialized equipment	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000
		Dog Control Truck		\$ 35,000			
		CD Officer Computer			\$ 1,600		
		Dog Control TOTAL	\$ 2,000	\$ 37,000	\$ 3,600	\$ 2,000	\$ 2,000
		TOTAL POLICE DEPT	\$ 221,614	\$ 300,530	\$ 214,630	\$ 210,430	\$ 205,430

CAPITAL IMPROVEMENT PLAN

Airport

FUNDING	Line Item #	PROJECT DESCRIPTION	17-18	18-19	19-20	20-21	21-22
Airport	061.6100.000.73.30	Drainage Pond Construction & Drainage System	\$ 100,000				
90% FAA, 5% WASDOT	061.6100.000.73.30	Taxiway A Rehabilitation	\$ 1,670,000				
Loan/grant	061.6100.000.73.20	FlexSpace Lifeflight	\$ 1,871,430				
Loan	061.6100.000.73.20	Construction of new T hangar (F)	\$ 409,699				
90% FAA	061.6100.000.73.30	Rwy 7/25 Study	\$ 10,000				
WSDOT, ODOT Airport	061.611.000.73.30	Terminal Building Year 1 Design/Construction	\$ 100,000		\$ 1,000,000		
90% FAA		Runway 7-25 rehabilitation environmental study			\$ 25,000		
90% FAA		Purchase property to extend Runway 13/31			\$ 1,000,000		
90% FAA		Apron Rehabilitation		\$ 100,000	\$ 100,000	\$ 100,000	
90% FAA		Taxiway lighting				\$ 500,000	
90% FAA		Move Dallesport Road end of Runway 7				\$ 1,000,000	
90% FAA		Runway 7-25 rehabilitation and safety improvements design			\$ 300,000		
		Taxi Rehab Bus					\$ 1,500,000
		Aircraft Parking Ramp Expansion		\$ 50,000			
Loans		New T Hangar G					\$ 300,000
		TOTAL	\$ 4,161,129	\$ 150,000	\$ 2,425,000	\$ 1,600,000	\$ 1,800,000

IT Major Expenditures List

Line #	PROJECT DESCRIPTION	17-18	18-19	19-20	20-21	21-22
	RENEWALS					
34-40	Support contract Cisco Network Hardware from Softmart	6000	6000	6000	6000	6000
	Cisco Firewall VPN and Intrusion Detection subscription - yearly	1000	1000	1000	1000	1000
34-40	Support contract 1 IBM Server Hardware (purchased 12-13)		2600			
34-40	Software Maintenance Vmware	1200	1200	1200	1200	1200
34-40	Support contract Police Server Dell 2yr (Purchased 09-10)					1500
34-40	Software Maintenance/Support Backup Exec	1200	1236	1273	1311	1351
34-40	Software Maintenance/Support Virus TrendMicro	3000	3000	3000	3000	3000
	001-1700-419.34-40 Total	12400	15036	12473	12511	14051
39-00	Domain Renewals	258	243	408	293	103
39-00	Qlife	5040	5040	5040	5040	5040
39-00	Charter Dark Fiber: Police to County & Planning GIS= \$361/mo; Library cost in Library Fund	4332	4332	4332	4332	4332
	001-1700-419.39-00 Total	9630	9615	9780	9665	9475
64-80	Software	600				
	other					
	Management tools	1500	1200			
	Microsoft Server/CAL software licenses		3000			
	win 10 pro			6750		
	Email Server Exchange	2100	4200	6750	0	0
	001-1700-00064-80 Total	4200	8400	13500	0	0
	HARDWARE REPLACEMENT/EXPANSION >5000					
74-50	City Server Vmware Cluster + DAS purchased 12-13			40000		
74-50	Police Server (purchased 09-10)	7000				
	SUBTOTAL -Assets > \$5000 - 001-1700-419.74-60	7000	0	40000	0	0
74-60	2 Fiber Switches C3750X for all bldgs (11-12)					18000
74-60	City Switch C3560G48 (south wall) for cityhall (10-11)	6000				
74-60	Publicworks POE switch Gigabit C3560X-48 (11/12)				7000	7000
74-60	Police Switch C3560G-48 (10-11)	6000				
	SUBTOTAL -Assets > \$5000 - 001-1700-419.74-50	12000	0	0	7000	25000
	Total Capital Outlay	31400	15036	52473	19511	39051
	<5000					
69-80	City firewall - ASA5500 for all buildings (09-10)					
69-80	Library Switch C2960-48s (11-12)				3200	0
69-80	Library Wireless Access Point (11-12)		1200			
69-80	NAS DSpolice (Backup Police Station) 5/1/2014				4500	
69-80	NAS diskstation publicworks 4/6/2012		4000			
69-80	NAS library with UPS					
69-80	UPS cityhall for servers 1 (15-16)					
69-80	UPS cityhall for servers 2 (15-16)	1000				
69-80	Misc	1000	1000	1000	1000	1000
	SUBTOTAL -Assets > \$5000 - 001-1700-419.69-80	2000	6200	1000	8700	1000
	Hardware SUB-TOTAL	33400	21236	53473	28211	40051
	TOTAL	40230	39251	36753	37876	49526

Library							
FUND	Line Item #	PROJECT DESCRIPTION	17-18	18-19	19-20	20-21	21-22
Library District	004-2100-000.69-80	PC work stations	\$ 12,800	\$ 16,200	\$ 12,800	\$ 19,800	\$ 12,600
Library District	004-2100-000.43-10	Security cameras (4)	\$ 4,000				
Library District	004-2100-000.43-10	Landscape Courtyard		\$ 10,000	\$ 10,000		\$ 5,000
Library District	004-2100-000.69-80	LED lights	\$ 8,000				
Library District	safety funds	Replace sidewalk to code □				\$ 10,000	
Library District	004-2100-000.43.10	Prune Trees		\$ 2,500		\$ 2,500	
Library District		Replace indoor galvanized plumbing		\$ 9,000			
Library District		Paint building exterior			\$ 10,000	\$ 10,000	\$ 10,000
		TOTAL	\$ 24,800	\$ 37,700	\$ 32,800	\$ 42,300	\$ 27,600

CAPITAL IMPROVEMENT PLAN							
State Office Building							
FUND	LINE ITEM	PROJECT	17-18	18-19	19-20	20-21	21-22
SOB	021.220.000.73-30	HVAC Unit Replacements (2/yr)	\$ 23,000	\$ 17,000	\$ 17,000	\$ 23,000	\$ 23,000
SOB	021.2200.000.43.75	Elevator repairs					
SOB	021.220.000.73.30	Replace sidewalk entries		\$ 10,000			
SOB	021.2200.000.73.30	Crack seal/stripe parking lot	\$ 25,000				
SOB	021.2200.000.43.10	Start conversion to LED lighting					
		Remodel 1st floor restrooms		\$ 15,000			
		Landscape behind building	\$ 10,000				
		Remodel 2nd floor restrooms		\$ 15,000			
		HVAC Unit cleaning			\$ 14,000		
		Repaint exterior of building			\$ 16,000		
		TOTAL	\$ 58,000	\$ 57,000	\$ 47,000	\$ 23,000	\$ 23,000



CITY of THE DALLES

313 COURT STREET
THE DALLES, OREGON 97058

(541) 296-5481
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BUDGET ISSUE PAPER
CITY OF THE DALLES

BUDGET YEAR AFFECTED	DEPARTMENT(S) AFFECTED	BUDGET DOCUMENT REFERENCE NUMBER
FY 17-18	Public Works Funds	17-009

TO: City of The Dalles Budget Committee
THRU: Julie Krueger, City Manager
FROM: Dave Anderson, Public Works Director
DATE: April 10, 2017
ISSUE: Public Works Funds Capital Improvement Plan

RELATED COUNCIL GOAL:

A. Infrastructure:

1. Initiate design work and pursue grant/loan financing for the Dog River waterline replacement and the Crow Creek Dam increasing capacity proposals; and then implement an approved plan.
2. Develop street construction projects and focus resources on preventive maintenance projects (ie: patching, crack sealing, chip sealing) through fiscal year 2017-18.
4. Complete enhancement to Lone Pine Well.

RELATED BUDGET ISSUE PAPERS:

17-001 Street Fund Preventative Maintenance Focus
17-013 Wastewater Master Plan Implementation
17-014 Water Master Plan Implementation

BACKGROUND: We have prepared a Five Year Capital Improvement Plan for Public Works funds. The definition of Capital Improvement we are using for this plan is not the same as for fixed asset control (minimum of \$5,000 in value). We have included major

maintenance items that extend the life of the asset.

We have attached the eight-page Public Works Capital Improvement Plan (CIP). If a Capital Improvement is to be completed with City crews, it is budgeted in the Operating Fund (sometimes it shows only as maintenance materials). If we are planning to use contractors, we budget the project in the associated reserve or construction fund. The Public Works CIP summarizes a five-year plan. Included in the Plan are all Public Works projects and major equipment purchases in the following funds:

<u>FUND</u>	<u>PAGE</u>	<u>SOURCE OF MONIES</u>	<u>FY 2017-18</u>
Street	1	Street	\$ 217,060
Public Works Equipment	2	All Public Works	\$ 575,485
Transportation System Reserve	3	Street	\$ 420,698
Water	4	Water	\$ 274,630
Water Capital Reserve	5	Water	\$ 7,521,567
Wastewater	6	Wastewater	\$ 169,600
Sewer Special Reserve	7	Wastewater	\$ 2,044,315
Wastewater Construction	8	Wastewater	\$ 9,407,914
		Total	\$20,631,269

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BUDGET ISSUE PAPER
CITY OF THE DALLES

BUDGET YEAR AFFECTED	DEPARTMENT(S) AFFECTED	BUDGET DOCUMENT REFERENCE NUMBER
FY 17-18	All Funds	BIP 17- 010

TO: City of The Dalles Budget Committee
FROM: Julie Krueger, City Manager
DATE: March 24, 2017
ISSUE: **BIP 17-010 Budget Correlation to City Council 18 Month Work Plan**

RELATED COUNCIL GOAL: All Goals

BACKGROUND: The Council has 23 goals that are part of an 18 month work plan that runs January 2017 through June 30, 2018. The work plan is included in the proposed budget document, and includes the City’s mission statement and six value statements. The goals are then listed under each value statement.

The City Council has requested a system for tracking their goals through the budget process. A new column has been added to the Budget Issue Paper (BIP) index that identifies the related goal. We have added the related goal to each budget issue paper. In addition, the Council asked for the budget line item for each goal. Ten of the goals have specific line items associated with them. Attached is a table that identifies each of the goals and provides information on the budget impact

Value/Goal	Fund(s)	Department/ Division	Budget Impact
A. Infrastructure			
1. Initiate design work and pursue grant/loan financing for the Dog River waterline replacement and the Crow Creek Dam increasing capacity proposals; and then implement an approved plan.	Water (Cap. Reserve)	Water	Fund 53 - \$4,610,579 in anticipated revenue budgeted
2. Develop street construction projects and focus resources on prevention maintenance projects (ie: patching, crack sealing, chip sealing) through fiscal year 2017-18	Street	Street	Fund 5 - \$118,800 budgeted for in-house street maintenance projects.
3. Evaluate future funding for infrastructure	Street/Water/WW	All PW	Staff time
4. Complete enhancement to Lone Pine Well.	Water	Water	Fund 53 - \$1,600,000 in private funding budgeted to be received; \$1,600,000 budgeted to be spent to construct project.
B. Work with Partners			
1. Continue to participate in Community Outreach Team requests for State and Federal legislative assistance.	General	City Manager Econ Devel	Staff time
2. Move toward use of renewable energy technique for all city-owned properties.	All	All	Fund 57 – WWTP Upgrade project to include power generation; approximate cost \$2,200,000.
3. Support Regional Solutions Team, Mid Columbia Housing Authority, and Mid-Columbia Economic Development District to support and promote an attainable housing program.	General	Council City Manager Econ Devel Planning	Staff time and project specific grant match provided for in the project plan of this document.
4. Expand on-going relationship with the four tribes with area interest at Tribunal Council/City Council level, with focus on substandard housing.	General	City Manager Council	Staff time
5. Support partnership effort to complete development of Mill Creek Greenway project.	General	City Manager and Urban Renewal	Staff time
C. Economic Development			
1. Develop and maintain programs and activities to strengthen the economic vitality of The Dalles.	Econ Devel	City Manager Economic Development	Staff time and funding within the Planning Department budget for implementation of various plans; budget support for Main Street program
2. Support completion of financing for Civic	Urban Renewal	Urban	Staff time; urban renewal agency budget includes funds for

Auditorium's Theatre renovation.		Renewal/City Manager	the Civic.
3. Continue pursuit of local Bike Hubs as part of the Columbia Gorge Bike Trail.	General/grant opportunities	Econ Devl	Staff time
4. Work with community partners to expand RV Parking capacity in the area.		Planning	Staff time only.
5. Resolve Gitchell Building issue with recommendation regarding whether it should be demolished, stabilized, or rehabilitated.	General	Administration	Staff time; when a decision is made, funds may need to be budgeted, depending on what decision is made.
6. Develop a plan for open space/park near the Veteran's Office	Urban Renewal/Grants	City Manager	May be part of First Street project, unknown at this time.
7. Explore downtown parking needs.	General/Urban Renewal	City Manager	Staff time
D. Balanced Budget			
1. During fiscal year 2017-18 budget process, support use of resources to upgrade technological tools and programs in all City departments.	All	All	Funds are included in the proposed budget for programs and technology in the City Clerk, HR, Police, IT, and other departments.
2. Continue to work toward getting Workers Comp experience rating factor down to a .9; develop an incentive based employee safety program.	All	All	City Council safety line item 001-0100-410.60-50
E. Civic Responsibility and Public Safety			
1. Develop and implement plan to improve the City's image from the freeway, including Cherry Growers, West side and Sunshine Mill.	WWTP General	Public Works Planning Codes Enforcement and Administration	Fund 57 – WWTP Upgrade project to include aesthetic improvements. General Fund – staff time
2. Establish City's position on addressing the homeless issues within the City	General City Council	General City Council	Staff time
F. Transparent Efficient Government			
1. Continue to use technological advances to keep the website and all forms of communication up to date	General	IT	Staff time and general IT budget

and transparent			
2. Implement codification program	City Clerk	City Clerk	Staff time, program funding (\$15,000 initial cost; approximately \$2,500 annually)
3. Develop Performance Management Benchmarks	General	City Manager	Staff time



BUDGET ISSUE PAPER
CITY OF THE DALLES

TO: City of The Dalles Budget Committee
FROM: Angie Wilson, Finance Director
DATE: March 10, 2017
ISSUE: **BIP 17-011 City Debt Summary**

BACKGROUND: The following table summarizes all long-term debt associated with the City by Fund. It also includes all City of The Dalles debt and the debt of the three agencies that the City is a part of: the Columbia Gateway Urban Renewal District, the QualityLife Intergovernmental Agency, and the Columbia Gorge Regional Airport. This is the debt reported within the CAFR as presented by our auditors, and includes new debt incurred in FY15/16.

As of June 30, 2016 we will be associated with the following debt:

<u>Agency/Debt</u>	<u>Total Principal</u>	<u>FY16/17 Payments (includes int)</u>
City: General	\$ 964,176	\$ 184,666
Streets	\$ 934,991	\$ 105,467 *
Water	\$ 6,734,467	\$ 656,788
Water ARRA	\$ 3,138,518	\$ 238,379
Wastewater	\$ 2,831,367	\$ 622,405
Airport	\$ 2,600,000	\$ 208,950
Urban Renewal	\$ 6,725,000	\$ 801,588
QLife	\$ 0	\$ 0
TOTALS	\$ 23,928,519	\$ 2,818,243

* Includes the portion of the 2008 FFCO being paid by the State Office Building Fund for the Street portion of the Public Works facilities.

The following describes each debt instrument from the oldest to anticipated new debt:

Wastewater Revenue Bond: Issued in May of 2003 for \$7,291,673.30, with interest rates from 2.0% to 4.2%. After costs of issuance were paid, the City received \$7,235,673.30 to be used for reconstruction and improvements of the City's wastewater system. The principal balance as of June 30, 2017 will be \$2,455,000. Final payment is due April 1, 2022. Wastewater system user fees are the source of funds to repay this debt. Wastewater Facility Revenue Bond Fund: This fund is only for this debt. We believe this debt is sustainable at current Wastewater Fund debt

load and customer rates. We may have an opportunity to refinance the bond at a lower rate in the future. Otherwise we should continue the debt on the current schedule, as this has the least impact on the wastewater rates.

Water Revenue Bond: Issued in February 2007 for \$7,913,939.25 for 25 years, with interest rates ranging from 4.0% to 4.4%. After costs of issuance were paid, the City received \$7,783,234.73 to be used for improvements to the City's water system. The principal balance as of June 30, 2017 will be \$6,125,000. Final payment is due June 1, 2032. Water system user fees are the source of funds to repay this debt. Water Revenue Bond Fund: This fund is only for this debt. We believe this debt is sustainable at current Water Fund debt load and customer rates. We may have an opportunity to refinance the bond at a lower rate in the future. Otherwise we should continue the debt on the current schedule, as this has the least impact on the water rates.

Airport Port of The Dalles Loan: The City received \$125,000 from the Port of The Dalles in October of 2007 and an additional \$125,000 in May of 2009, for the Airport Well Project. Half of this \$250,000 loan is to be repaid on a reimbursement basis after the new Airport water system is completed as new customers pay connect fees. Those fees will be paid to the Port for that portion of the debt. The other \$125,000 is being paid on an annual basis, including interest at 4.0%, the last payment was paid on May 1, 2017. The balance of the loan as of June 30, 2016 is -0-. Capital Projects Fund: Port Loan – Airport Well – line items 037-3775-419.79-50 (Principal Payment) and 037-3775-419.79-60 (Interest Payment).

2008 FFCO Bond: Issued in February of 2008 for \$3,381,220.80 for 15 years. Interest rates range from 4.0% to 4.2%. After costs of issuance were paid, the City received \$3,366,220.80 to be used for improvements to the new Public Works Facilities and portions of the first floor of City Hall. The principal balance as of June 30, 2017 will be \$1,590,000. Final payment is due June 1, 2023. State Office Building rent pays for the portion that was used for City Hall remodel, and Wastewater and Water user fees help pay for the PW facilities portion of the debt. The Street portion of the PW facilities improvements is being paid by a portion of the State Office Building rent revenue. FFCO 2008 Debt Service Fund: This fund is only for this debt. Continuing to pay this debt with the current sources of funds will have the least effect on the General, Street, Water, and Wastewater Funds.

2009 FFCO Bond: Issued in October of 2009 for \$12,100,000 for 20 years. Interest rates range from 2% to 5%. \$10,205,000 was used to pay off the old Urban Renewal Bond and to fund Urban Renewal projects. This portion of the debt is being repaid by Urban Renewal Tax revenues. The remaining \$1,895,000 was allocated to street improvements and is being repaid by Street revenues. The principal balance as of June 30, 2017 will be \$8,485,000. Final payment is due June 1, 2029. 2009 FFCO Debt Service Fund: This fund is only for this debt. The Urban Renewal portion of this debt is sustainable with the current tax assessments. We should be able to pay it off easily in 2026, when it is our goal to return the tax increments to other tax districts. The Street portion of this debt is paid by property owners benefitting from LID's (see BIP 15-012). Repayment also includes a portion that the City's owes for its share of the East Port LID. This amount is sustainable by using a portion of the State Office Building rent, starting in 2024, when the 2008 FFCO Bond is retired.

ARRA Loans (Water): The City was awarded three loans through the State of Oregon for water system improvements in FY10/11, which we have been drawing on through the past three

fiscal years. The loans include an American Recovery and Reinvestment Act (ARRA) forgivable loan, in the amount of \$2,988,773. The criteria for this loan to be forgiven was met. There is also an ARRA F-1 Loan of \$893,164, and a Safe Drinking Water Revolving Loan Fund (SDWRLF) Loan – 2 of \$2,521,321 as of June 30, 2014. The ARRA F-1 Loan has an interest rate of 3.0%. The SDWRLF F-2 Loan originally carried interest at 3.83%, but was reduced to 3.0% when the State received an EPA approval of an amended Oregon Safe Drinking Water Intended Use Plan that allows the interest rate to be reduced. We made our first payment on the ARRA F-1 Loan and the SDWRLF -3 Loan in FY14/15. The payments for these two loans are combined and the invoice that was provided did not break out how much of the payment was for which loan, so the total balance of the two loans as of June 30, 2017 will be \$3,138,518. The final payment is due December 1, 2033. Water revenues will be used to make these payments. Water Capital Reserve Fund: Debt Service Category – line items 053-5300-510.79-30 (SDWRL (ARRA Loan) Principal) and 053-5300-510.79-40 (SDWRL (ARRA Loan Interest)). We believe this debt is sustainable at current Water Fund debt load and customer rates. We may have an opportunity to refinance the bond at a lower rate in the future. Otherwise we should continue the debt on the current schedule, as this has the least impact on the water rates.

Airport Loan from Klickitat County #1: \$250,000 was received from Klickitat County in November of 2012 to build a new Maintenance Hanger. The term is 10 years, with the final payment due in September of 2022. Klickitat County will calculate the interest to be paid and notify the City at least 14 days prior to the due date each year. The interest will be calculated on the average rate of the Local Government Investment Pool (LGIP) over the period since the last payment, plus .05% as an administration fee. The balance at June 30, 2017 will be \$150,000. Payments will be made from rental fees received for the maintenance hanger. Airport Debt Service Fund: Line items 062-6100-470.79-50 (Principal Pmts K.Co. 11/1/12) and 062-6100-470.79-60 (Interest Pmts K.Co. 11/1/12). Airport rent revenues make this debt sustainable.

Peterson Caterpillar Lease Purchase (Skid Steer): This loan was entered into in August of 2013 for a Skid Steer for the Street Fund, with an interest rate of 3.20%. A final payment of \$1.00 is due in August 30, 2017. The balance at June 30, 2016 will be \$1.00. Public Works Reserve Fund: Line items 009-9000-431.74-20 (Machinery & Equipment).

Airport CERB Loan obtained by Klickitat County: Klickitat County anticipates obtaining a 20 year CERB Loan in FY13/14 in the amount of \$500,000 for the Airport Industrial Park. Klickitat County will receive and expend the funds, so they will not be reflected in the City's books. However, the City is committed to making payments on this debt from our airport rent revenues, so it is budgeted in the Airport Debt Service Fund. The balance as of June 30, 2017 is anticipated to be \$450,000. Airport hanger rentals will be used to make the payments this year. Eventually Industrial Park rental income will pay for this loan. Airport Debt Service Fund: Line items 062-6100-470.79-55 (Principal Payments CERB) and 062-6100-470.79-65 (Interest Payments CERB). Payments are sustainable from the Airport rent revenues.

Airport LOCAP FFCO Bond: Issued on February 24, 2015 for \$2,017,682 for 21 years, with interest rates ranging from 2.0% to 4.55. After costs of issuance were paid, \$1,951,295.38 was received. Funds are to be used for the purchase of Hanger D, the construction of Hanger F, and design and construction of a new Flex-Hanger that will house LifeFlight, as well as other hanger renters. The balance at June 30, 2017 will be \$1,875,000. The final payment will be due on June 1, 2035, although the City plans to accelerate principal payments after the first eight years, when other Airport debts are retired. Airport Debt Service Fund: Line items 062-6100-470.79-15

(Bond Principal) and 062-6100-470.79-25 (Bond Interest). This debt is sustainable through the rents that will be received from the new facilities that this debt is allowing the Airport to acquire and build.

FUTURE DEBT: The FY17/18 budget proposal contains the potential receipt of loan funds in the Federal Grants/Loans line item of the Sewer Plant Construction/Debt Service Fund, Fund 57, from the Oregon Clean Water State Revolving Fund, in the amount of \$2,000,000. This new debt will fund the design and construction of the Co-Generation of Heat and Power (Co-Gen) systems at the wastewater treatment plant as part of the plant upgrade project to be completed in FY17/18. The Co-Gen system will be a renewable source of electrical energy fueled by digester gas produced in the wastewater treatment processes. It is planned that \$500,000 of the \$2,000,000 will be awarded as a principal-forgiveness loan.

The FY17/18 budget proposal contains the potential receipt of grant funds in the State Grants line item of the Sewer Plant Construction/Debt Service Fund, Fund 57, from the Oregon Department of Energy Renewable Energy Development program, in the amount of \$180,000. This grant will help fund the design and construction of the Co-Generation of Heat and Power (Co-Gen) systems at the wastewater treatment plant as part of the plant upgrade project to be completed in FY17/18. The Co-Gen system will be a renewable source of electrical energy fueled by digester gas produced in the wastewater treatment processes.

This report only reviews the City's current debt load. If additional debt is considered, an analysis will be done to determine if it is sustainable or if there is a better approach.

Staff considers the current debt on a periodic basis to determine if additional principal payments should or could be made to reduce the debt faster than the set amortization schedule indicates. This was done with the QLife Columbia Bank Loan that was paid off over three years early, and the OIB loan for the Union Street Tunnel that was paid off over two years early. Some of the bonds have restrictions regarding when accelerated payments may be started, such as the new LOCAP Bond which does not allow accelerated payments for the first eight (8) years.



BUDGET ISSUE PAPER CITY OF THE DALLES

TO: City of The Dalles Budget Committee

FROM: Angie Wilson, Finance Director

DATE: March 27, 2017

ISSUE: **BIP 17-012 Special Assessment Fund**

BACKGROUND: The Special Assessment Fund was created in the 1980's to create a source of funds that could be used for smaller projects where property owners were assessed the costs, and then to account for the payback of those assessments over time. This has created an effective "revolving" fund that helps pay for LID's and then receives the repayments, providing money for the next LID, or nuisance abatement, and debt payments. Currently we are using the Special Assessment Fund for three purposes.

1. **Abatements:** The City's Codes Enforcement program occasionally has to abate public nuisances on private property because the property owners have refused to comply with city ordinances. When the abatements are a larger amount (typically over \$1,000), the initial money to pay for the costs come out of the Special Assessment Fund. Then, as the assessments are collected either by payment from the property owner, at the time of the sale of the property, or through foreclosure of the property money is returned to this fund plus 10% annual interest. Typically this is budgeted at around \$30,000.
2. **Local Improvement Districts:** This fund is used to pay for the costs of small local improvement districts. If this fund is the only source of money, we use the Capital Projects LID line item. For fiscal year 2017-18 we are proposing \$304,863, although we don't have any current projects. By budgeting in this line item, as small projects develop we have the funds available to proceed with them. If a project involves funds from other departments, or bonded debt we transfer all the resources for that LID into the Capital Projects Fund for tracking purposes. The assessments are still received in this fund. Property owners have the option to pay in full or to pay over ten years at 10% interest. If bonded debt was used on a project, funds are transferred out to that bonded debt for repayment of that debt (see line item for 2009 FFCO Bonded Debt Special Fund, where we are transferring \$105,466 this year).

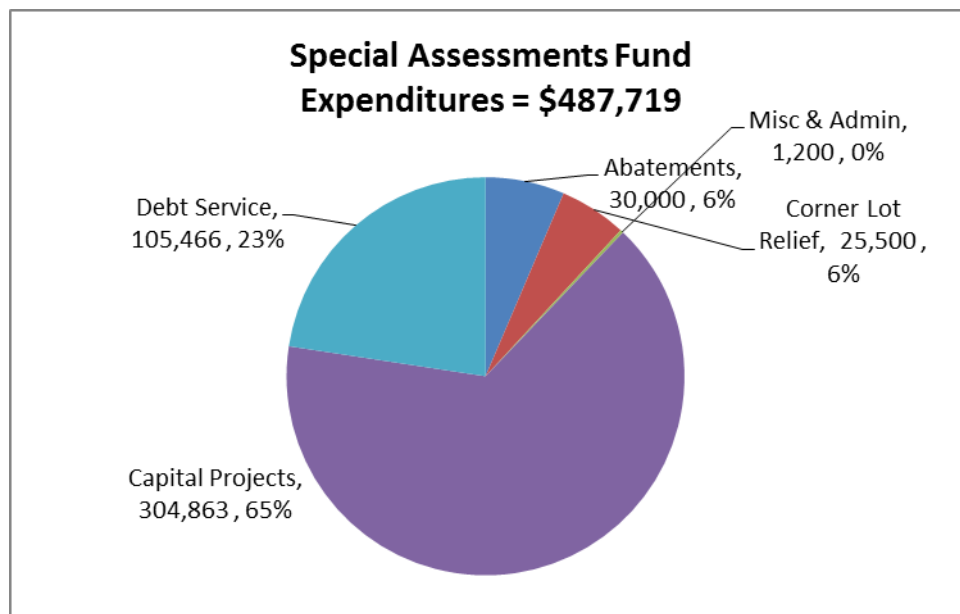
3. Gravel Street Policy: Under this policy, City crews participate in completing the project where the individual property owners pay for a portion of the improvements. As with LID's property owners have the option to pay in full or to pay over ten years at 10% interest. These payments are returned to this fund.
4. Corner Lot Relief: This line item is used for both gravel streets and local improvement district projects and is a City contribution to the projects. A portion of this funding comes from some of the new Northwest Natural franchise fee received by this fund. We have proposed a budget of \$25,500 for this line item for FY17/18.

PROPOSED BUDGET FOR SPECIAL ASSESSMENTS FUND: We anticipate that on July 1, 2017 this fund will have a beginning balance of \$402,756. During FY17/18 we anticipate this fund will receive \$25,500 from Natural Gas Franchise Fees.

This fund is currently carrying receivables on principal for prior LIDs of \$357,308 and principal for Nuisance Abatements of \$51,458. The Nuisance Abatements include \$43,313.87 for the house that the City demolished in 2013. The LIDs are billed every six months with interest. The Nuisance Abatements are billed monthly with interest.

This fund also contributes a portion to the payments for the 20 year 2009 FFCO Bond for Phase I of the East Port LID. This year the transfer to the 2009 FFCO Debt Fund is \$105,466. The last payment is in fiscal year 2028-29. Prior to fiscal year 2024-25 (in eight years) this fund will need additional resources of about \$500,000 to complete the debt payments for this loan. In 2023 the 2008 FFCO loan will be paid off and the State Office Building rent revenue used on that debt will be available to be shifted to the 2009 bond.

The chart below shows the expenditures in the proposed budget for this fund.





BUDGET ISSUE PAPER
CITY OF THE DALLES

BUDGET YEAR AFFECTED	DEPARTMENT(S) AFFECTED	BUDGET DOCUMENT REFERENCE NUMBER
FY 17-18	Public Works - Wastewater	17-013

TO: City of The Dalles Budget Committee
FROM: Dave Anderson, Public Works Director
THRU: Julie Krueger, City Manager
DATE: April 10, 2017
ISSUE: Wastewater Master Plan Implementation

RELATED COUNCIL GOAL: N.A.

RELATED FUND AND LINE ITEM: Fund 56, Line 056-5600-550.76-30 Sewer Lines and 76-40 Storm Water Lines; Fund 57, Line 057-5700-550.75-10 Capital Projects

BACKGROUND: The City's Wastewater Facility Master Plan was updated in 2013. A revised Capital Improvement Plan (CIP) was also developed as part of the new Master Plan. The new CIP was adopted by City Council on December 10, 2012. A 10-year wastewater rate schedule to implement the CIP was also adopted by City Council. That rate schedule was to increase wastewater utility rates 3.44% annually on March 1 from 2013 through 2022. Since utility rate revenues were exceeding projections due to increased industrial usage, there was no sewer rate increase in 2016 and none is proposed for 2017.

The City entered into a progressive design-build contract with the team of Mortenson Construction/Kennedy-Jenks Consultants in March 2015. Under that contract, the project team (made up of consultants and City staff) revisited and, with City Council, revised some of the recommendations provided in the 2013 Wastewater Facility Master Plan; these revisions were anticipated to save approximately \$2 million over the next 10 years. The Wastewater Facility Master Plan was updated with Oregon DEQ accordingly.

The project team conducted pilot testing and additional analyses related to the potential to use methane gas produced at the Wastewater Treatment Plant to generate electricity, commonly called Co-Gen. Based upon the encouraging results of that testing, City Council directed that the scope of the project be expanded to include the installation of Co-Gen systems. Construction of the project, which now includes installing new influent pumps and piping, constructing new headworks facilities for screening and grit removal, constructing a new digester, installing Co-Gen systems, and constructing a fence to help improve the visual aesthetics of the plant from Downtown, is scheduled for completion in the 2017/18 fiscal year. Outside funding for the Co-Gen portions of the project are being sought from the Oregon Department of Environmental Quality, the Oregon Department of Energy, and the Bonneville Environmental Foundation Energy Smart Industrial program. Funds for the plant upgrade project are identified in Fund 57, the Sewer Plant Construction/Debt Service Fund.

Another project identified in the Wastewater Facility Master Plan CIP, the construction of a new, larger-diameter sanitary sewer main in West 2nd Street from Snipes to Webber, was again postponed in Fund 56 from FY2016/17 to FY2017/18 as needed easements were procured. This project will include work recommended in the Storm Water Master Plan CIP to construct a storm water main in W 2nd Street. The design for these improvements has been completed in-house but the project was originally delayed from FY2015/16 to allow completion of the design for the new 18-inch Port Industrial Water Main which will be constructed in some of the same areas. It was decided that the most cost effective approach would be to combine the sanitary sewer main, storm water main and 18-inch water main into a single construction project for award to a single contractor. The timeliness of this project is critical because the increased capacity will be needed to support any development on the newly completed Columbia Gorge Industrial Center. The project will be ready to bid late in the 2016/17 fiscal year. The sanitary sewer main, identified in Fund 56, is budgeted at \$936,000 and will be funded using Sanitary Sewer SDCs and rate revenues. The storm water main, also identified in Fund 56, is budgeted at \$955,000 and will utilize Storm Water SDCs, Storm Water monthly fees, and wastewater rates.

Lastly, the Wastewater Facility Master Plan CIP included a project to replace the 8th Street sewer lift station. This station is old, in poor condition, and would have cost an estimated \$340,000 to replace. However, staff has developed an alternative to remove this lift station and install a new gravity sewer main that will eliminate the need for the lift station. The proposed FY2017/18 budget includes \$153,315 in Fund 56 to construct this gravity sewer main.

Budget Implications: The Sewer Special Reserve Fund (Fund 56) includes \$1,891,000 for the construction of the West 2nd Street sanitary and storm sewer mains, and \$153,315 to construct a gravity sewer main to replace the 8th Street lift station. The Sewer Plant Construction/Debt Service Fund (Fund 57) Capital Projects line item includes \$9.4 million for the WWTP Phase 1 improvements.

Sewer Rates: The proposed FY 2017/18 budgets include no annual sewer rate increase as previously mentioned. We recommend we hold rates steady until March 2018 at which time an updated revenue analysis will determine if there is a need to resume rate adjustments.



BUDGET ISSUE PAPER CITY OF THE DALLES

BUDGET YEAR AFFECTED	DEPARTMENT(S) AFFECTED	BUDGET DOCUMENT REFERENCE NUMBER
FY 17-18	Public Works - Water	17-014

TO: City of The Dalles Budget Committee
FROM: Dave Anderson, Public Works Director
THRU: Julie Krueger, City Manager
DATE: April 10, 2017
ISSUE: Water Master Plan Implementation

RELATED COUNCIL GOAL: A-1: Initiate design work and pursue grant/loan financing for the Dog River waterline replacement and the Crow Creek Dam increasing capacity proposals; and then implement an approved plan.
A-4: Complete enhancement to Lone Pine Well.

RELATED FUND AND LINE ITEM: 053-5300-510-75-10 Capital Projects, 053-5300-510-76-10 Source of Supply, and 053-5300-510-76-20 Water lines

BACKGROUND: In 2011, staff reviewed water system needs consistent with the 2006 Water Master Plan, conducted a financial analysis of water utility funding, and developed options for rate and Capital Improvement Plan (CIP) schedules. The City Council expressed support for the capital project schedule that incorporated the issuance of bonds in 2014/15, 2016/17 and 2019/20 and generally lower rate increases over the next 10 years to fund identified capital improvements totaling over \$22,000,000; this scenario was referred to as Option 2B in the July 2011 report to Council (Agenda Report #11-080); a copy of that CIP is presented later in this document. Consistent with that decision, Council adopted Resolution No. 11-026 in October 2011 and water rates were increased in December 2011 for all users. Council again reviewed water rate and revenue data in 2012 and adopted Resolution No. 12-015 on September 24, 2012 that increased water rates in November 2012 and re-affirmed the water rate schedule presented in Resolution No. 11-026 for future years. Accordingly, water rates were increased in September 2013. Future water rate increases were scheduled to occur on September 1 of each year for all customer

classes as follows: 10% in 2014, 8% annual rate increases in 2015-2017, and annual 10% rate increases in years 2018-2020.

Water rates and revenues were again reviewed with Council in October 2014. Due to the fact that water rate revenues were exceeding Option 2B targets, Council adopted Resolution No. 14-035 which rolled back one half of the 10% increase that had taken effect in September 2014 and established a new schedule of future water rates adjustments. That new schedule provided for 5% rate increases annually, effective November 1 of each year from 2015 to 2020.

Most recently, an updated water utility rate revenue analysis was presented to Council on October 26, 2015. As in 2014, that analysis showed that water rate revenues collected in 2014/15 exceeded targets, again largely due to increased industrial water use, and revenue needs had been less than projected due to lower-than-anticipated inflation and the fact that the planned 2014 bond was not issued. As a result, water utility rates were not increased in 2015 or 2016 as previously planned. As of December 2016, FY2016/17 rate revenues were running about 7% below projections due to lower summer residential and industrial water demands compared to 2015. Despite these lower-than-expected revenues, the 2017/18 proposed budget has been developed with the assumption that water utility rates will not be increased in 2017 as industrial usage is again expected to increase due to new development and increased usage by existing industries. To date, neither of the first two anticipated bond issuances have been needed. The original 2006 Capital Improvement Plan and associated bond issuances is presented below.

2006 Water Capital Improvement Plan

Future Capital Improvements	Amount (2006 dollars)	Bond Issue Date
DEQ Temperature Mitigation	\$1,200,000	2014/15 – not issued
Sorosis Reservoir Rehabilitation	\$670,000	2014/15 – not issued
Painting Columbia View Reservoir	\$300,000	2014/15 – not issued
Dog River Line Replacement	\$6,800,000	2016/17 – not issued
Port Pipeline Extension	\$950,000	2016/17 – not issued
3 rd St. Streetscape	\$600,000	2016/17 – not issued
Lone Pine Well Enhancement	\$1,000,000	19/20
Finished Pipeline Replacement	\$10,050,000	19/20
TOTAL	\$22,235,000	

Recent and Future Water Fee Adjustments Water rates are planned to be adjusted under the following schedule. Rates will become effective on the dates listed. In September/October of each year we will do a review of the financial condition of the water utility and may adjust the proposed water rate as appropriate. The updated 10-year water utility rate plan is presented below.

<u>Effective date</u>	<u>Base and Volume Charge Increase</u>
FY 2011-2012: September 1, 2011	6% Residential/commercial base/volume charges
December 1, 2011	2% Residential base, 29.7% volume charges/ 4% commercial base/volume charges
FY 2012-2013: November 1, 2012	10% Residential/commercial base/volume charges
FY 2013-2014: September 1, 2013	10% Residential/commercial base/volume charges

FY 2014-2015: November 1, 2014	5% Residential/commercial base/volume charges
FY 2015-2016: November 1, 2015	0% Residential/commercial base/volume charges
FY 2016-2017: November 1, 2016	0% Residential/commercial base/volume charges
FY 2017-2018: November 1, 2017	0% Residential/commercial base/volume charges
FY 2018-2019: November 1, 2018	5% Residential/commercial base/volume charges
FY 2019-2020: November 1, 2019	5% Residential/commercial base/volume charges
FY 2020-2021: November 1, 2020	5% Residential/commercial base/volume charges

Water Capital Improvement Plan Implementation Due to project reprioritizations, work load, and some regulatory opportunities, only the Lone Pine Well Expansion project is expected to be completed by the end of FY2016/17. The painting of the Sorosis and Columbia View Reservoirs was postponed until a seismic study could be completed; that study has been done and the recommendations have been incorporated into the painting project. The design engineering for the project has been completed and the contract for construction of the project will be awarded in 2016/17; construction will be completed in 2017/18. Related to the temperature mitigation project at the Wicks Water Treatment Plant, some recent regulatory changes may provide opportunities for the City to address the stream temperature issue at a much lower cost than originally planned; the project has been postponed to allow staff to explore those opportunities. The construction of the 18-inch Port Industrial Water Main was delayed due to acquisition of needed easements and will be completed in 2017/18; the budget for this project anticipates receipt of up to \$1,500,000 from an industrial partner per the terms of a development agreement to fund 50% of the project, and expenditure of \$1,334,388 in FY2017/18 to complete the project. The proposed budget also includes \$70,000 to help complete the post-fire replanting of trees within the Watershed; the Oregon Watershed Enhancement Board has contributed \$120,000 toward this multi-year effort.

Environmental permitting for the Dog River Pipeline Replacement project continued in 2016/17 with a decision from the Forest Service now scheduled for Fall 2017. Design engineering for the project is planned to begin in FY2017/18 but it is possible that construction will not begin until the Spring 2019. The proposed FY2017/18 budget allocates \$4,640,579 in funds banked for the permitting, design, and construction of this pipeline project. Staff has received a tentative funding offer from the Oregon Safe Drinking Water State Revolving Fund to provide \$1,030,000 in grant funding and \$2,970,000 as a 1%, 30-year loan. Staff has also applied for a \$1,000,000 grant from the Oregon Water Resources Department to help fund the project.

BUDGET IMPLICATIONS: Fund 53 Water Capital Reserve

75-10 Capital Projects	\$1,546,600	
Sorosis Reservoir Painting Interior/Exterior	\$741,750	
Columbia View Res Painting Interior/Exterior	\$734,850	
Wicks backwash discharge modifications design	\$0	
Watershed Rehab planting WTRSPF	\$70,000	
76-20 Water Lines	\$5,974,967	
Dog River Pipeline design/construction	\$4,640,579	Council Goal A-3
Port 18" H2O main	\$1,344,388	



CITY of THE DALLES
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BUDGET ISSUE PAPER

CITY OF THE DALLES

TO: City of The Dalles Budget Committee
FROM: Steven Harris, AICP, Planning Director
THRU: Julie Krueger, City Manager
DATE: March 23, 2017
ISSUE: **BIP 17-015 Planning Department Studies**

RELATED COUNCIL GOAL: C-1 – Develop and maintain programs and activities to strengthen the economic vitality of The Dalles

RELATED FUND AND LINE ITEM: General Fund-Planning Department: Contractual Services 001-1100-000.31-10

BACKGROUND: Two major planning efforts are on track to be completed and adopted before the end of the current fiscal year: the Public Works Department-led Transportation System Plan (TSP), and various housing-related studies (Housing and Residential Land Needs Assessment, Buildable Lands Inventory and Housing Strategies Report). The residential studies comply with Oregon Statewide Planning Goal 10 (Housing). Each of the documents includes a robust implementation program consisting in part of recommended text amendments to both the Comprehensive Land Use Plan and LUDO.

The community's Vision Action Plan is also proposed for an update in FY2017-18. Last updated in 2011, the public outreach and survey results will form the basis for the future update to the Comprehensive Land Use Plan.

BUDGET IMPLICATIONS: For FY2017-18 the Department is requesting a total of \$60,000 to fund the three planning studies. \$20,000 has been proposed for each of the three items. Staff will be seeking grant funding from the Oregon Transportation and Growth Management Program in the amount of \$20,000 to help offset costs associated with preparation of the Comprehensive Plan and LUDO text amendments and other implementation measures identified in the Housing Strategies Report and TSP. Staff will continue to seek other grant funding opportunities for the Vision Action Plan update as they become available.



BUDGET ISSUE PAPER
CITY OF THE DALLES

BUDGET YEAR AFFECTED	DEPARTMENT(S) AFFECTED	BUDGET DOCUMENT REFERENCE NUMBER
FY 17-18	Library	17-016

TO: City of The Dalles Budget Committee

FROM: Jeff Wavrunek, Librarian

THRU: Julie Krueger, City Manager

DATE: March 16, 2017

ISSUE: **BIP 07-016** Propose “Destination” Improvements for New Children’s Addition

RELATED COUNCIL GOAL: Identify and pursue opportunities to assist the community in enhancing the K through community college education system.

RELATED FUND AND LINE ITEM:

Library Fund 004

Line Items: 004-2100-455.69-80 & 004-2100-455.72-20

BACKGROUND: The Dalles-Wasco County Library would like to make the new children’s addition a “destination” for families and children in Wasco County and surrounding areas. The library as “destination” would help the library better serve more of its community while supporting the economic development strategy of the city, since the library as “destination” can only help attract more folks to The Dalles area.

How does the library become a “destination?” Firstly, creative programming by inspired youth service librarians is needed for children and their families. The library has this covered. Purchasing the latest children’s materials is important. Developing the collection with items children find interesting and with library materials tied to schoolwork is essential to making the library a family “destination.” The library does an excellent job of collection development.

However, another aspect to actualizing the children’s addition as a space that families and children see as a “destination” is to forge an interior learning landscape with unique and appealing features. Compelling interactive learning equipment that provokes our young people’s interest in reading,

writing, science, technology and math are a must. The educational equipment needs to be extremely interactive, provocative and rousing, as it will occupy valuable real estate. We need to maximize every square inch of the new children's space in our quest to build early literacy skills while at the same time attracting children and families to the library. Any dead space or unpopular learning apparatus would take space away from equipment that could be playfully educating children. Families and kids will see the library as a "destination" and make the effort to come to the library because of the engaging interactive playful learning experiences provided.

Once in the library staff can expose children to early literacy items and reading readiness and STEM programming. The library also needs to attract reluctant and non-library users. Not all caregivers are invested equally in giving children a head start in life, or they are uninformed about where to expose children to educationally enriching experiences. We need to be strategic in getting children into the library where we can work our "magic." To summarize, the interior playful learning equipment would need to be mind-blowing enough for kids to drag their parents to the library in a subzero blizzard and simultaneously be the spark that produces the next Mark Twain or Ernest Hemingway! We need to keep two words in mind - playful literacy.

The library will seek out grants to fund the interior of the library. However, because of grants already awarded for construction, the available grant pool is much smaller and the odds of getting substantial grants are diminished. Consequently, to achieve playful literacy and make the children's addition a "destination" the Library will set aside money in the following line items for FY17/18.

\$131,900 (line item: 004-2100-455.69-80) will be earmarked for furniture, educational accessories and playful interactive learning equipment. Notable components:

- a) \$30,000 for EyePlay Floor, which is a highly advanced digital game platform for the educational market with motion-activated educational games that kids can play with their entire bodies. Part of what makes EyePlay Floor so much fun is the high level of natural interactivity that it encourages. Multiple players can run, jump, twist and dance, using their hands and feet to set sounds and projected graphics in motion. The interactive system combines intuitive human motion with an interactive floor and the result is a highly effective interactive playground that captivates children while educating them.

- b) \$20,000 is budgeted for unforeseeable costs.

\$85,000 (line item: 004-2100-455.72-20) is designated for MindSplash's nationally acclaimed, original A-Mazing Airways, which is an impressive pneumatic air system that engages children and adults to explore the properties of air. Inspired by work curated in partnership with the National Science Foundation, A-Mazing Airways is a flexible apparatus designed for young patrons of all ages to challenge and expand their understanding of airflow. A-Mazing Airways combines larger-than-life air tubes, high-performance air systems, interactive diverter boxes, and soaring manipulatives of all shapes and sizes into one powerful experience that will advance the library's STEM programming and help it meet the Common Core State Standards Initiative.

The cost of the aforementioned furniture, playful interactive learning equipment and accessories is \$216,900. Any monies not used in FY17-18 would be rolled over into the Library Reserved for Future Expenditures Fund for FY18-19.



BUDGET ISSUE PAPER

CITY OF THE DALLES

TO: City of The Dalles Budget Committee

FROM: Rolf Anderson, Aeronautical Management

THRU: Julie Krueger, City Manager

DATE: March 20, 2017

ISSUE: **BIP 17-017- Airport Projects**

BACKGROUND: Since 2002 the City of The Dalles and Klickitat County have been jointly operating the Columbia Gorge Regional Airport. Aeronautical Management, Inc., has been contracted to manage the airport.

Attached is a five year capital improvement plan, which identifies the line item from which each project is budgeted.

This year's budget includes the following projects:

1. \$1,800,000 for construction of a new flex space building that will include space for Life Flight. Funds for this project come from a LOCAP Bond along with an EDA Grant in the amount of \$625,000 and \$250,000 from Klickitat County. The loan will be paid back over the next 20 years with rent payments
2. \$100,000 for the design of the rehabilitation of a portion of the aircraft parking apron. Funds for this project will be from an FAA grant in the amount of 90% of the cost and the balance from Airport funds.
3. \$100,000 for the construction of a drainage pond and drainage system. This pond is required prior to construction of any new buildings in the hangar portion of the airport.
4. \$100,000 for the expansion of a portion of the aircraft parking apron. This expansion would involve removing grass and replacing it with asphalt in order to better accommodate the number of aircraft using the Airport in the summer season.
5. \$100,000 for the design of a new Terminal building if funds can be obtained for that work.
6. \$100,000 for the initial work of a limited housing/RV area that can be used to house pilots and fire-fighting crews at the Airport.

Airport

FUNDING	Line Item #	PROJECT DESCRIPTION	17-18	18-19	19-20	20-21	21-22
Airport	061.6100.000.73.30	Drainage Pond Construction & Drainage System	\$ 100,000				
90% FAA, 5% WASDOT	061.6100.000.73.30	Taxiway A Rehabilitation	\$ 1,670,000				
Loan/grant	061.6100.000.73.20	FlexSpace Lifeflight	\$ 1,871,430				
Loan	061.6100.000.73.20	Construction of new T hangar (F)	\$ 409,699				
90% FAA	061.6100.000.73.30	Rwy 7/25 Study	\$ 10,000				
WSDOT, ODOT Airport	061.611.000.73.30	Terminal Building Year 1 Design/Construction	\$ 100,000		\$ 1,000,000		
90% FAA		Runway 7-25 rehabilitation environmental study			\$ 25,000		
90% FAA		Purchase property to extend Runway 13/31			\$ 1,000,000		
90% FAA		Apron Rehabilitation		\$ 500,000	\$ 500,000	\$ 500,000	
90% FAA		Taxiway lighting				\$ 500,000	
90% FAA		Move Dallesport Road end of Runway 7				\$ 1,000,000	
90% FAA		Runway 7-25 rehabilitation and safety improvements design			\$ 300,000		
		Taxi Rehab Bus					\$ 1,500,000
		Aircraft Parking Ramp Expansion		\$ 50,000			
Loans		New T Hangar G					\$ 300,000
		TOTAL	\$ 4,161,129	\$ 550,000	\$ 2,825,000	\$ 2,000,000	\$ 1,800,000



BUDGET ISSUE PAPER
CITY OF THE DALLES

BUDGET YEAR AFFECTED	DEPARTMENT(S) AFFECTED	BUDGET DOCUMENT REFERENCE NUMBER
FY 17-18	City Clerk	17-018

TO: City of The Dalles Budget Committee

FROM: Izetta Grossman, City Clerk

DATE: March 17, 2017

ISSUE: Codification

RELATED COUNCIL GOAL: Goal F. Transparent Efficient Government 1. Implement codification program

RELATED FUND AND LINE ITEM: City Clerk Budget line item 001-0200-000.31.10 Contractual Services

BACKGROUND: Codification as it relates to municipalities is the process of organizing and arranging all legislation of a general and permanent nature into a code. A codification must be formally adopted in order to establish it as a permanent and practical system of municipal law. The City of The Dalles City Council formally adopts all General Ordinances.

Currently, after General Ordinances are adopted by the City Council the City Clerk enters the Ordinance in our book of ordinances under the correct chapter, creates a PDF of the new or amended Ordinance, distributes to City Departments and posts to the City website.

One of our ongoing issues with the website is how difficult it is for citizens to locate specific ordinances. If you are familiar with the City ordinances it is relatively easy to determine which chapter an ordinance might be found. Citizens do not have that internal knowledge – they don't work with the ordinances in the same manner as City staff.

There are a number of firms that do this type of work for municipalities. They create the code

from your existing documents, identify any outdated ordinances, make recommendations, and link the final product to the City website. The final product is completely searchable, clean, and professional and the best part - they update as you adopt new ordinances.

The biggest benefits I have heard from other municipalities is knowing it is done correctly, the time that is saved by staff when researching an ordinance, and the searchable link for the community.

City Council has identified that transparency, updating technology, and customer services are areas that are important to them. Updating our codification, including the Land Use Development Ordinance is one way of addressing these goals.

The program would take about 9 months to implement and have online, at an initial cost of approximately \$15,000, with annual update and hosting fees of approximately \$2,500.

Codification, if approved, is the first phase in a two phase plan of updating the systems of the City Clerk's office. The second phase is to implement a records management program, creating a gateway for citizens to have online access to our public records, and assure the City is meeting records retention ORS's.



BUDGET ISSUE PAPER CITY OF THE DALLES

TO: City of The Dalles Budget Committee

FROM: Julie Krueger, City Manager

DATE: March 27, 2017

ISSUE: **BIP 17-019** Personnel Costs

BACKGROUND: For compensation purposes, the City has four categories of employees:

- 1) Exempt employees (Dept Managers, Supervisors, Confidential Secretaries, Planning Staff);
- 2) Contract employees (City Manager, City Attorney, and Municipal Court Judge);
- 3) SEIU represented general employees; and
- 4) Police association employees.

For the last two categories, the City negotiates a labor contract. The SEIU employees are in negotiations, with their current contract expiring June 30, 2017. The City's insurance premium payment increase was capped at 8% in FY 2015-16 for SEIU employees.

The three year Police Association contract is in the first year of a three year contract. The City's insurance premium payment increase is capped at 7% for the Police Association employees for the upcoming fiscal year.

The City has three contract employees; City Attorney, City Manager, and Municipal Court Judge. The City Council annually considers a COLA and/or salary adjustment for these three after their annual evaluations. Evaluations are being scheduled for May. The City is currently paying 85% dependent insurance pick up for the City Manager and City Attorney.

Annually, the City Council also considers cost of living adjustment (COLA) or other salary adjustments for exempt employees. The exempt group has typically lagged behind salaries in comparable cities. In FY 2014-15 this group received a 2% COLA on July 1, 2014. In FY 2015-16, no cost of living increase was approved and the group received a 2% COLA for FY 2016-17. Many positions in this group continue to fall behind in salary. The exempt positions currently follow the 8% maximum increase of the City

contribution toward the cost of monthly insurance premiums given to the SEUI and Police Association employees.

Last year we added an additional health insurance option, which has a higher deductible and lower premium and allows all employees to choose an option. We don't have our proposed rates for the upcoming year, but we believe it will be below the established cap.

BUDGET IMPLICATIONS: The proposed budget has been prepared with a 2% COLA for all employees and an 8% increase in insurance premiums.

While the Budget Committee will consider and may adjust the proposed budgeted amounts in any category, including the personnel categories, the Budget Committee does not set the wages for City Employee positions. Setting employee position wages and the wage tables is done by the City Council via the SEIU and Police Association contracts, and Council action for the Exempt positions.



BUDGET ISSUE PAPER
CITY OF THE DALLES

TO: City of The Dalles Budget Committee
FROM: Angie Wilson, Finance Director
THRU: Julie Krueger, City Manager
DATE: March 23, 2017
ISSUE: **BIP 17-020 Revenue from State Office Building Rent**

RELATED COUNCIL GOAL: None

RELATED FUND AND LINE ITEM: State Office Building Fund 21

BACKGROUND: The City of The Dalles owns the current State Office Building on Fifth Street between Court and Union Street. We lease the facility to the State of Oregon. The monthly lease amount includes the full cost of the maintenance and operation of the facility and a net rent amount. The annual net rent is \$230,324. Years ago the City Council decided to use these funds for purchase, construction and maintenance of other city facilities. That includes several phases of remodel at City Hall, purchase and remodel of the Police Station, and remodel of the Public Works facility. Table I below identifies how we are currently using these funds.

TABLE I – Use of State Office Building Discretionary Rent

USE	FY 16/17	FY17/18
<u>Total Rent</u>	<u>225,806</u>	<u>230,324</u>
2008 FFCO for City Hall (44%)	57,740	54,883
2008 FFCO for PW Facility (56%)	<u>69,668</u>	<u>69,852</u>
<u> Total Rent to 2008 FFCO Debt Fund</u>	<u>124,408</u>	<u>124,735</u>
Port Airport Well	17,611	-0-
State Office Bldg Expenses	9,310	9,310
Discretionary in Cap Projects Fund	<u>68,954</u>	<u>96,279</u>
<u> Total Rent to 2008 FFCO Debt Fund</u>	<u>95,875</u>	<u>105,589</u>

The intent of the discretionary funds had been to accumulate money for the remodel of the second floor at City Hall. In recent years it has been used for purchase of police and other general fund vehicles and maintenance of City Hall and the Police Department. This fiscal year we budgeted for the following expenditures:

Replace HVAC unit at City Hall	\$ 8,000
Replace HVAC unit at the Police Department	\$ 8,000
Reserve for further City Hall Improvements	\$ <u>246,773</u>
Total	\$ 262,773



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BUDGET ISSUE PAPER CITY OF THE DALLES

TO: City of The Dalles Budget Committee
FROM: Angie Wilson, Finance Director
DATE: March 27, 2017
ISSUE: **BIP 17-021 State Revenue Sharing Process and Use of Funds**

BACKGROUND: State Revenue Sharing Law, ORS 221.770, requires cities to pass a resolution each year stating that they elect to receive State Revenue Sharing money during the next fiscal year. The law mandates public hearings be held by each city, and a certification of these hearings is required. The required hearings are as follows: 1) the Budget Committee holds a Public Hearing to consider possible uses of the funds; and 2) the City Council holds a Public Hearing on the uses of the funds as proposed by the Budget Committee or others.

After the Hearing before the Budget Committee, the Committee should make a motion to recommend to the City Council that the State Revenue Sharing funds be designated for a certain purpose. The City of The Dalles has traditionally made a very broad statement that State Revenue Sharing funds should be used to support activities in the General Fund. These funds, estimated at \$161,110 for the coming year, are used to balance the General Fund in the proposed FY17/18 budget. If it is determined that these funds are to be used for another purpose, we would have to reduce the General Fund expenditures and associated services by a similar amount.

This year the public hearing before the Budget Committee is scheduled for the first Budget Committee meeting on May 1, 2017.

The Hearing before the City Council is scheduled for June 12, 2017.

The required Resolution electing to receive State Revenue Sharing funds in the upcoming fiscal year is included as an action item on the same agenda. That resolution is not required to designate the uses of the funds, but only states the City's election to receive them. A copy of the signed resolution, along with certification that the two hearings were held as required, is then sent to the State to document the City's compliance with the requirement.



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BUDGET ISSUE PAPER

CITY OF THE DALLES

BUDGET YEAR AFFECTED	DEPARTMENT(S) AFFECTED	BUDGET DOCUMENT REFERENCE NUMBER
FY 17-18	Police	17-022

TO: City of The Dalles Budget Committee

FROM: Patrick Ashmore, Chief of Police

DATE: January 31, 2017

ISSUE: Budget Proposal to Purchase EvidenceOnQ

RELATED FUND AND LINE ITEMS: General Fund Police Department – 001-1300-000.64-80 (Software Purchase) and General Fund Police Department – 001-1300-000.34-40 (Software Maintenance)

BACKGROUND: As a new administrator of The Dalles Police Department, I requested a third party audit be conducted at The Dalles Police Department on the evidence system in November 2016. I had the current Oregon State Police Evidence Technician coordinator, Lauren Jarrell, along with three current Oregon State Police Evidence Technicians come in and conduct the audit and do an inventory on the current evidence in our possession.

The overall audit revealed numerous evidence management issues ranging from overall evidence security, to actual missing evidence. There were numerous discrepancies between the current evidence management systems and an over all failure to maintain up to date records.

There were several recommendations that came from the audit. The most important recommendation was for the agency update to its policies and procedures, including how officers submit their evidence, and how the Evidence Technician manages the evidence once it is entered into the system.

We have made the recommended changes regarding our policies and procedures. We now need to invest in the second most important recommendation, and that is to implement/upgrade a standalone evidence management system with barcode capability.

EvidenceONQ is a property evidence management solution that gives our agency the power to manage, maintain, and track property and evidence from the crime scene to the court room. EvidenceONQ is being used by numerous agencies in the state of Oregon and provides efficiency and integrity of the evidence management.

The system will also streamline the process by reducing repetitive and error-prone manual tasks. It will increase overall efficiency, saving time for the officers, allowing more time for them to do their jobs.

We have a complete EvidenceOnQ proposal with additional information for anyone who is interested.

The cost for EvidenceOnQ is \$14,771.00, which includes the annual maintenance and support for the first year. Continued maintenance and support for the software and licenses will be \$2,759.00 per year or \$229.00 per month starting in 2018.



BUDGET ISSUE PAPER
CITY OF THE DALLES

BUDGET YEAR AFFECTED	DEPARTMENT(S) AFFECTED	BUDGET DOCUMENT REFERENCE NUMBER
FY 15-16		

TO: City of The Dalles Budget Committee

FROM: Matthew Klebes, Enterprise Zone Manager/Assistant to the City Manager

THRU: Angie Wilson, Finance Director

DATE: March 31, 2017

ISSUE: **BIP 17-023 Enterprise Zone Fees**

BACKGROUND:

In 2005, the City of The Dalles and Wasco County signed an Enterprise Zone Tax Abatement Agreement with Design, LLC for the construction of the first Design, LLC site. This agreement called for Design, LLC to make an initial payment of \$280,000. After this initial project fee Design, LLC has agreed to make a \$250,000 payment for each year that the facility receives a tax exemption up to 15 years. Currently, we have received ten payments with the possibility of receiving five more as long as their facility continues to operate.

The distribution of the initial fee is as follows:

- | | |
|----------------------|------------------|
| • City of The Dalles | \$140,000 |
| • Wasco County | <u>\$140,000</u> |
| Total | \$280,000 |

For the first six yearly payments the distribution has been as follows:

- | | |
|---|-----------------|
| • Columbia Gorge Community College Information Technology Program | \$100,000 |
| • QualityLife Intergovernmental Agency | \$50,000 |
| • Wasco County Economic Development | \$75,000 |
| • Project related costs to Wasco County | <u>\$25,000</u> |
| Total | \$250,000 |

The payment distribution for FY 14/15 was changed to the following:

• Columbia Gorge Community College (computer science programs)	\$75,000
• Wasco County	\$87,500
• City of The Dalles	<u>\$87,500</u>
Total	\$250,000

The payment distribution for fiscal year FY 15/16 was changed to the following:

• Wasco County	\$125,000
• City of The Dalles	<u>\$125,000</u>
Total	\$250,000

In 2013 the City of The Dalles and Wasco County signed a second Enterprise Zone Tax abatement agreement for the construction of the second Design, LLC site. The initial project fee for this project was 1.2 million. After this initial project fee Design, LLC has agreed to make an \$800,000 payment for each year that the facility receives a tax exemption up to 15 years. Currently, we have received 3 payments with the possibility of receiving 12 more as long as their facility continues to operate.

The distribution of the initial fee is as follows:

• Mid-Columbia Fire and Rescue Fire Station #2	\$484,646*
• Northern Wasco County Parks and Rec	\$100,000
• Wasco County	\$425,845
• City of The Dalles	\$129,691
• Columbia Gorge Regional Airport	<u>\$60,000</u>
Total	\$1,200,182

*Per ASR dated 11/17/1 after accounting for a higher construction cost, architectural fees, and a State Homeland Security Grant the total cost of the Fire Station was \$557,356.00. As such, \$68,000 of funds originally allocated to a student intern program to begin in 2017 for the Mid-Columbia Fire and Rescue district were used for the remodel of Station #2. This changed the start date for the student intern program to 2019.

The distribution of the second agreement's annual fee is as follows:

• Wasco County	\$280,000
• City of The Dalles	\$280,000
• Northern Wasco County School District 21	<u>\$240,000</u>
Total	\$800,000

In FY15/16, a third Enterprise Zone agreement was established with Design, LLC. The initial payment for this agreement 1.45 million paid to the County/City and 250,000 to the Port of The Dalles. The City and County agreed to divide the initial payment of \$1.45 million as follows:

• Set aside for shovel ready projects approved by County and City	\$ 250,000
• Wasco County	\$ 600,000
• City of The Dalles	<u>\$ 600,000</u>
Total	\$1,450,000

Once the third facility is completed the agreement with Design, LLC states that a minimum yearly payment of 1 million dollars or payment based on square footage (whichever is higher) will be made for each year that the facility receives a tax exemption up to 15 years

BUDGET IMPLICATIONS: From the first Design LLC, the City receives \$125,000 each year. From the second Design LLC, the City receives 280,000 each year for a total of \$405,000 for FY 17/18.

Starting FY 17/18, the funds from the second Design LLC abatement are allocated as follows: \$56,000.00 for up to fifteen years to the Mid-Columbia Fire and Rescue District for the retirement of debt associated with the construction of a training tower at Station #1. Starting in FY 19/20 and additional \$34,000.00 for up to thirteen years will be allocated to the Mid-Columbia Fire and Rescue District to establish and maintain a student volunteer program. These allocations are per an Inter-Governmental Agreement dated July 31, 2015

Design, LLC Agreements and Payments

Agreement	Initial Payment	Breakdown	Yearly Payment	Breakdown
2005 Design LLC Agreement	280,000 initial payment	Split between City and County.	250,000 per year payment	Initially split between City, County, CGCC, Qlife, and Wasco EDC In 2014/15 Split between City, County, and CGCC Currently split between City and County only and is put into the general fund
2013 Design LLC Agreement	1.2 million initial payment	Split between Mid-Columbia Fire and Rescue, Parks and Rec, County, City and Airport	800,000 per year payment	Split between City, County, and D21 Portion of City funds allocated to Mid-Columbia Fire and Rescue per IGA
2015 Design LLC Agreement	1.45 million initial fee Additional 250,000 to Port of The Dalles	250,000 set aside for shovel ready projects Remaining 1.2 million split between City and County	Fee dependent on cubic footage, minimum of 1 million payment	Annual fee pending completion of facility.



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BUDGET ISSUE PAPER
CITY OF THE DALLES

BUDGET YEAR AFFECTED	DEPARTMENT(S) AFFECTED	BUDGET DOCUMENT REFERENCE NUMBER
FY 17-18	Police	17-024

TO: City of The Dalles Budget Committee

FROM: Patrick Ashmore, Chief of Police

DATE: February 26, 2017

ISSUE: Budget Proposal to Lease GeTac Tablet/MDT's and Purchase Advanced Authentication and NetMotion Solutions

RELATED FUND AND LINE ITEM: Contract Services 001-1300-000.31-10; Computer Software 001-1300-000.64-80; Radio equipment 001-1300-000.43-30;

BACKGROUND: Mobile Data Terminals (MDTs) have become an essential piece of equipment that our officers use every day. Most of our calls to service, written reports, dispositions, driver's license checks, vehicle registration checks, wanted or stolen checks, are all transmitted through, dispatch, DMV, and LEDS, directly to the officers via their MDT. This saves time and keeps the police radio clear for emergency traffic.

The current fixed mount MDT's will be seven years old this year. Currently, replacement parts are no longer available through the vendor and are located at secondary, less reliable vendors such as eBay. This makes the parts hard to find, and more expensive.

I am aware the city of The Dalles IT department is trying to follow a policy of industry recommended five year replacement cycles for computer work stations and laptops. There are four major elements for a technology life cycle: hardware inventory and assessment, procurement and development, ongoing management, and replacement and disposal. Manufacturers use maintenance as an incentive to drive a customer to replace current inventory

by providing a 3 year, or less service and parts warranty when purchasing equipment. Finance and maintenance drive the lifecycles in technology. We must depend on our IT department for maintenance after the warranty expires, which is very difficult for a one person IT team, supporting several departments. More and more public and private agencies are going to lease programs to keep continuous service warranties, to cut maintenance costs, and to keep up with the technology.

There are hidden costs associated with keeping computers more than five years. Based on a several studies, computers older than five years cost an average of 59% more to support, take up an average of 50% more time to perform some tasks, have an average of 53% more security breaches, and use on the average 50% more energy. I have no local data to support this, other than my conversations with the IT manager Patty Salmon, who has told me the current MTD's are getting old and difficult to maintain. I was told parts are expensive and hard to find. I am aware of one MDT that is currently having issues with its sound alerts causing officers to miss critical information from dispatch during a call because the officer did not hear the alert from the MDT indicating critical information was uploaded onto their system.

I am recommending the police department go to a technology lease program to purchase the needed MDT/tablets enabling the department to keep up with current technology, and assist us in meeting our operational needs. I am also recommending the department go away from the traditional fix mounted MDTs and go to an assigned mobile tablet platform for efficiency. Each officer would be assigned a mobile tablet, allowing mobility in the field. Officers could take their MDT/tablet's with them when they are in the office using a docking station, use in their vehicles like they do now, and use them in the field. The basic concept is each officer will have a portable MDT/tablet assigned to him/her, making it a dual purpose piece of equipment.

There are several examples of how this new found mobility advantage would be used by our officers. Currently our officers sit for hours waiting to testify in the court room. They are always on duty, either on straight time, or on overtime. Now when waiting to testify they do nothing but sit, and are not productive. With a mobile tablet, while they are waiting, they could work on police reports, catch up on email, or do other administrative tasks they may have. I have no data to support how many hours our officers wait to testify while on the clock, but am confident the number would be in the hundreds of hours a year.

The MDT/tablets could be used at search warrants to enter evidence into our evidence management system and eventually print out electronic receipts on scene. The camera feature could be used to document crime scenes, and take evidence photographs. The MDT/tablet would give the officers access to valuable law enforcement data bases, and the internet 100% of the time.

Eventually, I would like to see the department use new technology the MDT/tablets offer to issue electronic citations. The department would eventually need to purchase portable printers to go in

our police vehicles that would allow electronic citations to be printed from within the vehicle, avoiding hand writing the citations, and allowing the citation to be electronically entered into court system using the MDT/tablets. This would stream line the entire process, again saving the city hundreds of hours by taking less time issuing the citation, and getting the citation electronically entered into the court system, making us more efficient.

The MDT/tablet will eventually replace office desk tops, which are scheduled to be replace “five a year”, at \$1600, this does not include software. For the five year period that would be \$8,000 that we would not be spending to purchase office desk tops.

The current five year expenditure plan indicates eleven MDTs are scheduled to be replaced at the cost of approximately \$53,768 to purchase just the equipment without software.

GeTac is the MDT/tablet solution that we are currently testing. To lease the equipment, and purchase the additional hardware, software, and unlimited data plan for the 25 tablets, the cost is \$62,313 the first year and \$43,079 for the remaining four years of the contract. That includes docking stations for vehicles, and docking stations at the office. All of our police officers would have their own MDT/tablets issued.

To purchase the same equipment the cost would be \$121,230. This includes all hardware and installation fees, but not subscription based software and data plans (see below).

The difference to lease the equipment is an additional \$15,902 a year, compared to purchasing the equipment in a five year period; or \$265 more a month for five years to lease the equipment.

The software and data plan costs for 25 MDT/tablets are \$24,886 the first year and \$15,653 each year for the remaining 4 years regardless of whether the hardware and installation are purchased or leased.

If at some point the decision is to purchase 11 fixed mount vehicle MDT’s like we have now, the software and data plan costs would \$ 17,830 the first year, and \$8442 a year after that. As a comparison, the MDT/tablets would be a monthly increase of \$588 over the current fixed mount solution.

Leasing benefits: The lease program keeps the equipment up to date. With a lease we pass the financial burden of obsolescence to the leasing company. We can acquire new equipment with little down payment. We can set our budget five years out with a known line item every year.

Leasing downside: We will pay more in the long run.

Purchasing benefits: It is easier to purchase equipment. Make the decision and purchase it.

Purchasing downside: The initial outlay for needed equipment is more than we can afford, and very quickly the technology becomes outdated.

Regardless of the city's decision to continue with a fixed-mounted MDT that we have, or go with a User-assigned MDT/tablet lease program, the police department needs funding for the advanced Authentication and NetMotion solution. The police department was put on notice in 2015 during a Criminal Justice Intelligence System (CJIS) audit that we were out of CJIS compliance. Even though the NetMotion and AA are not absolutely necessary to comply with CJIS, the upgrade would eliminate the officers need to log on more than once to use the system. If we continue with the current system, the officers will be required to log on at least twice, each time they get on their MDTs to meet CJIS requirements. If we purchase NetMotion and AA, the officers would only need to log on once a shift. The cost would be \$ 17,830 the first year, and \$8442 a year after that. The price will be for 25 user licenses, a change to meet the CJIS requirements, verses only needing 11 licenses for the MDTs.

We are scheduled to have a CJIS audit in August of 2017 and will need to purchase the necessary security applications mentioned to make it easier for our officers to do their job, or use the current system that will require the additional log on requirements.



BUDGET ISSUE PAPER CITY OF THE DALLES

TO: City of The Dalles Budget Committee

FROM: Police Chief Patrick Ashmore

THRU: Julie Krueger, City Manager

DATE: February, 10 2017

ISSUE: BIP 17-025 - Budget Proposal for Police Department Vehicle Fleet

RELATED FUND AND LINE ITEM: Police Department Line Item: 011-1300-421.74-20

BACKGROUND: The police department has a fleet of 17 vehicles. The current vehicles include seven marked police cars, and 10 unmarked and specialty vehicles.

Number	License	Make	Comment	Year	Model
S-11	670BUK	Ford	SERT	04	EC3
S-12	905BMS	Ford	Detective, MDT	05	Taurus
S-17	E235391	Ford	Dog Control, MDT	07	Ranger
S-16	069DNE	DODGE	Detective Sgt, MDT	07	CHARGER
S-13	E238940	Ford	Watershed	08	F150
S-10	917ENP	DODGE	Detective, MDT	09	CHARGER
S-14	816GYW	TOYOTA	MINT Detective	11	CAMRY
S-4	E252172	Ford	Patrol, MDT	11	Expedition
S-9	270FBP	DODGE	Captain	11	Charger
S-1	E252173	Ford	Patrol, MDT	11	Expedition
S-6	E251642	DODGE	Patrol, MDT	13	CHARGER
S-7	E261152	DODGE	Patrol, MDT	14	CHARGER
S-8	187HHC	DODGE	Chief	14	CHARGER
S-5	E261173	Dodge	Patrol, MDT	15	Charger
S-2	E269303	Dodge	Patrol, MDT	16	Charger
S-3	E269304	DODGE	Patrol, MDT	16	CHARGER
S-15	temp	DODGE	Detective	16	Jeep

The Police Department has a radar trailer that was purchased in 2000 that is used to display vehicle speeds on a reader board in an effort to reduce speeds in problem areas.

The Police Department has a 2008 Pace Utility 18' trailer to transport firearms training equipment back and forth from the range.

S-14 The MINT vehicle is assigned to the Detective assigned to MINT. The vehicle is purchased and owned by MINT. The insurance and maintenance is the responsibility of The Dalles Police Department.

S-13 The Watershed truck is owned by Public Works and assigned to the police department.

S-11 is assigned to the SERT team. It is a 2004 Ford Van we purchased a few years ago. It is not scheduled for replacement in the near future.

S-12 The 2005 Ford Taurus is an extra vehicle used by Detectives when they need an extra vehicle due to operations, or one of their cars is down for maintenance. It is also the vehicle the department will use when there is a need to send officers to training out of the area.

S-17 is assigned to Dog Control. It is a 2007 Ford P/U. It was the truck used by the Wasco County Animal Control before they ended the program. At this time it is relatively decent shape.

Patrol Vehicles: Patrol coverage is 24 hours a day, seven days a week, 365 days of the year, so consequently the Patrol vehicles are constantly being operated. The department has a two officer minimum staffing policy for coverage to handle the calls, except between the hours of 10pm and 3am; the minimum coverage goes up to three officers because of the increased call load, and the nature of the calls. During these night time hours, often officers need to back each other up. So occasionally with shift overlaps, there maybe three to seven Patrol cars operating at one time.

It is common to have one or two Patrol vehicles out of service for routine maintenance, or unforeseen maintenance issues. Administrative Vehicles: One is assigned to the Chief, and one is assigned to the Captain. These two vehicles are take home vehicles because these positions respond to serious incidents from home at all hours.

Detective Vehicles: When fully staffed, one is assigned to the Detective Sergeant, two are assigned to Detectives, and one is assigned to the MINT Detective. These vehicles are each take home vehicles because these positions often time require response to incidents from home at all hours.

Replacement Plan: The department attempts to schedule two replacement vehicles per year. The practice has been to replace two marked vehicles a year; and one marked vehicle and one unmarked vehicle the next year. I spoke with the previous Chief Jay Waterbury and he told me about every 10 years there is a year we must replace three vehicles. This is one of those years.

The marked vehicles are usually three years old and have between 75,000 and 100,000 miles when replaced. Because police vehicles are "run hard" for the years of service, the vehicle dealership standard for a city police marked vehicle is to multiply the actual mileage by two to get an accurate figure, in comparison to the normal "wear and tear" of a civilian vehicle. A replacement of the older vehicles keep the rising maintenance costs down, and is necessary to ensure there aren't operational safety issues that inherently come with worn out vehicles.

Both 2011 Ford Explorer SUV 4 X 4's are going to be six years because they typically don't run up the high mileage as do the marked Chargers. Based on the departments five year plan, it was

anticipated the SUV's would go another two or three years, but this past year they have been driven more than anticipated and S-4's mileage will be 86,961 miles, and S-1's mileage will be 78,036. The SUV 4x4 is critical for winter operations and sometimes the only vehicle that can get around during the inclement winter.

The current Dodge Chargers are two wheel drive six cylinders that do not do well in the inclement "ice/snow" conditions. We have looked at all wheel drive Chargers, but found that the all-wheel drive police packages only come in V-8 Hemi, (more expensive to purchase, and more expensive to maintain). **The two Ford Explorer SUV's need to be replaced this cycle.**

The new Ford Explorers are all wheel drive and a smaller vehicle, making them practical to drive year round. They also come "police pursuit rated" which is important for law enforcement vehicles.

The scheduled vehicle replacement is S-7, a marked 2014 Dodge Charger. S-7's mileage will be 96,575.

We will not have to replace an unmarked car this year.

In fiscal 16/17 we replaced a 2013 Dodge patrol car and one 2005 unmarked Ford Taurus. Both of these cars will be surplus'd, and traded in. **The budget for 16/17 was for two marked vehicles at \$55,000. I am requesting \$60,750 to purchase the two new Ford Explorer SUV's.** The trade in value for the two vehicles is minimal.

These vehicle purchases are absolutely critical for our law enforcement operations. Our vehicles are driven constantly and unfortunately the vehicles have no down time and due to excessive wear and tear must be replaced sooner.



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BUDGET ISSUE PAPER CITY OF THE DALLES

TO: City of The Dalles Budget Committee
FROM: Daniel Hunter, Human Resources Director
DATE: December 29, 2016
ISSUE: **BIP 17-026 - HR-1, Total Employer Cost of Compensation**

RELATED COUNCIL GOALS: F. Transparent Efficient Government

BACKGROUND: In 2016 the City established a dedicated Human Resources Department after twenty years without one. Since I was hired September 1, 2016 I have been reviewing how the City conducts various aspects of personnel management. While there are several areas being addressed, I have identified two which involve outside services. These two are, total compensation costs for the City and our application form and processes.

The total cost for personnel includes recruitment, retention and retirement. More specifically the recruitment costs to advertise a vacant position is largely determined by the initial anticipated difficulty in filling a position, the length of time need to continue recruitments, costs hire hiring and training new personnel. The cost of retention not only includes compensation and benefits like insurance, they include on-going training, conferences and certifications as well as paid time off. Retirement costs include retirement contributions, and the retirements feed into the recruitment costs when the position is vacated. Some of these costs are generally the same from one community to another (i.e. recruitment). The question I would like to answer, and do not have the data to do so is, how do we compare to other Cities in our total cost of compensation? And how has that cost changed over time?

Having this information will provide us with data, rather than perceptions or educated guesses that would better enable us to negotiate our labor agreements.

Portland State University and Local Government Personnel Institute have collaborated on a program called Total Employer Cost of Compensation (TECC). This program has two huge selling points: Each position is compared based on title, duties, and community size. Not merely on title. The other selling point is that it does not require integration or association with our current systems or computer programs. The system is maintained off site.

For more in-depth information for you, I have included sample TECC comparison report.

BUDGET IMPLICATIONS: This program has a three year commitment and cancellation is possible following a 30 day notice. The fees are based on city size. The entire commitment cost for a city the size of The Dalles is \$4,000 with \$2,000 being due at year one and \$1,000 payable in years two and three. There is also a 20% reduction (\$800) in the fee if the City is a member of Local Government Personnel Institute (LGPI).

Membership in LGPI is \$1,620 per year. After considerable thought, I do not recommend joining LGPI at this time. The reasons are: It would create unnecessary redundancies in services provided to the city; the services provided would still have a cost with minimal reduction due to membership; we will have concluded labor negotiation by the time this budget is used for expenses and there is no other negotiation in the coming year.

TECC Costs:

\$2,000 in FY17/18

\$1,000 in FY18/19

(OPEU Agreement expires June 30, 2019)

(SEIU Agreement anticipated to expire June 30, 2020)

\$1,000 in FY19/20



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BUDGET ISSUE PAPER CITY OF THE DALLES

TO: City of The Dalles Budget Committee

FROM: Daniel Hunter, Human Resources Director

DATE: December 30, 2016

ISSUE: **BIP 17-027 HR-2, NEOGOV: Electronic Application & Onboarding Service**

BACKGROUND: As I stated in BIP HR-1, in 2016 the City established a dedicated Human Resources Department after twenty years without one. While reviewing systems and processes I have identified two which involve outside services. One is addressed in BIP HR-1, the other is our antiquated job application, how we post vacancies and how we perform new hire orientations.

The services provided by NEOGOV are maintained off site and are accessed via the internet thru a user dashboard. This means, we do not need additional hardware or software, and there is no need for integration with City software systems. All we need is an internet connection.

Current Process:

Our current job vacancy process includes, creating job postings and position descriptions if there are none currently for that position. The posting and position description are then sent to any number of organizations for advertisement as well as posting them to the City web site. A prospective applicant then finds the posting and is directed to the City web site to complete a job application packet. This application packet is a fillable PDF form. Applicants can also visit City Hall and receive a paper copy of the application packet.

Applications are limited in the information an applicant can provide due to the limited space available in the box. Consequently, many applicants do not complete the application. They merely fill in the box with “see resume.” This limits the information a Department and City Manager has to make a determination to either interview or hire an applicant. Once an applicant is ready to submit their application, they email their application packet, resume and cover letter to Human Resources. After the closing date of the recruitment, I review all application materials and determine if the applicant meets the base qualifications for the position. I then rank those who are qualified into “qualified” and “highly qualified” and send those to the Department for consideration.

Some of the organizations we post positions vacancies to, also post to other web sites like Indeed. This causes applicant to use those websites’ systems to send incomplete applications

and results in substantial junk mail to human resources.

Once an applicant is hired, they go through a new employee orientation. An orientation typically takes one to four hours. During the orientation new employees are provided City and Department policies; they complete their I-9 and W-4 forms and are provided benefit information and sign up forms which they return once completed. Applicants are then introduced to other staff they will work with and introduced to the organizations culture.

NEOGOV Process:

Insight:

Using the NEOGOV system, I would post a position vacancy to NEOGOV via the user Dashboard. NEOGOV in turn provides me with a hyperlink to that announcement. The announcement is the position description and requirements. I am then able to send other sites a brief position announcement and the link provided by NEOGOV.

Applicants are directed to the announcement on NEOGOV where they may apply. If they already have a user profile, their application data is already there. They just need to upload a resume, cover letter and any other documents they wish, or we require. Such documents could include: Certifications, College Transcripts, Letters of Recommendation, and Driving Records to name a few. This is all uploaded to NEOGOV's server. If an applicant attempts to submit an incomplete application, they will be prompted to complete it prior to sending. Once it is complete, they may submit their application.

Once submitted, I will receive an email letting me know there is an application for that position to review. Once the application deadline has passed, I can review the applications and reject those that do not meet the minimum qualifications. The appropriate Department Director can then be notified of qualified applicants for their review and to set up interviews. Those not considered for interview can then be rejected or archived for later consideration.

Onboard:

Using NEOGOV's Onboard system will allow us to save considerable time walking new hires through the orientation process. New employees are provided a computer where they complete their I-9 and W-4 forms as well as review and sign off that they have received Department and City policies. They would be provided a benefits packet the same as we do now. Once they are done, staff can then introduce them to other staff, provide them with any personal protective equipment they need and they are ready to get to work.

Attached is more detailed information on these services. There is a 60 day opt-out notice required. After an opt-out we would scrub the system of our data and they would provide us with a CSV file of all information posted on their system.

BUDGET IMPLICATIONS: The total initial cost for these services is \$13,635. This includes \$8,000 for setup and training provided to staff by NEOGOV. The recurring cost for the service is \$5,635 for both Insight and Onboard.

FY17/18	\$13,635
FY18/19	\$5,635



BUDGET ISSUE PAPER CITY OF THE DALLES

TO: City of The Dalles Budget Committee
FROM: Angie Wilson, Finance Director
THRU: Julie Krueger, City Manager
DATE: March 3, 2017
ISSUE: **BIP 17-028 Uses of Council Safety Equip/Programs Line Item**

RELATED FUND AND LINE ITEM: City Council Department of General Fund – Line Item 001-0100-410.60-50

BACKGROUND: This line item was created via Resolution No. 15-034 approved on September 14, 2015 that recognized and allocated \$33,651 in SAIF premiums refunded in FY14/15 for Council approved safety items. Since then all SAIF premium refunds and SAIF dividends have been allocated to this line item. Only Council approved items may be expended from this line item.

Items approved and expended in FY15/16 include \$1,422.79 for Library floor mats; \$299.40 for a digital scoreboard for safety incidents at Public Works, and \$360.73 for a Public Works pizza party to celebrate no accidents; and \$2,757.55 for the replacement of the City Council chairs.

Items approved expended in FY16/17 include \$2,460 for a Police radio duplexer; \$3,049.33 for the Police evidence room door and door strobe; \$4,975.91 for Veridesks (sit/stand desks) and accessories for various department employees; and \$8,973 for Police Duty Vests. \$76,682 for Police Radios (approved 02/13/17) and \$18,126 for Police Tasers (approved 002/13/17).

\$23,000 For the bullet proof glass for the Police front desk (approved 04/11/2016) was not completely spent. \$2,382.24 was spent, which gave a savings of \$20,617.76.

Items approved, but not yet expended include \$35,000 for Police Body Cameras;

The body cameras are still under consideration until it can be determined if or when they should be purchased.

This line item will be budgeted at the estimated full amount of the balance for FY17/18, and those items that have been approved, but not purchased will be a part of that amount.



BUDGET ISSUE PAPER CITY OF THE DALLES

TO: City of The Dalles Budget Committee
FROM: Angie Wilson, Finance Director
THRU: Julie Krueger, City Manager
DATE: April 14, 2017
ISSUE: **BIP 17-029 Special Grants Fund**

BACKGROUND: The Special Grants Fund was created to provide for those capital projects that were funded entirely or in part by restricted funds, such as grants, loans, and contributions that were restricted in use to those specific projects. The following projects have been included in the proposed budget for FY17/18.

1. SHPO/CERT LOC Govt (018-2700-415.31-10): This is where the SHPO grants and other state historical grants are spent. These grants are typically for historic projects or workshops that include historic properties and our historic Pioneer Cemetery. In FY15/16 we received a grant for a workshop on restoring and repairing historical windows. We have budgeted to receive \$8,000 in these types of grants, with \$1000 of those funds budgeted in this line item, and the remaining \$5,000 in the Transfers to General Fund, to cover the administration of the contracts by the Planning Department personnel. These grants are distributed every 12 to 18 months, so we may or may not receive any in FY16/17..
2. Housing/Land Needs Assessment (018-2800-415.31-10): The City was awarded a grant in the amount of \$30,000 to perform this housing and land needs assessment project. A match of \$25,000 was provided for by transferring that amount from the General Fund in FY15/16, which is included in the Beginning Fund Balance for FY16/17. The total budgeted for this project is \$55,000.
3. Washington/Federal Plaza & 1st St Streetscape (formerly Tunnel Project) (018-29009415.75-10): This project has changed considerably and is still undergoing discussion at the Council level regarding what the finished product will be. The

remainder of the ODOT grant \$1,170,000 can be used for this project only. I have also budgeted the entire balance of the 2009 FFCO Bond proceeds transferred in prior years from Urban Renewal in the amount of \$1,990,023 to this project. Although the bond funds can be used for other projects that are within the scope of the statement of uses in the bond document, I put them all here to keep track of them until the Council determines the needs of this project. I also budgeted \$767,106 of the Beginning Fund Balance that were not Urban Renewal Funds in this line item. The total project is budgeted at \$4,617,033.

4. Gorge Hub – Connect Oregon III (018-3450-415.75-10): A grant application has been submitted for \$48,930, but we will not know if it will be awarded to the City until August. A City match of \$20,970 is being provided by using \$6,470 from the Beginning Fund Balance and \$14,500, which is all of the interest revenue to be received in FY17/18. The total project is \$69,900.
5. Granada Block Project (018-3710-415.75-10): The proposed Urban Renewal Budget for FY16/17 includes at transfer to this fund in the amount of \$689,904, which is dependent on the sale of the Granada Block properties and repayment of the Sunshine Mill loan and payment in full of the Sunshine Mill Land Sale agreement. This entire amount has been dedicated to the Granada Block project in FY17/18.
6. Parking Structure Project (018-3725-415.75-10): This project is budgeted to be funded by loan or bond proceeds in the amount of \$3,720,000. While these revenues are in the proposed budget, no action can be taken to obtain those funds without Council approval. The total budget for the project is \$4,890,000.

As stated above, some of the revenues are restricted to use on specific projects, while other portions, such as the Urban Renewal funds can be moved around as needed at the discretion of the Council. The 2009 FFCO Bond funds must be used for projects included in the Bond document statement. However, if the Council wishes to change the uses in the bond statement we can work through the bond attorney to make changes via a new resolution.

Please be aware that while we do budget these funds by project in our detailed budget, our resolution that provides the legal limits for our spending in this fund states the funds as one single amount for Materials & Services, one single amount for Capital Outlay, and one single amount for Interfund Transfers. This means that the unrestricted funds can be used for any project within the total category budget.

Rather than try to figure out exactly how each of these projects will finally be funded at the Budget Committee meeting, I recommend passing this fund as is and making changes if necessary as each project is considered and more fully developed by the City Council.