

AGENDA

REGULAR CITY COUNCIL MEETING

October 10, 2011

5:30 p.m.

CITY HALL COUNCIL CHAMBER
313 COURT STREET
THE DALLES, OREGON

1. CALL TO ORDER
2. ROLL CALL OF COUNCIL
3. PLEDGE OF ALLEGIANCE
4. APPROVAL OF AGENDA
5. PRESENTATIONS/PROCLAMATIONS
 - A. Presentation by YouthThink Regarding Search Institute Asset Survey
6. AUDIENCE PARTICIPATION

During this portion of the meeting, anyone may speak on any subject which does not later appear on the agenda. Five minutes per person will be allowed. If a response by the City is requested, the speaker will be referred to the City Manager for further action. The issue may appear on a future meeting agenda for City Council consideration.
7. CITY MANAGER REPORT
8. CITY ATTORNEY REPORT
9. CITY COUNCIL REPORTS
10. CONSENT AGENDA

Items of a routine and non-controversial nature are placed on the Consent Agenda to allow the City Council to spend its time and energy on the important items and issues. Any Councilor may request an item be "pulled" from the Consent Agenda and be considered separately. Items pulled from the Consent Agenda will be placed on the Agenda at the end of the "Action Items" section.

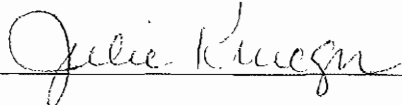
CITY OF THE DALLES

"By working together, we will provide services that enhance the vitality of The Dalles"

- A. Approval of September 26, 2011 Regular City Council Meeting Minutes
- 11. PUBLIC HEARINGS
 - A. Public Hearing to Receive Testimony Regarding Water Rate Options [**Agenda Staff Report #11-088**]
- 12. ACTION ITEMS
 - A. Special Ordinance No.11-543 Annexing a Portion of the Property Identified as 2505 Wright Street (Honald Consent Annexation) [**Agenda Staff Report #11-089**]
 - B. Approval to Apply for an Oregon Department of Transportation (ODOT) Flexible Funds Grant for the Washington Street Connection Project [**Agenda Staff Report #11-090**]
- 13. DISCUSSION ITEMS
 - A. Discussion Regarding Potential Land Exchange Near the Intermediate Reservoir [**Agenda Staff Report #11-091**]
- 14. EXECUTIVE SESSION
 - A. Recess to Executive Session in Accordance With ORS 192.660 (2) (e) to Conduct Deliberations With Persons Designated by the Governing Body to Negotiate Real Property Transactions
 - B. Reconvene to Open Session
- 15. DECISIONS FOLLOWING EXECUTIVE SESSION
- 16. ADJOURNMENT

This meeting conducted in a handicap accessible room.

Prepared by/
Julie Krueger, MMC
City Clerk





AGENDA STAFF REPORT CITY OF THE DALLES

MEETING DATE	AGENDA LOCATION	AGENDA REPORT #
October 10, 2011	Consent Agenda 10, A	N/A

TO: Honorable Mayor and City Council

FROM: Julie Krueger, MMC, City Clerk

THRU: Nolan K. Young, City Manager

DATE: September 27, 2011

ISSUE: Approving items on the Consent Agenda and authorizing City staff to sign contract documents.

A. ITEM: Approval of September 26, 2011 Regular City Council Meeting Minutes.

BUDGET IMPLICATIONS: None.

SYNOPSIS: The minutes of the September 26, 2011 regular City Council meeting have been prepared and are submitted for review and approval.

RECOMMENDATION: That City Council review and approve the minutes of the September 26, 2011 regular City Council meeting.

MINUTES

REGULAR COUNCIL MEETING
OF
SEPTEMBER 26, 2011
5:30 P.M.
CITY HALL COUNCIL CHAMBER
313 COURT STREET
THE DALLES, OREGON

PRESIDING: Mayor Jim Wilcox

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

COUNCIL ABSENT: None

STAFF PRESENT: City Manager Nolan Young, City Clerk Julie Krueger, Community Development Director Dan Durow, Public Works Director Dave Anderson, Finance Director Kate Mast, Administrative Fellow Cooper Whitman, Police Chief Jay Waterbury, Engineer Dale McCabe

CALL TO ORDER

Mayor Wilcox called the meeting to order at 5:31 p.m.

ROLL CALL

Roll call was conducted by City Clerk Krueger; all Councilors present.

PLEDGE OF ALLEGIANCE

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

APPROVAL OF AGENDA

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

MINUTES (Continued)
Regular Council Meeting
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PRESENTATIONS/PROCLAMATIONS

World Habitat Day Proclamation

Mayor Wilcox read a Proclamation declaring October 4, 2011 as World Habitat Day. Habitat for Humanity representatives accepted the Proclamation and it was noted the local branch had constructed 17 homes in the community since they formed the chapter.

Oregon Days of Culture Proclamation

Mayor Wilcox read a Proclamation declaring October 1 through 8, 2011 as Oregon Days of Culture.

Presentation of Flag from 3rd Battalion, 116th Cavalry Brigade, A Company

City Manager Young presented a flag from the Oregon National Guard, 3rd Battalion, 116th Cavalry Brigade, A Company, which was flown at Joint Base Balad, Iraq, during operations in support of Operation New Dawn. The flag was presented in appreciation of the City's patriotism.

Presentation Regarding Oregon Department of Forestry's Project to Update Forest Lands Classifications Within Wasco County

Kristen Cotugno and David Jacobs, Oregon Department of Forestry, provided information to the City Council regarding forest lands classification updates. It was explained the classifications had not been updated for approximately 50 years. They said the project had begun in Hood River and they were now working on the lands in Wasco County. It was noted there would be public meetings and hearings to explain to citizens the process and how the lands were assessed. Ms. Cotugno said there were three classifications, which were forest, forest/grazing, and grazing and each had a different assessment rate based on fire protection levels.

AUDIENCE PARTICIPATION

Jeff Stiles, 812 East 20th Street, The Dalles, reminded the City Council that the property owners who had been impacted by a water main break in his neighborhood were still waiting for a resolution to the problem and hoped to make repairs to their property before winter.

City Manager Young said the Council had been advised by the City Attorney to not discuss the matter at this time. He thanked Mr. Stiles for the reminder.

CITY MANAGER REPORT

None.

MINUTES (Continued)
Regular Council Meeting
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CITY COUNCIL REPORTS

Councilor McGlothlin reported on the September 14th Traffic Safety Commission, saying the main topics were excessive speed at the intersection of East 14th and Washington Streets and increased traffic and safety concerns on Kelly Avenue between East 10th and East 12th Streets.

Councilor Ahier reported that QLife Agency was planning to extend the public Wi Fi system to the Mt. Hood Street/Safeway area. He said he would be attending the Mid Columbia Council of Governments Board meeting on Tuesday, September 27th.

Mayor Wilcox said he used the public Wi Fi system while at the Small Business Showcase event last week and found when more people connected to it, it didn't give a strong signal any longer. He said he understood it was not designed to work inside buildings, but the organizers of the event needed to find a better connection for participants.

City Manager Young said the Civic Auditorium did have its own connection that could be used by people inside their building.

Councilor Spatz reported on the Community Outreach Team trip to Washington, D.C. He said it had been productive, noting the team had a positive visit with Lockheed Martin regarding clean up of the super fund site on the Port; spoke with Representative Walden regarding vernal pool issues on Port industrial property, with a meeting being scheduled to discuss it further in November; worked with School District 21 to find other funding sources to replace the loss of a grant; worked to identify new resources to assist with funding of the local Veteran's Service Office; and worked to secure additional funding for Airport projects.

Mayor Wilcox said he would be attending the League of Oregon Cities conference later in the week and noted he had been appointed to serve on the Community Solutions Advisory Committee and their first meeting would be on October 14th.

CONSENT AGENDA

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

The item approved by Consent Agenda was: approval of September 12, 2011 regular City Council meeting minutes.

DISCUSSION ITEMS

One Year Review of 2010 Transportation Systems Development Charge Credits

Public Works Director Dave Anderson reviewed the staff report.

MINUTES (Continued)
Regular Council Meeting
September 26, 2011
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Councilor Ahier said he was surprised to learn how much development had occurred in the past year. He said the goal had been achieved to not limit development, but was not sure it had spurred any new development.

It was the consensus of the City Council to leave the credits in place, with an additional review in one year. It was agreed the credits would not continue on a long term basis.

EXECUTIVE SESSION

Mayor Wilcox recessed the meeting to Executive Session at 6:15 p.m. in accordance with ORS 192.660 (2) (e) to conduct deliberations with persons designated by the governing body to negotiate real property transactions.

Reconvene to Open Session

The meeting reconvened to open session at 7:15 p.m.

DECISIONS FOLLOWING EXECUTIVE SESSION

None.

ADJOURNMENT

Being no further business, the meeting adjourned at 7:15 p.m.

Submitted by/
Julie Krueger, MMC,
City Clerk

SIGNED:

James L. Wilcox, Mayor

ATTEST:

Julie Krueger, MMC, City Clerk



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

AGENDA STAFF REPORT

CITY OF THE DALLES

MEETING DATE	AGENDA LOCATION	AGENDA REPORT #
October 10, 2011	Public Hearing 11, A	11-088

TO: Honorable Mayor and City Council

FROM: Dave Anderson, Public Works Director

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

DATE: September 22, 2011

ISSUE: Water utility rates

CITY COUNCIL GOALS: Goal 4, Tier 1, B: Re-evaluate water and sewer rates to meet operations and capital improvement needs.

PREVIOUS AGENDA REPORT NUMBERS: #11-080, #11-084

BACKGROUND: City Council conducted a Public Hearing related to water utility rates on September 12, 2011. Following that hearing, Council directed staff to develop information summarizing additional alternative rate structures. Council also reiterated its support for the project and funding schedule that had been presented as Option 2B in a report presented to Council on July 25th by Will Norris, Administrative Intern.

Staff has developed four new potential residential rate structure alternatives, each intended to generate the same amount of revenue as the originally proposed 4% increases in both monthly base rate and volume charges. This projection is based on the random survey of 5% of customers done by intern Will Norris. It's important to note that each of the alternative rate structures assume that customer behavior and also water consumption patterns remain unchanged after the rate adjustments; no allowances have been made for additional conservation that may occur. Since there was no discussion or direction from Council related to commercial/industrial rates, and since the development of alternative rate scenarios for those types of accounts would be difficult without outside assistance, the original proposal to raise commercial rates 4% within the current rate structure is still recommended by staff. Commercial customers provide an average of 38% of all water rate revenues.

The alternative residential rate schedules that are outlined below consider two issues – increasing the monthly base rate by amounts less than the original 4% and adjusting the amount of water included in the monthly base rate, considering both a 10,000 gallon per month volume (current) and an 8,000 gallon per month base volume. The rate for each 1,000 gallons of use over the base is then adjusted so that total revenue is the same for all alternatives.

Alternative Residential Rate Schedules

Rate Schedule	Monthly Base Rate Increase	Monthly Base Charge	Base Charge Increase	Base Volume (gallons)	Volume charge (per 1000 gal)	Volume Charge Increase
Original	4%	\$44.38	\$1.71	10,000	\$1.05	4%
Alt 1	2%	\$43.52	\$0.85	10,000	\$1.31	29.7%
Alt 2	2%	\$43.52	\$0.85	8,000	\$1.11	9.9%
Alt 3	0%	\$42.67	\$0.00	10,000	\$1.56	54.4%
Alt 4	0%	\$42.67	\$0.00	8,000	\$1.33	31.7%

Since these rate scenarios assume no changes in residential water consumption patterns, staff recommends that the selected rate schedule be re-evaluated in about one year after implementation to confirm that anticipated revenues have been realized, allowing for adjustments if necessary. It is also recommended that the rate adjustment schedule outlined in Option 2B then be implemented as originally proposed, with 10% rate increases on September 1 of each year 2012-2014, 8% annual rate increases in 2015-2017, and annual 10% rate increases in years 2018-2020.

Following the public hearing, staff will be seeking direction from Council regarding finalizing a water utility rate resolution. Staff proposes to present a final resolution to Council for adoption on October 24, 2011 with rates to be effective December 1, 2011.

BUDGET IMPLICATIONS: None at this time. If the one of the rates schedules presented in this report are approved by the Council, customers of the water utility will have rate increases in the amounts outlined above, and collection of revenue in accordance with the proposed rate schedule will allow the City to complete capital improvements as set forth in the City’s capital improvement plans and Water Master Plan option 2.

RECOMMENDATIONS:

1. Staff Recommendation: Direct staff to finalize a water utility rate resolution for City Council consideration on October 24, 2011.
2. Provide additional direction to staff on how to proceed.



CITY of THE DALLES

313 COURT STREET
THE DALLES, OREGON 97058

(541) 296-5481 ext. 1122
FAX: (541) 296-6906

AGENDA STAFF REPORT

CITY OF THE DALLES

MEETING DATE:	AGENDA LOCATION:	AGENDA REPORT #
October 10, 2011	Action Items 12, A	11-089

TO: Honorable Mayor and City Council

FROM: Gene E. Parker, City Attorney

THRU: Nolan K. Young, City Manager

DATE: September 19, 2011

ISSUE: Adoption of Special Ordinance No. 11-543, annexing a portion of the property identified as 2505 Wright Street, located in the Urban Growth Boundary of the City of The Dalles pursuant to ORS 222.125

RELATED CITY COUNCIL GOAL: None

PREVIOUS AGENDA REPORT NUMBERS: #11-071

BACKGROUND: On July 25, 2011, the City Council conducted a public hearing to consider the annexation of a portion of the property located at 2505 Wright Street under the consent annexation provisions of ORS 222.125. Following the public hearing, the Council voted to approve the proposed annexation, and directed staff to prepare an ordinance setting forth appropriate findings in support of the proposed annexation. Special Ordinance No. 11-543 has been prepared for the Council's review. Notice of adoption of the ordinance has been posted in accordance with the City Charter, and the ordinance can be adopted by title only.

BUDGET IMPLICATIONS: A substantial portion of the property has previously been annexed into the City. Approval of this annexation will result in slightly more property taxes being paid to the City.

ALTERNATIVES:

- A. Staff Recommendation. Move to adopt Special Ordinance No. 11-543 by title only.

SPECIAL ORDINANCE NO. 11-543

**AN ORDINANCE ANNEXING A PORTION OF THE
PROPERTY IDENTIFIED AS 2505 WRIGHT STREET,
LOCATED IN THE URBAN GROWTH BOUNDARY
OF THE CITY OF THE DALLES PURSUANT TO ORS
222.125 (HONALD CONSENT ANNEXATION)**

WHEREAS, the City Council has adopted a policy to proceed with the annexation of properties located within the Urban Growth Boundary, where the City has the authority to annex the properties under the provisions of ORS 222.125, where the City has obtained a consent to annexation from all the owners of the property and a majority of electors residing in the territory proposed to be annexed; and

WHEREAS, on July 25, 2011, the City Council conducted a public hearing pursuant to ORS 222.120 to consider annexation of a portion of the property located at 2505 Wright Street, where the City has received consent of the property owners and consent from a majority of electors residing in the territory proposing to be annexed, which property is listed on the schedule attached as Exhibit "A"; and

WHEREAS, the City Council has reviewed the written consent to annexation submitted by the property owners, and any electors residing in the territory proposing to be annexed, and the Council finds that the consent to annexation is valid under the provisions of ORS 222.125; and

WHEREAS, the City Council has reviewed the proposed findings submitted in support of the proposed consent annexation set forth in Exhibit "B", and the Council has approved and adopted the proposed findings, which findings are incorporated into this ordinance by reference;

**NOW, THEREFORE, THE COUNCIL OF THE CITY OF THE DALLES ORDAINS
AS FOLLOWS:**

Section 1. Property to be annexed. Based upon the findings set forth in Exhibit "B", the City Council finds that the property listed in Exhibit "B" is contiguous to the City limits, and that where applicable, the electors and landowners residing on the contiguous properties to be annexed consented in writing prior to the public hearing conducted on July 25, 2011, in accordance with ORS 222.120 and 222.125. The subject property listed in Exhibit "A" is hereby proclaimed to be annexed to the City of The Dalles in accordance with ORS 222.120 and 222.125. The legal description for the subject property is set forth in Exhibit "C", which is attached hereto and incorporated herein by this reference.

Section 2. Submittals. The City Clerk shall submit, within the proper time frames, all necessary copies of this Ordinance and any supporting documents required by the various state statutes to the appropriate state and county officials and departments.

Section 3. Effective Date of Annexation. The effective date of this annexation shall be complete from the date of filing the annexation records with the Secretary of State, as set forth in ORS 222.180.

Section 4. Effective Date of Ordinance. The effective date of this ordinance shall be 30 days from adoption of this ordinance, subject to any referendum being filed.

PASSED AND ADOPTED THIS 10TH DAY OF OCTOBER, 2011.

Voting Yes, Councilor: _____
Voting No, Councilor: _____
Absent, Councilor: _____
Abstaining, Councilor: _____

AND APPROVED BY THE MAYOR THIS 10TH DAY OF OCTOBER, 2011.

James L. Wilcox, Mayor

ATTEST:

Julie Krueger, MMC City Clerk

EXHIBIT "A"

TAX LOT

CURRENT OWNER

1. IN 13 4CC 1400

Gary & Barbara Honald
Map No. 1

Exhibit "B"

PROPOSED FINDINGS FOR HONALD CONSENT ANNEXATION

Section 14.010.040 of the City's Land Use and Development Ordinance provides that annexations shall be subject to the following criteria:

- A. The territory is contiguous to the City limits and qualifies as a consent annexation pursuant to ORS 222.125 or as an island annexation pursuant to ORS 222.750.
- B. The territory is within the Urban Growth Area.
- C. The development of the property is compatible and consistent with the rational and logical extension of utilities and roads to the surrounding area.
- D. The City is capable of providing and maintaining its full range of urban services to the territory without negatively impacting the City's ability to adequately serve all areas within the existing City limits.
- E. The annexation conforms to the Comprehensive Plan.

For the property listed in Exhibit "A" attached to Special Ordinance No. 11-543, the Council finds and concludes that the property is contiguous to the City limits, and the territory proposed to be annexed qualifies as a consent annexation, pursuant to ORS 222.125. The City Council concludes the criteria in Section 14.010.040(A) has been satisfied.

Testimony was presented during the hearing that the property proposed to be annexed is located within the City's Urban Growth Area. The City Council finds the criteria set forth in Section 14.010.040(B) has been satisfied.

The property proposed to be annexed is served by existing utilities. The City has previously annexed portions of property, which make the affected property contiguous to the City limits. The City has been planning for the additional resources to extend utilities and maintain the roads that will be required to provide urban services for the additional property that will ultimately be annexed to the City. The City Council finds and concludes that annexation of the property proposed to be annexed is consistent with the rational and logical extension of utilities and roads to the surrounding area, and that the City is capable of providing and maintaining its full range of urban services to the subject property, without negatively impacting the City's ability to adequately serve all areas within the existing City limits. The City Council finds and concludes the criteria set forth in Section 14.010.040(C) and (D) have been satisfied.

Goal #14, Urbanization, of the City's Comprehensive Plan, is "To provide for an orderly and efficient transition from rural to urban land use." Sub-goal #2 of Goal #14 is "To coordinate

with Wasco County in order to manage the urban growth boundary and the conversion of land within the boundary for urban uses.” The City has complied with Sub-goal #2 of Goal #14 by entering into an intergovernmental agreement with Wasco County for the joint management of the Urban Growth Area, which includes the land area within the Urban Growth Boundary and outside the city limits of the City of The Dalles. Section 8 of the intergovernmental agreement provides as follows:

8. Annexation
 - A. Annexation of areas within the Urban Growth Boundary shall be in accordance with relevant annexation procedures contained in Oregon Revised Statutes, City Ordinances, or approved annexation plan.
 - B. Annexation by the City will occur only after development is completed.

Policy #5 listed in Goal #14 of the City’s Comprehensive Plan provides as follows:

5. Encourage the orderly annexation of land within the Urban Growth Boundary to the City of The Dalles.
 - A. Adequate public utilities shall be planned or provided for, per local and State statutes, to service an area when annexation is considered. This includes, but is not limited to, storm sewers, sanitary sewer and water service.
 - B. Public facilities such as roads, streetlights, parks, and fire hydrants may be required for development of the area in question and shall be subject to review prior to annexation.
 - C. Upon annexation an official plat of the parcel(s) in question shall be filed if such document does not exist. Any plat shall be subject to review by the Planning Director, City Planning Commission and the City Council as set forth in the Subdivision Ordinance.

The proposed annexation complies with the urbanization goal set forth in Goal #14, in that it encourages the orderly annexation of land within the Urban Growth Boundary of the City of The Dalles. The property to be included in the annexation has been developed, or has been planned for the extension of public facilities and utilities, to ensure the property will have sufficient services, including but not limited to water and sanitary sewer service, storm sewers, streets, parks, and fire hydrants. Extension of the city limit boundaries to include the property will allow the City to maintain the facilities and utilities in proper working order to provide services to the residents of this property, and also provide a basis for the City to continue an orderly process of continuing to annex other properties within the Urban Growth Boundary, as the City continues to experience economic growth and development. Inclusion of the property within the City limits

will provide an opportunity for the City to plan and design its public utilities and facilities, including streets, storm system, and water and sanitary sewer system, to ensure the City can provide necessary public services to its citizens in an orderly and efficient manner.

The proposed annexation is consistent with the provisions of Section 8 of the intergovernmental agreement with Wasco County for annexation of properties within the Urban Growth Area. The proposed annexation has been conducted in accordance with the relevant provisions for annexation set forth in the Oregon Revised Statutes, including ORS 222.120, and the annexation is occurring for property where development has been completed.

The annexation of the subject property is reasonable, because it is consistent with the provisions of the City's Comprehensive Plan and the intergovernmental agreement with Wasco County for the joint management of property with the Urban Growth Area, for the reasons set forth above. Annexation of this property will allow the City to maintain the public utilities and facilities serving this property, and to make any necessary improvements to allow the City to continue providing necessary services for the residents of the property. Inclusion of this property within the City limits will transfer responsibility for law enforcement activities related to this property to the City. This will create a more uniform and efficient system of law enforcement, eliminating confusion over which law enforcement agency is responsible for providing services to the property. For all of these reasons, the City Council concludes the proposed annexation complies with the "reasonableness" requirement for annexations under state law.

The City Council finds and concludes that the criteria set forth in Section 14.010.040(E) has been satisfied.

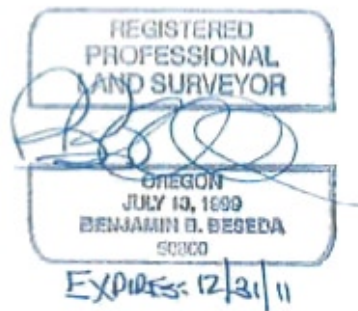
August 22, 2011
W.O. #10006

LEGAL DESCRIPTION
for
Honald Annexation

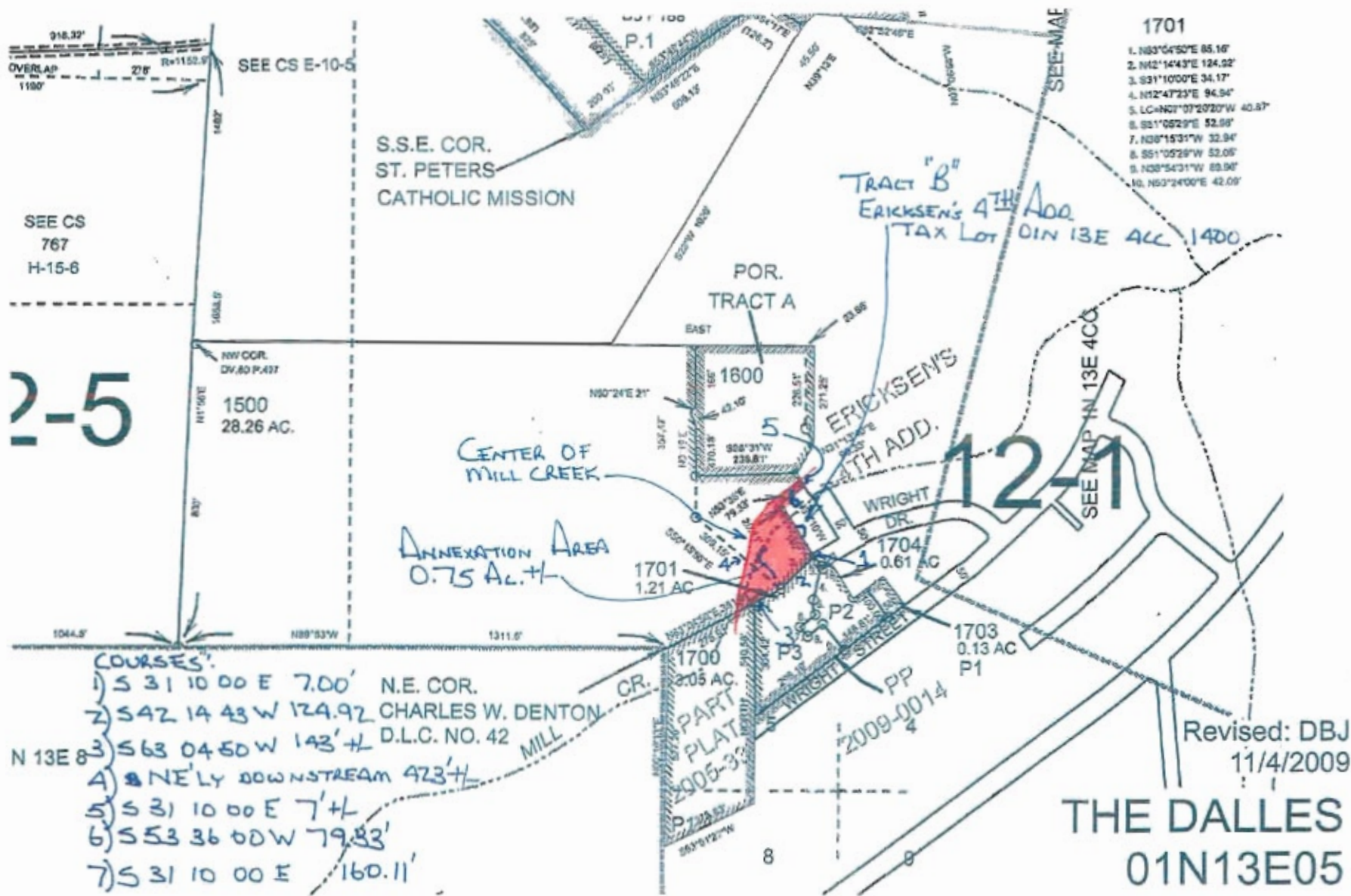
A tract of land lying in the Southeast 1/4 of the Southeast 1/4 of Section 5, Township 1 North, Range 13 East, Willamette Meridian, City of The Dalles, Wasco County, Oregon being more particularly described as follows.

Beginning at the southwesterly corner of Tract "B" of Ericksen's 4th Addition; thence South 31°10'00" East along the extension of the Westerly line of said Tract "B" a distance of 7.00 feet to the Northwesterly corner of Parcel 3 of Partition Plat 2009-0014; thence along the Northeasterly line of said Parcel 3 and extension thereof, South 42°14'43" West 124.92 feet; thence South 63°04'50" West 143 feet, more or less, to the intersection with the centerline of Mill Creek; thence along said centerline, downstream a distance of 423 feet, more or less, to the intersection with the Westerly line of Tract "A" of said Ericksen's 4th Addition; thence along said Westerly line, South 31°10'00" East 7 feet, more or less, to the Northeasterly corner of said Tract "B"; thence along the North line of said Tract "B", South 53°36'00" West 79.33 feet to the Northwesterly corner of said Tract "B"; thence along the Westerly line of said Tract "B", South 31°10'00" East 160.11 feet to the Southwesterly corner of said Tract "B" and the point of beginning.

Contain 0.75 acre, more or less.



<10006_0.004>



Map No. 1



CITY of THE DALLES

313 COURT STREET
THE DALLES, OREGON 97058

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

AGENDA STAFF REPORT CITY OF THE DALLES

MEETING DATE	AGENDA LOCATION	AGENDA REPORT #
October 10, 2011	Action Items 12, B	11-090

TO: Honorable Mayor and City Council
FROM: Cooper Whitman, Administrative Fellow
THRU: Nolan K. Young, City Manager
DATE: September 26, 2011

ISSUE: Oregon Department of Transportation Flexible Funds Grant.

BACKGROUND: This year, the Oregon Department of Transportation's (ODOT) Flexible Funds Program has \$21 million of available funding for multimodal and non-highway transportation projects, programs and services: transit, bicycle, pedestrian, Transportation Demand Management projects and the planning, research and project development that supports those projects.

We are recommending that the City pursue an ODOT Flexible Funds grant for up to \$2 million in order to fund a scaled-down, one-tunnel approach to the Washington Street Plaza/Railroad Undercrossing project. The City is already pursuing a United States Department of Transportation TIGER III grant in the amount of \$9.5 million, to fund the full, two-tunnel project, including an Interstate-84 underpass; however, in the event that the City is not awarded a grant from the highly competitive TIGER III program, a Flexible Funds grant would provide a viable funding alternative to complete the project. Completion of this project is essential to the revitalization of the Grenada Block through a hotel/convention center development.

BUDGET IMPLICATIONS: We have sufficient funding for all but \$2 million of this one-tunnel approach to the project. This grant will provide the rest of the necessary funding.

RECOMMENDATION: *Move to authorize the City to pursue an Oregon Department of Transportation Flexible Funds grant for up to \$2 million.*

COUNCIL ALTERNATIVES: Decline to authorize the City to pursue an Oregon Department of Transportation Flexible Funds grant.



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

AGENDA STAFF REPORT

CITY OF THE DALLES

MEETING DATE	AGENDA LOCATION	AGENDA REPORT #
October 10, 2011	Discussion Item 13, A	11-091

TO: Honorable Mayor and City Council

FROM: Dave Anderson, Public Works Director

THRU: Nolan K. Young, City Manager

DATE: September 28, 2011

ISSUE: **Land Exchange near Intermediate Reservoir.**

RELATED CITY COUNCIL GOALS: NA.

BACKGROUND: In January 2010 City Council authorized staff to pursue a property exchange with a private property owner who had requested an exchange of properties in the area near the City's Intermediate Reservoir, northeast of Columbia View Heights. The proposal would exchange property currently owned by the City that is at the bottom of a cliff to the private property owner who owns property adjacent to and on the same "level" as this piece of property. In exchange, the City would receive property owned by the private property owner that is adjacent to City-owned parcels and right-of-way. The City has water lines with easements located within the property it would obtain under the proposal. The private property owner had offered to pay all survey costs necessary for the exchange and the planning, mapping, filing and recording fees were to be shared equally. The total cost to the City's Water Fund was estimated to be about \$507.

Since that initial authorization, some additional issues have been identified through the preliminary surveying that was conducted. First, a public roadway that is in the area is not located in the Right-of-Way that exists for the road. Second, a City water main and fire hydrant exist outside of the Right-of-Way and easements. This land exchange presents an opportunity to correct all of these issues since of the properties involved are owned by the private land owner and the City.

Adjustments of the Right-of-Way and easements (if necessary) would require additional surveying beyond the scope initially anticipated. It is also likely that low-level title reports would be necessary. The surveying is estimated to cost about \$3,000 and the title reports would cost about \$400. The results of the title reports will dictate the type of land use processes that would be utilized (lot line adjustments or partition plats) and the application/processing fees could vary accordingly.

Since the City would benefit from correcting the Right-of-Way issues, the private property owner has requested that the City pay the cost of that surveying and the costs of the title reports and other fees and expenses associated with the exchange would be shared equally. If there are fees that are specific to the Right-of-Way or easement issues, it is proposed that the City pay those costs.

Staff has not identified any potential future City uses for the property that would be exchanged to the property owner.

BUDGET ALLOCATION: If the concept of this exchange and correction of Right-of-Way issues is approved by Council, there would be approximately \$3,000 in surveying costs, \$200 in title report fees, a Property Line Adjustment fee (\$65), a Partition fee (\$250) and filing, mapping and recording fees of about \$350 per parcel. As mentioned earlier, the results of the title reports could dictate the types of land use processes utilized so the above mentioned fees could change. If the exchange is completed and the Right-of-Way issues are corrected, the total cost to the City is expected to be about \$3,707 and would be paid from the Water Fund.

ALTERNATIVES: Discussion Item only. Staff is seeking direction from Council regarding the potential property exchange and correction of Right-of-Way issues.