

MINUTES

REGULAR COUNCIL MEETING
OF
JANUARY 14, 2013
5:30 P.M.
THE DALLES CITY HALL
313 COURT STREET
THE DALLES, OREGON

PRESIDING: Mayor Steve Lawrence

COUNCIL PRESENT: Bill Dick, Carolyn Wood, Dan Spatz, Outgoing Councilor Brian Ahier, Tim McGlothlin, Linda Miller, Outgoing Mayor Jim Wilcox

COUNCIL ABSENT: None

STAFF PRESENT: City Manager Nolan Young, City Attorney Gene Parker, City Clerk Julie Krueger, Public Works Director Dave Anderson, Administrative Fellow Garrett Chrostek, Planning Director Dick Gassman, Engineer Dale McCabe, Finance Director Kate Mast, Police Captain Ed Goodman, Airport Managers Rolf Anderson and Chuck Covert

CALL TO ORDER

Mayor Wilcox called the meeting to order at 5:32 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.

OATH OF OFFICE

City Clerk Krueger administered the Oath of Office to Councilors Carolyn Wood, Dan Spatz, and Linda Miller and Mayor Steve Lawrence. The new Mayor and City Councilors were seated at the dais.

PRESENTATIONS/PROCLAMATIONS

Mayor Lawrence asked the Council to allow Presentations to be made prior to approval of the agenda. With their concurrence, Mayor Lawrence presented gifts of art work to Brian Ahier and Jim Wilcox, thanking them for their service to the City.

Mayor Lawrence introduced his wife Donna and daughter Beth and thanked them for their attendance at the meeting.

Lawrence said staff was working on improvements to the sound system in the Council Chamber and said the testimony desk would be relocated to a position that would allow the audience and the Council to better hear testimony. He said he would be using the second floor conference room to meet with the public.

Mayor Lawrence noted the Council Rules required the City Manager and City Attorney to be seated to his immediate right and left. He said if the Council was comfortable having them sit at the ends of the dais, the Council Rules should be changed to reflect the seating arrangement.

APPROVAL OF AGENDA

It was moved by Wood and seconded by Spatz to approve the agenda as presented, including the supplemental agenda. The motion carried unanimously.

AUDIENCE PARTICIPATION

Mayor Lawrence said the language to describe audience participation should include comments about the Consent Agenda items and wanted to assure the citizens that speaking during audience participation did not preclude speaking to specific issues later in the meeting.

Jennifer Blevins, 1212 Blakely Way, The Dalles, said she believed there were discrepancies in the minutes of the December 10, 2012 Council meeting, saying they had been edited and did not include comments made by Police Chief Waterbury that he had been unaware of the history of parking violations on Blakely Way and had never been included in conversations about the

parking requirements for 1215 and 1217 Blakely Way. She noted an error on page 6, first paragraph, the year 1978 should have been reported as 1998.

Ms. Blevins said the former Mayor had stifled discussion and she had not been allowed to speak to comments made by staff during the hearing. She said the City staff displayed a culture of ineptness and they were unwilling to be objective in their decision making. Blevins said there were gaps in the ordinance language and said adoption of the Resolution would have an impact on all residential neighborhoods. Blevins said staff could not be trusted if they manipulated the LUDO and contradicted proper development. She said she hoped the new City Council would embrace objectivity and truth and asked that her appeal be reconsidered to allow for additional discussion.

CITY MANAGER REPORT

City Manager Young said the agendas and minutes for the various City committees and commissions were available for review on the City's website. He asked the Councilors to let him know their preference as to whether they would like to have them emailed, mailed, or to view them on the website.

Young reported the sign on the Recreation Building had been removed and the demolition plan was currently being developed.

Young said the Planning Commission would be reviewing the City's Sign Ordinance and an ad hoc committee would be formed to assist with the review. He said the City Clerk would work with the Mayor to get a list of interested parties to serve on the committee and a recommendation would be presented to the Council at a future meeting.

CITY ATTORNEY REPORT

City Attorney Parker reported staff continued to work on the Granada Block Redevelopment agreement and he expected it to be ready for consideration by the Urban Renewal Agency in February.

Parker said the Request for Proposals for demolition of a structure at 600 East 12th Street, would be out for bid on January 15. He said he was also working on a telecommunications ordinance to replace current franchise ordinances and hoped to bring a draft to the Council for review in the near future.

CITY COUNCIL REPORTS

Mayor Lawrence reported he had been meeting with various community leaders, including the Chamber of Commerce Economic Development Committee and School District. He said he would be introducing and serving as emcee for Senator Wyden's town hall meeting on Thursday. Lawrence said he would be attending the Governor's Cutting Edge Technology seminar in Bend in January.

Mayor Lawrence asked Veteran's Service Officer Russ Jones to provide a brief overview of the annual statistics for the Veteran's Office.

Mr. Jones provided a handout and reviewed the retroactive and new recurring payments coming into the local veterans. He said the total combined payments to the service area reached \$934,195.

Mayor Lawrence thanked Mr. Jones and said the figures represented a huge economic impact to the region.

Councilor Wood asked if staff would prepare some public information regarding the yard sale ordinance requirements and availability of the public sign boards to post their notices. She said the Spring yard sales would begin soon and it was important to let citizens know about the public notice boards.

Wood said this year was the 175th anniversary of the first people to settle in the community. She said the Methodist missionaries had been the first settlers to the area. She said it was important to increase the community's knowledge of its heritage.

Wood said she had attended a 75th anniversary event for the Bonneville Power Administration in December. She provided calendars to the Council which provided a history of the past 25 years and presented the gift of a book for the City's library. Wood said before the dams were built, the Pacific Northwest had been considered a very poor part of the country. She said the dams had been built under federal legislation and that power was required to be provided at cost to the users.

Councilor McGlothlin said the next Traffic Safety Commission meeting was scheduled for January 16.

Councilor Dick said the December meeting of Urban Renewal Advisory Committee had been cancelled.

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Councilor Spatz the annual report of the Small Business Development Center had been released and provided information showing their success in helping start up businesses. He said the Mid Columbia Economic Development District had prepared a Request for Proposals to seek a Manufacturing Initiative Designation.

Selection of a Council President

It was moved by Dick and seconded by Spatz to select Carolyn Wood as the Council President. Hearing no further nominations, Wood was elected Council President unanimously.

Assignment of City Councilors to Various Committees and Boards

It was moved by Spatz and seconded by Dick to concur with the Mayor's appointments to various committees and boards as presented in the staff report. The motion carried unanimously.

CONSENT AGENDA

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

Items approved by Consent Agenda were: 1) approval of December 10, 2012 regular City Council meeting minutes; and 2) Resolution No. 13-004 concurring with the Mayor's appointments to various committees.

PUBLIC HEARINGS

Public Hearing Regarding Proposed Wastewater Rate Increase

Mayor Lawrence reviewed the procedures to be followed for the hearing.

The staff report was reviewed by Public Works Director Anderson. In response to a question regarding the dollar amount of the increase, it was noted the 3.44% increase amounted to approximately \$1.45 per month. City Manager Young said the City's utility bill included water, sewer, and storm sewer service.

Testimony

Randy Cole, 816 East 20th Street, The Dalles, said the citizens could not afford more rate increases. He said 72% of the population was retired. Cole said he understood the need to maintain the utility systems but questioned the data saying how much growth would occur. He

said it was unrealistic to say the population growth would ever reach 50,000. He said a fancy hotel was not needed in the downtown and that no one would come to town to use it. Cole said if the City wanted tourists to come to The Dalles, they should focus on providing a better swimming pool. He said the only employers in the community were Mid Columbia Medical Center, School District, City, County, State, and Northwest Recyclers, along with a few small business owners. Mr. Cole asked the Council to consider not increasing the rates because it would be devastating to people on fixed incomes.

Mayor Lawrence noted the Portland State University Population Center statistics indicated that 18% of the population in The Dalles was retired.

Rich Williams, 1212 Blakely Way, the Dalles, said the rates should be compared to other cities, noting Central Point rates were approximately half of The Dalles rates. He said urban renewal funds should pay for infrastructure improvements, not rate payers. He said taxes and utility rates were too high in the community. Mr. Williams said taxpayer money had paid for the purchase of the Sunshine Mill property and it had not been repaid. He said industrial jobs were needed, not more retail, noting retail jobs would not help grow the community.

John Nelson, 524 West Third Place, The Dalles, said during the Wal-Mart development hearings, he had questioned whether there was enough capacity to handle the growth and he had been told there was. He questioned who should pay for project to allow for additional capacity, new business or current customers. Nelson noted the City's utility bills had doubled in the past 20 years.

Bob McNary, 1525 East Ninth Street, The Dalles, said the City had paid to get the old grain elevator property to be used for future expansion of the wastewater treatment plant. He said that property was now developed as a park and questioned if that money had been repaid to the wastewater fund since it was not being used for that purpose.

Hearing no further testimony, Mayor Lawrence closed the public hearing.

Council Deliberation

City Manager Young said the old grain elevator property had been purchased for expansion of the wastewater treatment plant. He said with new technology being developed, the City had been able to make upgrades to the current plant without the need to expand. Young said the park had been developed in a manner that the property could still be used for wastewater treatment plant expansion in the future if necessary.

Young said the actual population expectation in the year 2030 was approximately 23,000, not 50,000 as stated during testimony.

Public Works Director Anderson said the approved Capital Improvement Plan proposed to complete the upgrades in three separate phases. He said the first phase included replacement of an influent pump station, needed to comply with State requirements. He said the current system was 70 years old. Anderson noted other systems associated with Phase I included a new grit and debris removal system, increasing capacity for the digester system, and replacing the floating lid to provide for better odor control. He said the Council had approved a \$210,000 investment to help screen the property from the community and highway.

Anderson said Phase II included a second gravity belt thickener and secondary clarifier, both needed for redundancy to the system and to have the ability to increase capacity. He said the current clarifier had been constructed in the 1990's as an interim fix and was still being used.

Anderson said the third phase of the Capital Improvement Plan included biosolids or sludge storage which was currently very limited. He said the projects were needed to comply with State guidelines and on-site capacity was a big problem, noting that tanks sometimes had to be rented to place on site for storage. Anderson said there was no way to control odor when using the rented storage tanks.

Anderson said some projects included in the third phase did include growth, but noted the rate of growth information had been adjusted by the engineers who completed the plan. He said some systems would be undersized by the year 2020 and there was a possibility that the City would have to deny new business if there was not adequate capacity at the plant.

City Manager Young said there had been a question about using urban renewal funds to pay for upgrading infrastructure. He said there had been a decision in the 1990's to not use those funds to pay for utilities. Young said a plan amendment would be required to change that.

In response to a comment made during public testimony, City Manager Young noted the Sunshine Mill had received a grant for \$80,000, but the rest of the funding for that project was in the form of a loan and the building was to be purchased. He said he believed the loan amount was \$100,000.

Councilor Miller asked if the Urban Renewal Plan could be amended to allow for infrastructure upgrades. City Manager Young said it could be amended and was not sure if it would be considered a major or minor amendment.

Councilor Spatz said that approximately two-thirds of the planned improvements were not related to growth in the community, but compliance with regulations. Public Works Director Anderson said that was correct. He said it was expected that there would be growth based on build out projections of the urban growth boundary and that sometime in the future, the Murray's Addition area may be connected to the City's utility system.

Councilor Dick asked what would happen if the improvements were not made. Public Works Director Anderson said the result could be overflow into the river during storm events.

Councilor Miller asked if there had been overflow events in the past. Anderson said one overflow was caused by equipment failure and there had also been an event caused by a storm. It was noted this was greater than a five year storm and the City had not been fined for that event.

City Attorney Parker said he had reviewed the Urban Renewal Plan and believed it would be a minor amendment to include funding for infrastructure.

Mayor Lawrence questioned if the items included in the first phase of the plan could be paid for using reserve funds. Public Works Director Anderson said reserves had been set aside, though some of the funds had been used for projects. He said the Council had previously said the recommended rate increase would be the least impact to the rate payers because it did not include large rate spikes over the life of the Plan. Anderson said after the lift station projects were completed, approximately \$3.2 million remained in the two reserve funds. He noted the annual sewer slip lining projects were also paid from those funds.

Councilor Miller expressed concern that citizens on fixed incomes may not be able to afford to pay higher utility bills. Public Works Director Anderson said the City had a rate relief program in place to help. Finance Director Mast said the rate increases had not been applied to those participating in the rate relief program, so their rates were actually reduced by more than 35%.

City Manager Young asked the Finance Director to provide the documentation establishing the rate relief plan to the City Council.

Councilor Spatz said the City had gone too long without any rate increases and was now in a position that these increases were necessary.

Councilor Miller said if urban renewal funds could be used to pay for infrastructure improvements, the rate increases wouldn't be necessary.

Mayor Lawrence said he was not convinced the population projections were accurate. He said the Oregon Blue Book reflected only an increase of 2,962 in the past 39 years and that population growth for the entire County was only projected to be 26,563.

Public Works Director Anderson noted the intent was to pay for the improvements by issuing revenue bonds in three separate phases.

Mayor Lawrence said the Urban Renewal Plan had been changed in the late 1990's to move away from using those funds to pay for infrastructure projects, but it's original intent was to pay for infrastructure projects. He suggested using reserve funds to begin the improvements to allow the Council time to discuss the use of urban renewal funds to pay for the projects included in the Plan.

Councilor Wood said when the scope of the Plan changed, it was because the citizens wanted to change the boundary of the Urban Growth Boundary and to focus more on blight removal.

City Manager Young said the Council could schedule a work session if they wished to further discuss the issue of using urban renewal funds to pay for infrastructure projects.

It was moved by Wood and seconded by McGlothlin to direct staff to prepare a resolution for the January 28, 2013 meeting, approving the wastewater rate increase as proposed. The motion carried, Miller voting no.

Change Order of Agenda

It was the consensus of the City Council to move Action Item 14, A as the next order of business.

ACTION ITEMS

Lease Purchase Proposal With Local Girl Scouts for Property at 1325 Washington Street

City Manager Young reviewed the staff report.

Judy Richardson, 3515 Crest Court, The Dalles, spoke in support of approving the lease purchase agreement and thanked the Council for their consideration of the request. She introduced her daughter, Zora, who was a girl scout.

It was moved by McGlothlin and seconded by Wood to direct the City Attorney to prepare a two year lease agreement with the local girl scout troop for the property at 1325 Washington Street, with a provision that allows them to purchase the property for \$1 once the associated nonprofit

group is established; and authorize the City Manager to sign the agreement. The motion carried unanimously.

CONTRACT REVIEW BOARD ACTIONS

Award 2012-13 Sanitary Sewer Slipline Contract

Engineer Dale McCabe reviewed the staff report.

Councilor Spatz asked how much work remained to be done. Engineer McCabe said only approximately 10 miles out of a total of 88 miles had been completed. He said the worst condition lines were the top priority, which was determined on an annual basis.

It was moved by Dick and seconded by Spatz to authorize the City Manager to enter into contract with Insituform Technologies Inc. In an amount not to exceed \$317,190.00. The motion carried unanimously.

ACTION ITEMS, Continued

Special Ordinance No. 13-552 Assessing the Property at 1509 Thompson Street for the Cost of Abatement of Junk and Hazardous Vegetation

City Attorney Parker reviewed the staff report.

City Clerk Krueger read Special Ordinance No. 13-552 by title.

It was moved by Miller and seconded by McGlothlin to adopt Special Ordinance No. 13-552 assessing the property at 1509 Thompson Street for the cost of abatement of junk and hazardous vegetation, by title. The motion carried unanimously.

Approval of Airport Ground Lease With MASI Air 100 LLC

Airport Manager Rolf Anderson reviewed the staff report.

It was moved by McGlothlin and seconded by Wood to approve the ground lease agreement between the City and Klickitat County with MASI Air 100 LLC and authorize execution of the lease agreement subject to approval by Klickitat County. The motion carried unanimously.

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Resolution No. 13-001 Affirming Planning Commission Resolution PC 526-12 Affirming the Planning Director's Interpretation Regarding Off-Street Parking Requirements for 1215 and 1217 Blakely Way

City Attorney Parker reviewed the staff report. He said the official appeal period would begin when the notice was sent by the Planning Department. Parker said he believed the minutes from the December 10, 2012 meeting were accurate and reflected the direction of the City Council.

City Manager Young said Ms. Blevins' comments during audience participation had gone beyond proposed corrections to the minutes and asked Ms. Blevins to provide a copy of her written comments to the City Clerk to be included into the record.

It was moved by Dick and seconded by Wood to adopt Resolution No. 13-001 affirming the Planning Commission Resolution PC 526-12 affirming the Planning Director's interpretation regarding off-street parking requirements for 1215 and 1217 Blakely Way. The motion carried unanimously.

Resolution No. 13-002 Electing to Have Municipal Court Defendants Perform Authorized Employment Under the Wasco County Work Crew Program Pursuant to ORS 656.041

City Attorney Parker reviewed the staff report.

Municipal Court Judge Peachey spoke in support of the proposed agreement, saying it would be a very useful tool for his Court and would also help NORCOR with financial issues if fewer people were imprisoned. He said the program would only be for non-violent criminals and they would be screened to ensure they would be successful candidates to participate in the program. Peachey said it was a great partnership opportunity with Wasco County.

Mayor Lawrence noted the County would pay for the worker's compensation fees. Judge Peachey said there would also be a \$30 fee to participate in the program. Lawrence said the work crews had been used to help install seating at the Civic Auditorium and it had been very helpful.

Bob McNary, 1525 East Ninth Street, The Dalles, said the work crews were also used to assist with projects at Ft. Dalles Museum and Pioneer Cemetery and did a great job.

It was moved by Wood and seconded by Spatz to adopt Resolution No. 13-002 electing to have Municipal Court defendants perform authorized employment under the Wasco County Work Crew Program pursuant to ORS 656.041. The motion carried unanimously.

DISCUSSION ITEMS

Discussion Regarding Kelly Avenue Traffic Study and Recommended Improvements

Public Works Director Dave Anderson reviewed the staff report. He noted the proposed improvements would help with vehicle vision clearance and be safer for pedestrians. Anderson said the recommendation was supported by the Traffic Safety Commission. In response to a question, Anderson said he did not know the exact number of accidents in the area, but there had been accidents reported.

Lonna Telfer, 619 East 11th Street, The Dalles, said she owned the hair salon at the corner of 11th Street and Kelly Avenue. She said if the City created no parking areas 20 feet from intersections, it would greatly reduce parking, which was already a problem in the area. She said the parking that was available was mostly used up by delivery trucks. She said the proposed crosswalk at 11th Street would end on the east side of Kelly Avenue at a driveway for the fuel station.

Public Works Director Anderson said the owner of that property was in agreement to close that access point and that some improvements would be made to their access to the adjacent alley. He said that would also be helpful for the delivery trucks in the neighborhood.

Ms. Telfer said delivery trucks blocking the alley could be a problem for access to the fuel station. She said part of the parking problem was the buses used by Council of Governments that are moved out of their parking lot and onto 11th Street in the mornings to make room for employee parking. Telfer said it was not possible for some of her elderly clients to park on 12th Street and walk to her location.

John Nelson, Traffic Safety Commission Chair complimented the City for the process, saying issues were mostly brought to the Commission by citizens, and reviewed by the Commission with a recommendation to the City Council. He said it worked very well.

It was the consensus of the City Council to direct staff to include funds in the fiscal year 2013-14 budget to make the improvements as presented.

ACTION ITEMS, Continued

Resolution No. 13-005 Authorizing an Interfund Loan from the Airport Fund to the Airport Debt Service Fund

Finance Director Mast reviewed the staff report.

It was moved by Spatz and seconded by Wood to adopt Resolution No. 13-005 authorizing an interfund loan from the Airport Fund to the Airport Debt Service Fund. The motion carried unanimously.

Other Comments

Randy Cole said the City had provided \$166,000 to have the Sunshine Mill cleaned, but it had never been done. He said it was unsightly and asked when it would be completed.

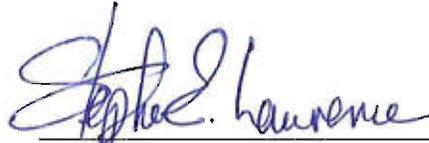
City Manager Young said special equipment had been purchased to do the job, but the focus had changed to restoring the warehouse because it was needed to expand the business. He said staff expected the cleaning project to begin in the Spring. He said the money had not been given to the owner and believed it was \$100,000, not \$166,000 as stated by Mr. Cole.

ADJOURNMENT

Being no further business, the meeting adjourned at 8:10 p.m.

Submitted by/
Julie Krueger, MMC
City Clerk

SIGNED:



Stephen E. Lawrence, Mayor

ATTEST:



Julie Krueger, MMC, City Clerk