

AGENDA

REGULAR CITY COUNCIL MEETING

February 10, 2014

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 MCEDD Regarding Attainable Housing Program
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 January 27, 2014 Regular City Council Meeting Minutes
 - B. Authorization for City Clerk to Endorse OLCC New Outlet Application for Poppy's Market
 - C. Resolution No. 14-006 Concurring With the Mayor's Appointment of John Nelson to the Planning Commission
11. CONTRACT REVIEW BOARD ACTIONS
- A. Approval of Contract for 2014 Sanitary Slipline Project [**Agenda Staff Report #14-010**]
12. ACTION ITEMS
- A. Resolution No. 14-005 Accepting a Deed of Dedication From Robert and Debra Mazzrillo for a Portion of Property Located at 2303 West Tenth Street [**Agenda Staff Report #14-008**]
 - B. Resolution No. 14-004 Authorizing the Creation of an "Extraordinary Items" Line in the Water Utility Fund to Record an Unexpected Loss of Brass Inventory Due to the Federal Lead Reduction Act and Declaring Said Loss as Exempt From Oregon Budget Law [**Agenda Staff Report #14-009**]
13. DISCUSSION ITEMS
- A. Review of the City's Senior and Disabled Low Income Water and Sewer Discount Program [**Agenda Staff Report #14-011**]
14. 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 #
February 10, 2014	Consent Agenda 10, A - C	N/A

TO: Honorable Mayor and City Council

FROM: Julie Krueger, MMC, City Clerk

THRU: Nolan K. Young, City Manager

DATE: January 29, 2014

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

A. **ITEM:** Approval of January 27, 2014 Regular City Council Meeting Minutes.

BUDGET IMPLICATIONS: None.

SYNOPSIS: The minutes of the January 27, 2014 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 January 27, 2014 regular City Council meeting.

B. **ITEM:** Authorization for City Clerk to Endorse OLCC New Outlet Application for Poppy's Market.

BUDGET IMPLICATIONS: If authorized, the City will collect a \$100 fee which will be credited to the General Fund.

SYNOPSIS: Poppy's Market has been sold. While in this process, the former license had expired and was not renewed, so the OLCC is considering this as a new outlet application, rather than a change in ownership application. The Police Department has investigated the application and recommends it be approved.

RECOMMENDATION: Authorize the City Clerk to endorse the OLCC New Outlet application for Poppy's Market.

C. **ITEM:** Resolution No. 14-006 Concurring With the Mayor's Appointment of John Nelson to the Planning Commission.

BUDGET IMPLICATIONS: None.

SYNOPSIS: Mayor Lawrence has selected John Nelson to fill a vacancy on the Planning Commission. The term expires April 30, 2015.

RECOMMENDATION: Adopt Resolution No. 14-006 concurring with the Mayor's appointment of John Nelson to the Planning Commission.

MINUTES

REGULAR COUNCIL MEETING
OF
JANUARY 27, 2014
5:30 P.M.

THE DALLES CITY HALL
313 COURT STREET
THE DALLES, OREGON

PRESIDING: Mayor Steve Lawrence

COUNCIL PRESENT: Carolyn Wood, Tim McGlothlin, Linda Miller

COUNCIL ABSENT: Bill Dick, Dan Spatz

STAFF PRESENT: City Manager Nolan Young, City Attorney Gene Parker, City Clerk Julie Krueger, Administrative Fellow Jon Chavers, Public Works Director Dave Anderson, Finance Director Kate Mast, Police Chief Jay Waterbury, Planning Director Dick Gassman

CALL TO ORDER

Mayor Lawrence called the meeting to order at 5:38 p.m.

ROLL CALL

Roll call was conducted by City Clerk Krueger; Councilors Dick and Spatz absent.

PLEDGE OF ALLEGIANCE

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

APPROVAL OF AGENDA

Mayor Lawrence asked the Council to add a presentation by Jim Slusher of Community Action Council.

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

PRESENTATIONS/PROCLAMATIONS

Presentation by Gorge Networks Regarding the City's Public WiFi System

Alex Morris provided a PowerPoint presentation of The Dalles WiFi Project from beginning to its current status, and proposed upgrades for Phase IV. Each of the completed phases was highlighted, including the number of access points and their locations. It was explained that Phase 4 would include 20 access points, including new areas of coverage along the West Sixth Street corridor, Kelly Avenue Overlook, Civic Auditorium and Quinton Ball Park, as well as some upgrades needed in some current areas to improve the system. Statistics were provided regarding usage and monitoring.

Aaron Dean provided information regarding monitoring of the system and trouble shooting, including real time traffic passing through the network, software used for monitoring, reports of outages and client abuse, and other issues. He highlighted the design and structure of the network, noting it was designed to be open with management and client devices residing on the same network. Dean discussed security vulnerabilities and how to manage them.

Ms. Morris discussed challenges, including user reporting, monitoring, and mobility and said Gorge Networks was working with the City to address challenges. She briefly described the upcoming Phase 4 improvements.

Dan Bubb summarized the presentation, saying it had been a three-year project, with 77 access points, 8.25 million square feet of coverage, and a peak daily bandwidth of 17 to 8 Megabits per second (Mbps). He said there were 15 QLife entry points within the system. Bubb said thousands of people were being served and the system was a success for The Dalles.

City Manager Young said one thing the City planned to do to help with customer concerns was to place the Gorge Networks contact information on the City's website so when people had concerns, they could find the contact information.

Presentation by Port of The Dalles Regarding Wetlands Project and Industrial Development Project

Michael Held, Port of The Dalles, provided an overview of two projects being worked on by the Port. He discussed the North Chenoweth Industrial Business Park development, noting the project highlights, cost, impact and the need for the park. Held discussed the Port's work on the Comprehensive Wetland Planning Inventory project, providing an overview of the issue, expected outcome, and funding for the project.

MINUTES (Continued)
Regular Council Meeting
January 27, 2014
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Presentation by Community Action Council Regarding Funding for the Emergency Housing Account and State Homeless Assistance Program

Community Action Council Executive Director Jim Slusher provided a handout to the City Council requesting the City Council's endorsement of the legislation to restore funding for emergency housing and homeless assistance. Slusher reported the Community Action Council had just received notice of a grant which would provide \$2,000 for costs associated with the local warming center.

Mayor Lawrence said he had visited the warming center and said the biggest problem was that they didn't have a large enough pool of volunteers to staff it.

It was moved by Wood and seconded by Miller to endorse the request to the Legislature for \$1.5 million for the Emergency Housing Account and \$500,000 in funding for the State Homeless Assistance Program. The motion carried unanimously, Dick and Spatz absent.

AUDIENCE PARTICIPATION

Ruthie Rader addressed the Council regarding the community warming center. She said it was very difficult to survive cold nights when the center was closed. She said temperature should not be the deciding factor in opening the center, that it should be open November through March. Rader said she had been on the road for 20 years and had now decided to settle in The Dalles, and hoped to find housing soon. She said she hoped to find someone who would find housing for her and she would be willing to get a job if she had a sincere offer. Rader thanked Gorge Networks for making sure there was WiFi coverage at the warming shelter because she could use her android telephone while staying there.

Jerry Jeffers thanked the City and especially the Police Department for providing holiday parking enforcement in the downtown. He said it was very important to ensure there was adequate parking for shoppers. He also thanked the City Council for their work and for volunteering their time for the community.

CITY MANAGER REPORT

City Manager Young noted the priorities to be carried to Washington, D.C., by the Community Outreach Team, included North Chenoweth Flowage Easement, Downtown Main Street Program funding, wetlands permit for industrial properties, funds for restoration of the Civic Auditorium, Oregon Department of Transportation bike trail, and Scenic Area funding. He said in addition to supporting projects, the team would be discussing policy issues that included schools and forest fuels reduction.

MINUTES (Continued)
Regular Council Meeting
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Young said he had approved the tying of teal ribbons to downtown lamp posts in recognition of National Domestic Violence and Sexual Assault Prevention month.

CITY ATTORNEY REPORT

City Attorney Parker said he would be attending a housing seminar later in the week.

Parker said he had sent a memorandum to the Council regarding the issue of medical marijuana dispensaries. He recommended the Council take no action at this time, but rather wait and see how the rules were developed by the State. It was the consensus of the City Council to take no action at this time.

CITY COUNCIL REPORTS

Councilor Wood reported that the Historic Landmarks Commission had approved the grant for partial window replacement at the United Church of Christ Congregational. She said she would be attending the Mid Columbia Council of Governments meeting on Tuesday and a QLife Agency meeting on Thursday.

Councilor Miller said the Urban Renewal Advisory and Agency joint meeting, schedule for last week, had been moved to January 28, due to lack of a quorum.

Mayor Lawrence said he had attended the Regional Solutions Team meeting, the Chamber of Commerce annual awards banquet, a Town Hall meeting with Senator Merkley, and had a tutorial on how to use the AGORA system.

CONSENT AGENDA

It was moved by Wood and seconded by McGlothlin to approve the Consent Agenda as presented. The motion carried unanimously, Dick and Spatz absent. The item approved by Consent Agenda was approval of the January 13, 2014 City Council meeting minutes.

PUBLIC HEARINGS

Public Hearing to Receive Testimony Regarding Proposed Supplemental Budget

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

Finance Director Mast reviewed the staff report.

Testimony

No testimony was offered. The public hearing was closed.

Resolution No. 14-002 Adopting a Supplemental Budget for the 2013-14 Fiscal Year, Making Appropriations and Authorizing Expenditures From and Within Various Funds of the City of The Dalles Adopted Budget

It was moved by McGlothlin and seconded by Wood to adopt Resolution No. 14-002 adopting a supplemental budget for the 2013-14 fiscal year, making appropriations and authorizing expenditures from and within various funds of the City of the Dalles adopted budget. The motion carried unanimously, Dick and Spatz absent.

Resolution No. 14-003 Authorizing Transfers of Funds Between Categories of Various Funds, Making Appropriations and Authorizing Expenditures for the Fiscal Year Ending June 30, 2014

It was moved by Wood and seconded by Miller to adopt Resolution No. 14-003 authorizing transfers of funds between categories of various funds, making appropriations and authorizing expenditures for fiscal year ending June 30, 2014. The motion carried unanimously, Dick and Spatz absent.

ACTION ITEMS

Intergovernmental Agreement With Wasco County and Northern Wasco County Parks and Recreation District for Distribution of Enterprise Zone Fees from Design LLC Enterprise Zone Agreement

City Manager Young reviewed the staff report.

It was moved by McGlothlin and seconded by Wood to approve the intergovernmental agreement between the City of the Dalles, Wasco County and Northern Wasco County Park and Recreation District for distribution of enterprise zone fees from Design LLC Enterprise Zone Agreement and authorize the Mayor to sign this agreement contingent on approval by Wasco County Commission and Northern Wasco County Parks and Recreation District Board. The motion carried unanimously, Dick and Spatz absent.

Intergovernmental Agreement With Wasco County and Mid Columbia Fire and Rescue District for Distribution of Enterprise Zone Fees From Design LLC Enterprise Zone Agreement

City Manager Young reviewed the staff report.

MINUTES (Continued)
Regular Council Meeting
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It was moved by McGlothlin and seconded by Miller to approve the intergovernmental agreement between the City of The Dalles, Wasco County and Mid Columbia Fire and Rescue District for distribution of enterprise zone fees from Design LLC Enterprise Zone Agreement and authorize the Mayor to sign this agreement contingent on approval by Wasco County Commission and Mid Columbia Fire and Rescue District Board. The motion carried unanimously, Dick and Spatz absent.

ADJOURNMENT

Being no further business, the meeting adjourned at 7:38 p.m.

Submitted by/
Julie Krueger, MMC
City Clerk

SIGNED:

Stephen E. Lawrence, Mayor

ATTEST:

Julie Krueger, MMC, City Clerk

RESOLUTION NO. 14-006

**A RESOLUTION CONCURRING WITH THE MAYOR'S
APPOINTMENT OF JOHN NELSON TO THE PLANNING COMMISSION**

WHEREAS, there is a vacancy on the Planning Commission; and

WHEREAS, the Mayor has selected John Nelson for appointment to the Planning
Commission;

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

Section 1. The City Council concurs with the appointment of John Nelson to the
Planning Commission, term to expire April 30, 2015.

Section 2. This Resolution shall be effective February 10, 2014.

PASSED AND ADOPTED THIS 10th DAY OF FEBRUARY, 2014

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

AND APPROVED BY THE MAYOR THIS 10TH DAY OF FEBRUARY, 2014

SIGNED:

ATTEST:

Stephen E. Lawrence, Mayor

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 #
February 10, 2014	Contract Review Board 11, A	14-010

TO: Honorable Mayor and City Council

FROM: Dale McCabe, City Engineer

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

DATE: January 28, 2014

ISSUE: 2014 Sanitary Sewer CIPP Lining (Slip-lining) Project, Contract No. 2014-006.

RELATED CITY COUNCIL GOALS: N.A.

BACKGROUND: The City of The Dalles Public Works Department advertised for bids for the 2014 Sanitary Sewer CIPP Lining Project, Contract No. 2014- 006. The scope of work for the project was stated as follows: “The work to be performed shall consist of furnishing all materials, labor, and equipment necessary in the installation of approximately 2750 linear feet of CIPP liner on existing sanitary sewer lines.”

The City currently has about 51,000 feet of clay sanitary sewer pipe in its system that is 50-100 years old, and over 300,000 feet of concrete pipe that is approximately 30-50 years old. Both of these types of pipe can experience cracking, breaks or joint separation that allow roots to intrude into the pipe and cause blockages, or allow sewage to leak out. Breaks in the pipes can also allow ground and/or stormwater to enter the sanitary sewer system thereby increasing flows to the wastewater treatment plant. The Public Works Department has developed a program of annually inspecting, prioritizing, and repairing deteriorated and high maintenance sections of the sanitary sewer or storm sewer systems. The goal of the inspection program is to complete about 15% of the system per year. To date, about 70% of the system has been video inspected. Nearly all of the clay pipe and much of the concrete pipe needs to be rehabilitated or replaced.

Based on the City’s experiences over the last several years, it’s been demonstrated that slip-lining old sanitary sewer pipes with cured in place pipe (CIPP) is a very cost effective and expedient way to repair the lines without having to excavate and completely replace them. Given the

backlog of needed sanitary sewer pipeline rehabilitation, the Public Works Department has tried to complete \$300,000-\$400,000 of contracted slip-lining annually in recent years. However, due to budgetary constraints in the current fiscal year, only \$180,000 was budgeted for this project.

The contract for this year's slip-lining project was advertised for bids. Two responsive bids were received and are summarized below.

1. Michels Corporation, in the amount of \$94,477.10
2. Columbia Pumping and Construction, Inc., in the amount of \$106,724.04

A third bid was received after the bid opening deadline and was rejected unopened.

Because the bids came in so favorable and \$180,000 was budgeted for slip-lining in the current fiscal year, staff proposes to expand the project utilizing the unit prices that were received in the bids for this project. We have had the discussion with Michels Corporation who has agreed to honor those unit prices as long as the additional lines to be added to the project are of a similar nature to those lines upon which their bid was based, meaning similar conditions, size, locations, access, etc.

Staff has analyzed additional sanitary sewer lines that need to be treated with CIPP lining and that could be included in the project. As a result, staff recommends adding another 2614 linear feet of 8-inch sanitary sewer pipe to the scope of work for this year's slip-lining contract. Using the unit prices that were received in the original bid, the expanded project cost would be \$170,901.90.

Included with this staff report are some before and after photos of sanitary sewer lines that have been treated with CIPP lining in recent years because of cracks in the existing line, segments of missing pipe, and root intrusion into the line.

BUDGET ALLOCATION: A total of \$180,000 is budgeted for this project in the Sewer Special Reserve Fund 56, Line Code 7630. The low bid for this project was \$94,477.10 for the originally identified 2750 feet of pipe. The proposed expanded scope of work would result in slip-lining a total of 5364 feet of pipe for \$170,901.90. Adequate funds are available to support either the original or the proposed expanded scope of work for the project.

ALTERNATIVES:

- A. Staff recommendation: *Authorize the City Manager to enter into contract with Michels Corporation, for the expanded project, in an amount not to exceed \$170,901.90.*
- B. Authorize the City Manager to enter into contract with Michels Corporation, for the original contract scope of work, in an amount not to exceed \$94,477.10.
- C. Request that staff provide additional information in response to questions raised by City Council.
- D. Deny authorization to proceed with the contract.

Root Intrusion



Roots at pipe joints



Same location after pipe lining

Cracks and Fractures



Cracks and fractures forming at the sides

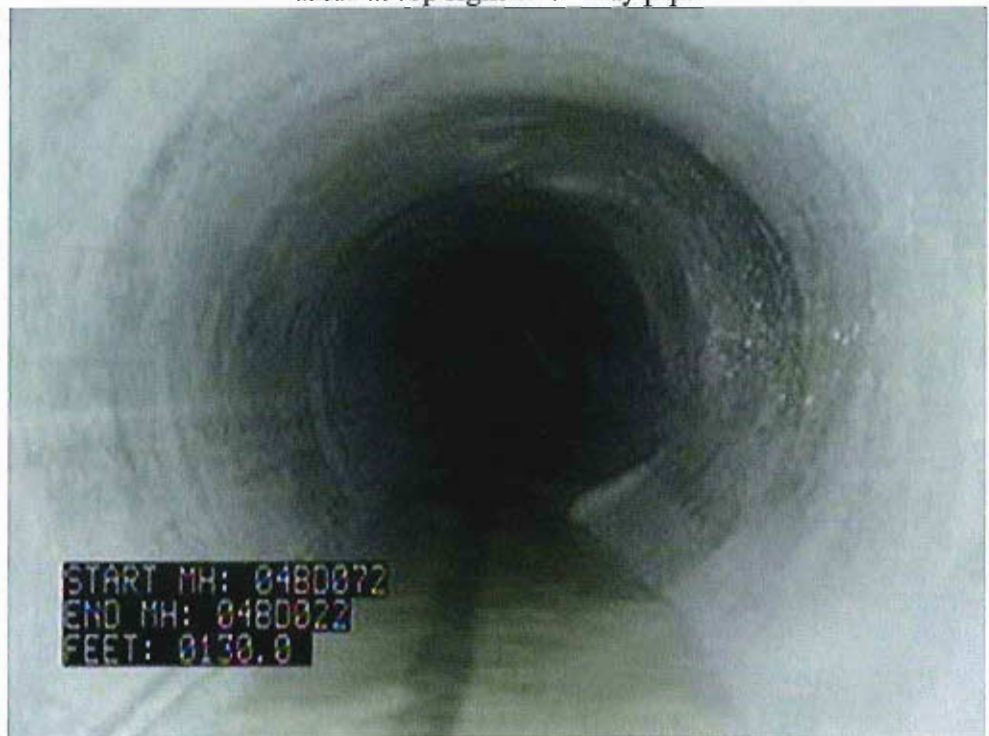


Same location after pipe lining

Hole in pipe



Hole at top right of 8" clay pipe



Same location after pipe lining



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 #
February 10, 2014	Action Items 12, A	14-008

TO: Honorable Mayor and City Council

FROM: Gene E. Parker, City Attorney

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

DATE: January 24, 2014

ISSUE: Resolution No. 14-005, accepting a deed of dedication of property from Robert and Debra Mazzrillo, adjacent to Myrtle Street, for public street purposes.

RELATED CITY COUNCIL GOAL: None.

PREVIOUS AGENDA REPORT NUMBERS: None.

BACKGROUND: The property located at 2303 West 10th Street, which is adjacent to West 10th and Myrtle Street, is owned by Robert and Debra Mazzrillo. The property is being purchased under a real estate contract by Kathryn Ford. Brian Ford, Kathryn's husband, submitted an application for a building permit to construct a manufactured home upon the property. As a condition of approval for the building permit, Mr. Ford was required to submit construction plans for certain improvements for West 10th and Myrtle Street, which plans have been approved by the City and Wasco County.

City staff recently negotiated an agreement with the Mazzrillos and the Fords concerning the installation of public improvements along West 10th and Myrtle Streets. Since the property is a corner lot, Mr. Ford was entitled to multi-frontage lot relief for the costs of the public improvements. In accordance with the corner lot relief policy, the City agreed to be responsible for the costs of installing public improvements along the frontage for West 10th Street, and a portion of the frontage along Myrtle Street. To facilitate the construction of the public improvements along the frontage of Myrtle Street by the City and Mr. Ford, the City requested the owners of the property to dedicate a five foot strip of property along Myrtle Street. The owners agreed to make the requested dedication.

Enclosed with this staff report is Resolution No. 14-005, which proposes to accept the required dedication of property from the owners. State law requires that the City take official action to acknowledge the proposed dedication of property for public right-of-way. Upon adoption of the resolution, the deed of dedication will be recorded with the Wasco County Clerk.

BUDGET IMPLICATIONS: The City will be paying a fee of \$76.00 to record the deed of dedication, and a mapping fee of \$540 to Wasco County for changes that will be required to the Assessor's maps as a result of the dedication. The City will also incur estimated expenses of \$17,411.75 for its share of the costs of the public improvements constructed pursuant to the December 17, 2013 agreement.

ALTERNATIVES:

- A. Staff Recommendation. *Move to adopt Resolution No. 14-005.*

RESOLUTION NO. 14-005

**A RESOLUTION ACCEPTING A DEDICATION OF
PROPERTY LOCATED ALONG MYRTLE STREET
FOR PUBLIC STREET PURPOSES FROM
ROBERT AND DEBRA MAZZRILLO**

WHEREAS, Robert and Debra Mazzrillo are the owners of a parcel of property located at 2303 West 10th Street, which property borders West 10th and Myrtle Street; and

WHEREAS, Brian Ford received approval from the City to place a manufactured home upon the property located at 2303 West 10th Street, which approval included a condition that Mr. Ford install certain public improvements along a portion of Myrtle Street; and

WHEREAS, City staff recently negotiated an agreement with the Mazzrillos and Mr. Ford, and Kathryn Ford who is purchasing the property under a real estate contract, which outlined the responsibilities of the City and Mr. Ford to install certain public improvements along a portion of West 10th Street and a portion of Myrtle Street; and

WHEREAS, in order to facilitate the construction of the public improvements along the portion of Myrtle Street adjacent to the property at 2303 West 10th Street, the City needs to acquire a portion of the property for public right-of-way purposes, and the property owner has agreed to make the requested dedication; and

WHEREAS, the City Council concurs that dedication of the property for public street purposes is in the public interest;

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

Section 1. Dedication Accepted. The dedication for public street purposes set forth in the attached deed is hereby accepted. The City Manager is hereby authorized to execute the

Deed of Dedication, and the City Manager and City Clerk are authorized to execute the acceptance of the dedication and to take other necessary action to record the Deed of Dedication.

PASSED AND ADOPTED THIS 10TH DAY OF FEBRUARY, 2014

Voting Yes, Councilor: _____

Voting No, Councilor: _____

Absent, Councilor: _____

Abstaining, Councilor: _____

AND APPROVED BY THE MAYOR THIS 10TH DAY OF FEBRUARY, 2014

Stephen E. Lawrence, Mayor

ATTEST:

Julie Krueger, MMC, City Clerk

January 17, 2014

MAZZRILLO
TO
CITY OF THE DALLES

LEGAL DESCRIPTION
for
Myrtle Street Right-of-Way Dedication

A 5 foot wide strip of land being a portion of that tract of land described in Document #2011-002140, Deed Records of Wasco County, lying in Tract 1 of Mission Park Tracts in the Northeast 1/4 of the Southeast 1/4 of Section 32, Township 2 North, Range 13 East, Willamette Meridian, City of The Dalles, Wasco County, Oregon, being more particularly described as follows:

Beginning at the Southmost corner of said tract of land, said point also being the intersection of the Easterly right-of-way line of West 10th Street and the Northerly line of Myrtle Street, said point further being monumented with 5/8" x 30" rebar with yellow plastic cap inscribed "PLS 872" as set in County Survey #11-126; thence along said Northerly right-of-way line of, North 47°17'09" East 237.91 feet; thence leaving said Northerly right-of-way line, North 45°43'15" West 5.01 feet to a point being 5.00 feet distant from said Northerly right-of-way line when measured at a right angle; thence parallel with and 5.00 feet distant from said Northerly right-of-way line, South 47°17'09" West 237.89 feet to the intersection with said Easterly right-of-way line of West 10th Street; thence along said Easterly right-of-way line on a 5,699.58 foot radius curve to the left, a radial line to which bears North 44°31'12" East, through a central angle 00°03'01", a distance of 5.01 feet (the long chord of which bears South 45°30'18" East 5.01 feet) to the point of beginning.

Contains 1,190 square feet.

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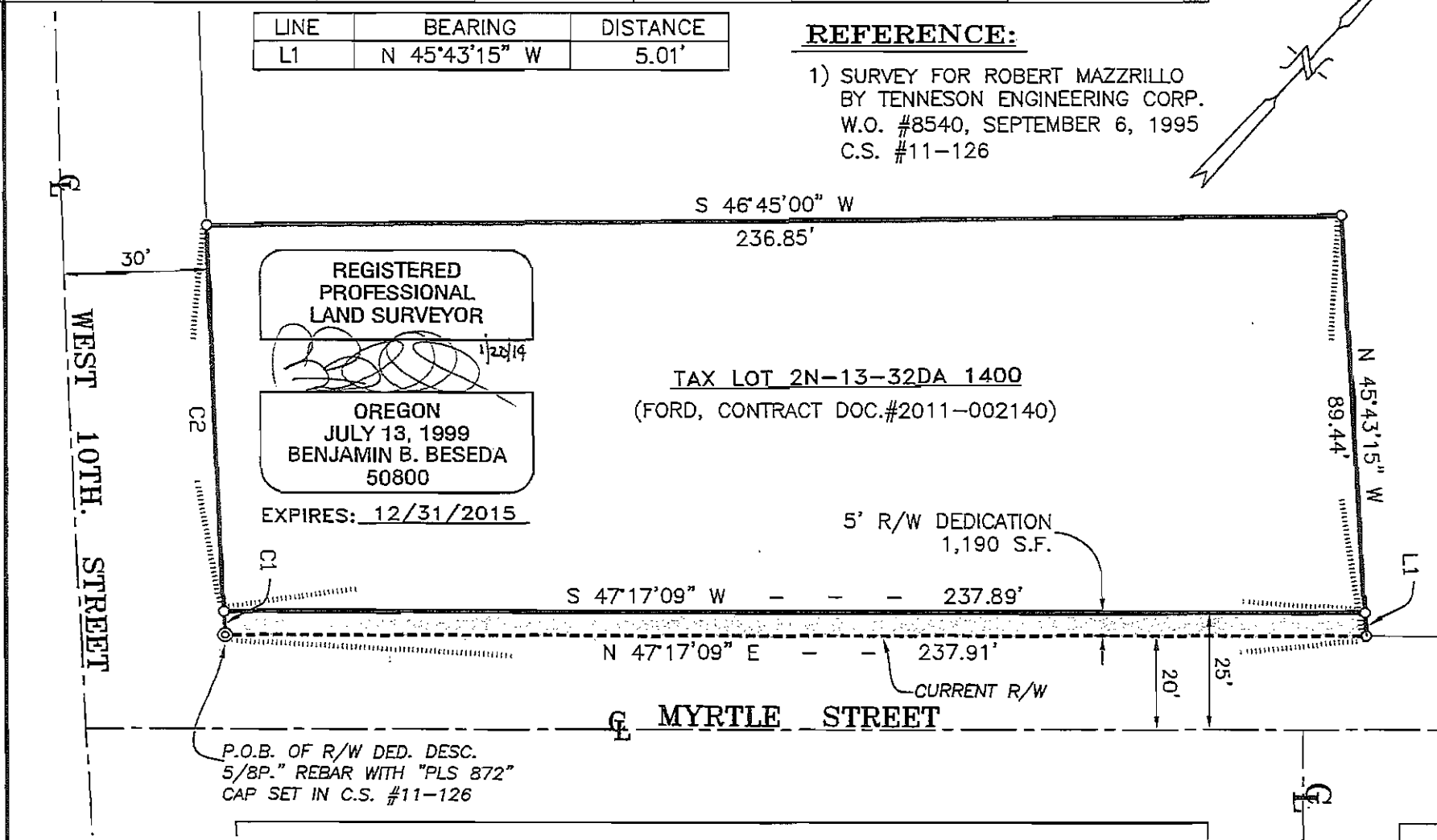
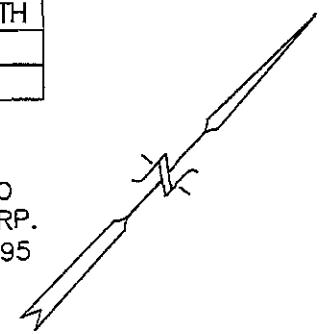


CURVE	DELTA ANGLE	RADIUS	ARC LENGTH	TANGENT	CHORD BEARING	CHORD LENGTH
C1	00°03'01"	5699.58'	5.01'	2.50'	S 45°30'18" E	5.01'
C2	00°49'34"	5699.58'	82.17'	41.09'	S 45°04'01" E	82.17'

LINE	BEARING	DISTANCE
L1	N 45°43'15" W	5.01'

REFERENCE:

- 1) SURVEY FOR ROBERT MAZZRILLO
BY TENNESON ENGINEERING CORP.
W.O. #8540, SEPTEMBER 6, 1995
C.S. #11-126



TENNESON ENGINEERING CORP.
CONSULTING ENGINEERS
3775 CRATES WAY
THE DALLES, OREGON 97058
PH. 541-296-9177 FAX 541-296-6657

Survey	Calc.	App.
T.E.C.	D.O.E.	B.B.B.
Drawn	Date	Scale
S.D.H.	1/20/2014	1"=30'
Dwg. No.	Work Order No.	Sheet
14277exhibit	14277	1 of 1

EXHIBIT MAP
FOR MYRTLE STREET RIGHT-OF-WAY DEDICATION
TAX LOT 2N-13-32DA 1400 IN TRACT 1, MISSION PARK TRACTS
IN THE NE1/4, SE1/4, SECTION 32, TWP. 2N., RANGE 13 E. W.M.
THE DALLES, WASCO COUNTY, OREGON

Exhibit "B"

Grantor: Robert J. Mazzrillo
Debra L. Mazzrillo
2820 Osborn Cutoff Road
Mosier, OR 97040

Grantee: City of The Dalles
313 Court Street
The Dalles, OR 97058

After recording, return to:
City Clerk
City of The Dalles
313 Court
The Dalles, OR 97058

DEED OF DEDICATION

KNOW ALL MEN BY THESE PRESENTS, that Robert J. Mazzrillo and Debra L. Mazzrillo, Husband and Wife, Grantor, does hereby dedicate, grant and convey to the Public, and that the City of The Dalles, a Municipal Corporation of the State of Oregon, hereinafter called the Grantee, does hereby accept on behalf of the public, for use as a public right-of-way the following described real property located in Wasco County, State of Oregon, to-wit:

See legal description attached as Exhibit "A"

The property being dedicated is shown on the map attached as Exhibit ""B".

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

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

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

BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON

This dedication is accepted by the City of The Dalles pursuant to the provisions of Resolution No. 14-005, adopted on February ____, 2014.

Nolan K. Young, City Manager

ATTEST:

Julie Krueger, MMC, City Clerk



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

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

AGENDA STAFF REPORT CITY OF THE DALLES

MEETING DATE	AGENDA LOCATION	AGENDA REPORT #
February 10, 2014	Action Items 12, B	14-009

TO: Honorable Mayor and City Council

FROM: Kate Mast, Finance Director

THRU: Nolan K. Young, City Manager

DATE: January 20, 2014

ISSUE: Resolution No. 14-004 Authorizing the Creation of an “Extraordinary Items” Line Item within the Water Utility Fund (051), to Record an Unexpected Loss of Brass Inventory Due to the Federal Lead Reduction Act; and Declaring Said Loss to be an Unforeseen Occurrence to be Exempt from Oregon Budget Law.

BACKGROUND: The Federal Reduction of Lead in Drinking Water Act was enacted on January 4, 2011, with an effective date of January 4, 2014. The Act sets maximum levels of lead that is allowed in brass water pipes and fittings as of January 4, 2014, and states that any non-compliant brass still in inventory on that date cannot be used, but must be disposed of properly.

This only applies to brass in inventory, and does not apply to pipes and fittings already in use on the system. At the time the budget was prepared, it was not possible to estimate the amount of non-compliant brass that would be left in inventory on January 4, 2014, nor the amount of revenue, if any, that would be received from the non-compliant inventory disposal.

The Water Distribution Division inspected the inventory as of the January 4, 2014 deadline and developed a list of non-compliant items and calculated the loss value of those items. An arrangement was made with a vendor who has a brass replacement program, who will pick up the non-compliant brass and dispose of it. The City will receive scrap metal value per pound in credit that can be used to replace a portion of the brass fitting inventory with compliant fittings.

The loss value of the non-compliant brass inventory is \$37,153.

I asked advice from our auditor on how to record this issue in our books. It will, of course, reduce the amount of the inventory recorded on the Water Utility Fund balance sheet. Our auditor explained that we could include this in our Supplemental Budget, but since we still don't know how much salvage value credit we will receive to offset the loss, I could not calculate how to 'balance' the revised budget via the Supplemental Budget option.

The Auditor said that our second option was to have the City Council declare this an extraordinary item that was unforeseen and declare it to be exempt from Oregon Budget Law. Even though our budget will be over-expended in the new "Extraordinary Item" budget line due to this situation, it will be considered an "extraordinary unforeseen occurrence" and will not be viewed as a Budget Law Violation when we are audited. This type of action is very rare. I have never done this before, but have had the auditor review the draft resolution and she said it looked fine.

The proposed Resolution No. 14-004 authorizes an "Extraordinary Item" line item in the Water Fund, where we can post both the \$37,153 loss, which is the amount of the budget for that new line item, and the amount of salvage value credits we will receive. To date we don't know how much those credits will be, but as they are used, we will post them to this new line item so that the total amount of the loss is decreased by the amount of the credits used.

BUDGET IMPLICATIONS: The net amount of the loss less the total credits we will receive will reduce the fund balance in the Water Utility Fund.

ALTERNATIVES:

- A. **Staff Recommendation:** *Move to adopt Resolution No. 14-004 Authorizing the Creation of an "Extraordinary Items" Line Item within the Water Utility Fund (051), to Record an Unexpected Loss of Brass Inventory Due to the Federal Lead Reduction Act; and Declaring Said Loss to be an Unforeseen Occurrence to be Exempt from Oregon Budget Law.*
- B. Council could decline to adopt the proposed resolution, in which case staff would continue to research alternative solutions to this problem, such as revisiting the Supplemental Budget option or amending the budget to reduce transfers out and increase inventory expenses. However, the current proposal has the least effect on other funds or projects.

RESOLUTION NO. 14-004

A RESOLUTION AUTHORIZING THE CREATION OF AN "EXTRAORDINARY ITEM" LINE ITEM WITHIN THE WATER UTILITY FUND (051), TO RECORD AN UNEXPECTED LOSS OF BRASS INVENTORY DUE TO THE FEDERAL LEAD REDUCTION ACT; AND DECLARING SAID LOSS TO BE AN UNFORESEEN OCCURRENCE TO BE EXEMPT FROM OREGON BUDGET LAW

WHEREAS, Federal Reduction of Lead in Drinking Water Act was enacted on January 4, 2011, with an effective date of January 4, 2014, requires that all non-compliant brass in inventory on that date must be disposed of and not used after that date; and

WHEREAS, at the time the FY13/14 budget was prepared, an estimate of the actual inventory loss and the actual credits allowed by the salvage vendor was not available; and

WHEREAS, the actual loss due to compliance with the Act on January 4, 2014 has been calculated to be \$37,153;

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

Section 1. The City Council hereby authorizes the creation of a new expense line item titled "Extraordinary Items" to record the unforeseen loss due to the Federal Reduction of Lead in Drinking Water Act, and that any credits from salvage vendors received shall also be posted to this new line item to reduce the impact of this loss; and

Section 2. The City Council hereby declares that the loss of approximately \$37,153 in non-compliant brass inventory to be an unforeseen occurrence that is to be exempt from Oregon Budget Law.

Section 3. This Resolution shall be effective upon adoption by the City Council and approval by the Mayor, and shall remain in effect until acceptance of the audit for FY13/14.

PASSED AND ADOPTED THIS 10th DAY OF FEBRUARY, 2014

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

AND APPROVED BY THE MAYOR THIS 10th DAY OF FEBRUARY, 2014

SIGNED:

ATTEST:

Stephen E. Lawrence, Mayor

Julie Krueger, MMC, City Clerk



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AGENDA STAFF REPORT CITY OF THE DALLES

MEETING DATE	AGENDA LOCATION	AGENDA REPORT #
February 10, 2014	Discussion Items 13, A	14-011

TO: Honorable Mayor and City Council

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

FROM: Kate Mast, Finance Director

DATE: January 29, 2014

ISSUE: Review of City Senior and Disabled Low Income Water and Sewer Discount Program.

BACKGROUND: The City currently has an agreement in place with the Mid-Columbia Community Action Council (MCCAC) office, dated April 13, 2000. This agreement is set to be continuous until the time that either of the parties gives thirty (30) days' notice of change or termination.

Under the current agreement, the City pays CAP \$3.00 per application to administer our program. Applicants must reapply each year to ensure that they still qualify for the program. The City paid \$684.00 to MCCAC for this service for the calendar year 2013. That works out to 228 applications reviewed. Currently we have 205 participants in the Discount Program, broken down as follows: 79 in-city and 2 out-of-city participants qualify for the "35%" discount rate, and 121 in-city and 3 out-of-city participants qualify for the "10%" discount rate.

We have received indications that MCCAC feels this \$3.00 per application fee is too low, as it takes approximately 40 minutes for them to review an application and determine the eligibility of the applicant for the various programs they administer. They may soon be approaching the City to ask for that fee to be raised.

This agreement calls for "consideration of an annual adjustment to either the discount amounts and/or the income levels for applicants, or the fees..." that may be presented in writing to the City on the first of January for the following fiscal year.

Resolution No. 03-023, adopted April 14, 2003, made several changes to the Wastewater side of the program, including approving “the use of the criteria used by the Northern Wasco County PUD to determine eligibility for the program.” This allowed a more consistent use of criteria within the programs that MCCAC’s Community Action Program (CAP) administers.

The PUD eligibility criteria is: (1) Low-income as defined by the Federal Low Income Energy Assistance Program (LIEAP) income and eligibility guidelines which are adjusted annually. This means that the total household income does not exceed 125% of the federal poverty level for the number of people in the household. Anyone counted as a member of the household must have a legal Social Security number or they will not be counted as a household member, although their income will be counted as part of the total household income; AND (2) status as either Senior (60 years of age or older) OR Disabled. To clarify, only those who are over 60 years old or disabled AND also qualify as low income according to the LIEAP program standards are eligible.

Although the title of Resolution No. 03-023 states that it is “authorizing an increase in the percentage discount provided under the program for wastewater services”, in Section 2 it also set the discount rate for water services. The resolution used the original 10% and 35% as a base and then increased the discount percent rates to keep the dollar amount that the eligible participants paid at the same level regardless of rate increases.

Later documentation has been found that indicates direction to staff to maintain the dollar amount of the 10% rate at \$37.98 (\$22.50 for water and \$15.48 for sewer) and the 35% rate at \$27.43 (\$16.25 for water and \$11.18 for sewer). It is unclear when this direction was put in place as it is hand written on a page dated April 18, 2000, but it matches the chart that is Exhibit A to Resolution No. 03-023 that addresses the wastewater discount. If these flat rates are left in place the actual discount percent for each of the discount categories in each of the utilities will be as follows:

Fiscal Year	Original Discount	WA In-City	WA Out of City	SW In-City	SW Out of City
FY13/14	35%	69.15%	79.43%	74.17%	84.81%
	10%	57.28%	71.52%	64.24%	78.96%
FY14/15	35%	71.95%	81.30%	75.03%	85.31%
	10%	61.17%	74.11%	65.43%	79.67%
FY15/16	35%	74.03%	82.68%	75.86%	85.80%
	10%	64.05%	76.02%	66.58%	80.34%

Please note that currently consumption included in the base rate for residential accounts on the discount program is 15,000 gallons, instead of the 10,000 gallons on non-discounted accounts. This was due to the “discounted rates don’t change” directive, and should be considered and addressed during this discussion. The discount rates now are applied not only to the base rates, but also to the overage rates if the usage exceeds the 15,000 gallons per month included in the base rate.

Currently, participants in the City’s program must reapply and meet the income criteria every year to receive the discount for the next 12 months. The PUD Program only applies the discount during the months of November through April each year.

As described above, the documentation that we are using to administer the current program is fragmented, and Council may wish to make changes to the current program criteria, rates and fees. Therefore, staff recommends that a new resolution be adopted to repeal the old resolutions and to update and clarify the program that the City wishes to have in place for the new fiscal year, to be effective September 1, 2014, which is the beginning of the program year for MCCAC.

BUDGET IMPLICATIONS: Considering the rate increases for both water (every September) and sewer (every March), using the rate at January 1 each year, and using the same number of discount program participants that we currently have, the approximate loss of revenue due to the current discount program for the next three years is estimated as follows:

Fiscal Year	Water Revenue	Sewer Revenue	Total Revenue
FY13/14	-81,857.40	-73,831.44	-155,688.84
FY14/15	-94,979.40	-77,559.84	-172,539.24
FY15/16	-106,532.40	-81,412.44	-187,944.84
FY16/17	-118,547.76	-85,228.44	-203,776.20

POSSIBLE CHANGES FOR CONSIDERATION: *The current discount program and any variation or expansion of that program reduces utility revenues. Certain levels of revenue are needed to maintain operations and reserves for system maintenance, replacement and expansion. The reductions in revenue due to discount programs eventually results in increases in the rates to all non-discounted customers in order to meet the revenue needs of the utility. A review of the most recent analyses of the water and wastewater rates indicate that the recently adopted water and sewer rate schedules assumed that discounted rates would increase annually by the same amount as non-discounted rates. If we continue to use the frozen discounted rates, projected revenues to fund identified capital projects may not be fully realized.*

- Expansion of the program to include all households that would qualify under the Federal LIEAP guidelines, without regard for age or disabilities. According to the 2010 Census, The Dalles has 5,903 housing units and approximately 10.5% of those are considered to be “below poverty level”. Since the LIEAP criteria for low income is 125% of the poverty level, the number of eligible households would be more than 10.5%. Another factor is that many low-income households live in either apartment complexes or homes that have water/sewer included in the rent, so the accounts are not in the tenant’s name, making them ineligible for the discount program. This would add an estimated \$753 to the administrative costs of having MCCAC administer the program – significantly more if they raise their rate per application fee. Calculating the effect on revenues if such an expansion was adopted, using a conservative estimate of 7% or 413
- eligible households, and using the same ratio between 10% discount to 35% discount participants, and in-city to out-of-city accounts, the approximate revenue reductions due to the discount program would be as follows:

Fiscal Year	Water Revenue	Sewer Revenue	Total Revenue
FY13/14	-162,996.86	-147,238.25	-310,235.11
FY14/15	-189,203.00	-154,675.69	-343,878.69
FY15/16	-212,275.82	-162,361.32	-374,637.14
FY16/17	-212,275.82	-170,049.16	-382,324.98

- Expansion of the program to include households in which a wage-earning member is on active military duty or has been on active military duty in the last 12 months. The City of Newberg is providing this discount program. Qualifying households that receive both water and sewer services would be eligible for a \$10.00 utility bill credit. Qualifying household that receive only water or only sewer service from the City would be eligible for a \$5 utility bill credit. The owner of the residential utility account may submit an application along with evidence of eligibility to the City. If approved, the household will receive the credit for 12 months. After 12 months, customer may re-apply to continue receiving credit. It has been estimated at the City of The

Dalles has approximately 50 – 60 residents in the military on active duty at this time. If 50 households qualified for the military credit/discount, it would add approximately \$7,200 to each year of the total reduced revenue amounts listed above for the current program or expansion of the program in item 1. This program would be administered by City staff, not by MCCAC.

4. If Council elects to keep the current discount rate structure, rename the classes of discounts from 10% and 35%, which has not reflected the actual discount rates for several years, and call them Discount Rate A (between 51% and 100% of the Federal Guidelines) and Discount Rate B (50% or less of the Federal Guidelines).
5. Change the discount rates to percentages of the actual rates, so that the amount of the discounted rate would increase proportionately with the annual rate increases to water and sewer. This would reduce the increase in revenue loss each year. The actual rate of discount in FY13/14 for an in-city participant at the “35%” level will be 69.15%, and 57.28% at the “10%” level, and will continue to rise each year as shown in the table above on page 2. The table below shows some comparison between the current frozen rates and rates the Council may wish to consider. These are just examples, not recommendations.

	Current Rate - No Discount	Current In-City Frozen	A=10% B=35%	A=25% B=50%	A=35% B=60%	A=45% B=70%
WATER						
Discount A - between 51% & 100% of Fed Guidelines	47.88	22.50	43.09	35.91	31.12	26.33
Discount B - 50% or less of Fed Guidelines	09/01/13	15.48	31.12	23.94	19.15	14.36
Gallons included in Base Rate	10,000 gal	15,000 gal				
SEWER						
Discount A - between 51% & 100% of Fed Guidelines	43.29	16.25	38.96	32.47	28.14	23.81
Discount B - 50% or less of Fed Guidelines	03/01/13	11.18	28.14	21.65	17.32	12.99
Total Current No Discount	91.17					
Total WA/SW Discount A		38.75	82.05	68.38	59.26	50.14
Total WA/SW Discount B		26.66	59.26	45.59	36.47	27.35

Note: Current Rates were used in the calculations above.

6. Change the volume of consumption included in the base rate from 15,000 to 10,000 to be consistent with non-discount accounts. Limit the application of the discount rate to the base rate only. Should someone who is receiving a significant discount in their water rates be allowed to apply that discount to discretionary excessive water use for irrigation?
7. Specifically limit the use of the discount rate to the residence of the person qualifying for the discount. We recently discovered that one discount program participant owns two houses and is taking the discount on both homes, as both accounts are in her name. Her able-bodied grandson and his family live in the second house and are taking advantage of the discount.

ALTERNATIVES:

- A. ***Staff Recommendation: Provide direction to staff regarding preparing a new resolution to update and clarify the Low Income Senior and Disabled Utility Discount Program and/or further information to provide on this issue. Include Council preferences on “Possible Changes for Consideration” 1 – 6.***
- B. Direct staff to take no action on this issue and continue current practices.