

AGENDA

REGULAR CITY COUNCIL MEETING

February 22, 2016

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. Historic Landmarks Annual Report
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.

- A. Approval of February 1, 2016 Special City Council Meeting Minutes
- B. Approval of February 8, 2016 Regular City Council Meeting Minutes
- C. Authorization for the Mayor and City Attorney to Sign a Revised Intergovernmental Agreement with Klickitat County for the EDA Grant

11. CONTRACT REVIEW BOARD ACTIONS

- A. Resolution No. 16-005 Amending the City's Local Contract Review Board Rules

12. ACTION ITEMS

- A. Determination of Alternatives for Additional Regulations Concerning Marijuana
- B. Community Grant Application Recommendations
- C. Approval of Resolution No. 16-006 Amending the Amount For Sanitary Sewer Fees Established in Resolution No. 13-003 For the City of The Dalles

13. DISCUSSION ITEMS

- A. Discussion Regarding Request by Jeff and Jill Kienlen for Refund of Funds Paid for Public Improvements for Portion of East 19th Street
- B. Discussion of Charter Franchise Agreement

15. ADJOURNMENT

This meeting conducted in a handicap accessible room.

Prepared by/
Izetta Grossman
City Clerk



CITY of THE DALLES

313 COURT STREET
THE DALLES, OREGON 97058

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

AGENDA STAFF REPORT

AGENDA LOCATION: Presentation A

MEETING DATE: February 22, 2016

TO: Honorable Mayor and City Council

FROM: Dawn Marie Hert, Senior Planner &
Historic Landmarks Commission Coordinator, Planning Department

ISSUE: 2015 Annual Report of the Historic Landmarks Commission

SYNOPSIS: The Dalles Historical Landmark Commission is pleased to present its annual report to City Council. The year 2015 was the City's twenty-second year as a Certified Local Government.

Attached is a copy of the Historic Landmarks Commission 2015 Annual Report to City Council.

BUDGET IMPLICATIONS: Yet to be determined. Many of the Historic Landmarks Commission goals will require budgeted monies. Staff will be making suggestions in the current fiscal year budget process. Grant monies that can be applied for to meet these goals generally require a 50% match. The goals that do not qualify for grants will require full funding from the City's budget.

City of The Dalles Historic Landmarks Commission 2015

Annual Report To City Council

The Dalles Historical Landmark Commission is pleased to present its annual report to City Council. The year 2015 was the City's twenty-second year as a Certified Local Government. The following activities and accomplishments of The Dalles Historic Landmarks Commission are presented for the City Council's review as required annually by General Ordinance No. 94-1194.

2014-15 Historic Preservation Funds Preservation grant funds are made available to Certified Local Governments (CLG's) each year through the State Historic Preservation Office (SHPO). These funds are from collected user fees of our federal parks and not from tax dollars.

The City of The Dalles was a fortunate recipient of a three grants this year. One grant from the Oregon Commission on Historic Cemeteries (OCHC), and two grants from the SHPO for the 2015-16 fiscal years:

A grant in the amount of \$1,000 was received from the OCHC to fund some additional Headstone Repairs at our historic Pioneer Cemetery. The work was completed in the fall and provided much needed repairs to some headstones in our Pioneer Cemetery.

A grant in the amount of \$3,000 was received from the State Historic Preservation Office (SHPO) and used to help fund our Certified Local Government Program, which includes staff time and assistance to The Dalles Historic Landmarks Commission. The administration of this program is vital to the continued success of this Certified Local Government. Additionally, staff works closely with the Mainstreet Executive Director on various historic restoration projects and granting opportunities. Staff also provides assistance to the general public by answering questions about our ordinances as well as support for people making application to the Historic Landmarks Commission.

A grant in the amount of \$7,000 was received from the SHPO and used to help fund a Historic Wood Window Restoration Workshop that was held in the historic IOOF building on October 9-11, 2015. The workshop provided hands-on training in the restoration of historic wood-framed windows. The workshop was taught by the Clatsop Community College Historic Preservation & Restoration Program with 10 participants. The commission will be looking into other restoration-training opportunities in the coming years with hopes to reach out to the local community college to discuss additional historic preservation coursework to be made available locally.

2015 Commission Goals Due to limited funding, a majority of the short-term and long-term goals for the HLC were not met. Monies were only budgeted as match this past fiscal year for a few goals.

The short-term goals that were met, or are in the process of being met, are as follows:

- Provide a historic windows restoration workshop for local homeowners and contractors.

As detailed earlier in this report, a successful workshop was completed in October 2015. Both contractors and local homeowners were in attendance.

- Encourage restoration of the Pioneer Cemetery and establish an inventory link/listing on the City's website.

This goal is continually in the process of being met with our Pioneer Cemetery Preservation Plan being implemented. With continued grant assistance from the OCHC and SHPO, we hope to continue with the projects at the cemetery. The Commission plans to keep the goal for the years to come for the continued maintenance and preservation of our historic Pioneer Cemetery. Budgeted monies and support from the City Council has continued to help with preservation and maintenance of this local landmark. The HLC also received a grant as detailed earlier in this report for a gravestone repair.

- Support and encourage the restoration and re-use of the Elks Building.

The Commission is pleased to see that the Elks Building was purchased and a restoration plan is underway. The developer has met with staff to discuss plans and review before the landmarks commission.

The long-term goals that were met, or are in the process of being met, are as follows:

- Encourage preservation and restoration of City Hall.

This long-term goal has continued over the years.

- Maintaining CLG status.

This long-term goal has continued to be met. Assistance for the CLG is made possible with the semi-annual matching grant from the SHPO for operating funds.

- Support and encourage the Fort Dalles Museum and Historic Vehicle Storage Display Building.

This long-term goal has continued over the years.

2016 Commission Goals the Historic Landmarks Commission adopted new goals & objectives for 2016 at the last meeting of the 2015 year. The HLC decided to continue having the goals be called "goals and objectives". They believe this better describes the bulleted items in the goal setting due to the goals continuing over many years.

The following are the new 2016 Historic Landmarks Commission goals:

2016 Short Term Goals & Objectives

- Encourage preservation and re-use of the Waldron Drug/Gitchell Building.
- Help facilitate educational assistance to help restorers with assessment and other historic preservation needs.
- Periodically provide a historic restoration workshop for local homeowners and contractors.
- Provide regular recognition of historic property restorations.
- Update and maintain a Historic Resource Center/Site (i.e. historic group links on the City website).

- Encourage Historic Designs for Downtown by providing historic background research.
- Partner with Mainstreet on further Downtown restoration project goals.
- Encourage continued restoration and preservation of the Pioneer Cemetery and establish an inventory link/listing on the City's website.
- Encourage city pursuing ownership of the Lewis and Clark Rock Fort and its preservation through maintenance.
- Encourage the collection and preservation of oral history of the local area and inventory existing oral history.
- Continue support of Civic Auditorium Building restoration.
- Support walking tours and Open House of historic buildings.
- Support and encourage the restoration and re-use of the Elks Building.
- Encourage communication with City Council.

2016 Long Term Goals & Objectives

- Support and encourage the Fort Dalles Museum and Vehicle Storage Display Building.
- Support, encourage and advocate the preservation and continued use of The Dalles High School and Colonel Wright Elementary School.
- Update Historic Inventories and encourage new nominations to local and national registry districts.
- Update Historic Ordinance.
- Maintain Certified Local Government status.
- Continue to assist with historic plaque costs and availability.
- Work with the local media to recognize historic homes or properties.
- Encourage continued preservation and compatible infill of Historic Chinatown.
- Encourage preservation and restoration of City Hall.
- Actively support historic month and local history.
- Encourage the collection and preservation of history of the local area.

Administration and Public Assistance Both administration and public assistance saw a substantial increase in 2015 and continue to be vital activities. Eight (8) Historic Landmarks Commission meetings were held in the year 2015. Five (5) applications were reviewed: Windermere - façade improvement; Haley – construction of a 4 unit townhouse; Haley - replace historic home with new single family home; Eagy - addition to the Trevitt House; and 2nd Street LLC restoration project. There were also several requests for minor alterations to historic structures that were reviewed at the staff level. Minor alterations include the addition and placement of signs, repainting historic structures and emergency-type repairs.



CITY of THE DALLES

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AGENDA STAFF REPORT
CITY OF THE DALLES

MEETING DATE	AGENDA LOCATION	AGENDA REPORT #
February 22, 2016	Consent Agenda 10, A - C	

TO: Honorable Mayor and City Council

FROM: Izetta Grossman, City Clerk

DATE: February 9, 2016

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

A. **ITEM:** Approval of February 1, 2016 Special City Council Meeting Minutes.

BUDGET IMPLICATIONS: None.

SYNOPSIS: The minutes of the February 1, 2016 Special City Council meeting have been prepared and are submitted for review and approval.

RECOMMENDATION: That City Council review and approve the minutes of the February 1, 2016 Special City Council meeting.

B. **ITEM:** Approval of February 8, 2016 City Council Meeting Minutes.

BUDGET IMPLICATIONS: None.

SYNOPSIS: The minutes of the February 8, 2016 City Council Meeting Minutes

C. **ITEM:** Authorization for the Mayor and City Attorney to Sign a Revised Intergovernmental Agreement with Klickitat County for the Economic Development Administration Grant for Flex Space at the Columbia Gorge Regional Airport.

BUDGET IMPLICATIONS: None

SYNOPSIS: On October 20, 2014, the City and Klickitat County were notified by the Economic Development Administration (EDA) that the EDA has granted a financial assistance award to the City and County for the construction of a flex space building at the Columbia Gorge Regional Airport. As part of the application process, the City and County had entered into an intergovernmental agreement recommended by the EDA which described the project and the responsibilities of the City and County. This agreement, dated June 14, 2014 provided that Klickitat County would be responsible for filing EDA project reports and for receiving and distributing grant funds and filing EDA financial reports.

The City and County have since determined it would be appropriate to reassign the performance of the responsibilities associated with filing project reports and receiving and distributing grant funds to the City, as the City typically has been the financial agent associated with matters related to the operation of the airport. The EDA has requested that the City and County enter into a revised intergovernmental agreement which will transfer the listed responsibilities associated with the EDA grant award from the County to the City, as set forth in Section 5 of the revised agreement. The revised intergovernmental agreement is enclosed with this staff report.

RECOMMENDATION: That the City Council authorize the Mayor and City Attorney to sign the revised Intergovernmental Agreement with Klickitat County concerning the award by the Economic Development Administration, for funding of the construction of a flex space building at the Columbia Gorge Regional Airport, as part of the approval of the Consent Agenda.

MINUTES

SPECIAL COUNCIL MEETING
OF
February 1, 2016
5:30 P.M.

THE DALLES CITY HALL
313 COURT STREET
THE DALLES, OREGON

PRESIDING: Mayor Steve Lawrence
COUNCIL PRESENT: Tim McGlothlin, Linda Miller, Russ Brown, Taner Elliott
COUNCIL ABSENT: Dan Spatz
STAFF PRESENT: Interim City Manager Julie Krueger, City Attorney Gene Parker

CALL TO ORDER

Mayor Lawrence called the meeting to order at 12:02 a.m.

ROLL CALL

Roll call was conducted, Councilor Spatz absent.

EXECUTIVE SESSION

Mayor Lawrence recessed the meeting to Executive Session at 12:03 a.m., in accordance with ORS 192.660 (2) (a) to consider the employment of a public officer, employee, staff member or individual agent.

Reconvene to Open Session

The meeting reconvened to open session at 12:48 p.m.

DECISIONS FOLLOWING EXECUTIVE SESSION

It was moved by Brown and seconded by Elliott to conclude the services of Slavin Management Service and to direct the City Attorney to negotiate an employment contract with Julie Krueger for the position of City Manager.

Councilor McGlothlin said he felt it was important to complete the process with Slavin.

There was discussion regarding the selection process. City Attorney Parker said the Council had completed the process and if the Council was satisfied that the process was thoroughly done, they could appoint Krueger.

The motion was voted on and carried; McGlothlin voting no, Spatz absent.

ADJOURNMENT

The meeting adjourned at 12:55 p.m.

Submitted by/
Julie Krueger, MMC
City Clerk

SIGNED:

Stephen E. Lawrence, Mayor

ATTEST:

Julie Krueger, MMC, City Clerk

MINUTES

REGULAR COUNCIL MEETING
OF
February 8, 2016
5:30 p.m.

THE DALLES CITY HALL
313 COURT STREET
THE DALLES, OREGON

PRESIDING: Mayor Stephen Lawrence

COUNCIL PRESENT: Russ Brown, Tim McGlothlin, Taner Elliott, Linda Miller, Dan Spatz

COUNCIL ABSENT: none

STAFF PRESENT: Interim City Manager Julie Krueger, City Attorney Gene Parker, Recording Secretary Izetta Grossman, Planning Director Richard Gassman, Chief Jay Waterbury, Project Coordinator Daniel Hunter

CALL TO ORDER

The meeting was called to order by Mayor Lawrence at 5:30 p.m.

ROLL CALL

Roll call was conducted by Recording Secretary Grossman, all Councilors present.

PLEDGE OF ALLEGIANCE

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

MINUTES
Regular City Council Meeting
February 8, 2016
Page 2

APPROVAL OF AGENDA

Mayor Lawrence added an Executive Session pursuant to ORS 192.660(2)(a) for the purpose of considering an employment contract, after Action Items. It was moved by McGlothlin and seconded by Miller to approve the agenda as amended. The motion carried unanimously.

PRESENTATIONS/PROCLAMATIONS

Main Street Update

Matthew Klebes Main Street Director updated the Council on the growth of the Main Street Organization. He said they now had all four committees filled and active.

Klebes handed out House Bill 3526 which allocates Lotter Bonds for Main Street Communities. He said the criteria for grants would be finalized in July 2016.

He said Main Street was working with the The Dalles High School on finalizing the bike racks that would be installed close to the kiosks at Union and Second Streets; Federal and Second Streets; and Madison and Second Streets.

Klebes reported that Main Street would be working with Fort Dalles Fourth, mainly for fundraising activities.

Presentation regarding Energy Efficiency for City Buildings

Sharene Rekow of Siemens gave a presentation on services Siemens, an energy solutions company, could provide to the City. (flyer attached)

AUDIENCE PARTICIPATION

Alex Hattenhauer, 122 West 22nd Street, The Dalles addressed the Council as a representative of Hattenhauer Distributing and personally on the homeless camp and hygiene issues on their property. Mr. Hattenhauer passed out photos of the garbage. He said the property was expensive to fence, and there were easements across the property making it difficult. He wanted to make Council aware of the issue.

Mayor Lawrence said the City had a taskforce working on the issue, and Councilor McGlothlin was heading up the task force.

McGlothlin said they were working on solutions, and that it was a slow process. He said educating the homeless of where issues are had been helpful, as they tend to self-monitor. He acknowledged there was a portion of the homeless that are criminals.

Jay Waterbury, 401 Court Street, addressed the Council saying he came to work for The Dalles Police Department in 1975, when he was 23 years old. He said the City had a department to be proud of. He talked of memorable moments in his career, thanking his family and the community. He said he would be retiring July 1, 2016.

CITY MANAGER REPORT

Interim City Manager Krueger gave an update on the fixed route transit study reporting that Oregon Department of Transportation (ODOT) had originally indicated there would be no funding requirement to the City, however they have updated the information and a 10.27% match would be required. Mid Columbia Council of Governments, as the transit entity in the City has indicated they could not provide the matching funds.

She asked if Council would like to contribute \$4108 to receive the \$35,892 grant from Oregon Department of Transportation. It was the consensus of the Council to provide the matching funds.

Krueger reported that ODOT had not been able to correct the problems with the timing of the traffic signals at Third and Laughlin, and have offered to donate new controllers if the City would pay to have them installed. She said there would also be a \$50 per month charge for all six signals. It was the consensus of the Council to pay \$19,000 for the installation.

CITY ATTORNEY REPORT

City Attorney Gene Parker said that Urban Renewal may need to borrow \$450,000 from the City for purchase of the Tony's building. He said it had been approved by the Urban Renewal Agency, but he wanted to confirm that the Council was comfortable with a loan to Urban Renewal at 4% interest, with a 5 year payback period.

CITY COUNCIL REPORTS

Councilor Brown reported attending City Manager selection meetings, Mid Columbia Council of Governments Board meeting, Traffic Safety meeting.

Mayor Lawrence said he had requested information from Mid-Columbia Council of Governments regarding use of the \$2 million permit fee they received from Google.

Councilor Spatz reported attending the Discovery Center Board meeting; he said they reported the best year ever. He reported there were nine student delegates chosen for the Sister City trip to Japan in July; and read the Friendship Commendation the City received from the Consulate

MINUTES
Regular City Council Meeting
February 8, 2016
Page 4

General of Japan. He said he attended Gorge Night Out in Salem and would be attending a similar event in Olympia.

Spatz said that QLife would be meeting on Tuesday to review options for administration of QLife.

Councilor McGlothlin said he attended the Town Hall on marijuana; the February 2 Airport Board meeting; and said there was small progress being made with the homeless.

McGlothlin recognized Kiwanian Dick Rife for his continued service to Pioneer Cemetery clean up.

Councilor Elliott said he attended the Town Hall meeting on marijuana and would be attending the QLife meeting.

Councilor Miller said she attended the Town Hall meeting on marijuana; Historic Landmarks meetings; three Sister City meetings; and the City Manager selection committee meetings.

Mayor Lawrence said he attended the Regional Solutions Meeting.

Lawrence also noted the passing of Jim Burrus, a tireless Veteran's Advocate. He said there was standing room only at his memorial.

Lawrence said during his meeting with the school district to discuss the Google enterprise zone funds they talked about livability in The Dalles and that location of new schools was important.

CONSENT AGENDA

Spatz noted the location of the transportation meeting he attended was in White Salmon (page 3 of the January 11 minutes. It was moved by Spatz and seconded by McGlothlin to approve the Consent Agenda as amended. The motion carried unanimously.

Items approved by Consent Agenda were: 1) Approval of January 11, 2016 Regular City Council Meeting Minutes; 2) Approval of January 25, 2016 Town Hall Meeting Minutes; 3) Approval of January 14, 2016 Special City Council Meeting Minutes; 4) Approval of January 7, 2016 Goal Setting Minutes; 5) Approval to Declare Public Works Department Equipment as Surplus Property; 6) Resolution 16-003 Establishing a Reimbursement District for Port of The Dalles 18 inch Water Main.

MINUTES
Regular City Council Meeting
February 8, 2016
Page 5

ACTION ITEMS

General Ordinance No. 16-1342 Establishing Provisions for the Regulation of Transient Merchants and Repealing General Ordinance No. 97-1216

Project Coordinator Daniel Hunter reviewed the staff report.

After some discussion Council asked for the ordinance to be brought back on March 14 with additional amendments regarding not needing a new license if business had to move because a permanent restaurant was established next door; and clarifying revocation due to violation of City Ordinances.

Resolution No. 16-04 Approving a Rate Increase for The Dalles Disposal

City Attorney Parker reviewed the staff report.

Miller abstained, saying she works for a sister company.

Ryan Rupert, 1819 Cliff Street testified about ongoing issues with the company, saying the service was poor, sloppy. He said he felt that since the manager was in attendance the issues would be addressed.

It was moved by Spatz and seconded by Brown to adopt Resolution No. 16-04 Approving a Rate Increase for The Dalles Disposal. The motion carried, Miller abstained, Elliott voting no.

COUNCIL RECESSED TO EXECUTIVE SESSION pursuant to ORS 192.660(2)(a) for the purpose of considering an employment contract at 7:28 p.m.

Council reconvened to open session at 7:42 p.m.

DECISIONS FOLLOWING EXECUTIVE SESSION

It was moved by Elliott and seconded by Miller to approve the employment contract between the City of The Dalles and Julie Krueger. The motion carried unanimously.

MINUTES
Regular City Council Meeting
February 8, 2016
Page 6

ADJOURNMENT

Being no further business, the meeting adjourned at 7:43 p.m.

Submitted by/
Izetta Grossman
Recording Secretary

SIGNED:

Stephen E. Lawrence, Mayor

ATTEST:

Izetta Grossman, Recording Secretary



SIEMENS



Successful Geothermal Heating/Cooling System Means Cowlitz County Can Implement More Energy-Efficiency and Facility Improvements

usa.siemens.com

Washington State – Known as the “Gateway to Mount St. Helens,” Cowlitz County is home to approximately 94,000 residents. With a commitment to preserving the heritage of Cowlitz County, both environmentally and culturally, as part of its mission statement, the County engaged Siemens Industry, Inc., in a successful geothermal heating/cooling project.

The all-green geothermal heating/cooling system came online for the Cowlitz County Hall of Justice in 2011, and is believed to be the first of its kind in the state.* The system uses the earth’s temperature to heat and cool water for the County’s HVAC system, reducing the amount of electricity needed to warm the HVAC water to the correct temperature in winter; no additional cooling is required in summer. The fully renewable system is reducing the County’s energy costs by approximately \$76,000 annually.

Because the geothermal heating/cooling project has been successful for the County, officials engaged Siemens again in 2012 to kick off a second project: an Energy Savings Performance Contract (ESPC) to make a variety of energy-efficiency and facility improvement measures.

Objectives

Overall, Cowlitz County wanted to protect its environmental heritage, and continually seeks ways to improve the energy and resource efficiency of County buildings. To achieve that objective, the County sought ways to:

- Reduce the County’s energy and natural resource consumption
- Diminish the effects of rising utility costs that have affected the State of Washington
- Improve building performance and comfort

The ESPC model will allow the County to make necessary facility improvements while leaving capital funds intact. Instead of traditional financing, the County wanted to be able to fund the improvements through the energy and operational savings generated by the project.

*LaBoe, Barbara. “Cowlitz Hall of Justice to Implement Green Geothermal System.” *The Daily News Online*. Longview Daily News, 3 Mar. 2011.

usa.siemens.com

Siemens Solutions

Through a 15-year ESPC, Siemens is implementing the following improvements for Cowlitz County:

- Lighting retrofits – Siemens is upgrading several buildings' light fixtures from T-12 fluorescent lamps with magnetic ballasts to low-wattage T-8 fluorescent lamps with electronic ballasts. In addition, Siemens will replace incandescent lamps with energy-efficient compact fluorescent lamps; install occupancy sensors in private offices, conference rooms, restrooms, and so on; and upgrade outdoor fixtures with LED bulbs. These changes will not only reduce energy consumption and costs for Cowlitz County, but also help reduce operational and maintenance costs associated with relamping and bulb life.
- Domestic water conservation/fixture recommissioning – Cowlitz County facilities will receive plumbing fixture upgrades to reduce the amount of water consumed by various fixtures, including sinks, toilets, and showers.
- HVAC improvements – In the Hall of Justice, Siemens will replace aging heat pump chiller units to match existing capacities and ensure the improvements are connected to the County's building automation system. The existing units require significant maintenance time and expense, and the new, stackable heat pump system is highly efficient, helping achieve the County's objectives.
- DDC retrofits – Siemens is retrofitting existing controls with direct digital controls (DDC) for various mechanical equipment.

As part of the agreement with Cowlitz County, Siemens will provide annual inspections of various equipment to ensure they operate as designed.

Customer Results

Today, Cowlitz County is already realizing utility cost reductions from lighting upgrades and water conservation efforts. When all of the projects are complete, Siemens estimates that Cowlitz County will realize approximately \$167,000 in energy and operational cost reductions in the first year following implementation. Over the 15-year contract term, energy and operational savings are projected to reach nearly \$2.9 million.

Specifically, Cowlitz County will reduce its energy consumption every year by:

- Electric energy - 1,849,815 kWh
- Natural gas - 1,738 therms
- Water - 1,513,219 gallons

The electric energy savings reflect the equivalent of removing 272 passenger vehicles from the road every year, or eliminating the CO₂ emissions from 195 homes annually. Natural gas savings are equivalent to the amount of carbon sequestered by 7.1 acres of a U.S. forest in a year.

Additionally, with the reduced energy and resource consumption, Cowlitz County is better prepared for rising utility costs, a challenge that's affecting customers throughout the State of Washington.

Siemens Industry, Inc.
Building Technologies Division
1000 Deerfield Parkway
Buffalo Grove, IL 60089

(847) 215-1000

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Energy & Environmental Solutions

Driving High-Performance Buildings™ for a Sustainable Future

Building Technologies

SIEMENS

At Siemens Building Technologies, our strategic energy solutions can help you manage your facility's energy needs throughout a building's life-cycle. Siemens customers can expect:

- Greater predictability and management of energy budgets
- Energy supply options and management
- Dependable, flexible and clean energy systems and operations
- Improved facility and energy performance
- Innovative environmental solutions

Energy Price and Risk Management

Provide professional management of your energy supply, including consulting and strategic energy planning.

- Energy procurement and management
- Energy market analysis, risk assessment and budgeting
- Energy rate and tariff analysis
- Alternative fuel research and options
- Green power purchasing
- RFP, RFI and RFQ process management and contract negotiations

Energy Conservation and Optimization

Implement and manage facility improvements to optimize your energy operations, with guaranteed financial and performance-based results.

- Energy saving facility improvement measures
- Continuous energy commissioning
- Detailed energy audits, analysis and benchmarking
- Funding options and performance guarantees

Energy Reliability and Security

Design and install on-site energy systems that ensure a reliable, secure and clean energy source for your facility.

- Electrical generation
- Co-generation
- Uninterruptible power sources
- Back-up energy generation
- Alternative and renewable fuel sources

Environmental Responsibility

Incorporate and implement sustainable practices into your facility including building design, energy optimization and indoor environmental quality.

- Environmental monitoring and benchmarking
- Indoor environmental quality – diagnostics and remediation
- Green building guidance and certification – LEED® certification and management; ENERGY STAR® benchmarking and certification
- Minimized environmental impact of your facility
- On-site green energy generation
- Waste-to-energy

Supporting Services, Tools and Solutions

Energy Information Services

- Utility bill monitoring and management
- Load profiling services
- Comprehensive metering solutions
- Web-based tools and analytics

Financing Solutions

- Guaranteed performance-based solutions
- Performance-based service agreements
- Taxable/tax-exempt capital and operating leases

Energy Awareness and Communications

- Energy-related training courses
- On-site energy instruction
- Energy awareness programs and campaigns

Siemens Building Technologies

As a leading provider of energy and environmental solutions, building controls, and fire safety and security system solutions, Siemens Building Technologies makes buildings comfortable, safe, productive and less costly to operate. As part of an international corporation, we are able to provide world-class solutions in conjunction with local support. Each of our offices is a full-service branch staffed by on-site technical service specialists and project management teams that can deliver complete building solutions.

Project Expertise in:

- Commercial Facilities
- Federal Facilities
- Green Building
- Healthcare Facilities
- Higher Education Buildings/Campuses
- Industrial Buildings
- K-12 School Buildings
- Public Housing Authorities
- State/Local Government Buildings

Siemens Building
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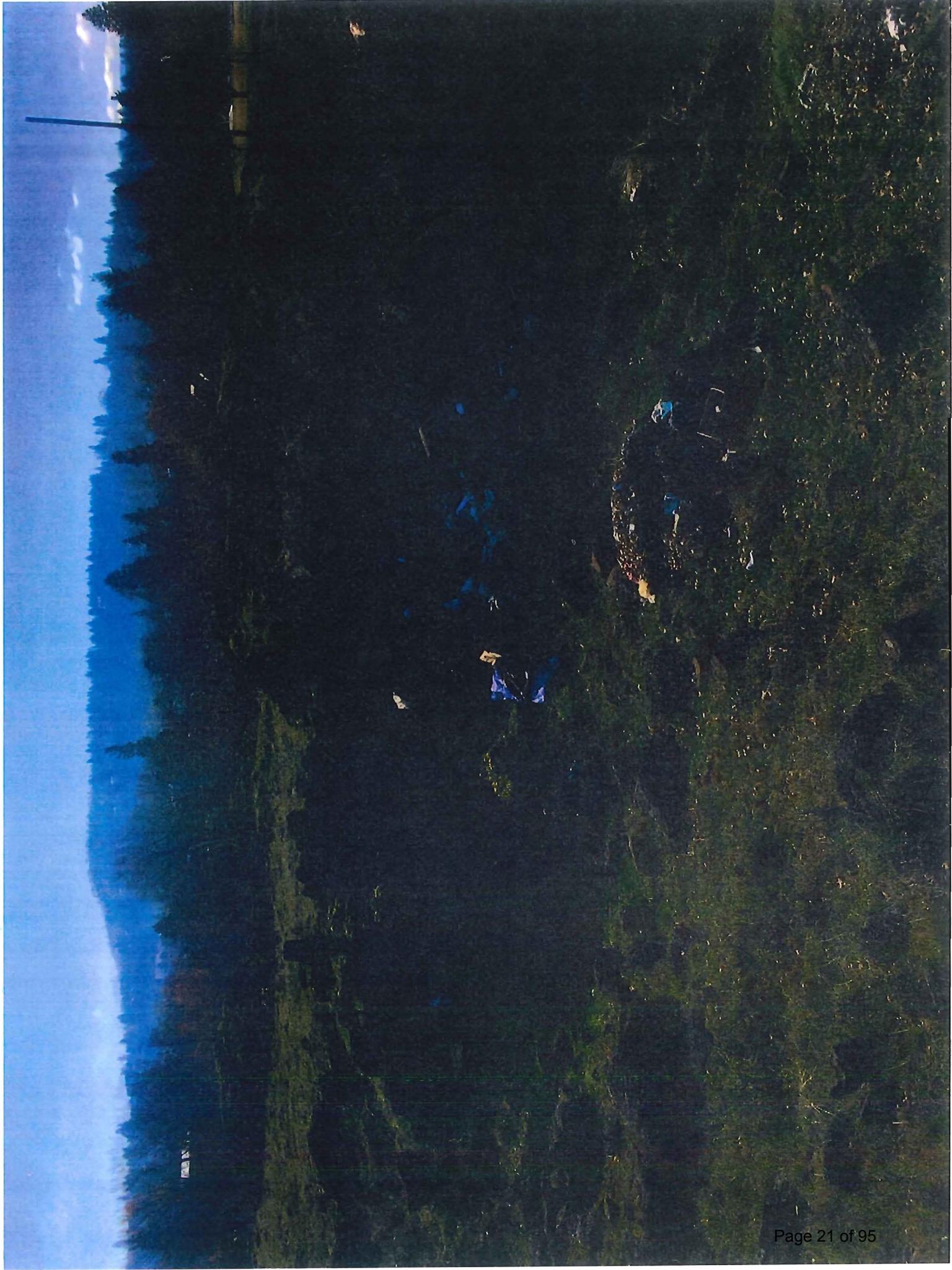
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HATTENHAUER PRESENTATION













INTERGOVERNMENTAL AGREEMENT

THIS AGREEMENT is made and entered into by and between the CITY OF THE DALLES, an Oregon municipal corporation, hereinafter referred to as “CITY”, and KLICKITAT COUNTY, a municipal corporation of the State of Washington, hereinafter referred to as “COUNTY”, regarding the proposed joint application by CITY and COUNTY for financial assistance from the Federal Economic Development Administration (“EDA”) for construction of a flex-space building at the Columbia Gorge Regional Airport;

WHEREAS, ORS 190.240 provides that any power or powers, privileges, or authority exercised or capable of exercise by a public agency in the State of Oregon may be exercised and enjoyed jointly with any public agency in another state to the extent the laws of the other state permit such joint exercise or enjoyment, and that public agencies in Oregon and in the other state may enter into agreements with one another for joint or cooperative action; and

WHEREAS, RCW 39.34.030 provides that any power or powers, privileges or authority exercised or capable of exercise by a public agency of Washington may be exercised and enjoyed jointly with any public agency of Washington having the power or powers, privilege or authority, and jointly with any public agency of another state and any two or more public agencies may enter into agreements with one another for joint cooperative action; and

WHEREAS, CITY and COUNTY each have an undivided one-half interest in the Columbia Gorge Regional Airport Property, and jointly operate and share the expenses and revenues associated with the airport operation pursuant to a Joint Operating Agreement dated November 1, 2002; and

WHEREAS, CITY and COUNTY desire to submit a joint application seeking financial assistance from EDA for funds to construct a flex-space building upon a portion of the industrial park which is currently being developed upon the Columbia Gorge Regional Airport; and

WHEREAS, EDA recommends that when one or more entities own the land upon which a proposed project will be constructed, that the entities enter into a Joint Agreement, which includes provisions describing the proposed project and other application requirements with which the applicants must agree to comply; and

WHEREAS, CITY and COUNTY entered into an Intergovernmental Agreement on June 14, 2014, as recommended by the EDA, which included provisions for assigning responsibility for filing EDA project reports, and for receiving and distributing grant funds and filing EDA financial reports, to the COUNTY; and

WHEREAS, CITY and COUNTY desire to enter into a new Intergovernmental Agreement which will assign the responsibility for filing the EDA project reports and Receiving and distributing grant funds and filing EDA financial reports to the CITY, which is consistent with the process for handling grant funds for projects at the Columbia Gorge Regional Airport;

NOW, THEREFORE, in consideration of the provisions set forth herein, it is mutually agreed as follows:

Section 1. The parties to this Joint Agreement are the City of The Dalles, Oregon, and Klickitat County, Washington. The title for the project for which CITY and COUNTY will be submitting a joint application for financial assistance through EDA is FLEX-SPACE BUILDING CONSTRUCTION AT AIRPORT INDUSTRIAL PARK.

Section 2. CITY and COUNTY jointly own and operate the Columbia Gorge

Regional Airport, which includes the site where an industrial business park is currently being developed. CITY and COUNTY will jointly own and maintain the flex space hangar which is to be constructed upon a portion of the industrial business park. CITY and COUNTY anticipate that a portion of the flex space hangar will be leased to Life Flight Network LLC for the provision of air medical services.

Section 3. CITY and COUNTY understand and agree they will be required to comply with the requirements set forth in the EDA Public Works Application Forms and all applicable exhibits to these forms. CITY and COUNTY also understand and agree that the Award documents will include the following items:

- (A) The Financial Assistance Award.
- (B) The ED-508 Budget accompanying the Award.
- (C) The Special Award Conditions.
- (D) The Standard Terms and Conditions (Construction Projects) for Public Works and Development Facilities and Economic Adjustment Assistance, amended December 13, 2007.
- (E) The EDA publication, **Summary of EDA Construction Standards, amended December 3, 2010**, which is sent to Recipients by Project Engineer after EDA receives an executed Original Financial Assistance Award.

CITY and COUNTY also understand and agree they will be required to comply with the provisions of the United States Statutes codified in the United States Code and and EDA regulations, codified in the Code of Federal Regulations (**CFR**), and any **Federal Register** announcements, and **OMB Circulars** which are applicable to EDA Public Works Projects.

Section 4. CITY and COUNTY understand and agree they will be bound by the grant application forms and award documents that they execute, and the applicable statutes and regulations as provided in this Agreement, and that both parties to this

Agreement agree to submit the following application materials with original

signatures:

- (A) SF-424: first four pages of the Application.
- (B) Assurances – Construction Programs (2 pages).
- (C) EDS Construction Investments Additional Assurances.
- (D) Certification Regarding Lobbying, Form CD-511.
- (E) Disclosure of Lobbying Activities (for EDA project) only if lobbying for project is done.
- (F) Exhibit “A”, Applicant Certification Clause included with Environmental Narrative.

Section 5. CITY will be responsible for filing EDA project reports.

CITY will be designated to receive and distribute grant funds and file EDA financial reports. CITY and COUNTY will jointly be responsible for the bidding, award and management of the contract for the construction of the proposed flex-space hangar building on the industrial park property at the Airport.

IN WITNESS WHEREOF, the parties have caused this Agreement to be signed by their duly authorized officials this ___ day of _____, 2016.

CITY OF THE DALLES

BOARD OF COUNTY COMMISSIONERS
KLICKITAT COUNTY, WASHINGTON

By: _____
Stephen E. Lawrence, Mayor

David M. Sauter, Chairman

Approved as to form:

Approved as to form:

Gene E. Parker, City Attorney

David R. Quesnel, Prosecuting Attorney



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 22, 2016	Contract Review Board #11-A	

TO: Honorable Mayor and City Council

FROM: Gene E. Parker, City Attorney

THRU: Julie Krueger, Interim City Manager

DATE: February 8, 2016

ISSUE: Resolution No. 16-005, amending Rule 02-0280 of the City’s Local Contract Review Board Rules concerning special procurements

RELATED CITY COUNCIL GOAL: None.

PREVIOUS AGENDA REPORT NUMBERS: None.

BACKGROUND: The City Council serves as the Local Contract Review Board for the City. The Council, acting as the Local Contract Review Board, has the authority to adopt a set of rules concerning public contracts. The most recent version of the rules approved by the City Council was adopted on December 12, 2011 by Resolution No. 11-032.

The rules included a category for the purchase of goods and services known as a “special procurement”, which is set forth in Rule 02-0280. This rule allows for personal property which has been declared to be surplus, to be sold at an auction if the City determines that an auction sale will probably result in a higher net return than if the property were sold by competitive written bid. The rule also allows for property which is valued at more than \$1,000 to be advertised for competitive written bids, or offered for sale at a public auction.

The City Police Department currently has two used police vehicles. Although the two vehicles likely have a value of over \$1,000, the Department is not certain that an auction sale or a competitive written bidding process will yield a sales price that is far above \$1,000.00.

Last year the Department paid \$1,700 to have emergency equipment installed upon a new police car which was purchased. The Department also traded in a used patrol car on the purchase of another used unmarked car. The value of the vehicle which was traded in was \$4,000.

Chief Waterbury has expressed an interest in seeking an amendment to the City's Local Contract Review Board Rules that would provide for some flexibility in making a decision as to how to dispose of surplus vehicles. In addition to the option of selling the vehicles at a public auction, or through a competitive written bid process, the Council is being requested to amend the rules to allow for the vehicles to be disposed of through the trade in process, or through an arrangement where a vendor who provides the installation services for equipment on emergency vehicles, would acquire ownership of the surplus vehicle in exchange for the value of the services rendered. For example, if the vehicle was determined to have a potential value of \$4,000 as a trade in, the vehicle could be transferred to the company installing the emergency equipment upon two new police vehicles. This option of disposing of the surplus vehicle would not occur unless the department confirmed that the value of the services being provided was equivalent to or in excess of the value of the surplus vehicle.

BUDGET IMPLICATIONS: As an example of potential savings as outlined above, the City Police Department could receive the value of having the emergency equipment installed (\$4,000) by transferring ownership of a used vehicle, and not have to find the funds elsewhere in the department's budget to pay for the installation of the equipment.

COUNCIL ALTERNATIVES:

1. **Staff Recommendation:** *Move to adopt Resolution No. 16-005 Amending the City's Local Contract Review Board rules by title only.*

RESOLUTION NO. 16-005

A RESOLUTION AMENDING RULE 02-0280 OF THE CITY'S
LOCAL CONTRACT REVIEW BOARD RULES CONCERNING
SPECIAL PROCUREMENTS

WHEREAS, on December 12, 2011, the City Council adopted Resolution No. 11-032 approving revised rules for the Council acting in its capacity as the Local Contract Review Board Authority for the City; and

WHEREAS, the rules adopted by Resolution No. 11-032 included Rule No. 02-0280 which established guidelines for a class of contracts known as "special procurements"; and

WHEREAS, City Staff has proposed an amendment to Rule No. 02-0280 to include an additional item which can qualify as a "special procurement" under Rule No. 02-0280, for motor vehicles which have been declared to be surplus personal property by the City; and

WHEREAS, the City Council has reviewed the proposed amendment, and has determined that adoption of the proposed amendment is in the best interests of the City of The Dalles;

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

Section 1. Revised Rule Adopted. The City Council, acting in its capacity as the Local Contract Review Authority for the City, hereby approves an amendment to Rule No. 02-0280(3) by adding a new subsection (r) which shall read as follows:

- (r) Surplus motor vehicles. The City may use a vehicle which has been declared to be surplus property, as a trade in toward the purchase of a new vehicle, or the City may enter into an agreement without formal competitive bidding with a vendor for the provision of services, to transfer ownership of the surplus vehicle to the vendor in exchange for the performance of the services. The transfer of ownership in exchange for services is subject to verification by the City that the value of the services performed is equivalent to or exceeds the current market value of the surplus vehicle.

Section 2. Effective Date. This Resolution shall be effective as of February 22, 2016.

PASSED AND ADOPTED THIS 22ND DAY OF FEBRUARY, 2016

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

AND APPROVED BY THE MAYOR THIS 22ND DAY OF FEBRUARY 2016

SIGNED:

ATTEST:

Stephen E. Lawrence, Mayor

Izetta Grossman, City Clerk



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 22, 2016	Action Item #12-A	

TO: Honorable Mayor and City Council

FROM: Gene E. Parker, City Attorney

THRU: Julie Krueger, Interim City Manager

DATE: February 8, 2016

ISSUE: Determination concerning possible additional regulations for marijuana.

RELATED CITY COUNCIL GOAL: None.

PREVIOUS AGENDA REPORT NUMBERS: #14-023; #14-073; #14-076; #15-020; #15-067; and agenda staff report presented at the December 14, 2015 Council meeting

BACKGROUND: In November 2014, Oregon voters adopted Measure 91, which legalized the growing, distribution, possession, and use of marijuana in certain amounts for non-medical personal use. In 2015, the Oregon legislature adopted several laws which included major reforms of Measure 91, and addressed issues related to local government control over activities associated with the use of marijuana. On December 14, 2015, the City Council had an initial discussion related to regulatory issues associated with the use of marijuana. The Council decided it would be appropriate to conduct a Town Hall meeting which focused upon these issues. The Town Hall Meeting was conducted on January 25, 2016, and included a presentation from Rob Bovett, legal counsel for the Association of Oregon Counties, and comments and questions from interested citizens.

As noted during the discussion at the Council meeting on December 14, 2015, the City has three primary options for considering the adoption of additional regulations associated with the use of marijuana. Those options are listed below:

Option #1: Referral of ballot measure to voters. The City Council has the option to refer a measure to the voters which would allow or prohibit the following activities:

- A. Marijuana processing sites
- B. Medical marijuana dispensaries
- C. Marijuana producers
- D. Marijuana processors
- E. Marijuana wholesalers
- F. Marijuana retailers

If the Council were to refer such a measure to the voters, it would need to be submitted to the Wasco County Clerk by September 8, 2016, to allow the measure to be voted upon at the general election scheduled for November 8, 2016. Referral of the measure would put a hold upon the licensing processes for these activities until the measure was voted upon. If the measure included a provision to prohibit medical marijuana dispensaries, passage of the measure would not have any effect upon the one medical marijuana dispensary which has been licensed by the state to operate within the City. Passage of the measure would also mean the City would not be eligible to receive state marijuana tax revenues or impose a local tax, even if the measure banned only certain activities while allowing other activities.

Option #2: Referral of measure for local tax upon recreational marijuana. The Council has two alternatives for implementation of this option. If the Council refers a measure to the voters that would prohibit marijuana retailers, I would recommend that the Council wait until the results of the vote upon the measure. Passage of the measure would mean that the Council could not refer an ordinance to the voters for consideration of a tax upon the retail sale of marijuana. If the measure did not pass, then the Council would have the ability to refer a measure establishing a tax upon the retail sale of marijuana. This measure can only be voted upon at a general election in an even numbered year, which would mean that such a measure could not be voted upon until November, 2018.

Under the second alternative, if the Council decides not to refer a measure to the voters concerning a potential ban on the retail sale of marijuana, then the Council could refer an ordinance establishing a tax of up to three percent on the retail sale of marijuana. Notice of this measure would need to be filed by September 8, 2016, to allow for a vote on the measure at the November 8, 2016 general election.

Option #3: Defer to state regulations or consider adoption of local regulations. If the Council decides not to refer a measure to the voters under Option #1, the Council would have two primary alternatives for implementation of additional regulations concerning activities associated with the use of marijuana. The first alternative would be to not adopt any local regulation and let the provisions of state law govern activities associated with the use of marijuana. State law restricts many of these activities from occurring within residential zoning districts. Under the second alternative, the Council could consider adoption of local regulations. Such local regulations would require amendments to the City's Land Use and Development Ordinance. The process involved with such amendments would be initiated with the City Planning Commission. One of the options that the Planning Commission could consider is to provide that in certain zoning districts, an allowed use would be defined as "one that does not violate local, state, or federal law." Since federal law provides that many activities associated with the production, distribution, and sale of marijuana are illegal, such uses would not be allowed within the designated zoning districts. Another option for the Planning Commission to

consider would be to recommend the adoption of “reasonable regulations” upon the time, place, and manner for operation of marijuana facilities.

BUDGET IMPLICATIONS: It is difficult to precisely predict how much revenue the City might receive from the state revenue collected upon the retail sale of marijuana, if the City were to select the option of allowing the retail sale and adopting reasonable time, place, and manner restrictions. It does appear that if the voters were to adopt a measure that would prohibit the retail sale of marijuana, that the City would not be entitled to receive any share of the state revenue, or adopt a local tax upon the retail sale of marijuana.

COUNCIL ALTERNATIVES:

- A. Staff Recommendation. Staff is recommending that the Council make a determination as to which of the three options would be implemented, and the manner in which those options would be implemented.
1. Step #1: Determine if a measure will be referred to the voters which would prohibit all of the six (6) activities listed above in this staff report.
 2. Step #2: Determine if only certain activities, such as medical marijuana dispensaries or retail outlets, should be included in any measure referred to the voters which would prohibit such activities.
 3. Step #3: If retail outlets are included in the measure referred to the voters, defer any consideration of the adoption of a local tax upon the retail sale of marijuana, or the adoption of time, place and manner regulations upon the retail sale of marijuana, until the measure has been voted upon on November 8, 2016.
 4. Step #4: If the Council determines it is not going to refer a measure to the voters that would prohibit retail outlets or any of the other six (6) activities which the City could choose to prohibit, then the Council should decide whether it is going to refer a measure to the voters to establish a tax of up to three percent on the retail sale of marijuana, and whether it is not going to consider the adoption of additional local regulations and defer to the state’s regulations, or whether it wants the Planning Commission to initiate the process of considering amendments to the City’s Land Use and Development Ordinance to include time, place, and manner restrictions upon activities associated with marijuana use.



AGENDA STAFF REPORT
CITY OF THE DALLES

MEETING DATE	AGENDA LOCATION	AGENDA REPORT #
February 22, 2016	Action Item #12-B	

TO: Honorable Mayor and City Council

FROM: Julie Krueger, City Manager

DATE: February 8, 2016

ISSUE: City Council Local Grant Recommendation for Fiscal Year 2016/17.

BACKGROUND: The City Council adopted a Local Grant Policy on November 23, 2015 as a method for non-profit groups to apply for funding assistance for projects that would promote economic development, tourism, or social benefit to the community.

The policy is tied to the annual budget process with applications accepted each year during the month of January. The new process was advertised and groups who received funding last year were notified by letter, encouraging applications under this new process.

The City Manager has reviewed the applications against the established in the policy. The attached matrix shows detailed information regarding the applicants, proposed use of funding and the amount recommended for award. Applications submitted for salaries and staffing are not recommended for funding. These would be on-going needs. Grant funding should be used to support projects that meet the criteria listed in the policy.

BUDGET IMPLICATIONS: Twelve applications were received. With \$25,000 allotted for the grant program, the recommendation includes a total expenditure of \$24,700. Funds for this program will be included in the City Council department budget in line item 31-10.

COUNCIL ALTERNATIVES:

1. **Staff Recommendation:** *Move to approve grant funds as indicated on the matrix, contingent on budget approval, to be effective July 1, 2016.*
2. Review matrix and make changes to funding amounts or applicants.
3. Move to increase the budgeted amount beyond \$25,000 to allow for additional programs and projects to be funded and choose how to distribute additional funds among the applicants.



**CITY OF THE DALLES
LOCAL GRANTS POLICY**

The City of The Dalles will fund grants for projects and programs, as funds are available, to not for profit organizations within the City of The Dalles, who are able to demonstrate how they would stimulate economic development or tourism or provide social benefit in the community.

Annually, through the City's budget process, applications may be submitted for consideration.

Process

Applications will be accepted between January 1 and 31 each year.

Qualifying applications will be reviewed by the City Manager or designee, who will make recommendations to the City Council.

The City Council will make the final decision on which applications are approved for funding. Those applications will be included in the annual budget process for final approval.

Grant funds will be available after July 1.

Application Criteria

Applicant is a non-profit or not for profit organization.

Description of how the project or program will be an economic, tourism, or social benefit to the City of The Dalles.

Provide detailed budget.

If a grant is awarded, provide report, including proof that funds were spent as indicated.



CITY of THE DALLES

313 COURT STREET
THE DALLES, OR 97058

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

**CITY OF THE DALLES
LOCAL GRANTS APPLICATION**

The City of The Dalles will fund grants for projects and programs, as funds are available, to non-profit organizations within the City of The Dalles, who are able to demonstrate how they would stimulate economic development or tourism in the community, or provide social benefit for the community.

Applications are available at the City Clerk's Office, 313 Court Street, The Dalles, between January 1 and January 31 each year. Applications will be reviewed by the City Manager or designee, who will make recommendations to the City Council. Approved applications will be submitted for funding through the annual budget process, with funds being awarded after July 1.

Criteria

Applicant is a non-profit organization.

Detailed budget to be submitted with application.

Follow up for approved grants, including a report and proof funds were spent as indicated.

Organization: _____

Mailing Address: _____

Telephone Number: _____ Email address: _____

Contact Person: _____

Project/Use of Funds: _____

Amount Requested: _____

On a separate page, please describe how the funds will be used, including an explanation as to how your proposal will stimulate economic development or tourism in the community, or how it will provide social benefit for the community.

Return completed applications by January 31 to:

City Clerk
313 Court Street
The Dalles OR 97058
jkrueger@ci.the-dalles.or.us

RESOLUTION NO. 15-046

A RESOLUTION ESTABLISHING A LOCAL GRANTS POLICY

WHEREAS, the City Council desires to establish a method for non-profit groups to apply for funding assistance for projects that will promote economic development, tourism, or social benefit to the community; and

WHEREAS, a policy has been drafted, including a process and criteria for applying;

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

Section 1. Policy Approved. The City Council hereby adopts the Local Grants Policy and application, attached to this Resolution as Exhibit "A".

Section 2. Effective Date. This Resolution shall be effective November 23, 2015.

PASSED AND ADOPTED THIS 23RD DAY OF NOVEMBER, 2015

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

AND APPROVED BY THE MAYOR THIS 23RD DAY OF NOVEMBER, 2015

SIGNED: _____
Stephen E. Lawrence, Mayor

ATTEST: _____
Julie Krueger, MMC, City Clerk

2016 -17 City Council Grant Program

Organization	non-profit	Project Use	Detailed budget	Social/Economic/Tourism Benefit	Requested Amount	Recommend to Fund	Recommended amount
Fort Dalles Rodeo	yes	Marketing/Equipment Rental	yes	hotels/restaurant/Tourism \$/professional sports	\$ 20,000	No event this year	\$ -
Fort Dalles Museum	yes	upgrades to museum	yes	preservation of building/artifacts/ year round operation	\$ 5,000	yes	\$ 5,000
YouthThink	yes	programs/operating materials	yes	family movie program/strengthening families/Do Something Event (fits with HEAL program)	\$ 21,000	partial	\$ 10,600
The Dalles Theatre Company	yes	sound/lighting	yes	low	\$ 8,036	No	\$ -
Rotary	yes	Cruise the Gorge - equipment	yes	high tourism/signs banners tents	\$ 10,000	partial	\$ 1,500
Columbia Gorge Earth Center	yes	Expand Leaders Program	yes	high social/youth - supported by other grants	\$ 3,500	yes	\$ 3,500
The Dalles High School Band Parents	yes	High School Auditorium repairs	no	no	\$ 7,500	no	\$ -
Mid Columbia Senior Center	yes	staffing	no	no	\$ 7,500	no	\$ -
The Dalles Farmers Market	yes	banner/POP	yes	Social/Economic/Tourism (fits with HEAL - Childhood obesity program)	\$ 3,000	partial	\$ 2,100
Youth Empowerment Shelter	yes	salaries	yes	social benefit	\$ 50,000	no	\$ -
Home At Last	yes	staffing	yes	social benefit	\$ 24,900	no	\$ -
Veterans Association	yes	Wall/VSO	no	tourism/social	\$ 2,000	yes	\$ 2,000

TOTAL GRANT CONTRIBUTIONS:

\$ 24,700



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 22, 2016	Action Item #12-C	

TO: Honorable Mayor and City Council

FROM: Dave Anderson, Public Works Director

DATE: February 9, 2016

ISSUE: Wastewater utility rates

CITY COUNCIL GOALS: Not applicable.

PREVIOUS AGENDA REPORT NUMBERS: Agenda Staff Reports #12-080, #12-086, #13-008, #13-013; Budget Issue Papers #14-013, #15-013

BACKGROUND: City Council adopted the updated Wastewater Facilities Capital Improvement Plan (CIP) on December 10, 2012. A public hearing was held on January 14, 2013 to receive public testimony related to a proposed wastewater rate schedule necessary to support operations, maintenance and implementation of the CIP. Following the public hearing, Council adopted Resolution No. 13-003 on January 28, 2013 which authorized 3.44% annual wastewater utility rate increases to be effective March 1 of each year from 2013-2022. Annual reviews of those rate increases have occurred through the budget process and information about the wastewater rates and CIP have been presented each year in Budget Issue Papers. The scheduled 3.44% wastewater rate increases for 2013, 2014 and 2015 occurred as planned.

Wastewater revenues for the current year are projected to hit right on budget. However, a number of things have occurred over the last year which have reduced projected wastewater revenue requirements. The first is that economic inflation has been less in the last couple years than was anticipated. The second impact is that the Phase 1 improvements currently underway at the Wastewater Treatment Plant are being funded with cash transferred to and accrued in the Sewer Plant Construction and Debt Service Fund thereby eliminating an estimated \$291,762 of anticipated new annual debt load. And third, the total cost of the CIP over the next 10 years, covering three phases of wastewater plant improvements, has been reduced through the design-build effort currently underway that revised the original CIP. The bottom line is that the City's current wastewater operational, maintenance and capital needs are projected to be met without a utility rate

adjustment this year.

One option the Council could consider is to maintain the current rate schedule which would raise In-City sewer rates by \$1.59/month (3.44%), and Outside-City rates by \$2.71/month. This option is projected to raise another \$174,397 in FY2016/17, and similar additional amounts in subsequent years, which could be dedicated to funding the next phase of wastewater treatment plant improvements and help reduce the amount of the projected 2017 bond issuance. It's worth noting that the schedule for the "2017 bond" issuance will probably be delayed until 2018 as our current project has taken longer than originally planned so as to conduct value engineering and closely re-evaluate Co-Generation opportunities. This option is not recommended because we are already transferring about 44% of our wastewater utility rate to reserve funds to implement the adopted Capital Improvement Plan and it is not yet certain that the 2018 bond issuance will be needed.

Attached for Council's consideration is Resolution No. 16-006 which provides for no wastewater utility rate increase this year and resumes annual 3.44% rate increases in subsequent years from 2017 through 2022. Staff proposes that annual revenue analyses, which will be done as part of the budget preparation process, be used to determine the need for the scheduled future rate increases.

BUDGET IMPLICATIONS: It is anticipated that wastewater utility rate revenues for the 2016-17 fiscal year will be nearly equal to those projected to be received in FY2015/16. Without the originally anticipated debt load from the planned 2014 bond, these revenues are expected to be adequate to fund the operations, maintenance and capital needs of the wastewater utility through the 2016/17 fiscal year.

If wastewater rates are increased 3.44% this year, it is anticipated that the amount of any bond issued in 2018 for the second phase of improvements at the wastewater treatment plant would be reduced by about \$350,000, and an additional \$175,000 per year would be available in future years to support debt payments of the 2018 bond; those bond payments were estimated to be \$291,763 per year.

RECOMMENDATIONS:

1. Staff Recommendation: Move to adopt Resolution No. 16-006 and hold wastewater rates steady for the next year.
2. Do not adopt Resolution No. 16-006 and allow wastewater utility rates to increase 3.44% effective March 1, 2016.
3. Provide alternative direction to staff regarding wastewater utility rates.

RESOLUTION NO. 16-006

A RESOLUTION AMENDING THE AMOUNT FOR SANITARY SEWER FEES ESTABLISHED IN RESOLUTION NO. 13-003 FOR THE CITY OF THE DALLES

WHEREAS, on November 26, 2012, the City Council received a presentation prepared by City staff and Carollo Engineers and FCS Group, concerning an updated Wastewater Facilities Capital Improvement Plan; and

WHEREAS, one of the tasks for development of an Updated Master Plan consisted of creation of a hydraulic model to determine the adequacy of existing sanitary sewer collection and treatment systems, and to update the associated Capital Improvement Plan for projects needed to meet current and future demands; and

WHEREAS, based upon the need for improvements required for regulatory compliance, the need to address existing capacity limitations, the need to maintain assets, the need to meet projected growth in the service area for the City's wastewater collection and treatment systems, and the identification of potential permitting scenarios through evaluation of unit process alternatives and integration of overall plant facilities, City staff and the consultants recommended a program of three capital improvement phases; and

WHEREAS, the first phase of the capital improvement projects addresses deficiencies in the influent pump station and digestion facilities, mitigation of odors, and provides screening and grit removal to accommodate growth; and

WHEREAS, the second phase of the capital improvement projects addresses deficiencies in liquid biosolids storage and provides secondary treatment facilities needed to accommodate growth and maintain assets, including projects for a new liquid biosolids storage tank, secondary treatment expansion, and replacement of an aged dissolved air flotation unit with a gravity belt thickener for waste activated sludge thickening; and

WHEREAS, the third phase of the capital improvement projects includes upgrades and expansion of the aeration basis processes to accommodate growth and a new administration building to replace the existing aged administration, laboratory, and control facility; and

WHEREAS, a proposed financial plan prepared by FCS Group was presented to the City Council on November 26, 2012, which presentation included three potential scenarios for establishment of wastewater rates; and

WHEREAS, following the presentation of the proposed three-phase capital improvement plan and the potential rate scenarios, the City Council expressed a preference for the funding scenario which would utilize the issuance of revenue bonds in 2014, 2017, and 2020 to fund the three phases of capital improvements, as that scenario lessened the financial impact to ratepayers

by evenly spreading out the costs of the capital improvements over a period of time, thereby lessening the potential for significant rate increases at a future date; and

WHEREAS, on December 10, 2012, the City Council adopted an updated Wastewater Facilities Capital Improvement Plan (CIP) which incorporated the recommended three phases of capital improvements; and

WHEREAS, on January 14, 2013, the City Council held a wastewater rate hearing with the public during which citizens had an opportunity to submit testimony concerning the proposed rate adjustments, in conjunction with the provisions of ORS 294.160; and

WHEREAS, after considering the information presented by City staff and the consultants at the Council meetings on November 26th and December 10th, 2012, and the public testimony presented during the meeting on January 14th, 2013, the Council adopted Resolution No. 13-003 on January 28, 2013 authorizing a wastewater utility rate schedule consistent with its policies and with the recommendations of City staff and the consultants during their presentation of the proposed updated Wastewater Facilities Capital Improvement Plan; and

WHEREAS, Resolution No. 13-003 provided for annual wastewater utility rate increases of 3.44% effective on March 1 of each year 2013-2022; and

WHEREAS, economic inflation has been less than projected when Resolution No. 13-003 was adopted, the anticipated 2014 bond issuance for the Phase 1 Wastewater Treatment Plant Improvements and the associated debt load of about \$291,762 per year was averted, and the total expected cost of the Wastewater Facilities Capital Improvement Plan has been reduced through design-build value engineering, all of which together have reduced the projected revenue needs of the wastewater utility;

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

Section 1. Resolution Amended. The amount for sanitary sewer fees established in Resolution No. 13-003 passed and adopted by City Council on January 28, 2013 is hereby amended. Resolution No. 13-003 shall remain in force to authorize the rates which are in effect until Resolution No. 16-006 becomes effective.

Section 2. Sewer Fees. There will be no increase in the monthly fees charged to users of domestic sanitary treatment facilities of the City of The Dalles wastewater system on March 1, 2016 and the monthly fees shall remain as follows:

A. Within the corporate limits of the City of The Dalles, the sewer use charge shall be \$46.32 per unit per month.

B. Outside the corporate limits of the City of The Dalles, the sewer use charge shall be \$78.74 per unit per month.

Section 3. Future Sewer Fee Adjustments. Sanitary sewer rates shall be adjusted under the following schedule. Rates will become effective on the dates listed.

Effective date	Rate Increase	Inside City	Outside City
FY 2016-2017: March 1, 2017	3.44%	\$47.91	\$81.45
FY 2017-2018: March 1, 2018	3.44%	\$49.56	\$84.25
FY 2018-2019: March 1, 2019	3.44%	\$51.26	\$87.14
FY 2019-2020: March 1, 2020	3.44%	\$53.02	\$90.13
FY 2020-2021: March 1, 2021	3.44%	\$54.84	\$93.23
FY 2021-2022: March 1, 2022	3.44%	\$56.73	\$96.44

Section 4. Classification of Fees. Pursuant to ORS 310.145, the City Council declares the fees and charges imposed by this Resolution as being not subject to the provisions of Article XI, Section 11b of the Oregon Constitution.

Section 5. Effective Date of Resolution. The effective date of this Resolution is March 1, 2016.

PASSED AND ADOPTED THIS 22ND DAY OF FEBRUARY 2016.

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

AND APPROVED BY THE MAYOR THIS 22ND DAY OF FEBRUARY 2016.

Stephen E. Lawrence, Mayor

ATTEST:

Izetta Grossman, City Clerk



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 22, 2016	Discussion Item #13-A	

TO: Honorable Mayor and City Council

FROM: Gene E. Parker, City Attorney

THRU: Julie Krueger, Interim City Manager

DATE: February 8, 2016

ISSUE: Discussion item related to request by Jeff & Jill Kienlen for refund of money paid for public improvements associated with East 19th Street

RELATED CITY COUNCIL GOAL: None.

PREVIOUS AGENDA REPORT NUMBERS: None.

BACKGROUND: Jeff & Jill Kienlen are the current owners of the property located at 1910 Golden Way. This property, also known as Lot 11, was part of a larger parcel of real property that was initially developed as a subdivision known as Sunridge Estates Subdivision. Kay Tenold, who was one of the original parties who developed the subdivision, entered into an agreement on November 30, 2001 which set forth the obligations of the Subdivider to pay for a proportional share of the costs for a half-street improvement for the portion of the public right-of-way of East 19th Street which fronted the Kienlens' property, and two other lots in the subdivision, known as Lots 12 and 13. A copy of the November 30, 2001 agreement is included with this staff report (Attachment 1).

In 2006, Kenneth Corbett and Jerry Olson purchased Lots 12 and 13 from Ms. Tenold. Mr. Corbett and Mr. Olson submitted an application for a minor partition of Lot 12. The City Planning Department approved the request for the minor partition with certain conditions, one of which required that full improvements, which would include sidewalk, curb, gutter, storm water,

and sewer extension, would need to be installed for the half street portion of public right-of-way which fronted East 19th Street for Lots 11, 12 and 13. The City entered into an agreement with Ms. Tenold, and Mr. Corbett and Mr. Olson that allowed Mr. Corbett to proceed with the placement of a single family dwelling upon a portion of the property that was identified as Parcel 1 of Lot 12. This parcel was released from any obligation to pay for the costs of the public improvements associated with East 19th Street. Lot 11, the remaining portion of Lot 12, and Lot 13 were expected to continue to be subject to the obligation to pay for the proportionate share of the half-street improvements for East 19th Street. A copy of the agreement entered into on February 24, 2006 is enclosed with this staff report (Attachment 2).

The February 24, 2006 agreement provided for two options associated with the half-street improvements for East 19th Street. Under the first option, the improvements could be installed within 6 months of the date of the agreement. Under the second option, within 120 days of the date that Ms. Tenold and Mr. Corbett and Mr. Olson would receive a set of engineering plans and cost estimates from the City, Ms. Tenold and Mr. Corbett and Mr. Olson would either have the improvements installed or provide a performance guarantee approved by the City to bond the installation of the improvements. Ms. Tenold and Mr. Corbett and Mr. Olson selected the second option.

On February 28, 2006, a cashier's check on behalf of Ms. Tenold, Mr. Corbett, and Mr. Olson was deposited with the City. A copy of the transmittal letter from John Geiger enclosing the check is included with this staff report (Attachment 3). The City entered into a second agreement with Ms. Tenold, Mr. Corbett and Mr. Olson on February 6, 2008. A copy of that agreement is enclosed with this staff report (Attachment 4).

Under this second agreement, Ms. Tenold, Mr. Corbett, and Mr. Olson agreed to allow the City to endorse the cashier's check in the amount of \$45,456.37. The City was to use the proceeds to fund the installation of the full half-street improvements for Lots 11, 12, and 13 for East 19th Street. The agreement provided that Ms. Tenold, Mr. Corbett, and Mr. Olson would be released from their obligations for installing the listed improvements. The City proceeded with plans to extend East 19th Street, and showed the amount of \$45,456.37 as a prepaid assessment, as part of a proposed funding package for the project to extend East 19th Street. When the City was unable to acquire the right-of-way necessary for the extension of East 19th Street, that project was put on hold, and the improvements adjacent to the Kienlens' lot and Lots 12 and 13 were not installed. The sum of \$45,456.37 has not been spent.

With the adoption of Resolution No. 15-017 which established public improvement guidelines for residential streets, the Council established a system of network streets. The portion of East 19th Street which fronts the Kienlens' property is considered to be a portion of the network street system. The Kienlens have indicated that it was their understanding that at the time they purchased their property, there was an understanding that approximately one third of the amount that had been deposited with the City (which would be approximately \$15,000) for public improvements on East 19th Street was included in the sales price for the property. The Kienlens have also indicated they believe, under the provisions of Resolution No. 15-017, they would only be obligated for the costs of installing a sidewalk along the portion of East 19th Street which is adjacent to their property. Since there is some uncertainty as to whether East 19th Street will be extended to connect with Thompson Street, the Kienlens are asking the Council to consider refunding the sum of \$15,000, with the understanding they would be responsible for the costs of installing a sidewalk along their property, if East 19th Street was extended.

Paragraph #2 of the Residential Street Public Improvement Guidelines provides as follows:

“These guidelines apply only to one and two family homes constructed on individual lots. Commercial development, subdivision, and multi-family development shall meet the public improvement requirements found in the LUDO.”

Item #6 of the Residential Street Public Improvement Guidelines provides as follows:

“For single family dwellings that abut a network street and placed on an individual lot which are not part of a subdivision, the property owner shall be required to install a sidewalk if the City has established a curb line”.

As the Kienlens’ property was developed as part of a subdivision, it would appear that they are not subject to the provisions of the recently adopted Residential Street Public Improvement Guidelines which would limit their responsibility to only the costs of installing a sidewalk along their property. It should be noted that the February 6, 2008 agreement does appear to reflect the intent that the owners of the Kienlens’ property were intended to be released from the obligation to pay for full half street improvements, including sidewalk, curb, gutter, storm water, and sewer extension, with the payment of the sum of \$45,456.37 to the City.

City staff is seeking direction from the Council, from the options outlined below, as to whether any sum should be refunded to the Kienlens, and if so, whether that amount should be limited to the sum of \$15,000 which they claim was included as part of their cost of purchasing their property.

BUDGET IMPLICATIONS: The sum, which apparently is being requested to be refunded, is \$15,000.

COUNCIL ALTERNATIVES:

1. Vote to authorize a refund to the Kienlens in the amount of \$15,000.
2. Defer any action upon the request until the update on the Transportation Plan has been completed, which is anticipated to address the issue as to whether the extension of East 19th Street to Thompson will likely to be constructed.
3. Deny the request upon the ground that it does not fit within the category of properties which were previously approved by the Council for a refund in May, 2015, where money had been “paid into the fund” for public improvements associated with the construction of a single family dwelling.

AGREEMENT

WHEREAS, Rich and Kay Tenold, hereinafter referred to as "Subdivider", submitted an application for approval of a preliminary plat to subdivide 9.81 acres into 41 single family residential home lots, for Subdivision No. 43-98, on the property located North of East 19th Street and West of Thompson Track, which property is also described as Assessor's Map No. 1N 13E 11BA, Tax Lots 1000 and 1001; and

WHEREAS, on June 18, 1998, the City of The Dalles Planning Commission adopted Resolution No. 399-98 granting approval of the preliminary plat for Subdivision No. 43-98; and

WHEREAS, Condition No. 2 of the Planning Commission's resolution provided that the City and the Subdivider shall reach an agreement acceptable to the City Attorney which binds the owner(s) of the Lots along East 19th Street, within the subdivision, to pay the cost for a proportional share of the project cost in the same manner that the cost is imposed upon other property owners and based upon lineal foot of property frontage, for a half street improvement along the north side of the remainder of East 19th Street, in an easterly direction from the developed portion of East 19th Street to the subdivision boundary line; and

WHEREAS, Section 9(12) of the General Ordinance No. 937 provides that as an alternative to compliance with any conditions imposed by the Planning Commission, the City Council may enter into an agreement which specifies the time within which certain improvements shall be completed; and

NOW, THEREFORE, in consideration of the mutual promises and covenants set forth herein, the parties mutually agree as follows:

1. Attached hereto as Exhibit "A", and by this reference incorporated herein, is an estimate prepared by the City Engineer, outlining the costs on a lineal footage basis, for that portion of a

half street for East 19th Street, from the developed portion of East 19th Street, continuing in an easterly direction to the subdivision boundary line. Attached hereto as Exhibit "B" is a Waiver of Remonstrance Agreement executed by the Subdivider, by which the parties have agreed that the owners of Lots 11, 12 and 13 in the above-referenced subdivision will be responsible for costs assessed against those lots for their proportional share of any public improvement to East 19th Street.

2. A copy of this agreement shall be recorded with the City Clerk. The Subdivider agrees to provide a copy of this agreement to any prospective buyer of the lots subject to the waiver of remonstrance, and to make certain that a notation of the existence of the agreement appears in any title report which may be provided to any prospective buyer. In the event any of the lots subject to the waiver of remonstrance are sold by the Subdivider, the Subdivider shall immediately provide the City with the name and address of the purchaser. The terms and conditions of this agreement shall run with the real property described herein, and shall be binding upon the owner(s) of those lots described above. This obligation to pay for this improvement runs with and is an obligation of the lot owner(s) at the time of the assessment. Nothing in this agreement shall be construed to require that the Subdividers individually be responsible for the payment of the improvements should they be done on the street known as East 19th, adjacent to Lots 11, 12 and 13 except to the extent they own Lots 11, 12 or 13 at the time of the assessment and then they shall only be liable for the assessment for the lots they own at that time. All obligations for the payment of those improvements shall accrue solely to the owners of Lots 11, 12 and 13.

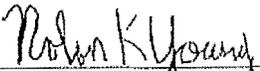
Dated this 30th day of November 2001.

SUBDIVIDER

Rich Tenold
Rich Tenold

Kay Tenold
Kay Tenold

CITY OF THE DALLES



Nolan K. Young, City Manager

Attest:



Julie Krueger, CMC/AAE, City Clerk

CONSTRUCTION ESTIMATE

For Completion of 19th Street to Thompson Street

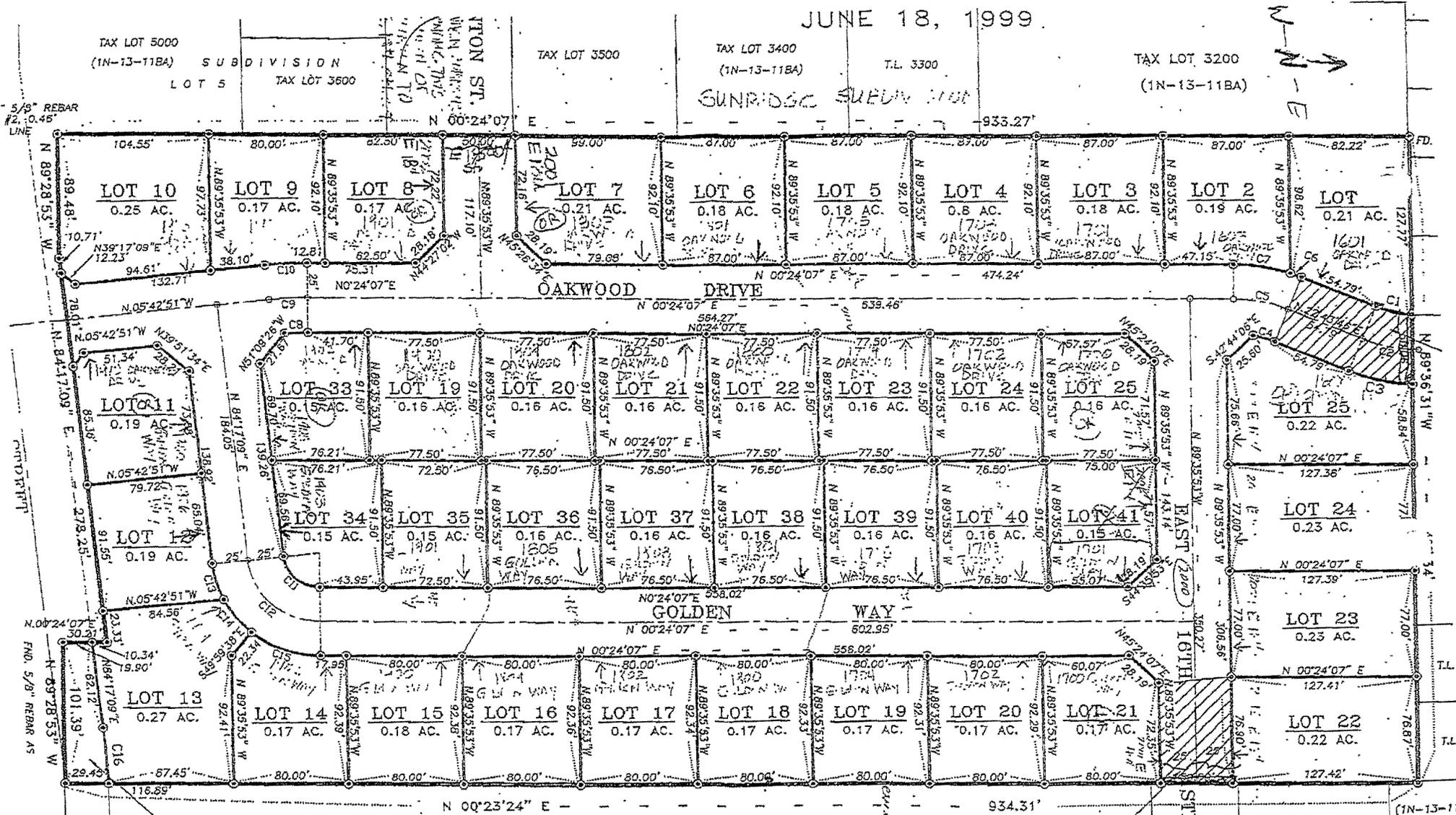
ITEM NAME	QUANTITY	UNIT PRICE	UNIT	TOTAL
Excavation & Grading	1623	\$ 15.00	cubic yd	\$ 24,338.89
3/4" Minus(Street)	250	\$ 42.00	cubic yd	\$ 10,484.44
1 1/2" Minus(Street)	874	\$ 25.00	cubic yd	\$ 21,842.59
Asphalt (4" Thick)	1011	\$ 42.00	ton	\$ 42,462.00
3/4" Minus(Sidewalk)	31	\$ 50.00	cubic yd	\$ 1,560.19
Sidewalk	5055	\$ 4.25	square ft.	\$ 21,483.75
Curb and Gutter	2022	\$ 14.00	linear ft.	\$ 28,308.00
Adjust Structures to Grade	1	\$ 50.00	each	\$ 50.00
Drive Approach	0	\$ 5.00	square ft.	\$ -
12" PVC SD Pipe	515	\$ 22.00	ft.	\$ 11,330.00
18" PVC SD Pipe	1310	\$ 36.00	ft.	\$ 47,160.00
Catch Basin	4	\$ 1,000.00	each	\$ 4,000.00
Manhole	7	\$ 1,500.00	each	\$ 10,500.00
8" PVC SS Pipe	900	\$ 22.00	ft.	\$ 19,800.00
4" SS Lateral	5	\$ 2,000.00	ft.	\$ 10,000.00
Manhole	3	\$ 1,500.00	each	\$ 4,500.00
Admin., Engineering, Contingency	1		each	\$ 38,672.98
			TOTAL:	\$ 296,492.84

Tenold Frontage (Feet) = 310

Percentage of Project = 0.15

\$ 45,456.37

JUNE 18, 1999



PROPOSED ROAD DEDICATION
2,558 SQ. FT. = 0.06 AC.

TAX LOT 900

PROPOSED 50' DEDICATED RIGHT-OF-WAY STREET TO
BE CONSTRUCTED BY DEVELOPER OR HIS ASSIGNEES
WHEN CITY OF THE DALLES CONSTRUCTS REMAINDER
OF E. 19TH. STREET TO THOMPSON STREET. THIS

CURVE	DELTA	RADIUS	ARC LENGTH	TANGENT	CHORD ANGLE	CHORD LENGTH
C1	18°30'14"	75.00'	24.56'	12.44'	N13°18'39"E	24.55'
C2	22°12'45"	100.00'	38.77'	19.63'	N11°37'23"E	38.53'

WAIVER OF REMONSTRANCE AGREEMENT

Agreement made this 30 day of November, 2001, by and between the City of The Dalles, a municipal corporation of the State of Oregon, hereinafter "City", and Rich and Kay Tenold, hereinafter collectively known as "Applicant".

RECITALS:

WHEREAS, Applicant desires to record the Final Plat for Subdivision No. 43-98 located within the City of The Dalles, at East 19th Street, and

WHEREAS, City land use laws, rules and policy require that certain public improvements be installed to serve the land proposed for such use;

NOW, THEREFORE, in return for the mutual promises and consideration contained herein, City and Applicant, as a condition to approval of above described project agree as follows:

1. City to Forbear Improvement Requirements. (A) Applicant, as the owner of Lots 11, 12 and 13 in the subdivision referred to above, and the City, agree to forbear requiring Applicant to construct the public improvements listed above as a requirement of the building permit approval.

2. Waiver of Remonstrance. In the event action is taken to implement a local improvement district for the completion of East 19th Street to Thompson Street, which includes the portion of the half-street of East 19th Street eastbound to the subdivision boundary line, measuring approximately 310 feet, adjacent to Lots 11, 12, and 13 in the subdivision,

APPLICANT, AS THE LAND OWNER OF LOTS 11, 12 AND 13, OR THEIR SUCCESSORS IN INTEREST IN THE OWNERSHIP OF THOSE LOTS WAIVE ANY RIGHT TO REMONSTRANCE AGAINST THE PROPOSED LOCAL IMPROVEMENT DISTRICT AND WAIVE ANY RIGHT TO REMONSTRATE AGAINST THE COST OF SUCH IMPROVEMENT.

Applicant, as the land owner of Lots 11, 12 and 13, further agrees that the owners of those Lots shall bear the cost of construction of public improvements by a local improvement district located upon or adjacent to the land described in this agreement. In the event that the owners of those Lots fail or refuse to construct improvements required by the City, the City shall be entitled to construct the improvements or to contract to have them constructed and to assess the cost of construction together with legal, engineering and administrative costs against those Lots. APPLICANT, AS THE OWNER OF THOSE LOTS, AND THEIR SUCCESSORS IN INTEREST AS TO THE OWNERSHIP OF THOSE LOTS, AGREE THAT THE ASSESSMENT LIEN SHALL BE SUBJECT TO FORECLOSURE BY THE CITY IN THE MANNER PROVIDED BY LAW.

3. Agreement to be Covenant Running with the Land. Applicant agrees that the provisions of this agreement regarding public improvements shall be a covenant running with the land and that the terms hereof shall be included in any deed or contract of sale purporting to convey any legal or equitable interest in the lands to which this agreement is applicable. The agreement shall be legally binding upon the owner of the Lots listed above. The obligation to pay for the cost of any City improvements adjacent to the Lots 11, 12 and 13 referenced above, shall be an obligation of the owners of those Lots and nothing in this agreement shall be construed to make the obligation to pay for any of those improvements an obligation of the Applicant or Applicants individually.

4. Agreement to be Recorded. This agreement shall be recorded in the City of The Dalles Clerk's Office.

5. Land to which Applicable. The real property to which this agreement applies is known as Lots 11, 12, and 13 of Sunridge Estates Subdivision, the plat of which was recorded in the Wasco County Deed Records as Microfilm No. 2001-5093.

6. Attorney Fees and Costs in the Event of Litigation. In the event of litigation concerning this agreement, Applicant agrees to save and hold the City harmless from any claim, award, or judgment and to pay all costs of litigation incurred by the City including attorney fees in defending its rights hereunder regardless of the outcome of the litigation.

DONE AND DATED THIS 30 DAY OF November 2001.

CITY OF THE DALLES, a municipal corporation of the State of Oregon

By [Signature]
Community and Economic Development Department

APPLICANT

[Signature]
Rich Tenold

Approved as to form:

[Signature]
Gene E. Parker, City Attorney

APPLICANT

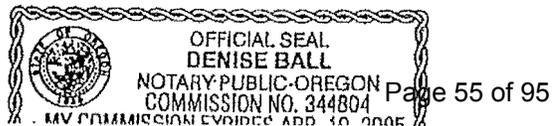
[Signature]
Kay Tenold

STATE OF OREGON, County of Wasco) ss.

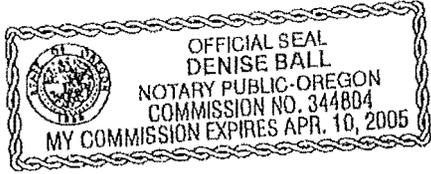
be his voluntary act and deed.

The foregoing instrument was acknowledged before me on Nov. 30, 2001, 2001, by Rich Tenold to

[Signature]
Notary Public for Oregon



My commission expires: 4-10-05



STATE OF OREGON, County of Wasco) ss.

The foregoing instrument was acknowledged before me on Nov. 30, 2, 2001, by Kay Tenold to be her voluntary act and deed.

Denise Ball
Notary Public for Oregon
My commission expires: 4-10-05

AGREEMENT

WHEREAS, Kay Tenold, hereinafter referred to as "Subdivider", was one of the original applicants for the Sunridge Estates Subdivision, which subdivision includes the following described parcels of property:

Lots 11, 12, and 13, Sunridge Estates Subdivision, in the City of The Dalles, Wasco County, Oregon, as shown in the Subdivision Plat recorded as MP 2001-0024 Slide C-161A in the Wasco County Deed Records

and

WHEREAS, Subdivider entered into an agreement with the City of The Dalles, hereinafter referred to as "City", on November 30, 2001, which set forth the obligations of Subdivider to pay for a proportional share of the costs for a half street improvement for that portion of the right-of-way fronting Lots 11, 12, and 13, along the north side of the remainder of East 19th Street, in an easterly direction from the developed portion of East 19th Street to the subdivision boundary line; and

WHEREAS, Kenneth J. Corbett and Jerry Olsen, hereinafter referred to as "Owners", have purchased Lots 12 and 13 from the Subdivider, and has submitted an application for a Minor Partition and Property Line Adjustment for Lot 12, which have been assigned the file numbers MIP 248-05 and PLA 142-06 by the City; and

WHEREAS, on January 23, 2006, the City issued a Notice of Administrative Decision approving the request to divide two lots into three smaller lots with a property line adjustment, subject to certain conditions of approval; and

WHEREAS, one of the conditions of approval provided that full improvements would be required to be installed upon the portion of East 19th Street which fronts Lots 11, 12, and 13, which improvements would include sidewalk, curb, gutter, storm water, and sewer extension; and further, that the improvements would need to be installed or bonded, or a local improvement district would need to be formed prior to the final plat being signed; and

WHEREAS, the Owners has a pending sale for a portion of Lot 12, which is anticipated to be identified as Parcel 1 of Lot 12 in the partition plat that will be filed for MIP 248-05; and

WHEREAS, the City, Subdivider, and Owners have mutually agreed upon the terms of an agreement that will allow that portion of property to be identified as Parcel 1 of Lot 12 in the partition plat to be filed for MIP 248-05, to be relieved from the obligation to pay for the proportional share of the costs for the improvements to the designated portion of East 19th Street, and to allow Subdivider and Owners to enter into a delayed improvement agreement for installation of the improvements;

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

Wasco County Official Records 2006-001488
DEED-AGMT 03/14/2006 01:36 PM
Cnt=1 Str=3 LISA
\$20.00 \$11.00 \$10.00 \$41.00



I, Karan LaBretton Coats, County Clerk for Wasco County, Oregon, certify that the instrument identified herein was recorded in the Clerk records.



3/14/06 cc KCG

NOW, THEREFORE, in consideration of the mutual promises set forth herein, it is mutually agreed as follows:

1. City, Subdivider, and Owners understand and agree that Owners will be allowed to proceed with the placement of a single family dwelling upon that portion of Lot 12, which is anticipated to be identified as Parcel 1 of Lot 12 in the partition plat that will be filed for MIP 248-05 and PLA 142-06. City, Subdivider, and Owners understand and agree that this portion of Lot 12 shall be released from any responsibility for the proportional share of the costs for the improvements to East 19th Street as outlined in this agreement, and that any future purchaser of this portion of Lot 12 shall be released from any and all responsibility to pay for the proportional costs of such improvements.

2. City, Subdivider, and Owners understand and agree that no development shall be allowed to occur upon the remaining portion of Lot 12, which is anticipated to be identified as Parcel 2 of Lot 12 in the partition plat to be filed for MIP 248-05 and PLA 142-06, and upon the parcel identified as Lot 13, until the provisions of this Agreement have been satisfied. City, Subdivider, and Owners understand and agree that development may occur upon these identified properties if a performance guarantee is provided pursuant to the conditions set forth in Section 3 of this Agreement,

3. City, Subdivider, and Owners understand and agree the Subdivider and Owners shall be responsible for installation of full improvements, which include sidewalk, curb, gutter, storm water, and sewer extension, for that half-street portion of East 19th Street which fronts along Lots 11, 12, and 13, in an easterly direction from the developed portion of East 19th Street to the Sunridge Estates Subdivision boundary line. Subdivider and Owners shall have two options to choose from for installation of these improvements. Under the first option, the improvements shall be completely installed within six (6) months of the date of this agreement. Under the second option, within one hundred twenty (120) days of the date the Owners and Subdivider receive a set of engineering plans and cost estimates for installation of the improvements from the City, the Owners and Subdivider shall either have completed installation of the improvements, or provided a performance guarantee approved by the City to bond the installation of the improvements. Under either of the two options, in the event Owners and Subdivider are unable to complete installation of the improvements within the stated deadline due to circumstances beyond the control of the Owners and Subdivider, the City agrees to grant a reasonable extension of time to complete installation of the improvements.

4. The City has agreed to complete engineering work necessary to provide engineering plans and cost estimates for installation of the improvements described in this Agreement. In the event the actual final costs for installation of these improvements exceeds the amount included in the estimates prepared by the City, the City shall be responsible for paying for the additional amount which exceeds the City's cost estimate. In the event the actual final costs for installation of the improvements is lower than the estimate prepared by the City, the City understands and agrees that any performance guarantee provided by the Owners and Subdivider shall be modified to ensure that the actual amount of the performance guarantee does not exceed the actual costs of installing the improvements. This modification of the performance

guarantee may take the form of a revised performance guarantee, or a refund of a portion of the performance guarantee to the appropriate party.

5. City, Subdivider, and Owners understand and agree that Subdivider and Owners shall be responsible for installation of improvements which comply with the City's standards for providing service to residential structures, and that Subdivider and Owners shall not be responsible for installing any laterals or other improvements which specifically benefit the properties which are adjacent to the south side of East 19th Street, across from Lots 11, 12, and 13.

6. City, Subdivider, and Owners understand and agree the provisions of this agreement requiring public improvements shall be a covenant running with the land, and the terms hereof shall be included in any deed or contract of sale purporting to convey any legal or equitable interest in Lots 11, 12, or 13 of Sunridge Estates Subdivision. This agreement shall be legally binding upon the City, the Subdivider, and the Owners, and their respective heirs, assigns, or successors in interest.

Dated this 24th day of February, 2006.

CITY OF THE DALLES

SUBDIVIDER

Nolan K Young
Nolan K. Young, City Manager

Kay Tenold
Kay Tenold

OWNERS

Kenneth J. Corbett
Kenneth J. Corbett

Jerry Olsen
Jerry Olsen

STATE OF OREGON)
) ss.
County of Wasco)

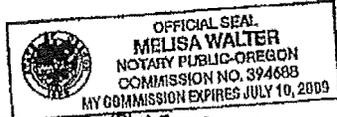
Personally appeared before me, Nolan K. Young, acting as City Manager for the City of The Dalles, and acknowledged the foregoing instrument to be his voluntary act and deed.



Nancy A Dyer
Notary Public for Oregon
My commission expires: 12/5/06

STATE OF OREGON)
) ss
County of Wasco)

Personally appeared before me Kay Tenold and acknowledged the foregoing instrument as her voluntary act and deed.



Melissa Walter
Notary Public for Oregon
My commission expires: July 10, 2009

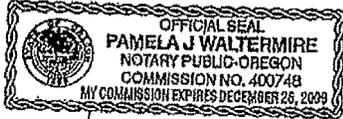
STATE OF Oregon)
) ss
County of CLACKAMAS)

Personally appeared before me Kenneth J. Corbett and acknowledged the foregoing instrument to be his voluntary act and deed.

Pamela J. Waltermire
Notary Public for Oregon
My commission expires: 12-26-2009

STATE OF OREGON)
) ss
County of CLACKAMAS)

Personally appeared before me Jerry Olsen and acknowledged the foregoing instrument to be his voluntary act and deed.



Pamela J. Waltermire
Notary Public for Oregon
My commission expires: 12-26-2009

Attachment 3

KARGL
ELWOOD
GEIGER, INC

212 EAST FOURTH
THE DALLES, OREGON 97058
PHONE: (541) 296-2127
FAX: (541) 296-3241
MAIL P. O. BOX 1010

KARGL
ELWOOD
GEIGER
REALTORS
INSURANCE

February 28, 2006

City of The Dalles
Attn: Nolan Young, Manager
313 Court Street
The Dalles, OR 97058

RE: Tenold, Corbett, 19th Street Improvement

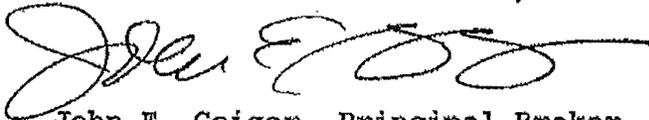
Dear Nolan:

Enclosed is a cashier's check for \$45,456.37 which represents the estimate for construction of 19th Street in 2001.

MIP 248-05 and PLA 142-06 require that a current estimate of the construction be completed. You have indicated that this could take several weeks to complete.

When the new revised estimate has been received by your office, I am prepared to increase the cash bond to reflect any increase in the estimate shown above. Please advise me when the estimate has been received.

Sincerely yours,



John E. Geiger, Principal Broker
Kargl, Elwood & Geiger Inc., Realtors

COPY

AGREEMENT

WHEREAS, Kay Tenold, hereinafter referred to as "Subdivider," was one of the original applicants for the Sunridge Estates Subdivision, which subdivision includes the following described parcels of property:

Lots 11, 12, and 13, Sunridge Estates Subdivision, in the City of The Dalles, Wasco County, Oregon, as shown in the Subdivision Plat recorded as MP 2001-0024 Slide C-161A in the Wasco County Deed Records

and

WHEREAS, Kenneth J. Corbett and Jerry Olsen, hereinafter referred to as "Owners," have purchased Lots 12 and 13 from the Subdivider, and have submitted an application for a Minor Partition and Property Line Adjustment for Lot 12, which have been assigned the file numbers MIP 248-05 and PLA 142-06 by the City of The Dalles, hereinafter referred to as "City," and

WHEREAS, the City, Subdivider and Owners entered into an agreement which was recorded in the Wasco County Deed Records as Microfilm No. 2006-001488 on March 14, 2006, which provided that the portion of property to be identified as Parcel 1 of Lot 12 in the partition plat to be filed for MIP 248-05 would be relieved from the obligation to pay for the proportional share of the costs for the improvements to the designated portion of East 19th Street; and which agreement further set forth the terms of a delayed improvement agreement for the installation of the improvements; and

WHEREAS, pursuant to the terms of the agreement recorded as Microfilm No. 2006-001488, the Subdivider and Owners deposited a performance guarantee in the form of a cashier's check dated February 28, 2006, in the amount of \$45,456.37; and

WHEREAS, in consideration of the Owners and Subdivider granting consent to the City to endorse the cashier's check deposited with the City, the City has agreed to use the funds from the performance guarantee and to proceed with construction of the listed improvements, which will release the Owners and Subdivider from their obligations set forth in the agreement recorded as Microfilm No. 2006-001488;

NOW, THEREFORE, in consideration of the mutual promises set forth herein, it is mutually agreed as follows:

1. Owners and Subdivider hereby consent to the City endorsing the cashier's check dated February 26, 2006, in the sum of \$45,456.37, and to the City using the proceeds from the check to proceed with the installation of full improvements, which include sidewalk, curb, gutter, storm water, and sewer extension, for that half-street portion of East 19th Street which fronts along Lots 11, 12, and 13, in an easterly direction from the developed portion of East 19th Street to the Sunridge Estate Subdivision boundary line. Owners and Subdivider are hereby released from their obligations for installing said listed improvements. City acknowledges that development may now be allowed to occur upon the remaining portion of Lot 12, which is anticipated to be identified as Parcel 2 of Lot 12 in the partition plat to be filed for MIP 248-05 and PLA 142-06, and upon the parcel identified as Lot 13.

After recording return to:
City of The Dalles
313 Court Street
The Dalles, Oregon 97058

Until a change is requested all tax statements shall be sent to the following address.
Kay Tenold
3750 Fifteen Mile Road
The Dalles, OR 97058

Wasco County Official Records 2008-000771
DEED-AGMT 02/22/2008 10:55 AM
Cnt=1 Snt=1 LVLAS
\$10.00 \$11.00 \$10.00 \$15.00 \$46.00



I, Karen LeBreton Coats, County Clerk for Wasco County, Oregon, certify that this instrument identified herein was recorded in the Clerk records.



2/27/08
cc Kay Tenold
Ken Corbett
Jerry Olsen
PW + Dave

2. This agreement shall be legally binding upon the City, the Subdivider, and the Owners, and their respective heirs, assigns, or successors in interest.

Dated this 6th day of February, 2008.

CITY OF THE DALLES

SUBDIVIDER

Nolan K. Young
Nolan K. Young, City Manager

Kay Tenold
Kay Tenold

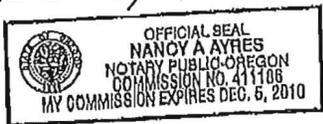
OWNERS

Kenneth J. Corbett
Kenneth J. Corbett

Jerry Olsen
Jerry Olsen

STATE OF OREGON, County of Wasco) ss.

Personally appeared before me, Nolan K. Young, acting as City Manager for the City of The Dalles, and acknowledged the foregoing instrument to be his voluntary act and deed on February 21, 2008.



Nancy A Ayres
Notary Public for Oregon
My commission expires: 12/5/10

STATE OF OREGON, County of Wasco) ss.

Personally appeared before me Kay Tenold and acknowledged the foregoing instrument as her voluntary act and deed on February 06, 2008.



Michelle Redmond
Notary Public for Oregon
My commission expires: September 16, 2011

STATE OF OREGON, County of Wasco) ss.

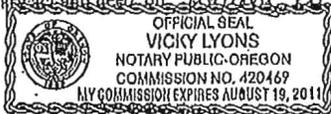
Personally appeared before me Kenneth J. Corbett and acknowledged the foregoing instrument as his voluntary act and deed on February 8, 2008.



Nancy A Ayres
Notary Public for Oregon
My commission expires: 12/5/10

STATE OF OREGON, County of Clatsop) ss.

Personally appeared before me Jerry Olsen and acknowledged the foregoing instrument as his voluntary act and deed on February 20, 2008.



Vicky Lyons
Notary Public for Oregon
My commission expires: 2-19-11



AGENDA STAFF REPORT

AGENDA LOCATION: Discussion Item #13-B

MEETING DATE: February 22, 2016

TO: Honorable Mayor and City Council

FROM: Gene E. Parker, City Attorney

ISSUE: Discussion of proposed cable franchise agreement with Charter Communications

BACKGROUND: The City has a franchise for the operation and maintenance of a cable television system with Falcon Community Ventures I, L.P., locally known as Charter Communications. The provisions of this franchise are set forth in Special Ordinance No. 00-482, a copy of which is included with this staff report. The franchise was scheduled to expire in November, 2015. Prior to the expiration of the franchise, the City Council adopted Special Ordinance No. 15-569 which extended the term of the current franchise agreement until March 31, 2016, or until a new franchise agreement was negotiated, whichever came first. Since the extension of the current franchise agreement, City staff has been negotiating with representatives from Charter Communications to prepare a final proposed franchise agreement for the City Council's review. A copy of the new proposed franchise agreement is enclosed with this staff report.

The proposed new franchise agreement represents a significant revision of the provisions in the current franchise agreement. To assist the Council in its review of the proposed new franchise agreement, this staff report will summarize the sections of the new franchise agreement, and explain what provisions have been modified or deleted in relationship to the provisions of the current franchise agreement.

Section 1 – Definition of terms

The proposed new franchise agreement has revised many definitions to coincide with the definition of those terms as they appear in the Cable Communications Policy Act of 1984, which governs the provision of cable communication services. Definitions for the terms "Access channel or public, educational or government access (PEG)", "Access

services or community services”, “Charter”, “Interactive services”, “Locally scheduled”, and “Pay service or premium service” have been deleted as these terms are obsolete or not relevant for purposes of the City’s regulation of cable television services.

Section 2 – Grant of Franchise

The following table summarizes the provisions in the proposed ordinance, and includes a reference to the sections in the current ordinance which include similar provisions:

	<u>New Agreement</u>	<u>Current agreement</u>
Grant of Authority	Section 2.1	Section 3
Term	Section 2.2 - 10 year term with 5 year extension	Section 21 – 15 year term with option for 15 year extension
Police Powers & Conflict With Franchise	Section 2.3	Section 4
Requirement for Franchise	Section 2.4	Section 7

Section 3 – Procedures for Renewal

In Section 3.1, the new franchise provides that the renewal process shall be governed by the provisions of Section 626 of the Cable Act, or any such successor statute. The current franchise agreement does not specifically provide what rules will govern the renewal process.

Section 4 – Indemnification and Insurance

Sections 4.1 of the new franchise includes additional language clarifying Charter’s responsibility to indemnify the City in the event of personal injury or property damage arising from Charter’s activities, and it replaces Section 18 in the current franchise agreement. Section 4.2 of the new franchise retains the same insurance coverage provisions set forth in Section 18 of the current franchise agreement.

Section 5 – Service Obligations

Section 5.1 of the new franchise, which addresses the issue of discrimination, replaces the provisions in Section 24 of the current franchise agreement which govern compliance with equal employment opportunity provisions. Section 5.2 concerning the privacy rights of subscribers is a new provision, which is not included in the current franchise agreement.

Section 6 – Service Availability

Section 6.1 of the new franchise, which concerns the service area, replaces Section 9 in

the current franchise agreement. Section 6.2 contains provisions regarding the installation of utilities underground in the event of new development. The current franchise ordinance does not include these types of provisions. Section 6.3 includes new provisions related to Charter's obligations to provide service to properties which are annexed by the City. The current franchise agreement does not include any provisions comparable to Section 6.3.

Section 7 – Construction and Technical Standards

Sections 7.1, Compliance with Codes, 7.2, Construction Standards and Requirements, and 7.3, Safety, in the new franchise agreement, are intended to replace Section 6 in the current franchise agreement which concerns compliance with electrical standards. Sections 7.4, Network Technical Requirements and 7.5, Performance Monitoring, are intended to replace Section 5 concerning compliance with FCC Regulations.

Section 8 – Conditions on Street Occupancy

Sections 8.1 through 8.12 in the new franchise agreement are intended to replace the current provisions in Sections 16 and 17 of the current franchise agreement. One of the most significant provisions in this Section was the deletion of the provision in Section 16 of the current ordinance which provided that Charter would not be allowed to cut any newly installed pavement for a period of ten years. The representatives from Charter cited two primary reasons for their request that this provision be deleted; one, that it could negatively impact their ability to provide certain new services to customers, and two, that this provision was not included in the franchise agreement for Century Link, who is a competitor with Charter. To address these concerns, and still provide a method to insure that newly paved streets are not cut for a period of ten years, City staff agreed to propose the language in Section 8.6 concerning additional regulations for public right-of-way. The proposed language would provide that Charter would agree to comply with provisions of the City's ordinance regulating public right-of-way, and staff will be preparing an amendment to the City's ordinance regulating public right-of-way, to include a provision that all persons who want to perform construction work in the public right-of-way, which would include companies granted a franchise such as Charter, would be subject to the City's policy that newly surfaced streets cannot be cut for a period of ten years.

Section 9 – Service and Rates

Sections 9.1 through 9.4 are intended to replace the provisions in Section 10, Customer Service, Section 11, Community Programming, and Section 12, Service to the City. Charter has proposed that the requirement to maintain a local office, which is in the current franchise agreement, be deleted. The provisions in Section 11 concerning the reservation of a local public access channel and the provision of equipment to the City to allow the City to edit videotapes is also proposed to be deleted. The Charter representatives indicated that if the City were to consider providing the funding to operate a public access channel, they would consider a request from the City for funds to purchase equipment needed to operate the channel. The new franchise agreement proposes to eliminate the obligation to provide a free basic cable connection to City Hall, the Mid-Columbia Fire and Rescue Station, and certain schools. Charter currently

provides a service known as “cable in the classroom”, but apparently this service is not used by many teachers because the technology is outdated.

The current franchise agreement provides that Charter would provide certain fiber at no cost for the establishment of an “Institutional network” referred to as “I-Net”. The Charter representatives have advised staff that their corporate policy has been revised such that they are not willing to continue to provide the fiber for the City’s I-Net at no cost. Charter has been working on preparing a proposal to allow the City to lease this fiber.

Section 10 – Franchise Fee

Sections 10.1 through 10.4 of the new franchise agreement replace the provisions in Section 13 of the current franchise agreement. The amount of the franchise fee remains at 5% of Charter’s annual gross revenue, which is the maximum percentage for a franchise fee which can be imposed under federal law. The due date for payment of the franchise fee has been changed from 45 days from the close of the calendar quarter to 30 days.

Section 11 – Transfer of Franchise

Section 11.1 of the new franchise agreement replaces Section 19 of the current franchise agreement.

Section 12 – Records, Reports and Maps

Section 12.2 of the new franchise agreement includes provisions concerning the maintenance of plans, records, and maps related to Charter’s cable system, and is intended to replace the provisions of Section 15 of the current franchise agreement. Section 12.3 of the new franchise agreement related to inspection of records is intended to replace the provisions of Section 14 concerning auditing and financial records.

Section 13 - Enforcement or Revocation

Sections 13.1 through 13.5 of the new franchise agreement set forth the public hearing process which would be involved in the event of any enforcement action initiated by the City for a violation of the franchise, including a proceeding to revoke the franchise. These provisions are intended to replace the provisions in Section 23 of the current franchise agreement.

Section 14 – Miscellaneous Provisions

Sections 14.1 through 14.10 of the new franchise agreement contain a variety of provisions, including provisions concerning severability, integration, and notices, which are included in Sections 25, 26, and 28 of the current franchise agreement. Section 14.4 includes a new provision which grants Charter the option to request the City to modify the franchise to insure that the obligations imposed upon Charter are no more burdensome than the obligations imposed upon a new franchisee.

BUDGET IMPLICATIONS: The amount of revenue which the City can collect from Charter for the franchise fee is limited to five percent of Charter's annual gross revenue. As noted earlier in this staff report, Charter is in the process of considering a proposal to allow the City to lease the fiber owned by Charter which the City uses for its I-Net.

COUNCIL ALTERNATIVES:

1. *Staff recommendation:* This is a discussion for the proposed franchise, and staff will be seeking input and direction from the Council as to any revisions the Council would like to include in the proposed franchise agreement. Staff is planning to prepare a special ordinance for the March 14, 2016 Council meeting which would adopt the franchise agreement including any revisions requested by the Council, as the current franchise agreement will expire on March 31, 2016.

FRANCHISE AGREEMENT

This Franchise Agreement (“**Franchise**”) is between the CITY of THE DALLES, OREGON, hereinafter referred to as the “Grantor” and FALCON COMMUNITY VENTURES I, L.P., locally known as CHARTER COMMUNICATIONS, hereinafter referred to as the “Grantee.”

WHEREAS, the Grantor finds that the Grantee has substantially complied with the material terms of the current Franchise under applicable laws, and that the financial, legal and technical ability of the Grantee is sufficient to provide services, facilities and equipment necessary to meet the future cable-related needs of the community, and

WHEREAS, having afforded the public adequate notice and opportunity for comment, Grantor desires to enter into this Franchise with the Grantee for the construction and operation of a cable system on the terms set forth herein; and

WHEREAS, the Grantor and Grantee have complied with all federal and State-mandated procedural and substantive requirements pertinent to this franchise renewal;

NOW, THEREFORE, the Grantor and Grantee agree as follows:

SECTION 1 Definition of Terms

1.1 Terms. For the purpose of this franchise the following terms, phrases, words and their derivations shall have the meaning ascribed to them in the Cable Communications Policy Act of 1984, as amended from time to time (the “Cable Act”), unless otherwise defined herein. When not inconsistent with the context, words used in the present tense include the future, words in the plural number include the singular number, and words in the singular number include the plural number. The word “shall” is mandatory and “may” is permissive. Words not defined shall be given their common and ordinary meaning.

- A. “Cable System,” “Cable Service,” and “Basic Cable Service” shall be defined as set forth in the Cable Act
- B. “Board/Council” shall mean the governing body of the Grantor.
- C. “Cable Act” shall mean the Cable Communications Policy Act of 1984, as amended, 47 U.S.C. §§ 521, et. seq.
- D. “FCC” shall mean the Federal Communications Commission and any successor governmental entity thereto.
- E. “Franchise” shall mean the non-exclusive rights granted pursuant to this Franchise to construct, operate, and maintain a Cable System along the public ways within all or a specified area in the Service Area.

- F. “Gross Revenue” means any revenue, as determined in accordance with generally accepted accounting principles, received by the Grantee from the operation of the Cable System to provide Cable Services in the Service Area, provided, however, that such phrase shall not include: (1) any taxes, fees or assessments collected by the Grantee from Subscribers for pass-through to a government agency, including, without limitation, the FCC user fee, the franchise fee, or any sales or utility taxes; (2) unrecovered bad debt; (3) credits, refunds and deposits paid to Subscribers; and (4) any exclusions available under applicable State law.
- G. “Person” shall mean an individual, partnership, association, organization, corporation, trust or governmental entity.
- H. “Service Area” shall mean the geographic boundaries of the incorporated City of The Dalles, and shall include any additions thereto by annexation or other legal means, subject to the exception in Section 6 hereto.
- I. “State” shall mean the State of Oregon.
- J. “Street” shall include each of the following located within the Service Area: public streets, roadways, highways, bridges, land paths, boulevards, avenues, lanes, alleys, sidewalks, circles, drives, easements, rights of way and similar public ways and extensions and additions thereto, including but not limited to public utility easements, dedicated utility strips, or rights-of-way dedicated for compatible uses now or hereafter held by the Grantor in the Service Area, which shall entitle the Grantee to the use thereof for the purpose of installing, operating, repairing and maintaining the Cable System.
- K. “Subscriber” shall mean any Person lawfully receiving Cable Service from the Grantee.

SECTION 2
Grant of Franchise

2.1 Grant. The Grantor hereby grants to the Grantee a nonexclusive Franchise which authorizes the Grantee to erect, construct, operate and maintain in, upon, along, across, above, over and under the Streets, now in existence and as may be created or established during its terms; any poles, wires, cable, underground conduits, manholes, and other conductors and fixtures necessary for the maintenance and operation of a Cable System. Nothing in this Franchise shall be construed to prohibit the Grantee from offering any service over its Cable System that is not prohibited by federal, State or local law.

2.2 Term. The Franchise and the rights, privileges and authority hereby granted shall be for an initial term of ten (10) years, commencing on the Effective Date of this Franchise as set forth in Section 14.10. This Franchise will be automatically extended for an additional term of five (5) years from the expiration date as set forth in Section 14.10, unless either party notifies the other in writing of its desire to not exercise this automatic extension (and enter renewal negotiations under the Cable Act) at least three (3) years before the expiration of this Franchise. If such a notice is given, the parties will then proceed under the federal Cable Act renewal procedures.

2.3 Police Powers and Conflicts with Franchise. The Grantee agrees to comply with the terms of any lawfully adopted generally applicable local ordinance necessary to the safety, health, and welfare of the public, to the extent that the provisions of the ordinance do not have the effect of limiting the benefits or expanding the obligations of the Grantee that are granted by this Franchise. This Franchise is a contract and except as to those changes which are the result of the Grantor's lawful exercise of its general police power, the Grantor may not take any unilateral action which materially changes the explicit mutual promises in this contract. Any changes to this Franchise must be made in writing signed by the Grantee and the Grantor. In the event of any conflict between this Franchise and any Grantor ordinance or regulation that is not generally applicable, this Franchise shall control.

2.4 Cable System Franchise Required. No Cable System shall be allowed to occupy or use the streets or public rights-of-way of the Service Area or be allowed to operate without a Cable System Franchise.

SECTION 3 **Franchise Renewal**

3.1 Procedures for Renewal. The Grantor and the Grantee agree that any proceedings undertaken by the Grantor that relate to the renewal of the Grantee's Franchise shall be governed by and comply with the provisions of Section 626 of the Cable Act, or any such successor statute.

SECTION 4 **Indemnification and Insurance**

4.1 Indemnification. The Grantee shall, by acceptance of the Franchise granted herein, defend the Grantor, its officers, boards, commissions, agents, and employees for all claims for injury to any Person or property caused by the negligence of Grantee in the construction or operation of the Cable System and in the event of a determination of liability shall indemnify and hold Grantor, its officers, boards, commissions, agents, and employees harmless from any and all liabilities, claims, demands, or judgments growing out of any injury to any Person or property as a result of the negligence of Grantee arising out of the construction, repair, extension, maintenance, operation or removal of its wires, poles or other equipment of any kind or character used in connection with the operation of the Cable System, provided that the Grantor shall give the Grantee written notice of its obligation to indemnify the Grantor within ten (10) days of receipt of a claim or action pursuant to this section. In the event any such claim arises, the Grantor shall tender the defense thereof to the Grantee and the Grantee shall have the right to defend, settle or compromise any claims arising hereunder and the Grantor shall cooperate fully herein. If the Grantor determines in good faith that its interests cannot be represented by the Grantee, the Grantee shall be excused from any obligation to represent the Grantor. Notwithstanding the foregoing, the Grantee shall not be obligated to indemnify the Grantor for any damages, liability or claims resulting from the willful misconduct or negligence of the Grantor or for the Grantor's use of the Cable System.

4.2 Insurance.

A. The Grantee shall maintain throughout the term of the Franchise insurance in amounts at least as follows:

Workers' Compensation	Statutory Limits
Commercial General Liability	\$1,000,000 per occurrence, Combined Single Limit (C.S.L.) \$2,000,000 General Aggregate
Auto Liability including coverage on all owned, non-owned hired autos	\$1,000,000 per occurrence C.S.L.
Umbrella Liability	
Umbrella Liability	\$1,000,000 per occurrence C.S.L.

B. The Grantor shall be added as an additional insured, arising out of work performed by Grantee, to the above Commercial General Liability, Auto Liability and Umbrella Liability insurance coverage.

C. The Grantee shall furnish the Grantor with current certificates of insurance evidencing such coverage upon request.

SECTION 5
Service Obligations

5.1 No Discrimination. Grantee shall not deny service, deny access, or otherwise discriminate against Subscribers, channel users, or general citizens on the basis of race, color, religion, national origin, age or sex.

5.2 Privacy. The Grantee shall fully comply with the privacy rights of Subscribers as contained in Cable Act Section 631 (47 U.S.C. § 551).

SECTION 6
Service Availability

6.1 Service Area. The Grantee shall continue to provide Cable Service to all residences within the Service Area where Grantee currently provides Cable Service. Grantee shall have the right, but not the obligation, to extend the Cable System into any other portion of the Service Area, including annexed areas. Cable Service offered to Subscribers pursuant to this Franchise shall be conditioned upon Grantee having legal access to any such Subscriber's dwelling unit or other units wherein such Cable Service is provided.

6.2 New Development Underground. In cases of new construction or property development where utilities are to be placed underground, the Grantor agrees to make best efforts to require as a condition of issuing a permit for open trenching to any developer or property owner that such developer or property owner give Grantee at least thirty (30) days prior

written notice of such construction or development, and of the particular dates on which open trenching will be available for Grantee's installation of conduit, pedestals and/or vaults, and laterals to be provided at Grantee's expense. Grantee shall also provide specifications as needed for trenching. Costs of trenching and easements required to bring service to the development shall be borne by the developer or property owner; except that if Grantee fails to install its conduit, pedestals and/or vaults, and laterals within five (5) working days of the date the trenches are available, as designated in the written notice given by the developer or property owner, then should the trenches be closed after the five day period, the cost of new trenching is to be borne by Grantee.

6.3 Annexation. The Grantor shall promptly provide written notice to the Grantee of its annexation of any territory which is being provided Cable Service by the Grantee or its affiliates. Such annexed area will be subject to the provisions of this Franchise upon sixty (60) days' written notice from the Grantor, subject to the conditions set forth below and Section 6.1 above. The Grantor shall also notify Grantee in writing of all new street address assignments or changes within the Service Area. Grantee shall within ninety (90) days after receipt of the annexation notice, pay the Grantor franchise fees on revenue received from the operation of the Cable System to provide Cable Services in any area annexed by the Grantor if the Grantor has provided a written annexation notice that includes the addresses that will be moved into the Service Area in an Excel format or in a format that will allow Grantee to change its billing system. If the annexation notice does not include the addresses that will be moved into the Service Area, Grantee shall pay franchise fees within ninety (90) days after it receives the annexed addresses as set forth above. All notices due under this section shall be sent by certified mail, return receipt requested to the addresses set forth in Section 14.5 with a copy to the Director of Government Relations. In any audit of franchise fees due under this Franchise, Grantee shall not be liable for franchise fees on annexed areas unless and until Grantee has received notification and information that meets the standards set forth in this section.

SECTION 7 **Construction and Technical Standards**

7.1 Compliance with Codes. All construction practices and installation of equipment shall be done in accordance with all applicable sections of the National Electric Safety Code.

7.2 Construction Standards and Requirements. All of the Grantee's plant and equipment, including but not limited to the antenna site, head end and distribution system, towers, house connections, structures, poles, wire, cable, coaxial cable, fixtures and appurtenances shall be installed, located, erected, constructed, reconstructed, replaced, removed, repaired, maintained and operated in accordance with good engineering practices and performed by experienced maintenance and construction personnel.

7.3 Safety. The Grantee shall at all times employ ordinary care and shall use commonly accepted methods and devices preventing failures and accidents which are likely to cause damage.

7.4 Network Technical Requirements. The Cable System shall be designed, constructed and operated so as to meet those technical standards adopted by the FCC relating to Cable

Systems contained in part 76 of the FCC's rules and regulations as may be amended from time to time, regardless of the transmission technology utilized.

7.5 Performance Monitoring. Grantee shall test the Cable System consistent with the FCC regulations.

SECTION 8 **Conditions on Street Occupancy**

8.1 General Conditions. Grantee shall have the right to utilize existing poles, conduits and other facilities whenever possible, and shall not construct or install any new, different, or additional poles, conduits, or other facilities on public property without obtaining all legally required permits of the Grantor.

8.2 Underground Construction. The facilities of the Grantee shall be installed underground in those Service Areas where existing telephone and electric services are both underground at the time of system construction. In areas where either telephone or electric utility facilities are installed aerially at the time of system construction, the Grantee may install its facilities aerially with the understanding that at such time as the existing aerial facilities are required to be placed underground by the Grantor, the Grantee shall likewise place its facilities underground. In the event that any telephone or electric utilities are reimbursed by the Grantor or any agency thereof for the placement of cable underground or the movement of cable, Grantee shall be reimbursed upon the same terms and conditions as any telephone, electric or other utilities.

8.3 Construction Codes and Permits. Grantee shall obtain all legally required permits before commencing any work requiring a permit, including the opening or disturbance of any Street within the Service Area. The Grantor shall cooperate with the Grantee in granting any permits required, providing such grant and subsequent construction by the Grantee shall not unduly interfere with the use of such Streets. The Grantee shall adhere to all building and zoning codes currently or hereafter applicable to construction, operation or maintenance of the Cable System in the Service Area, provided that such codes are of general applicability and such codes are uniformly and consistently applied by the Grantor as to other public utility companies and other entities operating in the Service Area.

8.4 System Construction. All transmission lines, equipment and structures shall be so installed and located as to cause minimum interference with the rights and reasonable convenience of property owners and at all times shall be kept and maintained in a safe, adequate and substantial condition, and in good order and repair. The Grantee shall, at all times, employ ordinary care and use commonly accepted methods and devices for preventing failures and accidents which are likely to cause damage, injuries, or nuisances to the public. Suitable barricades, flags, lights, flares or other devices shall be used at such times and places as are reasonably required for the safety of all members of the public. Any poles or other fixtures placed in any public way by the Grantee shall be placed in such a manner as not to interfere with the usual travel on such public way.

8.5 Restoration of Public Ways. Grantee shall, at its own expense, restore any damage or disturbance caused to the public way as a result of its operation, construction, or maintenance of

the Cable System to a condition reasonably comparable to or better than the condition of the Streets immediately prior to such damage or disturbance.

8.6 Additional Right-of-Way Regulation. The Grantor shall provide Grantee with six (6) months written notice in advance of any intent to reconstruct or overlay any streets located within Grantee's Service Area. Subject to applicable law, work by Grantee shall be performed in compliance with the generally applicable rules, regulations, ordinances (including the City's ordinance regulating public right-of-way), or orders, which may, during the continuance of this franchise, be adopted from time to time by the City of The Dalles.

8.7 Removal in Emergency. Whenever, in case of fire or other disaster, it becomes necessary in the judgment of the Grantor to remove any of the Grantee's facilities, no charge shall be made by the Grantee against the Grantor for restoration and repair, unless such acts amount to gross negligence by the Grantor.

8.8 Tree Trimming. Grantee or its designee shall have the authority to trim trees on public property at its own expense as may be necessary to protect its wires and facilities, utilizing appropriate arboricultural methods to protect the health and integrity of desirable trees.

8.9 Relocation for the Grantor. The Grantee shall, upon receipt of reasonable advance written notice, to be not less than ten (10) business days, protect, support, temporarily disconnect, relocate, or remove any property of Grantee when lawfully required by the Grantor pursuant to its police powers. Grantee shall be responsible for any costs associated with these obligations to the same extent all other users of the Grantor rights-of-way are responsible for the costs related to the relocation of their facilities.

8.10 Relocation for a Third Party. The Grantee shall, on the request of any Person holding a lawful permit issued by the Grantor, protect, support, raise, lower, temporarily disconnect, relocate in or remove from the Street as necessary any property of the Grantee, provided that the expense of such is paid by any such Person benefiting from the relocation and the Grantee is given reasonable advance written notice to prepare for such changes. The Grantee may require such payment in advance. For purposes of this subsection, "reasonable advance written notice" shall be no less than ten (10) business days in the event of a temporary relocation and no less than one hundred twenty (120) days for a permanent relocation.

8.11 Reimbursement of Costs. If funds are available to any similar user of the Streets for the purpose of defraying the cost of any of the foregoing, the Grantor shall reimburse the Grantee in the same manner in which other users affected by the requirement are reimbursed. If the funds are controlled by another governmental entity, the Grantor shall make application for such funds on behalf of the Grantee.

8.12 Emergency Use. If the Grantee provides an Emergency Alert System ("EAS"), then the Grantor shall permit only appropriately trained and authorized Persons to operate the EAS equipment and shall take reasonable precautions to prevent any use of the Grantee's Cable System in any manner that results in inappropriate use thereof, or any loss or damage to the Cable System. The Grantor shall hold the Grantee, its employees, officers and assigns harmless

from any claims or costs arising out of use of the EAS, including, but not limited to, reasonable attorneys' fees and costs.

SECTION 9 **Service and Rates**

9.1 Phone Service. The Grantee shall maintain a toll-free telephone number and a phone service operated such that complaints and requests for repairs or adjustments may be received at any time.

9.2 Notification of Service Procedures. The Grantee shall furnish each Subscriber at the time service is installed, written instructions that clearly set forth information concerning the procedures for making inquiries or complaints, including the Grantee's name, address and local telephone number. Grantee shall give the Grantor thirty (30) days prior notice of any rate increases, channel lineup or other substantive service changes.

9.3 Rate Regulation. Grantor shall have the right to exercise rate regulation to the extent authorized by law, or to refrain from exercising such regulation for any period of time, at the sole discretion of the Grantor. If and when exercising rate regulation, the Grantor shall abide by the terms and conditions set forth by the FCC.

9.4 Continuity of Service. It shall be the right of all Subscribers to continue receiving Cable Service insofar as their financial and other obligations to the Grantee are satisfied; however, notwithstanding anything to the contrary, Grantee may discontinue or refuse to provide Cable Service to any person that is abusive and/or exhibits threatening behavior toward the Grantee's employees or representatives.

SECTION 10 **Franchise Fee**

10.1 Amount of Fee. Grantee shall pay to the Grantor an annual franchise fee in an amount equal to five percent (5%) of the annual Gross Revenue. Such payment shall be in addition to taxes of general applicability owed to the Grantor by the Grantee that are not included as franchise fees under federal law. Franchise fees may be passed through to Subscribers as a line item on Subscriber bills or otherwise as Grantee chooses, consistent with federal law.

10.2 Payment of Fee. Payment of the fee due the Grantor shall be made on a quarterly basis, within thirty (30) days of the close of each calendar quarter and transmitted by electronic funds transfer to a bank account designated by Grantor. The payment period and the collection of the franchise fees that are to be paid to the Grantor pursuant to the Franchise shall commence sixty (60) days after the Effective Date of the Franchise as set forth in Section 14.10. In the event of a dispute, the Grantor, if it so requests, shall be furnished a statement of said payment, reflecting the Gross Revenues and the applicable charges.

10.3 Accord and Satisfaction. No acceptance of any payment by the Grantor shall be construed as a release or as an accord and satisfaction of any claim the Grantor may have for additional sums payable as a franchise fee under this Franchise.

10.4 Limitation on Recovery. The period of limitation for recovery of any franchise fee payable hereunder shall be three (3) years from the date on which payment by the Grantee was due. If any Franchise payment or recomputed payment is not made on or before the dates specified herein, Grantee shall pay an interest charge, computed from the last day of the fiscal year in which payment was due, at the annual rate of one (1%) percent over the prime interest rate.

SECTION 11 **Transfer of Franchise**

11.1 Franchise Transfer. The Franchise granted hereunder shall not be assigned, other than by operation of law or to an entity controlling, controlled by, or under common control with the Grantee, without the prior consent of the Grantor, such consent not to be unreasonably withheld or delayed. No such consent shall be required, however, for a transfer in trust, by mortgage, by other hypothecation, or by assignment of any rights, title, or interest of the Grantee in the Franchise or Cable System to secure indebtedness. Within thirty (30) days of receiving a request for transfer, the Grantor shall notify the Grantee in writing of any additional information it reasonably requires to determine the legal, financial and technical qualifications of the transferee. If the Grantor has not taken action on the Grantee's request for transfer within one hundred twenty (120) days after receiving such request, consent by the Grantor shall be deemed given.

SECTION 12 **Records, Reports and Maps**

12.1 Reports Required. The Grantee's schedule of charges for regular Subscriber service, its policy regarding the processing of Subscriber complaints, delinquent Subscriber disconnect and reconnect procedures and any other terms and conditions adopted as the Grantee's policy in connection with its Subscribers shall be filed with the Grantor upon request.

12.2 Records Required.

The Grantee shall at all times maintain:

- A. A record of all written complaints received regarding interruptions or degradation of Cable Service, which record shall be maintained for one (1) year.
- B. A full and complete set of plans, records and strand maps showing the location of the Cable System.

12.3 Inspection of Records. Grantee shall permit any duly authorized representative of the Grantor, upon receipt of advance written notice, to examine at Grantee's local office or another mutually agreeable location during normal business hours and on a non-disruptive basis any and all of Grantee's records maintained by Grantee as is reasonably necessary to ensure Grantee's compliance with the Franchise. Such notice shall specifically reference the subsection of the Franchise that is under review so that the Grantee may organize the necessary books and records for easy access by the Grantor. The Grantee shall not be required to maintain any books and records for Franchise compliance purposes longer than three (3) years, except for service complaints, which shall be kept for one (1) year as specified above. The Grantee shall not be

required to provide Subscriber information in violation of Section 631 of the Cable Act. The Grantor agrees to treat as confidential any books, records or maps that constitute proprietary or confidential information to the extent Grantee make the Grantor aware of such confidentiality. If the Grantor believes it must release any such confidential books or records in the course of enforcing this Franchise, or for any other reason, it shall advise Grantee in advance so that Grantee may take appropriate steps to protect its interests. Until otherwise ordered by a court or agency of competent jurisdiction, the Grantor agrees that, to the extent permitted by State and federal law, it shall deny access to any of Grantee's books and records marked confidential, as set forth above, to any Person.

SECTION 13 **Enforcement or Revocation**

13.1 Notice of Violation. If the Grantor believes that the Grantee has not complied with the terms of the Franchise, the Grantor shall first informally discuss the matter with Grantee. If these discussions do not lead to resolution of the problem, the Grantor shall notify the Grantee in writing of the exact nature of the alleged noncompliance (the "Violation Notice").

13.2 Grantee's Right to Cure or Respond. The Grantee shall have thirty (30) days from receipt of the Violation Notice to (i) respond to the Grantor, contesting the assertion of noncompliance, or (ii) to cure such default, or (iii) if, by the nature of default, such default cannot be cured within the thirty (30) day period, initiate reasonable steps to remedy such default and notify the Grantor of the steps being taken and the projected date that they will be completed.

13.3 Public Hearing. If the Grantee fails to respond to the Violation Notice received from the Grantor, or if the default is not remedied within the cure period set forth above, the Board shall schedule a public hearing if it intends to continue its investigation into the default. The Grantor shall provide the Grantee at least twenty (20) days prior written notice of such hearing, which specifies the time, place and purpose of such hearing, notice of which shall be published by the Clerk of the Grantor in a newspaper of general circulation within the Grantor in accordance with Section 14 hereof. The Grantee shall have the right to present evidence and to question witnesses. The Grantor shall determine if the Grantee has committed a violation and shall make written findings of fact relative to its determination. If a violation is found, the Grantee may petition for reconsideration before any competent tribunal having jurisdiction over such matters.

13.4 Enforcement. Subject to applicable federal and State law, in the event the Grantor, after the hearing set forth in subsection 13.3 above, determines that the Grantee is in default of any provision of the Franchise, the Grantor may:

- A. Seek specific performance of any provision, which reasonably lends itself to such remedy, as an alternative to damages; or
- B. Commence an action at law for monetary damages or seek other equitable relief; or
- C. In the case of a substantial default of a material provision of the Franchise, seek to revoke the Franchise itself in accordance with subsection 13.5 below.

13.5 Revocation.

- A. Prior to revocation or termination of the Franchise, the Grantor shall give written notice to the Grantee of its intent to revoke the Franchise on the basis of a pattern of noncompliance by the Grantee, including one or more instances of substantial noncompliance with a material provision of the Franchise. The notice shall set forth the exact nature of the noncompliance. The Grantee shall have sixty (60) days from such notice to either object in writing and to state its reasons for such objection and provide any explanation or to cure the alleged noncompliance. If the Grantor has not received a satisfactory response from Grantee, it may then seek to revoke the Franchise at a public hearing. The Grantee shall be given at least thirty (30) days prior written notice of such public hearing, specifying the time and place of such hearing and stating its intent to revoke the Franchise.
- B. At the hearing, the Board shall give the Grantee an opportunity to state its position on the matter, present evidence and question witnesses, after which it shall determine whether or not the Franchise shall be revoked. The public hearing shall be on the record and a written transcript or audio recording shall be made available to the Grantee within ten (10) business days. The decision of the Board shall be made in writing and shall be delivered to the Grantee. The Grantee may appeal such determination to an appropriate court. The Grantee may continue to operate the Cable System until all legal appeals procedures have been exhausted.
- C. Notwithstanding the above provisions, the Grantee does not waive any of its rights under federal law or regulation.
- D. Upon revocation of the Franchise, Grantee may remove the Cable System from the Streets of the Grantor, or abandon the Cable System in place.

SECTION 14 **Miscellaneous Provisions**

14.1 Force Majeure. The Grantee shall not be held in default under, or in noncompliance with the provisions of the Franchise, nor suffer any enforcement or penalty relating to noncompliance or default, where such noncompliance or alleged defaults occurred or were caused by circumstances reasonably beyond the ability of the Grantee to anticipate and control. This provision includes, but is not limited to, severe or unusual weather conditions, fire, flood, or other acts of God, strikes, work delays caused by failure of utility providers to service, maintain or monitor their utility poles to which Grantee's Cable System is attached, as well as unavailability of materials and/or qualified labor to perform the work necessary.

14.2 Minor Violations. Furthermore, the parties hereby agree that it is not the Grantor's intention to subject the Grantee to penalties, fines, forfeitures or revocation of the Franchise for violations of the Franchise where the violation was a good faith error that resulted in no or minimal negative impact on the Subscribers within the Service Area, or where strict performance would result in practical difficulties and hardship to the Grantee which outweighs the benefit to be derived by the Grantor and/or Subscribers.

14.3 Action of Parties. In any action by the Grantor or the Grantee that is mandated or permitted under the terms hereof, such party shall act in a reasonable, expeditious and timely manner. Furthermore, in any instance where approval or consent is required under the terms hereof, such approval or consent shall not be unreasonably withheld.

14.4 Equal Protection. If any other provider of cable services or video services (without regard to the technology used to deliver such services) is lawfully authorized by the Grantor or by any other State or federal governmental entity to provide such services using facilities located wholly or partly in the public rights-of-way of the Grantor, the Grantor shall within thirty (30) days of a written request from Grantee, modify this Franchise to insure that the obligations applicable to Grantee are no more burdensome than those imposed on the new competing provider. If the Grantor fails to make modifications consistent with this requirement, Grantee's Franchise shall be deemed so modified thirty (30) days after the Grantee's initial written notice. As an alternative to the Franchise modification request, the Grantee shall have the right and may choose to have this Franchise with the Grantor be deemed expired thirty (30) days after written notice to the Grantor. Nothing in this Franchise shall impair the right of the Grantee to terminate this Franchise and, at Grantee's option, negotiate a renewal or replacement franchise, license, consent, certificate or other authorization with any appropriate government entity.

14.5 Notices. Unless otherwise provided by federal, State or local law, all notices, reports or demands pursuant to this Franchise shall be in writing and shall be deemed to be sufficiently given upon delivery to a Person at the address set forth below, or by U.S. certified mail, return receipt requested, nationally or internationally recognized courier service such as Federal Express or electronic mail communication to the designated electronic mail address provided below. Grantee shall provide thirty (30) days' written notice of any changes in rates, programming services or channel positions using any reasonable written means. As set forth above, notice served upon the Grantor shall be delivered or sent to:

Grantor: City of The Dalles
Attn: City Manager
313 Court Street
The Dalles, OR
Email: jkrueger@ci.the-dalles.or.us

Grantee: Director, Government Affairs
Charter Communications
222 NE Park Plaza Drive, #231
Vancouver, WA 98684
Marian.jackson@charter.com

Copy to: Charter Communications
Attn: Vice President of Government Affairs
12405 Powerscourt Drive
St. Louis, MO 63131

14.6 Public Notice. Minimum public notice of any public meeting relating to this Franchise or any such grant of additional franchises, licenses, consents, certificates, authorizations, or exemptions by the Grantor to any other Person(s) to provide Cable Services, video services, or other television services utilizing any system or technology requiring use of the public rights of way shall be by publication at least once in a newspaper of general circulation in the area at least ten (10) days prior to the meeting and a posting at the administrative buildings of the Grantor.

14.6.1 Grantor shall provide written notice to Grantee within ten (10) days of Grantor's receipt from any other Person(s) of an application or request for a franchise(s), license(s), consent(s), certificate(s), authorization(s), or exemption(s) to provide Cable Services, video services, or other television services utilizing any system or technology requiring use of the public rights of way. Any public hearings to consider such application or request shall have the same notice requirement as outlined in Section 14.6 above.

14.7 Severability. If any section, subsection, sentence, clause, phrase, or portion of this Franchise is, for any reason, held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision and such holding shall not affect the validity of the remaining portions of this Franchise.

14.8 Entire Agreement. This Franchise and any Exhibits hereto constitute the entire agreement between Grantee and the Grantor and they supersede all prior or contemporaneous agreements, representations or understandings (whether written or oral) of the parties regarding the subject matter hereof.

14.9 Administration of Franchise. This Franchise is a contract and neither party may take any unilateral action that materially changes the explicit mutual promises and covenants contained herein. Any changes, modifications or amendments to this Franchise must be made in writing, signed by the Grantor and the Grantee.

14.10 Effective Date. The Franchise granted herein will take effect and be in full force from such date of acceptance by Grantee recorded on the signature page of this Franchise ("Effective Date"). The initial term of this franchise shall expire ten (10) years from the Effective Date defined herein, unless extended in accordance with Section 2.2 of the Franchise or by the mutual agreement of the parties. If any fee or grant that is passed through to Subscribers is required by this Franchise, other than the franchise fee, such fee or grant shall go into effect sixty (60) days after the Effective Date of this Franchise.

Considered and approved this ____ day of _____, 2016.

The Dalles, Oregon

Signature: _____

Name/Title: _____

Accepted this ___ day of _____, 2016, subject to applicable federal, State and local law.

Falcon Community Ventures I, LP
By: Charter Communications VII, LLC, its General Partner
By: Charter Communications, Inc., its Manager

Signature: _____

Name/Title: _____

Date: _____

SPECIAL ORDINANCE NO. 00-482

AN ORDINANCE GRANTING A NONEXCLUSIVE FRANCHISE FOR THE MAINTENANCE AND OPERATION OF A CABLE TELEVISION SYSTEM IN THE CITY OF THE DALLES

THE CITY COUNCIL OF THE CITY OF THE DALLES ORDAINS AS FOLLOWS:

Section 1. Grant of Non-Exclusive Franchise. The City of The Dalles hereby grants a non-exclusive franchise to Charter Communications, Inc. hereinafter referred to as the "Franchisee", to operate and maintain a cable system for a period of fifteen (15) years, with the option to renew the franchise for an additional fifteen (15) years upon renegotiation of the terms of the franchise and acceptance of those terms by the City and the Franchisee.

Section 2. Definitions. For purposes of this ordinance, the following phrases, words, and their derivations shall have the meanings given herein. The word "shall" is always mandatory and not merely directory.

1. Access channel or public, educational or governmental access (PEG) means any channel or portion of a channel utilized for programming by members of the general public or non-commercial organizations, without charge or in a non-profit manner.
2. Access services or community access services means programming provided on any public, educational or government access channel and related facilities, equipment, channels and services.
3. Basic service or basic cable service means any tier of service regularly provided to all subscribers. It includes, but is not limited to, the retransmission of Portland, Oregon broadcast television signals, and the cablecasting of PEG channels.
4. Cable Act means the Cable Communications Policy Act of 1984, 47 USC Section 521 et. seq., as amended by the Cable Television Consumer Protection and Competition Act of 1992, as further amended by the Telecommunications Act of 1996, as further amended from time to time.
5. Cable communication system, cable system or system refers to the cable system constructed and operated within the City pursuant to this ordinance.
6. Cable Services means (1) the one way transmission to Subscribers of (a) a video programming, or (b) other programming services, and (2) subscriber interaction, if any, which is required for the selection or use of such video programming or other programming service.
7. Charter means Charter Communications, Inc, and its agents or assigns.
8. City Council means the City Council of the City of The Dalles.
9. Franchise means the right granted by this ordinance and conditioned as set forth herein by which the City authorizes Charter Communications to construct, operate, and maintain a cable communications system in the City.

10. Franchise Fee means the fee assessed by the City to Charter, as consideration for Charter's right to operate the cable system within the City's streets and rights of way, determined as a percentage of Charter's gross revenues, not to exceed the maximum percentage allowed by federal law. The term franchise fee does not include any tax, fee, or assessment of general applicability, nor any payments to the City as reimbursement for the City's costs in support of community access services.
11. Gross revenues means all amounts received by Charter, or any entity that constitutes a "cable operator" under the Cable Act definition, in whatever form and from all sources, derived from the provision of cable services over Charter's cable system within the franchise area. "Gross revenues" shall include, without limitation, amounts for all cable services, premium services, advertising, commissions on sales of goods or services by third parties utilizing the cable system (e.g., online services or home shopping networks), installations, leasing, renting or selling of system capacity, and all other revenues derived from the operation of Charter's cable system, regardless of whether initially recorded to another entity and however characterized.

"Gross revenues" shall also include any amounts received or earned by any affiliate of Charter in whatever form and from all sources derived from the provision of cable services over Charter's cable system within the franchise area, including amounts for cable services, premium services, advertising, commissions on sales of goods or services by third parties utilizing the cable system (e.g., online services or home shopping networks), installations, leasing, renting, or selling of system capacity and all other revenues derived from the operation of Charter's cable system.

However, any sales, excise, or other taxes or fees levied directly upon subscribers by a local, state or federal government and collected by Charter for direct pass-through to such government shall not be included in "Gross revenues".

Charter may exclude from "Gross revenues" any copyright fees or franchise fees paid by Charter, unless prohibited by state or federal law. "Gross revenues", however, shall not be double counted. Revenues of both Charter and an affiliate that represent a transfer of funds between Charter and the affiliate, and that would otherwise constitute "Gross revenues" of both Charter and the affiliate, shall be counted only once for purposes of determining "Gross revenues."

12. Interactive services means those services provided to subscribers whereby the subscriber either (1) both receives information consisting of either television or other signal and transmits signals generated by the subscriber or equipment under his or her control for the purpose of selecting what information shall be transmitted to the subscriber or for any other purpose or (2) transmits signals to any other location for any purpose.
13. Locally scheduled means that the scheduling selection, and/or playback of programming on a per-program basis is determined by or in accordance with the policies of an access provider designated by the City.
14. Pay service or premium service means programming (such as non-advertiser supported movie channels or pay-per-view programs) offered individually to subscribers on a per-channel, per-program or per-event basis.

15. Person means any individual or entity and the lawful trustee, successor, assignee, transferee or personal representative thereof.
16. Street means the surface of and the space above and below the right-of-way of any public street, road, highway, freeway, easement, lane, right-of-way, path, alley, court, sidewalk, parkway, or driveway now or hereafter existing within the City.
17. Subscriber means any person who legally receives any one or more of the services provided by the cable system.

Section 3. Grant of Authority. The City of The Dalles, hereinafter referred to as the "City", grants to Charter a non-exclusive franchise to construct and operate a cable television system and offer cable television service via the streets in the City and to construct and maintain poles, wires, cables and other facilities necessary or appurtenant to the cable system. This franchise shall constitute both a right and an obligation to provide the services of a cable communications system according to the provisions of this ordinance. No provision of this franchise agreement shall be construed as authorization for Charter to enter private property, without the owner's permission, except as otherwise authorized by applicable law.

Section 4. Compliance with Applicable Laws. The franchisee shall at all material times during the term of this franchise, and when not inconsistent with the terms of this franchise, be subject to all lawful exercise of the police power by the City, and to such reasonable regulation as the City shall hereafter provide.

Section 5. Compliance with FCC Regulations. The Franchisee shall comply with all applicable rules and regulations of the Federal Communications Commission. Copies of all petitions, applications, and communications submitted by the Franchisee to the Federal Communications Commission, the Securities and Exchange Commission, or any other federal or state regulatory commission or agency having jurisdiction in respect of any matters directly affecting the cable system operations authorized pursuant to this franchise, shall be submitted to the City upon request.

Section 6. Compliance with Electrical Standards. Construction and maintenance of the transmission and distribution system including house connections, shall be in accordance with the provisions of the National Electrical Safety Code of the National Board of Fire Underwriters, and such safety codes as now exist or which may be established in the future. In the event of a conflict among the safety codes, the strictest standard shall apply.

Section 7. Franchise Requirements for Other Franchise Holders. In the event the City grants one (1) or more franchises for the construction, operation and maintenance of any communication facility which shall offer services substantially equivalent to services offered by Charter, the City shall not make the grant of the franchise on more favorable or less burdensome terms. If Charter finds the ordinance granting another franchise contains provisions imposing lesser obligations on the other franchisee than are imposed by the provisions of this franchise ordinance, Charter may petition the City for a modification of this franchise. Charter shall be entitled with respect to said lesser obligations to such modifications of this franchise as may be determined to be necessary to insure fair and equal treatment of all franchise holders.

In the event that a non-franchise multichannel video programming distributor provides service to the residents of the City, Charter shall have a right to request amendments to this franchise ordinance which relieve Charter of regulatory burdens that create a competitive disadvantage to Charter. In requesting amendments, Charter shall file a petition seeking to amend the franchise ordinance. The petition shall:

- (1) Indicate the presence of a non-franchised competitor;
- (2) Identify the basis for Charter's belief that certain provisions of the franchise place the franchisee at a competitive disadvantage;
- (3) Identify the regulatory burdens to be amended or repealed in order to eliminate the competitive disadvantage.

The City shall not unreasonably withhold granting the petition submitted by Charter to allow amendment of the franchise ordinance.

Section 8. Cable System Franchise Required; Exclusive Contracts Prohibited. No cable system shall be allowed to occupy or use the streets or public right-of-way of the City or be allowed to operate without a cable system franchise. No franchisee or other multichannel video programming distributor shall enter into or enforce an exclusive contract for the provision of cable service or other multichannel video programming with any person, or demand the exclusive right to serve a person or a location, as a condition of extending service to that person, or any other person, or any location. No franchisee or other multichannel video programming distributor shall engage in acts that have the purpose or effect of limiting competition for the provision of cable service or services similar to cable service in the City, except for such actions as are expressly authorized by law.

Section 9. Service Territory. The franchise area includes that area now within the City limits and any area subsequently annexed to the City. Charter's distribution system shall be capable of providing service to all potential subscribers requesting service within the incorporated limits of the City and shall extend its distribution system to serve additional subscribers in any unserved areas of the City as of the effective date of this ordinance, whenever a potential subscriber is located within 300 feet of a distribution point, provided that such extensions are technically and economically feasible for Charter. Where the length of a drop cable required to serve an individual resident would exceed 150 feet, the subscriber served by such a drop cable shall pay the cost of installing a feeder cable to a point where the subscriber will receive a signal without degradation of picture quality or reliability.

Section 10. Customer Service. Charter shall comply with all applicable Federal, State, and local laws for the protection of privacy of cable subscribers. Charter shall promptly respond to all requests for service, repair, installation and information from subscribers. Charter acknowledges the City's interest in the prompt resolution of all cable complaints and shall work in close cooperation with the City to resolve complaints.

Charter shall maintain a local office within the franchise area, where customers may obtain information and service, register complaints and pay bills. A toll-free telephone number shall be maintained so that complaints and repair requests may be received by Charter at any time. All non-emergency service requests and complaints shall be responded to within five (5) days of receipt. All emergencies and/or system outages will be responded to within twenty-four (24) hours.

Charter shall by appropriate means, as subscribers are connected or reconnected to the system furnish information concerning the procedures for making inquiries and/or complaints, including the name, address, and toll-free number for Charter. The equipment installed by Charter in the subscriber's home shall remain the property of Charter, and shall be subject to reasonable inspection and service by Charter during reasonable hours, and subject to removal upon non-payment for or termination of service.

Section 11. Community Programming. Charter shall reserve one local access/PEG (Public, Education, Government) channel for the City. Charter shall also make equipment available to the City to allow the City to edit videotapes prepared by the City, up to \$10,000, and to replay that videotape upon a designated channel at the City's request. Subject to FCC regulations, Charter shall provide the system capability for the City to transmit an emergency alert signal from locations designated by the City to all subscribers, and Charter shall provide an emergency audio override capability to permit the City to interrupt programming and cablecast from locations designated by the City to broadcast an audio message on a designated channel in the event of a disaster or public emergency. The City shall cooperate with the emergency broadcast needs of other cities and counties serviced by the system Headend in The Dalles. Subject to the limits of the Oregon Tort Claims Act, the City shall indemnify, defend, and hold harmless Charter and its officers, agents, and employees from any claim for injury, damage, loss, liability, cost or expense, including court and appeal costs and attorney fees or expenses, arising from any injury to person or property and all other damages arising out of or by reason of the sole negligence of the City or its officers, agents, or employees in the exercise of the City's emergency alert capability under this section.

Section 12. Service to the City. Charter shall provide and maintain one (1) free connection of basic cable service to City Hall, located at 313 Court Street, The Dalles, Oregon, the Mid-Columbia Fire & Rescue Station located at 1400 West 8th Street, The Dalles, Oregon, and to all accredited public and parochial primary, junior high, and secondary schools located within the City. The cost of any internal wiring shall be borne by the institution. Such connections shall be provided at such times as services can be provided from Charter's existing distribution plant. If a distribution plant extension of the system is required, which imposes an undue economic hardship upon Charter, Charter shall have the right to petition the City for relief from the service commitments set forth in this section. Service shall be provided to newly constructed City facilities under the same terms and conditions and as soon as practical, but in no event later than two (2) years from the date of occupancy.

Charter has also agreed to allow the City use of the Institutional network as set forth under the terms and conditions in the document attached hereto as Exhibit "A", which is incorporated herein and made a part of this franchise ordinance.

Section 13. Franchise Fee. During the term of this franchise, Charter shall pay to the City for the privilege of operating a cable system under this franchise, five percent (5%) of its gross revenues per month, in accordance with the Cable Act. The City reserves the right to decrease the amount of the franchise fee, or increase the amount of the franchise fee if such increase is authorized by a change in federal law. The franchise fees shall be paid quarterly, not later than forty-five (45) days following the end of the prior quarter for gross revenues received by Charter within the City during the prior quarter. Not later than the day of each payment, Charter shall file with the City, a written statement signed by an officer of Charter, which identifies in detail the sources and amounts of gross revenues earned by Charter during the month for which payment is made. No acceptance of any payment shall be construed as an accord that the amount paid is, in fact, the correct amount, nor shall such acceptance of payment be construed as a release of any claim which the City may have for further or additional sums payable under the provisions of this section.

Any franchise fees owing pursuant to this franchise which remain unpaid more than forty-five (45) days after the dates specified herein shall be delinquent and shall thereafter accrue interest at the rate of twelve percent (12%) per annum.

Section 14. Auditing and Financial Records. Charter shall manage all of its operations in accordance with a policy of keeping books and records open and accessible to the City. The City shall have the right as necessary or desirable for effectively administering and enforcing the

provisions of this franchise, to inspect at any time during normal business hours upon reasonable notice, all books, records, maps, plans, financial statements, service complaint logs, performance test results, records required to be kept by Charter pursuant to the rules and regulations of the FCC and other regulatory agencies, and other like materials of Charter which relate to the operation of the franchise. However, to the extent allowed by Oregon law, the City shall protect the trade secrets and other confidential information of Charter and any affiliated company. All books and records relating to Charter's activities under this franchise shall be available to the City.

Charter agrees to meet with representatives of the City upon request to review its methodology of record-keeping, financial reporting, computing franchise fee obligations, and other procedures, the understanding of which the City deems necessary for understanding the meaning of reports and records.

The City or its authorized agent may at any time and at the City's expense conduct an independent audit of the revenues of Charter in order to verify the accuracy of franchise fees paid to the City. Charter shall cooperate fully in the conduct of such an audit. In the event it is determined through such an audit that Charter has paid franchise fees in an amount which is at least five percent (5%) less than the amount which was due the City for any period, then Charter shall reimburse the City for the entire cost of the audit within thirty (30) days of the completion and acceptance of the audit by the City.

Section 15. Control of Construction. Charter shall file with the City maps showing the location of any proposed construction, extension or relocation of its poles, wires, cables, and other appurtenant facilities, within the streets of the City within 90 days of approval of this franchise ordinance, and shall obtain from the City approval of the location and plans prior to commencement of the work. Whenever possible, the maps provided by Charter shall be in an AutoCAD format acceptable to the City. The City shall require the Grantee to obtain a permit before commencing the construction, extension or relocation of any of its poles, wires, cables, and other appurtenant facilities located within the City's streets or public right-of-way.

Section 16. Conditions on Street Use. Charter shall endeavor to obtain rights to use facilities belonging to other franchise holders within the City. Approval of the assignment of such rights to Charter from such other franchise holders is hereby expressly given by the City, it being the intention of the City that Charter will utilize public utility facilities where feasible. Charter shall use, in connection with other utility companies or providers, common trenches for underground construction whenever possible.

Subject to the provisions of this ordinance, Charter may make necessary excavations for the purpose of constructing, installing, maintaining, and operating its facilities. Except in emergencies, and in the performance of routine service connections and ordinary maintenance, on private property, prior to making any excavation in the right-of-way of any street, bridge or public place, and, when required by the City, in any untraveled portion of any street, bridge, or any public place, Charter shall obtain a permit from the City for the proposed excavation and approval of its location. Charter shall give notice to the City by telephone, electronic data transmittal or other appropriate means prior to commencement of service or maintenance work, no later than seven (7) days before the work begins, and as soon as practicable after the commencement of work performed under emergency conditions.

When any excavation is made by Charter, Charter shall promptly restore the affected portion of the street, bridge or public place to the same condition in which it was prior to the excavation. Upon notification from the City that a street cut performed by Charter is in need of additional repair or maintenance, Charter agrees to perform such repair or maintenance work on the street cut at its own cost. The restoration shall be in compliance with specifications,

requirements and regulations of the City in effect at the time of such restoration. If Charter fails to restore promptly the affected portion of a street, bridge or public place to the same condition in which it was prior to the excavation, the City may make the restoration, and the cost thereof shall be paid by the Grantee.

The City shall provide Charter with six (6) months written notice in advance of any intent to reconstruct or overlay any streets located within Charter's service area boundaries within the City limits. Charter shall review the proposed plans for reconstruction or overlay to make any necessary repairs or adjustments to its utilities before the City proceeds with the reconstruction or overlay work. Charter shall not be allowed to cut any newly installed pavement for a period of ten years. In the event moling, boring, or shoulder work is not possible to repair a system failure, a street cut maybe allowed prior to ten (10) years.

Section 17. Location and Relocation of Facilities. All transmission and distribution structures, lines, and equipment erected by Charter within the City shall be located so as to not interfere with the proper use of streets, alleys, and other public ways and places, and to cause minimum interference with the rights or reasonable convenience of property owners who adjoin any of the said streets, alleys, or other public ways and places, and not to interfere with existing public utility installations.

The City may require, in the public interest, the removal or relocation of facilities or equipment maintained by Charter in the streets of the City, and Charter shall remove and relocate such facilities or equipment within a reasonable time after receiving notice to do so from the City. The cost of such removal or relocation of its facilities or equipment shall be paid by Charter; however, when such removal or relocation is required for the convenience or benefit of any person, governmental agency or instrumentality other than the City, the person, governmental agency or instrumentality requesting the removal or relocation shall pay for the costs of removal or relocation, and shall submit the request for removal or relocation at least thirty (30) days in advance to Charter.

Upon notification from the City, Charter shall place in any new project area, appropriate utility services to accommodate future growth, at the time of construction.

Section 18. Indemnification and Insurance. Charter shall indemnify, defend and hold harmless the City and its agents, officers and employees against any and all claims, suits, actions, liability and judgments for damage relating to or arising out of this franchise ordinance, including injury to persons, or as a result of the acts or omissions of Charter, its officers, agents, employees, or contractors.

Charter shall maintain, throughout the term of this franchise, the following types of insurance:

Workers' Compensation	Statutory limits
Commercial General Liability	\$1,000,000 per occurrence, combined single limits, \$2,000,000 general aggregate
Auto Liability, including coverage on all owned, non-owned and hired autos	\$1,000,000 per occurrence, combined single limits
Umbrella Liability	\$1,000,000 per occurrence combined single limits

The City shall be named as an additional insured for the above listed policies, and the policies shall provide the policies shall not be modified or canceled during the life of this franchise without giving thirty (30) days written notice to the City. Charter shall furnish the City with current certificates of insurance evidencing that such coverage is in effect during the term of this franchise.

Section 19. Assignment and Transfer. None of the rights or privileges herein granted shall be sold, leased, mortgaged, assigned or otherwise transferred without the prior written consent of the City, which consent shall not be unreasonably withheld. The City may withhold consent if the City determines the proposed transferee or assignee is unlikely (due to financial constraints or otherwise) to comply with the provisions and obligations of this franchise ordinance. Any unauthorized transfer shall automatically terminate this franchise.

Section 20. Continuity of Service Mandatory. Charter shall provide continuous uninterrupted service during the term of the franchise to all subscribers, provided that the subscriber's financial obligations to Charter have been honored.

Section 21. Duration and Renewal of Franchise. This franchise and the rights, privileges and authority hereby granted shall take effect and be in force thirty (30) days from and after the final passage hereof, and upon filing of acceptance by Charter of the franchise, and shall continue in force and effect for a term of fifteen (15) years, unless terminated sooner in accordance with the terms of this franchise ordinance. The franchise ordinance can be renewed for an additional fifteen (15) year term, provided Charter has substantially complied with the material terms of this franchise, and the City and Charter mutually agree upon the terms and conditions for a renewal term.

Section 22. Emergency Use of Facilities. In the event of any emergency or disaster, Charter shall upon request of the City, make available its facilities for emergency use during the emergency or disaster.

Section 23. Grounds for Revocation of Franchise. In addition to all other rights and powers pertaining to the City by virtue of this franchise or otherwise, the City reserves the right to terminate and cancel this franchise and all rights and privileges of Charter hereunder in the event that:

- 1) Charter violates any provision of this franchise or any rule, order, or determination by the City Council made pursuant to this franchise, except where such violation is without fault or through excusable neglect;
- 2) Charter becomes insolvent, unable or unwilling to pay its debts, or is adjudged bankrupt; or
- 3) Charter has been found to have engaged in any actual or attempted fraud or deceit upon the City, or any persons or subscribers.

If any of the above listed events occurs, the City shall provide Charter with written notice of the violation. If Charter fails to cure the violation within thirty (30) days of the date of the City's notice, the City shall schedule a hearing to consider termination of this franchise. Charter shall be provided with an opportunity to present its position on the violation and the proposed termination. Following the hearing, the City Council shall determine if there is a basis for termination of this franchise, and if it determines that termination is appropriate, it shall adopt an ordinance setting forth the findings of fact and conclusions of law in support of its decision.

Prevention or delay of any performance under this franchise due to circumstances beyond the control of Charter or the City, including but not limited to, natural disaster, employee strikes, or war, shall not be deemed noncompliance with or a violation of this franchise.

Section 24. Equal Employment Opportunity Compliance. Charter shall comply at all times with applicable federal, state, and local laws and all executive and administrative orders relating to nondiscrimination, equal employment, and affirmative action.

Section 25. Severability. If any section, subsection, sentence, clause, phrase, or portion of this Agreement is for any reason held invalid, unconstitutional or unenforceable, such portion shall be deemed a separate, distinct and independent provision and such holding shall not affect the validity of the remaining portions hereof.

Section 26. Integration. This ordinance sets forth the entire Agreement between the parties respecting the subject matter hereof. All agreements, covenants, representations, and warranties, express or implied, oral or written, of the parties with regard to the subject matter hereof are contained herein. No other agreements, covenants, representations, and warranties, express or implied, oral or written, have been made by any party to another with respect to the matter of this Agreement. All prior and contemporaneous conversations, negotiations, possible and alleged agreements, representations, covenants, and warranties with respect to the subject matter hereof are waived, merged herein and superceded thereby. This is an integrated Agreement.

Section 27. Remedies Not Exclusive; When Requirement Waived. All remedies and penalties under this ordinance, including termination of the franchise, are cumulative, and the recovery or enforcement of one is not a bar to the recovery or enforcement of any other such remedy or penalty. The remedies and penalties contained in this ordinance, including termination of this franchise, are not exclusive and the City reserves the right to enforce the penal provisions of any ordinance or resolution and to avail itself of any and all remedies available at law or in equity. Failure to enforce shall not be construed as a waiver of a breach of any term, condition or obligation imposed upon Charter by this ordinance. A specific waiver of a particular breach or any term, condition or obligation imposed upon Charter by this ordinance shall not be a waiver of any other, or subsequent or future breach of the same or of any other term, condition or obligation, or a waiver of the term, condition or obligation itself.

Section 28. Rate Regulation. To the extent that Federal or State law or regulation may now, or as the same may hereafter be amended to, authorize the City to regulate the rates for any particular service tiers, service packages, equipment, or any other services provided by Charter, the City shall have the right to exercise rate regulation to the full extent authorized by law, or to refrain from exercising such regulation for any period of time, at the sole discretion of the City. Whenever the City exercises rate regulation, the City shall abide by the terms and conditions set forth by the FCC.

Charter shall provide the City with thirty (30) days prior written notice of any proposed rate increases, channel lineup or other substantive service changes.

Section 29. Notices. Any notice to be sent to the parties hereto shall be sent to the following addresses, unless either party notifies the other in writing of another address:

CITY
City Manager
313 Court Street
The Dalles, OR 97058

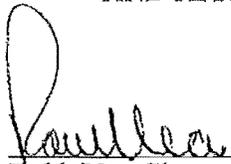
FRANCHISEE
Charter Communications
Attention: Vice President
Government Relations
12444 Powerscourt, 4th Floor
St. Louis, MO 63131

Section 30. Repeal. Special Ordinance No. 83-309, adopted on May 16, 1983, as amended by Special Ordinance No. 86-352, adopted on May 19, 1986, which sets forth the terms and conditions of the franchise ordinance under which Charter presently operates, is hereby repealed so that Special Ordinance No. 00-482 may go into full force and effect thirty days from the date of its passage and adoption.

PASSED AND ADOPTED THIS 2ND DAY OF OCTOBER, 2000.

Voting Yes, Davison, Broehl, Davis, Gosiak
Voting No, None
Absent, Council position #1 vacant
Abstaining, none

AND APPROVED BY THE MAYOR THIS 2ND DAY OF OCTOBER, 2000.


Robb Van Cleave, Mayor

Attest:


Julie Krueger, CMC/AAE, City Clerk

Accepted and agreed to by Charter Communications this _____ of _____, 2000,
by _____, as _____ of
Charter Communications.

By: _____
Title: _____

EXHIBIT "A"

INSTITUTIONAL NETWORK

I-Net Construction and Use

Grantee (hereinafter referred to as "Charter") shall provide System plant comprised of six (6) optical fibers, to be used as an Institutional Network (hereinafter referred to as "I-Net") by the City of The Dalles, at no cost, which, at the City's discretion, may be used for non-commercial, non-profit applications, by the City and its agencies, the City/County Library, and the Wasco County Courthouse, to the extent that such non-profit institutions provide public services. Charter's obligation shall not include the provision of equipment or electronics at the I-Net termination points.

After construction of the I-Net, Charter shall be responsible for the routine maintenance costs for the I-Net system. In the event that repair or replacement of any section of the fiber cable in the I-Net system is necessary due to an unforeseen cause or event, such as an accident or adverse weather which cuts or damages the fiber optic cable, the City and Charter shall share in the full cost of such repair or replacement, in proportion to the fiber counts attributable to the City's I-Net and Charter's fiber. For example, if the costs of repair or replacement totals \$100.00, and the City has six (6) optical fibers in the I-Net, out of a total of 100 optical fibers, the City's share of the repair or replacement costs would be \$6.00.

At the time of construction of Charter's Fiber Optic Network, Charter shall include six (6) fibers in the sheath of the fiber optic cables installed by Charter on routes to the City Hall, the City/County Library, the City Police Station, the City Public Works Department, the Wasco County Courthouse, and to NetConnect, a local internet service provider. Ownership of these incremental fibers shall remain with Charter; however, the six (6) fibers will be reserved for exclusive use by the City. Charter shall not be required to install additional fibers on routes or to facilities which would not otherwise have fiber optic cables installed for the City's franchised system.

The I-Net may be used for any communications, in any form for any City municipal purpose (proprietary or governmental), or for any public purpose, or for the use of a PEG channel. It is understood that the connections to county or other governmental institutions (other than the Wasco County Courthouse), and transmissions to and among these institutions do not fall within the scope of the I-Net described above. Fees may be charged by the City for use of the I-Net or for the information transmitted via the I-Net. The I-Net may be linked to any other communications network used by the City or to any I-Net user authorized by the City, provided such user is a City entity, the City/County Library, or the Wasco County Courthouse, and such use if for non-commercial, non-profit purposes. The I-Net may also be linked to the Internet; however, an I-Net user, the City, or any entity under the City's control, may not use the I-Net provided by Charter to

act as the Internet Service Provider for the general public, Wasco County, or any commercial establishments.

Appropriate uses of the I-Net include, by way of example and not by limitation:

- Transmitting GIS and other data to and from City departments and to and from the general public;
- Providing kiosks where members of the public may access information;
- Linking the City/County Library and providing terminals at library locations that allow members of the public to access library databases and the Internet;
- Providing video conferencing among City locations for municipal purposes;
- Providing for remote permitting between the City's facilities and the Wasco County Courthouse, and for remote arraignment and voice traffic to and from the City's Municipal Court facilities and the NORCOR facility at the City's expense.

I-Net Maintenance

Charter shall maintain and service the I-Net in accordance with the following terms:

- Charter shall maintain the I-Net to operate at or above FCC and City Franchise Agreement standards at all times.
- Charter and the City shall use their best efforts to meet at least quarterly when needed, to discuss and resolve I-Net operational issues, including network availability and maintenance problems.
- Maintenance periods shall be at designated times, agreeable to both Charter and the City, so that the I-Net can be taken off-line to perform routine maintenance.
- The downtime associated with routine maintenance periods shall be no more than four (4) hours per maintenance period, except where emergency circumstances dictate otherwise. Charter shall make reasonable effort to schedule routine maintenance periods at the same time to avoid confusion. Each maintenance period will be on a specific segment or segments as will be designated by the City, in conjunction with Charter's maintenance requirements.
- From time to time, non-emergency routine maintenance on certain segments may require a period of time greater than the four (4) hours provided. Under such circumstances, Charter shall give the City five (5) business days advance notice, and the City shall attempt to schedule the additional needed time with affected users.

- Unless notified by Charter to the contrary, the City may expect that scheduled maintenance will be performed on schedule.

The parties agree that there shall be no charges for the I-Net provided by Charter, other than the charges set forth in this Exhibit "A".