

AGENDA

REGULAR CITY COUNCIL MEETING

July 11, 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. Presentation by Oregon Department of Transportation Regarding Riverfront Trail Agreement and Time Frame – Brad Dehart

6. AUDIENCE PARTICIPATION

During this portion of the meeting, anyone may speak on any subject which does not later appear on the agenda. Five minutes per person will be allowed. If a response by the City is requested, the speaker will be referred to the City Manager for further action. The issue may appear on a future meeting agenda for City Council consideration.

7. CITY MANAGER REPORT
8. CITY ATTORNEY REPORT
9. CITY COUNCIL REPORTS
10. CONSENT AGENDA

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

**CITY OF THE DALLES**

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

- A. Approval of the June 20, 2016 Works Session Minutes
- B. Approval of the June 24, 2016 Special Meeting Evaluation Minutes
- C. Approval of June 27, 2016 Regular City Council Meeting Minutes
- D. Approval of Resolution No. 16-023 Concurring with Mayor's Appointments to Various Committees
- E. Approval of Police Contract for Fiscal Year 2016-17 through Fiscal Year 2018-19

11. ACTION ITEMS

- A. Approval of General Ordinance No. 16-1347 Amending Certain Provisions of General Ordinance No. 12-1317, regulating second hand dealers
- B. Approval to Proceed with Study Regarding Gap Analysis of Public Works Department

12. ADJOURNMENT

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This meeting conducted in a handicap accessible room.

Prepared by/  
Izetta Grossman  
City Clerk



## AGENDA STAFF REPORT

**AGENDA LOCATION:** Item #10 A-E

**MEETING DATE:** July 11, 2016, 2016

**TO:** Honorable Mayor and City Council

**FROM:** Izetta Grossman, City Clerk

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

- A. **ITEM:** Approval of the June 20, 2016 Legislative Priorities Work Session Meeting Minutes.

**BUDGET IMPLICATIONS:** None.

**SYNOPSIS:** The minutes of the June 20, 2016 Work Session meeting have been prepared and are submitted for review and approval.

**RECOMMENDATION:** That City Council review and approve the minutes of the June 20, 2016 Work Session.

- B. **ITEM:** Approval of the June 24, 2016 Special Meeting Minutes

**BUDGET IMPLICATIONS:** None

**SYNOPSIS:** The minutes of the June 24, 2016 Special Meeting have been prepared and are submitted for review and approval

**RECOMMENDATION:** That the City Council review and approve the minutes of the June 24, 2016 Special Meeting.

- C. **ITEM:** Approval of the June 27, 2016 Regular City Council Meeting minutes.

**BUDGET IMPLICATIONS:** None.

**SYNOPSIS:** The minutes of the June 27, 2016 Regular City Council meeting have been prepared and are submitted for review and approval.

**RECOMMENDATION:** That City Council review and approve the minutes of the June 27, 2016 Regular City Council meeting.

- D. **ITEM:** Approval of Resolution No. 16-023 Concurring with Mayor's Appointments to Various Committees

**BUDGET IMPLICATIONS:** None.

**SYNOPSIS:** Resolution No. 16-023 Concurring with the Mayor's Appointments to Various Committees has been prepared for your review and approval.

**RECOMMENDATION:** That City Council review and approve Resolution No. 16-023 Concurring with the Mayor's Appointments to Various Committees.

- E. **ITEM:** Approval of the three year Police Association Contract for Fiscal Year 2016-17 through Fiscal Year 2018-19

**BUDGET IMPLICATIONS:** The approved budget for fiscal year 2016-17 includes the wages and benefits reflected in the contract.

**SYNOPSIS:** The Dalles Police Association and City have completed negotiations for a three-year collective bargaining agreement. The union will ratify the agreement prior to the July 11 Council meeting and the City Council can then approve it to complete the process.

**RECOMMENDATION:** That City Council approve the Collective Bargaining agreement between City of The Dalles and The Dalles Police Association for fiscal year 2016-17 through 2018-19.

MINUTES

REGULAR COUNCIL MEETING

OF

June 20, 2016

5:30 p.m.

THE DALLES CITY HALL  
313 COURT STREET  
THE DALLES, OREGON

**PRESIDING:** Dan Spatz

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

**COUNCIL ABSENT:** Tim McGlothlin

**STAFF PRESENT:** City Manager Julie Krueger, City Attorney Gene Parker, City Clerk Izetta Grossman, Planning Director Richard Gassman, Public Works Director Dave Anderson, Police Chief Jay Waterbury, Police Captain Steve Baska, Airport Manager Rolf Anderson, Project Coordinator Daniel Hunter

CALL TO ORDER

The meeting was called to order by Senior Member Dan Spatz at 5:30 p.m.

ROLL CALL

Roll call was conducted by City Clerk Grossman, McGlothlin and Mayor Lawrence absent.

LEGISLATIVE PRIORITIES

The group reviewed the tally of individual responses and identified the top four priorities for the City of The Dalles as Transportation Funding and Policy Package; Water Supply Development Fund; Restore Recreational Immunity and Qualification Based Selection.

Councilor Spatz that Mental Health Investments needed to be added to Council Goals and

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June 20, 2016  
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through other avenues. The lack of bed space in rural Oregon is a large issue.

It was moved by Miller and seconded by Elliott to forward the top four priorities for the City of The Dalles as Transportation Funding and Policy Package; Water Supply Development Fund; Restore Recreational Immunity and Qualification Based Selection to the League of Oregon Cities. The motion carried unanimously, McGlothlin absent.

**ADJOURNMENT**

Being no further business, the meeting adjourned at 6:10 p.m.

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Submitted by/  
Izetta Grossman  
City Clerk

SIGNED:

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Mayor Lawrence

ATTEST:

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Izetta Grossman, City Clerk

**RESOLUTION NO. 16-023**

**A RESOLUTION CONCURRING WITH THE  
MAYOR'S APPOINTMENTS ON VARIOUS COMMITTEES AND COMMISSIONS**

**WHEREAS**, there is are expired or vacant terms on various committees and commissions;  
and

**WHEREAS**, the Mayor has elected to appoint Dick Stentz to the Library Board and Luise  
Langheinrich to the Museum Commission,

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

Section 1. The City Council concurs with the appointments of:

Dick Stentz to the Library Board with the appointment expiring June 30, 2020; and Luise  
Langheinrich to the Museum Commission with the appointment expiring June 30, 2019.

Section 2. This Resolution shall be effective April 11, 2016.

**PASSED AND ADOPTED THIS 11<sup>th</sup> DAY OF JULY, 2016.**

Voting Yes, Councilors: \_\_\_\_\_  
Voting No, Councilors: \_\_\_\_\_  
Absent, Councilors: \_\_\_\_\_  
Abstaining, Councilors: \_\_\_\_\_

**AND APPROVED BY THE MAYOR THIS 11<sup>th</sup> DAY OF JULY, 2016**

SIGNED:

ATTEST:

\_\_\_\_\_  
Stephen E. Lawrence, Mayor

\_\_\_\_\_  
Izetta Grossman, City Clerk

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June 24, 2016  
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MINUTES  
SPECIAL COUNCIL MEETING  
OF  
June 24, 2016  
5:30 p.m.

THE DALLES CITY HALL  
313 COURT STREET  
THE DALLES, OREGON

**PRESIDING:** Mayor Lawrence  
**COUNCIL PRESENT:** Russ Brown, Linda Miller, Tim McGlothlin  
**COUNCIL ABSENT:** Dan Spatz, Taner Elliott

**CALL TO ORDER**

The meeting was called to order by Mayor Lawrence at 12:10 p.m.

**ROLL CALL**

Roll call was conducted by Mayor Lawrence; Spatz and Elliott absent.

**EXECUTIVE SESSION**

Mayor Lawrence recessed into Executive Session in accordance with ORS 192.660 (2) (i) to review and evaluate the employment- related performance of the chief executive officer of any public body, a public officer, employee or staff member who does not request an open hearing.

Reconvened to open session.

It was moved by McGlothlin and seconded by Brown to match the 2% COLA increase given to exempt employees for the City Attorney for fiscal year 2016-17. The motion carried. Spatz and Elliott absent.

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Special Meeting Evaluations  
June 24, 2016  
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Recessed to Executive Session at 1:00 p.m. to conduct evaluation of the City Manager.

Reconvened to open session.

It was the consensus of the Council to postpone the Municipal Court Judge evaluation due to lack of a quorum at 2:30 p.m. as scheduled.

**ADJOURNMENT**

Being no further business, the meeting adjourned at 1:30 p.m.

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Submitted by/  
Izetta Grossman  
City Clerk

SIGNED:

\_\_\_\_\_  
Mayor Lawrence

ATTEST:

\_\_\_\_\_  
Izetta Grossman, City Clerk

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MINUTES  
REGULAR COUNCIL MEETING  
OF  
June 27, 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  
**COUNCIL ABSENT:** Dan Spatz  
**STAFF PRESENT:** City Manager Julie Krueger, City Attorney Gene Parker, City Clerk Izetta Grossman, Planning Director Richard Gassman, Public Works Director Dave Anderson, Police Chief Jay Waterbury, Police Captain Steve Baska, 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 City Clerk Grossman, Spatz absent.

**PLEDGE OF ALLEGIANCE**

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

**APPROVAL OF AGENDA**

Mayor Lawrence noted that a budget amendment had been added to the agenda as Action Item #11-D.

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

### **PRESENTATIONS/PROCLAMATIONS**

Beaverton Police Chief Spalding and President of the Oregon Association of Chiefs of Police presented retiring The Dalles Chief of Police Jay Waterbury with a plaque and thanked him for his years of service to the Association.

Mayor Lawrence read letters sent to Vickie Waterbury and Chief Waterbury on behalf of the Oregon Department of Public Safety Standards and Training.

Mayor Lawrence on behalf of the City of The Dalles presented Chief Waterbury with a lighted display of his badges during his 41 years with the City of The Dalles. Mayor Lawrence thanked Chief Waterbury for his leadership and commitment to the community.

Councilor McGlothlin read Irish words of wisdom.

Chief Waterbury thanked everyone who attended the reception.

### **AUDIENCE PARTICIPATION**

Greg Weast requested that Chief Waterbury be excused from the meeting. It was consensus of the Council to allow the Chief to leave, as Captain Baska was in attendance.

Rose Sherrill 1107 East 9<sup>th</sup> Street asked Council to address the fast traffic in her neighborhood. She said her truck had been hit three times.

Donna Lawrence, a member of the Safety Committee said the topic had been discussed at a Traffic Safety Committee meeting and it was determined the speed limit was appropriate for the area, it just wasn't always followed.

Public Works Director Anderson said the City had a Traffic Calming Policy and suggested that he and the City Manager review that policy to find a solution.

Anderson noted that during the construction on 10<sup>th</sup> Street there was a temporary speed reduction in the area.

Phil Brady West 18<sup>th</sup> Street said he was disappointed at the lack of discussion and action by the Council regarding the oil train traffic through the Gorge. He said he wasn't against the railroad. He said he would like to see more discussion in the future.

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### **CITY MANAGER REPORT**

City Manager Julie Krueger said the memorandums of understanding for the Immediate Need Grants had been prepared by Wasco County and asked if it was the consensus of the Council for her to sign them.

It was the consensus of the Council for the City Manager to proceed with signing the memorandums of understanding.

### **CITY ATTORNEY REPORT**

City Attorney Gene Parker said he would have an ordinance regarding the restructuring of the Urban Renewal Agency Board for Council approval at the September 12 meeting. He said that if we were unable to find nine citizens to serve on the Urban Renewal Budget Committee the Board would become the Budget Committee.

Parker said he was close to wrapping up the Northwest Natural Gas Franchise Agreement and thought he would have it ready for Council approval at the July 25 meeting.

### **CITY COUNCIL REPORTS**

Councilor McGlothlin reported on that the Fly In at the Airport had approximately 700 paid attendees.

McGlothlin asked Airport Manager Rolf Anderson to give an update on the Airport.

Anderson reported that there was a waiting list for T-Hangars, the BPA project wanted a hangar for a helicopter, Life Flight was almost ready to break ground, and the second firefighting bomber was on site.

McGlothlin said the firefighting bomber helped contain the fire last week.

He said there would be a Homeless Summit on Wednesday at 5:30 at City Hall.

Councilor Miller reported attending the School District 21 Facility Symposium. She asked Phil Brady to give a quick report.

Brady said they had 27 people attend; the survey revealed there was support for a new high school, and an early learning facility. Miller added that they discussed three levels: Pre-K through Second grade; Third Grade through Eighth; and Ninth Grade through Twelfth Grade.

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Miller reported on attending the Legislative Priorities meeting and said she liked the collaborative manner in which the meeting was run.

She reported on attending the Urban Renewal Advisory Committee meeting regarding marketing of the Granada Block property.

### **CONSENT AGENDA**

It was moved by Elliott and seconded by McGlothlin to approve the Consent Agenda as presented. The motion carried unanimously, Spatz absent.

Items approved by Consent Agenda were: 1) Approval of the June 13, 2016 Regular City Council Minutes; 2) Approval of Resolution No. 16-022 Appointing a Downtown Parking Task Force; and 3) Approval of Dissolution of the Ad Hoc Bicycle Committee.

### **ACTION ITEMS**

#### **General Ordinance No. 16-1343 Regulating the Time, Place and Manner of Sales of Marijuana in the City of The Dalles**

Planning Director Gassman handed out larger maps and reviewed the staff report.

It was moved by McGlothlin and seconded by Miller to open the record for the purpose of considering the new maps and information provided by staff. The motion carried, Spatz absent.

After some discussion regarding the various buffer zones, the wording regarding parks and recreational areas, and including light industrial in the growing and processing area it was the consensus of the Council to eliminate references to churches and daycares, clarify the section regarding parks and recreational facilities, to leave the hours of operation and have staff bring back the ordinance for adoption at the July 25 Council meeting.

#### **Adoption of General Ordinance No. 16-1345 Imposing a 3% Tax on the Sale of Marijuana Items by Marijuana Retailers and Referring the Ordinance to the Electors of the City**

City Attorney Parker reviewed the staff report.

City Clerk Grossman read the ordinance by title only.

It was moved by Brown and seconded by Miller to adopt General Ordinance No. 16-1345 imposing a 3% Tax on the Sale of Marijuana Items by Marijuana Retailers and Referring the Ordinance to the Electors of the City by title. The motion carried, Spatz absent.

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Adoption of Resolution No. 16-021 Referral to the Electors of the City the Issue of Imposing a 3% Tax on the Sale of Marijuana Items by Marijuana Retailers

City Attorney Parker reviewed the staff report.

It was moved by McGlothlin and seconded by Brown to adopt Resolution No. 16-021 Referral to the Electors of the City the Issue of Imposing a 3% Tax on the Sale of Marijuana Items by Marijuana Retailers. The motion carried, Spatz absent.

Adoption of Resolution #16-024 for a Budget Amendment for the purpose of increasing the Personnel Budget for the State Office Building for an Unexpected Change in Insurance to include Family, the offset will be from State office Building Capital Outlay

City Manager Krueger reviewed the staff report.

It was moved by Brown and seconded by McGlothlin to adopt Resolution #16-024 for a Budget Amendment for the purpose of increasing the Personnel Budget for the State Office Building for an Unexpected Change in Insurance to include Family, the offset will be from State office Building Capital Outlay. The motion carried, Spatz absent.

**EXECUTIVE SESSION**

Recess to Executive Session in Accordance ORS 192.660(2)(d) To Conduct Deliberations with Persons Designated by the Governing Body to Carry on Labor Negotiations

Mayor Lawrence recessed the meeting to Executive Session at 7:03 p.m.

Mayor Lawrence reconvened to Open Session at 7:12 p.m.

**DISCUSSION ITEMS**

Bicycle Committee Report

Project Coordinator Daniel Hunter reviewed the staff report.

Work Plan for Council Goal B-6: Expand On-going Relationship with the Four Tribes with Area Interest at Tribunal Council/City Council level, with Focus on Substandard Housing

Project Coordinator Hunter reviewed the staff report.

Mayor Lawrence said the first meetings would be relationship building meetings. He said it

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would be important to let the Tribes tell us what would be valuable to them.

He said he was willing to be the emissary.

Mayor Lawrence said he would like to see an informal social town hall type gathering, where citizens would be invited for hot dogs and be able to talk to Councilors one on one.

City Manager Krueger said she would work on planning something for this fall.

**ADJOURNMENT**

Being no further business, the meeting adjourned at 7:30 p.m.

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Submitted by/  
Izetta Grossman  
City Clerk

SIGNED:

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Stephen E. Lawrence, Mayor

ATTEST:

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Izetta Grossman, City Clerk

**RESOLUTION NO. 16-023**

**A RESOLUTION CONCURRING WITH THE  
MAYOR'S APPOINTMENTS ON VARIOUS COMMITTEES AND COMMISSIONS**

**WHEREAS**, there is are expired or vacant terms on various committees and commissions;  
and

**WHEREAS**, the Mayor has elected to appoint Dick Stentz to the Library Board and Luise  
Langheinrich to the Museum Commission,

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

Section 1. The City Council concurs with the appointments of:

Dick Stentz to the Library Board with the appointment expiring June 30, 2020; and Luise  
Langheinrich to the Museum Commission with the appointment expiring June 30, 2019.

Section 2. This Resolution shall be effective July 11, 2016.

**PASSED AND ADOPTED THIS 11<sup>th</sup> DAY OF JULY, 2016.**

Voting Yes, Councilors: \_\_\_\_\_  
Voting No, Councilors: \_\_\_\_\_  
Absent, Councilors: \_\_\_\_\_  
Abstaining, Councilors: \_\_\_\_\_

**AND APPROVED BY THE MAYOR THIS 11<sup>th</sup> DAY OF JULY, 2016**

SIGNED: \_\_\_\_\_  
  
\_\_\_\_\_

Stephen E. Lawrence, Mayor

ATTEST: \_\_\_\_\_  
  
\_\_\_\_\_

Izetta Grossman, City Clerk



## AGENDA STAFF REPORT

**AGENDA LOCATION:** Action Item #11-A

**MEETING DATE:** July 11, 2016

**TO:** Honorable Mayor and City Council

**FROM:** Gene Parker, City Attorney

**ISSUE:** General Ordinance No. 16-1347, amending certain provisions of General Ordinance No. 12-1317, regulating the conduct and business of secondhand dealers and certain sales of used property

**BACKGROUND:** On September 10, 2012, the City Council adopted General Ordinance No. 12-1317, which established new provisions regulating the conduct and business of secondhand dealers and certain sales of used property, and repealed General Ordinance No. 83-1048 which contained the provisions which had regulated the operation of secondhand dealers for several years. General Ordinance No. 12-1317 included a provision that upon passage of two years from the effective date of the ordinance, the City Council shall schedule a public hearing to provide for public comment and testimony concerning the provisions of the ordinance, and that following the public hearing, the City Council would determine whether any provisions of the ordinance should be amended, or whether the ordinance should be repealed.

The City Council conducted a public hearing and heard testimony from representatives of the secondhand dealers concerning certain provisions of General Ordinance No. 12-1317. Following the public hearing, the Council requested that staff meet with representatives of the secondhand dealers to discuss whether amendments to General Ordinance No. 12-1317 could address the concerns of the secondhand dealers. These meetings resulted in a consensus that it would be appropriate to amend General Ordinance No. 12-1317 to revise the requirements for record keeping to be consistent with the methods which were used in General Ordinance No. 83-1048, and to include additional amendments which would make the process more efficient and beneficial from the perspective of the secondhand dealers.

Enclosed with this staff report are two ordinances. The first is General Ordinance No. 16-1347. This ordinance contains references to the sections of General Ordinance No. 12-1317 which are proposed to be amended, and the amended language which is proposed for adoption. The second ordinance is a marked up version of General Ordinance No. 12-1317. The marked up version shows the language which is proposing to be deleted by strikethrough, and new language which is shown in bold italic type. To assist the Council in understanding which sections of General Ordinance 12-1317 are being amended, this staff report will refer to the pages of the marked up version of General Ordinance No. 12-1317.

1. Page 3. In Section 2(M)(5)(c), in the first line, the words “or home” have been added to the description of electrical office equipment.
2. Page 5. In Section 2(S), which contains the definition for a transaction, the value of transactions involving a purchase from a single customer which are no longer regulated by the ordinance has been increased from \$25 to \$50.
3. Pages 8 and 9. In Section 8, which contains the reporting requirements for regulated property transactions, the current requirements for reporting in subsections A, B, C, and D are deleted. The new language is consistent with the reporting requirements which were contained in General Ordinance No. 83-1048. Subsection A includes a new amendment involving reporting requirements when the transaction involves a seller who is personally known to the dealer.
4. Pages 9 and 10. For Section 9, which concerns the sale of property, subsections A and B are deleted which eliminates a requirement that property acquired by a secondhand dealer had to be displayed for a seven day period before the property could be sold. The provision which allowed the Police Chief to notify a secondhand dealer not to dispose of property for a period of up to 30 days, if the Police Chief has a reasonable belief that the property may be the subject of a theft, remains in the ordinance.
5. Page 10. Section 10, concerning a requirement for the tagging of articles to be sold, will be deleted.
6. Pages 10 and 11. Section 11, Inspection by City, will be renumbered Section 10, and the subsequent sections will be renumbered as shown.

Notice of adoption of General Ordinance No. 16-1347 has been posted in accordance with the provisions of the City Charter, and the ordinance can be adopted by title only.

**BUDGET IMPLICATIONS:** None.

**COUNCIL ALTERNATIVES:**

1. Staff recommendation: *Move to adopt General Ordinance No. 16-1347 by title only.*
2. If the Council desires to make a change which would not cause a substantial change in the provisions of General Ordinance No. 16-1347, the Council should identify the provision which should be changed, and the changed language would need to be read, and then a motion would need to be made to adopt General Ordinance No. 16-1347 by title only as amended.
3. If the Council has substantial changes they desire to make to General Ordinance No. 16-1347, those changes should be identified, and staff would prepare a revised version of the ordinance to present at a future Council meeting.

**GENERAL ORDINANCE NO. 12-1317  
[WITH MARKUP REVISIONS]**

AN ORDINANCE REGULATING THE CONDUCT AND BUSINESS  
OF SECONDHAND DEALERS AND CERTAIN SALES OF USED PROPERTY;  
REQUIRING RECORDS; REQUIRING A LICENSE FOR SECONDHAND DEALERS;  
PROVIDING PENALTIES; AND REPEALING GENERAL ORDINANCE NO. 83-1048

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

**Section 1. Purpose**

This ordinance regulates the purchase of used property by certain businesses. This activity presents an extraordinary risk of misuse to conceal criminal conduct involving the theft of personal property. The risk of misuse is present despite the best efforts of legitimate businesses to otherwise control the risk.

**Section 2. Definitions**

For purposes of this ordinance, the following mean:

A. Acceptable Identification. Either a current driver's license that includes the date of birth, photograph, and physical description of the person offering the identification; or two other pieces of current identification, at least one of which is issued by a governmental agency or subdivision and includes the date of birth, photograph and physical description of the person offering the identification.

B. Application Date. The date the City receives the required application fee from an applicant for a secondhand dealer permit.

C. Business. A shop, store, enterprise, profession, activity, establishment or undertaking of any nature conducted directly or indirectly for private profit or benefit and as a substantial means of a person's livelihood. The term is not meant to include the activity of any federal, state or local government or government subdivision or agency, or any organization exempt from taxation under Section 501 (c)(3) of the Internal Revenue Code.

D. Business Location. Any physical location where the Dealer conducts business within the city limits of The Dalles.

E. Investment Purposes. The purchase of personal property by businesses and the retention of that property in the same form as purchased, for resale to persons who are purchasing the property primarily as an investment.

- F. New. Anything conspicuously not used.
- G. Owner. A person who has a right of possession to an item of property superior to that of the seller.
- H. Person. Any individual, partnership, corporation, or association.
- I. Personal Property. Any article, substance or thing of value, including, but not limited to, money, tangible and intangible personal property, chose in action, and evidence of debt or of contract.
- J. Police Chief. The Chief of Police of the City of The Dalles or the Police Chief's designee.
- K. Purchase. The acquisition of or the act of acquiring title to property by a buyer in exchange for valuable consideration given to the seller. For purposes of this ordinance, the term "buyer" refers to a Secondhand Business, and the term "seller" refers to a customer selling regulated property to the Secondhand Business. The term is not meant to include the following:
1. A bailment for sale, by which a seller consigns property to another for sale.
  2. A pledge loan, by which a pawnbroker licensed by the State of Oregon lends money secured by a pledge.
  3. The acquisition of a security interest, by which a person acquires an interest in property to secure payment or performance of an obligation.
- L. Receive. To take property into the inventory, possession, or control of a Dealer.
- M. Regulated property.
- A. The following used property:
    1. Precious metals. Examples include: any metal that is valued for its character, rarity, beauty or quality, including gold, silver, platinum, or any other such metals, whether as a separate item or in combination as a piece of jewelry; and/or jewelry containing precious metals or precious gems including but not limited to rings, necklaces, pendants, earrings, brooches, bracelets, or chains.
    2. Precious gems. Examples include: any gem that is valued for its character, rarity, beauty or quality, including diamonds, rubies, emeralds, sapphires or pearls, or any other such precious or semi-precious gems or stones, whether as a separate item or in combination as a piece of jewelry.
    3. Watches.
    4. Sterling silver. Examples include: flatware, candleholders, coffee and tea sets, ornamental objects, champagne flutes, wineglasses, or serving pieces such as: platters, bowls, trays, water pitchers, open bakers, ice buckets, shell dishes, or salt and pepper shakers.

5. Electronic equipment and items of entertainment.

Examples include:

- a. Audio equipment including but not limited to: tape players, tape decks or players, compact/digital disc players, sound metering devices, tuners, amplifiers, speakers, transceivers, equalizers, receivers, phonographs, turntables, stereos, radios, car stereos, car speakers, microphones, broadcasting equipment, citizen band radios/transceivers, digital audio recorders or players.
  - b. Video equipment including but not limited to: televisions, videotape or videodisc recorders, videotape or videodisc players, video cameras, video projectors, video monitors, digital video recorders or players.
  - c. Electrical office *or home* equipment including but not limited to: telefax machines, laser printers, copiers, duplicators, typewriters, calculators, cash registers, transcribers, dictaphones, computers, home computers, modems, monitors, any computer equipment or accessories having uniquely identifiable parts, or identifiable software.
  - d. Telephones or telephone equipment including but not limited to answering machines, cellular telephones, or satellite telephones.
  - e. Video games including games that are handheld, console or played on a computer.
  - f. Other electronic equipment including but not limited to: global positioning systems, electronic navigation devices or radar detectors.
  - g. DVD's, DVD boxed sets, compact discs, and record albums
6. Photographic and optical equipment and any accompanying bags including but not limited to: cameras, camera lenses, camera filters, camera motor drives, light meters, flash equipment, movie projectors, slide projectors, photography processing equipment, photography enlarging equipment, binoculars, telescopes, opera glasses, microscopes, surveying equipment both optical and electronic, rifle scopes, spotting scopes, electronic sighting equipment, tripods, accessories and components, digital image recorders or display devices.
7. Power yard and garden tools including but not limited to: garden tractors, lawn mowers, rototillers, lawn sweepers, weed or brush cutters, edgers, trimmers, blowers, chippers, shredders, or ladders.
8. Power equipment and tools including but not limited to: air hammers, air tools, nail guns, power staplers, power saws, power sanders, chainsaws, power planers, power drills, routers, lathes, joiners, shop vacuums, paint sprayers and accessory equipment, generators, air compressors, pressure washers, logging equipment, welding or cutting equipment or components, measuring devices and gauges, or construction equipment.
9. Automotive and hand tools including but not limited to: wrench sets, socket sets, screw driver sets, pliers, vise grips, tool boxes, auto body hammers, jacks, timing lights, testing and analyzing equipment or components.

10. Musical instruments and any accompanying cases or bags including but not limited to: pianos, organs, guitars, violins, cellos, trumpets, trombones, saxophones, flutes, drums, percussion instruments, electronic synthesizers, or mixing boards.

11. Firearms including but not limited to: rifles, shotguns, handguns, revolvers, pellet guns, or BB guns.

12. Sporting equipment including, but not limited to kayaks, bicycles, golf clubs and bags, pool cues or cases, snow or water skis, hard plastic ski boots, snow or water boards, fishing rods or reels, skates, saddles or tack.

13. Outboard motors and boating accessories limited to outdrives, props, inboard engines, boat covers, tops, or unlicensed boat trailers.

14. Household appliances, including but not limited to microwave ovens, sewing machines, vacuums, mixing and food preparation equipment.

15. Property that is not purchased by a bona fide business for investment purposes, limited to:

- a. Gold bullion bars (0.995 fine or better);
- b. Silver bullion bars (0.995 fine or better);
- c. All tokens, coins, or money, whether commemorative or an actual medium of exchange adopted by a domestic or foreign government as part of its currency whose intrinsic, market or collector value is greater than the apparent legal or face value; or
- d. Postage stamps, stamp collections and philatelic items whose intrinsic, market or collector value is greater than the apparent legal or face value.

B. Regulated property does not include any of the following property:

1. Vehicles required to be registered with the Oregon Motor Vehicles Division;
2. Boats required to be certified by the Oregon Marine Board;
3. Glassware and objects of art;
4. Furniture;
5. Refrigerators, freezers, stoves, ovens, dishwashers, washer, and dryers;
6. Computer software, excluding any video games;
7. Clothing;
8. Firearms for which the business selling the firearm has a Federal Firearms License.

N. Remanufactured. An item has been altered to the degree that the main components are no longer identifiable as the original item.

O. Secondhand Business. A business that purchases used regulated property at any business location for resale.

P. Secondhand Dealer.

1. A secondhand dealer includes any sole proprietorship, partnership, limited partnership, family limited partnership, joint venture, association, cooperative, trust, estate, corporation, personal holding company, limited liability company, limited liability partnership or any other form of organization, which operates, manages, or owns a secondhand business.

2. A secondhand dealer does not include:

a. A business whose acquisitions of regulated property consist exclusively of donated items and /or purchases from 501©(3) organizations; or

b. A person whose only business transactions with regulated property in the City of The Dalles consist of a display space, booth, or table maintained for displaying or selling merchandise at any trade show, convention, festival, fair, circus, market, flea market, swap meet or similar event for less than 14 days in any calendar year.

Q. Secondhand Dealer Permit. The permit issued to a secondhand dealer pursuant to this ordinance.

R. Trade Show. An event open to the public, held in a venue other than a Dealer's business location, at which vendors of a specific type of merchandise may exhibit, buy, sell, or trade items that may include regulated property. Events commonly known as flea markets or swap meets, in which goods of many types are exhibited, sold or traded, are not considered trade shows for the purpose of this Ordinance.

S. Transaction. The purchase of regulated property. For purposes of this ordinance, a transaction shall not include the purchase or acquisition of regulated property from a single customer by a dealer where the total amount of property purchased does not exceed the sum of ~~\$25.00~~ **\$50.00**.

T. Transaction Report. Record of the information required by this Ordinance, transmitted to the City Police Department by the means required in this Ordinance.

U. Used. Previously owned, consumed, or put into service by a person other than the manufacturer or the manufacturer's dealer or agency.

**Section 3. Unauthorized Sale of Property**

A. No person shall sell or attempt to sell personal property to a secondhand dealer without the consent of the property's owner.

**Section 4. Permit Required**

A. No secondhand dealer shall carry on a secondhand business without a secondhand dealer's

permit.

B. A secondhand dealer engaged in a secondhand business on or before the effective date of this ordinance who intends to continue that business after the effective date of this ordinance shall apply for a secondhand dealer permit pursuant to this ordinance, upon the expiration of their current license. During the period of time when this ordinance takes effect, until a currently licensed secondhand dealer applies for a permit under this ordinance, they shall operate their business in accordance with the provisions of this ordinance. When a currently licensed secondhand dealer applies for a permit for the first time under this ordinance, the applicant shall not have to pay any application or investigation fees for an application submitted pursuant to this subsection. Thereafter, such currently licensed secondhand dealers shall pay the annual application fee to renew their licenses.

C. The sale of regulated property at events commonly known as "garage sales," "yard sales," or "estate sales," is exempt from these regulations if all of the following are present:

1. No sale exceeds a period of 72 consecutive hours; and
2. No more than four sales are held at the same location in any twelve-month period.

**Section 5. Fee**

Every applicant for a secondhand dealer permit shall pay the appropriate fees, including an application fee and investigation fee, in the amount established by Council resolution, subject to the exception for currently licensed second hand dealers applying for a permit upon the expiration of their current license in Section 4(B).

**Section 6. Application Process**

A secondhand dealer shall apply for a secondhand dealer permit in the following manner:

- A. The City shall make available an application form for secondhand dealer permits.
- B. The application form may require all secondhand dealers to supply the following information:
  1. The name, address, telephone number, social security number and date of birth of the person applying for the permit.
  2. The name of the secondhand business in whose name the permit should be issued if the application is approved.
  3. The mailing address of the secondhand business and, if different from its mailing address, the location where the business is to be conducted in the City.
  4. Whether the applicant or any other person who helps own, manage or operate the secondhand business ever has been engaged in a similar business; whether any permit similar to the one applicant seeks pursuant to this ordinance ever has been issued to the applicant or any person who helps own, manage or operate the secondhand business; whether any such permit so issued has been suspended or revoked.
  5. Any criminal arrest or conviction the applicant or any other person who helps own,

manage, or operate the secondhand business has had in the past 15 years. The applicant may be required to disclose where, when, and the nature of any arrest or conviction.

C. The applicant shall complete the relevant portions of the application form and return it to the City Finance Department for processing. At the time the applicant submits the completed application, the applicant shall pay the investigation fee established by Section 5 of this Ordinance. Upon notice of approval of the application, the applicant shall pay the application fee established by Section 5 of this Ordinance.

**Section 7. Denial or Issuance of Permit; Revocation of Permit; Appeal Process**

A. The City Attorney shall deny an application for a permit or revoke an issued permit if the City Attorney has probable cause to believe that any of the following conditions exist:

1. The applicant, or any person who helps own, manage or operate the secondhand business, has owned or operated a secondhand business regulated under this ordinance or any substantially similar ordinance and within the five years prior to the application date:

- a. Has had a secondhand business permit revoked for a reason that would be grounds for a denial or revocation pursuant to this ordinance; or
- b. The secondhand business has been found to constitute a public nuisance.

2. The applicant, or any person who will help own, manage or operate the secondhand business, has been convicted of a felony or any crime involving a false statement or dishonesty within 15 years prior to the application date.

3. The applicant has knowingly made a false statement in the application; or knowingly omitted information requested to be disclosed in the application; or completed the application with reckless disregard for the truth or accuracy of the statements made therein.

4. A lawful inspection of the secondhand business premises by the Police Department has been unjustifiably refused by a person who helps own, manage, or operate the business.

5. The secondhand dealer has been convicted in Municipal Court for a violation of this Ordinance.

B. Notwithstanding the requirements of subsection (A) of this section, the City Attorney may grant or not revoke a secondhand dealer permit despite grounds for denial or revocation if the City Attorney concludes that the applicant has established more likely than not that the basis for the denial or revocation:

1. Is unlikely to recur;
2. Is remote in time; or
3. Is not reasonably related to the purpose of this ordinance.

C. Upon approval of an application for a secondhand dealer permit and payment of the application fee established by Section 5 of this Ordinance, a permit shall be issued in the name of the secondhand business for the location specified by the applicant in the application form. The permit shall be non-transferable and valid until January 31<sup>st</sup> of the year following the issuance of the permit. Annual statements will be sent to secondhand dealers who can renew their permit by

paying the application fee established by Section 5 of this Ordinance. The permit shall be clearly displayed at the secondhand business in a manner readily visible to the business's customers.

D. If the City Attorney denies an application for a second hand dealer permit or orders the revocation of an issued secondhand dealer permit, the City Attorney shall serve a written notice by regular mail to the address, which the applicant furnished on the application, stating the reasons for the denial or the revocation. The notice shall advise the applicant of their right to file an appeal. Notice of the appeal shall be filed in writing and shall contain a brief statement by the applicant of the grounds for the appeal. The appeal shall be heard by the City Council at a regular City Council meeting. The appeal shall be treated as a contested case, and the Council shall have the authority to determine the applicable issues to be considered, and what testimony and evidence is relevant. The Council's decision shall be reduced to writing.

E. A revocation of an issued permit for a secondhand dealer, which is not appealed, or which is affirmed by the Council following an appeal, shall be for a period of five years, from either the date of issuance of the City Attorney's notice or the issuance of the Council's written decision on the appeal.

## **Section 8. Reporting of Regulated Property Transactions**

~~A.— If paper forms are approved for use by the Police Chief, the Police Department will provide all Dealers with a form for reporting transactions. The Police Chief may specify the size, shape and color of the transaction report. The Police Chief may require the transaction reports to include any information relating to the regulations of this Ordinance. The Declaration of Proof of Ownership is considered to be included in references in this Ordinance to the transaction reports, as appropriate.~~

~~B.— When receiving regulated property, the Dealer must obtain acceptable identification from the seller. The Dealer must verify that the photograph is a photograph of the seller. The Dealer must record the seller's current residential address on the transaction report and have the seller complete the Declaration of Proof of Ownership.—~~

~~1.— At the time of the transaction, the Dealer must write on the transaction report a complete, legible and accurate description of the regulated property of sufficient detail to distinguish like objects one from the other.—~~

~~a.— The Dealer must complete the transaction report in its entirety and the individual completing the report must sign the release form.~~

~~b.— Transaction reports must be completed in legible printed English.—~~

~~e.— The seller must legibly complete the Declaration of Proof of Ownership. The seller must, at the time of the transaction, certify in writing that the seller has the legal right to pledge or sell the property that is the subject of the transaction and is competent to do so, and that the property is not rented or leased. The information on the Declaration of Proof of Ownership may be produced using a digital format with prior approval of the process from the Police Chief.~~

~~d.— A Dealer may provide a description of any motor vehicle (including license number) identified as used in the delivery of regulated property and record the~~

description and license number.

2. — Dealers must make a copy of the acceptable identification presented by the seller. All information on the copy must be legible and may be made by photostatic copying, computerized scanning or any other photographic, electronic, digital or other process that preserves and retains an image of the document, and which can be subsequently produced or reproduced for viewing of the image. Copied identification must be submitted with the transaction report.

C. — Transaction reports shall be mailed or delivered to the Police Department on a weekly basis, with the original of all transaction reports for the weekly period of Sunday through Saturday of each week, to be received by the Police Department by no later than 5:00 PM on the Tuesday following the week during which the reported transactions occurred. The Police Chief shall have the ability to obtain copies of any transaction reports by making arrangements with the dealer to pick up requested reports from the dealer's place of business, prior to the normal Tuesday deadline.

D. — The City Police Department will destroy transaction reports and the Declaration of Proof of Ownership forms immediately after the statute of limitations for the suspected crime(s) has expired unless the report is needed as evidence in a pending criminal prosecution.

*Subject to the exemption provided for in Subsection (A), each Secondhand Dealer licensed under this ordinance shall maintain a daily record of transactions involving regulated property. The record shall contain the following information: the date of the transaction; a description of the item or items purchased including the type of item, condition, color, serial number (if any), and other distinguishing characteristics; the name and address of the person from whom the item was purchased; and the type of acceptable identification presented by the person from whom the item was purchased to establish the person's identity. The daily transaction records shall be open for inspection by any policy officer at all reasonable times. Purchase records required to be kept by this section shall be kept for a period of at least one (1) year.*

*A. Transactions involving Sellers personally known to Dealers. When a Secondhand Dealer has a transaction involving regulated property, where the Secondhand Dealer has personal knowledge of the identification of the Seller, and has no cause to suspect that the property may be stolen, the Secondhand Dealer shall keep a record of the purchase, including the date of the transaction, a description of the item purchased, including any serial number, and the name and address of the Seller. Such records shall be kept for a period of at least one (1) year from the date of the transaction.*

## **Section 9. Sale of Property**

A. — No property purchased by any regulated Secondhand Dealer, shall be sold for a period of seven full days after purchase. Property may be displayed for sale during the seven day holding period.

B. — Such property shall be maintained in substantially the same form as purchased during this

~~seven-day holding period. Notwithstanding this requirement, the Police Chief, may authorize in cases in which it is shown that extreme financial hardship will result from holding an item for the seven-day period, the sale or transfer of such item before the expiration of this period.~~

- ~~€.~~ Whenever the Police Chief, upon reasonable belief that the specific property is the subject of theft, notifies a Secondhand Dealer in writing not to dispose of any specifically described property, the property shall be retained in substantially the same form, and shall not be sold, exchanged, dismantled or otherwise disposed of for a period of time, not to exceed thirty (30) days, as determined by the Police Chief.

#### ~~Section 10. Articles to be Tagged~~

~~Any Secondhand Dealer receiving used merchandise shall affix to the used merchandise a tag, upon which identification shall correspond with the identified form required to be kept as provided in Section 8 of this ordinance.~~

#### ~~Section 11 10. Inspection by City~~

- A. All persons licensed to do business as Secondhand Dealers, or any persons employed by such Secondhand Dealers, shall permit any officer of the City Police Department, upon presentation of official identification, entry to such business premises for the limited purpose of inspecting any articles purchased in the business as regulated by this ordinance.
- B. Any such inspection shall only be authorized during normal business hours.

#### ~~Section 12 11. Transactions Involving Minors~~

Second hand dealers can engage in transactions involving regulated property with minors who are 16 years of age or older, provided the minor can provide the Second hand dealer with valid government issued photo identification.

#### ~~Section 13 12. Penalties~~

- A. Violation of any provision of this ordinance is an infraction, punishable upon conviction by a fine of up to five hundred dollars (\$500).
- B. Upon a second or subsequent conviction of any violation of any provision of this ordinance, the Municipal Court may impose a fine not to exceed one thousand dollars (\$1,000).

#### ~~Section 14 13. Severability Clause~~

Should any article, section, subsection, paragraph, sentence, clause, or phrase of this ordinance be declared invalid, such declaration shall not affect the validity of any other article, section, subsection, paragraph, sentence, clause or phrase; and if this ordinance or any portion

thereof should be held to be invalid on one ground, but valid on another, it shall be construed that the valid ground is the one upon which said ordinance or portion thereof was enacted.

**Section 15 14. Review of Ordinance**

Upon the passage of two years from the effective date of this ordinance, the City Council shall schedule a public hearing to provide for public comment and testimony concerning the provisions of the ordinance. Following the public hearing, the City Council will determine whether any provisions of the ordinance should be amended, or whether the ordinance should be repealed.

**Section 16 15. Repeal**

General Ordinance No 83-1048, adopted on November 21, 1983, and amended by General Ordinance No 08-1290, adopted on April 28, 2008, and amended by General Ordinance 12-1317, adopted September 10, 2012 is hereby repealed.

**PASSED AND ADOPTED THIS 11TH DAY OF JULY, 2016.**

Voting Yes, Councilors: \_\_\_\_\_  
Voting No, Councilors: \_\_\_\_\_  
Absent, Councilors: \_\_\_\_\_  
Abstaining, Councilors: \_\_\_\_\_

**AND APPROVED BY THE MAYOR THIS 11TH DAY OF JULY, 2016.**

\_\_\_\_\_  
Stephen E. Lawrence, Mayor

Attest:

\_\_\_\_\_  
Izetta Grossman, City Clerk

**GENERAL ORDINANCE NO. 16-1347**

**AN ORDINANCE AMENDING CERTAIN PROVISIONS OF  
GENERAL ORDINANCE NO. 12-1317, REGULATING THE  
CONDUCT AND BUSINESS OF SECONDHAND DEALERS  
AND CERTAIN SALES OF USED PROPERTY**

**WHEREAS**, on September 10, 2012, the City Council adopted General Ordinance No. 12-1317, which enacted a series of new provisions regulating the conduct and business of secondhand dealers and certain sales of used property, and which repealed General Ordinance No. 83-1048 which contained the provisions which had regulated the operation of secondhand dealers for several years; and

**WHEREAS**, General Ordinance No. 12-1317 included a provision that upon the passage of two years from the effective date of this ordinance, the City Council shall schedule a public hearing to provide for public comment and testimony concerning the provisions of the ordinance, and that following the public hearing, the City Council would determine whether any provisions of the ordinance should be amended, or whether the ordinance should be repealed; and

**WHEREAS**, the City Council conducted a public hearing during which the City Council heard testimony from representatives of the secondhand dealers concerning certain provisions in General Ordinance No. 12-1317, and the City Council requested that City staff meet with the representatives from the secondhand dealers to discuss whether amendments could be proposed to General Ordinance No. 12-1317 which would address the concerns of the secondhand dealers; and

**WHEREAS**, during the course of several meetings between City staff and representatives of the secondhand dealers, a consensus was reached that it would be appropriate to propose amendments to General Ordinance No. 12-1317, which would revise the requirements for record keeping to be consistent with the methods which were used in General Ordinance No. 83-1048, and certain other amendments which would make the process more efficient and beneficial from the perspective of the secondhand dealers; and

**WHEREAS**, the City Council has had an opportunity to review the proposed amendments to General Ordinance No. 12-1317, and concurs that adoption of the proposed amendments would be in the best interest of the welfare of the community;

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

Section 1. Section 2(M)(5)(c) which defines electronic equipment and items of entertainment as a form of regulated property, shall be revised to read as follows:

- c. Electrical office or home equipment including but not limited to: telefax machines, laser printers, copiers, duplicators, typewriters, calculators, cash registers, transcribers, dictaphones, computers, home computers, laptops, tablets, modems, monitors, any computer equipment or accessories having uniquely identifiable parts, or identifiable software.

Section 2. Section 2(S) which defines the term "Transaction shall be amended to read as follows:

S. Transaction. The purchase of regulated property. For purposes of this ordinance, a transaction shall not include the purchase or acquisition of regulated property from a single customer by a dealer where the total amount of property purchased does not exceed the sum of \$50.00.

Section 3. Section 8. Reporting of Regulated Property Transactions, shall be amended to read as follows:

Subject to the exemption provided for in Subsection (A), each Secondhand Dealer licensed under this ordinance shall maintain a daily record of transactions involving regulated property. The record shall contain the following information: the date of the transaction; a description of the item or items purchased including the type of item, condition, color, serial number (if any), and other distinguishing characteristics; the name and address of the person from whom the item was purchased; and the type of acceptable identification presented by the person from whom the item was purchased to establish the person's identity. The daily transaction records shall be open for inspection by any policy officer at all reasonable times. Purchase records required to be kept by this section shall be kept for a period of at least one (1) year.

- A. Transactions involving Sellers personally known to Dealers. When a Secondhand Dealer has a transaction involving regulated property, where the Secondhand Dealer has personal knowledge of the identification of the Seller, and has no cause to suspect that the property may be stolen, the Secondhand Dealer shall keep a record of the purchase, including the date of the transaction, a description of the item purchased, including any serial number, and the name and address of the Seller. Such records shall be kept for a period of at least one (1) year from the date of the transaction.

Section 4. Section 9. Sale of Property, shall be amended to read as follows:

Whenever the Police Chief, upon reasonable belief that the specific property is the subject of theft, notifies a Secondhand Dealer in writing not to dispose of any specifically described property, the property shall be retained in substantially the same form, and shall not be sold, exchanged, dismantled, or otherwise disposed of for a period of time, not to exceed thirty (30) days, as determined by the Police Chief.

Section 5. Section 10. Articles to be Tagged, shall be deleted. Sections 11 through 15 shall be renumbered Sections 10 through 15.

**PASSED AND ADOPTED THIS 11TH DAY OF JULY, 2016.**

Voting Yes, Councilors: \_\_\_\_\_  
Voting No, Councilors: \_\_\_\_\_  
Absent, Councilors: \_\_\_\_\_  
Abstaining, Councilors: \_\_\_\_\_

**AND APPROVED BY THE MAYOR THIS 11TH DAY OF JULY, 2016.**

\_\_\_\_\_  
Stephen E. Lawrence, Mayor

Attest:

\_\_\_\_\_  
Izetta Grossman, City Clerk



## AGENDA STAFF REPORT

### AGENDA LOCATION: Action Item #11-B

**MEETING DATE:** July 11, 2016

**TO:** Honorable Mayor and City Council

**FROM:** Julie Krueger, City Manager

**ISSUE:** Approval to Proceed With Public Works Gap Analysis Study.

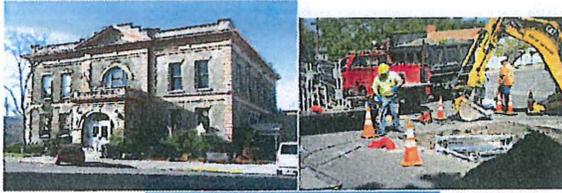
**BACKGROUND:** It has been many years since the City has done any reviews of our internal structure and organization. In order to ensure our operations are the best they can be, we should analyze our strengths and weaknesses from time to time. The Public Works Department is one of the largest and most complex departments of the City and a thorough review, with an “outside, looking in” approach will provide the City with an objective look at systems and operations. The proposal includes a process that will take approximately two months to complete and includes extensive data gathering, a look at service levels, structure, comparison to similar entities, industry standards and best practices, findings and recommendations.

**BUDGET IMPLICATIONS:** The cost of this study is not to exceed \$25,000. Because the City has elected to withdraw our application for a RARE student this year, in the amount of \$22,000, a budget amendment would not be needed because there are funds now available within the General Fund to pay for the study.

### **COUNCIL ALTERNATIVES:**

- A. **Staff recommendation:** *Move to authorize the City Manager to enter into an agreement with TKW in an amount not to exceed \$25,000 for the purpose of a gap analysis study of the Public Works Department.*
- B. The City Council may choose to amend the work scope of the proposal or to direct staff to work on an analysis. This is a very complex study and we would benefit from the expertise provided by a professional company. It would be difficult for staff to be able to provide this level of work in-house.

- C. The City Council could delay approval the agreement and moving forward with the analysis. If delayed, the Council should provide direction as to when they would like to move forward.
- D. The City Council could decline to approve the agreement and decline to proceed with the study.



## City of The Dalles Public Works Department Gap Analysis

June, 2016

Contact:

Rob Moody, Partner  
4800 Meadows Rd., Suite 200  
Lake Oswego, Oregon 97035-4293  
(503) 274-2849  
[rmoody@tkw.com](mailto:rmoody@tkw.com)  
[www.tkw.com](http://www.tkw.com)





4800 SW Macadam Ave  
Suite 400  
Portland, OR 97239-3973

P 503.274.2849  
F 503.274.2853

[www.tkw.com](http://www.tkw.com)

June 2, 2016

Ms. Julie Krueger, City Manager  
City of The Dalles  
313 Court Street  
The Dalles, OR 97058

Dear Julie,

Thank you for the opportunity to meet last week and discuss your wants and needs as relate to the operations of the City of The Dalles' (City) Public Works Department (Department). We appreciate your time and information provided which allowed us to tailor this proposal for services that we believe will thoroughly meet your objectives. Based on our conversation, we are proposing to provide the City with a gap analysis, comparing performance expectations as established by the Department's mission and vision and Council goals, to actual Department operations. We have developed a comprehensive proposal and believe that our skills and experience will assist the City in successfully completing the project.

Our project team has the relevant expertise in the defined scope of work and has extensive experience in providing gap analysis reviews, operational assessments, strategic planning, and needs assessments for local and state governments, non-profits, and small businesses throughout the Pacific Northwest. Additionally, our project team has:

- conducted various assessments that include reviews of personnel, facilities, equipment, and level of service.
- reviewed and assessed public works operations for cities, counties, and state and regional governments.
- an extensive history of working with government managers to review, establish, and implement programs.
- an approach that provides sound, implementable recommendations based on specific needs and best practices.
- the ability to provide detailed, understandable reports.
- a process that assures "no surprises."

We appreciate the opportunity to provide you with this proposal. Our team is committed to meeting all agreed upon timeframes. Please let us know if you need any additional information or have any questions. As your Project Manager, I am available to answer any potential questions and can be reached by phone at (503) 274-2849 (office) or (503) 730-2243 (mobile), fax (503) 274-2853, or email [rmood@tkw.com](mailto:rmood@tkw.com). Our proposal will remain in effect for ninety (90) days after receipt by the City of The Dalles.

Sincerely,

Rob Moody, Partner

An Independent Member Firm  
MCGGLADREY ALLIANCE



## Capabilities & Qualifications

### Company Description

TKW is a limited liability partnership located in Lake Oswego, Oregon. As our clients' business partners and advisors, we develop a rapport that results in our being in a position to help you *Achieve More* of your business goals. Since our inception in 1987, we have grown to become one of the top ten largest CPA and consulting firms in Oregon. While our size has changed, our business model has not. We continue to offer traditional assurance and tax services and extensive business advisory assistance designed to meet the diverse needs of governments, not-for-profits, and small and mid-sized businesses.



We have developed a focused approach to assist our clients with all aspects of business processes and procedures.

We are one of the leading government service providers in Oregon and Washington. A large portion of our business advisory hours are directly related to services provided to the public sector. For over 25 years, our team members have offered organizational evaluations, Yellow Book performance audits, and efficiency and effectiveness review services to all types of governmental entities ranging from small divisional operations to departments with multi-million dollar budgets. Our full time business consultants have combined their financial and accounting backgrounds with additional skill sets in areas such as:

- gap analysis,
- organizational assessments,
- business process and practices,
- internal controls,
- information technology including general controls and strategic planning,
- financial application needs assessments,
- internal audit assistance,
- risk assessment,
- business planning, and
- cost allocation.

We are widely recognized for our timely, cost-effective, implementable, and value-added recommendations. We assist organizations in becoming more effective, more efficient, and more productive. Our findings have identified millions of dollars in cost savings and opportunities to use resources more effectively.



To ensure our team members maintain a current level of knowledge in a variety of topics, TKW invests substantially in Continuing Professional Education (CPE) both as participants in educational courses and in the teaching of technical subjects. Our professionals have attended classes throughout the United States and have taught many topics including performance auditing, organizational assessment, program assessment, governmental financial reporting and auditing topics, Federal compliance issues, and data center analysis.

TKW professionals also maintain affiliations with various organizations to stay current on pertinent topics, network, and receive continuing professional education. Our team members are actively involved in various committees and projects associated with these professional organizations:

- American Institute of Certified Public Accountants (AICPA)
- Oregon Society of CPA's (OSCPA)
- Institute of Management Accountants (IMA)
- Association of Government Auditors (AGA)
- National Association of Local Government Auditors (NALGA)
- The Institute for Internal Controls (IIC)
- Governmental Finance Officers Association (GFOA)
- Oregon Government Finance Officers Association (OGFOA)
- Special Districts Association of Oregon (SDAO)
- League of Oregon Cities (LOC)
- Oregon Entrepreneurs Network

## Resources

We have identified three key project members to conduct the review and assessment. While these team members will be the primary consultants assigned to this project, we can call upon a wealth of additional resources as necessary to assure timely, effective services and to provide additional knowledge, skills, and abilities, as needs are identified.

In addition to our full-time business consultants, we have over 40 team members with the expertise and capacity to ensure projects are completed on-time and within budget. We understand the integrated nature of project delivery techniques and their potential impact on project costs. In addition to our dedicated consulting team, TKW's large governmental audit practice gives us a pool of knowledgeable team members to call upon as required to complete a project within almost any time frame.

## Best Practices

Assisting clients for nearly 30 years has allowed us to develop an approach structured around three primary bases:

### **We Communicate**

Our team members are responsive to you. More than that, we are proactive in our communications with you as your business partner. We assure that no "surprises" or conflicts



develop during any phase of our analysis. Communication is extensive throughout the project. We understand the importance of coordinating our findings with the City to ensure the overall objectives of the evaluation are achieved.

Throughout the project, we provide status reports and hold status meetings, as established at the beginning of the project. These status reports identify previous activities performed to date, upcoming activities, percentage of completion, any issues we have encountered, and any preliminary findings we are pursuing. In addition to regularly scheduled status meetings, frequent informal conversations with key personnel help to ensure that the appropriate parties stay informed throughout the process.

### **Quality Control**

We have an extensive internal quality control system in place. All planning activities, work papers, summary documents, and report drafts are reviewed by the Project Manager. Team members receive various levels of supervision based on their experience, and constant communication takes place among all project staff.

### **Project Management**

Our goal is to effectively manage the overall, coordinated project to optimize the utilization of the project team and your resources. To ensure the engagement is planned, performed, and delivered successfully, we identify a project manager responsible for all aspects of the project including: planning individual assignments, coordinating interviews, compiling documentation, modeling alternatives, facilitating discussions, and drafting the final recommendations and report.

### **Prior Experience**

Our proposed team has a variety of experience and expertise working directly with public works operations at the City and County level. We also have a tremendous background in operational and organizational assessments working with local government to identify opportunities for efficiency and increased effectiveness in meeting stated goals and mandates. The following are specific projects to demonstrate our abilities and knowledge in conducting the proposed services:

#### **Pierce County Public Works, Sewer Division (Tacoma, Washington)**

TKW is currently engaged to conduct an organizational assessment of the Sewer Division (Division) to address stated challenges in the areas of communications, efficiency and effectiveness of operations, and leadership. We recently delivered a report to the Division's leadership summarizing our recommendations (Phase I of the project) and an actionable timeline and plan for implementing those recommendations (Phase II).

Our approach to assessing the Division's organizational structure and operations include:

- Interviewing and meeting with Division employees and management, and Public Works Departmental leaders,
- Conducting a Division-wide survey of staff and managers to evaluate responses to specific questions, and



- Reviewing relevant Division reports, policies and procedures, financial documents, statutes and other internal documentation as necessary.

Several recommendations have been made in line with the objectives stated by the Division, and we are in the process of planning to assist in implementation of the changes necessary to help the Division improve and more fully meet their goals.

#### **Yamhill County Public Works:**

TKW was engaged to conduct an operations and organizational review of the County's Department of Public Works, Road Maintenance Division (RMD) to determine if roads were being maintained in the most cost-beneficial and effective manner.

To gain a comprehensive understanding of the operations of the County's RMD, we

- interviewed Division employees and management,
- contacted the Oregon Department of Transportation and four (4) similar Oregon county public works departments for comparative purposes, and
- reviewed all applicable County policies and procedures, financial documents, union contracts and applicable rules, regulations and statutes.

A number of recommendations were identified and communicated to help assist the County and the RMD achieve its objectives with respect to effectively and efficiently providing an expected level of service.

#### **Washington State Department of Transportation's Construction Management/Highway Maintenance**

The Washington State Legislature directed the State Auditor's Office to conduct independent, comprehensive performance audits of the state's Department of Transportation (WSDOT). As the first of multiple reviews, we were engaged to assess the Department's maintenance operations and highway project management and delivery.

To gain a comprehensive understanding of each of the program areas reviewed, we interviewed various individuals in Engineering and Regional Operations departments including representatives from each of the Agency's six regions. We observed management, supervisory, and operations staff activities and practices and solicited their experiences, opinions, and suggestions regarding the barriers, opportunities, practices and accomplishments of the Agency in general and the programs in particular.

In addition, we reviewed various documents including:

- Relevant program and department policies and practices.
- Data collection and reporting mechanisms.
- Financial management activities.
- Headquarters, field planning, and management.
- Prior studies.

We also benchmarked WSDOT activities against best practices.



Our performance audit resulted in cost savings, improved efficiencies, improved use of existing resources, increased communication, improved performance, and reduced financial management risk.

Through our work with government agencies, we have evaluated operations to help improve efficiency and effectiveness, identified new practices to decrease costs or reduce workloads, developed rates and fees to cover actual costs of services, assisted in the identification of new revenue sources, and developed long-term strategies – both financial and operational - to assist organizations in establishing a foundation for the future. We have assisted organizations with risk assessments, internal audits, and detailed internal control assessments, including the development of documentation that could later be used as a foundation for procedures manuals. We have conducted operational needs assessments, identified operational control strengths and weaknesses, established and assessed performance standards and benchmarks, developed systems to assure the appropriate communication of management information, assessed outsourcing opportunities, and facilitated strategic planning sessions.

The following are a few examples of projects our team has conducted to help demonstrate our experience. Each project required the assessment of practices and procedures to determine whether established requirements and conditions were met efficiently and effectively, determination of effective and efficient service delivery, and the identification of opportunities for improvement:

*Pierce County, Washington*

Department of Public Works, Sewer Division (Organizational Review and Assessment)

*Yamhill County*

Department of Public Works, Road Maintenance Division (Operational Review)

Geographic Information System (Operational/Organizational Study)

*Clackamas County*

Purchasing Division (Performance Audit)

Housing Authority of Clackamas County (Performance Audit)

Public & Government Affairs (Performance Audit)

*Washington County*

Finance Department (Operational Review)

Health and Human Services Department (Operational Review)

*City of Oregon City*

Business Licensing (Review and Assessment of Organizational Structure, Business Practices)

*City of Lake Oswego*

Finance Department (Review and Assessment of Organizational Structure, Business Practices)

*City of Lynnwood, Washington*

Information Technology Department (Review and Assessment of Organizational Structure, Business Practices)



*City of Portland*

- Bureau of Emergency Communications (Organizational Structure Assessment, Needs Assessment, Strategic Planning)
- Liens, Collections and Foreclosures Process (Yellow-book Performance Audit)

*Portland Public Schools*

- Contract Internal Audit Services

*Portland Development Commission*

- Business Office Process Review
- Internal Controls Review
- Contracting Activities (Performance Audit)

*City of Tacoma, Washington*

- City of Tacoma Asphalt Plant (Performance Audit)

*North Clackamas Parks & Recreation District*

- Review and Assessment of the Milwaukie Center

*North Clackamas School District*

- Purchasing Division (Operational Review)

*Tualatin Hills Park and Recreation District*

- System Development Charge Collection Review
- Revenue Collection Practices and Procedures (Process Assessment)

*Port of Seattle*

- Capital Project Delivery Costs and Small and Disadvantaged Business Enterprise Opportunities (Performance Audit)

*Washington State Auditor's Office (Performance Audits)*

- Washington State Department of Transportation (WSDOT)
  1. Managing and Reducing Congestion in the Puget Sound Area
  2. Highway Maintenance and Construction Management

*Sound Transit*

- 1. Link Light Rail System
  2. Entity-wide Risk Assessment
  3. Follow-up to the Link Light Rail System Performance Audit
- Reasonableness of Building Permit and Inspection Fees in Eight Washington Counties

## Resumes

The following identifies our key team members.. Resumes for each can be found in Appendix A. Individually and collectively, we are committed to accomplishing all project objectives. Other team members are available as needed to ensure timing of the project is met.

### **Rob Moody, CPA, Project Manager**

Rob has over 25 years of direct governmental experience. As a TKW partner for over 10 years, he has guided our governmental audit practice and has been extensively involved in assisting clients in various financial and process related activities. Rob is the Project Manager on our current engagement with Pierce County Sewer Division and is a member of our internal audit team serving Portland Public Schools. He has recent experience in a variety of projects evaluating service levels, business operations, and performance in the context of efficiency,



effectiveness and stated expectations.

Previously, Rob served as the Assistant Finance Director at the City of Wilsonville and Finance Director at the Cities of Sherwood and The Dalles (1990-1997). Rob is a speaker nationally, regionally, and locally on topics of governmental accounting and reporting, a past president of the Oregon Government Finance Officers Association and past chair of the Oregon Society of Certified Public Accountants. Rob is a graduate of Western Washington University with a degree in Accounting and is a licensed CPA in Oregon and Washington.

Rob will serve as project manager and, as such, will be responsible for all aspects of the project including: planning individual assignments, coordinating interviews, compiling documentation, modeling alternatives, and facilitating discussions. Rob will also assure that the project results in a quality product and is delivered on time. He will be the City's main contact and will have final authority for the project.

**Brad Rafish, CGFM, CICA, Project Manager**

Brad has more than 30 years of experience, conducting gap analysis assessments, organizational reviews, IT assessments, management studies, efficiency and effectiveness evaluations, and needs assessments for a variety of governmental organizations. Brad has also performed financial, compliance, SSAE 16 and sunset audits, and has assessed a variety of regulatory agencies. He has established specific programs and developed "how-to" manuals for local and regional governments and public utilities.

In addition, Brad has conducted performance audits and assessments of various public works departments throughout Oregon and Washington including Yamhill, Lane, Clackamas, Pierce (WA), and King (WA) Counties, the cities of Seattle and Tacoma, WA, and the Oregon and Washington Departments of Transportation. He is also responsible for analyzing information technology reviews for most of our financial audit engagements, ensuring that systems are performing and safeguarding information as intended.

**Danielle Bertrand**

Danielle joined TKW in 2014 after an eight-year career in banking. Her analytical approach, process orientation and client service skills make her a natural resource to the City as a member of our team. Danielle is detail oriented and has a background in compliance-based procedures. Her client-centered style and communications allow her to easily work with clients to understand and evaluate their work flows, processes and procedures in the context of a compliance-based environment.

Danielle has experience with interviews and documentation related to business practices and organizational assessments working as part of our team on projects for the City of Vancouver and as a member of our internal audit team for Portland Public Schools.



## Approach and Understanding

The ability to evaluate the City's Public Works Department's performance against stated expectations, and within a framework of the Department's mission and vision as well as Council goals requires a broad set of analytical, technological, and process skills. Our approach allows us to effectively identify, assess, and provide opportunities for positive change to organizations through identifying gaps between expectations and actual performance and the causes behind those gaps. The experiences and knowledge we have gained from working with other governmental organizations and small businesses in a variety of capacities will assure the City receives an objective and independent assessment. This will assist the City with obtaining a better understanding of operations, needs, industry standards, and priority determination as well as to identify areas where efficiencies can be gained.

Our approach and methodology is based solidly on our ability to listen and, as a result, develop a complete understanding of the environment and specific responsibilities and requirements of those individuals working in it. We accomplish this through our on-site operation, extensive interviews, surveys when warranted, detailed analysis, benchmarking against industry best standards and similar organizations, and documentation reviews. We will work with the identified representatives from the City and the Department to assist with scheduling interviews and obtaining requested information, as appropriate. We understand that staff have daily responsibilities. Interviews are scheduled to last no more than an hour or two in an effort to be less disruptive to the operations of the organization.

### Clear Understanding of Project Goals

Based on our conversations with the City Manager, we believe we fully understand the City's objectives and specifically address each in our detailed approach and methodology in the pages that follow. In addressing your objectives, we have identified potential challenges to project success and responses to ensure we meet or exceed your expectations in all phases of the project.

Many challenges exist for governmental direct service functions. By design, these functions are in place to manage risk, ensure compliance with internal and external regulations, minimize time and resources required, ensure specific knowledge and understanding of functional areas, and reduce costs. These tasks however, can conflict with operational department requirements relating to timeliness, perceived service levels, and efficiency. By determining Council and customer expectations, assessing the current approach to service delivery, understanding the structure, resources, capabilities, control environment, costs, etc., and making comparisons to established best practices, opportunities will be identified to assist the City in developing an effective and efficient public works process.

### TKW's Approach to Overall Management

We will manage the overall engagement as a series of sprints, or shorter interval subprojects, each with individual planning and evaluation points. Our objective in this approach is continual improvement throughout the overall project, and to provide tangible results to you at key milestones (i.e., the end of each sprint). This method of project management keeps our team on track and through continuous communication with the City, prevents surprises or tangents that can disrupt the flow and timing of the engagement. We will communicate status and deliverables to the City at the end of each sprint, again providing for your immediate feedback.



Additionally, when a hurdle presents itself, we bring our entire team together to address and resolve it in real time. Not only does this avoid inefficiencies of multiple stops and starts due to waiting for information or decisions to be made, each team member gains the perspective of the issue and brings their experience and ideas to the table, presenting the best opportunity for a sound and timely solution.

### **Specific Approach and Methodology**

Our specific approach will consist of three phases:

#### ***Project Initiation/Data Gathering***

The Project Initiation/Data Gathering phase allows us an opportunity to introduce our team and obtain a general knowledge about current practices and the organizational structure of the Department and the bases for comparison provided through mission, vision, and Council goals.

We anticipate beginning the project with an entrance conference. At this time, our team members will meet with appropriate representatives of the City and the Department to:

- Introduce our project team and discuss project scope and objectives,
- Clarify or modify project scope and objectives as appropriate, and
- Identify timing including project and progress meeting schedules as appropriate.

Preliminary information will be requested including City and Departmental mission, objectives, goals, organizational charts, statistical information, program documentation, available policies and procedures, relevant rules and regulations, performance measurement information, lines of communication, management structure, reporting mechanisms, and information technology systems used. As this information is collected, it will be reviewed and questions will be developed.

#### ***Review and Analysis***

The Review and Analysis phase of the project allows us the opportunity to examine pertinent information about the Department and is directed at achieving all project objectives, and compare actual performance to established expectations. We believe that the greatest source of information regarding current operations as well as *potential changes* comes from those individuals performing the work and those for whom the work is performed. As a result, once a general understanding of operations and activities are obtained, we will meet with and interview applicable personnel consisting primarily of Department staff and management, the City Manager, and representatives of the City Council. Similar entities and relevant associations will be contacted to determine best practices and establish industry benchmarks for comparative purposes. Other methods for collecting information may include observing operations, conducting walkthroughs of processes, and gathering additional information relating to scheduling, prioritizing, coordination, compliance, performance standards, training, promotions, reporting, etc.

At the conclusion of the Review and Analysis phase, an exit conference will be held with City and Department representatives to identify findings and conclusions.



### **Reporting**

Our final phase of the project is Reporting. At this time, all information is organized and summarized. Preliminary results are communicated with the City and appropriate Department representatives. All findings are clarified and all options, conclusions, causes, recommendations, costs, etc., are presented in a draft report. The draft includes such areas as an executive summary, background, scope of the project, findings and conclusions, and recommendations. The draft is provided for review and comment by appropriate City and Department personnel. Based on input received, the draft is revised and a final report is provided to the City Manager. We also provide presentations to the City Council as requested.

We assure that no "surprises" or conflicts develop during any phase of the engagement. Communication is extensive throughout the project. We understand the importance of coordinating our findings with the City as well as Department representatives to assure the overall objectives are achieved. In addition to regularly scheduled status meetings, frequent informal conversations with key personnel will occur to help ensure that the appropriate parties stay informed throughout the project.

### **Work Plan**

The following work plan identifies tasks that will be performed during the course of the project:

#### **Phase I: Project Initiation**

##### **Task 1: Project Orientation**

- Establish relationship with the City of The Dalles and Public Works Department representatives. Determine project management and communication mechanisms.

##### **Task 2: Data Gathering**

- Through initial interviews with key personnel and a review of available information, we will gain an understanding of the current operational environment. Documentation to be obtained will include such items as:
  - Mission and vision statements, objectives, and City Council goals.
  - City and Department policies and procedures.
  - Applicable Municipal Code, and State Statutes (ORS).
  - Personnel job descriptions.
  - Program descriptions and information (obtained from budget document).
  - Performance measurement documentation and available benchmarking information (KPIs).
  - Training "curriculum."
  - Master plans and strategic planning documents.
  - Availability of management information.
  - Program funding and expenses for the past five years.
  - Statistical information.
  - Results of previous studies of the Department, as applicable.
  - Use of contracted services.
  - Department FTE.
  - Cost of service (cost allocation methodology).



- Based on initial review and discussions, we will determine personnel to be interviewed and observed.

### **Phase II: Review and Analysis**

#### **Task 3: Understand Expectations**

- Based on review of available documents and preliminary discussions, establish bases for performance expectations for the Department and various divisions thereof.
- Using applicable City codes and State statutes and rules, establish a matrix of expectations.
  - Compare actual practices with defined requirements.
  - Identify any discrepancies.

#### **Task 4: Service Levels**

- Conduct interviews with Department personnel to determine:
  - Awareness of existing expectations
  - Timeliness of process.
    - ♦ Statistical information (analyze and compile information to show trends, types of projects, tracking, etc.).
  - Communication.
  - Standards.
  - Use of technology.
  - Customer satisfaction.
  - Roles and responsibilities.
  - Issues, concerns, and thoughts on how to improve the process for providing services.
  - How the Department manages periods of high demand and any identified trends.
  - Performance metrics for staff and the Department.
  - Strategic planning efforts of the Department and how that corresponds with the City's mission, vision, priorities, goals, and objectives.
  - Whether services offered could be standardized in order to improve timeliness, efficiencies, and service delivery.

#### **Task 5: Structure**

- Review organizational structure and position descriptions of the Department.
- Through interviews with Department staff:
  - Discuss how staff are used to meet stated objectives and goals.
  - Identify internal collaboration, cross-training, scheduling, communication, etc.
  - Discuss the logic of how the Department is structured and what types of changes should occur to ensure service delivery is adequately meeting the needs of its customers.
  - Compare and contrast the Department's organizational structure with selected comparable entities.
- Develop preliminary organizational structure of the Department as appropriate.

#### **Task 6: Similar Entities, Industry Standards, and Best Practices**

- Contact similar entities to identify:



- Services offered, process, key performance indicators, timeliness, strategic planning, etc.
- Whether the organization outsources any services or partners with other organizations to provide the services required by its customers.
- Organizational structure of the function, position descriptions, number of FTE in each position, and required technical skill sets and certifications for each position.
- Ratio information, such as infrastructure maintained per Department staff.
- Chain of command and span of control of management.
- How tasks are allocated generally as well as during high demand periods.
- Conduct research to identify industry standards and best practices for such areas as staff to miles of infrastructure, certification, technical skill set requirements for positions within the Department, and organizational structure for similarly-sized cities, and document results.
- Develop a matrix that highlights how the City/Department compares with similar entities and industry standards and best practices.

## **Phase II: Reporting**

### **Task 7: Organize Findings and Recommendations and Draft Report.**

- Develop and communicate preliminary observations and alternatives throughout the project.
- Clearly establish and document performance expectations for the Department as based on mission, vision, statutory requirements and City Council goals.
- Review policies and procedures and compare with performance expectations. Identify any inconsistencies or obstacles presented.
- Document awareness and understanding of performance expectations.
- Identify organizational structure, areas of responsibilities, and positions and levels needed to assist the Department in meeting current and future expectations.
- Identify and document all significant gaps between performance expectations and actual performance of public works functions and services.
- Formulate conclusions and recommendations and communicate preliminary results with appropriate City and Department personnel.
- Organize and consolidate major findings.
- Identify value-added recommendations for strengthening, streamlining, and improving processes and increasing the ability of the Department to meet stated expectations.
- Prepare conclusions and causes.
- Prepare findings, recommendations, prioritizations, and accompanying costs, if available.
- Prepare draft report.

### **Task 8: Present Draft Report**

- Present draft report to the City Manager and Department representatives for review and comments.
- Clarify and discuss findings, conclusions, and recommendations as necessary.

### **Task 9: Revise Draft Report**

- Obtain input and corrections as necessary from the City Manager and Department representatives.



- Revise draft based on input and corrections.
- Prepare final report.

**Task 10: Present Final Report**

- Present final report as appropriate.

## Timeline

The following schedule represents an estimated timeline for completing tasks associated with the Public Works Gap Analysis. This timeline assumes relevant City and Department staff will be available for interviews and that information requested is readily available in a format that can be easily retrieved by staff.

ID	Task Name	Start	Finish	Jul 2016				Aug 2016				Sep 2016					
				7/10	7/17	7/24	7/31	8/7	8/14	8/21	8/28	9/4	9/11				
1	Project Orientation	7/11/2016	7/11/2016	■													
2	Data Gathering	7/11/2016	7/15/2016	■	■												
3	Understand Expectations	7/11/2016	7/20/2016	■	■	■											
4	Service Levels	7/25/2016	7/29/2016			■	■										
5	Structure	7/18/2016	7/29/2016		■	■	■										
6	Similar Entities and Best Practices	7/20/2016	8/5/2016		■	■	■	■									
7	Organize Findings	8/8/2016	8/17/2016					■	■	■							
8	Present Draft Report	8/18/2016	8/26/2016							■	■	■					
9	Revise Draft Report	8/25/2016	8/26/2016									■					
10	Present Final Report	9/6/2016	9/6/2016														■

## References

Below we have provided references for your convenience that can speak to the quality, timeliness and professionalism of our team in meeting the objectives of our engagement with the City of The Dalles.

**Contact:** Karen Fitzthum, CPPO, Procurement and Contracts Manager

**Entity:** City of Lynnwood, Washington

**Phone:** 425-670-5165

**Email:** [kfitzthum@ci.lynnwood.wa.us](mailto:kfitzthum@ci.lynnwood.wa.us)

**Project Title:** Information Services Division Assessment

**Description:**

TKW, conducted a review and assessment of the City’s Information Services Division’s (ISD) service levels, structure/staffing, and business processes. The objectives of the assessment were to:

1. Review, analyze, and assess the quantity and quality of the services currently provided by the ISD; determine if the services were delivered at an acceptable level of customer satisfaction for the City’s



- staff, business operations, and citizenry.
2. Review the current division organization to determine if the division was structured according to industry best practices today and in a manner that was conducive to meeting the information service needs of the City.
  3. Determine if the division was staffed appropriately to meet service delivery requirements of the City.

Our team interviewed all ISD personnel (including supervisors and staff) on multiple occasions and met with several “user groups” made-up of representatives of each City department. We also evaluated numerous documents, files, and websites relevant to ISD’s operations and obtained and reviewed applicable information from comparable Washington and Oregon cities.

Our assessment identified a number of opportunities to enhance the effectiveness of the delivery of IT services to City users. Recommendations focused on organizational structure, reporting, staffing, processes, use of automated systems, identification of key performance metrics, and communication.

**Contact:** Katherine Brooks, Organizational Services Section Manager  
**Entity:** Pierce County, Washington  
**Phone:** 253.798.6169  
**Email:** [kbrooks@co.pierce.wa.us](mailto:kbrooks@co.pierce.wa.us)  
**Project Title:** *Organizational Assessment and Review*

**Description:**

Pierce County Department of Public Works – Sewer Division requested an organizational assessment of the Division. The review focused on:

- communications internally and externally as relate to the Division’s operations,
- leadership of the Division and the ability to meet goals and objectives,
- organizational structure of the Division, and
- identifying opportunities to enhance efficiency, reduce duplication, and maximize resource usage.

Our report has been presented to the Division in draft form, and highlights a number of recommendations to assist in moving the Division forward in the areas of leadership, communications, better defining roles and responsibilities, and improving work processes.

**Contact:** Lloyd Tyler, Finance Director  
**Entity:** City of Vancouver, Washington  
**Phone:** 360.487.8469  
**Email:** [Lloyd.Tyler@cityofvancouver.us](mailto:Lloyd.Tyler@cityofvancouver.us)  
**Project Title:** *City of Vancouver Procurement Services Division Review and Assessment*

**Description:**

TKW completed a review and assessment of the City of Vancouver, WA’s Procurement Services Division (Division). The assessment focused on a thorough evaluation of the Division’s operational organization, staffing level, and capability, both technically and logistically, to meet customer requirements within operational, business-driven timeframes.

We identified a high level of customer dissatisfaction as a result of a movement of the Division’s focus and practices from customer service and accommodation to only compliance. Four specific areas appeared to be the primary contributors:



1. lack of clearly defined roles and responsibilities within the Division as well as between the Division and departments,
2. ineffective communication,
3. minimal strategic planning, and
4. a lack of consistent, documented procedures.

The assessment identified twelve specific recommendations to assist in shifting the focus of the Division.

## Cost Proposal

TKW will provide the City of The Dalles with a gap analysis of its Public Works Department for a not-to-exceed fee of \$25,000 which includes all expenses. Hourly rates for the key team members proposed are as follows:

Team Member	Rate per Hour
Brad Rafish	\$200
Rob Moody	200
Danielle Bertrand	150

**Appendix A: Resumes**

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**Robert G. Moody, Jr., CPA**  
Partner

Bachelor of Arts in Accounting  
Western Washington University

Licensed CPA:  
Oregon #6161  
Washington #27284

American Institute of  
Certified Public Accountants

Oregon Society of  
Certified Public Accountants  
Past Chair

OSCPA Legislative Policy  
Committee Chair

Rob joined TKW in 2004 after more than fifteen years of experience working as a government finance officer for cities in Oregon. His responsibilities as a finance officer included coordination of budget and audit cycles, process documentation and improvement, and coordinating interdepartmental support and information. Rob has a leadership and style that is client-centered and focused on the needs and wants of those served.

With TKW, Rob brings a strong customer service perspective to clients and a seasoned understanding of government operations and organizational issues. As a team member on this project, he will be involved with all aspects of the project, conducting interviews, researching best practices, and reporting.

His experience includes:

- Organizational studies and reviews for cities, counties, community colleges and special districts.
- Drafting and implementation assistance with policies and procedures for local government.
- Internal control documentation, review and assessments for local governments.
- Litigation support in relation to issues involving municipal governments.
- Financial statement and compliance audits for cities, counties, school districts, community colleges and special districts.
- Budget development and implementation.
- Cost and fee studies based on cost of service and market factors.
- Cost allocation planning and implementation.

***Recent Clients/Relevant Experience***

- Pierce County Sewer Division, Washington  
Rob serves as Project Manager on the organizational assessment and review of the County's Sewer Division. He coordinated interviews and documentation review resulting in the development of conclusions and specific recommendations addressing changes and improvements in leadership structure and effectiveness, communications, roles and responsibilities, specific divisional operations, and work processes.
- City of Vancouver, Washington  
Rob was a team member on the review of procurement practices and related services to the City's operating departments. Through interviews and documentation review, he developed specific recommendations regarding changes in organizational structure, reporting relationships, resource usage, procedures, reporting, and communication.



Brad is a partner with our consulting practice including our information technology services. He has conducted organizational reviews, efficiency and effectiveness evaluations, internal controls reviews, management studies, and strategic planning for more than 30 years for a variety of governmental organizations, not-for-profit organizations, and small - mid-size businesses. He has examined such areas as: procurement, contracting, organizational structures, administrative operations, accountability, capital improvement, office systems, risk management, service delivery, overhead cost allocations, claims processing, problem resolution, business practices, problem resolution, information processing systems, financial systems, and customer satisfaction. In addition, Brad has performed financial, compliance, and sunset audits and has assessed a variety of regulatory agencies. He has established specific programs and developed how-to manuals for local and regional governments, public utilities, and small businesses.

**Brad Rafish, MBA**  
Partner

Master of Business  
Administration  
University of Montana

Bachelor of Business  
Administration  
University of Montana

Certified Government  
Financial Manager

Certified Internal  
Controls Auditor

Association of  
Governmental Accountants

The Institute for  
Internal Controls

**Recent Clients/Relevant Experience**

- Clackamas County, Oregon  
Brad was the project manager on the review and assessment of the County's Purchasing Division. He participated in all aspects of the project and provided oral presentations to Department managers and the Board of County Commissioners.
- Washington State Department of Transportation's (WSDOT) Construction Management/Highway Maintenance  
Brad was the project manager on this project which included being the primary contact with the State Auditor's Office and WSDOT representatives. In addition, he was responsible for providing status reports, attending status meetings, and directing staff and expert contractors to ensure all objectives were being met. Brad was also responsible for coordinating and finalizing the report, presenting the report to the SAO, WSDOT, and a committee of the legislature at a public meeting.
- Portland Development Commission (PDC), Oregon  
Brad was the project manager for the review of the PDC's contracting and procurement practices. He participated in the determination of the process, identifying city and state requirements and assessing compliance, and selection and analysis of sampled contracts, Brad also was the primary contact for PDC and prepared and presented the final report.
- City of Lynnwood, Washington  
Brad was the project manager for the review and assessment of the City's Information Services' Division. He participated in interviews of ISD personnel (including supervisors and staff), met with several "user groups" made-up of representatives of each City department, evaluated numerous documents, files, and websites relevant to ISD's operations and, obtained and reviewed applicable information from comparable Washington and Oregon cities. He drafted the review's findings and presented those results to City representatives and the City Council.
- Benton County, Oregon  
Brad was a team member on the review of the interaction of the County's Finance Division with other departments, specifically in the context of financial transactions. Through interviews and documentation review, he developed specific recommendations regarding changes in organizational structure, reporting relationships, resource usage, procedures, reporting, and communication.



**Danielle Bertrand**  
Consultant

Linfield College, BA in  
Accounting

Oregon Society of  
Certified Public  
Accountants

Danielle joined TKW in 2014 and brings experience in both public accounting and private industry with over eight years of experience in the banking industry. Her diverse background brings a unique perspective to assisting our clients. Danielle has had the opportunity to prepare federal, state and local income tax returns for individuals and large and small businesses.

Danielle's recent experience includes her work as a member of our team in the evaluation of procurement practices for the City of Vancouver, Washington and as a member of the internal audit team for Portland Public Schools. Danielle has also provided transit tax and budget support to the City of Canby. In addition, she provides "back office" services including account analysis, reconciliations, and monthly reporting for a large international conference. Danielle also has recently provided a large Oregon school district with assistance in the identification and recording of capital information technology assets.

Danielle strives to provide clients with responsive and prompt service and enjoys assisting them with their success as their needs evolve.

***Recent Clients/Relevant Experience***

- City of Vancouver, Washington  
Danielle was a team member on the review of procurement practices and related services to the City's operating departments. Through interviews and documentation review, she developed specific recommendations regarding changes in organizational structure, reporting relationships, resource usage, procedures, reporting, and communication.
- Portland Public Schools  
Danielle is a team member working on the internal audit function for the District, including providing a District-wide risk assessment and resultant audit plan. Through interviews and review of relevant documents she has formed conclusions and recommendations for further consideration by the District.