

MINUTES

REGULAR COUNCIL MEETING
OF
JUNE 10, 2013
5:30 P.M.

THE DALLES CITY HALL
313 COURT STREET
THE DALLES, OREGON

PRESIDING: Mayor Steve Lawrence

COUNCIL PRESENT: Bill Dick, Carolyn Wood, Dan Spatz, Tim McGlothlin, Linda Miller

COUNCIL ABSENT: None

STAFF PRESENT: City Manager Nolan Young, City Attorney Gene Parker, City Clerk Julie Krueger, Public Works Director Dave Anderson, Administrative Fellow Garrett Chrostek, Finance Director Kate Mast, Police Chief Jay Waterbury, Planning Director Dick Gassman, Engineer Dale McCabe, Librarian Sheila Dooley

CALL TO ORDER

Mayor Lawrence called the meeting to order at 5:30 p.m.

ROLL CALL

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

PLEDGE OF ALLEGIANCE

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

APPROVAL OF AGENDA

Mayor Lawrence asked to move Action Item 12, A to be considered prior to the budget hearing because this item could impact the proposed budget. He noted the Certificate of Recognition for

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Doug Leash would be read at a future meeting because Mr. Leash was unable to be in attendance to receive the certificate at this meeting.

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

PRESENTATIONS/PROCLAMATION

Certificate of Recognition to Jim Wilcox

Mayor Lawrence presented a Certificate of Recognition to Jim Wilcox, congratulating him for his Distinguished Service Award presented by the Oregon Association of Realtors.

AUDIENCE PARTICIPATION

None.

CITY MANAGER REPORT

City Manager Young reminded the Council of the upcoming joint meeting between the Urban Renewal Agency Board and Urban Renewal Advisory Committee. He said the meeting was scheduled for June 18 and the purpose was to discuss the history and future of the urban renewal program.

CITY ATTORNEY REPORT

City Attorney Parker reported he had been working with the Airport Managers to prepare contract documents for a runway paving project at the Airport. He said it was expected to be awarded in July.

Parker showed the City Council a photograph of a residence that had recently burned. He said the Codes Enforcement Officer would be monitoring the property to make sure it was cleaned up.

CITY COUNCIL REPORTS

Councilor Wood said she had attended the Historic Landmarks Commission meeting, noting they had approved the lighting plan for four downtown murals and approved installation of gutters on the historic Anderson House. Wood said she had attended the recent QLife Agency meeting and

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the Agency had adopted its budget. Wood said the Mid Columbia Council of Governments would be holding a public hearing on June 18 at 3:00 p.m. to consider a 40% increase to building permit fees. She said they proposed to implement the fee increases August 1.

Councilor McGlothlin said the focus of the recent Traffic Safety Commission meeting had been discussion regarding bike lanes. He said they also discussed safety concerns in the area on Kelly Avenue, between East 10th and East 12th Streets. McGlothlin said he had attended the Airport Board meeting. He said items discussed included the bids for the Business Park, an emergency response plan, and an update regarding Runway 31-13. He said the budget had been reviewed, and the management contract with Aeronautical Management was recommended for approval.

Mayor Lawrence suggested the Traffic Safety Commission investigate a safety issue at the intersection of Court and Fifth Streets. He said diagonal parking prohibited vision for those traveling on Fifth Street, making it dangerous. Councilor McGlothlin said he would raise the concern at the next Traffic Safety Commission meeting.

Mayor Lawrence asked if there was information about the golf course at the Airport. McGlothlin said it was moving forward and the Developer was working through regulatory issues.

Councilor Dick said he had attended the recent QLife Agency meeting.

Councilor Spatz reported that the Mid Columbia Economic Development District would be submitting a request for advanced manufacturing growth to the Department of Commerce. Spatz said he had attended an economic forum for Columbia River Gorge communities. He thanked Dan Ericksen and Rodger Nichols for their service on the Columbia River Gorge Commission and said their focus on the importance of economic success in the Gorge was very much appreciated.

Councilor Miller reported she had attended the Urban Renewal Advisory Committee meeting and the Committee had discussed amendments to the Interest Buy Down Program. She said the Agency would be discussing those recommendations at their meeting, following the City Council meeting.

Mayor Lawrence reported he had attended ribbon cutting ceremonies for Derryberry Yogurt and One Community Health. He said he had participated in the travel writers familiarization tour, and attended the Korean Veterans celebration at the Veterans Home. Lawrence said he had been invited to appear on a Portland talk show called the Ed Foreman show.

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CONSENT AGENDA

Mayor Lawrence noted a typographical error on page 5 of the Town Hall meeting minutes.

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

Items approved by Consent Agenda were 1) approval of May 13, 2013 regular City Council meeting minutes; 2) approval of May 6, 2013 Town Hall meeting minutes; and 3) approval of May 21, 2013 City Council meeting minutes.

PUBLIC HEARINGS

Public Hearing to Receive Testimony Regarding Proposed Uses of State Shared Revenue

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

Finance Director Mast reviewed the staff report.

Testimony

No testimony was presented. The public hearing was closed.

Resolution No. 13-018 Electing to Receive State Revenues for Fiscal Year 2013-14

It was moved by Wood and seconded by Miller to adopt Resolution No. 13-018 electing to receiving state revenues for fiscal year 2013-14. The motion carried unanimously.

ACTION ITEMS

Approval of New Management Analyst/Legal Counsel Position

City Manager Young reviewed the staff report. He explained that the City Attorney would be serving as the City's Prosecutor, but would eventually train the new person to handle routine items in the Court. Young said he anticipated the person also assisting with special projects and perhaps managing the Codes Enforcement program. Young said other special projects would include urban renewal activities and special projects in the City Manager's Office.

Councilor Miller asked why an Intern position would be needed if this position was created. City Manager Young explained that the proposed position would divide the time between two departments. He said an Intern would help fill the gap for economic development projects.

In response to a question, City Manager Young agreed it was a unique position, but that he believed the City could find a qualified candidate with the needed skill set.

Mayor Lawrence said he had read in the staff report that the City Attorney would spend approximately 27 hours per month on court related activities. City Manager Young said that had been an estimate made in 2008 when the City was considering hiring a contract Prosecutor. City Attorney Parker said, based on the current Prosecutor's time, that estimate had perhaps been stated too low.

Councilor McGlothlin asked about the salary of the Prosecutor. City Manager Young said when the City contracted with the Prosecutor in 2008, the salary was \$45 per hour, with a maximum of \$1,800 per month. He said that cap had been increased to \$3,000 approximately one year ago, and it was reported that the Prosecutor was still exceeding the cap. Young said a 10% increase had been included in the proposed budget, with a maximum of \$3,300 per month beginning in July. Young said creating the position would provide efficiency for the City and the contract with the Prosecutor would be eliminated, bringing prosecution back in-house. He said the change would provide a cost savings to the City, and that if the City continued to have contract services, it was expected there would be additional increases over the next years. Young stressed this was an organizational change and was not related to performance.

Councilor Dick asked if the contract Prosecutor would be allowed to apply for the position. City Manager Young said he could apply.

Councilor Miller asked the duration of the Intern position. City Manager Young said the positions were typically four month positions. Miller asked if that position would be an attorney. Young said the Intern positions were usually filled with people who were in or seeking a degree in public administration. He said the City had great success in obtaining qualified candidates and helped to raise the next generation of public administrators.

Councilor Wood asked if the position would work with the part-time economic development specialist position. Young said Mr. Durow had a three year contract for only eight to twelve hours per week, working on specific economic development projects.

Judge Peachey said it was important to the Court to have an experienced Prosecutor but he believed Mr. Parker had that experience. He said the Court would continue to run efficiently and he would keep the Council informed if there were any problems.

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Mayor Lawrence said he believed this was a good move for the City. Councilor McGlothlin said it appeared the motive was to be providing better structure and cost savings.

Judge Peachey said everyone in the Court needed to be compensated appropriately.

Les Tibbets, 3332 West 13th Street, The Dalles, said he was a volunteer in the Court, serving as a drug and alcohol supervisor. He expressed concern regarding the proposed position, saying adding 22% fringe benefits, fees, dues, classes, and additional secretarial support, it could cost the City approximately \$100,000 per year. He urged the City to keep the contract Prosecutor because it would save the City money.

City Manager Young said the \$67,000 budget included all benefits for the proposed position.

Jim Mason, 205 Oak Street, Hood River, said he provided defense services to the Municipal Court. He said costs for defense should also be considered. Mason said the defense attorneys worked well with the Prosecutor which saved the City money by not having as many trials.

Mayor Lawrence asked what the City budgeted for defense attorney fees. City Manager Young said the fees had been increasing over the past few years, but the average was \$40,000 per year. Young again stated that the City Attorney would be providing the prosecution services, not the new position. He said Mr. Parker had a lot of prosecution experience.

Mayor Lawrence said it seemed as though defense attorney's were forcing clients to make deals. He said providing good defense should not be about saving money for the City.

Prosecutor Kevin Hashizume addressed the Council, saying the written staff report contradicted what the City Manager was saying about prosecution being provided by the person in the new position. He said the staff report indicated the new person would be doing prosecution in the Court. Hashizume said the reason for contracting for prosecution services had been to allow the City Attorney to have more time to work on City issues.

Hashizume said the reason why more hours were spent on prosecution was because of changes in the Court. He said prior to Judge Peachey serving as Judge, there was very little follow up with probation cases and more people plead guilty. He said the Court was providing better service now, but it did require more hours to be worked. Hashizume said he was disappointed with the proposal and said he would not be allowed to apply for the new position. He said the City had not communicated with the Circuit Court to discuss which cases should be tried in Municipal Court and said the District Attorney could determine whether the Court even existed.

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Hashizume said he chose to spend extra hours to meet during off-hours with Police Officers and to be available to defense attorneys. He noted the City had never paid for his educational classes or dues.

Tim O'Neil said he was an attorney and would provide a letter to the City Council regarding his concerns about the proposal.

There was discussion regarding postponing the decision, pending additional information being provided. City Manager Young asked what information the Council would like to have provided to them in order to make their decision.

Mayor Lawrence asked for information regarding the various types of cases tried, information regarding how the City Attorney's time was being used, impact to the Court from the change, and information regarding negotiations among defense and prosecuting attorneys.

City Manager Young noted that there had been discussion last winter regarding assault cases being moved to the Circuit Court. He said those discussions were not related to the consideration of this position.

It was moved by McGlothlin and seconded by Dick to postpone a decision regarding the proposal. The motion carried unanimously.

Councilor Spatz asked for detailed information on what economic development projects would be done with the new position and to explore contracting for those services.

City Manager Young said it was very important to have a staff person working on those projects because there was daily activity. He said it would not be effective to contract for those services.

Councilor Dick said he would like to know if there were qualified candidates for such a specific position. He said the job duties and education required should be very clear.

Mayor Lawrence asked for information regarding the number of hours needed for the Prosecutor.

City Manager Young pointed out the position description, included in the staff report, outlined the detailed duties for the position.

Public Hearing to Receive Testimony Regarding Proposed 2013-14 Fiscal Year Budget

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

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Finance Director Mast reviewed the staff report, highlighting the proposed changes since the Budget Committee had approved the budget.

Testimony

No testimony was provided. The public hearing was closed.

Council Deliberation

It was moved by Dick and seconded by Spatz to approve the proposed changes to the budget, approved by the Budget Committee. The motion carried unanimously.

Resolution No. 13-019 Adopting the 2013-14 Fiscal Year Budget for the City of The Dalles, Making Appropriations, Authorizing Expenditures, Levying Taxes, and Authorizing the City Manager to Take Such Action as Necessary to Carry Out the Adopted Budget

It was moved by Dick and seconded by Wood to adopt Resolution No. 13-019 adopting the 2013-14 fiscal year budget for the City of The Dalles, making appropriations, authorizing expenditures, levying taxes and authorizing the City Manager to take such action as necessary to carry out the adopted budget. The motion carried unanimously.

ACTION ITEMS

Approval of Five Year Airport Management Agreement With Aeronautical Management Inc.

City Manager Young reviewed the staff report. He noted the fee stated on page 2 of the staff report should have stated the fee of \$98,400 was annual, not monthly. He said the monthly fee would be \$8,200.

Mayor Lawrence questioned why the City and Klickitat County were not named as additional insured in Section 4.5.3 of the agreement. City Attorney Parker said it was not needed because their activities were approved by the City and Klickitat County. He said that had been negotiated several years ago and the Airport was included on the City's liability policy.

Airport Manager Rolf Anderson said with no indemnity insurance, they would have to use their own funds.

It was moved by Wood and seconded by McGlothlin to authorize the City Manager to sign the Airport Management Agreement for the Columbia Gorge Regional Airport as presented, contingent upon approval by Klickitat County Commission. The motion carried unanimously.

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Resolution No. 13-020 Providing Worker's Compensation Insurance Coverage for City of The Dalles Police Reserve Volunteers

Finance Director Mast reviewed the staff report. She said Resolution No. 13-021 would be to provide worker's compensation coverage for volunteers in addition to Police Reserve Officers.

It was moved by Wood and seconded by Miller to adopt Resolution No. 13-020 providing worker's compensation insurance coverage for the City of The Dalles Police Reserve volunteers. The motion carried unanimously.

Resolution No. 13-021 Providing Worker's Compensation Insurance Coverage for City of The Dalles Volunteers

It was moved by Spatz and seconded by McGlothlin to adopt Resolution No. 130021 providing worker's compensation insurance coverage for City of The Dalles volunteers. The motion carried unanimously.

Approval of Annual Insurance Renewals

Insurance Agent of Record Jerry Frazier presented the renewal information. He noted a 14.3% increase in premium with CCIS for the property, liability and vehicle insurance and said there were no premium credits authorized for this year.

Mayor Lawrence asked why the liability insurance was not affected by limitations. Frazier said the limits of \$5 million and \$15 million aggregate were set by CCIS policy.

Mayor Lawrence said he understood that part of the reason for increasing premiums was due to a larger number of employment claims. Frazier said that was a significant factor.

Councilor Wood asked if the Airport was included in the proposal. She asked if the policy included errors and omissions for the City Council, saying she didn't see it included in the information provided. Mr. Frazier said the Airport had a separate policy, but that errors and omission coverage for the City Council was included in the policy.

City Manager Young said he had just received the worker's compensation insurance proposal. Mr. Frazier said the premium had slightly decreased and the experience rating had also decreased slightly.

Mayor Lawrence noted SAIF representatives were available and hoped City staff was meeting with them to keep the number of worker's compensation claims down.

It was moved by Wood and seconded by Dick to approve the renewal of the City's insurance coverage with CCIS for property, liability and vehicle, contingent that the errors and omissions for City Council was included in the policy. The motion carried unanimously.

It was the consensus of the City Council to consider the worker's compensation policy renewal at the June 24 Council meeting to allow the City Manager an opportunity to review the proposal.

DISCUSSION ITEMS

Discussion Regarding Funding of Street Maintenance Program

The staff report was reviewed by City Manager Young. He noted this was an item for Council discussion and that the staff recommendation was to proceed with a public hearing to consider a 20 year, three cent fuel tax increase. He said that amount and duration would allow for approximately \$6.1 million total, though staff would propose to issue two separate bonds for the improvements. He said staff believed the fuel tax increase was the best option to raise the revenue needed and included everyone who used City streets. Young said if the Council chose to proceed, it would be placed before the voters for a final decision.

In response to a question, Public Works Director Anderson said the original fuel tax was two cents per gallon, implemented in 1984. He said it was increased to three cents in approximately 1986. He emphasized the tax was three cents per gallon, not a percentage.

Mayor Lawrence clarified that the increase in tax would be used to take out revenue bonds, which would then be repaid by the tax collected. Public Works Director Anderson said that was correct. He said once the repairs were made, a preventative maintenance program would be implemented to keep the streets in good condition.

Lawrence asked if the proposal included streets that hadn't been accepted through annexation. Anderson said it included paved streets in the City's jurisdiction. He said it would not include gravel streets, or streets subject to be improved through the local improvement district (LID) process.

Anderson said additional streets had been added in the supplemental information provided prior to the meeting. He said the proposed work scope would not include unimproved (public) roads or gravel streets.

Councilor Miller said not much maintenance had been done over the past few years. She questioned what the funds had been used for. City Manager Young said the funds can only be used for street work. He said operations included special projects such as overlay, chip seal

projects, snow removal and other items such as signage, painting and striping, and street light costs. Young said it had been a couple of years since the City had been able to do crack seal projects, but it was planned for this year.

Mayor Lawrence asked the cost per year to maintain the streets. Public Works Director Anderson said approximately \$180,000 per year was estimated in the Capital Improvement Plan for maintenance projects. He said there were four projects identified in the upcoming fiscal year, and some funds would be set aside to save for the Scenic Drive stabilization project. Anderson said the projects for the upcoming year included chip sealing Dry Hollow Road between Ninth and 19th Streets; chip sealing Mt. Hood Street between Tenth and 23rd Streets; Bridge Street between Tenth and 18th Streets; and re-paving the Second and Webber Street intersection after the water line work was completed.

Mayor Lawrence asked what the cost would be to include the streets which had been annexed, but were not considered City streets. Public Works Director Anderson said he did not have that information available.

City Manager Young noted that Wasco County was also struggling with road maintenance issues, but that approximately 85% of their roads were in good condition. He said their loss of timber receipt funds would not allow them to continue maintaining their roads at that level. Young said the City's streets were in far worse condition and would continue to deteriorate unless a program and funding were put in place to correct it.

Mayor Lawrence said it could be construed through the County and City agreement for management of the urban growth area, that the City was responsible for maintenance of any streets in an area that was annexed.

City Manager Young said that had not been the policy for many years and that the intent of that agreement had not included roads.

Mayor Lawrence asked why 13th Street had not been included in the list of streets in poor condition. He said it was in very poor condition and falling apart between Mt. Hood and Union Streets.

City Manager Young said the local streets were included on the supplemental list. He said the streets with highest traffic and poorest condition would be the top priority for repairs.

Councilor Spatz said he supported proceeding with a hearing for the fuel tax increase because it was the only fair and equitable option to pursue.

Councilor Miller asked what would happen if the measure was defeated by the voters. City Manager Young said it could be submitted at a subsequent election, using a different amount if the voters felt a different amount was more reasonable.

Councilor Dick said there had been a consistent call by the citizens for improved streets over the years, so it would be appropriate to find out if the voters would support the funding to make those improvements.

Councilor McGlothlin asked if there were gas stations outside the city limits that would not be impacted by the tax. Police Chief Waterbury said the only gas stations in Wasco County that were not in the city limits were in Maupin and Wamic.

It was the consensus of the City Council to proceed with a public hearing regarding the proposed fuel tax increase. The City Council asked that staff prepare information for the public and to get the information to the media.

Councilor McGlothlin asked if \$5 million would pay for the needed repairs. Public Works Director Anderson said that amount would only pay for the arterial and collector streets. He said \$6.1 million would also pay for approximately 60 blocks of the local streets as well. He said there was not enough staff to do all the work in a three year period for one bond issuance, so staff proposed to have two bond issuances to allow enough time to get the work completed.

City Manager Young clarified that the hearing would be on the fuel tax proposal only and the other options presented by staff would not be considered at this time.

ADJOURNMENT

Being no further business, the meeting adjourned at 7:57 p.m

Submitted by/
Julie Krueger, MMC
City Clerk

SIGNED: 
Stephen E. Lawrence, Mayor

ATTEST: 
Julie Krueger, MMC, City Clerk