

Dallas City Council

Dallas City Hall*
187 SE Court Street
Dallas, OR 97338

Monday, March 19, 2007, 7:30 PM

Mayor Jim Fairchild Presiding

*Dallas City Hall is accessible to persons with disabilities. A request for an interpreter for the hearing impaired or for other accommodations for persons with disabilities should be made at least 48 hours before the meeting to the City Manager's Office, 503-831-3502 or TDD 503-623-7355.

AGENDA

1. ROLL CALL

2. APPROVAL OF MINUTES

- 2.1. Approval of minutes of the March 5, 2007, Council meeting.
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3. REPORTS OR COMMENTS FROM COUNCIL MEMBERS

- 3.1. Mayor and Council President's February monthly report.
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4. QUESTIONS AND/OR COMMENTS FROM THE AUDIENCE

5. REPORTS OF SPECIAL COMMITTEES AND CITY OFFICERS

5.1. City Manager's Reports

- a. Report from City Attorney concerning the Development Code issues.
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- b. Recommendation for Community Garden from the Park and Recreation Board.
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- c. Review of draft Council goals.
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- d. Request for speed zone study on N. Kings Valley Highway.
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- e. Presentation on Levens Street Bridge Project.
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- f. Discussion concerning \$4.75 million loan from the State for water improvement projects.
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g. Dallas Disposal Spring Clean-up event.

h. Report on March 13, 2007, Planning Commission meeting.

i. Bills of the City for the month of February.

j. Other

6. COMMUNICATIONS AND PETITIONS

6.1. Letter from Dale Derouin.

6.2. E-mail concerning pedestrian safety on River Drive.

7. PUBLIC HEARINGS

7.1. Public Hearing on \$4.75 million state loan for water system improvements.

8. RESOLUTIONS

8.1. Resolution No: 3116: A Resolution authorizing a loan from the Safe Drinking Water Revolving Loan Fund by entering into a loan contract with the Oregon Economic and Community Development Department.

9. FIRST READING OF ORDINANCE

10. SECOND READING OF ORDINANCE

10.1. Ordinance No: 1671: An Ordinance Changing Street Names.

11. OTHER BUSINESS

12. ADJOURNMENT

NOTE: There will be an Executive Session immediately following the Council meeting to discuss real property transactions as authorized in ORS 192.660(2)(e) and to discuss matters with legal counsel as authorized in ORS 192.660(2)(h).

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The Dallas City Council met in regular session on Monday, March 5, 2007, at 7:30 p.m. in the Council Chambers of City Hall with Mayor Jim Fairchild presiding.

ROLL CALL

Council members present were: Council President Ken Woods, Councilor Brian Dalton, Councilor Warren Lamb, Councilor Jackie Lawson, Councilor Kevin Marshall, Councilor Wes Scroggin, Councilor David Shein, and Councilor LaVonne Wilson. Member excused: Councilor Rich Slack.

Also present were: City Manager Roger Jordan, City Attorney Mark Irick, Interim Fire Chief Bill Hahn, Police Chief Jim Harper, Community Development Director Jerry Wyatt, Public Works Director Fred Braun, Deputy Public Works Director Christy Ellis, Finance Director Marcia Baragary, Library Director Donna Zehner, and Recording Secretary Marsha Heeter.

APPROVAL OF MINUTES

After hearing no corrections or additions, Mayor Fairchild declared the minutes of the February 20, 2007, Council meeting approved as printed.

REPORTS OR COMMENTS FROM COUNCIL MEMBERS

COUNCIL PRESIDENT'S JANUARY REPORT

There were no questions about the Council President's January report.

COUNCIL COMMENTS

Mayor Fairchild handed out information from the League of Oregon Cities in opposition to SB400, and a summary of a Federal Communication Commission ruling.

He announced that the agenda would be changed by holding the public hearings after the Committee reports.

BUILDING AND GROUNDS COMMITTEE REPORT

Councilor LaVonne Wilson, Chair of the Building and Grounds Committee, reported on the February 26, 2007, meeting of the Committee. She reviewed the meeting minutes, noting that some nuisance cases will be going to the Council. She added that the Committee had no action items.

PUBLIC WORKS COMMITTEE REPORT

Councilor Brian Dalton, Chair of the Public Works Committee, reported on the February 26, 2007, meeting of the Committee. He reviewed the meeting minutes, pointing out that the Committee discussed parking lot improvements behind the businesses in 800 block of Main Street, and heard reports on the status of a number of projects. He added that the Committee had no action items.

PUBLIC HEARINGS

NUISANCE ABATEMENT AT 1241 SW FAIRVIEW AVENUE

Mayor Fairchild declared open at 7:41 p.m. a public hearing to discuss whether the property at 1241 SW Fairview Avenue was a nuisance and/or a dangerous building. Community Development Director Jerry Wyatt reviewed the staff report, explaining that this is a vacant dwelling; the front door is unlocked and has been left open on several occasions. He indicated that windows have been left open and there is debris scattered throughout the building. He added that the fence has been knocked down and the building is starting to deteriorate. Councilor Jackie Lawson asked if the staff was able to talk to owners at all. Mr. Wyatt answered that he sent a certified letter, which they did sign for, but they have not contacted him.

Testimony: There was none.

Mayor Fairchild closed the public hearing at 7:45 p.m.

1 City Attorney Mark Irick advised that the Council would need to declare the building to be a nuisance
2 and/or a dangerous building, and give owners notice about the necessary improvements/repairs.

3 Councilor Warren Lamb moved to declare the property at 1241 SW Fairview a nuisance and a danger-
4 ous building and authorize the staff to secure the property and notify the owner of the need to remedy
5 it. The motion was duly seconded and CARRIED UNANIMOUSLY with Council President Ken
6 Woods, Councilor Brian Dalton, Councilor Kevin Marshall, Councilor Warren Lamb, Councilor Jackie
7 Lawson, Councilor Wes Scroggin, Councilor David Shein, and Councilor LaVonne Wilson voting
8 YES.

9 DEVELOPMENT CODE REVISIONS

10 Mayor Fairchild declared open at 7:48 p.m. a public hearing on the Dallas Development Code revi-
11 sions. Council President Ken Woods asked City Attorney Mark Irick if he had a conflict of interest
12 because he owns business property in an area that might be affected. Mr. Irick answered that he possi-
13 bly has a conflict. Council President Woods noted that three Councilors own property in either the
14 Central Business District (CBD) or the Commercial General (CG) zone. Mr. Jordan pointed out that
15 the changes affect all property owners, probably up to 500 owners in the CBD or CG zone. Mr. Irick
16 indicated that they could say they are being treated the same as every property owner in that zone and
17 not declare a conflict, but practically, if he were a Councilor, he wouldn't vote. Mayor Fairchild sug-
18 gested they could vote on the changes by zone. Mr. Irick agreed that they could do that. Mr. Jordan
19 advised that tonight is the hearing when the Council is getting information. He said that when the staff
20 brings an ordinance, they could do separate ordinances for the CBD and CG zones. Mr. Irick indicated
21 that he'll do some research and get back to them before the next meeting. In response to a question,
22 Mr. Irick said all the Council could discuss the issues at this meeting.

23 Mr. Jordan reviewed the hearing packet which included the hearing notice, staff report and minutes of
24 the Planning Commission meeting.

25 Mr. Wyatt reviewed each of the sections of the Development Code, noting the changes. He indicated
26 that in Article 1 they added some definitions to clarify what is covered, clarified the language regard-
27 ing street improvements to conform to public works standards, and changed the annexation notices to
28 conform to state law.

29 Mr. Wyatt noted that the Article 2 changes included removing the general exceptions to building
30 heights because that is already in the Oregon Revised Statutes, including a better definition of corner
31 lot setbacks, added health care offices and parking lots in multiple family districts, and clarified that
32 manufacturing/processing is not allowed in the CBD. Councilor Wes Scroggin asked for the definition
33 of manufacturing and processing. Mr. Wyatt answered that it was defined in section 2.7.70.

34 Mr. Wyatt explained that Article 3 contained some housekeeping changes. He noted that it was added
35 to 3.2.80 that all utilities will be underground. He said the additions to 3.3.40 are for clarification. He
36 added that the annexation changes are the same as in Article 1.

37 Mr. Wyatt reported that in Article 4, it was added that fence height is measured from the street eleva-
38 tion. He explained that the maximum street grade was changed from 8% to 12%, and driveway slopes
39 from 10% to 12%. He noted that half street improvements are defined more clearly, and they added a
40 section on private streets. Councilor Scroggin asked if they discussed the street grade change with the
41 garbage people and the Fire Department. Mr. Wyatt answered that they did. Public Works Director
42 Fred Braun indicated that a maximum 12% grade is part of the Americans with Disabilities Act (ADA)
43 standards, and it meets federal requirements. Mr. Jordan added that 8% can be very difficult to meet in
44 some places. Councilor Brian Dalton pointed out one section where they didn't change the sidewalk
45 width from 5 foot to 6 foot. Mr. Wyatt indicated that page 274 had the new private street definitions.
46 Mr. Jordan noted that Mr. Irick has done a lot of research on this. Mr. Irick remarked that this is a new
47 area for the City. He noted that for subsection 3, which says that private streets "shall be subject to all
48 City Code regulations for public streets", should generate good policy discussion about whether this
49 should be the case. He added that he's doing more research on this.

50 Mr. Wyatt advised that the next section is a new one regarding adult entertainment activities. He noted
51 that he has been asked where the adult business is going to be located. He indicated that there are no
52 requests at this time, and this is to prepare for that time. Councilor LaVonne Wilson asked if day care
53 and preschool could be added to 4.7.30. Mr. Jordan asked Mr. Irick to look at the law. Mr. Jordan

1 pointed out that everything has been reviewed by the Planning Commission and the City Attorney's
2 office. Councilor Scroggin noted that "junior high" is an older term, and most are using "middle
3 school" now.

4 Mayor Fairchild invited public comment.

5 June Doran wanted to know if the City could adopt an ordinance to keep adult businesses out. Mayor
6 Fairchild answered that the City can only limit areas where an adult business could be located. He
7 added that when the staff looked at constitutionality, they found the City could specify a distance from
8 places children are. Mr. Irick explained that this proposal is preventative to the greatest extent possi-
9 ble, because the City can't legislate against adult businesses, and this limits it as much as possible.
10 Councilor Brian Dalton indicated that 1500 feet is about 3 downtown city blocks. Mayor Fairchild
11 remarked that he has wanted regulations regarding adult businesses for a couple of years, but they
12 didn't want to put in a law that could be easily challenged and overturned. Ms. Doran asked if the
13 Academy building is considered a school. Mr. Jordan answered that the staff will be doing some addi-
14 tional research on that and other questions.

15 Jason Campbell asked, as far as pushing adult businesses as far away from schools as possible if that
16 includes the Academy building and the new Chemeketa building. Mr. Jordan answered that it defi-
17 nitely included the new Chemeketa building.

18 Mr. Campbell then asked about sex offenders being housed in the downtown facility, and he wondered
19 if neighbors would have pictures of the offenders. Mr. Jordan answered that Polk County is handling
20 that, and they have said they haven't used it yet. Councilor Warren Lamb suggested that Mr. Campbell
21 talk to the County Commissioners.

22 Mayor Fairchild declared the public hearing closed at 8:34 p.m. and asked the Council what they wanted
23 to do. Councilor Lawson asked if 1,500 feet was the maximum the City could use. Mr. Irick answered
24 that it was. Mayor Fairchild said the Council could call for an ordinance at the next Council meeting;
25 and if they have questions to discuss, they could have a workshop. Mayor Fairchild pointed out that the
26 City did receive a written request to leave the record open for written testimony. Mr. Irick advised that
27 the minimum time to leave the record open was seven days. Mr. Jordan announced that the City will
28 accept written testimony for that time period. Councilor Lawson asked if they could make a motion to
29 move forward with section 4.7 and have a workshop on the rest. Mr. Jordan said they could. Councilor
30 Dalton asked how often they review the Development Code. Mr. Jordan answered that the City can do it
31 as often as it wants, keeping in mind that proposed changes usually go to the citizens committee first and
32 then to the Planning Commission and then to the Council. Mr. Irick noted that the staff keeps a list of
33 proposed changes as they process applications, and every couple of years the list is long enough to go
34 through the process. Councilor Dalton said there are some issues regarding urban development, park-
35 ways, and entrances to the city that should be addressed. Mr. Jordan responded that if the Council wants
36 additional study on some issues, they could do that. He noted that some sections are important for up-
37 coming developments and it would be better to do the proposed changes as soon as possible. Mayor
38 Fairchild suggested setting up a time to look at the urban renewal issues, since a lot of the current
39 changes are housekeeping issues. Councilor Lamb said he thinks the staff and Planning Commission
40 have done a great job on this document and it would be good to move towards accepting these changes.
41 Councilor Wilson said she thought the Council needed a workshop to get answers to some of the ques-
42 tions and then move on it as soon as possible and address urban renewal at a later date.

43 Councilor Lamb moved to have the staff develop an ordinance to implement the staff and Planning
44 Commission recommendations for amending the Dallas Development Code. In addition, the staff needs
45 to complete research on the private streets and adult business proposed amendments and prepare a white
46 paper explaining the staff legal opinion and recommendations. Councilor David Shein asked, regarding
47 private streets, if there was any research done on what other communities have done. Mr. Jordan an-
48 swered that there was, adding that the City has been working with a developer and an attorney that have
49 worked on similar regulations in other communities. The motion was duly seconded and CARRIED
50 UNANIMOUSLY with Council President Ken Woods, Councilor Brian Dalton, Councilor Kevin Mar-
51 shall, Councilor Warren Lamb, Councilor Jackie Lawson, Councilor Wes Scroggin, Councilor David
52 Shein, and Councilor LaVonne Wilson voting YES.

53 Mayor Fairchild thanked the staff. Mr. Jordan reminded everyone that the record is open for seven
54 days, so people can submit comments until 5 p.m. Monday, March 12, 2007.

1 At 8:50 p.m. Mayor Fairchild announced there would be a five-minute recess

2 The meeting resumed at 8:57 p.m.

3 **REPORTS OF SPECIAL COMMITTEES AND CITY OFFICERS**

4 **REPORT ON STATUS OF AQUIFER STORAGE AND RECOVERY SYSTEM**

5 Mr. Jordan introduced Phil Brown, CH2M Hill engineer on the Aquifer Storage and Recovery System
6 (ASR) project. Mr. Brown gave an update on where we've been, a report on the testing program, and
7 where we can go in the future. He explained that the City has a limited license for five years for the
8 testing period and after that, it can extend the limited license or apply for a full license.

9 **CITY PROPERTY IN BARBERRY NODE**

10 Mr. Jordan indicated that there have been some questions about the Barberry Node and the wetlands
11 areas there. He noted that the drawings included in the agenda packet show the various wetlands areas.

12 **ANNUAL REPORTS – COMMUNITY DEVELOPMENT, LIBRARY, AND PUBLIC WORKS**

13 Mr. Jordan asked if the Council wanted to hold the department annual reports until the next meeting or
14 have the Department Heads give limited reports. The Council asked for limited reports.

15 Mr. Wyatt reviewed his report, noting that the Planning Commission had its busiest year and the num-
16 ber of building permits issues was the third highest. He also pointed out that the Aquatic Center net
17 sales have increased 45.5% over five years.

18 Library Director Donna Zehner noted that her report includes information on how the Dallas Library
19 compares to the state standards. She pointed out that circulation figures show a slight decrease be-
20 cause they went from a two-week check out to a three-week check out.

21 Mr. Braun reviewed his report, noting that the number of weed lots are decreasing because of the in-
22 crease in development. Councilor Dalton remarked that there was mention of tree removal but no tree
23 planting mentioned. Mr. Jordan responded that we have removed only a few trees, and we have
24 planted a number of trees. He said that information will be included next year.

25 **MONTHLY REPORTS**

26 Mr. Jordan presented the Department reports for January. There were no questions.

27 **FIRST READING OF ORDINANCES**

28 Ordinance No. 1671

29 An Ordinance changing street names.

30 Mr. Jordan explained that this ordinance is to make some minor changes and corrections in street
31 names. Mayor Fairchild declared Ordinance No. 1671 to have passed its first reading.

32 **OTHER BUSINESS**

33 Mr. Jordan commented that the executive session scheduled was not critical, so it could be postponed
34 until the next meeting. Mayor Fairchild determined that the consensus was to postpone it.

35 There being no further business, the meeting adjourned at 9:41.m.

36 Read and approved this _____ day of _____ 2007.

37 _____
38 Mayor

39 ATTEST:

40 _____
41 City Manager

MEMORANDUM

Date: March 16, 2007
To: City Council Members
From: Mayor Fairchild *MF*
Re: February 2007 Activities

Meetings and activities attended representing the City:

February 1	11:00 to noon 1:30 p.m. to 2:30 p.m.	Met with David Shein. Met with LaVonne Wilson, Warren Lamb, and Brian Dalton.
February 2	8:30 a.m. to 9:30 p.m. Noon to 1:00 p.m. 2:00 p.m. to 3:00 p.m.	West Valley Hospital (WVH) meeting. Participated in ribbon cutting at American/Remax Realty. Met with Roger Jordan.
February 5	Noon to 1:00 p.m. 2:00 p.m. to 3:00 p.m. 3:00 p.m. to 4:00 p.m. 7:30 p.m. to 9:30 p.m.	Chamber of Commerce Forum Met with Polk Community Development Corp. for lobbying efforts for workforce housing. Met with Mark Irick. City Council.
February 7	Noon to 1:00 p.m.	Council Legislative Committee.
February 8	Noon to 1:00 p.m. 4:30 p.m. to 10:30 p.m.	Planning Commission Workshop. Attended CH2M Hill presentation on City projects.
February 9	10:30 a.m. to 11:30 a.m. 3:00 p.m. to 4:00 p.m.	Attended WVH Surgeon Candidate reception for Dr. Griffiths. Participated in groundbreaking for new Chemeketa Community College off campus building at Dallas High School.
February 10	5:20 p.m. to 9:00 p.m.	Attended Fire Department Sweetheart Banquet.
February 12	Noon to 1:00 p.m. 2 p.m. to 3:00 p.m.	Met with Chamber Executive Board on my desire to propose a transient room tax. Met with Representative Boquist on what he sees happening in State Legislature.
February 13	7:30 p.m. to 9:30 p.m.	Planning Commission.

February Activities

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February 14	9:00 a.m. to 2:00 p.m.	Participated in sesquicentennial (Oregon 150) meeting as a member of the Board of Directors.
February 15	Noon to 1:00 p.m.	Sounds of Summer music group selection committee.
February 16	8:00 a.m. to 9:00 a.m.	Chaired WVH Foundation Board of Directors meeting.
February 20	4:00 p.m. to 5:00 p.m. 7:30 p.m. to 9:30 p.m.	Library Board meeting. City Council meeting.
February 21	Noon to 1:00 p.m. 7:00 p.m. to 8:00 p.m.	Council Legislative Committee Chaired Senior Center Advisory Committee.
February 23	7:00 a.m. to 8:00 a.m.	Attended Polk County Mayors/Managers/Commissioners breakfast.
February 26	4:00 p.m. to 5:30 p.m.	Council Public Works and Building and Grounds Committee meetings.
February 27	6:30 p.m. to 8:30 p.m.	Attended Mid-Willamette Valley Mayors' Coalition meeting.
February 28	9:15 a.m. to 5:00 p.m. 2:30 p.m. to 3:00 p.m. 5:30 p.m. to 9:30 p.m.	Participated in Oregon Mayors Association Mayors' Day at the Capitol. Met with Senator George on concerns about Senate Bill 400 (giving an arbitrator control of city staffing in public safety areas), supporting Governor's Economic Development proposal, supporting modification of double majority election rules. City Council goal planning workshop.

JF:meh

MEMORANDUM

Date: March 15, 2007

To: Mayor Fairchild and City Council Members

From: Council President Ken Woods, Jr.

Subject: Council President's February 2007 Monthly Report

February 1 3:30 – 4:45 PM
MWACT

February 5 8:30 – 11:30 AM
ODOT STIP Stakeholders

3:30 – 4:00 PM
Met with Mayor Fairchild

7:30 – 9:55 PM
City Council

February 7 8:00 – 10:00 AM
ODOT Transportation Policy Group

12:00 – 1:30 PM
City Council Legislative Committee

6:30 – 8:00 PM
DHS Hall of Fame Board

February 8 2:00 – 3:00 PM
Met with City Manger Jordan

February 14 2:00 – 6:00 PM
CIS Board of Trustee Meeting

February 15 8:00 – 6:00 PM
CIS Annual Meeting

February 16 7:30 – 6:00 PM
CIS Annual Meeting

February 20 7:30 – 10:05 PM
City Council

February 21 12:00 – 1:15 PM
City Council Legislative Committee

February 26 4:00 – 5:40 PM
Building & Grounds/Public Works Committees

6:30 – 8:30 PM
DHS Hall of Fame Screening Committee

February 28 5:30 – 8:40 PM
City Council Goals Session

MEMORANDUM

TO: Dallas City Council, Mayor and City Manager

FROM: Mr. Mark Irick, Dallas City Attorney

DATE: March 16, 2007

RE: Adult Businesses Conflict of Interest

At its March 5, 2007 meeting, the Council called for a legal opinion as to whether voting on an Ordinance which includes new regulations for "Adult" businesses would constitute an actual or potential conflict of interest for council members who own and/or operate businesses in commercial zones. The issue arises based upon the assumption that such an adult business would negatively impact the volume of and/or the value of nearby businesses.

ORS 244.020(7)(b) provides an exception to conflicts of interest requirements when an official action affects all members of a class to the same degree as it would impact a public official. Public officials may be presented with a proposed action that would have or could have a financial effect on that public official, a relative of that official or a business with which the official or the official's relative is associated. If other persons and/or businesses are affected to the same degree by that action as would the public official, that action is exempt from conflict of interest requirements on the basis of a class exemption.

Regarding the City's proposed adult business legislation, there are 3 Council members associated with businesses that are within the commercial zone where, subject to distance requirements from places where children congregate, and, based upon the above assumption regarding negative impact, may be financially affected if and when an adult business is located near the Councilor's business. What otherwise may have been a conflict of interest is not because of the class exception set forth in the preceding paragraph.

Because those Councilors are members of a class, viz., owners of businesses located within the commercial zones, and/or owners of businesses located within sub-areas where adult businesses will be allowed, and because those Councilors would be affected to the same degree as other persons associated with businesses in areas where adult businesses may/will be allowed, the Councilors fit within the class exemption for what otherwise might constitute a conflict of interest, and can vote on the adult business legislation, without having an actual or potential conflict of interest.

Attached hereto is an Oregon Government Standards and Practices Commission Staff Opinion, which, in Question #1, under similar circumstances, reaches the same conclusion as above, finding the class exemption applies to a public official voting on a refund of business license fees when that official owns 1 of 261 business who would receive a refund. That opinion also includes a good discussion of potential and actual conflicts of interest.

It is not required that such a Councilor announce at the meeting that what may have otherwise been a conflict of interest in voting on the adult business legislation, is not a conflict because of the class exemption, although there is nothing which would preclude such an announcement.

975-001

March 5, 1997

Mary Jane Koelle
Phoenix City Councilor
PO Box 897
Phoenix, OR 97535

Dear Ms. Koelle:

This is in response to your correspondence dated February 5, 1997, concerning conflicts of interest which may arise in your attempt to obtain a refund of business license fees for your private business.

OREGON GOVERNMENT STANDARDS AND PRACTICES COMMISSION STAFF
OPINION NO. 97S-005

STATED FACTS: You own a business in the City of Phoenix. Prior to May, 1994, a city ordinance required businesses to pay an annual business license fee of \$20.00 per business plus \$2.00 for each employee over two. In May 1994, the city council voted on a motion to increase business license fees to \$40.00 per business plus \$4.00 for each employee over two, effective July 1, 1994. The city collected the increased fee for two years based upon the motion. You believe the City of Phoenix had no authority to collect the increased fee because an ordinance was not enacted.

You became a member of the Phoenix city council in February, 1996. In August, 1996, the city council passed an ordinance to increase the business license fee commensurate with the fee increase approved in May, 1994. You do not believe business licensees are aware the increased fee was collected without the benefit of an ordinance. You are one of the 261 business license holders in the city this fiscal year. You would like to seek a refund of the increased fee you paid prior to an ordinance being adopted and/or promote a refund for all who overpaid.

Mary Jane Koelle

March 5, 1997

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RELEVANT STATUTES: The following Oregon Revised Statutes are applicable to the issues addressed herein:

ORS 244.020(1): Actual conflict of interest means any action or any decision or recommendation by a person acting in a capacity as a public official, the effect of which would be to the private pecuniary benefit or detriment of the person or the person's relative or any business with which the person or a relative of the person is associated unless the pecuniary benefit or detriment arises out of circumstances described in subsection (8)(a) to (c) of this section.

ORS 244.020(2): Business means any corporation, partnership, proprietorship, firm, enterprise, franchise, association, organization, self-employed individual and any other legal entity operated for economic gain but excluding any income-producing not-for-profit corporation that is tax exempt under section 501(c) of the Internal Revenue Code with which a public official is associated in a nonremunerative capacity.

ORS 244.020(3): Business with which the person is associated means any business of which the person or the person's relative is a director, officer, owner or employee, or agent or any corporation in which the person or the person's relative owns or has owned stock worth \$1,000 or more at any point in the preceding calendar year.

ORS 244.020(7): Potential conflict of interest means any action or any decision or recommendation by a person acting in a capacity as a public official, the effect of which could be to the private pecuniary benefit or detriment of the person or the person's relative, or a business with which the person or the person's relative is associated, unless the pecuniary benefit or detriment arises out of the following:

(b) Any action in the person's official capacity which would affect to the same degree a class consisting of all inhabitants of the state, or a smaller class consisting of an industry, occupation or other group including one of which or in which the person, or the person's relative or business with which the person or the person's relative is associated, is a member or is engaged. The commission may by rule limit the minimum size of or otherwise establish criteria for or identify the smaller classes that qualify under this exception.

ORS 244.020(15): Public official means any person who, when an alleged violation of this chapter occurs, is serving the State of Oregon or any of its political subdivisions or any other public body of the state as an officer,

Mary Jane Koelle

March 5, 1997
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employee, agent or otherwise, and irrespective of whether the person is compensated for such services.

ORS 244.040: Code of ethics; prohibited actions; honoraria. The following actions are prohibited regardless of whether actual conflicts of interest or potential conflicts of interest are announced or disclosed pursuant to ORS 244.120.

(1)(a) No public official shall use or attempt to use official position or office to obtain financial gain or avoidance of financial detriment that would not otherwise be available but for the public official's holding of the official position or office, other than official salary, honoraria, except as prohibited in paragraphs (b) and (c) of this subsection, reimbursement of expenses or an unsolicited award for professional achievement for the public official or the public official's relative, or for any business with which the public official or a relative of the public official is associated.

ORS 244.120: Methods of handling conflicts; generally; application to elected officials or members of boards. (1) Except as provided in subsection (2) of this section, when met with an actual or potential conflict of interest, a public official shall:

(2): An elected public official, other than a member of the Legislative Assembly, or an appointed public official serving on a board or commission, shall:

(a) When met with a potential conflict of interest, announce publicly the nature of the potential conflict prior to taking any action thereon in the capacity of a public official; or

(b) When met with an actual conflict of interest, announce publicly the nature of the actual conflict and:

(A) Except as provided in subparagraph (B) of this paragraph, refrain from participating as a public official in any discussion or debate on the issue out of which the actual conflict arises or from voting on the issue.

(B) If any public official's vote is necessary to meet a requirement of a minimum number of votes to take official action, be eligible to vote, but not to participate as a public official in any discussion or debate on the issue out of which the actual conflict arises.

QUESTION#1: Does a city councilor, who has one of 261 business licenses issued by the city, have a conflict of interest in relation to taking official action affecting business owners in the city?

Mary Jane Koelle
March 5, 1997

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OPINION: Oregon Government Standards and Practices laws define actual conflict of interest [ORS 244.020(1)] and potential conflict of interest [ORS 244.020(7)]. For certain officials, the law prescribes different actions depending on whether a conflict of interest is potential or actual. The difference between a potential and actual conflict of interest is determined by the words could and would. A potential conflict of interest exists when an official takes action that could possibly have a financial impact on that official, a relative of that official or a business with which the official or the relative of that official is associated. Such possible financial impact is not certain.

An actual conflict of interest occurs when the action is reasonably certain to result in a financial benefit or detriment. It will occur when an action taken by the official would directly and specifically affect the financial interest of the official or the official's relative or a business with which the official or the official's relative is associated.

ORS 244.020(7)(b) provides an exception to conflicts of interest when an official action affects all members of a class to the same degree. Sometimes a public official may take action that would have a financial effect on that official, a relative of that official or a business with which the official or the official's relative is associated. If other people or business entities are also affected to the same degree by that action, the official would be exempt from conflict of interest requirements on the basis of a class exception.

According to the stated facts, you are one of 261 business licensees operating in the city. If the city council were to consider whether or not to refund any business license fees paid by all businesses operating in the city, it would appear that your business would not be affected to any greater degree than any other business that was operating within the city and paid a business license fee. It would therefore appear that you, as a member of the city council, would come within the class exception and you would not need to declare a conflict nor refrain from taking action.

It should be noted that only the Government Standards and Practices Commission is authorized by law to determine the existence of a class for the purpose of compliance with ORS Chapter 244.

QUESTION#2: Would you be using your public office for personal financial gain if you asked for a refund for your business?

OPINION: ORS 244.040(1)(a) prohibits a public official from using, or attempting to use, official position or office to obtain financial gain or avoidance of financial detriment for the official, the official's relative or a business with which the official or the official's relative is associated. This prohibition exists regardless of whether actual conflicts of interest or potential conflicts of interest are announced or disclosed pursuant to ORS

Mary Jane Koelle
March 5, 1997

Page 5

244.120. This prohibition prevents public officials from gaining personal financial advantage through the use of their public office or position.

It would appear that if the city was not authorized to increase business license fees without first passing an ordinance, all business owners who paid the increased fees could seek a refund. In addition, you, as a business owner, could seek a refund from the city without using your position as a city councilor.

The issue of whether the city had the authority to collect the higher assessment after the May, 1994 action is not within the GSPC s jurisdiction.

THIS RESPONSE IS BASED SOLELY ON THE INFORMATION PROVIDED IN YOUR WRITTEN INQUIRY AND IS NOT A FORMAL ADVISORY OPINION PURSUANT TO ORS 244.280. IT IS MY PERSONAL ASSESSMENT AS THE EXECUTIVE DIRECTOR OF THE OREGON GOVERNMENT STANDARDS AND PRACTICES COMMISSION.

Sincerely,

L. Patrick Hearn
Executive Director

LPH:aip/koelle.so

MEMORANDUM

TO: Dallas City Council, Mayor, and City Manager
FROM: Dallas City Attorney
DATE: March 16, 2007
RE: City Control of Private Streets

At its March 5, 2007 meeting, the Council called for information on the extent to which the City can apply non-Motor Vehicle Code public street regulations to privately owned streets. Dallas is a Home Rule City which means it can adopt regulations regarding any and all properties located within the City, so long as such regulations are not preempted by state law and are constitutional.

There are no conflicting state regulations and applying public street regulations to private streets is not an unreasonable nor unconstitutional exercise of the City's power to regulate properties within the City limits. Accordingly, the City can apply all public street regulations to private streets.

Following are examples of the public street regulations which could apply to private streets:

DCC 6.125	Obstructing Streets.
DCC 6.127	Horses on Streets.
DCC 6.130	Removing Glass and Debris.
DCC 6.305-365	Parking Regulations.
DCC 6.500-545	Abandoned Vehicles.
DCC 6.600-615	Recreational Vehicle Parking.
DCC 5.000	Disorderly Conduct -- Obstructing Vehicular or Pedestrian Traffic.
DCC 5.274	Obstruction of Fire Hydrants.
DCC 5.400-404	Protection of Public Ways.

MEMORANDUM

TO: Dallas City Council, Mayor and City Manager

FROM: Dallas City Attorney

DATE: March 16, 2007

RE: Adult Entertainment Business Regulations

Based upon Council's discussion at its March 5, 2007, and my subsequent review and research, I recommend the following revised provision for DDC 4.7.30, describing the institutions to which the 1500 foot rule applies:

(1) No adult entertainment business shall be located within a distance closer than one thousand five hundred (1500) feet from:

- (a) Public or private day care facility, pre-school, or kindergarten known to the City at the time of application;
- (b) Elementary, junior high, middle, or high school;
- (c) Public park or playground;
- (d) Public library;
- (e) Indoor or outdoor movie theater;
- (f) Businesses which cater to children, such as pinball and/or video game arcades.

I also recommend that "to the closest point of the school property for school use" in subsection (2), be changed to "the closest point of the external boundaries of the parcel of real property upon which any of the above-described facilities are located."

MEMORANDUM

Date: March 16, 2007

To: Mayor Fairchild, City Council Members, and City Manager

From: Roger Jordan, City Manager 

Re: Community Garden Proposal

Recommendation: Authorize the staff to form a partnership with Marion-Polk Food Share to develop a community garden.

Background: The Park and Recreation Board has recommended that the City develop a community garden. Sue Lamb and representatives of the Marion-Polk Food Share and the Dallas Resource Center recently testified to the Park and Recreation Board on the need for a community garden. An excerpt from the Park and Recreation Board minutes of that meeting are attached to provide the background information. The staff has researched and found two potential sites. One is across the creek from the Aquatic Center and the other is in the vicinity of the old municipal swimming pool. Maps of these sites are attached.

The staff is requesting authority to work with the Food Bank in the development of a community garden. Representatives of the Food Bank will be at Monday's meeting to discuss this further.

If you have any questions or comments before the meeting, please feel free to call me.

RJ:meh

February 6, 2007

Jerry Wyatt
City of Dallas
187 SE Court St
Dallas, OR 97338

Re: Community Garden

Dear Mr. Wyatt,

I am writing to ask if you would place this proposal on the agenda for the Parks and Rec Committee scheduled to meet February 27, 2007 at 4:00 p.m.

For some time now I have had a burden for the elderly in our community and have been looking for ways to help them. One such way might be to have a community garden that they could work and reap the benefits of the harvest. The target population to benefit from this would be Dallas area seniors, our low-income elderly, and those who utilize the food bank. I have shared this concept with the Dallas Resource Center, OSU Extension, Dallas Master Gardeners, Mid-Willamette Valley Senior Services and the Juvenile Community Service Coordinator who are excited about partnering with this concept.

In looking for potential sites for the community garden the Levens Street old municipal swimming pool and adjacent office area appear to be ideal. The old pool with modifications could become a large container garden and the small wading pool would be a great area for a flower garden. This location is attractive as it is secure, is handicap accessible and provides a space for storage, cook stoves and freezers to preserve the produce from the garden. Further it would provide an attractive entrance to the Dallas City Park and positively uses an area that benefits our community as a whole.

Having a community garden and location that our area senior citizens could actively participate in addresses concerns raised by them. I see this as a win - win proposal and the less tangible bi-product is the wealth of experience and knowledge that will be passed along to help other generations to learn how to grow gardens, preserve produce and to build relationships.

I am respectfully requesting that the City of Dallas Parks and Rec Committee endorse this proposal and move it to full City Council.

Sincerely,

Sue Lamb
936 SW Hunter St
Dallas, OR 97338

CITY OF DALLAS PARK AND RECREATION BOARD

February 27, 2007 Meeting Minutes

QUESTIONS AND COMMENTS FROM THE PUBLIC

Chair Slack noted there were several people in the audience, and moved to Questions and Comments from the Public. Mr. Jordan noted that the request for a community garden would ultimately go through Council, but added that this was a good opportunity to review & maybe recommend action to the Council.

Sue Lamb explained that she has been looking for opportunities to help elderly. Many have indicated that they would love to be able to grow their own produce, but have no opportunity to do so. Ms Lamb said she talked with some partners, and introduced PJ with the Dallas Resource Center, Dave Valencia with Polk County Juvenile Work Crew, and Jordan Blake with Marion Polk Food Share, and they all expressed a great deal of excitement at the idea of a community garden. She explained that these organizations would like to partner with the City of Dallas for a place to have a community garden. Ms Lamb explained that a community garden would benefit the food bank, by providing fresh produce for them, and would provide an opportunity to pass knowledge from the older generations to younger generations. She added that the old municipal pool seems like a good area for a container garden, and noted that the community would like to see the area used. She noted that the City might have other ideas for areas that would work well.

Mr. Jordan asked if another area would work, since the old pool is used for training purposes by the fire department, as well as for the fishing derby each fall in connection with the clean the creek day. Ms Lamb explained that the land south of the Aquatic Center or east of the Aquatic Center would work. She noted that they would need water for irrigation and access, and that they would be open to anything.

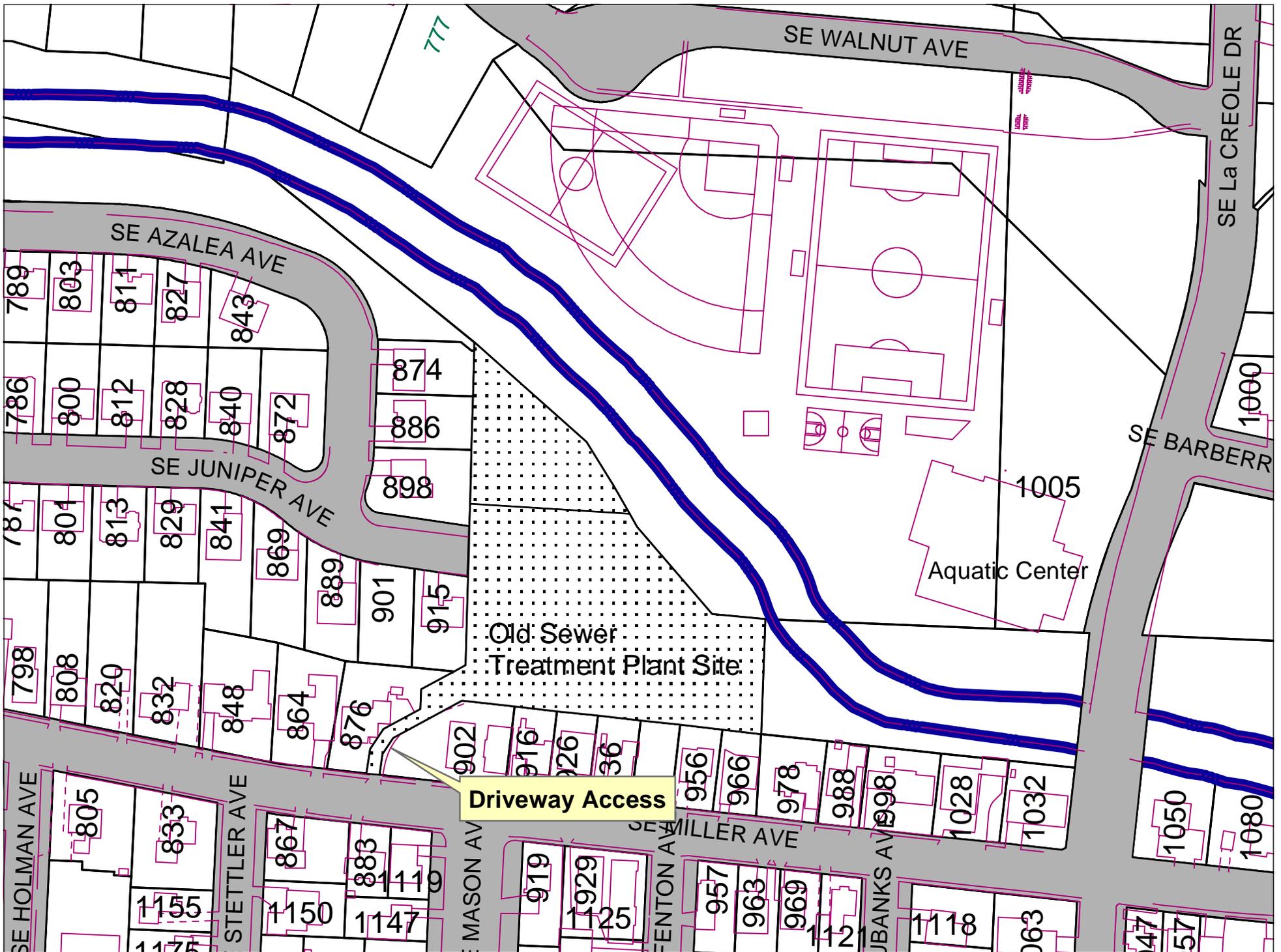
PJ, of the Dallas Resource Center, noted that this idea would be a win/win situation for the youth and elderly of the community, not to mention the need for organic produce. She noted that the less fortunate in town can get breads and other necessities, but elderly on a fixed income find it difficult to afford fresh produce.

Mr. Jordan stated that his understanding was that those present were looking for a location, and a non-profit group would oversee the project.

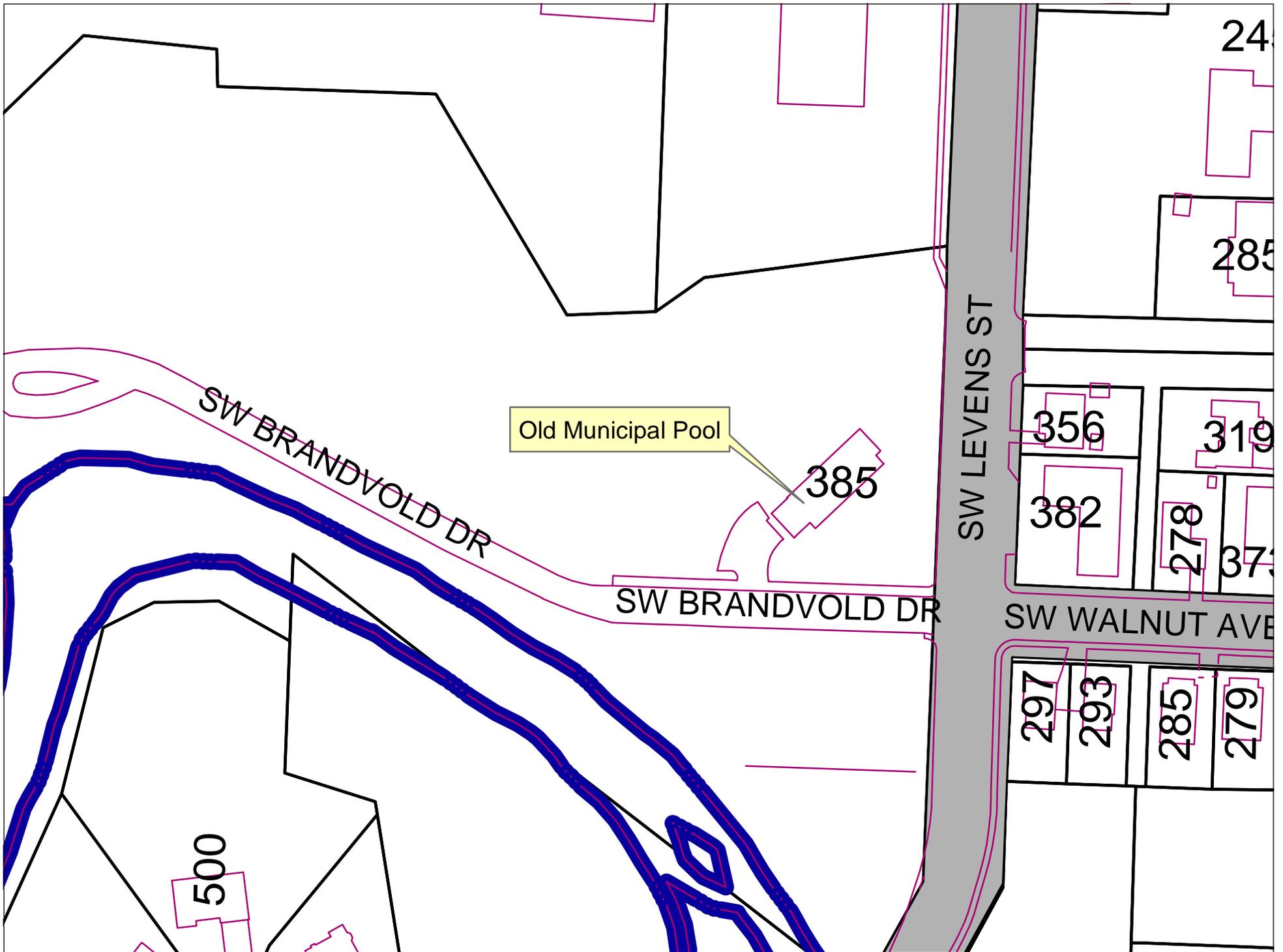
Jordan Blake explained that Marion-Polk Food Share wants to pair up with communities to create sustainable models that can be used and shared. He noted that he has toured potential sites in the City of Salem, and they looked at undeveloped park sites. He added that Marion-Polk Food Share has already spent a great deal of time determining goals and objectives, and they would take on the coordination of a garden in Dallas. Mr. Blake noted that Marion Polk Food Share is a 503(c)(3) organization. He further added that they would be offering to take care of any liability insurance needed.

Chair Slack clarified that all the group was looking for from the City was an okay to proceed, and some land on which to create the gardens, and they would take care of the rest. PJ added that they would need access to water for irrigation.

It was agreed that staff would look into possible sites and go directly to Council with the options to speed the process along. June Krause pointed out that both sites that had been mentioned were also the two final sites for the new Senior Center and she was concerned that the community garden project may hold up the Senior Center. Mr. Jordan stated that there were several acres out there, so there would be plenty of room for both a garden and the Senior Center. Ms Lamb added that a garden could enhance any site chosen for the Senior Center, and the Seniors were the group she most had in mind when she thought of the community garden.



Proposed Community Garden Sites



Proposed Community Garden Sites

REVISED
DRAFT 2007-08 GOALS

Managerial

- Continue the rolling three-year financial strategy to maintain an adequate reserve in the General Fund.
- Improve communication with the citizens of Dallas by working with the local media about the City and expanding mailing publications to every household, including mailings with water bills.
- Identify a process to quantify the costs and funding sources for new Council goals and projects.
- Develop a professional citizen survey

Public Safety

- Identify long term funding or an alternative to cover the deficit the City faces in operating the ambulance system
- Work with Polk County to complete a new joint use dog pound.
- Complete a full analysis of the fire facilities and equipment and develop a proposal for placing before the voters in 2008 a bond measure to improve, expand or replace the needed facilities and equipment.
- Complete a full review and seek State accreditation of the Police Department.

Economic Development

- Continue to develop and research programs and opportunities to strengthen the local economy and to create new job opportunities in our community.
- Expand and strengthen the City's tax base by attracting new industries and businesses and expanding existing businesses and industries.
- Continue the partnership with Polk County, Monmouth and Independence to share the industrial and commercial development staff positions funded through the County lottery funds
- Recruit a business or businesses to fill the upcoming vacancy at the current Tyco plant.
- Work with property owners and economic development partners to market the 42-acre State Certified industrial site east of Godsey Road.
- Explore the possibility of an industrial Urban Renewal District.

Community Development

- Review and adopt a new growth management strategy including a new public facilities strategy, which will ensure the continued livability of our community.
- Continue encouraging infill development and redevelopment projects in existing neighborhoods by assisting with infrastructure costs and ensuring affordable housing throughout the community.
- Start construction of, or complete, priority projects in the downtown Urban Renewal District.
- Continue to assist and encourage downtown revitalization and development of commercial space; emphasizing development of new attractive business space, rehabilitation of second

stories and strengthen programs to encourage use of vacant and under-utilized downtown lots and businesses, including adopting a vacant building ordinance.

- Explore the impact of adoption of a hotel/motel tax.

Parks, Recreation and Leisure

- Work with the Dallas Seniors to identify a location, preliminary design, and funding sources for a new senior center.
- Complete comprehensive and detailed plans to develop a border-to-border Rickreall Creek Trail system. Identify funding sources and adopt a phased construction strategy for completion of the trail system.
- Complete the development of the mini park and trail system on the north side of Rickreall Creek between Main Street and Levens Street.
- Develop a plan which implements needed changes to our park system identified by the Park and Recreation Committee's recent review, including upgrading the existing playground equipment.
- Study development of a tree planting and maintenance plan for all right of way areas.
- Apply for designation as a Tree City USA.
- Consider creation of a Volunteer City Historian position.

Sewer and Water

- Complete the Aquifer Storage and Recovery System demonstration project and determine a location for a second ASR.
- Continue the partnership with Polk County, Monmouth, Independence, and others to investigate the feasibility of establishing a regional water source.
- Investigate a new dam site on Rickreall Creek.
- Complete construction of the raw water transmission line, the intake modification, as well as completion of the 2 million-gallon treated above ground water tank that is needed in the south part of Dallas.
- Review and revise the final plans for implementing the Wastewater Treatment Facility improvements necessary in light of the Tyco/TTM plant closure.
- Install new storm drainage systems in LaCreole, Fir Villa, West Clay and South Main Streets to mitigate flooding.

Transportation

- Review and adopt the Transportation System plan that will identify new transportation improvements for the next 10 years.
- Complete the following transportation projects:
 - Jasper Street connecting West Ellendale with Denton Avenue.
 - West Clay Street storm and half street improvements.
 - Fir Villa Road street, storm and sidewalk improvements.
 - Monmouth Cutoff realignment at Uglow intersection.
 - Levens Street Bridge replacement project.
- Complete master planning and identify funding for Monmouth cutoff improvements from Uglow Avenue to Godsey Road (full street width).

- Work with Polk County, Independence and Monmouth to get the Highway 51 and 22 interchange improvement on ODOT's list of "must be done" projects.
- Work with ODOT and Polk County to design safety improvements to the Clow Corner/99W Intersection allowing a safer traffic route to our industrial area.
- Continue repairs to at least two blocks of sidewalks, and curbs in the older section of the City.
- Adopt and implement a strategy to create continuous sidewalks throughout the City.

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The Dallas City Council met in a workshop session on Wednesday, February 28, 2007, at 5:30 p.m. in the Council Chambers of City Hall with Mayor Jim Fairchild presiding.

ROLL CALL

Council members present were: Council President Ken Woods, Councilor Brian Dalton, Councilor Jackie Lawson, Councilor Kevin Marshall, Councilor David Shein, Councilor Rich Slack, and Councilor LaVonne Wilson. Excused: Councilor Warren Lamb, and Councilor Wes Scroggin.

Also present were: City Manager Roger Jordan, Police Chief Jim Harper, Deputy Police Chief Tom Simpson, Community Development Director Jerry Wyatt, Finance Director Marcia Baragary, Assistant City Manager Kim Marr, and Recording Secretary Marsha Heeter.

PROCESS

City Manager Roger Jordan advised that the draft goals on the green paper are the most recent and were revised after input from the Council. There was discussion about the final list needing to be concise but also understandable to the average citizen.

Mayor Fairchild pointed out that the motto, vision and mission statements are what the Council has adopted in the past. Mr. Jordan noted that the new police car design includes the motto “People serving People”.

STATUS REPORT

Mr. Jordan reviewed the status report on the 2006-07 goals. Councilor Brian Dalton asked if Polk County will have funds for the POINT Team. Mr. Jordan answered that the County has committed to a two-year agreement and he hasn’t heard anything otherwise. Councilor David Shein remarked that they are going through their budget process now, and he has heard there will be big cuts in the Sheriff’s office. Mayor Fairchild responded that he heard from the County Commissioners that the dog pound project is probably on hold, but they want to keep the POINT Team.

Councilor Dalton asked about overlap between the Council’s goals regarding Urban Renewal and the Urban Renewal Agency goals, especially regarding a bond sale. Mr. Jordan answered that he would have to check into that.

Councilor Dalton asked about the goal to investigate a new dam site. Mr. Jordan said that has been on hold and will probably be back on the table for next year. He noted that the developer in the Fir Villa area is proposing doing street improvements on the west side as well as the east side the City is doing. He reported that Public Works Director Fred Braun and his staff did the design for the Levens Street bridge, which saved the City about \$300,000.

1
2 Mr. Jordan reported that he received some information on accidents at the Clow Corner/99W
3 intersection. He indicated that there were 11 accidents in 2005, and in 2006 before the Highway
4 22/99W improvement, there were 5 accidents, and since the improvement was completed there
5 have been none.

6
7 Councilor Rich Slack commented that there never seems to have any action on the goal to repair
8 streets, sidewalks and curbs and he wondered if there were funds to do these projects. Mr.
9 Jordan answered that we have done some repairs, but there are currently so many major projects
10 ongoing that some of the repair projects have been postponed. Councilor Slack noted that in the
11 past, the Council has suggested setting a goal of so many feet per year. Council President Ken
12 Woods asked if they have a list of streets, sidewalks and curbs needing repairs. Mr. Jordan
13 answered that there is a list, and the staff does the projects when they can. He noted that the staff
14 have worked on most of the goals. Councilor Shein remarked that it is valid to come back mid
15 year and say some goals won't be done, but it is good to have specific, measurable goals. Mr.
16 Jordan reminded the Council that Public Works hired a new employee to review all City
17 sidewalks to make sure they are safe. Council President Woods pointed out that's why they need
18 to know the cost of accomplishing goals. Councilor Jackie Lawson said that, to her, goal setting
19 means having quantifiable goals so she can say when they have been accomplished. She
20 suggested having priorities and listing some projects as fill in goals if we have the funds and the
21 time. Council President Woods explained that we used to have a prioritize list, but sometimes
22 funding became available for lower priorities so they were done before higher priorities. Mr.
23 Jordan said the staff could provide a list of sidewalks needing repairs and have the Council
24 prioritize which ones need to be done first.

25 26 NEW GOALS

27 28 Managerial

29
30 Council President Woods remarked that the second goal listed is three goals in one. Mr. Jordan
31 responded that they are all ways of connecting with the citizens. Councilor Shein and Councilor
32 Dalton said they would prefer separating them so it is easier to mark the ones that are done.
33 Mayor Fairchild pointed out that material mailed with water bills is more likely to be read by a
34 majority of citizens.

35
36 Mr. Jordan advised that Mayor Fairchild had suggested having a community survey done and
37 that didn't get put on the list. Mr. Jordan explained that a professional survey would cost about
38 \$10,000, but that would come out of all the funds, not just the General Fund. After discussion, a
39 goal was added: "Develop a professional citizen survey."

40 41 Public Safety

42
43 There were no additions or changes.

44 45 Economic Development

1
2 Council President Woods noted that the certified industrial site was listed as 42 acres not 52.
3 Mr. Jordan responded that the other 10 acres are wetlands and/or in the floodplain.

4
5 Community Development

6
7 Mr. Jordan explained that growth management plan includes the development code, ordinances,
8 comprehensive plan and utility allocation system. Council President Woods suggested
9 rewording the goal about adoption of a hotel/motel tax. Mayor Fairchild said he will have a
10 proposal to the Council in the near future. He added that he has discussed this with the Chamber
11 and one of the motels, and he will be meeting with the other one. He noted that the State has
12 locked cities into spending 70% of the tax for tourism and the City can use 30% to support
13 tourism. Mayor Fairchild said he would like it as a separate goal. After discussion, the wording
14 “explore the option of a hotel/motel tax” was added. Council President Woods proposed adding
15 a fiscal impact study for all goals. Councilor Slack questioned putting items on the goals list that
16 the Council hasn’t already discussed doing.

17
18 Councilor Lawson asked whether adding a volunteer City historian would go under the
19 Community Development section. Mr. Jordan replied that he didn’t think it would need to be a
20 goal. Councilor Lawson suggested that people who would be interested in doing that might step
21 forward after reading it as a goal. Councilor Dalton agreed that goals are a way to get the
22 information to people. After discussion, “Study the creation of a volunteer City historian
23 position” was added.

24
25 Parks, Recreation and Leisure

26
27 After discussion it was decided to use Council President Woods’ wording regarding the new
28 senior center. Mr. Jordan advised that the City is helping the seniors obtain 501(C)(3) status so
29 the seniors will operate the center, not the City.

30
31 Sewer and Water

32
33 Council President Woods wondered about putting a specific plant closure in the goal. Mr.
34 Jordan answered that it is important for negotiations with the Department of Environmental
35 Quality.

36
37 Councilor Dalton remarked that no one knows what the goal on infiltration and inflow means.
38 Council President Woods said it is part of the City’s ongoing work. Mr. Jordan said he will drop
39 it.

40
41 Councilor Dalton asked where the problems are for the goal to “identify and correct problems
42 with storm drainage”. Mr. Jordan answered that he could include more specific information.
43 Council President Woods suggested saying “industrial area”, rather than naming specific streets.
44 Mr. Jordan remarked that the specific projects are named in the budget.
45

1 Transportation

2

3 Mr. Jordan noted that the Council hasn't adopted a transportation system plan before, and it
4 needs to go through the Planning Commission. He added that we have a plan that that does not
5 conform with state regulations. He said the transportation system plan has to agree with the
6 Comprehensive Plan so we will have to amend the Comprehensive Plan.

7

8 After discussion, Mr. Jordan said he would list specific projects for sidewalks and curbs.

9

10 COUNCILOR DALTON'S SUGGESTIONS

11

12 Vacant building ordinance: Mr. Jordan said he sees that as part of the Community Development
13 goals. Council President Woods asked the purpose of it. Mr. Jordan answered that is to make
14 sure buildings have fire protection and are taken care of and kept cleaned up. Councilor Dalton
15 said this would get into the abandoned building issue also. Mr. Jordan pointed out that the
16 Council does have authority under existing ordinances to deal with a building like the Blue
17 Garden. Councilor Dalton said he wanted to look into what's possible. Council President
18 Woods remarked that he's not sure can the City can force someone to buy insurance. Councilor
19 Dalton said we need a study to review it. Mr. Jordan noted that he feels it is part of an existing
20 goal, and he will work on the wording.

21

22 Councilor Dalton said he thinks the City could get a student through the RARE program to do an
23 inventory of historic structures. Mr. Jordan responded that while this is important, it would not
24 be something that could be accomplished in 2007-08. Council President Woods remarked that
25 he heard a speaker some 10-15 years ago discussing the requirements for historic structures and a
26 lot of property owners didn't want to be included. Councilor Dalton commented that there was a
27 discussion about a downtown historic district and the property owners didn't want that, but he
28 thinks there is a need for an inventory to determine what we have. Mr. Jordan suggested that this
29 could be part of the Urban Renewal Agency goals. Mayor Fairchild said he sees potential for a
30 volunteer to take care of this rather than the City. Council President Woods noted that there are
31 some historic buildings outside of the Urban Renewal District. Mr. Jordan said the City could
32 consider creation of a volunteer historic program. He noted that there would be no staff time for
33 that unless the Council determines it's a high priority. Councilor Dalton asked about getting a
34 RARE student for this. Mr. Jordan answered that RARE students require matches and the City
35 doesn't have the funds for a match. Councilor Dalton suggested funding from Urban Renewal
36 and expanding it with volunteers. He said he will discuss it with the Urban Renewal Advisory
37 Committee.

38

39 Councilor Dalton remarked that improvements to the lighting at the fountain is a staff project not
40 a Council goal. Mr. Jordan agreed.

41

42 Councilor Dalton said the Comprehensive Plan is inadequate with regards to the Master Plan for
43 downtown, and he wasn't sure of the cycle for doing a Comprehensive Plan update. Mr. Jordan
44 said he would not recommend doing it at this time. He added that a review will start in a few

1 years. Mayor Fairchild said this could be done when looking at the Transportation System Plan.
2 Mr. Jordan agreed, noting that it is a staff task rather than a goal.

3
4 Councilor Dalton remarked that the old development code has list of historically significant
5 buildings that should be updated.

6
7 Councilor Dalton said that implementing a gateway overlay zone is probably a long term goal.
8 Mr. Jordan responded that he sees these as longer-term goals that won't get accomplished over
9 the next year.

10
11 Councilor Dalton suggested studying energy use in the City in a unified way to see if we can
12 save on energy costs. Mr. Jordan said he consider this to be part of the City operations. He
13 reminded them that the City received grants to do energy studies for the Water Treatment Plant
14 and the Wastewater Treatment Facility, and is looking at doing it for the Aquatic Center.
15 Councilor Dalton commented that maybe this should be done in a unified way rather than
16 department by department. Mr. Jordan noted that he doesn't see this as being a goal for the next
17 year.

18
19 Councilor Dalton reported that he has heard some complaints about the lack of parking
20 enforcement down town. Mayor Fairchild responded that it has increased recently. Mr. Jordan
21 agreed that parking enforcement was down but that it has been increased.

22
23 Councilor Dalton suggested asking the Oregon Department of Transportation to put up "Visit
24 Historic Dallas" signs on the highway. Mayor Fairchild noted that the Chamber of Commerce is
25 looking at that also.

26
27 Councilor Dalton said he had a number of proposals under "urban forestry". He noted that
28 previously, the City rejected the idea of being a Tree City USA. Mr. Jordan responded that he
29 thinks the City would qualify now, so if the Council was interested, we could apply. He noted
30 that in the past, we didn't do enough maintenance to qualify, but we do now. Mr. Jordan said he
31 would put this as a goal under Parks, Recreation and Leisure.

32
33 Councilor Dalton encouraged having a tree planting program to reduce heating up of the City.
34 He noted that tree topping is not good for trees and leaves ugly trees. He suggested having a tree
35 advisory committee. Council President Woods said the Park and Recreation Board should
36 decide that one. Councilor Dalton indicated that Fairview Avenue would be good place for a
37 colonnade of trees as it is a gateway to the community and it would be good to do this in an older
38 area of the City. He recommended studying that and adding a goal to develop a tree planting
39 plan for older areas of town, since we already have that in the Development Code for new
40 developments.

41
42 Councilor Dalton pointed out that some people do a good job maintaining the park strips and
43 others don't. Mr. Jordan said this could be part of a planting and maintenance plan. Mayor
44 Fairchild commented that this is one reason for being able to send notices out with water bills, to
45 educate people and let them know what they can and can't do.

1
2 Councilor LaVonne Wilson remarked that a number of goals have been added and she's
3 concerned about the cost and staff time. She said the Council needs that information before
4 adding too much, and we need to be realistic about what we can do. Mr. Jordan agreed that the
5 Council needs to look at the costs. He added that there are no funds in the budget for extra staff.
6 Council President Woods said that's why he asked for the costs of goals because he doesn't see
7 staff with spare time to do more things. Councilor Wilson remarked that the Council has always
8 looked to the future and she appreciates Councilor Dalton's work. She said they need to
9 consider these things, but they need to consider the costs and impact. Mr. Jordan said he will
10 discuss it with the staff and see who can accomplish what and then let the Council know what
11 can and can't be done and explore other options such as using volunteers.

12
13 Councilor Dalton noted a problem with dumpsters around town and he wondered if it is part of
14 the franchise agreement. Council President Woods remarked that the new development code
15 requires screening of trash area whereas the old one didn't. Mr. Jordan indicated that this is in
16 the City Code and it's a matter of enforcement. He asked for time to work on it.

17
18 Councilor Dalton noted that Polk County has cleaned up a couple of properties along the
19 entrance to Dallas but there are still more. Mr. Jordan said to let the staff know. Councilor
20 Dalton also mentioned the deteriorating homes in the industrial area. He noted that the Carnegie
21 building landscaping needs improvement and he suggested putting it on the historic register.

22
23 Councilor Dalton suggested a study of overhead electrical lines as part of Urban Renewal. He
24 noted that there might be some dead wires up there that could be removed.

25
26 Councilor Dalton remarked regarding the Development Code parking requirements, there are
27 some downtown buildings that don't have space and the City needs to provide options. In
28 response to a question, Mr. Jordan said this is handled by a variance. He noted that in the
29 downtown area unless the change is to a more intense use, the parking requirements don't
30 change. Councilor Dalton suggested it would be good to have them pay into a fund so the City
31 could control where parking is.

32
33 Mayor Fairchild advised that a draft of the proposed goals will be brought to the Council for
34 review and approval.

35
36 The meeting adjourned at 8:37 p.m.

MEMORANDUM

Date: March 15, 2007

To: Mayor Jim Fairchild and City Council Members

From: Roger Jordan, City Manager



Re: North Kings Valley Highway Speed Study Request

A resident on North Kings Valley Highway in the vicinity of Polk Station Road has requested a speed zone investigation and reduction of speed to 45 mph. Attached is a copy of Council minutes from January 6, 2003, which was the last time someone requested a reduction in speed in that area.

As you will recall, the City does not have the authority to set speeds; therefore, the decision would be whether to ask the State to conduct a speed study of this area.

RJ:meh

COMMUNICATIONS AND PETITIONS

SPEED ZONE CONCURRENCE REQUEST

Mr. Jordan reported that the City received a letter from the State Department of Transportation regarding a request to perform a speed zone investigation on Kings Valley Highway in the vicinity of Polk Station Road, and they are asking for the City's concurrence. Councilor Scatterday said he was out there today and doesn't see any need to decrease the speed in that area because there is very little population, and only two driveways. He noted that studies cost money, and he recommended that the Council not concur.

Councilor Scatterday moved to not concur with the request for the speed study. Councilor Dalton seconded the motion for discussion. Council President Woods remarked that in looking at the map, this area is not in the City Limits. Mr. Jordan noted that the roadway is contiguous with the City Limits. Councilor Dalton said that if the City uses this as the main arterial into town, which is the plan, we need to make sure that this route is an attractive option, which it can be only if it is like a parkway. He expressed concern that if we start slowing it down, it will become another Ellendale. Councilor Lamb confirmed that the church making the request also has access to Polk Station Road. Mr. Jordan commented that the staff doesn't know if people have been speeding in that area, or if there have been a lot of accidents, but we haven't heard that this is a hazardous intersection. Councilor Lamb said this should be a transitional zone to slow traffic down as it approaches City Limits, which is where the transition zone is now. Mr. Jordan noted that there has been no new development in this area. He indicated that once a study is done, the State Speed Control Board could change the speed without the Council's concurrence. Mr. Braun pointed out that this area is in the Urban Growth Boundary (UGB). Mr. Jordan said that is why the State needs the City's concurrence, because it is in the UGB. Council President Woods remarked that there is no cost impact on the City to have the study done. He added that there is a good chance there will be a T-intersection in this area within five

years, so he thinks it would be a good idea to have the study done. Councilor Scatterday said he thinks the time to do the study is when we are ready to put the road in. He added that if we do it now, it would be setting a precedent. Councilor Scroggin asked how long it takes to do a study. Mr. Jordan answered that it takes three to six months, and the State Traffic Engineer determines if a speed change needs to be made. Councilor Slack asked if they have the authority to change the speed without the City's concurrence. Mr. Jordan answered that they could in the past, but he is not sure if they can still do it. Councilor Scatterday suggested sending this to the Public Safety Committee to get answers to the Council's questions. Councilor Scatterday withdrew his motion and suggested sending the issue to the Public Safety Committee. The second was withdrawn. Mayor Fairchild referred the issue to the Public Safety Committee, and asked that the staff have answers to the questions at that meeting.

OTHER BUSINESS

Council President Woods asked about the public hearing on an appeal of a Planning Commission decision which was set for tonight. Mr. Jordan answered that there was an advertising problem so the hearing had to be changed to the second meeting in January. He said that the next time, he will put a notice of the rescheduling in the agenda packet.

Councilor Scroggin asked about the date for the next meeting. Mr. Jordan answered that it will be on Tuesday, January 21. Mayor Fairchild explained that because Monday, January 20 is a legal holiday, the meeting will be held on Tuesday, January 21.

There being no further business, the meeting adjourned at 8:35 p.m.

Read and approved this 21st day of January 2003.

/s/ Jim Fairchild
Mayor

ATTEST:

/s/ Roger Jordan

City Manager

Public Works Staff Report

March 16, 2007

To: Roger Jordan, City Manager

From : Fred Braun, Director of Public Works

RE: Levens Street Bridge Replacement Project

Recommendations:

- 1) Authorize Staff to complete the plans and specifications to ready the project for bid.
- 2) Authorize Staff to negotiate with affected property owners to acquire the necessary temporary rights of entry to construct the project.

Background:

Levens Street is one of the primary truck routes in the City. The replacement of Levens Street Bridge, including roadway approaches and sidewalks, is a project included in the 1998 Comprehensive Plan, FY 2006/07 Budget and Draft 2005 Transportation Systems Plan. The bridge was originally constructed in the 1920's and widened in the early 1940's. There is a history of debris being trapped at the existing bridge during high flows in the creek. The bridge was constructed below the 100-year flood level and it has intermediate piers within the channel area, both of which contribute to debris trap-met. The structure was inspected by ODOT and classified as structurally deficient and functionally obsolete. The project also includes realignment and elevation of the roadway approaches. To the North, the approach will be reconstructed to SW Walnut Avenue. The ped/trail x-ing will be configured at the south leg of this intersection. To the south, 250 feet of the roadway will be completely rebuilt.

The project will result in a significant safety improvement for pedestrians and motorists. Inclusion of the project within the FY 2007/08 budget will require programming an additional \$240,000 (\$70,000 from utilities, \$170,000 from street SDC) primarily due to additional work to the roadway approaches necessitated by the elevation change of the structure and tannery driveway. The cost estimates and project schedule are attached for your information.

Environmental Issues:

The project was conservatively evaluated in accordance with Federal NEPA requirements as a transportation project. No cultural resources or endangered species were found to be present within the project limits. As the project could involve disturbance of more than 1 acre of land, it is subject to the conditions of the City's DEQ NPDES 1200-C permit. The City will develop a storm water management plan (SWMP) and erosion control plan (ECP) in order to reduce potential project impacts from runoff to less than significant. There are 0.06 acres of identified wetlands within the project area. The wetlands were delineated and a Corps of Engineers Nationwide Permit and DSL Fill-Removal Permit will be obtained due to the construction activities. Permit applications with the above agencies have been made by Staff.

Right of Way Acquisition:

The project can be fully constructed without right of way acquisition. However, in order to fully improve the connecting driveways, temporary right of way will be needed at the 2 lots along the south side of the bridge x-ing.

Utility Relocations:

Relocations are necessary for the overhead electrical, underground gas, waterline and sewer main for the construction of the bridge. Staff has completed most of the preliminary sewer line relocation work. Relocation of the water line and remaining sewer laterals are included in the project scope. Franchise utilities are responsible for relocation of the pole line and underground gas piping. Utilities have been notified of the required relocations and the work is scheduled.

Budget:

The total cost of the project is \$1,340,000. This includes the bridge replacement and roadway approach improvements. A total of \$1,100,000 is included in the OTIA III grant for the project. Staff proposes to program the entire cost of the project in the proposed FY 2007/08 budget. A breakdown of the project costs and proposed funding sources are as follows:

Project Breakdown	OTIA III	SDC	UTILITY	TOTAL
Bridge Replacement	\$975,000	\$20,000	\$0	\$995,000
Roadway Approach Work	\$125,000	\$150,000	\$0	\$275,000
Utility Relocations		\$0	\$70,000	\$70,000
TOTAL REQUEST FOR 2007-08	\$1,100,000	\$170,000	\$70,000	\$1,340,000

Public Convenience:

The project will result in a detour of traffic for the duration of the project (July through October). The primary southbound detour route will be posted at West Ellendale Avenue. Southbound traffic will additionally be detoured at SW Walnut Avenue. The primary northbound detour route will be posted at SW Washington Avenue. Northbound traffic will additionally be detoured at SW Academy Street.

Due to the added elevation of the structure, one of the driveways serving the tannery site will be closed. The remaining driveway will be widened and improved to adequately serve the site with auto and truck traffic. Staff has made contact with the owners and explained the project and its impacts.

Work Item	Duration	Start	End
Mobilization	1 - day	18-Jun	19-Jun
Install Traffic Control	4 - days	19-Jun	22-Jun
Install Creek By-Pass	5 - days	25-Jun	29-Jun Creek Work Begins
Demo Bridge & Excavation	6 - days	2-Jul	10-Jul Detour Begins
Drive Pilings	6 - days	12-Jul	19-Jul
Form/Pour Pile Caps	6 - days	20-Jul	27-Jul
Utility Adjustments	5 - days	23-Jul	30-Jul
Form/Pour Abutments	8 - days	30-Jul	8-Aug
Form/Pour Wingwalls	10 - days	6-Aug	17-Aug
Utility & Roadway Work	5 - days	20-Aug	24-Aug
Approach Backfill	5 - days	23-Aug	28-Aug
Install Creek Armor	5 - days	27-Aug	31-Aug
Set Precast Girders	2 - days	5-Sep	6-Sep
Form/Pour diaphragms	5 - days	7-Sep	13-Sep
Form/Pour Bridge Deck	5 - days	17-Sep	21-Sep
Remove Creek By-Pass	3- days	24-Sep	26-Sep Out of Creek
Form/Pour Approach Slabs	5 - days	24-Sep	28-Sep
Form/Pour Sidewalks & Railings	10 - days	1-Oct	12-Oct
Roadway Paving	5 -days	15-Oct	19-Oct
Miscellaneous Work/Cleanup	5-days	22-Oct	26-Oct
Open to Traffic			26-Oct Detour Ends
	Total	90-days	

Notes:

Creek Permit Work Limits: July 1 to September 30
Creek Flows may delay installation of by-pass

Levens Street Bridge Replacement Project

Item	Quantity	Unit	Unit Price	Total Price
1 Mobilization	1	LS	\$75,000	\$75,000
2 Traffic Control	1	LS	\$30,000	\$30,000
3 Creek By-Pass	1	LS	\$25,000	\$25,000
4 Demo Bridge & Excavation	1	LS	\$80,000	\$80,000
5 Pipe Pilings	360	LF	\$80	\$28,800
6 Structure Concrete - Pile Caps	75	CY	\$600	\$45,000
7 Utility Adjustments	1	LS	\$10,000	\$10,000
8 Structure Concrete - Abutments	75	CY	\$650	\$48,750
9 Structure Concrete - Wingwalls	50	CY	\$650	\$32,500
10 Creek Armor	400	CY	\$60	\$24,000
11 Precast Girders (105 ft)	8	EA	\$23,000	\$184,000
12 Structure Concrete - diaphragms	50	CY	\$700	\$35,000
13 Structure Concrete - Bridge Deck	145	CY	\$650	\$94,250
14 Steel Reinforcement	1	LS	\$75,000	\$75,000
15 Structure Concrete - Approach Slab:	150	CY	\$550	\$82,500
16 Ornamental Railings	500	LF	\$250	\$125,000
			Total:	\$994,800
17 Roadway Work				\$345,000
			Project Total	\$1,339,800



REVISIONS:

Levens Street Bridge Replacement
Title Sheet - Vicinity Map, Index & General Notes
CITY of DALLAS DEPT. of PUBLIC WORKS

DESIGNED BY:	
DRAWN BY:	
CHECKED BY:	
REVISED:	

1/-

Levens Street Bridge Replacement

CITY of DALLAS - DEPT. of PUBLIC WORKS

SHEET INDEX	
1	TITLE SHEET - VICINITY MAP, INDEX & GENERAL NOTES
2	CIVIL - TRAFFIC CONTROL PLAN & DETAILS
3	CIVIL - DEMOLITION PLAN AND TEMPORARY CREEK BYPASS
4	CIVIL - STREET PLAN & PROFILE
5	CIVIL - STORM DRAIN & WATER LINE PROFILES
6	CIVIL - BLOCK WALL ELEVATIONS
7	-
8	BRIDGE - PLAN & ELEVATION
9	BRIDGE - FOUNDATION PLAN & ABUTMENT DETAILS
10	-
11	-
12	-

ABBREVIATIONS	
AC	ASPHALT CONCRETE
ACOL	ASPHALT CONCRETE OVERLAY
BCR	BEGIN CURB RETURN
BT	BEGIN TRANSITION
BVC	BEGIN VERTICAL CURVE
BW	BOTTOM OF WALL
CB	CATCHBASIN
CHDPE	CORRUGATED HIGH DENSITY POLYETHYLENE PIPE
CONC	CONCRETE
ECR	END CURB RETURN
EL	ELEVATION
ET	END TRANSITION
EVC	END VERTICAL CURVE
FG	FINISHED GRADE
GB	GRADE BREAK
LT	LEFT
MBGR	METAL BEAM GUARD RAIL
MH	MANHOLE
OG	ORIGINAL GRADE
PI	POINT OF INTERSECTION - VERTICAL CURVE
RAD	RADIUS
RT	RIGHT
RWL	RETAINING WALL
STA	STATION
TC	TOP OF CURB
TW	TOP OF WALL

GENERAL NOTES

1. THE CITY OF DALLAS SHALL BE NOTIFIED AT LEAST 24 HOURS PRIOR TO THE START OF CONSTRUCTION. ANY CONSTRUCTION WORK DONE WITHOUT APPROVED PLANS OR PRIOR NOTIFICATION TO THE CITY OF DALLAS MAY BE REJECTED AND IS AT THE CONTRACTOR'S RISK.
2. A CITY OF DALLAS INSPECTOR ACTING ON BEHALF OF THE CITY OF DALLAS MAY REQUIRE REVISIONS IN THE PLANS TO SOLVE UNFORSEEN PROBLEMS THAT MAY ARISE IN THE FIELD.
3. ALL CONSTRUCTION WORK AND INSTALLATIONS SHALL CONFORM TO THE CITY OF DALLAS STANDARDS AND SPECIFICATIONS, AND ALL WORK SHALL BE SUBJECT TO THE APPROVAL OF THE CITY OF DALLAS ENGINEERING DEPARTMENT.
4. SUBGRADE MATERIAL SHALL BE COMPACTED TO A RELATIVE COMPACTION OF 95% IN THE ZONE BETWEEN FINISHED SUBGRADE AND ONE FOOT BELOW ON CUTS AND THREE FEET BELOW ON FILLS. ALL MATERIAL IN FILL SECTIONS BELOW THE ZONE MENTIONED ABOVE SHALL BE COMPACTED TO 90% RELATIVE COMPACTION.
5. CUT AND FILL SLOPES SHALL NOT EXCEED A GRADE OF 2 HORIZONTAL TO 1 VERTICAL UNLESS OTHERWISE DETAILED ON THE PLANS OR APPROVED BY CITY ENGINEER.
6. ALL UNSUITABLE SOILS MATERIALS, RUBBISH, AND DEBRIS RESULTING FROM GRADING OPERATIONS SHALL BE REMOVED FROM THE JOB SITE AND DISPOSED OF PROPERLY.
7. THE CONTRACTOR SHALL EMPLOY ALL LABOR, EQUIPMENT, AND METHODS REQUIRED TO PREVENT HIS OPERATIONS FROM PRODUCING DUST IN AMOUNTS DAMAGING TO PROPERTY, CULTIVATED VEGETATION, AND DOMESTIC ANIMALS OR CAUSING A NUISANCE TO PERSONS OCCUPYING BUILDINGS IN THE VICINITY OF THE JOB SITE. THE CONTRACTOR SHALL BE RESPONSIBLE FOR ANY DAMAGE CAUSED BY DUST RESULTING FROM HIS OPERATIONS.
8. IT SHALL BE THE RESPONSIBILITY OF THE CONTRACTOR TO CONTACT "UNDERGROUND LOCATE SERVICE" AT 1-800-332-2344 AT LEAST 48 BUSINESS-DAY HOURS PRIOR TO THE START OF CONSTRUCTION FOR LOCATION OF POWER, GAS, OIL, CABLE TV, AND TELEPHONE UNDERGROUND FACILITIES. THE CONTRACTOR WILL ALSO BE RESPONSIBLE FOR CONTACTING THE APPROPRIATE PUBLIC AGENCY FOR LOCATION OF ALL UNDERGROUND FACILITIES.
9. THE CONTRACTOR SHALL FOLLOW ALL APPLICABLE INDUSTRIAL SAFETY REGULATIONS. THE CITY OF DALLAS AND ITS OFFICIALS, THE ENGINEER, AND THE OWNER SHALL NOT BE RESPONSIBLE FOR ENFORCING SAFETY REGULATIONS.
10. ALL UTILITIES SHOWN ARE ACCURATE TO THE EXTENT OF AVAILABLE RECORDS AND KNOWLEDGE. THE CONTRACTOR HAS THE RESPONSIBILITY TO VERIFY THE LOCATION OF EXISTING UNDERGROUND UTILITIES AND TO NOTIFY THE UTILITY COMPANIES WHEN WORKING IN THEIR PROXIMITY. POTHOLING SHOULD BE DONE PRIOR TO CONSTRUCTION.
11. GENERAL CONTRACTOR SHALL VERIFY ALL CONDITIONS ON THE JOB SITE INCLUDING ALL DIMENSIONS, GRADES, ELEVATIONS, EXTENT AND COMPATIBILITY TO THE EXISTING SITE CONDITIONS, AND WITH THE WORK DESCRIBED ON THE ENGINEER'S DRAWINGS. ANY DISCREPANCIES OR UNEXPECTED CONDITIONS THAT AFFECT OR CHANGE THE WORK DESCRIBED IN THE CONTRACT DOCUMENTS SHALL BE BROUGHT TO THE ENGINEER'S ATTENTION IMMEDIATELY. CONTRACTOR SHALL NOT PROCEED WITH ANY OF THE WORK IN THE AREA OF DISCREPANCIES UNTIL ALL SUCH DISCREPANCIES ARE RESOLVED. IF THE CONTRACTOR CHOOSES TO DO SO, THEN IT IS UNDERSTOOD THAT HE SHALL BE PROCEEDING AT HIS OWN RISK AND INCUR ALL COST, IF ANY, TO RESOLVE THE ISSUE TO THE SATISFACTION OF THE ENGINEER.
12. ALL WORK MUST BE PERFORMED BY A CITY-APPROVED CONTRACTOR.
13. EXCAVATOR MUST COMPLY WITH THE PROVISIONS OF OAR 952-001-0090.
14. MATERIAL QUANTITIES USED, NOTED, OR PROVIDED IN A SEPARATE ITEMIZED QUANTITY TAKE-OFF ARE AN ENGINEER'S OPINION OF PROBABLE MATERIAL REQUIREMENTS, AND IS AN ESTIMATE ONLY. THE CONTRACTOR HAS THE SOLE RESPONSIBILITY OF MAKING HIS OWN QUANTITY TAKE-OFF AND COST ESTIMATE.
15. ATTENTION: OREGON LAW REQUIRES THE CONTRACTOR TO FOLLOW THE RULES ADOPTED BY THE OREGON UTILITY NOTIFICATION CENTER. THOSE RULES ARE SET FORTH IN OAR 952-0001-0010 THROUGH OAR 952-0001-0090. THE CONTRACTOR MAY OBTAIN COPIES OF THE RULES BY CALLING THE CENTER AT (503) 232-1987.
16. ACCESS TO PROPERTIES AFFECTED BY CONSTRUCTION SHALL BE MAINTAINED AT ALL TIMES. PRIVATE PROPERTY DISTURBED DUE TO CONSTRUCTION SHALL BE RESTORED TO ORIGINAL OR BETTER CONDITION.

STORM SEWER NOTES

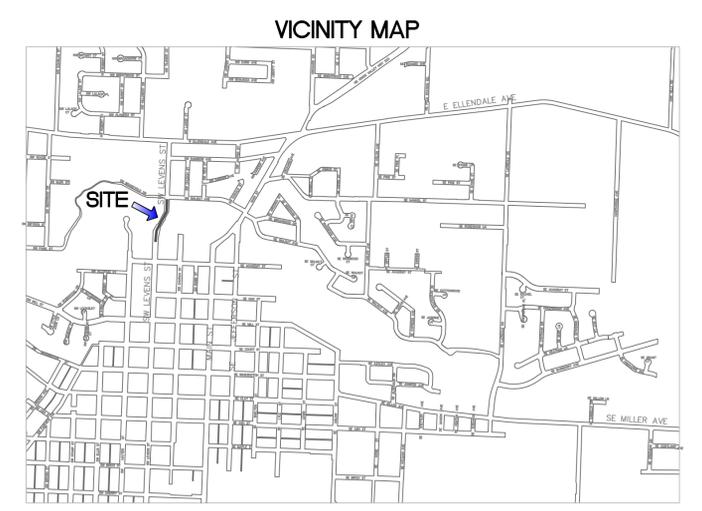
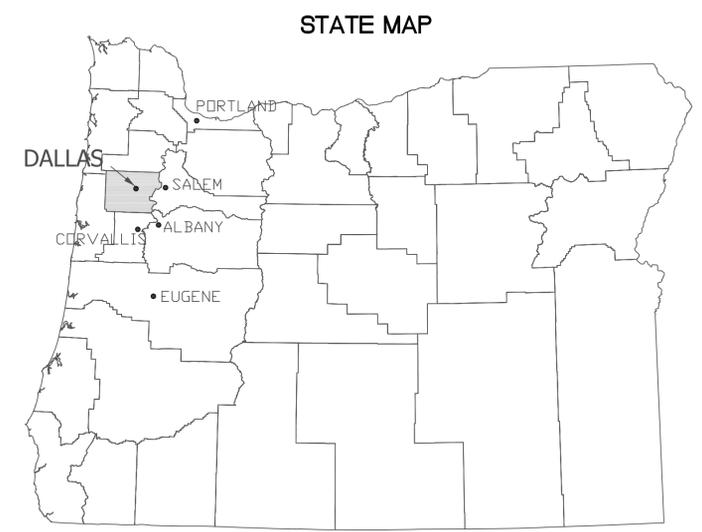
1. ALL CONSTRUCTION SHALL CONFORM TO THE CITY OF DALLAS STANDARDS AND SPECIFICATIONS.
2. ANTICIPATE CLASS 'C' TYPE SOIL. USE THE APPROPRIATE OSHA APPROVED SHORING AT ALL TIMES.
3. NO OPEN TRENCHES ARE TO BE LEFT OPEN BEYOND THE CLOSE OF THE WORK DAY OR WHILE UNATTENDED. ALL TRENCHES ARE TO BE LEFT WITH COMPACTED APPROVED BACKFILL OR STEEL PLATED.
4. STORM SEWER LATERALS TO NEW OR EXISTING MAINS MAY BE CONSTRUCTED BY USING INSERTED TEES. INSERTED TEES SHALL BE INSPECTED BY CITY INSPECTOR PRIOR TO BACKFILL.

WATER NOTES

1. ALL CONSTRUCTION SHALL CONFORM TO THE CITY OF DALLAS STANDARDS AND SPECIFICATIONS.
2. ONLY CITY PERSONNEL ARE TO OPERATE EXISTING WATER VALVES.
3. WATER MAIN SHUTDOWNS REQUIRE CITY NOTIFICATION TO THE AFFECTED RESIDENTS. SCHEDULE ALL WATER SHUTDOWNS WITH THE CITY 3 WORKING DAYS IN ADVANCE.
4. CONTRACTOR SHALL SCHEDULE CITY PERSONNEL ONSITE WHEN WORKING ON WATER MAINS.

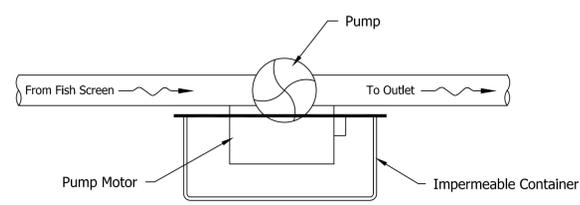
STREET NOTES

1. ALL CONSTRUCTION SHALL CONFORM TO THE CITY OF DALLAS STANDARDS AND SPECIFICATIONS.
2. GRINDING LIMITS WILL BE MARKED IN FIELD BY CITY PERSONNEL. NOTIFY CITY A MINIMUM OF 48 BUSINESS HOURS PRIOR TO SCHEDULED GRINDING.

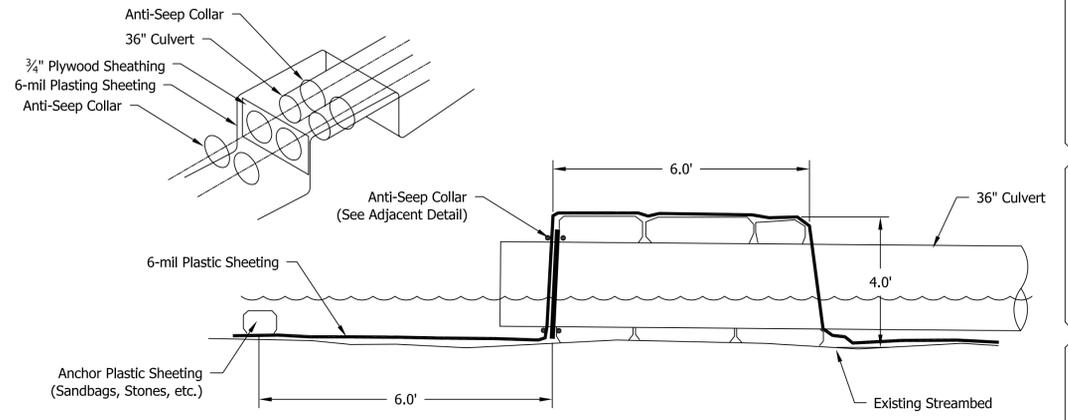




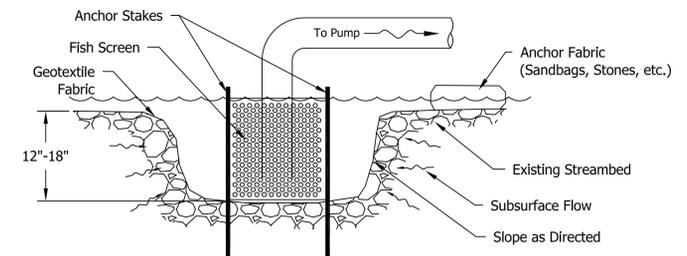
REVISIONS:



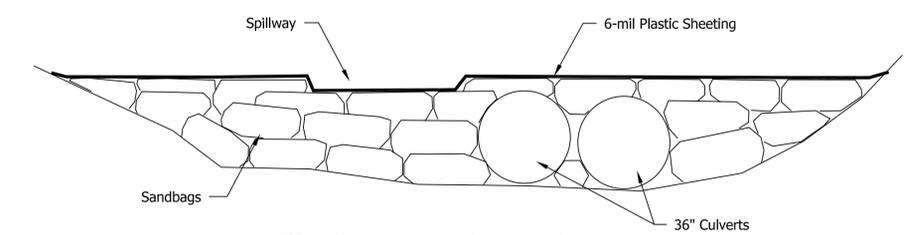
5 Pump Containment Detail
Scale: N.T.S.



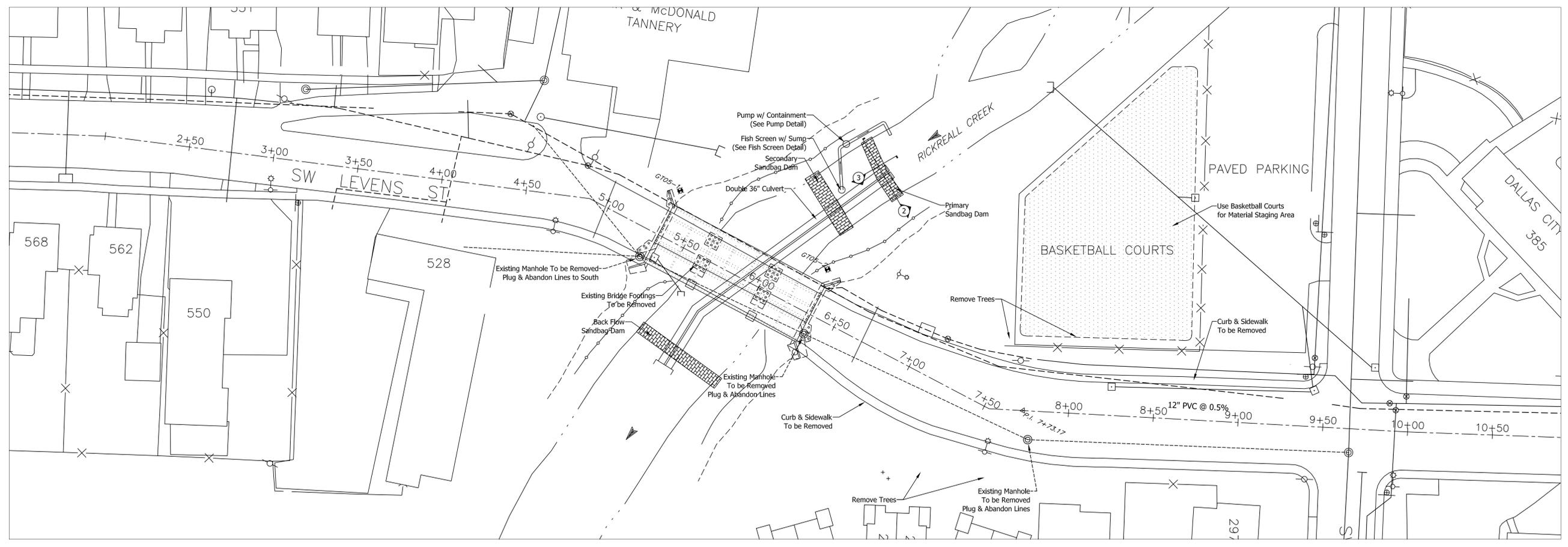
3 Section Thru Sandbag Dam
Scale: N.T.S.



4 Fish Screen Sump Detail
Scale: N.T.S.



2 Section Thru Sandbag Dam
Scale: N.T.S.



1 Existing Conditions, Demolition & Dewatering Plan
Scale: 1"=30'

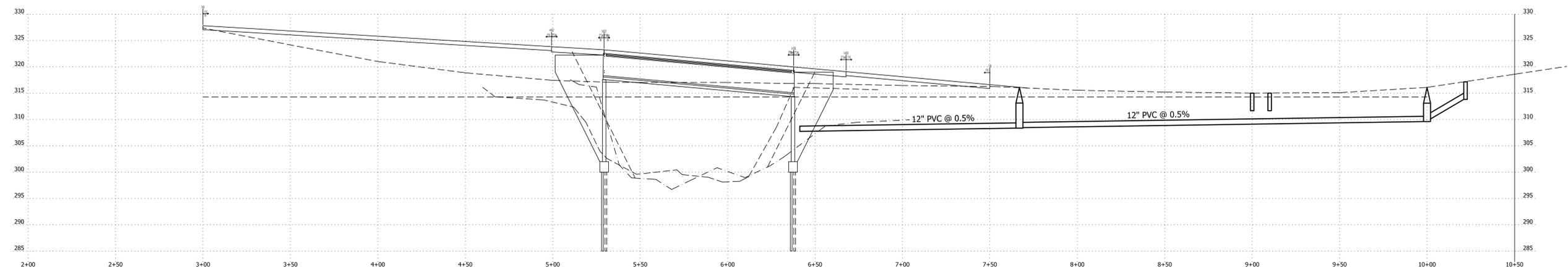
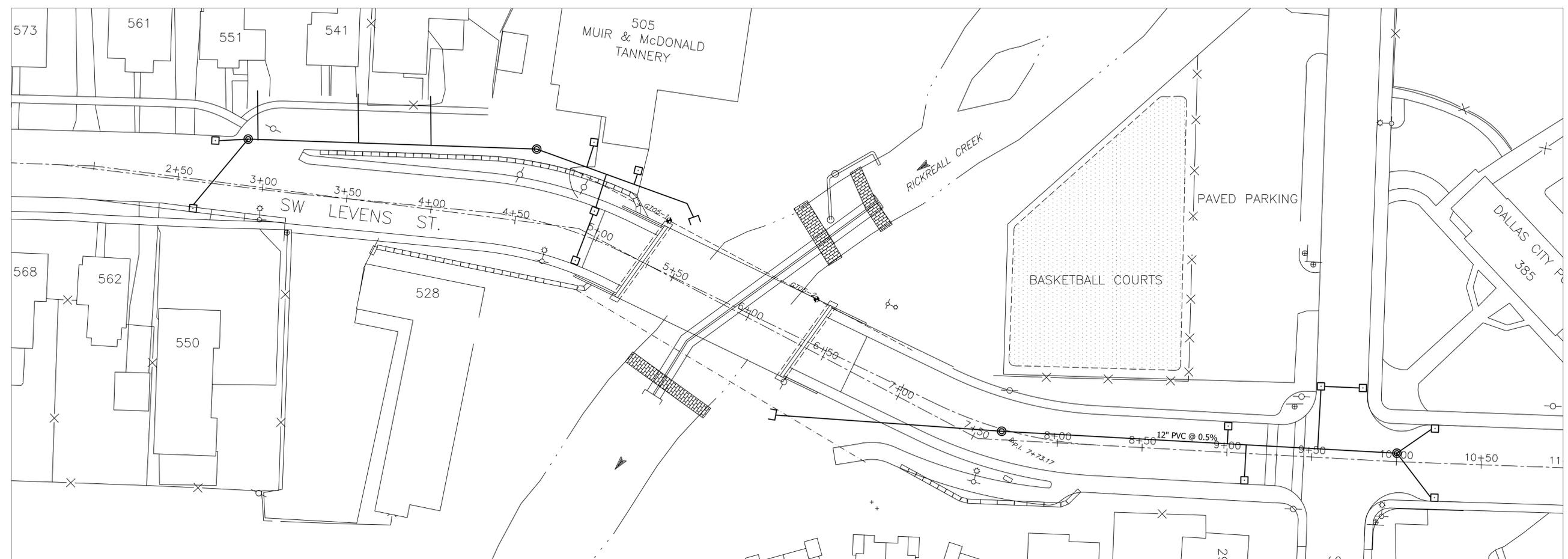
Levens Street Bridge Replacement
 Civil - Demolition Plan & Temporary Creek Bypass
 CITY OF DALLAS DEPT. OF PUBLIC WORKS

DESIGNED BY:	
DRAWN BY:	
CHECKED BY:	
REVISED:	

3/-

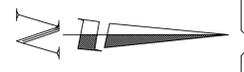


REVISIONS:



Levens Street Bridge Replacement
 Civil - Street & Storm Plan & Profile
 CITY OF DALLAS DEPT. of PUBLIC WORKS

DESIGNED BY:	
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CHECKED BY:	
REVISED:	



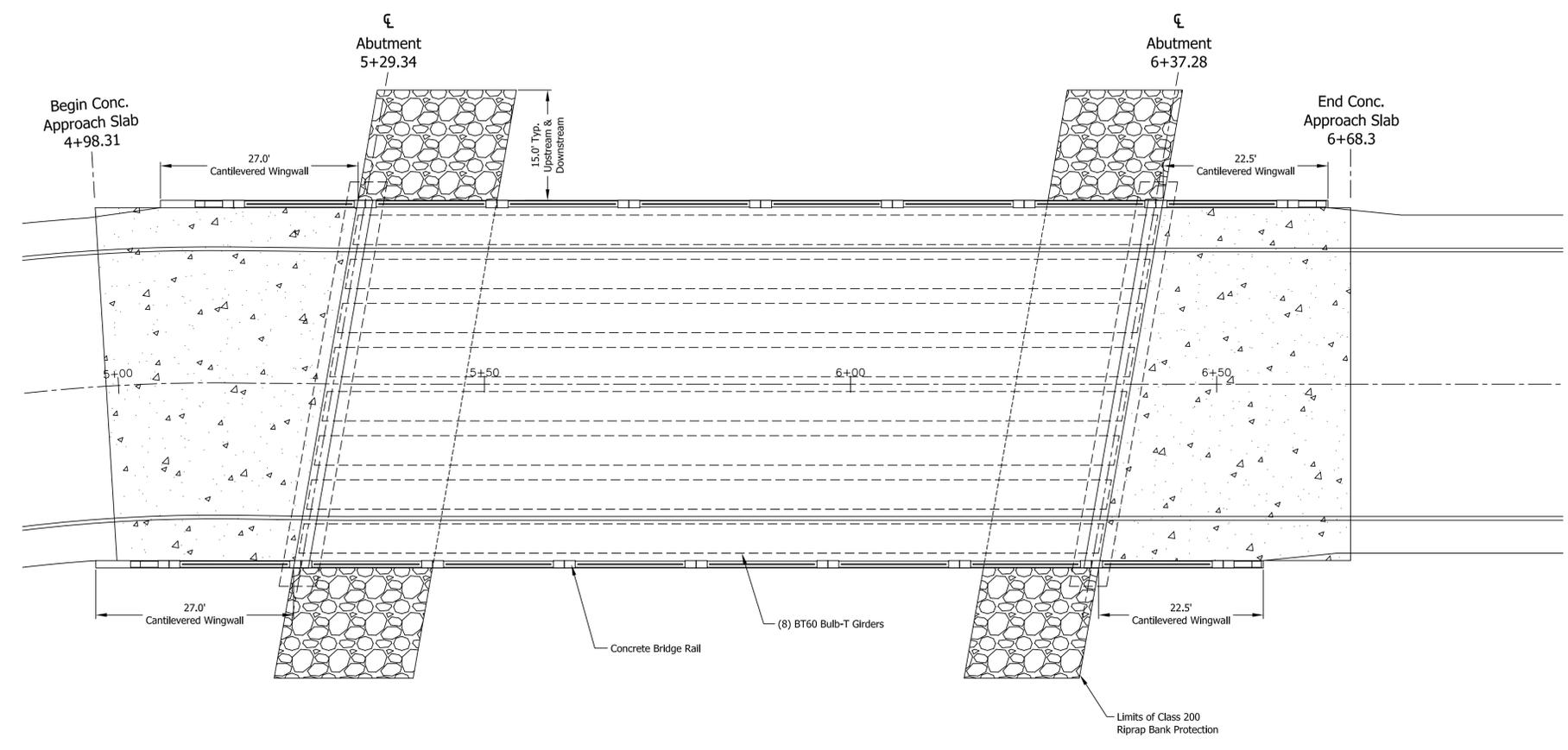
1"=30' HORIZONTAL
 1"=3' VERTICAL

4/-

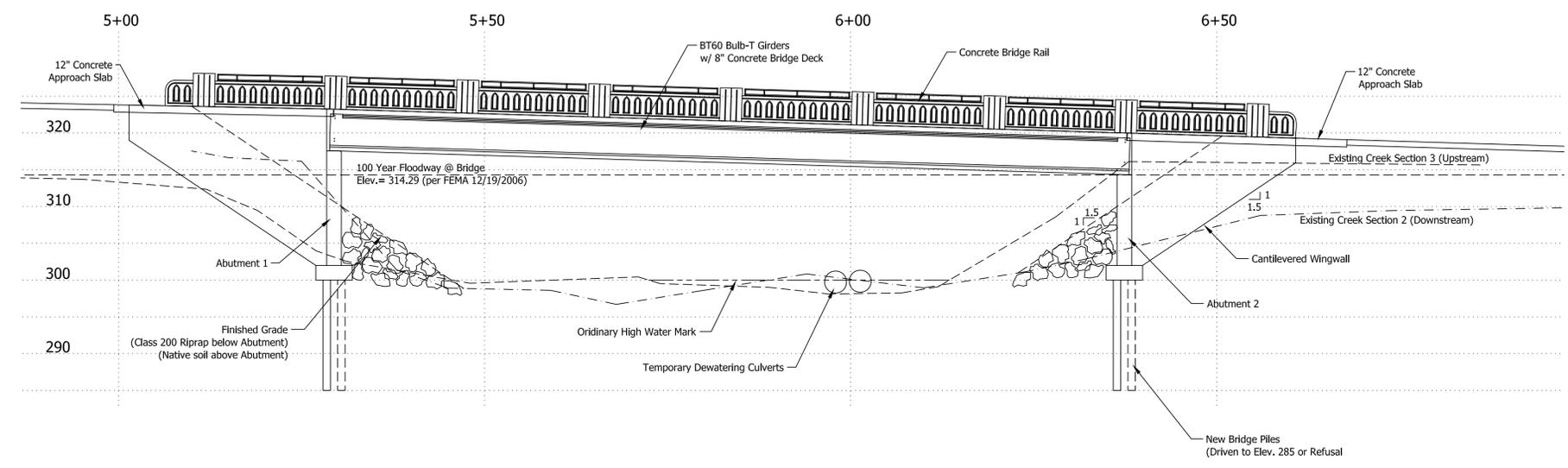


REVISIONS:

Levens Street Bridge Replacement
 Bridge - Plan & Elevation
 CITY OF DALLAS DEPT. of PUBLIC WORKS



2 **New Bridge Plan View** Scale: 1:10



1 **New Bridge East Elevation** Scale: 1:10

DESIGNED BY:	
DRAWN BY:	
CHECKED BY:	
REVISED:	



5/12

MEMORANDUM

Date: March 16, 2007

To: Mayor Fairchild and City Council Members

From: Roger Jordan, City Manager 

Re: Safe Drinking Water Revolving Loan

Recommendation: Authorize the staff to proceed with securing a Safe Drinking Water Revolving Loan for water projects.

Background: As you are aware, the State has offered to loan the City of Dallas \$4.75 million for the construction of improvements to our water system. Specifically, the loan would pay for construction of the 2 million gallon water tank on our property just off South Main Street. In addition, we will need to construct a transmission line between the Clay Street reservoir and the new tank. The third and final project is complete the raw water intake line which will extend from the existing line from the Dalton property to the Water Treatment Plant.

We have scheduled a public hearing to receive comments on the proposed loan, which is a State requirement. We have also placed a resolution on the agenda if you agree to authorize the loan.

Our current estimate is that we will need an additional \$500,000 to \$575,000 to complete all three projects. The state has agreed to loan us additional funds through the Special Public Works Loan fund to complete these projects. We will need to defer completion of other elements of our water improvements until a later time.

If you have any questions or comments before the meeting, please feel free to call me.

RJ:mh

MEMORANDUM

Date: March 16, 2007

To: Mayor Jim Fairchild and City Council Members

From: Roger Jordan, City Manager 

Re: Dallas Disposal Spring Clean Up Event

Dallas Disposal will be holding their spring cleanup event on Saturday, April 7 from 8 a.m. to 2 p.m. They will accept brush, yard debris, lumber, metal and plastics. They will not accept raw garbage.

This is not the same as the Countywide hazardous waste event which will be at the Polk County Shops on May 12. Attached is a copy of the announcement for that event.

If you have any questions or comments before Monday's meeting, please call me.

RJ:meh

POLK COUNTY
HAZARDOUS WASTE COLLECTION EVENT

SATURDAY, May 12, 2007

9:00 a.m. until 2:00 p.m.

Polk County, and the cities of Independence, Monmouth, Dallas and Salem, will be co-sponsoring a household hazardous waste collection event from 9:00 a.m. until 2:00 p.m. on Saturday, May 12th. The location will be at the Polk County Public Works facility, located at 820 SW Ash Street in Dallas. The event allows citizens to bring their hazardous household chemicals to the site for free disposal. Businesses and farms must pre-register for this event, and will be charged a small fee for disposal. To register as a business or farm, call 1-253-288-2813 to register. There will also be a mercury thermometer exchange at this event. Residents that bring their mercury fever thermometers to the event can trade them for a free digital thermometer, which contains no mercury.

Residents are encouraged to save their unwanted pesticides, herbicides, oil-based paint, poisons, acids, caustic cleaners, and other toxic household chemicals and bring them to this event. It is recommended that latex paints not be brought to the event, as they are not hazardous waste and can currently be recycled or disposed of in other ways. Call 503-623-9237 for information on how to dispose of these materials. Also, do not bring motor oil or automobile batteries to the event. "With this event, we are trying to reduce the toxicity of the waste stream, maintain a healthy home environment for the residents of the area, as well as make it safer for firefighters when they are responding to household fires," said Jim Solvedt, Environmental Health Specialist of the Polk County Community Development Department.

Contact:

Jim Solvedt, Environmental Health Specialist

503-623-9237

*Note:
Fall Event is
in Independence
Spring is in Dallas*

AGENDA

1. CALL TO ORDER
2. ROLL CALL
3. APPROVAL OF MINUTES - Regular meeting of February 13, 2007, and workshop of March 8, 2007.
4. ANNOUNCEMENT OF PUBLIC HEARING GUIDELINES
(Copies available in the slots at the door.)

5. PUBLIC HEARINGS



- A) 7:30 PM A Public Hearing on the application of Evelyn Proaps, owner, and Polk CDC applicant, for a Variance to allow 4 parking spaces where 8 spaces are required for the construction of one building with six studio apartments at 1487 Main Street, in an RMD, Residential Medium Density, zone.

A motion was made, seconded and carried by majority vote to deny the request.

- B) 7:30 PM A Public Hearing on the application of Falcon Cable Systems Company II, owner, and Larry Dalton, applicant, for a 3-lot partition at 484 NE Bovard Avenue, in a CG, Commercial General, zone.

A motion was made, seconded, and carried to approve the request, subject to the thirteen (13) conditions listed in the staff report.

- C) 7:30 PM A Public Hearing on the application of Faith Farms, Inc., owner for a zone change from RA-Residential Agriculture to RS-Residential Single Family at Tax Lots 7.5.30D 1002 and 7.5.31A 602, in an RA, Residential Agriculture, zone.

A motion was made, seconded and carried to recommend to the City Council approval of the zone change and recommend to the Council that the zone change include the addition of the narrow strip of Tax Lot 7.5.31A 601 contiguous with the requested zone change.

6. OTHER BUSINESS

- A) _____

- B) _____

SUMMARY WARRANT REGISTER FOR MARCH 20 AGENDA

WARRANT	DEPARTMENT	REFERENCE	VENDOR NAME	AMOUNT
3861	SYSTEMS DEVELOPMENT FUND	PRCH RITE AIDE PROP	FIRST AMERICAN TITLE	63,325.38
			TOTAL	63,325.38
81445	COM DEV - AQUATIC CENTER	ADVERTISING	DEX MEDIA WEST	35.63
81446	COM DEV INSPECTIONS	SUPPLIES	OBOA	509.96
81447	POLICE DEPARTMENT	UNIFORMS	WATERSHED, INC.	285.34
81448	FINANCE OFFICE	POSTAGE	U S POSTMASTER	1,100.00
81449	VARIOUS	LEGAL SERVICES	SHETTERLY & IRICK	7,822.52
81450	FIRE DEPARTMENT	VOLUNTEER SERVICES	DALLAS VOLUNTEER FIRE	2,241.67
81451	VARIOUS	VARIOUS	BANK OF AMERICA	4,579.06
81452	MAYOR & CITY COUNCIL	EXPENSE REIMBURSEMENT	JIM FAIRCHILD	125.00
81453	GENERAL FUND	RESTITUTION	KATHY DANKENBRING	75.00
81454	TRUST FUND	BAIL REFUND	MICHAEL S. BRADETICH	27.00
81455	TRUST FUND	BAIL REFUND	TRENDA M. LOCKE	27.00
81456	TRUST FUND	BAIL REFUND	GLORIA D. MCRAE	27.00
81457	TRUST FUND	BAIL REFUND	MICHAEL MEZA	100.00
81458	TRUST FUND	BAIL REFUND	DONALD LEE KING	32.00
81459	GENERAL FUND	RESTITUTION	PAULA CARR	50.00
81460	GENERAL FUND	RESTITUTION	NINA FORD	50.00
81461	POLICE DEPARTMENT	REIMBURSEMENT	TOM SIMPSON	69.53
81462	LIBRARY	GAS ALLOWANCE	NANCY WOOLSEY	42.00
81463	CITY MANAGER'S OFFICE	CAR ALLOWANCE	ROGER G. JORDAN	650.00
			TOTAL	17,848.71
999996	VARIOUS	PAYROLL & TAXES	PAYROLL CHECKS	570,952.58
			TOTAL	570,952.58
Checks 81464 to 81508 were voided because of a printer error,				
81509	COMMUNITY DEV - PARKS	ARBORETUM	CRAVEN-WOODS INSURANCE	501.00
81510	VARIOUS	CORRECTION	INDUSTRIAL SUPPLY COMPANY	.00
81511	NON-DEPARTMENTAL & CONTINGENCY	FEES	POLK COUNTY CLERK	186.00
81512	VARIOUS	COMMUNICATIONS	BUSINESS CONNECTIONS, INC	102.14

81513	COM DEV INSPECTIONS	TRAINING/SKINNER	OBOA	850.00
81514	POLICE DEPARTMENT	911 DISPATCH	SANTIAM ANSWERING SERVICE	201.05
81515	VARIOUS	COMMUNICATIONS	NEXTEL COMMUNICATIONS	1,467.12
81516	COM DEV - AQUATIC CENTER	MAINTENANCE	THE ACTIVE NETWORK INC	4,438.00
81517	VARIOUS	COMMUNICATIONS	QWEST	174.84
81518	CITY ATTORNEY	FEES	SHETTERLY & IRICK	9.28
81519	VARIOUS	TRAINING	FRED PRYOR SEMINARS	546.00
81520	COM DEV - AQUATIC CENTER	CONCESSIONS	SCHWANS	148.53
81521	NON-DEPARTMENTAL & CONTINGENCY	FEES	NET ASSETS CORPORATION	453.00
81522	VARIOUS	COMMUNICATIONS	WVI	67.85
81523	MUNICIPAL COURT	DEF ATTORNEY	STAN BUTTERFIELD	316.00
81524	POLICE DEPARTMENT	REMODEL	C & R BUILDERS	4,000.00
81525	SEWER CONSTRUCTION-NON-ASSESSED	CONTRACTUAL	PACIFIC HABITAT SERVICES	760.50
81526	POLICE DEPARTMENT	REMODEL	J.T STEPHENS CONSTRUCTION	38,256.50
81527	COM DEV PLANNING DEPT	TRAINING	AORA	250.00
81528	MAYOR & CITY COUNCIL	GOAL SETTING	DALLAS HIGH SCHOOL	171.00
81529	WATER MAINT & CUSTOMER SERVICE	TRAINING	AWWA SHORT SCHOOL	640.00
81530	MUNICIPAL COURT	INTERPRETER	VALERIE GARZA-COLLINS	90.00
81531	TRUST FUND	BAIL REFUND	HOLLY M. KIES	174.00
81532	GENERAL FUND	RESTITUTION	SEAN CHUNG	16.00
81533	WATER FUND	REFUND	RAYMOND SCHMUCKER	546.70
81534	GENERAL FUND	REFUND	ERNIE WALL	10.00
81535	WATER TREATMENT & PUMPING	TRAINING	VERN BATHKE	85.00
			TOTAL	54,460.51
3862	VARIOUS	FIRE BANQUET	CYNTHIAN CATERING	2,691.00
982782	TRUST FUND	VOIDED CK #81143-LOST	HOLLY M. KIES	174.00-
			TOTAL	2,517.00
81559	STREET MAINTENANCE	CONTRACTUAL	C&R ROCK & ROAD GRADING	65.00
81560	WATER MAINT & CUSTOMER SERVICE	MATERIALS	CONSOLIDATED SUPPLY CO	3,066.56
81561	POLICE DEPARTMENT	OPERATION	DAY WIRELESS SYSTEMS	327.50
81562	VARIOUS	PARTS	DALLAS AUTO PARTS	1,488.70
81563	VOIDED		DALLAS AUTO PARTS	.00
81564	VOIDED		DALLAS AUTO PARTS	.00
81565	FIRE DEPARTMENT	TRAINING	DALLAS TOWING INC	50.00
81566	VARIOUS	MAINTENANCE	DALLAS TV - RADIO SHACK	147.22
81567	VARIOUS	MATERIALS	FORBES PLUMBING	98.73
81568	VARIOUS	MAINTENANCE	GUY'S HARDWARE	573.48

81569	VOIDED		GUY'S HARDWARE	.00
81570	VOIDED		GUY'S HARDWARE	.00
81571	COM DEV - AQUATIC CENTER	CHEMICALS	EMERALD OUTDOOR LIVING	271.82
81572	VARIOUS	SUPPLIES	INDUSTRIAL WELD SUPPLY	310.80
81573	VARIOUS	BOOKS	INGRAM	1,710.42
81574	VOIDED		INGRAM	.00
81575	VOIDED		INGRAM	.00
81576	VARIOUS	ADVERTISING	ITEMIZER-OBSERVER	1,542.20
81577	SHOP SERVICE FUND	PARTS	KINZIE MACHINE SHOP	496.00
81578	VARIOUS	OPERATION	LES SCHWAB	2,772.10
81579	SHOP SERVICE FUND	GAS & DIESEL	MARC NELSON OIL COMPANY	6,326.28
81580	VARIOUS	SUPPLIES	OREGON STATE DMV	37.50
81581	LIBRARY	CONTRACTUAL	CHEMEKETA COMM COLLEGE	757.69
81582	VARIOUS	MAINTENANCE	DALLAS TROPHY	1,579.84
81583	VARIOUS	MAINTENANCE	ELECTRIC MOTOR & MACHINE	1,478.31
81584	POLICE DEPARTMENT	OPERATION	JOE HAYWARD FORD	68.65
81585	VARIOUS	SUPPLIES	INSTANT FIRE PROTECTION	284.05
81586	FIRE DEPARTMENT	OPERATION	AIR QUALITY ANALYSIS LAB	560.00
81587	SHOP SERVICE FUND	PARTS	AG WEST SUPPLY	8.97
81588	SHOP SERVICE FUND	PARTS	RICKREALL FARM SUPPLY	6.15
81589	WATER MAINT & CUSTOMER SERVICE	MATERIALS	UNITED PIPE & SUPPLY CO	.00
81590	VARIOUS	MATERIALS	VALLEY CONCRETE	1,287.13
81591	VARIOUS	MAINTENANCE	VAN WELL BUILDING SUPPLY	648.04
81592	VOIDED		VAN WELL BUILDING SUPPLY	.00
81593	VOIDED		VAN WELL BUILDING SUPPLY	.00
81594	WATER TREATMENT & PUMPING	CONTRACTUAL	WATERLAB	920.00
81595	VARIOUS	MAINTENANCE	PETERS FUEL COMPANY	2,485.14
81596	SEWER MAINTENANCE	MATERIALS	PRIER PIPE & SUPPLY	624.26
81597	POLICE DEPARTMENT	R.A.I.N	RAIN	3,509.00
81598	VARIOUS	MATERIALS	SALEM BLACK TOP & ASPHALT	2,809.29
81599	AMBULANCE FUND	SUPPLIES	WEST VALLEY HOSPITAL	732.48
81600	WATER TREATMENT & PUMPING	SUPPLIES	UNIVAR USA INC.	1,465.00
81601	VARIOUS	TRAINING	BRIXIUS JEWELERS	63.99
81602	AMBULANCE FUND	TRAINING	DALLAS SELECT	19.62
81603	COM DEV - AQUATIC CENTER	ADVERTISING	STATESMAN JOURNAL	219.00
81604	VARIOUS	CONTRACTUAL	CH2M HILL INC.	58,783.56
81605	LIBRARY	BOOKS	THE GALE GROUP	108.64
81606	SHOP SERVICE FUND	PARTS	L & L EQUIPMENT, INC	17.25
81607	VARIOUS	OPERATION	MCMULLIN CHEVROLET	506.69
81608	FACILITIES MAINTENANCE	MAINTENANCE	PLATT	245.28
81609	POLICE DEPARTMENT	UNIFORMS	ENTENMANN-ROVIN CO	30.00

81610	VARIOUS	MAINTENANCE	INDUSTRIAL SUPPLY COMPANY	495.40
81611	POLICE DEPARTMENT	UNIFORMS	DALLAS CITY CLEANERS	215.50
81612	FIRE DEPARTMENT	EQUIPMENT	L N CURTIS & SONS	184.51
81613	FIRE DEPARTMENT	TURN OUTS	SEAWESTERN INC	45.48
81614	SHOP SERVICE FUND	PARTS	OWEN EQUIPMENT COMPANY	130.98
81615	VARIOUS	MATERIALS	FERGUSON ENTERPRISES INC	142.38
81616	STREET MARKING & LIGHTING	SIGNALS	OREGON DEPT OF TRANSPORT	26.76
81617	FIRE DEPARTMENT	SUPPLIES	SAFEWAY STORES INC	23.98
81618	AMBULANCE FUND	SUPPLIES	LIFE ASSIST	566.99
81619	VARIOUS	SUPPLIES	OFFICE MAX -BOISE COMPANY	1,397.03
81620	VOIDED		OFFICE MAX -BOISE COMPANY	.00
81621	VARIOUS	SUPPLIES	ALLIED WASTE SERVICES	2,335.90
81622	AMBULANCE FUND	OPERATION	HUGHES FIRE EQUIPMENT	570.27
81623	WATER MAINT & CUSTOMER SERVICE	MISC	GRAINGER	380.79
81624	COM DEV - AQUATIC CENTER	TRAINING	AMERICAN RED CROSS	200.94
81625	COM DEV - AQUATIC CENTER	CONCESSIONS	PEPSI-COLA	1,099.90
81626	VARIOUS	REMODEL	A-TEAM LOCKSMITHS, INC	250.20
81627	VARIOUS	TURN OUTS	DALLAS ALTERATION CENTER	60.50
81628	COM DEV - AQUATIC CENTER	ADVERTISING	DEX MEDIA WEST	70.72
81629	LIBRARY	BOOKS	OMNIGRAPHICS	274.45
81630	AMBULANCE FUND	SUPPLIES	EMERGENCY MEDICAL PRODS	549.31
81631	VARIOUS	SUPPLIES	TIPPS INC	151.12
81632	SHOP SERVICE FUND	MAINTENANCE	FLUID CONNECTOR PROD. INC	48.00
81633	VARIOUS	CONTRACTUAL	ONE CALL CONCEPTS, INC.	85.05
81634	VARIOUS	SUPPLIES	DPS INC.	248.00
81635	VARIOUS	MATERIALS	DALTON ROCK	237.60
81636	VARIOUS	PARTS	CARQUEST OF DALLAS	775.11
81637	VOIDED		CARQUEST OF DALLAS	.00
81638	VARIOUS	OPERATION	LAB SAFETY SUPPLY	455.45
81639	SHOP SERVICE FUND	PARTS	R.S. TECHNICAL SERVICES	309.16
81640	WATER TREATMENT & PUMPING	OPERATION	TMG SERVICES INC.	.00
81641	FACILITIES MAINTENANCE	MAINTENANCE	MCMASTER-CARR SUPPLY CO	19.12
81642	FINANCE OFFICE	SUPPLIES	AMERICAN EAGLE GRAPHICS	779.92
81643	AMBULANCE FUND	SUPPLIES	THE MEDICINE SHOPPE	66.00
81644	VARIOUS	INVESTIGATION	WALMART COMMUNITY BRC	428.27
81645	VARIOUS	MATERIALS	GENERAL RENTAL CENTER	302.20
81646	POLICE DEPARTMENT	OPERATION	AUTO ADDITIONS	2,509.70
81647	VARIOUS	CHEMICALS	AIRGAS NOR PAC INC.	1,253.13
81648	AMBULANCE FUND	SUPPLIES	EAST WEST ASSOCIATES	400.50
81649	SEWER TREATMENT PLANT	MAINTENANCE	APPLIED INDUSTRIAL TECH.	1,581.40
81650	COM DEV - AQUATIC CENTER	MAINTENANCE	BATTERIES NORTHWEST	149.90

81651	VARIOUS	COMMUNICATIONS	PAGE ONE N W	1,244.07
81652	SEWER TREATMENT PLANT	MAINTENANCE	COLE-PARMER INSTRUMENT	151.56
81653	COM DEV - AQUATIC CENTER	MAINTENANCE	LINCOLN EQUIPMENT INC.	616.79
81654	SEWER MAINTENANCE	MISC	KINGS PUMPING	275.00
81655	COM DEV - AQUATIC CENTER	CONCESSIONS	FRED LEA DISTRIBUTING INC	357.70
81656	VARIOUS	SUPPLIES	COASTWIDE LABORATORIES	1,451.90
81657	FACILITIES MAINTENANCE	SUPPLIES	GRAPHIC LATITUDE	140.00
81658	VARIOUS	TRAINING	ROYAL FLUSH PORTABLES INC	176.00
81659	POLICE DEPARTMENT	INVESTIGATION	REXEL	27.36
81660	AMBULANCE FUND	SUPPLIES	BAXTER HEALTHCARE CORP	65.00
81661	LIBRARY	BOOKS	CENTER POINT PUBLISHING	186.90
81662	COM DEV - AQUATIC CENTER	PRO SHOP	TYR SPORT INC.	1,320.89
81663	AMBULANCE FUND	SUPPLIES	EXP PHARMACEUTICAL SERV.	101.75
81664	AMBULANCE FUND	SUPPLIES	BOUND TREE MEDICAL	491.92
81665	WATER MAINT & CUSTOMER SERVICE	MISC.	AMERICAN GLOVE CO.	86.25
81666	FIRE DEPARTMENT	SUPPLIES	DC ELECTRIC INC	371.65
81667	POLICE DEPARTMENT	COMPUTERS	DATA911 SYSTEMS	335.00
81668	POLICE DEPARTMENT	OPERATION	DALLAS FUEL & FOOD MART	15.00
81669	AMBULANCE FUND	SUPPLIES	PMI	290.65
81670	SHOP SERVICE FUND	PARTS	ENVIRO-CLEAN EQUIPMENT	60.64
81671	VARIOUS	CONTRACTUAL	RICOH CORPORATION	808.86
81672	SHOP SERVICE FUND	PARTS	PORTLAND FREIGHTLINER INC	68.67
81673	FACILITIES MAINTENANCE	MAINTENANCE	INDUSTRIAL PIPE & SUPPLY	61.00
81674	SHOP SERVICE FUND	MAINTENANCE	CHAMBERS BROTHERS INC	1,090.00
81675	SEWER TREATMENT PLANT	TOOLS	DELTA HOSPITAL SUPPLY	76.60
81676	WATER TREATMENT & PUMPING	CONTRACTUAL	XAVIER ENVIRONMENTAL	12,424.60
81677	POLICE DEPARTMENT	EQUIPMENT	EMERGENCY RESPONDER SERV	1,100.00
81678	POLICE DEPARTMENT	SUPPLIES	BLUE BOOK	28.95
81679	COM DEV - AQUATIC CENTER	CONCESSIONS	CASH & CARRY	300.32
81680	VARIOUS	COMMUNICATIONS	SECURITY ALARM CORP	105.50
			TOTAL	141,154.49

February 19, 2007

Dallas City Council
City Hall
187 SE Court St.
Dallas, OR 97338

Dear Council Members,

Two issues have been on my mind for some time, and a conversation with one of the newly elected council members has finally pushed me to write them down.

I have lived in Dallas, by choice, for more than 30 years. In that time I have seen the city change dramatically, in some ways which I like and others that I don't. With so many new residents, it seems to me time that Dallas convenes an open forum, or even a series of them, to encourage citizens to talk about why they're here and what they think (or know) of the current and future direction for Dallas. I have seen such meetings done in other places with positive results. It would probably require hiring a facilitator, and some restraint by city government to refrain from steering the results, but I think it would be well worth the effort. IT could lead to some cohesion as the city faces future challenges.

The second issue comes from my location on Rickreall Creek, work on the Rickreall Watershed Council, and a concern for the direction of land use and timber ownership in the state generally. I think Dallas should seriously consider buying as much of our watershed area as possible.

The nature of timberlands is rapidly changing in the U.S., as timber-producing companies sell lands to timber/land investors. The new owners sometimes have goals much different from the previous owners. The land is just another asset to be turned into the most money possible. Oregon has seen recent cases of such owners making plans to subdivide such lands into smaller parcels (80 acres is a typical size in timber-zoned land) which can then be sold and allow the new owner to build a home. I'd hate to see that begin happening in the source of water for Dallas.

Thanks for letting me get this off my mind, and I hope the council will give some serious consideration of these ideas.

Sincerely,



Dale Derouin
497 SE Walnut Ave.
Dallas, OR 97338
503-623-6340

derouin@ci.dallas.or.us

CITY OF DALLAS NOTICE

Notice is hereby given that at 7:45 PM on March 19, 2007, the City Council of the City of Dallas will meet at the Council Chambers, Dallas City Hall, 187 SE Court Street, Dallas, Oregon, to consider the adoption of a resolution authorizing the City of Dallas to borrow moneys from the Safe Drinking Water Revolving Loan Fund by entering into a loan contract with the Oregon Economic and Community Development Department to finance the costs of a new 2 million gallon reservoir and associated piping and a new raw water transmission pipeline.

Published in Itemizer on March 14, 2007.

RESOLUTION NO. 3116

A Resolution authorizing a loan from the Safe Drinking Water Revolving Loan Fund by entering into a loan contract with the Oregon Economic and Community Development Department.

The Dallas City Council (the "Governing Body") finds:

A. The City ("Borrower") is a community or nonprofit non-community water system as defined in Oregon Administrative Rule 123-049-0010.

B. The Safe Drinking Water Act Amendments of 1996, Pub.L. 104-182, as amended (the "Act"), authorize any community or nonprofit non-community water system to file an application with the Oregon Economic and Community Development Department ("the Department") to obtain financial assistance from the Safe Drinking Water Revolving Loan Fund.

C. The Borrower has filed an application with the Department to obtain financial assistance for a "drinking water project" within the meaning of the Act.

D. The Department has approved the Borrower's application for financial assistance from the Safe Drinking Water Revolving Loan Fund pursuant to the Act.

E. The Borrower is required, as a prerequisite to the receipt of financial assistance from the Department, to enter into a Financial Assistance Award Contract and a Loan Agreement with the Department in substantially the form attached hereto as Exhibits "A" and "B."

F. The project described in Exhibit "A" to the Loan Agreement (the "Project") is a "safe drinking water project" within the meaning of the Act which is needed by and is in the public interest of the Borrower.

G. Notice relating to the Borrower's consideration of the adoption of this Resolution was published in accordance with the City's charter and laws for public notification.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. Loan Authorized. The Governing Body authorizes the City Manager to execute the Financial Assistance Award Contract, Loan Agreement, the Promissory Note attached as Exhibit "H" to the Loan Agreement (the "Financing Documents") and such other documents as may be required to obtain financial assistance, including a loan from the Department, on the conditions that the principal amount of the loan from the Department to the Borrower is not in excess of \$4,750,000 and the interest rate on such loan is not in excess of 3.38%. The proceeds of the loan from the Department shall be applied solely to the "Costs of the Project" as such term is defined in the Loan Agreement.

Section 2. Security. Amounts payable by the Borrower shall be payable from the sources described in Section 2.05 of the Loan Agreement which include:

- a. Any sources of funds that are legally available to the Borrower,
- b. The revenues, if any, of the Project, including special assessment revenues, if any, and
- c. The Borrower's general fund including, the general revenues of the Borrower, or other funds which may be available. The obligation of the Borrower to make payments pursuant to the Loan Agreement is a full faith and credit obligation of the Borrower that is not subject to annual appropriation.

Section 3. Additional Documents. The City Manager is hereby authorized to enter into any agreements and to execute any documents or certificates which may be required to obtain financial assistance from the Department for the Project pursuant to the Financial Assistance Award Contract and the Loan Agreement.

Section 4. Tax-Exempt Status. The Borrower covenants not to take any action or omit to take any action if the taking or omission would cause interest paid by the Borrower pursuant to the Loan Agreement not to qualify for the exclusion from gross income provided by Section 103(a) of the Internal Revenue Code of 1986, as amended. The City Manager may enter into covenants on behalf of the Borrower to protect the tax-exempt status of the interest paid by the Borrower pursuant to the Loan Agreement and may execute any Tax Certificate, Internal Revenue Service forms, or other documents as shall be required by the Department or their bond counsel to protect the tax-exempt status of such interest.

Section 5. This Resolution shall be effective upon its adoption.

Adopted: March 19, 2007
Approved: March 19, 2007

JAMES B. FAIRCHILD, MAYOR

ATTEST:

ROGER JORDAN, CITY MANAGER

STATE OF OREGON
SAFE DRINKING WATER REVOLVING LOAN FUND
FINANCIAL ASSISTANCE AWARD CONTRACT

This Contract is made and entered into by and between the STATE OF OREGON, ACTING BY AND THROUGH ITS ECONOMIC AND COMMUNITY DEVELOPMENT DEPARTMENT (“State”) and the City of Dallas (“Borrower”). The reference number of this Contract is S07001.

SECTION 1
CERTAIN DEFINITIONS

As used in this Contract, the following terms have the meanings set forth below, unless the context requires otherwise:

“Act” means Safe Drinking Water Act Amendments of 1996, Public Law 104-182, as amended.

“Contract” means this contract between the State and the Borrower, including any exhibits, schedules and attachments thereto, as amended from time to time.

“Costs of the Project” means all costs of acquiring and constructing the Project, including any financing costs properly allocable to the Project, as further described in the Loan Agreement and set out in the approved Project budget in Exhibit B to the Loan Agreement.

“Default” means an event which with notice or lapse of time or both would become an Event of Default as set out in Section 7 hereof.

“Event of Default” means any of the events described in paragraphs A through C of Section 7 of this Contract.

“Loan” has the meaning ascribed thereto in Section 2(A) of this Contract.

“Loan Agreement” means that certain loan agreement, substantially in the form of Exhibit 1 hereto, entered into between the State and the Borrower, as such agreement may from time to time be amended and/or restated.

“Loan Closing Date” has the meaning ascribed thereto the Loan Agreement.

“Project” has the meaning ascribed thereto in the Loan Agreement and described in Exhibit A of the Loan Agreement.

“Project Completion Date” means the date on which the Borrower has in fact completed the construction of the Project, as described in Section 3.02(c) of the Loan Agreement.

“Safe Drinking Water Fund” or “Fund” means the Safe Drinking Water Revolving Loan Fund created pursuant to ORS 285A.213 and managed by the State in accordance with OAR 123-049-0005 through 123-049-0050.

SECTION 2
FINANCIAL AWARD

A. Amount of Loan. Subject to the terms and conditions of this Contract and the Loan Agreement and subject to availability of money in the Fund, the State agrees to make to the Borrower, and the Borrower agrees to accept from the State, a non-revolving loan in the maximum aggregate principal amount of \$4,750,000 (the “Loan”).



B. Change in the Act. The State shall not be obligated to provide the Loan if, on or prior to the time the Borrower satisfies all conditions for disbursement of the Loan, there has been a change in the Act so that the Project is no longer eligible for the financial assistance authorized by this Contract.

C. Disbursements. The Borrower must submit disbursement requests for the Loan on a State-approved disbursement request form. The State's obligation to make, and Borrower's right to request, disbursements hereunder shall terminate thirty-six (36) months after the date Loan proceeds are first disbursed but in any event no later than forty-two (42) months after the Loan Closing Date.

SECTION 3 USE OF AWARD

A. Eligible Activities. The use of the Loan is expressly limited to the Project activities described in Exhibit A of the Loan Agreement. The use of these funds is also expressly subject to the Special Conditions set out in Exhibit D of the Loan Agreement.

B. Ineligible Activities. No part of the Loan shall be used for:

1. Dams or rehabilitation of dams;
2. Purchase of water rights, except if the water rights are owned by a system that is being purchased through a consolidation;
3. Reservoirs, except for finished water reservoirs and those reservoirs that are part of the treatment process;
4. Laboratory fees for monitoring;
5. Administrative costs;
6. Costs incurred prior to official award of funds by State unless prior approval is obtained;
7. Purchase of equipment, such as motor vehicles, not directly appurtenant to the Project;
8. Purchase of off-site property for Project-related purposes such as wetland mitigation or other uses not directly related to the Project;
9. Operation and maintenance expenses; or
10. Improvements made to any part of a system that is or will be owned and operated by an ineligible water system.

SECTION 4 REPRESENTATIONS OF THE STATE

The State certifies that at the time this Contract is signed, sufficient funds are available in the Fund and authorized for this Contract.

SECTION 5 REPRESENTATIONS OF THE BORROWER

The Borrower represents and warrants to the State that:

A. Costs of the Project. A reasonable estimate of the Costs of the Project is \$5,250,000.

B. Binding Obligation. This Contract has been duly authorized, executed and delivered by the Borrower and constitutes the legal, valid and binding obligation of the Borrower, enforceable in accordance with its terms.



C. Other Funds. As of the date hereof, Borrower has other funds of five hundred thousand dollars (\$500,000) that are available and committed to the Project. Before any disbursement of the Loan, the Borrower shall demonstrate, to the satisfaction of the State, that it has obtained matching funds in an amount sufficient, when added to the amount of the Loan, to pay for the Costs of the Project.

SECTION 6 COVENANTS OF BORROWER

The Borrower covenants as follows and understands that the requirements of the covenants may only be waived or amended by a written instrument executed by the State:

A. Compliance with Laws. The Borrower will comply with the requirements of all applicable laws, rules, regulations and orders of any governmental authority that relate to the construction of the Project and the operation of any utility system of which the Project is a component. In particular, but without limitation, the Borrower shall comply with the following, as applicable:

1. State procurement regulations found in the Oregon Public Contracting Code, ORS Chapters 279A, 279B and 279C, as applicable.
2. State labor standards and wage rates found in ORS Chapter 279C.
3. State municipal finance and audit regulations found in ORS Chapter 297.
4. State regulations regarding industrial accident protection found in ORS Chapter 656.
5. State conflict of interest requirements for public contracts.
6. State environmental laws and regulations enacted by agencies listed in Exhibit 2 hereto.
7. Oregon Administrative Rules, Chapter 123, Division 49, as amended from time to time at the discretion of the State.
8. State municipal bonding requirements found in the Act and in ORS Chapters 280, 284, 286, 287 and 288.
9. Federal Cross Cutters listed in Exhibit 3 hereto.
10. Safe Drinking Water Revolving Loan Fund: Program Guidelines & Applicant's Handbook, as amended from time to time.

B. Affirmative Steps to Recruit Minority and Women Business Enterprises (MBE/WBE) and Small Businesses in Rural Areas (SBRA). The Borrower and prime contractor must engage in outreach, recruitment or other race/gender-neutral activities as a part of their good faith efforts to achieve a fair share of contracts by minority and women owned businesses as well as small businesses in rural areas. The Borrower and prime contractor may select various outreach, recruitment or other race/gender neutral activities for a particular contract but, at a minimum, the Borrower or prime contractor must take six steps. If the Borrower is a local government or Indian Tribe, the six affirmative steps are to:

1. Include qualified MBEs, WBEs and SBRA's on solicitation lists;
2. Assure that MBEs, WBEs and SBRA's are solicited whenever they are potential sources;
3. Divide total requirements, when economically feasible, into small tasks or quantities to permit maximum participation of MBEs, WBEs and SBRA's;
4. Establish delivery schedules, where the requirements of the work permit, which will encourage participation by MBEs, WBEs and SBRA's;

5. Use the services and assistance of the Small Business Administration and the Minority Business Development Agency, U.S. Department of Commerce, as appropriate; and
6. If the prime contractor awards subcontracts/procurement, require the contractor to take the affirmative steps in numbers 1-5 above.

C. Drawings. The Borrower shall obtain as-built drawings for all facilities constructed with the proceeds of the Loan. The Borrower shall obtain certification of completion per the as-built drawings from the Project engineer or architect, as applicable.

D. Operation and Maintenance of the Project. By the Project Completion Date, the Borrower will have a program, documented to the satisfaction of the State, for the on-going maintenance, operation and replacement, at Borrower's sole expense, of the public works service system, if any, of which the Project is a part. This program should include a plan for generating revenues sufficient to assure the operation, maintenance and replacement of the facility during the service life of the Project.

E. Signs and Notifications. Borrower shall post a sign at the Project site or, if more than one site is included in the Project, at a site visible to the general public, acknowledging the participation of the State in the financing of the Project. The sign shall be installed prior to construction and shall be maintained for the duration of the construction period. The State will provide the sign to Borrower upon request.

F. Creation of Construction Account. The Borrower shall establish and maintain a segregated construction account. The Loan proceeds (as and when the Loan proceeds are disbursed by the State to the Borrower) shall be deposited in this account. Earnings on this account shall be credited to this account. Moneys in this account shall only be used to pay the Costs of the Project.

G. Insurance. Except as may be provided in Exhibit D to the Loan Agreement, in the event the Project, or any portion thereof, is destroyed and the Project is insured, any insurance proceeds shall be paid to the State and shall be applied to prepay the outstanding balance of the Loan in accordance with Section 2.04 of the Loan Agreement unless the State agrees in writing that the insurance proceeds shall be used to rebuild the Project.

H. Economic Development Benefit Data. The State may request that the Borrower submit specific requested data on the economic development benefits of the Project, from the date hereof until six (6) years after the Project Completion Date. Upon such request by the State, the Borrower shall, at the Borrower's expense, prepare and file the requested data within the time specified in the request. Data shall document specific requested information such as any new direct permanent or retained jobs resulting from the Project and other information to evaluate the success and economic impact of the Project.

I. Indemnity. To the extent permitted by law, the Borrower shall (subject to ORS chapter 180) defend, save, hold harmless and indemnify the State and its officers, employees and agents from and against all claims, suits, actions, losses, damages, liabilities, costs and expenses of any nature resulting from or arising out of or relating to the activities of Borrower or its officers, employees, contractors or agents under this Contract or with respect to the Project.

J. Sales, Leases and Encumbrances. Borrower may not sell, lease, exchange, transfer or otherwise dispose of any property constituting a part of the Project or any interest therein unless it is worn out, obsolete or, in the reasonable business judgment of the Borrower, no longer useful in the operation of the Project. Except as may be provided in Exhibit D to the Loan Agreement, proceeds of such sale, lease, exchange, transfer or other disposition which are not used to replace the property up to the amount of such proceeds shall be paid to the State and shall be applied to prepay the outstanding balance of the Loan in accordance with Section 2.04 of the Loan Agreement.

K. Condemnation Proceeds. Except as may be provided in the Exhibit D to the Loan Agreement, in the event the Project, or any portion thereof is condemned, any condemnation proceeds shall be paid to the State and shall be applied to prepay the outstanding balance of the Loan in accordance with Section 2.04 of the Loan Agreement.

L. Planning and Preliminary Engineering Loan. In the case of a planning and preliminary engineering Loan, the Borrower shall obtain a review of and comments on draft reports and documents by the Health Division, Oregon Human Services Department (“Health Division”), before the Borrower accepts a final report, and if such a Loan is for a water system master plan or pilot study for water treatment or corrosion control study, the draft report must be accepted by the Health Division.

M. Proceeding with Project. The Borrower shall proceed expeditiously to complete the Project or any segment or phase of the Project in accordance with the plans and schedules approved by the State.

SECTION 7 DEFAULT

Time is of the essence. If any of the following Events of Default occurs and is continuing, namely:

A. Any representation with respect to current or historical information made to the State herein or in any other pertinent documents, certificates and reports relied upon by the State in gauging the progress of the Project, or compliance with the requirements of the Act and performance of duties by the Borrower is untrue in any material respect; or

B. The Borrower fails to perform or observe any of its covenants or agreements contained herein (other than Section 7.A. and 7.C.) and fails to correct such deficiencies within thirty (30) days of notice from the State of such deficiencies, or such longer period as the State may authorize in its sole discretion; or

C. The occurrence of an Event of Default under the Loan Agreement or any of the Loan Documents (as defined in the Loan Agreement);

thereupon, and in each such case, the State, upon notice to the Borrower, may pursue any remedy legally available, including but not limited to the remedies set forth in Section 8.

SECTION 8 REMEDIES

Upon the occurrence of an Event of Default under this Contract, the State may pursue any or all of the remedies set forth herein or in the Loan Agreement or any of the Loan Documents and any other remedies available at law or in equity. Such remedies may include, but are not limited to, termination of the State’s obligations to make the Loan or any disbursement under the Contract and/or Loan Agreement, acceleration of the Loan, declaration of the Borrower’s ineligibility to receive future awards and the withholding pursuant to ORS 285A.213(6) and OAR 123-049-0040 of other State funds due the Borrower. The remedies provided herein are cumulative and not exclusive of any remedies provided by law.

SECTION 9 MISCELLANEOUS

A. No Implied Waiver, Cumulative Remedies. No failure on the part of the State to exercise, and no delay in exercising, any right, power, or privilege under this Contract shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power, or privilege under this Contract preclude any other or further exercise thereof or the exercise of any other such right, power or privilege.

construed to give or provide any benefit or right, whether directly, indirectly or otherwise, to third persons any greater than the rights and benefits enjoyed by the general public unless such third persons are individually identified by name herein and expressly described as intended beneficiaries of the terms of this Contract.

IN WITNESS WHEREOF, the parties hereto have caused this Contract to be duly executed as of the last date set forth below the signatures of their respective representatives. The Borrower, by the signature below of its authorized representative, hereby acknowledges that it has read this Agreement, understands it, and agrees to be bound by its terms and conditions.



STATE OF OREGON
acting by and through its Economic and
Community Development Department



CITY OF DALLAS
(Borrower)

By: _____
Laird Bryan, Operations Manager
Community Development Division

By: _____
Roger Jordan, City Manager

Date: _____

Date: _____

APPROVED AS TO LEGAL SUFFICIENCY IN ACCORDANCE WITH ORS 291.047:

/s/ Lynn T. Nagasako, AAG (per email dated (2/8/2007)
Lynn T. Nagasako, Sr. Assistant Attorney General

Date: February 8, 2007

- Exhibit 1: Form of Loan Agreement
- Exhibit 2: Environmental and Natural Resources Agencies
- Exhibit 3: Federal Cross-Cutters

LOAN AGREEMENT

between

STATE OF OREGON

acting by and through its

ECONOMIC AND COMMUNITY DEVELOPMENT DEPARTMENT

and

CITY OF DALLAS

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EXHIBITS

- Exhibit A: Project Description
- Exhibit B: Project Budget
- Exhibit C: Description of the Loan
- Exhibit D: Special Conditions
- Exhibit E: [Reserved]
- Exhibit F: Form of Disbursement Request
- Exhibit G: Form of Opinion of Counsel
- Exhibit H: Form of Promissory Note

THIS LOAN AGREEMENT is made and entered into as of XXXXXXXXXXXXXXXXXXXX, XXXX, by and between the STATE OF OREGON, ACTING BY AND THROUGH ITS ECONOMIC AND COMMUNITY DEVELOPMENT DEPARTMENT (the "State"), and the Borrower (as defined below).

ARTICLE I
DEFINITIONS

SECTION 1.01. Definitions. Unless the context clearly requires otherwise, the following terms as used in this Loan Agreement have the meanings assigned to them below:

"Authorized Officer(s)" means, in the case of the Borrower, the person(s) whose name(s) and/or title(s) is set forth in Exhibit C hereto or such other person or persons authorized pursuant to a resolution, ordinance, order or other authorizing document of the governing body of the Borrower under Borrower's organizational documents to act as an authorized officer(s) of the Borrower to perform any act or execute any document relating to the Loan or this Loan Agreement and whose name(s) and/or title(s) is furnished in writing to the State.

"Borrower" means the Municipality that is a party to this Loan Agreement and is described on Exhibit C hereto and that owns the System, and its successors and assigns.

"Business Day" means any day other than a Saturday, Sunday or legal holiday or a day on which banking institutions in Salem, Oregon are closed.

"Contract" means that certain contract dated as of XXXXXXXXXXXXXXXXXXXX, XXXX, between the State and Borrower, as amended from time to time.

"Costs of the Project" means those costs that are (a) reasonable, necessary and directly related to a community or nonprofit non-community water system within the meaning of ORS 285A.213, and OAR 123-049-0010 through 123-049-0020, including any financing costs properly allocable to the Project and preliminary costs such as engineering and architectural reports, studies, surveys, soil tests, designs, plans, working drawings and specifications that are necessary for the construction of the Project, and (b) permitted by generally accepted accounting principles to be costs of such Project. The term "Costs of the Project" does not include any ineligible activities listed in Section 3.B. of the Contract.

"Counsel" means an attorney at law or firm of attorneys at law (who may be, without limitation, of counsel to, or an employee of, the State or the Borrower) duly admitted to practice law before the highest court of any state.

"Event of Default" means any occurrence or event specified in Section 6.01 hereof.

"First Payment Date" means the December 1 following the earlier of (1) the Project Completion Date and (2) the date availability hereunder is terminated pursuant to Section 2.01(b).

"Loan" means the non-revolving loan made by the State to the Borrower to finance the Costs of the Project pursuant to this Loan Agreement.

"Loan Agreement" means this loan agreement, including any exhibits, schedules or attachments hereto, as it may be supplemented, modified or amended from time to time in accordance with the terms hereof.

"Loan Closing Date" means the date on which all conditions to the Loan Closing have been satisfied by Borrower (or waived by the State) and the Loan proceeds are available to be disbursed to Borrower in accordance with Section 2.01(b) hereof.

"Loan Closing Deadline" means the date, as set out in Exhibit C hereto, by which all conditions precedent to Loan Closing must be satisfied by the Borrower (or waived by the State).

“Loan Documents” means the Loan Agreement and Note, and any agreements, instrument and certificates required to be executed and delivered hereunder.

“Loan Prepayment” means any amount paid by the Borrower in excess of the amount required to be paid as Loan Repayment.

“Loan Repayment” means the scheduled payments of principal and interest required to be made by the Borrower pursuant to the Note.

“Maturity Date” means the nineteenth (19th) anniversary of the First Payment Date, on which date the outstanding balance of the Loan must be paid in full.

“Municipality” means an entity described in ORS 285B.560(4).

“Net Revenues” means the revenues of Borrower’s System that remain after payment of operations and maintenance costs of the System.

“Note” means that certain promissory note, substantially in the form of Exhibit H hereto, executed by the Borrower in favor of the State, as it may from time to time be amended, extended, renewed or restated.

“Project” means the project described in Exhibit A hereto.

“Project Completion Date” means the date on which the Borrower completes construction of the Project.

“Safe Drinking Water Fund” or “Fund” means the Safe Drinking Water Revolving Loan Fund established by ORS 285A.213 and managed by the State pursuant to OAR 123-049-0005 through 123-049-0050.

“System” means the community water system or nonprofit non-community water system, as described in the Act and OAR 123-049-0010, of the Borrower which includes the Project or components of the Project, as such system or systems may be modified or expanded from time to time. References in this Loan Agreement to the Borrower’s “System” shall be ignored to the extent that the Project is not a component of a utility system or systems.

SECTION 1.02. General Rules. Except where the context otherwise requires, words importing the singular number shall include the plural number and vice versa, and words importing persons shall include firms, associations, corporations, partnerships, agencies and districts. Words importing one gender shall include any other gender.

ARTICLE II LOAN TO BORROWER

SECTION 2.01. Loan; Disbursements; Use of Proceeds.

(a) **Loan.** Subject to and in accordance with the terms and conditions hereof, in particular Sections 4.01 and 4.02 hereof, the State hereby agrees to make and disburse to the Borrower, and the Borrower agrees to borrow and accept from the State, a Loan which shall not exceed the lesser of (i) the maximum aggregate amount of the Loan set forth on Exhibit C hereof or (ii) the Costs of the Project.

(b) **Disbursements.** Subject to Sections 4.01 and 4.02 hereof, the proceeds of the Loan shall be disbursed to the Borrower on an expense reimbursement or costs incurred basis upon receipt by the State of a disbursement request executed by the Borrower in substantially the form attached hereto as Exhibit F; provided, however, that the State shall have no obligation to make, and Borrower shall not request, any disbursements more than thirty-six (36) months after the date Loan funds are first disbursed but in any event no later than forty-two (42) months after the Loan Closing Date.

(c) Use of Proceeds. The Borrower shall use the proceeds of the Loan strictly in accordance with Section 3.02(a) hereof and subject to and in compliance with the Special Conditions set forth in Exhibit D.

SECTION 2.02. Loan Payment

(a) Promise to Pay. The Borrower hereby covenants and agrees to repay the Loan in accordance with the terms hereof and of the Note and Loan Documents.

(b) Principal Amortization. Commencing on the First Payment Date and thereafter on December 1 of each year, the Borrower shall make level installment payments of principal and interest, which shall be calculated based on the assumption that the outstanding principal balance on the First Payment Date accrued interest for a full year prior to the First Payment Date; and each such installment to be in an amount sufficient to pay the interest accrued to the date of payment and so much of the principal as will fully amortize the Loan by the Maturity Date; provided, however, that the first such installment payment shall be adjusted to include actual interest accrued to the First Payment Date.

(c) Different Amortization Schedule. Notwithstanding Section 2.02(b) above, the State and the Borrower may, on or prior to the First Payment Date of the Note, agree to a payment schedule different from the payment schedule described in Section 2.02(b) for the Note. In such case the Borrower shall execute and deliver to the State a Note which shall have attached thereto the agreed upon payment schedule as "Schedule 1 - Payment Schedule."

(d) Replacement Note. The State may, at its option, require the Borrower to execute a replacement Note with a payment schedule attached as "Schedule 1 - Payment Schedule" showing the principal amortization described in Section 2.02(b) above.

(e) Note with Schedule. In the event a "Schedule 1 - Payment Schedule" is attached to the Note pursuant to Section 2.02(c) or 2.02(d), the third paragraph of the Note shall read as follows:

"Commencing on the First Payment Date and thereafter on December 1 of each year, the Borrower shall pay all unpaid interest accrued to the date of payment and make the payments of principal as set forth in "Schedule 1 - Payment Schedule" (which is attached to this Note) until the Maturity Date, at which time the entire outstanding principal balance and all accrued unpaid interest shall be due and payable in full."

SECTION 2.03. Unconditional Obligations. Loan Repayments and all other payments required under the Loan Documents are payable solely from the sources of repayment described in Section 2.05 hereof, and the obligation of the Borrower to make the Loan Repayments and all other payments required under the Loan Documents and the obligation to perform and observe the other duties, covenants, obligations and agreements on its part to be performed or observed contained therein shall be absolute and unconditional. Payments hereunder and under any of the other Loan Documents shall not be abated, rebated, set-off, reduced, abrogated, terminated, waived, diminished, postponed or otherwise modified in any manner or to any extent whatsoever, or any payments under this Loan Agreement or a Note remain unpaid, regardless of any contingency, act of God, event or cause whatsoever, including (without limitation) any acts or circumstances that may constitute failure of consideration, eviction or constructive eviction, the taking by eminent domain or destruction of or damage to the Project or the System, commercial frustration of the purpose, any change in the laws of the United States of America or of the State of Oregon or any political subdivision of either or in the rules or regulations of any governmental authority, any failure of the State to perform and observe any agreement, whether express or implied, or any duty, liability, or obligation arising out of or connected with the Project, this Loan Agreement or any rights of set off, recoupment, abatement or counterclaim that the Borrower might otherwise have against the State, or any other party or parties; provided, however, that payments hereunder shall not constitute a waiver of any such rights.

SECTION 2.04. Loan Prepayments.

(a) Mandatory Prepayment. The Borrower shall prepay the outstanding balance of the Loan as required by the terms of the Loan Documents.

(b) Optional Prepayment. The Borrower may make Loan Prepayments, without premium or penalty, upon not less than ninety (90) days prior written notice to the State; provided, however, that each Loan Prepayment shall include payment of the accrued interest on the amount prepaid, and no Loan Prepayment shall be made without the prior written approval of the State.

(c) General. Loan Prepayments shall be applied first to costs and expenses related to such prepayment, then to accrued interest on the portion of the Loan prepaid, and finally to principal payment(s) on the Loan. In the case of a Loan Prepayment that does not prepay all of the principal of the Loan, the State shall determine, in its sole discretion, the method by which such Loan Prepayment shall be applied to the outstanding principal payments.

SECTION 2.05. Sources of Payment of Borrower's Obligations.

(a) The State and the Borrower agree that the amounts payable by the Borrower under this Loan Agreement and any of the other Loan Documents, including, without limitation, the amounts payable by the Borrower pursuant to Sections 2.02, 2.04, 2.06 and 6.04 hereof, are payable from the sources of repayment described in paragraph (b) of this Section 2.05; provided however that nothing herein shall be deemed to prevent the Borrower from paying the amounts payable under this Loan Agreement and the other Loan Documents from any other legally available source.

(b) The amounts payable by the Borrower under this Loan Agreement and the other Loan Documents are payable from the Borrower's general fund and other sources, if any, identified on Exhibit D hereof.

(c) The Borrower expressly acknowledges that if the Borrower defaults on payments due under this Loan Agreement or any of the other Loan Documents, the State of Oregon may, pursuant to ORS 285A.213(6) and OAR 123-049-0040, withhold all or a portion of any amounts otherwise due to the Borrower and apply said amounts to payments due under this Loan Agreement and the other Loan Documents to the fullest extent permitted by law.

SECTION 2.06. Disclaimer of Warranties; Limitation of Liability; Indemnification. The Borrower acknowledges and agrees that:

(a) the State does not make any warranty or representation, either express or implied, as to the value, design, condition, merchantability or fitness for particular purpose or fitness for any use of the System or the Project or any portions thereof or any other warranty or representation with respect thereto;

(b) in no event shall the State or any of its agents be liable or responsible for any direct, indirect, incidental, special or consequential damages in connection with or arising out of this Loan Agreement, any of the other Loan Documents or the Project or the existence, furnishing, functioning or use of the System or the Project or any item or products or services provided for in this Loan Agreement; and

(c) to the extent permitted by law, the Borrower shall (subject to ORS chapter 180) defend, indemnify, save and hold harmless the State and its officers, employees and agents against any and all claims, suits, actions, damages, liability and court awards including costs, expenses, and attorney fees incurred as a result of any act or omission by the Borrower or its employees, agents or subcontractors pursuant to the terms of this Loan Agreement or any of the other Loan Documents, provided, however, that the provisions of this paragraph (c) are not intended to and shall not be construed as a waiver of any defense or limitation on damages provided for under and pursuant to Chapter 30 of the Oregon Revised Statutes or under the laws of the United States or other laws of the State of Oregon.

ARTICLE III
REPRESENTATIONS, WARRANTIES AND COVENANTS OF BORROWER

SECTION 3.01. Representations and Warranties of Borrower. The Borrower represents and warrants for the benefit of the State as follows:

(a) Organization and Authority.

- (i) The Borrower is a Municipality and owns a community water system as defined in the Act and OAR 123-049-0010. Borrower has full power and authority to transact the business in which it is engaged, and full power, authority, and legal right to make this Agreement and the Note and to incur and perform its obligations hereunder and under the other Loan Documents..
- (ii) The Borrower has full legal right and authority and all necessary licenses and permits required as of the date hereof to own, operate and maintain the Project and its System, other than licenses and permits relating to the Project which the Borrower expects to receive in the ordinary course of business, to carry on its activities relating thereto, to execute and deliver this Loan Agreement, to undertake and complete the Project, and to carry out and consummate all transactions contemplated by this Loan Agreement and the other Loan Documents.
- (iii) The Project is a project that the Borrower may undertake pursuant to Oregon law and the Act, including but not limited to 42 U.S.C. § 300j-12(a)(3), and for which the Borrower is authorized by law to borrow money.
- (iv) The making and performance by Borrower of this Loan Agreement and all Loan Documents required hereunder to be executed and delivered by Borrower and the transaction contemplated by this Agreement and the Loan Documents, including but not limited to authorizing the Borrower to undertake and complete the Project, have been authorized by all necessary action of Borrower.
- (v) This Loan Agreement and all other Loan Documents required hereunder to be executed by Borrower have been duly authorized and executed and delivered by an Authorized Officer of the Borrower; and, assuming that the State has all the requisite power and authority to authorize, execute and deliver, and has duly authorized, executed and delivered, this Loan Agreement and the Loan Documents required hereunder to be executed by the State, this Loan Agreement and other Loan Documents required hereunder to be executed by the Borrower constitute the legal, valid and binding obligation of the Borrower in accordance with their terms subject to the laws of bankruptcy, insolvency or other similar laws affecting the enforcement of creditors' rights generally.
- (vi) Borrower's Contract and the Loan Agreement have been authorized by an ordinance, resolution or other authorizing document of the Borrower as appropriate under Borrower's organizational documents which was adopted in accordance with applicable state and local law including but not limited to publication, public hearing and prior notice, if required.

(b) Full Disclosure. There is no fact that the Borrower has not disclosed to the State in writing on the Borrower's application for the Loan or otherwise that materially adversely affects the properties, activities, prospects or condition (financial or otherwise) of the Borrower, the Project or the Borrower's System, or the ability of the Borrower to make all Loan Repayments and otherwise observe and perform its duties, covenants, obligations and agreements under this Loan Agreement and the other Loan Documents. Neither the Borrower's application for the Loan or the Borrower's representations in this Loan Agreement or any of the other Loan Documents contain any untrue statement of a material fact or omits any statement or information which is necessary to make the statements therein, in light of the circumstances under which

they were made, not misleading, and the information contained in Exhibit A and Exhibit B and in Sections 2, 3, 4, 5 and 9 of Exhibit C is true and accurate in all respects.

(c) Pending Litigation. There is no known threatened or actual proceeding or litigation materially adversely affecting Borrower that would affect the Project, the System or the ability of Borrower to perform all of its duties and obligations under this Agreement and the other Loan Documents.

(d) Compliance with Existing Agreements, Etc. This Loan Agreement and Borrower's performance of its obligations hereunder will not create any default or result in the imposition of any lien, charge or encumbrance upon any of the property of Borrower under any other agreement or instrument to which the Borrower is a party or by which the Borrower, its System, the Project or any of its property may be bound, nor will it violate any law or authority governing Borrower and any of its properties or operations, including but not limited to the System and the Project.

(e) No Defaults. No pre-existing condition will cause Borrower to be in default hereunder upon execution of this Agreement or any of the Loan Documents or the disbursement of the Loan. Borrower has not violated or allegedly violated any other agreement or instrument to which the Borrower is a party or by which the Borrower, its System, the Project or any of its property may be bound, which violation would materially adversely affect the Borrower, its property, including but not limited to the System and the Project, and its ability to perform its duties and obligations under this Agreement and the other Loan Documents.

(f) Governmental Consent. The Borrower has obtained or will obtain all permits and approvals required to date by any governmental body or officer for the making, observance and performance by the Borrower of its duties, covenants, obligations and agreements under this Loan Agreement and the other Loan Documents or for the undertaking or completion of the Project and the financing thereof; and the Borrower has complied or will comply with all applicable provisions of law requiring any notification, declaration, filing or registration with any governmental body or officer in connection with the making, observance and performance by the Borrower of its duties, covenants, obligations and agreements under this Loan Agreement and the other Loan Documents or with the undertaking or completion of the Project and the financing thereof. No consent, approval or authorization of, or filing, registration or qualification with, any governmental body or officer that has not been obtained is required on the part of the Borrower as a condition to the authorization, execution and delivery of this Loan Agreement or any other Loan Document.

(g) Compliance with Law. The Borrower

- (i) is in compliance with all applicable laws, ordinances, and governmental rules and regulations (including but not limited to the federal cross-cutters listed in Exhibit 3 to the Contract and the requirements set forth in the Safe Drinking Water Revolving Loan Fund, Program Guidelines & Applicant's Handbook, February 2004, as amended from time to time) to which it is subject, the failure to comply with which would materially adversely affect the ability of the Borrower to conduct its activities or undertake or complete the Project or the condition (financial or otherwise) of the Borrower or its System; and
- (ii) has obtained or will obtain all licenses, permits, franchises or other governmental authorizations presently necessary for the ownership of its property or for the conduct of its activities which, if not obtained, would materially adversely affect the ability of the Borrower to conduct its activities or undertake or complete the Project or the condition (financial or otherwise) of the Borrower or its System.

(h) The Project.

- (i) The Project is feasible, and there will be adequate funds available to complete the Project and to repay the Loan.
- (ii) The Borrower has been provided with a copy of the rules adopted by the State under ORS 285A.075 and 285A.213, and the Project is in compliance with such rules.
- (iii) The term of the Loan is not in excess of the useful life of the Project.

(i) Costs of the Project. The Borrower certifies that the Costs of the Project, as listed in Exhibit B and Exhibit C hereto, (i) are a reasonable and accurate estimation and based upon an engineer's feasibility report and engineer's estimate stamped by a registered professional engineer, or an architect's feasibility report and architect's estimate stamped by a licensed architect, as applicable, a copy of which shall be promptly provided to the State upon request, and (ii) are equal to or exceed the maximum principal amount of the Loan shown on Exhibit C. The Borrower further certifies that a professional engineer registered and in good standing in Oregon will be responsible for design and construction of the Project. Prior to Borrower's execution of a contract for engineering service, Borrower shall verify the engineer's registration and complaint history with the Oregon State Board of Examiners for Engineering and Land Surveying.

(j) Continuing Representations. The representations of the Borrower contained herein shall be true at the time of the Loan Closing Date and at all times during the term of this Loan Agreement.

SECTION 3.02. Particular Covenants of the Borrower.

(a) Use of Proceeds. The Borrower will apply the proceeds of the Loan to finance all or a portion of the Costs of the Project. Borrower will apply the proceeds strictly in accordance with the Act and Oregon law.

(b) Performance Under Loan Documents. The Borrower covenants and agrees (i) to maintain the Project and its System in good repair and operating condition; (ii) to cooperate with the State in the observance and performance of the respective duties, covenants, obligations and agreements of the Borrower and the State under this Loan Agreement and the other Loan Documents; and (iii) to comply with the covenants described in this Loan Agreement and the other Loan Documents.

(c) Completion of Project and Provision of Moneys Therefor. At least ten days before advertising for bids, Borrower shall submit bid documents and a timeline for the bidding/awarding process to the State for review. Within ten days after selecting a contractor, Borrower shall provide a copy of the bid tabulation and notice of award to the State. The Borrower shall obtain as-built drawings for all facilities of the Project and obtain certification of completion per as-built drawings from the Project engineer within ninety (90) days of the Project Completion Date. The Borrower shall supply a copy of such drawings and certification to the State upon request. The Borrower further covenants and agrees (i) to exercise its best efforts in accordance with prudent practice to complete the Project and to so accomplish such completion on or before the estimated Project Completion Date set forth in Exhibit C; (ii) to proceed expeditiously with, and complete, the Project in accordance with plans reviewed and approved by the State and (iii) to provide from its own fiscal resources all moneys, in excess of the total amount of Loan proceeds it receives pursuant to this Loan Agreement, required to complete the Project. For purposes of (ii) of the preceding sentence, if the State does not review the plans and specifications or suggest modifications thereto within thirty (30) days of the receipt by the State of the plans and specifications, they shall be deemed approved. The Borrower shall have a program, documented to the satisfaction of the State, for the on-going maintenance, operation and replacement, at Borrower's sole expense, of the Project. The program shall include a plan for generating revenues sufficient to assure the operation, maintenance and replacement of the Project during the useful life of the Project. Borrower shall provide such documentation to the State on or before the Project Completion Date.

(d) Disposition of Project or System. Unless worn out, obsolete, or in the reasonable business judgment of the Borrower, no longer useful in the operation of the System, the Borrower shall not sell, lease, exchange, abandon or otherwise dispose of all or substantially all or any substantial portion of the Project or its System or any other system which provides revenues for payment of amounts due under this Loan Agreement and the Loan Documents, except if the State consents thereto in writing upon ninety (90) days' prior written notice to the State. Proceeds of any such transfer not used to replace property which is part of the Project shall be applied to the payment of the outstanding principal of and interest on the Loan as a Loan Prepayment, as provided in Section 2.04 of this Agreement.

(e) Operation and Maintenance of System. The Borrower covenants and agrees that it shall, in accordance with prudent utility practice, (i) at all times operate the properties of its System and any business in connection therewith in an efficient manner, (ii) maintain its System in good repair, working order and operating condition, (iii) from time to time make all necessary and proper repairs, renewals, replacements, additions, betterments and improvements with respect to its System so that at all times the business carried on in connection therewith shall be properly and advantageously conducted and (iv) not provide free service to any customer served by the System except in an emergency; provided, however, this covenant shall not be construed as requiring the Borrower to expend any funds which are derived from sources other than the operation of its System or other receipts of such System which are not sources of repayment under Section 2.05(a), and provided further that nothing herein shall be construed as preventing the Borrower from doing so.

(f) Records; Accounts. The Borrower shall keep accurate records and accounts for the revenues and funds that are the source of repayment of the Loan, including but not limited to the Net Revenues (the "Repayment Revenue Records"), separate and distinct from its other records and accounts (the "General Records"). Such Repayment Revenue Records shall be maintained in accordance with generally accepted accounting principles as established by the Government Accounting Standards Board as in effect from time to time and shall be audited annually by an independent accountant, which audit may be part of the annual audit of the General Records of the Borrower. Such Repayment Revenue Records and General Records shall be made available for inspection by the State at any reasonable time, and a copy of such annual audit(s) therefor, including all written comments and recommendations of such accountant, shall be furnished to the State within two hundred ten (210) days of the close of the fiscal year being so audited. The Borrower's financial management systems must conform with the generally accepted accounting principles for state and municipal corporations established by the National Committee on Governmental Accounting as in effect from time to time.

(g) Inspections; Information. The Borrower shall permit the State and any party designated by the State to examine, visit and inspect, at any and all reasonable time, the property, if any, constituting the Project, and to inspect and make copies of any accounts, books and records, including, without limitation, its records regarding receipts, disbursements, contracts, investments and any other matters relating thereto and to its financial standing, and shall supply such reports and information as the State may reasonably require in connection therewith. In addition, the Borrower shall provide the State with copies of loan documents or other financing documents and any official statements or other forms of offering prospectus relating to any bonds, notes or other indebtedness of the Borrower that are issued after the Loan Closing Date and are secured by the Net Revenues.

(h) Insurance. The Borrower shall maintain or cause to be maintained insurance policies with responsible insurers or self insurance programs insuring against risk of direct physical loss, damage or destruction of its System, at least to the extent that similar insurance is usually carried by governmental units constructing, operating and maintaining system facilities of the nature of the Borrower's System, including liability coverage, all to the extent available at reasonable cost. Nothing herein shall be deemed to preclude the Borrower from exerting against any party, other than the State, a defense which may be available to the Borrower, including without limitation a defense of immunity. In the event the Project or any portion thereof is destroyed, any insurance proceeds shall be paid to the State and shall be applied to the principal of and interest on the Loan in accordance with Section 2.04 hereof, unless the State agrees in writing that the insurance proceeds shall be used to rebuild the Project.

(i) Condemnation. In the event the Project or any portion thereof is condemned, any condemnation proceeds shall be used to prepay the outstanding balance on the Loan in accordance with Section 2.04 hereof.

(j) Notice of Material Adverse Change. The Borrower shall promptly notify the State of any material adverse change in the activities, prospects or condition (financial or otherwise) of the Borrower, the Project, or the Borrower's System or in the ability of the Borrower to make all Loan Repayments and otherwise observe and perform its duties, covenants, obligations and agreements under this Loan Agreement and the other Loan Documents.

(k) Financial Statements; Reports. The Borrower shall deliver to the State in form and detail satisfactory to the State:

- (i) As soon as reasonably possible and in any event within two hundred ten (210) days after the close of each fiscal year of the Borrower, audited financial statements, when and if prepared and available, prepared in accordance with generally accepted accounting principles as established by the Government Accounting Standards Board as in effect from time to time; provided, however, that if audited financial statements are not available, unaudited statements of revenues, expenditures, cash flows, and changes in retained earnings for each of the funds constituting the revenues for such period, all in comparative form and all in reasonable detail and certified by the chief financial officer of the Borrower, subject to year-end audit adjustments.
- (ii) Such other statement or statements or reports as to the Borrower as the State may reasonably request.

(l) Meters. Prior to final disbursement of the Loan,

- (i) In the case of construction projects, the Borrower shall install necessary source meter(s) and service meter(s) on all connections throughout the drinking water system. The Borrower shall also have an acceptable operations program that includes regular reading and maintaining of all system meters.
- (ii) In the case of planning, preliminary engineering and final design and specification projects, the Borrower must adopt a plan for the installation of necessary source meter(s) and service meter(s) on all connections throughout the drinking water system.

(m) Environmental Review. Prior to any work on the Project, whether construction or non-construction related, an environmental review in accordance with the State environmental review process and consistent with state and federal environmental laws must be completed.

(n) Contract Covenants. The Borrower covenants and agrees to comply with the terms of the Contract including without limitation the covenants of the Borrower in Section 6 of the Contract.

(o) Further Assurances. The Borrower shall, at the request of the State, authorize, execute, acknowledge and deliver such further resolutions, conveyances, transfers, assurances, financing statements and other instruments as may be necessary or desirable for better assuring, conveying, granting, and confirming the rights, security interests and agreements granted or intended to be granted by this Loan Agreement.

ARTICLE IV CONDITIONS PRECEDENT

SECTION 4.01. Loan Closing. The State's obligations hereunder are subject to satisfaction of the following conditions precedent on or prior to the Loan Closing Deadline or such later date as the State may authorize in the State's sole and absolute discretion:

(a) due execution and delivery to the State by the Borrower of the following items, each in form and substance satisfactory to State and its Counsel, and filed if so required by the State:

- (i) this Loan Agreement duly executed and delivered by an Authorized Officer of the Borrower;
- (ii) the Note duly executed and delivered by an Authorized Officer of the Borrower;
- (iii) the Contract duly executed and delivered by an Authorized Officer of the Borrower;
- (iv) copy of the ordinance, order, resolution, or other authorizing document of the governing body of the Borrower as appropriate under Borrower's organizational documents authorizing the execution and delivery of this Loan Agreement, the other Loan Documents, and the Borrower's Contract, certified by an Authorized Officer of the Borrower;
- (v) an opinion of the Borrower's Counsel, acceptable to State, substantially in the form of Exhibit G hereof; and
- (vi) such other certificates, documents, opinions and information as the State may reasonably require.

(b) there is money available in the Safe Drinking Water Fund for the Project;

provided, however, the State shall be under no obligation to make any disbursements hereunder if there has been a change in the Act so that the Project is no longer eligible for financial assistance authorized by this Loan Agreement.

SECTION 4.02. Conditions to Disbursements. Notwithstanding anything in this Loan Agreement or any of the Loan Documents to the contrary, the State shall have no obligation to make any disbursement to the Borrower hereunder if:

(a) an Event of Default, or event, omission or failure of a condition which would constitute an Event of Default as defined in this Loan Agreement or any of the Loan Documents after notice or lapse of time or both, has occurred and is continuing under this Loan Agreement or any of the Loan Documents;

(b) the representations and warranties of the Borrower made in this Loan Agreement are not true and correct on the date of disbursement with the same effect as if made on such date;

(c) State has not received (i) a disbursement request executed by the Borrower in substantially the form of Exhibit F and (ii) any other written evidence of materials and labor furnished to or performed upon the Project, itemized receipts or invoices for the payment of the same, and releases, satisfactions and other signed statements and forms as the State may require as a condition for making disbursement of funds under this Loan Agreement. The State may, at its option, from time to time, either reimburse the Borrower for construction costs paid or may make direct payment for construction costs to suppliers, subcontractors and others for sums due them in connection with construction of the Project. Nothing herein contained shall require the State to pay any amounts for labor or materials unless satisfied that such claims are reasonable and that such labor and materials were actually expended and used in the construction of the Project. The State, at its option, from time to time, may also require that the Borrower have a contractor or subcontractor execute and/or deliver a surety bond or indemnification in form and substance acceptable to the State for the faithful performance of the construction contract or subcontract and payment of all liens and lienable expenses in connection therewith in a sum equal to the contract or subcontract price. Disbursements for the Costs of the Project shall be subject to a retainage at the rate of five percent (5%) which will be released upon satisfactory completion of the Project; or

(d) money is not available in the Safe Drinking Water Fund to fund the disbursement;

provided, however, the State shall be under no obligation to make any disbursements hereunder if there has been a change in the Act so that the Project is no longer eligible for financial assistance authorized by this Loan Agreement.

ARTICLE V ASSIGNMENT

SECTION 5.01. Assignment by Borrower. This Loan Agreement and the other Loan Documents may not be assigned by the Borrower without the prior written consent of the State. The State may grant or withhold such consent in its sole discretion. In the event of an assignment of this Loan Agreement and the other Loan Documents by Borrower and assumption of the obligations hereunder, Borrower shall pay, or cause to be paid, to the State any fees or costs incurred by the State as the result of such assignment, including but not limited to, attorney fees of its Counsel.

ARTICLE VI DEFAULTS AND REMEDIES

SECTION 6.01. Event of Default. Time is of the essence of this Loan Agreement. If any of the following events occurs, it is hereby defined as and declared to be and to constitute an "Event of Default:"

(a) Failure by the Borrower to pay, or cause to be paid, on December 1 of any year any Loan Repayment required to be paid hereunder on such due date; or

(b) Failure by the Borrower to make, or cause to be made, any required payments of principal and interest on any bonds, notes or other obligations of the Borrower for borrowed money (other than the Loan), after giving effect to the applicable grace period; or

(c) Any representation made by or on behalf of the Borrower contained in this Loan Agreement or any other Loan Document, or in any agreement, instrument, certificate or document furnished in compliance with or with reference to this Loan Agreement, any other Loan Document or the Loan, is false or misleading in any material respect; or

(d) A petition is filed by or against the Borrower under any federal or state bankruptcy or insolvency law or other similar law in effect on the date of this Loan Agreement or thereafter enacted, unless in the case of any such petition filed against the Borrower, such petition shall be dismissed within twenty (20) calendar days after such filing, and such dismissal shall be final and not subject to appeal; or the Borrower shall become insolvent or bankrupt or make an assignment for the benefit of its creditors; or a custodian (including, without limitation, a receiver, liquidator or trustee of the Borrower or any of its property) shall be appointed by court order or take possession of the Borrower or its property or assets if such order remains in effect or such possession continues for more than thirty (30) calendar days; or

(e) Failure of the Borrower's governing body to appropriate sufficient funds to fully fund all of the Borrower's obligations to make Loan Repayments hereunder for any future fiscal period; or

(f) The occurrence of any event of default under Section 7 of the Contract; or

(g) Failure by the Borrower to observe and perform any duty, covenant, obligation or agreement on its part to be observed or performed under this Loan Agreement or any other Loan Documents, other than as referred to in subsections (a) through (f) of this Section, which failure shall continue for a period of thirty (30) calendar days after written notice, specifying such failure and requesting that it be remedied, is given to the Borrower by the State, unless the State shall agree in writing to an extension of such time prior to its expiration; provided, however, that if the failure stated in such notice is correctable but cannot be corrected within the applicable period, the State may not unreasonably withhold its consent to an extension of such time up to one hundred twenty (120) days from the delivery of the written notice referred to above if corrective action is instituted by the Borrower within the applicable period and diligently pursued until the Event of Default is corrected; or

(h) The Borrower fails to proceed expeditiously with, or to complete or cause completion of, the Project or any segment or phase of the Project in accordance with the plans and schedules approved by the State.

SECTION 6.02. Notice of Default. The Borrower shall give the State prompt notice by telephone of the occurrence of any Event of Default referred to in Section 6.01(d) hereof and of the occurrence of any other event or condition that constitutes an Event of Default at such time as any senior administrative or financial officer of the Borrower becomes aware of the existence thereof. Any telephone notice pursuant to this Section 6.02 shall be confirmed in writing as soon as practicable by the Borrower.

SECTION 6.03. Remedies on Default. Whenever an Event of Default referred to in Section 6.01 hereof shall have occurred and be continuing, the State shall have the right to take any action permitted or required pursuant to the Loan Agreement or any other Loan Document and to take whatever other action at law or in equity may appear necessary or desirable to collect the amounts then due and thereafter to become due hereunder or to enforce the performance and observance of any duty, covenant, obligation or agreement of the Borrower hereunder, including without limitation, (a) declaring all principal and interest and all other amounts due hereunder and under the other Loan Documents to be immediately due and payable, and upon notice to the Borrower the same shall become due and payable without further notice or demand, (b) appointment of a receiver of the System, (c) refusal to disburse any funds under this Loan Agreement, (d) barring the Borrower from applying for future state assistance, or (e) withholding amounts otherwise due to the Borrower to apply to the payment of amounts due under this Loan Agreement pursuant to ORS 285A.213(6) and OAR 123-049-0040.

SECTION 6.04. Attorney's Fees and Other Expenses. To the extent permitted by law, the prevailing party in any dispute arising from this Contract shall be entitled to recover from the other its reasonable attorney's fees, costs and expenses at trial and on appeal

SECTION 6.05. Application of Moneys. Any moneys collected by the State pursuant to Section 6.03 hereof shall be applied (a) first, to pay any attorney's fees or other fees and expenses owed by the Borrower hereunder, (b) second, to pay interest due and payable on the Loan, (c) third, to pay principal due and payable on the Loan, and (d) fourth, to pay any other amounts due and payable under this Loan Agreement or any of the Loan Documents.

SECTION 6.06. No Remedy Exclusive; Waiver; Notice. No remedy herein conferred upon or reserved to the State is intended to be exclusive, and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Loan Agreement or any of the Loan Documents or now or hereafter existing at law or in equity. No delay or omission to exercise any right, remedy or power accruing upon any Event of Default shall impair any such right, remedy or power or shall be construed to be a waiver thereof, but any such right, remedy or power may be exercised from time to time and as often as may be deemed expedient. To entitle the State to exercise any remedy reserved to it in this Article VI, it shall not be necessary to give any notice, other than such notice as may be required in this Article VI.

SECTION 6.07. Default by the State. In the event of any default by the State under any covenant, agreement or obligation of this Loan Agreement, the Borrower's remedy for such default shall be limited to injunction, special action, action for specific performance or any other available equitable remedy designed to enforce the performance or observance of any duty, covenant, obligation or agreement of the State hereunder as may be necessary or appropriate.

ARTICLE VII MISCELLANEOUS

SECTION 7.01. Notices. All notices hereunder shall be sufficiently given and shall be deemed given when hand delivered or mailed, postage prepaid, to the Borrower at the address specified on Exhibit C hereof and to the State at the following address:

Economic and Community Development Department
Attention: Operations Manager, Community Development Division
775 Summer Street NE, Suite 200
Salem, OR 97301-1280

Any notice so addressed and mailed shall be effective five (5) days after mailing. Any notice given by personal delivery shall be effective when actually delivered.

A party may designate any further or different address to which subsequent notices shall be sent, by notice in writing.

SECTION 7.02. Successors and Assigns. The Borrower shall not assign or transfer any interest in this Loan Agreement or in any other Loan Document without the prior written approval of the State. Any such assignment or transfer, if approved, is subject to such conditions and provisions as the State may deem necessary. No approval by the State of any assignment or transfer shall be deemed to create any obligation of the State in addition to those set forth in the Loan Agreement or the other Loan Documents nor will the State's approval of an assignment or transfer relieve the Borrower of any of its duties or obligations under this Loan Agreement or any of the other Loan Documents. This Loan Agreement shall inure to the benefit of and shall be binding upon the State and the Borrower and their respective successors and assigns.

SECTION 7.03. Severability. In the event any provision of this Loan Agreement shall be held illegal, invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate, render unenforceable or otherwise affect any other provision hereof.

SECTION 7.04. Amendments, Supplements and Modifications. This Loan Agreement may not be amended, supplemented or modified without the prior written consent of the State and the Borrower. This Loan Agreement may not be amended, supplemented or modified in a manner that is not in compliance with the Act.

SECTION 7.05. Execution in Counterparts. This Loan Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 7.06. No Construction Against Drafter. Both parties acknowledge that they are each represented by and have sought the advice of Counsel in connection with this Loan Agreement and the transactions contemplated hereby and have read and understand the terms of this Loan Agreement. The terms of this Loan Agreement shall not be construed against either party as the drafter hereof.

SECTION 7.07. Applicable Law. This Loan Agreement shall be governed by and construed in accordance with the laws of the State of Oregon, including the Act, without regard to principles of conflicts of law. Any claim, action, suit or proceeding (collectively, "Claim") between the State (and/or any agency or department of the State of Oregon) and the Borrower that arises from or relates to this Loan Agreement shall be brought and conducted solely and exclusively within the Circuit Court of Marion County for the State of Oregon (unless Oregon Law requires that it be brought and conducted in another county); provided, however, if a Claim must be brought in a federal forum, then it shall be brought and conducted solely and exclusively within the United States District Court for the District of Oregon. In no event shall this Section be construed as a waiver by the State of Oregon of any form of defense or immunity, whether it is sovereign immunity, governmental immunity, immunity based on the Eleventh Amendment to the Constitution of the United States or otherwise, from any Claim or from the jurisdiction of any court. BORROWER, BY EXECUTION OF THIS LOAN AGREEMENT, HEREBY CONSENTS TO THE IN PERSONAM JURISDICTION OF SAID COURTS.

SECTION 7.08. Consents and Approvals. Whenever the written consent or approval of the State shall be required under the provisions of this Loan Agreement, such consent or approval may only be given by the State unless otherwise provided by law or by rules, regulations or resolutions of the State.

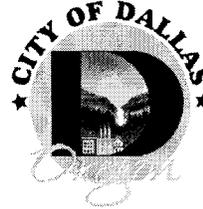
SECTION 7.09. Merger; No Waiver. This Loan Agreement and the attached exhibits (which are by this reference incorporated herein) constitute the entire agreement between the parties on the subject matter hereof. There are no understandings, agreements, or representations, oral or written, not specified herein regarding this Loan Agreement. No waiver of any provision of this Loan Agreement or consent shall bind either party unless in writing and signed by the party against whom the waiver or consent is sought to be enforced (and in the case of a waiver or consent by the State, all necessary State approvals have been obtained). Such waiver or consent, if made, shall be effective only in the specific instance and for the specific purpose given. The failure of or delay by the State to enforce any provision of this Loan Agreement shall not constitute a waiver by the State of that or any other provision.

SECTION 7.10. No Third Party Beneficiaries. The State and the Borrower are the only parties to this Loan Agreement and are the only parties entitled to enforce its terms. The parties agree that the Borrower's performance under this Loan Agreement is solely for the benefit of the State. Nothing in this Loan Agreement gives, is intended to give, or shall be construed to give or provide any benefit or right, whether directly, indirectly or otherwise, to third persons any greater benefit or right than the rights and benefits enjoyed by the general public unless such third persons are individually identified by name herein and expressly described as intended beneficiaries of the terms of this Loan Agreement.

IN WITNESS WHEREOF, the State and the Borrower have caused this Loan Agreement to be executed and delivered, effective as of the latest date of the signatories below. The Borrower, by the signature below of its Authorized Officer, hereby acknowledges that it has read this Agreement, understands it, and agrees to be bound by its terms and conditions.



STATE OF OREGON
acting by and through its Economic and
Community Development Department



CITY OF DALLAS
(Borrower)

By: XXXXXXXXXXXXXXXXXXXXX
Laird Bryan, Operations Manager
Community Development Division

By: XXXXXXXXXXXXXXXXXXXXX
Roger Jordan, City Manager

Date: XXXXXXXXXXXXXXXXXXXXX

Date: XXXXXXXXXXXXXXXXXXXXX

APPROVED AS TO LEGAL SUFFICIENCY IN ACCORDANCE WITH ORS 291.047:

XXXXXXXXXXXXXXXXXXXXX
Lynn T. Nagasako, Sr. Assistant Attorney General

Date: XXXXXXXXXXXXXXXXXXXXX

PROJECT DESCRIPTION

The Borrower shall complete the following water system improvements for its System, including engineering design:

- A. Ellendale water infrastructure (owned by City of Dallas): Install approximately 2,000 lineal feet of small-diameter water line, replace approximately 30 meters, raise fire hydrants, and complete other improvements necessary for efficient and effective operation of the infrastructure;
- B. Intake Upgrades: Complete improvements necessary to meet federal and state standards for protection of endangered species and to reduce leaf and debris loading. Borrower will determine the specific improvements, which, for example, may include: Replacement of trash racks and intake screens, installation of two additional raw water pumps and variable speed drives, and replacement of the screen air burst compressor and receiver;
- C. Intake Line Replacement: Replace a portion of the existing raw water transmission pipeline from the intake pump station to the water treatment plant;
- D. Transmission Line (Clay Street Reservoirs): Replace or reline the transmission pipeline from the water treatment plant to the Clay Street reservoirs;
- E. Main Street Reservoir: Install a 2- to 3-million-gallon, drinking-water reservoir; and
- F. Transmission Line (Main Street Reservoir): Install approximately 2,900 lineal feet of 16", and approximately 1,950 lineal feet of 10", water main from the Main Street Reservoir to Cherry Street.



**Oregon Economic & Community Development Department
Project Budget**

Loan Agreement Exhibit B
Page 1 of 2

Project Number: S07001
Project Name: Dallas Water System Improvements

Recipient: City of Dallas
Funding Pgm(s): Safe Drinking Water Revolving Loan Fund

(A)	Department Funds				Other/Matching Funds			All Funds
	(B)	(C)	(D)	(E) = [B-C-D]	(F)	(G)	(H) = [F-G]	(I) = [C+D+G]
Activity	Approved Budget	Prior Disbursements	Current Request	Balance	Approved Budget	Expended To Date	Balance	Disbursed & Expended To Date
Ellendale Water District Improvement					\$50,000		\$50,000	
Intake Upgrades	350,000			350,000	100,000		100,000	
Intake Line Replacement	550,000			550,000	100,000		100,000	
Transmission Line, Clay St Reservoir	850,000			850,000				
Main Street Reservoir	2,250,000			2,250,000	250,000		250,000	
Transmission Line, Main St Reservoir	750,000			750,000				
Total	\$4,750,000			\$4,750,000	\$500,000		\$500,000	

Total Project Budget		
Funding Sources	Approved Budget	Expenditures To Date
Safe Drinking Water Revolving Loan Fund	\$4,750,000	
Other/Matching Funds	500,000	
Total Project Costs	\$5,250,000	

Non-Department Funds (Other/Matching) Sources Used for all Expenditures		
Funding Sources	Approved Budget	Expenditures To Date
City of Dallas	\$500,000	
Total Non-Dept. Funds	\$500,000	

Non-Department Funds (Other/Matching) IN-KIND		
Source of In-Kind Contribution	Goods/Services Donated	Value of Contribution To Date
In-Kind Contributions To Date		

**Oregon Economic & Community Development Department
Project Budget**

Project Number: S07001
Project Name: Dallas Water System Improvements

Project Goals (report for every cash request)		
Proposed Work Plan	Estimated Completion Date	Results Achieved
1 Intake Lane Replacement	Nov 30, 2006	
2 Ellendale Water District Improvements	Nov 30, 2006	
3 Intake Upgrades	May 31, 2007	
4 Main Street Reservoir	Aug 31, 2007	
5 Transmission Line (Clay Street Reservoir)	Nov 30, 2007	
6 Transmission Line (Main Street Reservoir)	Nov 30, 2007	
7		
8		
9		
10		

DESCRIPTION OF THE LOAN

1. Loan Closing Deadline: April 30, 2007
2. Name and Address of Borrower: City of Dallas
187 SE Court Street
Dallas, OR 97338
3. Costs of the Project: \$5,250,000
4. Matching Funds \$500,000
5. Estimated Project Completion Date: November 30, 2007
6. Maximum Aggregate Principal Amount of Loan: \$4,750,000
7. Interest Rate: three and 38/100 percent (3.38%) per annum
8. Term of the Loan: Approximately but no greater than 20 years (See Section 2.02)
9. Authorized Officer(s) of Borrower: City Manager



Special Conditions

I. General Fund as a Source of Repayment

The Loan shall be payable from the general fund of the Borrower and shall be a full faith and credit obligation of the Borrower which is payable from any taxes which the Borrower may levy within the limitations of Article XI of the Oregon Constitution.

II. Security

Net Revenues of the System - Senior Lien or Parity Position

1. The principal of and interest on the Loan shall be payable from the Net Revenues of the Borrower's System. The Borrower hereby grants to the State a security interest in and irrevocably pledges its Net Revenues to pay all of the obligations owed by the Borrower to the State under the Loan Agreement. As described in ORS 288.594, the pledge of the Net Revenues hereby made by the Borrower shall be valid and binding from the date of this Loan Agreement.
2. The Borrower shall not incur any obligation payable from or secured by a lien on and pledge of the Net Revenues that is superior to or on a parity with the Loan unless the Net Revenues exceed one hundred ten percent (110%) of the aggregate annual debt service on the Loan and all such senior lien and parity obligations. Prior to the issuance of any senior lien or parity obligations, the Borrower shall deliver to State a certificate demonstrating that the requirements of this paragraph are satisfied.
3. The Borrower shall charge rates and fees in connection with the operation of the System which, when combined with other gross revenues, are adequate to generate Net Revenues each fiscal year at least equal to one hundred ten percent (110%) of the annual debt service due in the fiscal year on the Loan, any outstanding senior lien obligations and any obligations on a parity with the Loan as described in paragraph 2 above.
4. The Borrower may establish a debt service reserve fund to secure repayment of the obligations that are issued on a parity with the Loan as described in paragraph 2 above, provided that such debt service reserve fund is not required to be pledged to the payment of the debt service on such obligations unless the Net Revenues of the System are deposited into such debt service reserve fund only after provision is made for the payment of debt service on the Loan during the current fiscal year.
5. The Net Revenues pledged pursuant to paragraph 1 above and hereafter received by the Borrower shall immediately be subject to the lien of such pledge without physical delivery or further act, and the lien of the pledge shall be superior to all other claims and liens whatsoever, except as provided in paragraph 2 above, to the fullest extent permitted by ORS 288.594. The Borrower hereby represents and warrants that the pledge of Net Revenues hereby made by the Borrower complies with, and shall be valid and binding from the date hereof as described in ORS 288.594.

Oregon Economic & Community Development Department
Disbursement Request

Project Number:

Project Name:

Request Number: _____

Project Goals (report for every cash request)

Proposed Work Plan	Estimated Completion Date	Results Achieved
1 _____	_____	_____
2 _____	_____	_____
3 _____	_____	_____
4 _____	_____	_____
5 _____	_____	_____
6 _____	_____	_____
7 _____	_____	_____
8 _____	_____	_____
9 _____	_____	_____
10 _____	_____	_____

Form of Opinion of Counsel

Capitalized terms used in this opinion that are not defined herein have the meanings assigned to them by that certain loan agreement dated as of XXXXXXXXXXXXXXXXXXXX, XXXX between the State and Borrower.

It is the opinion of XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX, counsel for the City of Dallas, 187 SE Court Street, Dallas, OR 97338 (“Borrower”), that:

(a) Borrower is a XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX duly organized and validly existing under the laws of Oregon, and Borrower has the requisite power and authority to own its properties and conduct its business as now conducted. Borrower owns a community water system [non-profit non-community water system], as defined under the Act and Oregon law, that is eligible to receive funds.

(b) Borrower has the requisite power and authority to execute, deliver, and perform the Loan Documents and the Contract. The Loan Documents and the Contract have been duly and validly authorized by Borrower, have been executed and delivered by an Authorized Officer of Borrower and constitute the legal, valid, and binding obligations of Borrower and are enforceable according to their terms, subject to bankruptcy and other laws of general application affecting the rights and remedies of creditors, except that no opinion need be given as to the availability of equitable remedies.

(c) Borrower is not in violation or default of any material agreement to which it is a party or by which it is bound, which affects or relates to Borrower’s performance under the Loan Documents or the Contract. Borrower’s execution, delivery, performance, and compliance with the terms of the Loan Documents and the Contract do not violate any material provision of any applicable federal, state, or local law, rule or regulation binding on Borrower or of any judgment, writ, decree, or order known to such counsel to be binding on Borrower, or any provision of Borrower’s organizational documents and do not conflict with or constitute a material default under the provisions of any material agreement to which Borrower is a party or by which it is bound.

(d) All consents, approvals, orders, or authorizations of, and all qualifications, registrations, designations, declarations, or filings with any federal or state governmental authority on the part of Borrower required for the consummation of the transactions contemplated by the Loan Documents and the Contract have been obtained and are effective as of the date hereof, and such counsel is not aware of any proceedings, or threat thereof, which question the validity thereof.

(e) There is no action, suit, proceeding, or investigation pending or threatened against Borrower which would, if adversely determined, have a material adverse effect on the financial condition or business of Borrower or on the ability of Borrower to perform its obligations under the Loan Documents or the Contract.

(f) The State has acquired a legally valid and perfected security interest in and lien on the Net Revenues to secure Borrower’s repayment of the Loan and performance of Borrower’s other obligations under the Loan Documents.

**STATE OF OREGON
ECONOMIC AND COMMUNITY DEVELOPMENT DEPARTMENT
PROMISSORY NOTE**

(Dated) XXXXXXXXXXXXXXXXXXXX, XXXX

Dallas, OR

FOR VALUE RECEIVED, the City of Dallas, 187 SE Court Street, Dallas, OR 97338 (hereinafter "Borrower"), unconditionally promises to pay in lawful money of the United States of America to the order of the STATE OF OREGON, ACTING BY AND THROUGH ITS ECONOMIC AND COMMUNITY DEVELOPMENT DEPARTMENT, at its principal office at 775 Summer Street NE, Suite 200, Salem, OR 97301-1280 (hereinafter "State"), the principal sum of Four Million Seven Hundred Fifty Thousand Dollars (\$4,750,000) or so much thereof as is disbursed pursuant to the Loan Agreement (as defined below), plus accrued interest on each disbursement at the rate of three and 38/100 percent (3.38%) per annum from the disbursement date until paid. Interest shall be computed on the basis of a 360-day year, consisting of twelve (12) thirty-day (30) months.

Capitalized terms not otherwise defined in this Note have the meanings assigned to them by that certain loan agreement dated as of XXXXXXXXXXXXXXXXXXXX, XXXX, between the State and the Borrower (as amended from time to time the "Loan Agreement").

Unless earlier repayment is received hereunder or under the terms of the Loan Agreement, commencing on the First Payment Date and thereafter on December 1 of each year, the Borrower shall make installment payments of principal and interest which shall be calculated based on the assumption that the outstanding principal balance hereof on the First Payment Date accrued interest for a full year prior to the First Payment Date, and each such installment shall be in an amount sufficient to pay the interest accrued to the date of payment and so much of the principal as will fully amortize the principal amount of this Note by the Maturity Date, at which time the entire outstanding principal balance and all accrued unpaid interest shall be due and payable in full; provided however that the first such installment payment shall be adjusted to include actual interest accrued to the First Payment Date.

This Note is subject to mandatory prepayment, and is payable prior to its maturity, as provided for in Sections 2.04 of the Loan Agreement.

Each payment made by the Borrower hereunder shall be applied in accordance with the Loan Agreement

This Note is given to avoid the execution by Borrower of an individual note for each disbursement of Loan proceeds by State to Borrower in accordance with Section 2.01 of the Loan Agreement. In consideration thereof, Borrower authorizes State to record in State's files the date and amount of each such disbursement, the date and amount of each payment and prepayment by Borrower hereunder and the amount of interest accrued and paid. Borrower further agrees that absent manifest error, such notations shall be conclusive evidence of borrowing, payments and interest under this Note; provided, however, that failure to make any such notations shall not affect the obligations of Borrower hereunder or under any of the Loan Documents.

If any Event of Default occurs, the outstanding balance of the Note, including principal, interest and other charges, if any, shall, at the option of the State, become immediately due and payable in accordance with Section 6.03 of the Loan Agreement. Failure or delay of the holder of this Note to exercise any option available to the State under the terms of this Note or the Loan Agreement shall not constitute a waiver of the right to exercise the option in the event of any continuing or subsequent default and shall not constitute a waiver of any subsequent breach of the same or of any other provision of this Note or the Loan Agreement.

All parties to this Note hereby waive presentment, dishonor, notice of dishonor, and protest. All parties hereto hereby consent to, and the holder hereof is hereby expressly authorized to make, without notice, any and all renewals, extensions, modifications or waivers of the time for or the terms of payment of any sum of sums due hereunder, or under any documents or instruments relating to or securing this Note, or of the performance of any covenants, conditions or agreements hereof or thereof, or the taking or release of collateral securing this Note. No liability of any party of this Note shall be discharged by any action consented to above taken by any holder of this Note.

This Note is made with reference to, and is to be construed in accordance with, the laws of the State of Oregon.

This Note is subject to, and is secured pursuant to, the terms and conditions of the Loan Agreement.

**Notice to Borrower
Do not sign this Note before you read it.**

CITY OF DALLAS

By: XXXXXXXXXXXXXXXXXXXXXXXXXX

Title: XXXXXXXXXXXXXXXXXXXXXXXXXX

ENVIRONMENTAL AND NATURAL RESOURCE AGENCIES

The federal, state, and local agencies listed have enacted ordinances or regulations relating to environmental pollution or the preservation of natural resources that may affect the performance of construction contracts.

FEDERAL AGENCIES

- Agriculture, Department of
 - Forest Service
 - Soil Conservation Service
- Army, Department of the
 - Corps of Engineers
- Coast Guard
- Energy, Department of
- Environmental Protection Agency
- Health & Human Services, Department of
- Heritage Conservation and Recreation Service
- Interior, Department of
 - Bureau of Indian Affairs
 - Bureau of Land Management
 - Fish and Wildlife Service
 - Office of Surface Mining, Reclamation and Enforcement
 - Bureau of Reclamation
- Labor, Department of
 - Occupational Safety & Health Administration
 - Mine Safety & Health Administration
- Transportation, Department of
 - Federal Highway Administration

STATE AGENCIES

- Agriculture, Department of
- Energy, Department of
- Environmental Quality, Department of
- Fish and Wildlife, Department of
- Forestry, Department of
- Geology and Mineral Industries, Department of
- Human Resources, Department of
- Land Conservation and Development Commission
- State Lands, Division of
- State Soil & Water Conservation Commission
- Transportation, Department of
- Water Resources Department

LOCAL AGENCIES

- City Councils
- County Courts
- County Commissioners, Boards of
- Planning Commissions
- Special Districts: Ports, Water, Sewer, Roads

FEDERAL CROSS-CUTTERS**Environmental Authorities**

- Archeological and Historic Preservation Act of 1974, Pub. L. 86-523, as amended
- Clean Air Act, Pub. L. 84-159, as amended
- Coastal Barrier Resources Act, Pub. L. 97-348
- Coastal Zone Management Act, Pub. L. 92-583, as amended
- Endangered Species Act, Pub. L. 93-205, as amended
- Environmental Justice, Executive Order 12898
- Floodplain Management, Executive Order 11988 as amended by Executive Order 12148
- Protection of Wetlands, Executive Order 11990
- Farmland Protection Policy Act, Pub. L. 97-98
- Fish and Wildlife Coordination Act, Pub. L. 85-624, as amended
- National Historic Preservation Act of 1966, PL 89-665, as amended
- Safe Drinking Water Act, Pub. L. 93-523, as amended
- Wild and Scenic Rivers Act, Pub. L. 90-542, as amended

Economic and Miscellaneous Authorities

- Demonstration Cities and Metropolitan Development Act of 1966, Pub. L. 89-754, as amended, Executive Order 12372
- Procurement Prohibitions under Section 306 of the Clean Air Act and Section 508 of the Clean Water Act, including Executive Order 11738, Administration of the Clean Air Act and the Federal Water Pollution Control Act with Respect to Federal Contracts, Grants, or Loans
- Uniform Relocation and Real Property Acquisition Policies Act, Pub. L. 91-646, as amended
- Debarment and Suspension, Executive Order 12549

Social Policy Authorities

- Age Discrimination Act of 1975, Pub. L. 94-135
- Title VI of the Civil Rights Act of 1964, Pub. L. 88-352 and related anti-discrimination statutes
- Section 13 of the Federal Water Pollution Control Act Amendments of 1972, Pub. L. 92-500 (the Clean Water Act)
- Section 504 of the Rehabilitation Act of 1973, Pub. L. 93-112 (including Executive Orders 11914 and 11250)
- Equal Employment Opportunity, Executive Order 11246
- Women's and Minority Business Enterprise, Executive Orders 11625, 12138 and 12432
- Section 129 of the Small Business Administration Reauthorization and Amendment Act of 1988, Pub. L. 100-590

ORDINANCE NO. 1671

An Ordinance changing street names.

WHEREAS, it has been discovered that certain street names in subdivisions within the City do not comply with the requirements of the Dallas City Code requirements for street names and therefore said names need correction. NOW, THEREFORE,

THE CITY OF DALLAS DOES ORDAIN AS FOLLOWS:

Section 1. SE Greenlee Drive and SE Muir Drive, in the Green View Estates Subdivision, Phase 4, the plat for which was recorded in the records of Polk County as Clerk No. SP 13-10 and survey date of October 7, 2003, are hereby changed to SE Greenlee Street.

Section 2. SE Heather Avenue in the River Gleann Estates Subdivision, Phase 4, the plat for which was recorded in the records of Polk County as Clerk No. SP 12-24 and survey date of December 31, 2001, is hereby changed to SE Heather Lane

Section 3. NW Fairhaven Drive in the Cynthian Oaks Subdivision, the plat for which was recorded in the records of Polk County as Clerk No. SP 13-35 and survey date of April 15, 2005, is hereby changed to NW Fairhaven Lane.

Section 4. NW Eakin Lane in the Cynthian Oaks Subdivision, the plat for which was recorded in the records of Polk County as Clerk No. SP 13-35 and survey date of April 15, 2005, is hereby changed to NW Eakin Drive.

Read for the first time: March 5, 2007
Read for the second time: March 19, 2007
Passed by the City Council: March 19, 2007
Approved by the Mayor: March 19, 2007

JAMES B. FAIRCHILD, MAYOR

ATTEST:

ROGER JORDAN, CITY MANAGER