



**City Council**

Mayor  
Brian Dalton

Council President  
Wes Scroggin

Councilor  
Jim Brown

Councilor  
Jim Fairchild

Councilor  
Beth Jones

Councilor  
Jackie Lawson

Councilor  
Kevin Marshall

Councilor  
Murray Stewart

Councilor  
LaVonne Wilson

Councilor  
Ken Woods, Jr.

**Staff**

Interim City Manager  
Jon Nelson

City Attorney  
Lane Shetterly

Admin Svc Director  
Robert Spivey

Community Development/  
Operations Director  
Jason Locke

Finance Director  
Cecilia Ward

Fire Chief  
Bill Hahn

Chief of Police  
John Teague

Engineering Director  
Fred Braun

City Recorder  
Emily Gagner

# Dallas City Council Agenda

Monday, November 5, 2012, 7:00 p.m.

Mayor Brian Dalton, Presiding

Dallas City Hall  
187 SE Court Street  
Dallas, Oregon 97338

*All persons addressing the Council will please use the table at the front of the Council. All testimony is electronically recorded. If you wish to speak on any agenda item, please sign in on the provided card.*

<u>ITEM</u>	<u>RECOMMENDED ACTION</u>
1. ROLL CALL	
2. PLEDGE OF ALLEGIANCE	
3. COMMENTS FROM THE AUDIENCE <i>This time is provided for citizens to comment on municipal issues and any agenda items other than public hearings. The Mayor may place time restrictions on comments. Please supply 14 copies of the material brought to the meeting for distribution.</i>	
4. PUBLIC HEARINGS <i>Public comment will be allowed on items appearing on this portion of the agenda following a brief staff report presenting the item and action requested. The Mayor may limit testimony.</i>	
5. CONSENT AGENDA <i>The following items are considered routine and will be enacted by one motion. There will be no separate discussion of these items unless a Council member so requests, in which case the item will be removed from the Consent Agenda and considered separately.</i>	
a. Approve minutes of October 15, 2012, City Council meeting p. 3	
b. Ratify temporary new hire p. 7	
c. Approve Chamber request for Winterfest support p. 8	
d. Approve ODOT Enhance Grant projects for FY2015-18 p. 9	
e. Approve 2011 ODOT Fund Exchange Agreement p. 24	
f. Acknowledge report of Oct 22 Public Safety Committee meeting p. 31	
g. Acknowledge report of Oct 22 Public Works Committee meeting p. 40	

# Dallas City Council Agenda

## Page 2

### Our Vision

*Our vision is to foster an environment in which Dallas residents can take advantage of a vital, growing, and diversified community that provides a high quality of life.*

### Our Mission

*The mission of the City of Dallas is to maintain a safe, livable environment by providing open government with effective, efficient, and accountable service delivery.*

### Our Motto

*Commitment to the Community.  
People Serving People.*

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.

h. Acknowledge report of the Oct 25 Street CAC meeting	p. 47	
6. ITEMS REMOVED FROM CONSENT AGENDA		
7. REPORTS OR COMMENTS FROM THE COUNCIL MEMBERS		
8. REPORTS FROM CITY MANAGER AND STAFF		
a. Farmhouse Repairs and Sale	p. 59	Motion
b. Budget update	p. 61	Motion
c. Other		
9. RESOLUTIONS		
10. FIRST READING OF ORDINANCE		
a. <u>Ordinance #1750</u> : An Ordinance amending Dallas City Code Section 5.228, relating to truancy	p.74	First Reading
11. SECOND READING OF ORDINANCE		
12. OTHER BUSINESS		
13. ADJOURNMENT		

**Note: Following the Council meeting, there will be a meeting of the Urban Renewal District Board of Directors.**

1 The Dallas City Council met in regular session on Monday, October 15, 2012, at 7:00 p.m. in the  
2 Council Chambers of City Hall with Mayor Brian Dalton presiding.

3 **ROLL CALL AND PLEDGE OF ALLEGIANCE**

4 Council members present: Council President Wes Scroggin, Councilor Jim Brown (via  
5 telephone), Councilor Jim Fairchild, Councilor Beth Jones, Councilor Jackie Lawson, Councilor  
6 Kevin Marshall, Councilor Murray Stewart, Councilor LaVonne Wilson, and Councilor Ken  
7 Woods, Jr.

8 Also present were: Interim City Manager Jon Nelson, City Attorney Lane Shetterly, Chief of  
9 Police John Teague, Fire Chief Bill Hahn, Community Development/Operations Director Jason  
10 Locke, Finance Director Cecilia Ward, Director of Administrative Services Robert Spivey, and  
11 Recording Secretary Emily Gagner.

12 Mayor Dalton led the Pledge of Allegiance.

13 **COMMENTS FROM THE AUDIENCE**

14 Mayor Dalton asked the audience members to limit their speeches to five minutes.

15 Chelsea Pope, Executive Director of the Dallas Area Chamber of Commerce and Visitors Center,  
16 119 SW Court Street, stated they held a candidates forum at the chamber luncheon earlier in the  
17 day. She noted they were hosting another open house the following Tuesday to allow the  
18 candidates to connect with the public. Ms. Pope invited the Councilors to participate as celebrity  
19 judges for the Chamber's annual Halloween event on October 31.

20 Jim Williams, 1187 SE Barberry, Dallas, Oregon, stated he was there as the Chair of the  
21 Chamber's Public Policy Committee. He indicated the agenda presented a unique discussion for  
22 the Council, pointing out the conundrum they were facing of where the funds were going to come  
23 from to continue basic services and ensure essential public facilities were up to date. He stated  
24 the City Manager's report on the financial issues facing the City presented very challenging issues  
25 for the Council to undertake. Mr. Williams commented that the Chamber Public Policy  
26 Committee and the Chamber Board stood behind the Council in wanting a positive resolution on  
27 that and they would continue to work with the Council to do it. Mr. Williams noted on the other  
28 hand, the Public Policy Committee was firmly supportive of a continuation of the reduction of  
29 SDCs understanding the reduction did cause problems on the other side. He stated the staff report  
30 said the waivers should not continue but he would argue they should just because the economics  
31 had changed. He indicated several years ago one could get a mortgage for a small percent down,  
32 but now it was 20% down with SDCs on top of that. Mr. Williams stated the continuation of the  
33 SDC waiver would continue the economic growth in home building, adding the Chamber would  
34 continue to work with the Council on the issue.

35 Nancie Rogers, 17490 Brown Rd, Dallas, Oregon, thanked Mayor Dalton, Council President  
36 Scroggin, Mr. Nelson, and Mr. Locke for the support they had given with the SDC waivers. She  
37 indicated she felt it did change the momentum in the City, adding it was refreshing to drive  
38 through existing neighborhoods and see new construction, new families, and growth that hadn't  
39 been seen in a long time. Ms. Rogers commented that she still felt the SDC waivers were a  
40 good, positive step for the City. She noted the SDC waivers had spurred more jobs, retained  
41 jobs and were a good economic decision. She asked the Council to consider an extension of the  
42 SDC waivers.

43 Tim Davis, 566 SE Cypress, Dallas, Oregon, submitted a letter in support of continuing the SDC  
44 waivers, a copy of which is attached to these minutes and incorporated herein.

45 Ron Lines, 333 SE Ironwood Ave, Dallas, Oregon stated his home was for sale and he would  
46 benefit from the SDC waiver, but long-term, someone would have to pay for the improvements.  
47 He indicated he appreciated the stimulus, but it was a short-term fix. He recommended waiting  
48 six to eight months to see if the momentum continued and if not, consider waiving the SDCs  
49 again at a later date.

50 **PUBLIC HEARING**

1 There were no public hearings.

2 **CONSENT AGENDA**

3 Councilor Woods asked to remove item d, the OLCC application for the Round Up Pub, from the  
4 Consent Agenda.

5 It was moved by Councilor Marshall and seconded by Councilor Lawson *to approve the Consent*  
6 *Agenda as presented with item d removed.* The motion carried unanimously.

7 Items approved by the Consent Agenda: a) the September 21, 2012, special City Council meeting  
8 minutes; b) the October 1, 2012, City Council meeting minutes; c) OLCC application for new  
9 outlet at 433 Main Street for the Red Chopstick; and e) Mid-Valley Reserve Training Academy  
10 Intergovernmental Agreement.

11 **ITEMS REMOVED FROM CONSENT AGENDA**

12 **OLCC APPLICATION FOR CHANGE OF OWNERSHIP FOR ROUND UP PUB**

13 Councilor Woods declared an actual conflict of interest, as he provided insurance to the Round  
14 Up. Councilor Lawson declared a potential conflict of interest.

15 It was moved by Councilor Marshall and seconded by Councilor Wilson *to approve the OLCC*  
16 *application for the Round Up Pub.* The motion carried unanimously with Councilor Woods not  
17 voting due to his actual conflict of interest.

18 **REPORTS OR COMMENTS FROM COUNCIL**

19 Several Councilors indicated they attended the dedication of the new readiness center the previous  
20 Friday. Councilor Wilson and Councilor Lawson complimented the Mayor on his speech. Mayor  
21 Dalton showed a picture of the new center, noting it was a beautiful building.

22 McKenzie Darr, Student Body Liaison, stated during Homecoming week, they dedicated the  
23 football field to Ron August. She thanked the military for allowing them to use the new readiness  
24 center for their homecoming dance. Ms. Darr reported that their school would be participating to  
25 collect items for Christmas Cheer during the week of November 12 through 16.

26 **REPORTS FROM CITY MANAGER AND STAFF**

27 **SDC WAIVER REPORT**

28 Mr. Locke reviewed his staff report.

29 Mr. Locke stated the waiver did impact and spur growth, adding there were other factors as well.  
30 He recommended that given the information provided last week related to SDC funds and how  
31 that impacted the general fund, if the Council chose to continue the SDC waiver, they needed to  
32 determine how to make those funds up and replace the funds that weren't collected.

33 In response to a question, Mr. Locke explained SDCs were calculated based on the cost of  
34 improvements to accommodate growth divided by the number of dwelling units expected to be  
35 built in that time.

36 Councilor Lawson asked what the Council's other options were for refilling the funds if not with  
37 SDCs. She asked if they could use money from permit fees. Mr. Nelson explained other  
38 jurisdictions had backfilled SDC fees with general fund dollars. He noted the challenge was the  
39 health of the general fund now and in the future and whether the City could afford to backfill  
40 those funds. Mr. Nelson indicated the Council could raise future SDC rates or have the ratepayers  
41 pay more. In response to a question, Mr. Nelson stated SDCs may be offset by tax revenue, but  
42 tax revenue wouldn't keep up with existing expenditures, let alone backfilling what was required  
43 to make up the SDC difference.

44 Mayor Dalton advised the Council that unless there was a motion made to extend the program, it  
45 would expire that night. There was no motion.

46 In response to a question, Mr. Nelson indicated the utility rate and SDC studies had been started  
47 but the advisory committee expired. He noted that would start again after the first of the year and  
48 would provide a recommendation to the Council on utility rates and system development charges.

49 **ECONOMIC DEVELOPMENT STRATEGY AND PROJECTS**

1 Mr. Locke explained at the last Economic Development Commission (EDC) meeting they  
2 discussed projects that could be funded through economic development funds that were set aside.  
3 He advised this went along with the policies the Council discussed at the workshop the previous  
4 week. He asked on behalf of the EDC for the Council to direct the staff to pursue the two  
5 projects.

6 The first project proposed was to create a comprehensive marketing packet to provide to  
7 prospective businesses and employers. Mr. Locke noted the information would also be provided  
8 to the Chamber and SEDCOR.

9 Mr. Locke then reviewed the Dallas 2030 Project, which was a longer-term project providing a  
10 broader look at the community that would solidify its identity, values, and expectations for the  
11 future. He noted that was an important document because it informed budgetary choices, land use  
12 planning, comprehensive planning, and allowed meaningful communication with the residents.

13 Councilor Stewart asked about the longevity of the marketing packet. Mr. Locke advised the last  
14 one was completed in the 1990's. He noted the benefit of doing the new packet electronically  
15 was that it could be updated every couple of years and it would be a relatively low cost  
16 maintenance item.

17 Councilor Fairchild stated that there was nothing dealing with the vacant building situation in the  
18 downtown area which he felt was still missing. He commented that if he was coming in to Dallas  
19 with a business, he would want to know the business next to him wouldn't fall into disrepair.

20 Councilor Woods indicated the previous information was restricted because the City didn't have a  
21 webpage, noting most people that wanted to come to Dallas came to the website. Mr. Locke  
22 confirmed the main focus would be on the electronic version.

23 Councilor Lawson stated she saw potential for the vacant building issue but it was not an issue the  
24 EDC should spearhead.

25 It was moved by Councilor Wilson and seconded by Councilor Lawson *to direct staff to pursue*  
26 *the two projects recommended by the Economic Development Commission.* The motion carried  
27 unanimously.

## 28 DALLAS AREA SENIORS BUILDING PROJECT

29 Mr. Nelson reviewed his staff report. He indicated the question was who would pay for the Senior  
30 Center once it came on line and that couldn't be answered right now. He stated there were three  
31 agreements that needed to be executed to allow design work so we could better know what the  
32 operating costs would be. He reviewed the three agreements, adding approval of the agreements  
33 was not a final decision on if the Council wanted to pursue the project.

34 Councilor Lawson asked who paid for the consulting agreements. Mr. Nelson explained some  
35 costs were covered by the Seniors and some were covered by grant funds from the Energy Trust,  
36 adding a lot was recoverable from the grant itself if it proceeded.

37 Mr. Nelson reported the City's costs would be to make sure the building was in compliance with  
38 planning issues, soils testing, and surveying, adding that could be accommodated in existing  
39 budgets.

40 Councilor Fairchild commented that the Council ended up having a facility designed as far as how  
41 much room and where everything would be placed. He asked if that would be thrown out the  
42 window. Mr. Nelson indicated Rita Grady would facilitate this and she would consider past work  
43 as she moved forward toward a design. He noted the agreements would cause the wheel spinning  
44 to stop so they could get actual numbers that would be negotiated and allow the Council to make  
45 a decision.

46 Councilor Brown commented about the expenditures recoverable from grant money, asking if the  
47 grant didn't go through what amounts the City would be spending. Mr. Nelson stated the City's  
48 responsibilities were just the preliminary survey work and planning checks, adding the rest were  
49 obligations the Seniors had entered into and grant funds accessed by Polk CDC from the Energy  
50 Trust.

51 It was moved by Council President Scroggin and seconded by Councilor Wilson to *authorize*

1 *executing the three agreements; 1) a Memorandum of Understanding with the Dallas Area*  
2 *Seniors; 2) a consulting agreement with Polk CDC for design schematics, etc; and 3) a consulting*  
3 *agreement with Polk CDC for grant administration, etc. The motion carried unanimously.*

4 **SEPTEMBER 2012 FINANCIAL REPORTS**

5 Mr. Nelson stated that if anyone had any questions, it would be best to contact him or Ms. Ward  
6 directly.

7 Councilor Woods asked if there were any areas of concern. Ms. Ward commented that revenues  
8 and expenditures were in line for the first quarter.

9 **2012 PARK RESERVATION SEASON SUMMARY**

10 Mr. Nelson indicated this report was just to share information.

11 **OTHER**

12 **FIRST READING OF ORDINANCE**

13 **SECOND READING OF ORDINANCE**

14 **EXECUTIVE SESSION UNDER ORS 192.660(2)(a)**

15 Mayor Dalton recessed the meeting at 7:56 p.m. for an executive session to consider the  
16 employment of a public officer, employee, staff member, or individual agent.

17 Mayor Dalton reconvened the Council meeting at 9:04 p.m.

18 **OTHER BUSINESS**

19 There being no further business, the meeting adjourned at 9:04 p.m.

Read and approved this \_\_\_\_\_ day of \_\_\_\_\_ 2012.

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
Interim City Manager

# DALLAS CITY COUNCIL

## STAFF REPORT

**TO: MAYOR BRIAN DALTON AND DALLAS CITY COUNCIL**

<i>City of Dallas</i>	<b>Agenda Item No. 5 b</b>	<b>Topic:</b> Ratification of a new hire
<b>Prepared By:</b> Robert Spivey	<b>Meeting Date:</b> November 5, 2012	<b>Attachments:</b> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
<b>Approved By:</b> Jon Nelson		

RECOMMENDED MOTION:

With approval of the Consent Agenda, the Council would ratify the hiring of a temporary, part-time employee.

BACKGROUND:

The Finance Department needs to be properly staffed to provide necessary service coverage.

On October 26, 2012, a temporary, part time employee was hired to mitigate the impact of a full time staff member being out due to illness.

The temporary, part-time employee will be on assignment for fourteen (14) days.

Per the Dallas City Charter Chapter 5 Section 21 Subsection e: “...*no manager pro tem, however, may appoint or remove a city officer or employee except with the approval of the council.*”

FISCAL IMPACT:

Minimal, within budget.

ATTACHMENTS:

None



October 29, 2012

City of Dallas  
187 SE Court Street  
Dallas, OR 97338

Dear Mayor Dalton and Members of the Council,

I would like to request approval to hold Dallas Winterfest in our downtown on November 30<sup>th</sup>. As in years past, we would like to start our setup at 10am, with the public invited to the area from 5pm-8pm.

This annual event continues to be something that people look forward to with cookies, cocoa, vendors, caroling and/or live performances, and of course Santa's arrival to light the tree!

We would like permission to work with city staff for items including;

- Closing parking stalls around the courthouse lawn from 11am to 10pm.
- A police escort for Santa and his entourage. We would work with the Police Department in determining the best location to start from, and would want the escort to bring the vehicles to the Courthouse Lawn at approximately 6:30PM.
- Participation from the Fire Department in having vehicles on display – we know that Breakfast with Santa will not be held this year, so we hope that this is a good way for the Fire Department to connect with those that attend.

We appreciate the continued support of the City in our effort to host events for our community. Please let me know if you have any questions, concerns or recommendations.

Thank you for your continued support!

Sincerely,

A handwritten signature in black ink that reads "Chelsea".

Chelsea Pope  
Executive Director

cc: Chamber Board of Directors  
Greg Hansen, Polk County Manager

# DALLAS CITY COUNCIL REPORT

**TO: MAYOR BRIAN DALTON AND CITY COUNCIL**

<i>City of Dallas</i>	<b>Agenda Item No. 5 d</b>	<b>Topic:</b> Enhance Grant Projects for FY 2015-18
<b>Prepared By:</b> F Braun	<b>Meeting Date:</b> November 5, 2012	<b>Attachments:</b> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
<b>Approved By:</b> Jon Nelson		

RECOMMENDED MOTION:

With approval of the Consent Agenda, the Council authorizes staff to submit ODOT Enhance Grant Program applications for funding.

BACKGROUND:

The Oregon Department of Transportation (ODOT) is accepting applications for the next cycle of the State Transportation Improvement Program (STIP). Projects selected will be eligible for funding during fiscal years 2015 through 2018. The State has broken the STIP process into 2 different project types, Enhance Projects and Fix-It Projects.

The “Fix-It” category includes maintenance or preservation type projects and funding will be determined based upon pavement management system priorities. The State is not accepting applications for the fix-it program at this time. It is unlikely that the City will receive additional “fix-it” funds, other than the approximate \$150,000 that we currently receive each year from the Federal Exchange Program. Depending upon program changes, it is entirely possible that the City could lose some, or most of this funding.

“Enhance “ projects include the following types of projects:

- 1) Modernization & Capacity Improvements
- 2) Bikeway & Pedestrian
- 3) Safety Improvements, including Safe Routes to Schools
- 4) Transportation Enhancement
- 5) Public Transportation (e.g. busses, trains and associated facilities).
- 6) Transportation Demand Management (e.g. Car Pool Lanes and Ramp Metering)

The City has identified 3 candidate projects for the enhance program:

- 1) Main Street Improvements, Phase II (Mill St. to Academy)
- 2) Godsey Road Improvements (SE Miller Ave to Monmouth Cutoff Highway)
- 3) Rickreall Creek Trail Phase IV

The Main Street Improvement Project includes widened sidewalks, pervious pavement, landscaping, storm drainage and lighting improvements along both sides of Main Street from SE Mill Street to SE Academy Street. The estimated cost of construction of this project is \$900,000. If the City is successful in obtaining “Enhance” Funding, the local match requirement would be a

minimum of \$92,000, beginning FY 15-16. The local match could be budgeted through the Urban Renewal Agency.

The Godsey Road Improvement Project includes installation of sidewalks, bike lanes, drainage improvements, AC pavement and minor widening from SE Miller Avenue to SE Monmouth Cutoff Highway. This project could be phased, with phase I including the improvements from SE Miller Avenue to the railroad line, and phase II from the railroad to SE Monmouth Cutoff Highway. The estimated cost of phase I is \$ 195,000. The estimated cost of phase II is \$ 275,000. If the City is successful in obtaining “Enhance” Funding, the local match requirement would be a minimum of \$49,000 (\$21,000 phase I, and \$28,000 phase II), beginning FY 15-16. The local match could be budgeted through the street fund.

The Rickreall Creek Trail Project (Phase IV), includes the installation of the Citywide creek trail system from the Dog Park adjacent to SE Miller Avenue to the City Shops site on SE Mill Street. The estimated cost of this phase of the trail system is \$ 300,000. The local match requirement would be a minimum of \$31,000, beginning FY 15-16. The local match could be budgeted through the street fund or general fund.

Attached is the enhance program/project application information. Applications are due no later than November 27, 2012. The minimum local match for the enhance program is 10.27%. If the City is successful in obtaining funding for the above 3 projects, the total fiscal impact would be \$172,000, beginning no earlier than fiscal year 15-16.

#### FISCAL IMPACT:

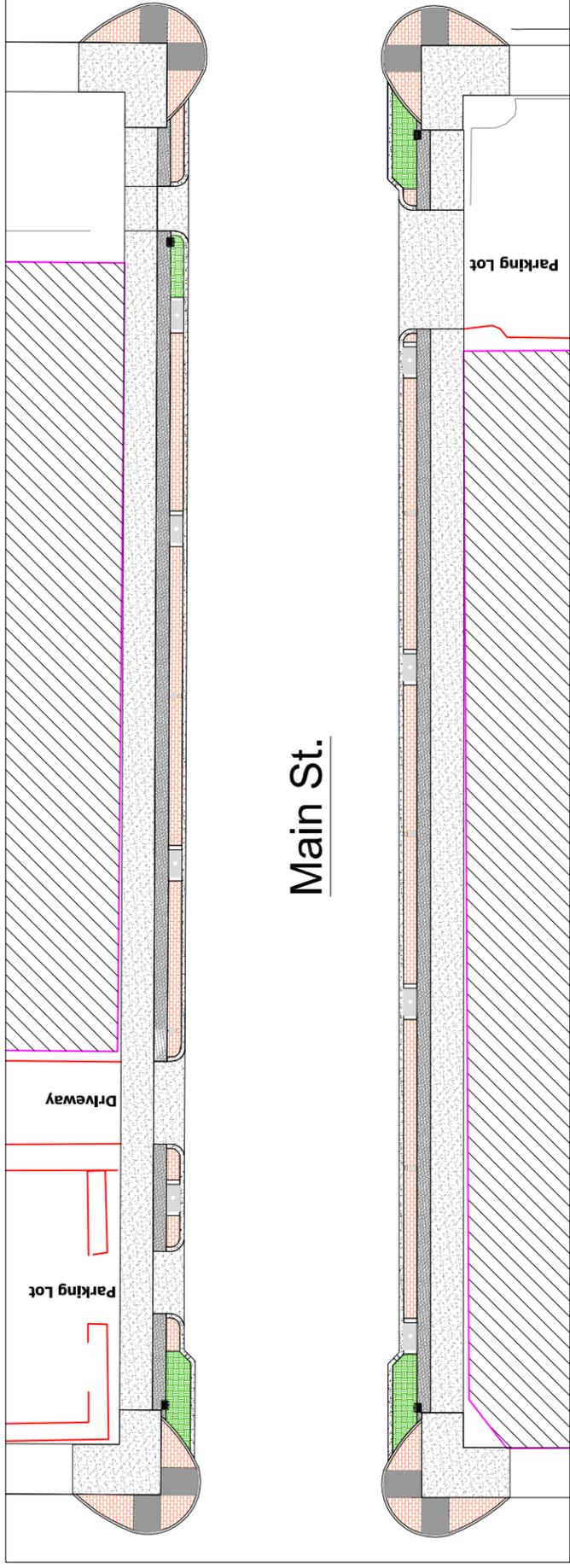
The fiscal impact would be a 1-time expenditure of \$0 to \$172,000, beginning FY 2015-16.

#### ATTACHMENTS:

Project vicinity maps and site improvement plans.  
Enhance Program/Project Application Information.

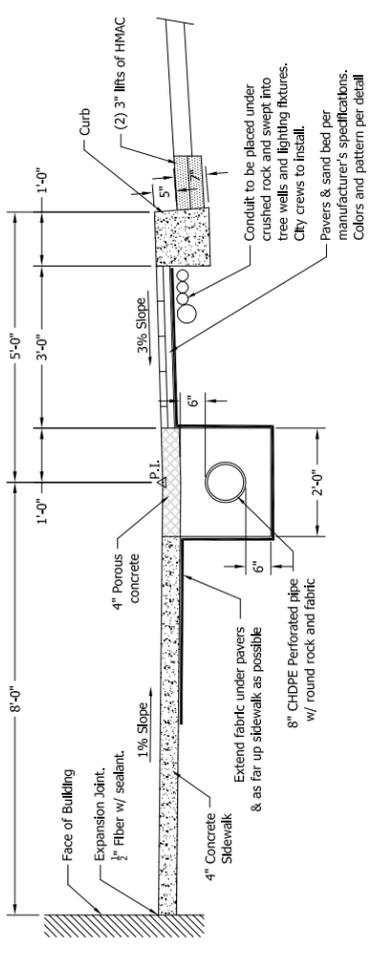


# Main Street Improvements Phase 2

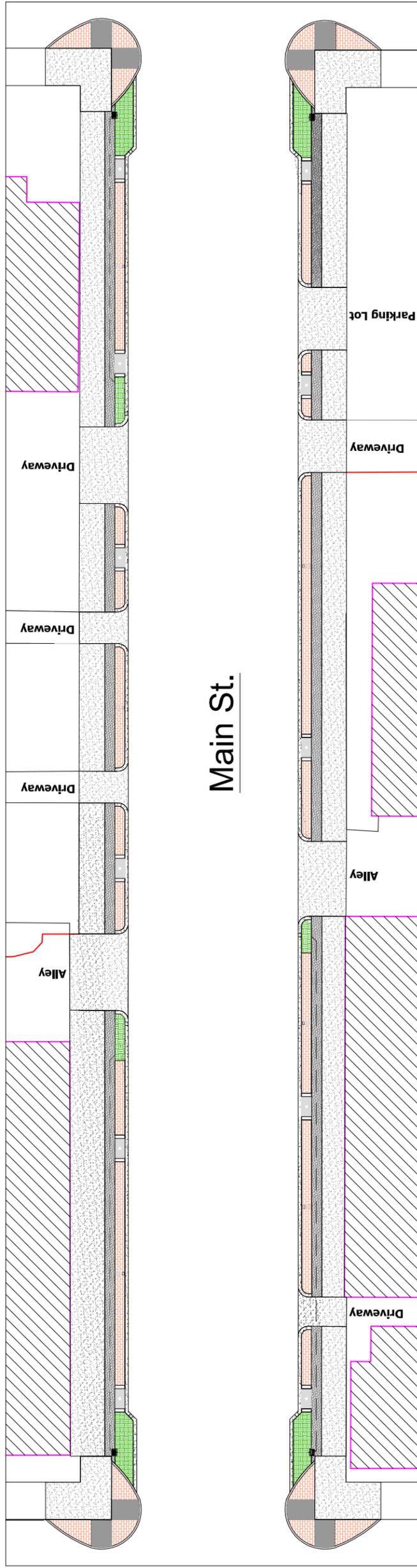


Main St.

700 Block



Typical Sidewalk Section

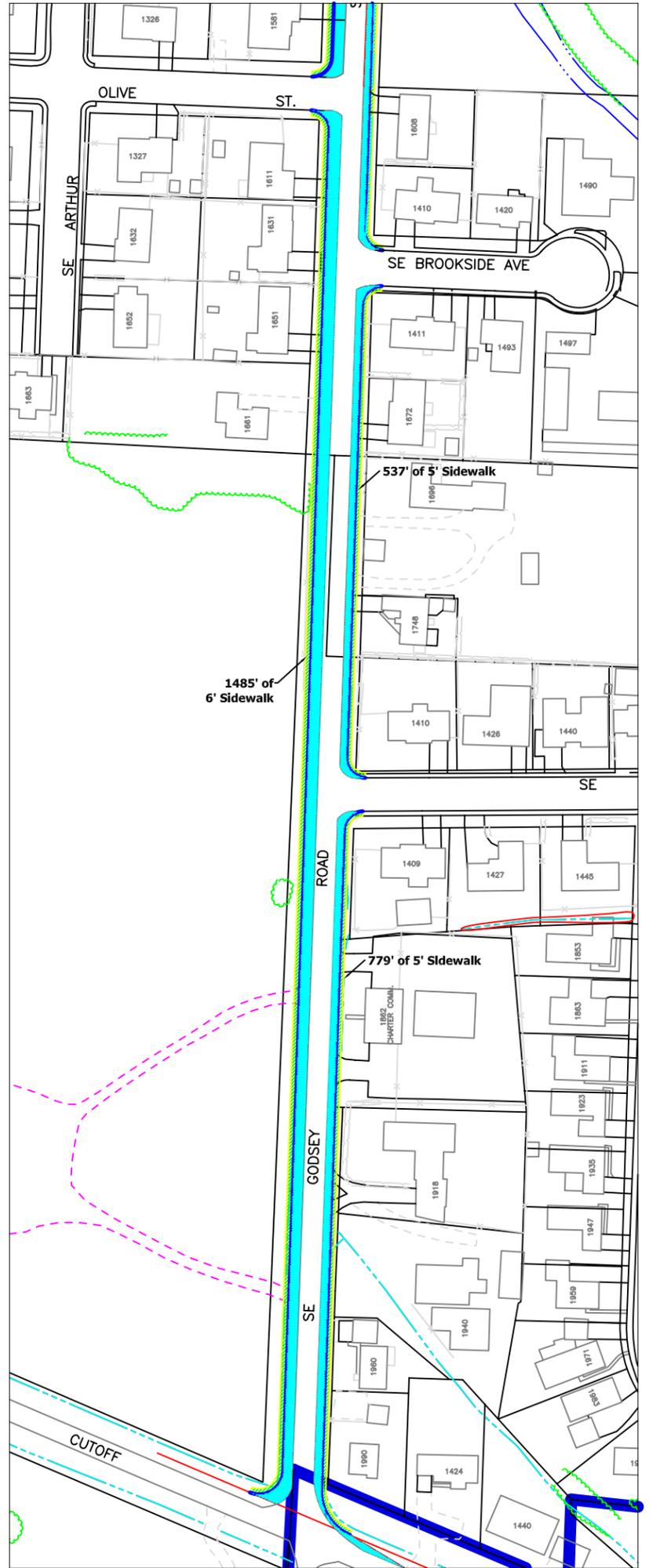
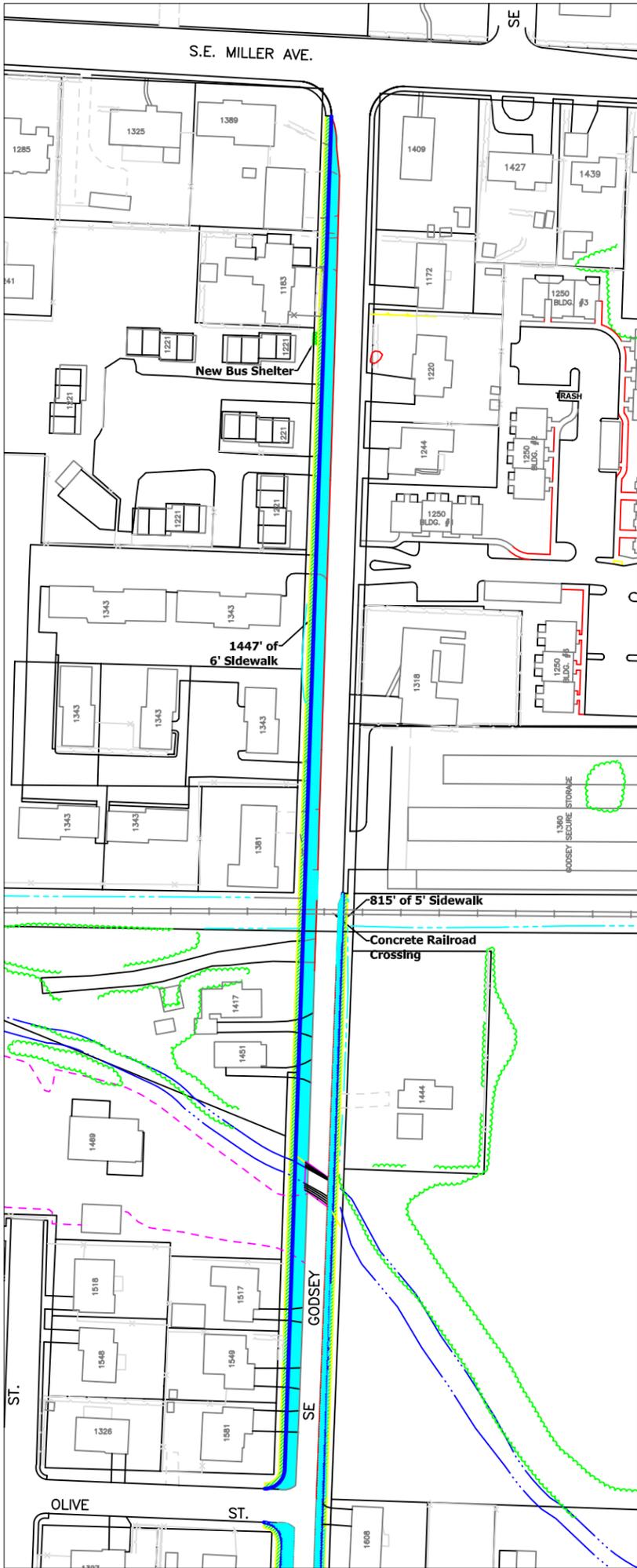


Main St.

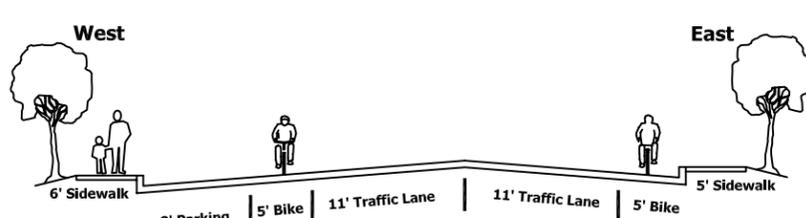
600 Block



# Godsey Road Street Improvements



**Typical Section - Existing Conditions**

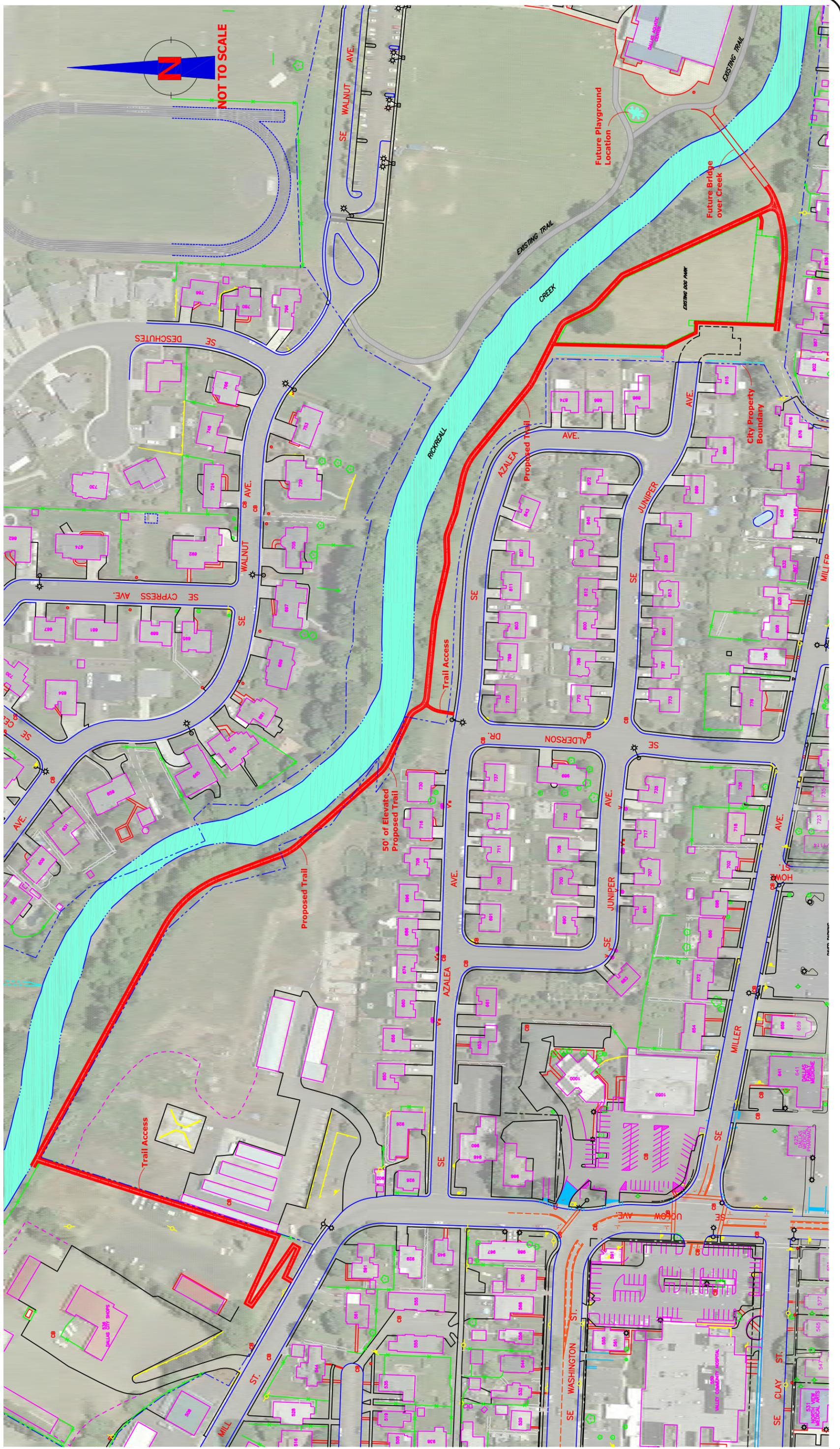


**Typical Section w/ New Improvements**

**Legend**

- New Asphalt Road Surface**
- New Concrete Sidewalk**
- Existing Edge of Pavement**
- Railroad Tracks**





# Rickreall Creek Trail, Phase 5

## Site Plan - November 2012



**RCTS**  
Rickreall Creek Trail System

## Multimodal Transportation Program/Project Application Information and Instructions

### *Introduction*

This document provides instructions and guidance to complete the application for funding for **Enhance** projects for the 2015-2018 STIP. There is also an "Introduction to **Enhance** and **Fix-It** for the 2015-2018 STIP" designed to explain more about this change and why the Commission has undertaken it, and a timeline with key dates for this STIP development process. These documents and the application are available on ODOT's website.

This new application for STIP **Enhance** projects replaces several other separate application processes for the 2015-2018 STIP, including the STIP Eligibility Criteria and Prioritization Factors. This allows local governments and transportation agencies to focus on what investments are best for their area while ODOT determines the appropriate funding programs.

This reflects both a change in STIP process and a change in the way the Transportation Commission determines funding for STIP programs. In the past, the Oregon Transportation Commission (OTC) established the various funding levels for programs in the Statewide Transportation Improvement Program (STIP). Beginning with the 2015-2018 STIP cycle, the process has changed from setting funding levels for a multitude of programs and then selecting projects within each of those programs to selecting the best project and then determining which types of funds can be used to deliver those projects.

ODOT is making these changes to better enable stakeholders to compare projects and find the best investments and then make applying for funding for those projects easier. Now ODOT and its local partners can use one standard application for most **Enhance** projects, and Area Commissions on Transportation (ACTs) and others will have similar information to consider for those projects. This responds to the goals of the Oregon Transportation Plan and challenges delivered by our governor to the OTC in August 2011 to improve project selection, including:

- Maximize and leverage investments by looking for:
  - projects with the potential to be both effective and efficient
  - projects that involve multiple funding sources
  - projects that are complementary to other projects or community development activities and offer the chance for the whole to be greater than the sum of the parts
- Investments must achieve multiple objectives
- Move toward a more multimodal transportation system by maximizing funding flexibility and considering a wider range of community issues and benefits
- Incorporate least cost planning and practical design principles in project selection and development
- Use early collaboration to define and solve problems



**MULTIMODAL TRANSPORTATION  
ENHANCE PROGRAM/PROJECT  
APPLICATION INFORMATION**

This new process also responds to legislative direction. The Oregon Legislature included ten considerations for use in developing STIP criteria in the Jobs and Transportation Act (JTA, also now ORS 184.621). The ten considerations directly relate to categories of benefits included in the application.

The ten JTA STIP criteria considerations are shown in the table below with the most related categories of benefits from the STIP Enhance application. Nine of these categories have been selected by the STIP Stakeholder Committee for analysis in Oregon's least cost planning process and, in turn, relate closely to the goals and policies of the OTP. All these parallels ensure that the STIP Enhance application reflects the goals and policies of the Oregon Transportation Plan, the priorities of the STIP Stakeholder Committee, and the JTA's STIP considerations, thereby ensuring that all these are an integral part of project selection for the 2015-2018 STIP.

<b>JTA STIP Considerations</b>	<b>Enhance Application Benefit Category</b>
1. Improves the state highway system or major access routes to the state highway system on the local road system to relieve congestion by expanding capacity, enhancing operations or otherwise improving travel times within high-congestion corridors.	Mobility
2. Enhances the safety of the traveling public by decreasing traffic crash rates, promoting the efficient movement of people and goods and preserving the public investment in the transportation system.	Safety and Security
3. Increases the operational effectiveness and reliability of the existing system by using technological innovation, providing linkages to other existing components of the transportation system and relieving congestion.	Mobility, Accessibility
4. Is capable of being implemented to reduce the need for additional highway projects.	Benefits to State-Owned Facilities, Funding and Finance
5. Improves the condition, connectivity and capacity of freight-reliant infrastructure serving the state.	Mobility, Accessibility, Economic Vitality

**MULTIMODAL TRANSPORTATION  
ENHANCE PROGRAM/PROJECT  
APPLICATION INFORMATION**

6. Supports improvements necessary for this state's economic growth and competitiveness, accessibility to industries and economic development.	Economic Vitality, Mobility, Accessibility
7. Provides the greatest benefit in relation to project costs.	Benefits to State-Owned Facilities, Funding and Finance
8. Fosters livable communities by demonstrating that the investment does not undermine sustainable urban development.	Livability, Land Use and Growth Management, Equity
9. Enhances the value of transportation projects through designs and development that reflect environmental stewardship and community sensitivity.	Environmental Stewardship, Livability, Land Use and Growth Management
10. Is consistent with the state's greenhouse gas emissions reduction goals and reduces this state's dependence on foreign oil.	Environmental Stewardship, Livability

**Communication**

Early discussion of STIP project ideas is still critical in this new process. Local governments should talk to one another, their Area Commission and/or Metropolitan Planning Organization (MPO), and their ODOT region as early as feasible about possible Enhance projects. Also, ODOT region staff will share **Enhance** projects for which ODOT intends to submit applications and eligible system preservation (**Fix-It**) projects as early as is feasible. Of course, most **Enhance** projects will come from state and local plans such as system plans, mode plans, topic plans and facility plans. Most **Fix-It** projects will come from management system priorities. ACTs, MPOs, and regions may also have needs lists developed that include projects from plans. These lists are another source of possible projects.

Early sharing of information about identified transportation needs and possible STIP projects between ODOT staff and area stakeholders is essential to identify opportunities to leverage resources and coordinate activities. This improves the transparency of the STIP process and respects ODOT's commitment to involve stakeholders in STIP development decisions.

This early communication also allows stakeholders and ODOT to work together to identify opportunities to coordinate resources from different programs and different jurisdictions, and perhaps to fund more robust solutions than would otherwise be included in the STIP.

It allows stakeholders to understand how the STIP is developing overall, to help determine the best projects for **Enhance** funding, and to ensure that local and state project activities are coordinated to minimize expenses and disruption to the transportation system.

***What is covered by the Enhance Application***

Local governments, ODOT staff, and others should use this application to propose projects or program investments for inclusion in the **Enhance** portion of the 2015-2018 Statewide Transportation Improvement Program (STIP). The STIP is divided into two broad funding categories, **Fix-It** and **Enhance**. The **Fix-It** category includes projects designed to repair and maintain the existing system, such as pavement preservation, safety, and bridge projects.

The **Enhance** category includes projects and programs that improve or expand the transportation system. For the 2015-2018 STIP, **Enhance** does *not* include most rail, aviation, and marine projects. Transit capital projects may be included, and projects that affect a nearby rail line may be included, which is why rail and transit information is included in this application. However, the Rail and Public Transit Divisions of ODOT will maintain their separate project funding programs and procedures for the 2015-2018 STIP.

Use this application to propose **Enhance** projects that improve the system, including:

- Bicycle and/or Pedestrian facilities on or off the highway right of way
- Development STIP (D-STIP) projects: development work for projects that will not be ready for construction or implementation within the four years of the STIP
- Modernization (projects that add capacity to the system, in accordance with ORS 366.507)
- Most projects previously eligible to receive Transportation Enhancement Funds
- Projects eligible for Flex Funds (the Flexible Funds program funded Bicycle, Pedestrian, Transit and Transportation Demand Management (TDM) projects, plans, programs, and services)
- Protective Right of Way purchases
- Public Transportation (capital projects only, not ongoing operations)
- Safe Routes to Schools (infrastructure projects)
- Scenic Byways (construction projects)
- Transportation Alternatives (new with MAP-21, the federal transportation authorization)
- Transportation Demand Management

Do *not* use this application for **Fix-It** projects. Management Systems largely determine selection of **Fix-It** projects. Management systems are databases with information about system needs that help identify projects of higher priority. When the lists of eligible **Fix-It** projects are developed, they will be included in discussions with stakeholders. **Fix-It** projects include:

- Bicycle and Pedestrian facilities on state highways
- Bridges (state owned)
- Culverts

- High-Risk Rural Roads
- Illumination, Signs and Signals
- Landslides and Rockfalls
- Operations (includes ITS)
- Pavement Preservation
- Rail-Highway Crossings
- Safety
- Salmon (Fish Passage)
- Site Mitigation and Repair
- Stormwater Retrofit
- Workzone Safety

***Application Review and STIP Development Process***

1. ODOT region staffs will review applications received by **12:00 PM, noon, on November 27** for general eligibility and completeness. See the attached draft Timeline for other key dates. Staff will check applications to verify that:
  - The sponsor is a public agency
  - The proposed project is of the type covered by **Enhance** funds
  - The application is complete. Information that must be included is:
    - Item 1: Project Sponsor
    - Item 3: Project Name
    - Item 5: Project Summary
    - Item 8: Project Problem Statement
    - Item 9: Project Location
    - Item 11: Project Description
    - Item 14: Timetable lines 1 and 8
    - Item 27: Estimated Project Costs
    - Item 28: Project Participants and Contributions
    - Item 29: Project Sponsor Signature

These are the minimum required elements in an application. However, applicants should not expect their proposal to be competitive if these are all that is included the application.

2. Regions will send eligible, complete applications to the applicable ACT and MPO for review, discussion, and prioritization in early December. ODOT expects the current long-standing STIP development processes in which ACTs, MPOs, and region staff work together to prioritize projects to continue.

Generally, where an MPO is part of an ACT, there are processes in place to discuss MPO priorities within the ACT and agree on area priorities. The Portland area is unique in that there is an MPO, but not an ACT. ODOT Region 1 will work with its stakeholders to better define the coordination process for the region.

## **MULTIMODAL TRANSPORTATION ENHANCE PROGRAM/PROJECT APPLICATION INFORMATION**

Projects recommended through the STIP Update process and within the boundaries of an MPO need to be included in the Metropolitan Transportation Improvement Program (MTIP). The MPO Policy Board approves the final MTIP and then sends it to the governor for further approval. After these approvals, the MTIP is incorporated into the STIP.

The Oregon Transportation Commission is the state's final decision-making body, responsible for approving the final STIP and sending it to U.S. DOT for final approval. ACTs are chartered advisory bodies to the OTC. ACTs work with their ODOT Region and sometimes other ACTs to put together the region's final recommended STIP project list. The region then forwards the list to the OTC for approval.

3. The next step is ACT and MPO review and prioritization of the applications. The OTC and ODOT have expectations for how to review the application and document the review and selection process. The following expectations will be included in the direction to ACTs, MPOs, and others to guide their review of applications and their development of prioritized project lists:
  - a. The process used to review applications and establish priorities should be as inclusive of participants and as transparent as possible.
  - b. No benefit is to be defined as more important than others, and project applications do not need to show benefit in all categories to be eligible. Reviewers are to discuss the project benefits holistically and strive for consensus. Because different types of projects will have different kinds of benefits, to decide before review that certain benefits are most important will disadvantage some projects that may be important to the area. Likewise, reviewers should not use overall numerical scores to determine outcomes, but use a discussion and consensus process.

Reviewers may use qualitative rankings within the benefit categories. For example, different projects may have high, medium, or low benefits for individual benefit categories such as mobility or livability. Discussion and consensus will then be needed to determine priorities among projects with very different benefits.

- c. Reviewers can use state and local plans and goals and policies described in plans to help determine priority. Plans may include the Oregon Transportation Plan, the Oregon Highway Plan, other Oregon topic or mode plans, local transportation system plans, local comprehensive plans, etc.
- d. ODOT expects reviewers to consider the merits of the project regardless of the level of detail in the application. For example, some jurisdictions may have access to considerable data and analyses to support their project. Other

## MULTIMODAL TRANSPORTATION ENHANCE PROGRAM/PROJECT APPLICATION INFORMATION

jurisdictions with more limited staff resources and experience may have less detail to report, but their applications must be considered equally.

- e. ODOT will require reviewers to document the decision-making process in a consistent manner throughout the state. ODOT will provide a template to accomplish this.
  - f. Some programs included in **Enhance** have previously developed STIP selection criteria. Reviewers are not required to use these other STIP criteria in establishing priorities. However, reviewers are welcome to consider these other STIP criteria if they are helpful in the prioritization process.
  - g. Reviewers must include any required elements of project prioritization in their evaluations. For example, ODOT is required in statute to give priority to freight projects in the STIP. ODOT region staff will explain such requirements to reviewers. The final list and documentation will show how they were considered. Similarly, ODOT will ensure that the final STIP meets all legal requirements, including minimum amounts for certain types of projects, such as those for bicycle and pedestrian projects.
  - h. MPOs will need to maintain their role in the prioritization and selection process. It is expected that the ACTs will coordinate as they do today in similar processes with the MPOs. ODOT region staff is responsible for ensuring this coordination is accomplished.
4. ACTs and MPOs then prioritize and reduce considered projects to their "150 percent list." This means that high-priority projects will be included up to 50 percent over the expected funding available. These projects will then be "scoped" in more detail, meaning that their location, components, cost, and details will be examined more closely to verify estimates and establish the final project scope. Region staff will work with applicants to accomplish the detailed scoping.
  5. During scoping of the 150 percent list, the Oregon Freight Advisory Committee and a joint Bicycle/Pedestrian and Transportation Enhancement Advisory Committee will review the lists of potential projects. These statewide advisory committees will share any feedback on the projects and priorities from their perspectives with the OTC.
  6. Information from scoping and from the advisory committee review above will be passed back to the ACTs and MPOs, for their next step to reduce the 150 percent list to the recommended list of projects for the STIP.
  7. The OTC has final approval of the STIP for the state. The OTC will review the recommended lists and consider the 20 percent of the **Enhance** budget that was held back for statewide consideration by the OTC. The OTC will consider the lists, any apparent gaps in the recommended lists, statewide goals, policies, and



## MULTIMODAL TRANSPORTATION ENHANCE PROGRAM/PROJECT APPLICATION INFORMATION

priorities, and ensure that all legal minimums are met, such as the one percent for bicycle and pedestrian projects. The OTC will then allocate its 20 percent of the *Enhance* budget according to these considerations.

8. Once the recommended STIP is complete, including allocating the OTC's statewide 20 percent, the Draft STIP will be released for public review and comment.

After these application review and STIP development steps, there are several more steps that need to occur before the STIP is final. For example, technical steps like air quality conformity determinations will be completed where needed. Any further metropolitan area projects from their Transportation Improvement Programs are added in also. Then ODOT prepares and releases a Final STIP for public comment. The OTC is anticipated to issue its final approval of the STIP for Oregon in early 2015. Last, ODOT delivers the STIP to the Federal Highway and Federal Transit Administrations for final approval. The new STIP is active once the federal agencies issue their approval.

### ***Submit the Application***

Applications must be **received by 12:00 PM, noon, on November 27, 2012**. Make sure the Application Form is submitted to the appropriate STIP *Enhance* Apps Region email below by the due date and time. If absolutely necessary, due to technical difficulties only, applicants may submit maps and other attachments promptly after the due date.

ODOT has five region offices around the state. Follow the instructions below to submit the completed application to the STIP *Enhance* Apps email box for the region that includes the project area. If you do not know which region the project is in, consult ODOT's [TransGIS website](#). Use the menus to choose Display – Layer Catalog – Boundaries – ODOT Regions. (This site will also help you find geographic coordinates, if you need them to describe your project.)

Region email boxes for applications:

[STIPEnhanceAppsRegion1@odot.state.or.us](mailto:STIPEnhanceAppsRegion1@odot.state.or.us)

[STIPEnhanceAppsRegion2@odot.state.or.us](mailto:STIPEnhanceAppsRegion2@odot.state.or.us)

[STIPEnhanceAppsRegion3@odot.state.or.us](mailto:STIPEnhanceAppsRegion3@odot.state.or.us)

[STIPEnhanceAppsRegion4@odot.state.or.us](mailto:STIPEnhanceAppsRegion4@odot.state.or.us)

[STIPEnhanceAppsRegion5@odot.state.or.us](mailto:STIPEnhanceAppsRegion5@odot.state.or.us)

You may also mail the application and any attachments to the appropriate region address below, but make sure that the application materials are **received** by ODOT by the due date and time.

### Region 1:

Oregon Department of Transportation  
123 NW Flanders Street  
Portland, Oregon 97209-4012

ATTN: Jeff Flowers



## MULTIMODAL TRANSPORTATION ENHANCE PROGRAM/PROJECT APPLICATION INFORMATION

### Region 2:

Oregon Department of Transportation  
455 Airport Road SE Bldg. B  
Salem, Oregon 97301-5352

ATTN: Terry Cole

### Region 3:

Oregon Department of Transportation  
3500 NW Stewart Parkway  
Roseburg, OR 97470-1687

ATTN: Lisa Cortes

### Region 4:

Oregon Department of Transportation  
Region 4 STIP & Finance Office  
63030 OB Riley Road  
Bend, OR 97701

ATTN: Katie Parlette

### Region 5:

Oregon Department of Transportation  
3012 Island Ave  
La Grande, OR 97850-9497

ATTN: Dawn Hubble

If you have any questions about how to fill out or submit the **Enhance** application, please feel free to contact the appropriate region representative for your project:

Region	Representative	Phone	Email
Region 1	Jeff Flowers	503.731.8235	<a href="mailto:Jeffrey.A.FLOWERS@odot.state.or.us">Jeffrey.A.FLOWERS@odot.state.or.us</a>
Region 2	Terry Cole	503.986.2674	<a href="mailto:Terry.D.COLE@odot.state.or.us">Terry.D.COLE@odot.state.or.us</a>
Region 3	Lisa Cortes	541.957.3643	<a href="mailto:Lisa.CORTES@odot.state.or.us">Lisa.CORTES@odot.state.or.us</a>
Region 4	Katie Parlette	541.388.6037	<a href="mailto:Katie.M.PARLETTE@odot.state.or.us">Katie.M.PARLETTE@odot.state.or.us</a>
Region 5	Dawn Hubble	541.963.1325	<a href="mailto:Dawn.L.HUBBLE@odot.state.or.us">Dawn.L.HUBBLE@odot.state.or.us</a>

# DALLAS CITY COUNCIL REPORT

**TO: MAYOR BRIAN DALTON AND CITY COUNCIL**

<i>City of Dallas</i>	<b>Agenda Item No. 5 e</b>	<b>Topic:</b> 2011 Fund Exchange Agreement
<b>Prepared By:</b> F Braun	<b>Meeting Date:</b> November 5, 2012	<b>Attachments:</b> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
<b>Approved By:</b> Jon Nelson		

RECOMMENDED MOTION:

With approval of the Consent Agenda, Council authorizes City Manager to execute 2011 fund exchange agreement No. 28988 with the Oregon Department of Transportation (ODOT).

BACKGROUND:

ODOT provides the City an annual pass-through of approximately \$170,000 in federal gas tax funds that can be used for pavement rehabilitation or roadway improvements. The funds cannot be used for operations or routine maintenance work. The City has historically used this money for the annual pavement overlay contract. The fund exchange agreement allows the City to exchange the federal money for state funds, thereby reducing the paperwork and reporting requirements associated with federal funds. The reduced paperwork and reporting saves the City a minimum of \$25,000 per contract. As per the agreement, the exchange rate is \$0.94 in State funds for \$1.00 in federal funds.

The fund exchange agreement allows the City to invoice ODOT \$168,746 for the 2012 overlay project completed this past June by North Santiam Paving. The City has paid all costs associated with the 2012 overlay project. Expenditures for the 2012 overlay project were included in the approved FY 2011-12 budget. Revenues for the 2012 overlay project are included in the current budget in the amount of \$150,000.

FISCAL IMPACT:

Street Fund Revenue in the amount of \$168,746

ATTACHMENTS:

2011 Fund Exchange Agreement No. 28988

2011 FUND EXCHANGE AGREEMENT  
City Streets Overlay  
City of Dallas

THIS AGREEMENT is made and entered into by and between the STATE OF OREGON, acting by and through its Department of Transportation, hereinafter referred to as "State"; and THE CITY OF DALLAS, acting by and through its designated officials, hereinafter referred to as "Agency," both herein referred to individually or collectively as "Party" or "Parties."

**RECITALS**

1. By the authority granted in Oregon Revised Statute (ORS) 190.110, 366.572 and 366.576, State may enter into cooperative agreements with counties, cities and units of local governments for the performance of work on certain types of improvement projects with the allocation of costs on terms and conditions mutually agreeable to the contracting parties.

**NOW THEREFORE**, the premises being in general as stated in the foregoing Recitals, it is agreed by and between the Parties hereto as follows:

**TERMS OF AGREEMENT**

1. Agency has submitted a completed and signed Part 1 of the Project Prospectus, or a similar document agreed to by State, outlining the schedule and costs associated with all phases of the overlay of several city streets, hereinafter referred to as "Project."
2. State has reviewed Agency's prospectus and considered Agency's request for the Fund Exchange. State has determined that Agency's Project is eligible for the exchange of funds.
3. To assist in funding the Project, Agency has requested State to exchange 2011 federal funds, which have been allocated to Agency, for state funds based on the following ratio:

\$94 state for \$100 federal

4. Based on this ratio, Agency wishes to trade \$179,517.02 federal funds for \$168,746.00 state funds.
5. The term of this Agreement will begin upon execution and will terminate September 30, 2014 unless extended by an executed amendment.

6. The Parties agree that the exchange is subject to the following conditions:
- a. The federal funds transferred to State may be used by State at its discretion.
  - b. State funds transferred to Agency must be used for the Project. This Fund Exchange will provide funding for specific roadway projects and may also be used for the following maintenance purposes:
    - i. Purchase or Production of Aggregate. Agency shall ensure the purchase or production of aggregate will be highway related and used exclusively for highway work.
    - ii. Purchase of Equipment. Agency shall clearly describe how it plans to use said equipment on highways. Agency shall demonstrate that the equipment will only be used for highway purposes.
  - c. State funds may be used for all phases of the Project, including preliminary engineering, right of way, utility relocations and construction. Said use shall be consistent with the Oregon Constitution and statutes (Section 3a of Article IX Oregon Constitution). Agency shall be responsible to account for expenditure of state funds.
  - d. This Fund Exchange shall be on a reimbursement basis, with state funds limited to a maximum amount of \$168,746.00. All costs incurred in excess of the Fund Exchange amount will be the sole responsibility of Agency.
  - e. State certifies, at the time this Agreement is executed, that sufficient funds are available and authorized for expenditure to finance costs of this Agreement within State's current appropriation or limitation of the current biennial budget.
  - f. Agency, and any contractors, shall perform the work as an independent contractor and will be exclusively responsible for all costs and expenses related to its employment of individuals to perform the work including, but not limited to, retirement contributions, workers' compensation, unemployment taxes, and state and federal income tax withholdings.
  - g. Agency shall comply with all federal, state, and local laws, regulations, executive orders and ordinances applicable to the work under this Agreement, including, without limitation, the provisions of ORS 279C.505, 279C.515, 279C.520, 279C.530 and 279B.270 incorporated herein by reference and made a part hereof. Without limiting the generality of the foregoing, Agency expressly agrees to comply with (i) Title VI of Civil Rights Act of 1964; (ii) Title V and Section 504 of the Rehabilitation Act of 1973; (iii) the Americans with Disabilities Act of 1990 and ORS 659A.142; (iv) all regulations and administrative rules established pursuant to the foregoing laws; and (v) all other applicable requirements of federal and state civil rights and rehabilitation statutes, rules and regulations.

- h. Agency, or its consultant, shall conduct the necessary preliminary engineering and design work required to produce final plans, specifications and cost estimates; purchase all necessary right of way in accordance with current state and federal laws and regulations; obtain all required permits; be responsible for all utility relocations; advertise for bid proposals; award all contracts; perform all construction engineering; and make all contractor payments required to complete the Project.
- i. Agency shall submit invoices to State on a quarterly basis, for actual costs incurred by Agency on behalf of the Project directly to State's Project Manager for review and approval. Such invoices will be in a form identifying the Project, the agreement number, the invoice number or account number or both, and will itemize all expenses for which reimbursement is claimed. Under no conditions shall State's obligations exceed \$168,746.00, including all expenses. Travel expenses will not be reimbursed.
- j. Agency shall, at its own expense, maintain and operate the Project upon completion at a minimum level that is consistent with normal depreciation and service demand.
- k. All employers, including Agency, that employ subject workers in the State of Oregon shall comply with ORS 656.017 and provide the required Workers' Compensation coverage unless such employers are exempt under ORS 656.126. Employers Liability insurance with coverage limits of not less than \$500,000 must be included. Agency shall ensure that each of its subcontractors complies with these requirements.
- l. This Agreement may be terminated by either party upon thirty (30) days' notice, in writing and delivered by certified mail or in person.
  - i. State may terminate this Agreement effective upon delivery of written notice to Agency, or at such later date as may be established by State, under any of the following conditions:
    - A. If Agency fails to provide services called for by this Agreement within the time specified herein or any extension thereof.
    - B. If Agency fails to perform any of the other provisions of this Agreement, or so fails to pursue the work as to endanger performance of this Agreement in accordance with its terms, and after receipt of written notice from State fails to correct such failures within ten (10) days or such longer period as State may authorize.
  - ii. Either Party may terminate this Agreement effective upon delivery of written notice to the other Party, or at such later date as may be established by the terminating Party, under any of the following conditions:

- A. If either Party fails to receive funding, appropriations, limitations or other expenditure authority sufficient to allow either Party, in the exercise of their reasonable administrative discretion, to continue to make payments for performance of this Agreement.
  - B. If federal or state laws, regulations or guidelines are modified or interpreted in such a way that either the work under this Agreement is prohibited or either Party is prohibited from paying for such work from the planned funding source.
- iii. Any termination of this Agreement shall not prejudice any rights or obligations accrued to the Parties prior to termination.
- m. State and Agency agree that if any term or provision of this Agreement is declared by a court of competent jurisdiction to be invalid, unenforceable, illegal or in conflict with any law, the validity of the remaining terms and provisions shall not be affected, and the rights and obligations of the Parties shall be construed and enforced as if the Agreement did not contain the particular term or provision held to be invalid.
7. Agency acknowledges and agrees that State, the Oregon Secretary of State's Office, the federal government, and their duly authorized representatives shall have access to the books, documents, papers, and records of Agency which are directly pertinent to this Agreement for the purpose of making audit, examination, excerpts, and transcripts for a period of six (6) years after final payment. Copies of applicable records shall be made available upon request. Payment for costs of copies is reimbursable by State.
8. Agency certifies and represents that the individual(s) signing this Agreement has been authorized to enter into and execute this Agreement on behalf of Agency, under the direction or approval of its governing body, commission, board, officers, members or representatives, and to legally bind Agency.
9. This Agreement may be executed in several counterparts (facsimile or otherwise) all of which when taken together shall constitute one agreement binding on all Parties, notwithstanding that all Parties are not signatories to the same counterpart. Each copy of this Agreement so executed shall constitute an original.
10. This Agreement and attached exhibits 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 Agreement. No waiver, consent, modification or change of terms of this Agreement shall bind either Party unless in writing and signed by both Parties and all necessary approvals have been obtained. Such waiver, consent, modification or change, if made, shall be effective only in the specific instance and for the specific purpose given. The failure of State to enforce any provision of this Agreement shall not constitute a waiver by State of that or any other provision.

**THE PARTIES**, by execution of this Agreement, hereby acknowledge that their signing representatives have read this Agreement, understand it, and agree to be bound by its terms and conditions.

The funding for this Fund Exchange program was approved by the Oregon Transportation Commission on March 21, 2012, as a part of the 2012-2015 Statewide Transportation Improvement Program (STIP).

The Program and Funding Services Manager approved the Fund Exchange on October 9, 2012.

**Signature Page to Follow**

**CITY OF DALLAS**, by and through its designated officials

By \_\_\_\_\_  
City Manager

Date \_\_\_\_\_

By Fred Braun  
Director of Engineering and Environmental Services

Date 10/25/12

**APPROVED AS TO LEGAL SUFFICIENCY**

By \_\_\_\_\_  
Counsel

Date \_\_\_\_\_

**Agency Contact:**  
Fred Braun  
Director of Engineering and Environmental Services  
187 SE Court Street  
Dallas, Oregon 97338  
503.623.2338  
fred.braun@dallasor.gov

**State Contact:**  
Michael Starnes, P.L.S.  
Region 2 Local Agency Liaison  
455 Airport Road SE, Building B  
Salem, Oregon 97301-5395  
503.986.6920  
michael.s.starnes@odot.state.or.us

**STATE OF OREGON**, by and through its Department of Transportation

By \_\_\_\_\_  
Region 2 Manager

Date \_\_\_\_\_

**APPROVAL RECOMMENDED**

By \_\_\_\_\_  
Region 2 Planning and Development Review Manager

Date \_\_\_\_\_

**APPROVED AS TO LEGAL SUFFICIENCY**

By \_\_\_\_\_  
Assistant Attorney General

Date \_\_\_\_\_

Jon



# Public Safety Committee

## *POST Meeting Agenda*

**October 22,  
2012**

**4:00 PM**

**Council  
Chambers,  
Dallas City Hall,  
187 SE Court St,  
Dallas, OR  
97338**

**Chair Ken Woods, Jr.  
Jim Brown  
Jim Fairchild  
Kevin Marshall**

- Call to Order
- Comments from the Public
  - *This time is provided for citizens to address the Committee on any matters, including agenda items. This is the only time during the meeting that the public will be allowed to speak.*
- Truancy Ordinance

**On agenda for first reading (agenda item 10a)**

- Chief of Police's Report
- Fire Chief's Report
- Other
- Adjournment

1 Members Present: Chair Ken Woods, Jr., Jim Brown, Jim Fairchild, Kevin Marshall (arrived at 4:01).

2 Also Present: Interim City Manager Jon Nelson, City Attorney Lane Shetterly, Mayor Brian Dalton, Chief  
3 of Police John Teague, Fire Chief Bill Hahn, Community Development/Operations Director Jason Locke,  
4 Engineering and Environmental Services Director Fred Braun, and Recording Secretary Emily Gagner.

5 Chair Woods called the meeting to order at 4:00 p.m.

6 **Comments from the Public**

7 There were none.

8 **Truancy Ordinance**

9 Chief Teague reviewed his staff report. He explained the current ordinance had only been enforced three  
10 times since it was written in 2009. He noted the school district asked the City to help them with truants  
11 who were in their homes, adding the statute allowed the superintendent or a person she appointed to issue  
12 citations for truancy. In response to a question, Chief Teague stated a true truancy ordinance would not  
13 increase the department's workload substantially.

14 Chair Woods asked if the difference with the new ordinance was that it allowed the police to go into a  
15 house. Mr. Shetterly explained the Council made a different policy choice when the original truancy ordi-  
16 nance was adopted, noting there was reticence in extending it that far. He added that while daytime cur-  
17 few ordinances were predominant around the state, there were some jurisdictions moving to a true truancy  
18 ordinance. He noted the revised ordinance was just an expansion of the scope we had currently, adding it  
19 imposed an obligation on parents to get their kids to school.

20 In response to a question, Chief Teague explained in the 1990s when daytime curfew laws came out it was  
21 meant primarily to deal with gangs. He stated truancy was now the problem and he was happy to help the  
22 school district.

23 It was moved by Councilor Fairchild and seconded by Councilor Marshall to *recommend the Council ap-*  
24 *prove the revision to the truancy ordinance.* The motion carried unanimously.

25 **Police Chief's Report**

26 Chief Teague reported the department was fully staffed last week for the first time since September 2010.

27 Chief Teague indicated the department was keeping up with crime in Dallas, noting this was the least  
28 staffed police department for a city this size. He stated since 2009, no major crime had gone unsolved.  
29 He discussed recent issues with car break-ins, adding almost all were thefts from unlocked vehicles.

30 Chief Teague reported that in 2009, 53 of 100 cases handled by POINT were Dallas's. In 2010, 56 of 158  
31 cases were for Dallas and in 2011, 30 of 133 cases were Dallas's, mainly because of a lack of participation  
32 on POINT due to staffing issues. Chief Teague indicated heroin was becoming the drug of choice since  
33 methamphetamines were becoming harder to get.

1 Chief Teague explained his community outreach had been hampered by several things, including ongoing  
2 work on a policy manual, chairing a task force to develop a model policy on eyewitness identification, tes-  
3 tifying to the legislature's Judiciary Committee about the value in evidence-based practices for law en-  
4 forcement, and his work on the 2012 Governor's Summit on Reducing Disproportionate Minority Contact  
5 in the Juvenile Justice System. He provided examples of evidence-based practices: polite, respectful cops  
6 reduce crime and recidivism, Neighborhood Watch is not a panacea for crime but does increase police le-  
7 gitimacy which reduces crime, it is better to police places than people, specific attention to offenders we  
8 know will offend reduces crime, and diverting juveniles reduces further offending.

9 Chief Teague reported that in the coming weeks, he would continue to knock on doors in higher crime ar-  
10 eas to hear from these people and try to develop cohesiveness in those neighborhoods.

11 In response to a question, Chief Teague indicated the department had been communicating with the Item-  
12 izer about the car break-ins, adding they issued a press release that should be in the paper this week.

13 Councilor Brown stated a citizen asked him if there was any time of the day that the City didn't have a po-  
14 lice presence. Chief Teague responded that there was a two-man minimum at all times.

15 Councilor Fairchild recommended putting information on the utility bills recommending residents lock  
16 their vehicles. Chief Teague responded that was a good idea.

17 **Fire Chief's Report**

18 Chief Hahn indicated the rainy season had arrived so the burn ban had been lifted. He commended the  
19 Fleet Department staff for the two pickups they just built to replace the well-used 1997 Blazers.

20 Chief Hahn passed out a press release regarding the extrication team that went to Texas the past weekend.  
21 He reported they competed with five other agencies and took first place overall.

22 **Other**

23 There was no other business and the meeting was adjourned at 4:20 p.m.



# Public Safety Committee

## AGENDA

**October 22,  
2012**

**4:00 PM**

**Council  
Chambers,  
Dallas City Hall,  
187 SE Court St,  
Dallas, OR  
97338**

**Chair Ken Woods, Jr.  
Jim Brown  
Jim Fairchild  
Kevin Marshall**

- Call to Order
- Comments from the Public
  - *This time is provided for citizens to address the Committee on any matters, including agenda items. This is the only time during the meeting that the public will be allowed to speak.*
- Truancy Ordinance
- Chief of Police's Report
- Fire Chief's Report
- Other
- Adjournment

**DALLAS CITY COUNCIL**  
**PUBLIC SAFETY SUBCOMMITTEE**  
**REPORT**

Issue: Revisions to DCC 5.228 Truancy

Discussion: Oregon state law does not speak specifically to truancy. It does require school-age children to attend school and it requires parents to send their children to school, but state law has no means of holding children accountable if they refuse to attend school. Laws holding children accountable must be enacted at the local level.

Earlier in the year, Superintendent Christy Perry facilitated a discussion about truancy and about students' consequences for truancy. Stakeholders included the School District, the Dallas Police Department, Polk County Juvenile Department, including Sanction Court, Polk County Circuit Court, and, because some of the school district lies in the county, Polk County Sheriff's Office. Part of that discussion regarded revisions to the City's current truancy code.

The current truancy code is more precisely a daytime curfew law; that is, it addresses school-age children who are not in school *and* are in a public place during school hours. A true truancy law specifically addresses truancy and will allow enforcement action to be taken even if a child is not in a public place, including at home.

Because an inadequate education and because involvement with the juvenile justice system is significantly correlated with a later lack of success in life, the police department endorses the proposed changes to the code. In the first place, it promotes education for children or parents who appear to dismiss its necessity and value. Secondly, because the first two violations are infractions, children will be diverted from the stigma of juvenile justice system but still held accountable.

Fiscal Impact: None. The Police Department estimates the additional calls for service can be absorbed within current resources.

Staff Recommendation: Staff recommends revising the current code.

Attachments: Redline version of current code  
Proposed Truancy Ordinance

5.228 Truancy.

(1) ~~Pursuant to ORS 339.010, except as described provided~~ in subsection (2) ~~below~~, all ~~children-minors~~ between the ages of ~~seven~~<sup>7</sup> and 18 years who have not completed the 12th grade ~~are required to~~<sup>shall</sup> attend regularly a public full-time school, ~~as required by ORS 339.010. For the purpose of this section, "attend regularly" means to attend school during those hours for the full-time school which the minor would attend in the school district in which the minor resides, on any day on which the school is in session.~~

(2) ~~Pursuant to ORS 339.030, in the following cases, children may not be required to attend public full-time schools~~ Subsection (1) does not apply to:

(a) ~~Children-A minor~~ being taught in a private or parochial school in the courses of study usually taught in grades 1 through 12 in the public schools and in attendance for a period equivalent to that required of children attending public schools.

(b) ~~Children-A minor who~~ <sup>provesing</sup> to the satisfaction of the district school board that ~~they he or she have has~~ acquired equivalent knowledge to that acquired in the courses of study taught in grades 1 through 12 in the public schools.

(c) ~~Children-A minor~~ who ~~hasve~~ received a high school diploma.

(d) ~~Children-A minor~~ being taught for a period equivalent to that required of children attending public schools by a private teacher the courses of study usually taught in grades 1 through 12 in the public school.

(e) ~~Children-A minor~~ being educated in the ~~children's-minor's~~ home by a parent or legal guardian.

(f) ~~Children-A minor~~ excluded from attendance as provided by law; or

(g) A minor granted an exemption from compulsory attendance by rule adopted by the State Board of Education pursuant to ORS 339.030(2).

(3) When a police officer has reasonable grounds to suspect a minor may be in violation of subsection (1) above, the police officer may contact the minor and make such investigation as may be necessary or appropriate to determine if the minor is in violation of subsection (1).

(4) If a police officer has probable cause to believe a minor is in violation of subsection (1):

(a) A police officer may take the minor into custody and deliver the minor to the minor's school principal or attendance supervisor, or their designees, or to the minor's parent or legal guardian; <sup>;</sup> and

(b) A police officer may refer the minor to the Polk County Juvenile Department.

~~(4)-(5) Any parent, guardian or person having the care and custody of any minor between the ages of seven and 18 who has not completed the twelfth grade shall take reasonable steps to prevent such child from violating this section, and shall further send such child to and maintain such child in regular attendance at a public school during the entire school term or comply with the exemptions set forth in subsection (2)~~

~~If a police officer has probable cause to believe a parent or legal guardian has not taken reasonable steps to prevent a minor from violating this section, the police officer may cite or arrest the parent or legal guardian as described in subsection (6).~~

(6) Violation of this section upon a first and second offense shall constitute a civil infraction. Violation of this section upon a third and subsequent offenses shall constitute a Class C misdemeanor.

ORDINANCE NO. \_\_\_\_\_

An Ordinance amending Dallas City Code Section 5.228, relating to truancy.

**Section 1.** Dallas City Code Section 5.228 is hereby amended as follows:

5.228 Truancy.

(1) Except as provided in subsection (2), all minors between the ages of seven and 18 years who have not completed the 12th grade shall attend regularly a public full-time school, as required by ORS 339.010. For the purpose of this section, “attend regularly” means to attend school during those hours for the full-time school which the minor would attend in the school district in which the minor resides, on any day on which the school is in session.

(2) Subsection (1) does not apply to:

(a) A minor being taught in a private or parochial school in the courses of study usually taught in grades 1 through 12 in the public schools and in attendance for a period equivalent to that required of children attending public schools;

(b) A minor who proves to the satisfaction of the district school board that he or she has acquired equivalent knowledge to that acquired in the courses of study taught in grades 1 through 12 in the public schools;

(c) A minor who has received a high school diploma;

(d) A minor being taught for a period equivalent to that required of children attending public schools by a private teacher the courses of study usually taught in grades 1 through 12 in the public school;

(e) A minor being educated in the minor’s home by a parent or legal guardian;

(f) A minor excluded from attendance as provided by law; or

(g) A minor granted an exemption from compulsory attendance by rule adopted by the State Board of Education pursuant to ORS 339.030(2).

(3) When a police officer has reasonable grounds to suspect a minor may be in violation of subsection (1) above, the police officer may contact the minor and make

such investigation as may be necessary or appropriate to determine if the minor is in violation of subsection (1).

(4) If a police officer has probable cause to believe a minor is in violation of subsection (1):

(a) A police officer may take the minor into custody and deliver the minor to the minor's school principal or attendance supervisor, or their designees, or to the minor's parent or legal guardian; and

(b) A police officer may refer the minor to the Polk County Juvenile Department.

(5) Any parent, guardian or person having the care and custody of any minor between the ages of seven and 18 who has not completed the twelfth grade shall take reasonable steps to prevent such child from violating this section, and shall further send such child to and maintain such child in regular attendance at a public school during the entire school term or comply with the exemptions set forth in subsection (2)

(6) Violation of this section upon a first and second offense shall constitute a civil infraction. Violation of this section upon a third and subsequent offenses shall constitute a Class C misdemeanor.

Read for the first time:  
Read for the second time:  
Adopted by the City Council:  
Approved by the Mayor:

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BRIAN W. DALTON, MAYOR

ATTEST:

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JON NELSON,  
CITY MANAGER PRO TEM



# Public Works Committee

## *POST Meeting Agenda*

**October 22,  
2012**

**4:00 PM**

**Council  
Chambers,  
Dallas City Hall,  
187 SE Court St,  
Dallas, OR  
97338**

**Chair Jim Fairchild  
Jim Brown  
Kevin Marshall  
Ken Woods, Jr.**

- Call to Order
- Comments from the Public
  - *This time is provided for citizens to address the Committee on any matters, including agenda items. This is the only time during the meeting that the public will be allowed to speak.*
- 2012 Leaf Collection Update
- Community Development/Operations
  - Director's Report
- Engineering/Environmental Services
  - Director's Report
- Other
- Adjournment

**There were no action items from this meeting**

1 Members Present: Chair Jim Fairchild, Jim Brown, Kevin Marshall, and Ken Woods, Jr.

2 Also Present: Interim City Manager Jon Nelson, City Attorney Lane Shetterly, Engineering and En-  
3 vironmental Services Director Fred Braun, Community Development/Operations Director Jason  
4 Locke, Chief of Police John Teague, Fire Chief Bill Hahn, and Recording Secretary Emily Gagner.

5 Chair Fairchild called the meeting to order at 4:20 p.m.

6 **Comments from the Public**

7 There were none.

8 **2012 Leaf Collection Update**

9 Mr. Locke reviewed the staff report. He explained that over the past couple years, staff had noticed  
10 they were collecting a lesser volume of leaves, adding some of the things that were implemented a  
11 few years ago were starting to work. He indicated there were three drop-off sites available where  
12 people could drop off their leaves, noting some took leaves for compost as well. Mr. Locke stated  
13 the yard debris bins provided by Allied Waste were helpful particularly in the newer areas of town  
14 that lacked a number of large trees.

15 In response to a question, Mr. Locke indicated the website was the place to check for information on  
16 the leaf pickup schedule. Councilor Brown asked what people could do if they didn't have internet  
17 access. Mr. Locke advised they could call City Hall or just rake their leaves into the street after No-  
18 vember 1 and wait for us to pick them up. He noted most residents had adapted fairly well to the  
19 new program, adding there would always be some that were mad about a reduced schedule.

20 **Community Development/Operations Director's Report**

21 Mr. Locke discussed the Public Works task list included in the agenda packet. He noted staff had  
22 been focused on storm drainage issues throughout the year to get the creeks and drainage ditches  
23 ready for winter rains. He explained staff also completed work on the Veterans Memorial Bridge  
24 abutment where kids had been moving the good-sized rocks that shielded the bridge abutment, al-  
25 lowing scouring to take place. He indicated staff put the rocks back and shotcreted them in so they  
26 would be much harder to move. Mr. Locke reported staff had also completed a lot of manhole repair  
27 work which should help avoid some of the inflow and infiltration issues.

28 Councilor Brown asked about the blue reflectors he noticed recently in his neighborhood. Chief  
29 Hahn explained a boy scout working on his eagle project was installing them throughout town to  
30 identify where fire hydrants were located.

31 Councilor Brown indicated he had done some research on electronic meter reading and found a few  
32 communities had real problems with public attitude toward the project. He asked if staff had en-  
33 countered anything like that here. Mr. Braun indicated there hadn't been the resistance in Dallas that  
34 other communities encountered.

35 **Engineering/Environmental Services Director's Report**

1 Mr. Braun reported the influent pump at the Wastewater Treatment Facility that was damaged in the  
2 January storm was back in and functioning. He indicated the cost for replacement was \$20,000 less  
3 than estimated, adding the cost would be paid by FEMA and insurance money.

4 Mr. Braun indicated the August lead testing was completed and only two samples exceeded the al-  
5 lowable limit which put the system in compliance. He stated this meant the City could reduce testing  
6 frequency.

7 Mr. Braun commented that the contractor revised the schedule for installing the updated automated  
8 meter read system, noting they were waiting for an FCC license for the transmitting units so they  
9 couldn't begin until the first of the year. In response to a question, Mr. Braun stated there were cur-  
10 rently 500 AMRs in the field functioning, a couple hundred that hadn't been turned on yet, and 50 in  
11 inventory. He advised ultimately there would be 4,500 meters.

12 Mr. Braun reported Mercer Reservoir was filling up and if there was more rain soon, it would likely  
13 be full by the end of next week. He indicated the ASR was turned off at the end of September. He  
14 reported over 30% recovery this year which was an improvement over last year with improved water  
15 quality. Chair Fairchild asked if there would be additional wells in the near future. Mr. Braun stated  
16 two additional sites were identified but they weren't needed currently. He advised they would need  
17 to be installed in advance of a growing population.

18 Mr. Braun indicated ODOT was accepting applications for an enhanced grant program with federal  
19 pass-through money. He reviewed the three projects for which staff would submit applications, in-  
20 cluding widening Godsey Road with bike lanes and sidewalks; Phase 2 of the Main Street enhance-  
21 ment project between Mill and Academy Streets; and the next section of the Rickreall Creek Trail  
22 from the dog park to the City Shops. He noted there would be tough competition so the projects may  
23 not receive funding. Mr. Braun commented that ODOT was also offering fix-it grants for overlays  
24 and maintenance, but there would likely be no money for local maintenance.

25 Mr. Braun advised as soon as the new city manager was in place, staff would be looking to start up  
26 the utility rate study process once again. He noted staff would advertise for citizen committee mem-  
27 bers to review the information and make recommendations to the Council. He indicated the process  
28 should take four to six months to complete and would include a look at the SDC rates.

29 **Other**

30 There was no other business and the meeting was adjourned at 4:42 p.m.



# Public Works Committee

## AGENDA

**October 22,  
2012**

**4:00 PM**

**Council  
Chambers,  
Dallas City Hall,  
187 SE Court St,  
Dallas, OR  
97338**

**Chair Jim Fairchild  
Jim Brown  
Kevin Marshall  
Ken Woods, Jr.**

- Call to Order
- Comments from the Public
  - *This time is provided for citizens to address the Committee on any matters, including agenda items. This is the only time during the meeting that the public will be allowed to speak.*
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  - Director's Report
- Other
- Adjournment

## City of Dallas 2012 Fall Leaf Plan



The City of Dallas officials recommend that residents dispose of leaves in an environmentally responsible way. Leaves raked into the street can cause drainage problems because they can clog gutters and storm sewers. Also, they can blow onto neighbors' properties. City street sweeper vehicles cannot handle large quantities of leaves and leaf pick-up crews will be working in a limited capacity compared to previous years.

The easiest solution is to place them in the yard debris bins provided by Allied Waste. Those are picked up as part of the regular garbage service.

Many Dallas residents have too many leaves, which instead may be dropped off at any of the three drop-off sites in the City. The locations accept leaves from October 15 thru December 31.

- 1) The gravel lot west of the ball fields at Lyle Elementary School
- 2) The parking lot at the Dallas City Park at the end of Allgood Street
- 3) The far east end of Hankel Street in front of the barricade

Residents are encouraged to consider "recycling" leaves by spreading them out across the lawn, then simply running back and forth over them a few times with the lawn mower. These finely chopped leaves act as light mulch for the lawn over the winter. The mulch will decompose by spring.

Leaves should not be treated as trash. While leaves may be emptied into regular trash carts, it is an expensive and un-environmentally-friendly way to dispose of them. More importantly, leaves treated as trash take up valuable space at the landfill.

Leaves can be placed in the street, but only between **November 1 and December 15**. City crews will be by two or three times to pick them up. This will be in a limited capacity compared to the previous years.

Residents are reminded that:

- Leaves should be raked into the street in small piles
- Be careful to avoid blocking the roadway.
- Please be sure to keep the piles away from the storm drains and at least 18 inches from the curb to allow water to drain.
- Please note: Our equipment can only pick up leaves. Do not place trimmings, brush, grass, or other debris in the street.

The front page of the website will list dates for actual pick-up and what zone crews will be working in. The Itemizer Observer will be notified two weeks prior to pick-up dates.

Extra leaves are available to the public. Leaves can be picked up at any of the three drop-off sites listed above. If interested in large quantities, the Public Works department can be contacted to arrange for possible delivery.



## PW OPERATIONS

### Projects to complete

- 1) ~~Court St water line repairs from Main to Church (plus new valves on Main)~~
- 2) ~~I&I projects: Manhole grouting A Denton line~~
- 3) ~~Install new lights at shops~~
- 4) ~~Install 2 Dallas signs, Godsey and E. Ellendale~~
- 5) ~~Grind and overlay Court St from Jefferson through Church intersection~~
- 6) ~~Weed spraying~~
- 7) ~~Police parking signs and 3 hour in back of city hall~~
- 8) ~~Cleaning sewers maintenance and Camera~~
- 9) ~~Street signs upgrades - ongoing~~
- 10) ~~Start street painting~~
- 11) ~~Crosswalk a @jasper and Ellendale~~
- 12) ~~ADA ramps: Morrison School and north side of Washington (E-W only)~~
- 13) ~~ADA space at Fire station~~
- 14) ~~Replace City Hall Sewer lateral~~
- 15) ~~Dig out RR stuff on Church prior to overlay~~
- 16) ~~Courts street sign and RG work~~
- 17) ~~Monmouth Cutoff shoulder rock~~
- 18) ~~No outlet sign on Collins drive~~
- 19) ~~Mike and Megan Water and meter reading - ongoing~~
- 20) ~~River Drive pumps~~
- 21) ~~Asphalt berms—665 River at hill and 1311 Fairview~~
- 22) ~~Storm drain ditch redo at 665 River~~
- 23) ~~Bridlewood pump station generator and enclosure – pricing out~~
- 24) ~~Ash Creek cleanout~~
- 25) ~~NE Quadrant Kings Valley Hwy drainage (CIP) Spring '13~~
- 26) ~~Smoke test River Dr Lift station basin~~
- 27) ~~Smoke test Bridlewood basin~~
- 28) ~~Crack Sealing—Various locations for 2 weeks~~
- 29) ~~Bridge Repairs and maintenance- Various~~
- 30) ~~Storm ditch at SW Hunter~~
- 31) ~~Complete shop residing and paint~~
- 32) ~~Storm drain prep~~

Updated ~~July 17~~ ~~September 18~~ ~~October 18~~

1 **CITIZENS ADVISORY COMMITTEE**  
2 **FOR RESIDENTIAL STREET FUNDING**  
3 **Wednesday, October 24, 2012**  
4 **Council Chambers**

5 Mayor Brian Dalton called the Citizens' Advisory Committee for Residential Street  
6 Funding meeting to order on Wednesday, October 24, 2012, at 5:30 p.m. in the Council  
7 Chambers of City Hall.

8 Committee members present: Pete Christensen, Jared Cornman, Dale Derouin, Greg  
9 Hansen, Ray Olmstead, Dave Weston, and Rich Wolcott. Members absent: Steve Large  
10 and Nancie Rogers.

11 Also present were: Interim City Manager Jon Nelson, Community Development/  
12 Operations Director Jason Locke, and Recording Secretary Emily Gagner.

13 Visitors: Joe Koubek and Gene Henshaw

14 **APPROVAL OF MINUTES**

15 Mayor Dalton asked if there were any changes to the minutes. There were no changes  
16 and they were approved as presented.

17 **KEY TAKE-AWAYS**

18 Mayor Dalton reviewed the key take-away list from the previous meetings. He stated in  
19 September, the committee discussed the General Fund and the fact the City didn't have  
20 much money available in that fund to help with street repairs. He indicated the  
21 committee would ultimately provide a recommendation to the Council and depending on  
22 what the Council decided, the committee would have some marketing opportunities in the  
23 future.

24 **DISCUSSION OF PUBLIC INVOLVEMENT/OUTREACH PROCESS**

25 Mr. Locke stated the committee ended the last meeting discussing the marketing aspect of  
26 street repair funding. He explained the next step was a public involvement process. He  
27 proposed offering a couple hands-on open house opportunities and reviewed the process  
28 outlined in the agenda packet. He indicated staff felt two or three meetings would be a  
29 good number to start with, keeping in mind the committee could expand that number if  
30 they were successful. Mr. Locke advised the meetings would be advertised on the  
31 webpage, adding the webpage would also provide a good way to get feedback from the  
32 community.

33 Mr. Locke commented that he would like to engage the business community as the first  
34 part of the process. He advised having people just listen to the Mayor or him talk didn't  
35 work so well, but having the committee involved allowed them to understand what  
36 people were really thinking and gave them a chance to get more familiar with the  
37 material. Mr. Locke indicated each open house would begin with a brief introduction by  
38 the Mayor followed by a short staff presentation outlining the issues the City faced and  
39 potential resolutions. He stated then everyone would break into smaller table groups with

1 the committee members facilitating the discussion about the options. Each table would  
2 then provide a report, followed by final discussions and completion of individual surveys.  
3 Mr. Locke noted the meetings would be well-ordered and would get the results the  
4 committee was aiming for; adding these discussions often provided new ideas.

5 Mr. Cornman recommended putting something on the back of the water bills to notify  
6 residents about the meetings. He commented that if most advertising was done online it  
7 wouldn't reach all socioeconomic classes, adding it was important to reach everyone.

8 Mr. Weston commented the City should make a list of the biggest critics of the past street  
9 fee and be sure to invite them to the meetings. He explained if those people participated  
10 in an open house, it would make them feel they were part of the process and if they felt  
11 they had a voice in the process, they may turn into supporters. Mr. Weston  
12 recommended inviting former Councilors who were on the Council when the street fee  
13 went through the first time, noting they may be able to provide input so the same  
14 mistakes weren't made again.

15 In response to a comment, Mr. Cornman recommended using the County reader board,  
16 Facebook, and an advertisement in the Itemizer as ways to notify the public about the  
17 meetings.

18 Mr. Locke indicated the City would do a fairly aggressive notification campaign, noting  
19 that wouldn't ensure people would participate.

20 Mr. Olmstead commented that it seemed like the same people always showed up to open  
21 houses, noting the time of day dictated who might show up. He recommended holding  
22 the meetings in churches, schools, and auditoriums, adding if they really wanted to get to  
23 people they needed to take as much bureaucracy out of the process as possible. He noted  
24 many committee members and Councilors belonged to other organizations and advised  
25 they could give a ten minute spiel about the open houses.

26 Mr. Christensen advised against holding the meetings in the Civic Center because it had  
27 too many bad vibes to try to do something positive there. Mr. Wolcott noted the Civic  
28 Center could get crowded and noisy.

29 In response to some discussion, Mr. Locke explained a large problem the City faced with  
30 the street fee was that misinformation was given by others to the business owners and the  
31 resulting turnout was based on those folks. He advised it was important to have a  
32 targeted, separate open house for businesses because they would have different feedback  
33 and different ideas on the issue than the general public.

34 In response to a question, Mr. Locke indicated the open house process should be  
35 completed by February, at which time the committee would compile the information and  
36 discuss, evaluate, and analyze that information. Then the committee would make a  
37 recommendation to the Council.

38 Mr. Cornman stated if part of the concern was winning over the business community, he  
39 liked the approach of focusing on them. He recommended having people go door-to-door  
40 to invite them individually and provide them a fact sheet to review before the meeting.

1 Mr. Olmstead suggested holding the meetings at various geographic locations convenient  
2 to the residents. He noted if a meeting was held at a local elementary school, residents  
3 might be more likely to attend a meeting there than one at City Hall.

4 There was some discussion about ways to get residents to attend the meetings. Mr.  
5 Weston advised selling the residents on the fact that the committee was actively seeking  
6 their input and wasn't just intending to tell them what the answers were.

7 Mr. Wolcott stated it was important to show the residents there was a need to do  
8 something. Mr. Locke indicated he would simplify the information he had already  
9 provided the committee to present to the public at the open houses.

10 Mr. Olmstead commented it might help to make clear this was not just a Dallas issue,  
11 noting some entities had been more proactive than others but everyone was fighting it.  
12 Mr. Weston advised that depending on what Congress did after the election, there may be  
13 even less funding coming to the City because the state would be desperate for every  
14 dollar they could save themselves. He indicated what the committee and the City were  
15 looking at now could be the good side of the problem.

16 Mr. Locke stated staff would prepare some fact sheets, information, and invitations for  
17 the open houses and the committee would go over it at the next meeting. He  
18 recommended scheduling the first open house for early December, noting he'd like to  
19 start with the business people. Mayor Dalton advised the Chamber could help with the  
20 location and invitations for that meeting.

21 There was more discussion about the difficulty encouraging residents to participate. Mr.  
22 Locke noted he was always open to ideas to increase participation.

23 Mr. Olmstead asked Mr. Nelson what they did in Corvallis to draw people in. Mr.  
24 Nelson commented that Corvallis was the land of public participation overkill, noting  
25 they may have had too many meetings. He stated he didn't debate the fact that they may  
26 not get a lot of participation in Dallas, but the committee might be surprised if the  
27 residents found out they would be actively participating in the process to move forward.  
28 He noted in Corvallis they were pleasantly surprised with who participated and supported  
29 their street fee on the back end because they were involved in the initial meetings. He  
30 advised staff had to give up on their preconceived notions of what the solution was  
31 because the focus changed from what the solution should be to what the public would  
32 support. He commented the final decision was a step toward slowing down the street  
33 deterioration.

34 Mr. Christensen commented that if a total of a hundred people attended the meetings that  
35 would be a good draw because then there would be 100 people with awareness of the  
36 issues. He advised if they could provide information to people they knew, there would be  
37 a better chance of getting something approved.

38 Mr. Nelson indicated the end result of the process in Corvallis was a Council room full of  
39 people opposed to the street fee but the citizens who were part of the process said they  
40 wanted to do it. He noted that because it wasn't a Council decision but came from the  
41 people there was no initiative opposing it.

1 OTHER

2 Mayor Dalton explained that Mr. Locke would have a final product for the committee to  
3 discuss at the following meeting.

4 Mr. Henshaw suggested to the Committee that now that the Chamber's Public Policy  
5 Committee was in play, it was important to get them engaged and behind it. Mr. Locke  
6 acknowledged they would overlap the Public Policy Committee in the first open house  
7 targeting businesses.

8 ADJOURNMENT

9 There being no further business, the meeting was adjourned at 6:07 p.m.

# Citizens' Advisory Committee for Residential Street Funding

## AGENDA

**Date:**

**October 24,  
2012**

**Time:**

**5:30 p.m.**

**Location:**

**Dallas City Hall,  
Council  
Chambers**

- Call to Order
- Roll Call
- Approval of minutes
- Key take-aways
- Discussion of Public  
Involvement/Outreach Process
- Adjournment



**CITIZENS ADVISORY COMMITTEE  
FOR RESIDENTIAL STREET FUNDING  
Wednesday, September 26, 2012  
Council Chambers**

1  
2  
3  
4  
5 Mayor Brian Dalton called the Citizens' Advisory Committee for Residential Street  
6 Funding meeting to order on Wednesday, September 26, 2012, at 5:30 p.m. in the  
7 Council Chambers of City Hall.

8 Committee members present: Pete Christensen, Jared Cornman, Dale Derouin, Greg  
9 Hansen, Ray Olmstead, Nancie Rogers, and Dave Weston. Members absent: Steve Large  
10 and Rich Wolcott.

11 Also present were: Interim City Manager Jon Nelson, Community Development/  
12 Operations Director Jason Locke, and Recording Secretary Emily Gagner.

13 Visitors: Joe Koubek and Gene Henshaw

14 APPROVAL OF MINUTES

15 Mayor Dalton asked if there were any changes to the minutes. There were no changes  
16 and they were approved as presented.

17 KEY TAKE-AWAYS

18 Mayor Dalton reviewed the key take-away list from the previous meetings.

19 DISCUSSION OF FINANCING MECHANISMS (continued from previous meeting)

20 Mr. Locke passed out information from the League of Oregon Cities (LOC) website that  
21 included information on what Oregon cities had transportation utility fees (TUF) and the  
22 methodology for the rates. He added he would also send via email the entire study done  
23 by LOC that focused on the TUF and what issues these cities faced.

24 Mr. Locke reviewed another handout that had information regarding potential revenues  
25 generated by bonds, levies, and street maintenance fees.

26 Mr. Olmstead asked if the street maintenance fee would be paid by non profits, schools,  
27 and governments. Mr. Locke stated the user fee captured everyone and was not based on  
28 whether a property was taxable or not.

29 Mr. Derouin asked if the 5,300 units figure captured commercial properties too. Mr.  
30 Locke indicated it did, noting everyone paid the same in that scenario. He pointed out the  
31 LOC information about other TUFs and explained most of those cities had a commercial  
32 rate and a residential rate. He stated commercial properties typically generated more  
33 vehicle trips and had more impact on the streets. Mr. Locke indicated there were simple  
34 ways to go about a TUF. He noted it was another matter entirely when they got to the  
35 equity issue.

1 Ms. Rogers stated people outside the City didn't pay no matter how much they used the  
2 streets. Mr. Locke agreed, noting the funds the City did have went to maintaining the  
3 collectors and arterials which were what the majority of those folks drove on anyway.

4 Mr. Weston commented that Mr. Locke mentioned commercial and wondered about  
5 industrial uses. Mr. Locke stated for this purpose, commercial was everything that  
6 wasn't classified residential, including industrial.

7 There was some discussion about property tax limits and compression. Mr. Hansen  
8 indicated general obligation bonds fell outside the \$10 limit for government taxes but  
9 operating levies fell inside that amount. Mr. Nelson pointed out that a TUF, because it  
10 wasn't a tax, wouldn't affect any of that.

11 Mr. Locke commented that Mr. Christensen had asked for a middle option of scenarios  
12 previously done. He reviewed a chart provided to the Committee. In response to a  
13 question, Mr. Locke indicated the best case scenario with maximum funding would go  
14 out 20 years before it needed another injection of funding. He added the middle scenario  
15 would last about 10 years before major funding was needed.

16 Mr. Olmstead stated he calculated it would take an 18 year bond to get the \$7.5 million  
17 needed for street repairs and indicated the City needed to make sure the bond was paid  
18 off before they'd need to ask for more money for repairs.

19 Mr. Christensen recommended looking at a smaller bond option, for example, to ensure it  
20 got passed in the current economic climate, adding they wouldn't be able to do all they  
21 wanted to but it would get the streets above a 70 PCI. Mr. Hansen stated the problem  
22 with that was a smaller amount would get 15 to 20% of the roads to a 90 PCI but many  
23 roads would still be at 60 or lower and the people living on those streets would be upset  
24 they were paying for better roads in other neighborhoods.

25 Mr. Hansen advised when the County passed their jail bond, they didn't go for the  
26 amount they wanted but what they thought would get approved. He indicated that if the  
27 City waited another 7 years to do something, the roads would be so bad it would take \$20  
28 million to get the roads to an average 75 PCI.

29 Mr. Cornman stated whatever the committee and the Council came up with for a solution,  
30 there had to be a lot of marketing. He recommended polling the citizens to find out what  
31 was important to them and use that to base the final decision on.

32 Ms. Rogers indicated it was important to do marketing and find out where the citizens of  
33 Dallas wanted to see their money go.

34 Mr. Weston passed out a sheet with suggestions he had, a copy of which is attached to  
35 these minutes. He recommended the City avoid seeking a street levy and discussed a  
36 proposal to use general fund money to help with street repairs.

37 Mr. Locke reviewed the discussion from the previous meeting, noting that if money was  
38 transferred from the general fund for streets, they would have to make up for it in some  
39 fashion, whether that was the library, or fire department redistricting, or something else to  
40 free up general fund revenues.

1 Mayor Dalton pointed out there were some stresses aimed at the general fund in the next  
2 few years, including PERS costs escalating dramatically.

3 There was discussion about why the previous street fee was defeated with several  
4 committee members discussing lack of marketing and public education.

5 Mr. Locke indicated that the Council clearly recognized there were missteps in the  
6 previous go-round so having a group like this committee who can go out with that  
7 knowledge and discuss the issues with various groups was a good start. He noted it  
8 would be a slog to get where we needed to go.

9 There was some discussion about having the committee members go out in groups to  
10 represent the committee to community groups. It was mentioned that people may be  
11 more willing to listen to other citizens from the community rather than government staff  
12 or Council members.

13 Mr. Nelson stated that when a TUF was passed in Corvallis, they had a good committee  
14 like this one who took out an options package to twenty different groups explaining the  
15 need, the vision, and the bigger issues. He explained the outreach programs offered  
16 different alternatives to address the needs and allowed a lot of citizen involvement to get  
17 their preference. That information then went to the committee to decide a preferred  
18 alternative and that was what was shared with the Council for buy-in and was taken back  
19 to the community. He indicated it took a year and a half and a lot of marketing and staff  
20 time but it was ultimately successful. In response to a question, Mr. Nelson stated once  
21 the Council approved the fee, a few people talked about a referendum but the marketing  
22 was so effective that most people just wanted the problems solved.

23 Mr. Derouin commented that it was premature to say the committee should recommend  
24 something to the Council. He advised if they didn't get the publicity out there and get the  
25 public involved early, and get them to see the long term benefits, the City would see the  
26 same Citizens for Prosperity group fighting it.

27 Mr. Koubek stated he hoped all units did not pay the same rate as shown in Mr. Locke's  
28 example. He asked if users who made money from the City could be required to pay,  
29 using Allied Waste as an example. Mr. Weston explained they already paid the City a  
30 franchise fee.

31 Mr. Derouin urged making sure any funding decision had at least one element to make it  
32 variable because for some people, an extra fee could mean going without food.

33 Mr. Locke indicated the next meeting he would give the committee an opportunity to  
34 look at the framework for involvement mechanisms and strategies to get feedback.

35 Mr. Nelson stated Corvallis had several workshops with staff and a committee about the  
36 financial need so they could feel comfortable with the numbers. Those committee  
37 members then had break out discussions where people could look at the solution options  
38 and gravitate toward a choice. He explained it was done in many venues.

39 Mr. Derouin commented the critical part of the education process was that they started  
40 with the need. Mr. Cornman stated the key points the committee needed to give the

1 Council was that it should not be a regressive tax, there should be a commercial aspect to  
2 any solution, and it needed to be simple to explain.

3 OTHER

4 Mayor Dalton

5 ADJOURNMENT

6 There being no further business, the meeting was adjourned at 6:27 p.m.

# Dallas Street Funding CAC

## KEY TAKEAWAYS

### June 27, 2012

- *The City maintains 56+ miles of streets.*
- *The goal is to maintain an average PCI of 70 for all city streets.*
- *More than half of city streets are below PCI 75. Of those streets, 2/3 are in poor or very poor condition (requiring either thick overlays or reconstruction).*
- *The longer maintenance is deferred, the more expensive repairs become.*
- *Revenue to maintain streets comes from state and federal sources, no General Fund monies are used.*
- *Revenue from these sources will likely stay flat at between \$970,000 - \$1,000,000 per year into the foreseeable future.*
- *The City Council policy is to overlay Arterials and Collectors with available funds.*

### July 25, 2012

- *Deferred maintenance costs will rise exponentially if nothing is done (\$7.5 million in 2013 - \$12 million in 2019)*
- *A one-time \$7.5 million expenditure now and an additional \$700,000 per year would maintain the overall PCI at approximately 81.*
- *The standards for new roads are much more stringent than 20 years ago, with a design life of 30-40 years.*
- *The City tries to get as much paving done as possible every year, including partnering with ODOT on State Highways like Main, Jefferson, and Washington.*

### August 22, 2012

- *There are a number of potential funding mechanisms to address local street maintenance, including a street bond, street utility fee, special levy, savings from the existing street fund (maybe \$40,000/year), using general fund money, Local Improvement Districts, and a local sales tax. Each mechanism has advantages and disadvantages, and may or may not address the fiscal needs fully.*
- *Some mechanisms are either precluded or otherwise impractical: local gas tax, DMV registration surcharge, tolling*

**September 26, 2012**

- *It is important that citizens understand all of the issues and funding options*
- *The City's General Fund will not be able to make a contribution to the Street Fund (for local street paving) unless and until the budgetary strains are reduced or eliminated*
- *A robust public involvement process must take place before the Committee can make a recommendation to the City Council*



*Community Development/Operations Department*

## **Memo**

**To:** Street Maintenance Funding CAC  
**From:** Jason Locke, Community Development/Operations Director  
**Date:** October 23, 2012  
**Re:** Public Involvement Process

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As discussed at your prior meeting, an important component of the process is to educate the public about the issues related to maintaining residential streets in Dallas as well as getting feedback. To that end, staff is proposing the following action plan:

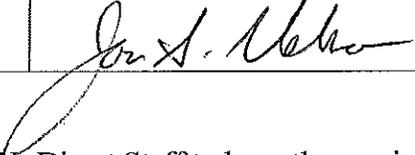
Hold 2 – 3 open houses for the business community and the general public, with the first one taking place in early December. An open house could look something like this:

- Overview of evening activities and expected outcomes – Mayor Dalton
- Staff Presentation including current needs, how the need increases, the results of inaction, the costs – Jason
- Break into table groups, with CAC members facilitating the discussion of options, including do nothing, bonds, trans fee, combination, etc – CAC members
- Reports from tables, final discussions, and comments, as well as individual surveys to be completed by participants.

The information from each session will be compiled and used by the CAC to develop the preferred alternative. The preferred alternative is forwarded as a recommendation to the City Council.

# DALLAS CITY COUNCIL REPORT

**TO: MAYOR BRIAN DALTON AND CITY COUNCIL**

<i>City of Dallas</i>	<b>Agenda Item No. 8b</b>	<b>Topic:</b> Farmhouse Repairs and Sale
<b>Prepared By:</b> Jason Locke, Community Development/ Operations Director	<b>Meeting Date:</b> November 5, 2012	<b>Attachments:</b> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
<b>Approved By:</b> Jon Nelson, Interim City Manager		

**RECOMMENDED ACTION:** Direct Staff to have the repairs done per the attached memo and begin the process to sell the property.

**BACKGROUND:** The Council determined that the sale of the farmhouse property at 12235 Orrs Corner Road was in the best interest of the city. Prior to putting the property up for sale, the Council directed staff to get bids on some necessary repairs in order to determine whether or not to make the repairs or sell the property as-is. The city received 4 bids, ranging from \$3500-\$7000. There will also be some ancillary costs like the installation of smoke detectors and the rental of a dumpster.

**FISCAL IMPACT:** Cost of repairs: less than \$4500, available in the Sewer Fund.

**ATTACHMENTS:**

Repair memo prepared by Building Official Ted Cuno.

## MEMORANDUM

**To:** Jason Locke, Community Development Director

**From:** Ted Cuno, Building Official 

**Date:** 10/8/2012

**Re:** City Farm House

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Mr. Locke,

The following is the contractors bid list for the city owned farmhouse at 11235 Orrs Corner Road.

- Repair the sheetrock as needed and repaint
- Fit trim door in basement
- Remove half-door to basement
- Replace handrail at stairs
- Cover plate for basement flue.
- Trim and paint entry door at breezeway
- Replace broken doors with bi-folds and paint
- Frame and insulate (R-13) the water system equipment
- Replace garage man door entry knob (locking)
- Replace "like for like material" in garage.
- Paint interior of garage white
- Re-nail, patch, caulk, and touch-up paint south garage wall
- Remove the south end of the arbor where framing members that are visibly rotten.
- Touch-up paint and patch roof where arbor was removed.

ALL BIDS NEED TO BE TURNED IN TO JASON LOCKE BY 10/19/2012

JASON CAN BE REACHED AT 503-831-3565

November 1, 2012

To: Mayor and City Council

From: Jon Nelson, Interim City Manager 

Re: Proposed General Fund (GF) Budget Plan for Balance of FY12-13;  
Preliminary FY13-14

## I. Background

City Council concurred with an October 9, 2012, City Council workshop recommendation for staff to return with a reduction plan at the November 5, 2012, Council meeting. A copy of the October 9, 2012, staff memorandum is attached.

Since the workshop, refined expenditure and revenue estimates have determined the appropriate reduction amount as approximately \$500,000 (annualized). This would more closely align expenditures with revenues in FY13-14 as well as begin to rebuild the fund balance in FY12-13.

The reduction plan has two phases; Phase I is immediate. Phase II is associated with the FY13-14 budget development process. The reduction plan also needs to accommodate a payment of \$583,000 to the Sewer SDC Fund from the General Fund.

## II. Phase I

### A. GF Fund Balance

The FY13-14 budget assumes a \$300,000 drawdown of Fund Balance (FY12-13 beginning fund balance of \$1,450,000 and FY12-13 unappropriated fund balance of \$1,149,853). While carryover into the FY12-13 budget was approximately \$230,000 higher than anticipated, this has been offset by \$100,000 in Sewer SDC funds not transferred, \$60,000 crop revenue deposited appropriately in the Sewer Fund, supplemental budget expenditures (Carnegie Building, EMS grant match, park tree removal) of \$31,000, and the \$583,000 pending payment from the GF to the Sewer SDC Fund. As a result, the fund balance will be between \$500,000 and \$600,000. Implementing the recommended mid-year FY12-13 reductions will begin to build the fund balance back to City Council's 10% threshold.

Council is encouraged to transfer \$583,000 from the GF fund balance to the Sewer SDC Fund as soon as possible to meet the intent of State statutes and to help provide a clear picture of resources available in advance of the SDC review.

## B. GF: Operating Budget

Current FY12-13 expenditures with PERS increases and city manager/department head salaries appropriately allocated are preliminarily forecasted for FY13-14 to be approximately \$8,500,000. Current revenues, with no cash transfer infusion, no Sewer Fund crop revenues, and transfers from utility funds properly allocated are preliminarily forecasted to be \$8,000,000. Hence the \$500,000 reduction target.

### Methodologies for Reducing Budget

In reducing budgets, programs, and services, fairness and equity is in the eye of the beholder. Across the board reductions may impact revenue generation. Reductions after adjusting for revenues may impact minimum staffing levels or the preservation of facilities. There are many reduction methodologies used by cities. No one methodology works best. Many believe the #1 criterion in any service reduction plan is consideration for the customer and how they will be impacted by reductions in city services.

Other factors to strongly consider in reducing services are contingency levels and historic use, vacancies and retirement opportunities, staff willingness to take on additional responsibilities, pursuit of revenue enhancing ideas, and reorganization in an attempt to maintain existing services. Currently, Dallas GF services are close to "minimal staffing levels" if the organization is to continue to be able to respond to customers, preserve facilities, meet planning and inspection response timelines, and pursue economic development. Pursuing economic development is not just having planning staff available, but also providing the services and amenities (public safety, parks, trail system, youth recreation, library, swimming pool, senior center) to maintain or attract new investments.

The following chart displays GF expenditures in the current adjusted budget and across the board reductions (6%) necessary to achieve \$500,000 in reductions. It also displays GF expenditures adjusted for dedicated revenue streams and across the board reductions (9%) necessary to achieve \$500,000 in reductions.

The 6% and 9% reductions are provided as order of magnitude information. They are neither strategic nor recommended reductions methodologies.

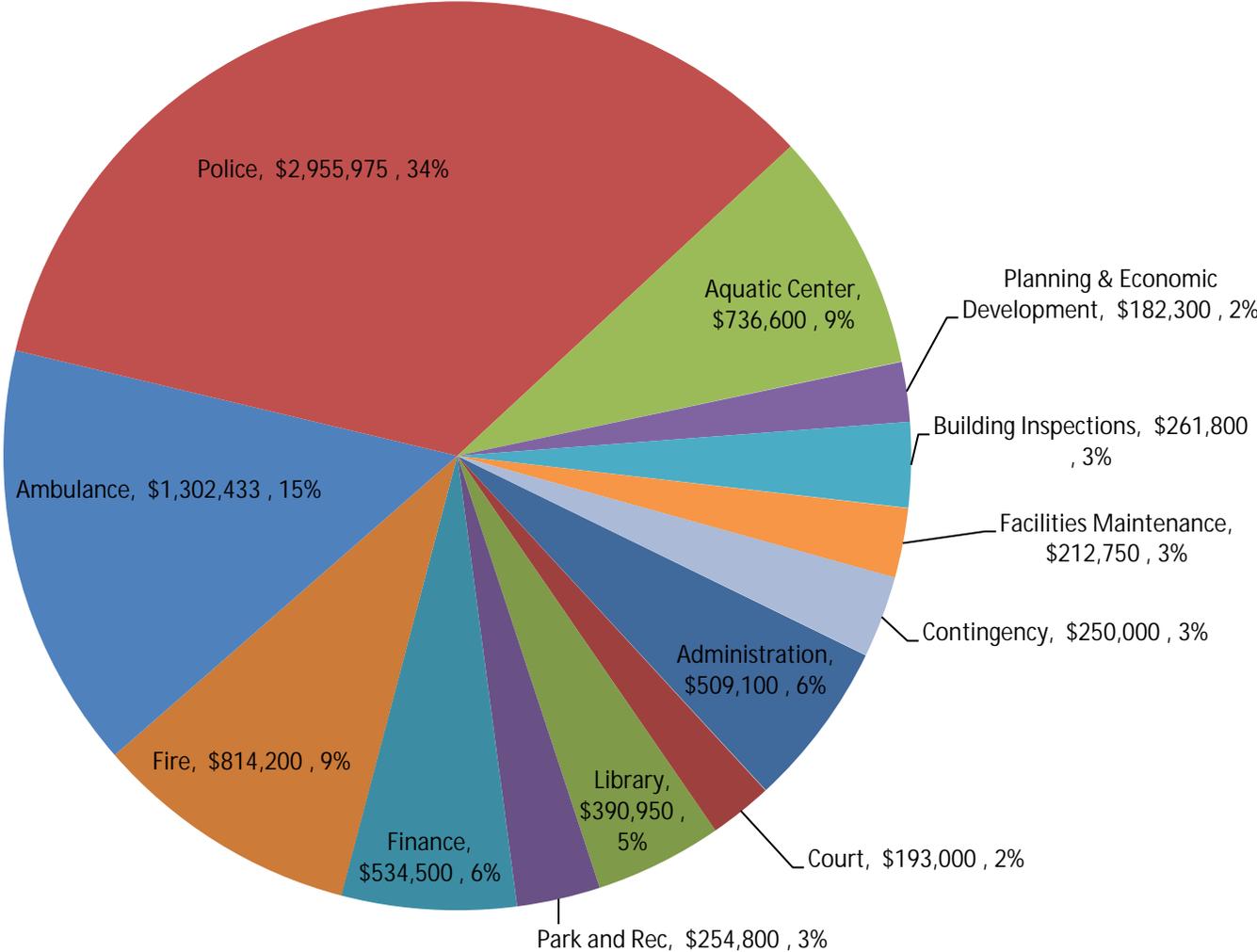
### FY 2012-13 GF Expenditures

Category	Expenditures	6%	Expenditures less dedicated revenue	9%
Administration	509,100	30,546	234,100 <sup>1</sup>	21,069
Court	193,000	11,580	103,000 <sup>2</sup>	9,270
Library	390,950	23,457	317,000 <sup>3</sup>	28,530
Park and Rec	254,800	15,288	238,800 <sup>4</sup>	21,492
Finance	534,500	32,070	259,500 <sup>5</sup>	23,355
Fire	814,200	48,852	647,700 <sup>6</sup>	58,293
Ambulance	1,302,433	78,146	204,933 <sup>7</sup>	18,444
Police	2,955,975	177,359	2,857,000 <sup>8</sup>	257,130
Aquatic Ctr	736,600	44,196	286,600 <sup>9</sup>	25,794
Planning & Economic Development	182,300	10,938	152,300 <sup>10</sup>	13,707
Building Inspections	261,800	15,708	109,800 <sup>11</sup>	9,882
Facilities Maintenance	212,750	12,765	209,750 <sup>12</sup>	18,878
Contingency	250,000	15,000	250,000 <sup>13</sup>	22,500
<b>Total</b>	<b>\$8,598,408</b>	<b>\$515,904</b>	<b>\$5,870,483</b>	<b>\$505,843</b>

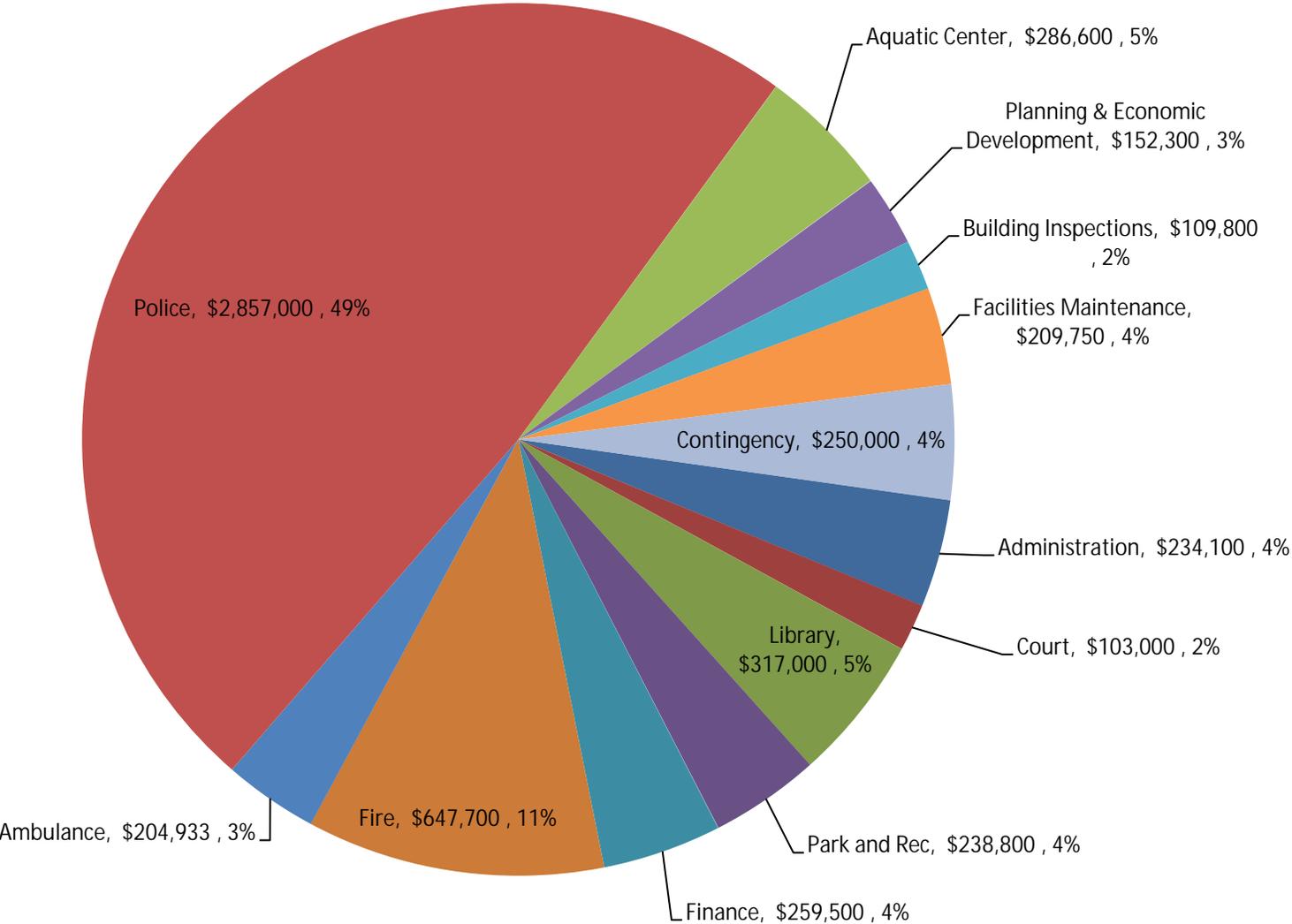
**Dedicated Revenue:**

- 1 ½ forecasted transfer revenue: \$275,000
- 2 ½ court-related revenue: \$90,000
- 3 Fines, non-resident & CCRLS revenue: \$74,000
- 4 Recreation program fees & park fees: \$16,000
- 5 ½ forecasted transfer revenue: \$275,000
- 6 ¼ 9-1-1 revenue and fire district payment: \$166,500
- 7 ¼ 9-1-1 revenue, ambulance fees and FireMed fees: \$1,097,500
- 8 ½ 9-1-1 revenue and ½ court fees: \$99,000
- 9 Aquatic Center revenue: \$450,000
- 10 Planning fees: \$30,000
- 11 Licenses and permits: \$152,000
- 12 Civic Center rent: \$3,000
- 13 None

# FY12-13 General Fund Expenditures



# FY12-13 General Fund Expenditures less dedicated revenue



### C. Phase I Recommendations

With the previous section as background, what follows are recommendations and associated comments.

1. New Revenue \$20,000

Community Development/Operations is anticipating increased license, permit, and planning fees based on projects underway.

Time does not exist for City Council to pursue a new, substantial revenue alternative. City Council consideration of a Council goal to explore revenue alternatives is appropriate.

2. Reorganization \$50,000

The Administrative Services Department does not have sufficient resources for its long-term viability. Maintaining the current structure would require reducing direct service areas enjoyed by citizens. The Director of Administrative Services is proposed to be laid off with services in the position's portfolio spread within the Police, City Attorney, Finance and City Manager's offices. This will also necessitate hiring an Administrative/Confidential Secretary to staff the reception area. Specific allocation of services currently in the Administrative Services Department follow (this action is possible because of the quality of City staff and their capacity for self-direction):

- Municipal Court oversight: Finance Director
- Benefits administration: Accounting Payroll Specialist
- Parks and Recreation oversight: City Manager
- Library oversight: City Manager
- Human Resources administration: Assistant to the City Manager/City Recorder
- Senior Services oversight: City Manager and Assistant to the City Manager/City Recorder team
- Information Technology oversight: Deputy Chief of Police, Finance Director, and Assistant to the City Manager/City Recorder team
- Risk Management: City Manager, Agent of Record, City Attorney, Finance Director, and Assistant to the City Manager/City Recorder team

Existing staff have either the experience or capacity to undertake the additional responsibilities and succeed. There may be minor payroll adjustments and title changes for a few positions accepting responsibilities outside their current salary range classification (ex. Library Lead Worker, Assistant to the City Manager/City Recorder). To assist with the reorganization, the City Attorney will contribute up to 30 hours of services outside the retainer on personnel-related issues.

3. Contingency \$100,000

Currently budgeted at \$250,000. Based upon historic use, it is suggested contingency be reduced to \$150,000.

4. Departmental Reductions

Police Department \$170,000

This involves not filling the currently vacant Community Services Officer position (\$58,000), not filling an upcoming patrol vacancy (\$96,000), and laying off the Animal Control Officer (\$58,000). The department will hire part-time records and animal control staff (\$42,000) to cope with these reductions. The patrol position will be backfilled by assigning the interagency drug team detective back to patrol.

Fire and Ambulance Department \$80,000

The Fire Marshal position currently vacant will not be filled. Traditionally responsible for inspections, plan reviews, prevention and education classes, the department will assess options for backfilling some responsibilities. Savings may also materialize from retirements and staff turnover in the next year.

Community Development Department \$33,000

Planning, inspection, and permit fees are forecasted to increase \$20,000. Planning, economic development, and building inspection staff will be unable to meet service turnaround requirements (inspections, plan review, planning) and project expectations (urban renewal, economic development, Dallas Vision 2030) if staff levels are reduced. Facilities repair and maintenance are reduced \$8,000 and Aquatic Center payroll and concessions purchases are reduced \$25,000.

A note on the Aquatic Center is appropriate. The \$736,600 budget includes \$50,000 in energy improvement debt that will be retired in five years and \$450,000 in revenue. The remaining GF "subsidy" is \$236,000. However, if the Center is closed, there will be significant ongoing maintenance costs. Additionally, when the City Council opened the facility, "Rainy Day Funds" were used while public franchise fees (currently at \$350,000) were simultaneously implemented. The Aquatic Center should be viewed as an economic development tool versus a financial liability.

Administration and Finance

In addition to the reorganization and increased staff workload, the following reductions have been identified:

*Parks and Recreation* \$5,000

The recreation budget will continue to have \$15,000 remaining for youth recreation partnership opportunities. The parks budget has no extra capacity and, in fact, efforts are underway to add additional trail obligations.

*Library* \$0

The Library budget will be required to absorb a lead worker pay increase once a selection has been made.

*Administration* \$15,000

Based upon recent historical use, the "Council expense," "Miscellaneous," and "Salaries" line items will be reduced by \$5,000 each.

*Municipal Court* \$25,000

The Municipal Court judge's salary will be reduced as a result of the current caseload. If the caseload changes, the salary will need to be reconsidered. A vault upgrade project (\$5,000) will also be deferred.

*Finance* \$15,000

The other half of the deferred vault project is budgeted in Finance. An additional \$10,000 in reductions will be spread among postage, materials and supplies, and municipal membership line items.

5. Summary of Recommended New Revenue and Budget Reductions

New Revenue	20,000
Reorganization	50,000
Contingency	100,000
Police Department	170,000
Fire and Ambulance Department	80,000
Community Development/Operations	33,000
Administration and Finance Departments	
Parks and Recreation	5,000
Administration	15,000
Municipal Court	25,000
Finance	<u>15,000</u>
<b>Total</b>	<b>\$513,000</b>

III. Phase II

Phase II in resetting the current expenditure budget to current revenues is the FY13-14 proposed budget process. The reductions outlined in this memorandum are intended to continue into FY13-14. The FY13-14 budget development process will refine revenue and expense projections. Several potentially significant impacts may occur.

- FY13-14 Revenue: Legislative action may impact revenues. The recently purchased Weyerhaeuser property may have new tax values.
- Overhead Transfer: There is confidence in the public utilities in lieu of franchise fees methodology that generates \$350,000 of the \$900,000 transfer from the water and wastewater funds. The \$550,000 overhead expenses charged to water, wastewater, street, and fleet funds may change based upon the outside review that will occur in the next three months.
- Staff Compensation: The Police collective bargaining contract calls for a FY13-14 minimum increase of 3% and maximum increase of 5%. City Council policy direction on non-union employees' FY13-14 wages and benefits is a future discussion.
- SDC Review: The implications to SDC funding reserves of the approximate \$1 million in interest transfer and waivers will be better known by spring 2013. If deficient, besides SDC rate increases, another alternative to consider is an amortized payback schedule from the GF to the Sewer SDC Fund.
- Other: To cope with additional reductions, Dallas may need to implement furlough days as well as ask employees to pay a share of their health insurance package.

#### IV. Alternatives

The recommended approach attempts to minimize impacts on service areas while setting the stage to have expenditures match revenues, and begin rebuilding the fund balance. Some of the reductions are achievable sooner rather than later. Others may have unemployment benefits or associated costs yet to be determined. While most reductions are ongoing, at least one project (vault) is a one-time savings. Still others, such as the \$5,000 recreation programming reduction, may not occur until July 1, 2013. If Council is interested in different reduction package(s), it is encouraged that an alternative area to reduce services accompanies any add-back motions. The resource to use in identifying GF expenditures is the FY12-13 adopted budget.

The only caution is to make changes using a multi-year perspective.

#### V. Financial Future

The financial challenges in providing City services are forecasted to continue. While the most recent sewer SDC and utilities transfers forestalled the above recommendations, they did not solve the structural financial inadequacies that exist in Dallas's budget due to how Oregon finances local government. No local government permanent financing fix is underway. A local control initiative sponsored by the League of Oregon Cities (LOC) allowing for 10 year tax levies outside of the \$10 cap and compression is an LOC legislative goal.

#### VI. Organization Comments

I appreciate Director of Administrative Services Robert Spivey's understanding for the basis of this recommendation, and his professionalism since learning of the recommendation. Department Heads have been involved in the development of this course of action, have reviewed this memorandum, and support its recommendations as it affects their department. Dallas City government is truly an impressive organization and will persevere through difficult times because of the dedication, professionalism, and creativity of employees and volunteers.

#### VII. Recommended Action

If City Council concurs with this recommendation, an appropriate motion is: City Council approves the recommendations included in the November 1, 2012, staff report and directs staff to 1) prepare necessary budget actions to transfer \$583,000 from the GF fund balance to the Sewer SDC fund; 2) implement the Phase I recommendations and associated personnel changes including reorganization, contingency funding, and departmental reductions; and 3) bring forward appropriate Dallas City Code 2.200 changes regarding the Administrative Services Department.

October 9, 2012

To: Mayor and City Council  
From: Jon Nelson, Interim City Manager  
Re: FY 2013-14 PERS Rate Impact  
General Fund Status

I. FY 2013-14 PERS Rate Impact

At previous City Council meetings, I had communicated concern on the PERS rate increase and its impact on the organization. After PERS released the rates on September 28, Finance Director Ward calculated the impact on both departments and funds. Using September 2012 payroll numbers, the impact totals \$224,189, with \$183,745 impacting the general fund and the balance of \$40,444 spread across the street, sewer, water, and fleet funds. Over \$114,000, or slightly more than 50%, is associated with the public safety departments (Ambulance, Fire, and Police).

II. General Fund Status

In the course of reviewing the FY 2012-13 budget for its ability to absorb the PERS increase, several issues were identified which require your understanding of their implications. Both the revenue and expenditure sides of the budget are impacted. Other city funds are also impacted.

a. Revenues – Transfers: Intermittent Contributions

One-time capital contributions have made the general fund appear healthier than it is.

1. In FY 10-11, \$583,000 in sewer SDC funds were transferred to the general fund. This funding was for overhead expenses associated with capital projects planning that was not pursued. This funding was not an eligible sewer SDC expense and, per ORS Chapter 223, needs to be reimbursed to the sewer SDC fund within one year (that is, by October 1, 2013).
2. In FY 12-13, \$100,000 in sewer SDC funds is budgeted in the general fund for the similar purposes outlined in #1 above. This is not an eligible sewer SDC expense and the transfer will not occur.

3. In FY 08-09, \$784,000 in sewer SDC prior years' interest earnings were transferred to the general fund. This transfer of interest is not prohibited by statute and is allowable under governmental accounting standards. But it does raise a policy issue that should be considered. This transfer has implications on being able to fund capacity-enhancing large sewer projects when they become necessary. Transferring interest earnings and providing SDC waivers has a negative impact on necessary funding for capacity enhancing sewer projects. A policy discussion on the impact of the interest transfer will come forward during the 2013 SDC study.
- b. Revenues - Ongoing Transfers for Overhead Support and Income from Other Funds
1. Transfers from utility funds as contributions toward overhead costs (administration, finance, legal, Council, insurance, use of the right-of-way, etc.) needs an updated methodology study and associated allocation basis prior to budgeting the FY 13-14 transfers. Transfers from utility funds are expected to increase incrementally due to an increase in administrative costs and increased utility revenue. In recent years, the transfer to the general fund has gone from approximately \$700,000 to \$1,000,000 in the water and sewer funds. Staff will seek auditor input on an appropriate methodology.
  2. Miscellaneous revenue of over \$60,000 for farm lease income previously budgeted in the general fund has been directed to the sewer fund which owns the asset.
- c. Expenditures – PERS and Overhead
1. As previously indicated, the FY 2013-14 PERS rate increase will impact the general fund by more than \$180,000.
  2. The budget needs to be more transparent in how positions (versus FTE) are allocated in funds. More than \$80,000 in City Manager and department director related personnel costs are budgeted directly in the water, sewer, street, and fleet funds that are in addition to the \$1,105,000 fund transfers total in b.1. The study referenced in b.1. will make an appropriate recommendation on this issue.

### III. Summary

Considerable financial challenges for FY 2013-14 exist. On the revenue side, there is no funding source for a large-dollar contribution to the general fund, and several on-going revenue streams may be reduced or budgeted elsewhere. On the expenditure side, there is a large payment to the sewer SDC

fund due within a year that is coupled with additional PERS and potential overhead expenditures. While significant, I am confident these challenges can be met but it will take planning and execution in a thoughtful and timely manner.

#### IV. Next Steps

With Council's concurrence, this memorandum will be shared with employees and advisory boards and commission members. An initial reduction plan for the balance of FY 2012-13 will be presented for Council consideration on November 5, 2012. In my opinion, it is not wise to delay taking action as delay will only exacerbate the problem. Additionally, these are issues to address in advance of welcoming the new City Manager to Dallas.

c: Department Heads

# DALLAS CITY COUNCIL REPORT

**TO: MAYOR BRIAN DALTON AND CITY COUNCIL**

<i>City of Dallas</i>	<b>Agenda Item No. 10 a</b>	<b>Topic:</b> Ord 1750 relating to truancy
<b>Prepared By:</b> Emily Gagner	<b>Meeting Date:</b> November 5, 2012	<b>Attachments:</b> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
<b>Approved By:</b> Jon Nelson		

RECOMMENDED MOTION:

None. Allow Ordinance 1750 to pass its first reading.

BACKGROUND:

On October 22, 2012, the Public Safety Committee discussed possible revisions to the City's truancy ordinance. The current truancy ordinance is more of a daytime curfew law and only allows the police to address school-age kids who are in a public place during school hours. The proposed truancy ordinance would be a true truancy ordinance in that it would allow the police to take enforcement action even if a child was not in a public place, including at home.

The committee voted unanimously to recommend the Council adopt the proposed truancy ordinance.

FISCAL IMPACT:

None expected. Chief Teague anticipates the additional work associated with this ordinance revision can be absorbed within current resources.

ATTACHMENTS:

Ordinance No. 1750

ORDINANCE NO. 1750

An Ordinance amending Dallas City Code Section 5.228, relating to truancy.

**Section 1.** Dallas City Code Section 5.228 is hereby amended as follows:

5.228 Truancy.

(1) Except as provided in subsection (2), all minors between the ages of seven and 18 years who have not completed the 12th grade shall attend regularly a public full-time school, as required by ORS 339.010. For the purpose of this section, “attend regularly” means to attend school during those hours for the full-time school which the minor would attend in the school district in which the minor resides, on any day on which the school is in session.

(2) Subsection (1) does not apply to:

(a) A minor being taught in a private or parochial school in the courses of study usually taught in grades 1 through 12 in the public schools and in attendance for a period equivalent to that required of children attending public schools;

(b) A minor who proves to the satisfaction of the district school board that he or she has acquired equivalent knowledge to that acquired in the courses of study taught in grades 1 through 12 in the public schools;

(c) A minor who has received a high school diploma;

(d) A minor being taught for a period equivalent to that required of children attending public schools by a private teacher the courses of study usually taught in grades 1 through 12 in the public school;

(e) A minor being educated in the minor’s home by a parent or legal guardian;

(f) A minor excluded from attendance as provided by law; or

(g) A minor granted an exemption from compulsory attendance by rule adopted by the State Board of Education pursuant to ORS 339.030(2).

(3) When a police officer has reasonable grounds to suspect a minor may be in violation of subsection (1) above, the police officer may contact the minor and make

such investigation as may be necessary or appropriate to determine if the minor is in violation of subsection (1).

(4) If a police officer has probable cause to believe a minor is in violation of subsection (1):

(a) A police officer may take the minor into custody and deliver the minor to the minor's school principal or attendance supervisor, or their designees, or to the minor's parent or legal guardian; and

(b) A police officer may refer the minor to the Polk County Juvenile Department.

(5) Any parent, guardian or person having the care and custody of any minor between the ages of seven and 18 who has not completed the twelfth grade shall take reasonable steps to prevent such child from violating this section, and shall further send such child to and maintain such child in regular attendance at a public school during the entire school term or comply with the exemptions set forth in subsection (2)

(6) Violation of this section upon a first and second offense shall constitute a civil infraction. Violation of this section upon a third and subsequent offenses shall constitute a Class C misdemeanor.

Read for the first time: November 5, 2012  
Read for the second time: November 19, 2012  
Adopted by the City Council: November 19, 2012  
Approved by the Mayor: November 19, 2012

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BRIAN W. DALTON, MAYOR

ATTEST:

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JON NELSON,  
CITY MANAGER PRO TEM