

AGENDA

MILWAUKIE CITY COUNCIL AUGUST 2, 2005

MILWAUKIE CITY HALL
10722 SE Main Street

1963RD MEETING

REGULAR SESSION – 7:00 p.m.

- I. **CALL TO ORDER**
Pledge of Allegiance
2. **PROCLAMATIONS, COMMENDATIONS, SPECIAL REPORTS, AND AWARDS**
3. **CONSENT AGENDA** *(These items are considered to be routine, and therefore, will not be allotted Council discussion time on the agenda. The items may be passed by the Council in one blanket motion. Any Council member may remove an item from the "Consent" portion of the agenda for discussion or questions by requesting such action prior to consideration of that portion of the agenda.)*
 - A. **City Council Minutes of July 5, 2005**
 - B. **Renew Intergovernmental Agreement – Juvenile Crime Diversion Program -- Resolution**
4. **AUDIENCE PARTICIPATION** *(The Mayor will call for statements from citizens regarding issues relating to the City. It is the intention that this portion of the agenda shall be limited to items of City business which are properly the object of Council consideration. Persons wishing to speak shall be allowed to do so only after registering on the comment card provided. The Council may limit the time allowed for presentation.)*
5. **PUBLIC HEARING** *(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.)*

None scheduled
6. **OTHER BUSINESS** *(These items will be presented individually by staff or other appropriate individuals. A synopsis of each item together with a brief statement of the action being requested shall be made by those appearing on behalf of an agenda item.)*
 - A. **Intergovernmental Agreement with County Service District for Clearwater Plan Implementation (Paul Shirey)**
 - B. **Library Board Appointment (Mayor Bernard)**

7. INFORMATION

- A. Center/Community Advisory Board Minutes, June 10, 2005**
- B. Park and Recreation Board Minutes, May 24, 2005**
- C. Riverfront Board Minutes, June 14, 2005**

8. ADJOURNMENT

Public Information

- Executive Session: The Milwaukie City Council may go into Executive Session immediately following adjournment at pursuant to ORS 192.660(2).

All discussions are confidential and those present may disclose nothing from the Session. Representatives of the news media are allowed to attend Executive Sessions as provided by ORS 192.660(3) but must not disclose any information discussed. No Executive Session may be held for the purpose of taking any final action or making any final decision. Executive Sessions are closed to the public.

- For assistance/service per the Americans with Disabilities Act (ADA), please dial TDD 503.786.7555
- The Council requests that all pagers and cell phones be either set on silent mode or turned off during the meeting.

MINUTES

MILWAUKIE CITY COUNCIL WORK SESSION JULY 5, 2005

Mayor Bernard called the work session to order at 5:30 p.m. in the City Hall Conference Room.

Council Present: Councilors Barnes, Collette, Loomis, and Stone.

Staff Present: City Attorney Gary Firestone, Finance Director Stewart Taylor, and Planning Director John Gessner.

Proposed House Move Regulations

Mr. Gessner said the improvements in the present draft addressed zoning requirements, potential historical structures, and transferred the approval making authority from the City Manager to the City Engineer. At Council direction, the ordinance included a penalty of \$1,000 per day per structure. These regulations were much more restrictive than today's regulations, and it was clear what needed to be done in order to get a permit. There was concern that there would be situations in which there was public interest in relaxing some provision of the regulation. The Council would have the authority to relax any provision with findings that indicated doing so was in the public interest and that the benefits outweighed any possible impact by not fully complying with the regulations. It was a way to handle a problem of real public need. Staff solicited comments from three companies including D&R Associates, Emmert International, and Northwest Structural Moving. Of those three, Northwest Structural Moving responded and indicated it felt the regulations were consistent with other jurisdictions and did not have any issues.

Mr. Gessner was seeking direction from the City Council prior to the adoption hearing. He proposed the code amendment be considered at the July 19, 2005 Council meeting.

Councilor Stone asked Mr. Gessner if he looked at regulations in any other municipalities.

Mr. Gessner replied that he had looked at about 12 ordinances, which he would detail in the staff report.

Councilor Stone referred to page 5, section 15.20.090 – Requirement to Provide Notice. She asked if the PGE lines should be included.

Mr. Gessner said utility provider sign-off was required at the time of submission, which he would confirm in his report.

Councilor Stone understood the need for the policy but thought prohibiting temporary placement was a bit harsh. Although it would be discouraged, she wondered if there could be a limited temporary storage provision of not more than 90 days.

Mayor Bernard was not comfortable with that.

Councilor Barnes discussed the earlier experience and did not want to go through the temporary stage again.

Councilor Stone understood that, and she certainly did not want to do that again either. She wanted people to know they would be liable for demolishing the structure or doing whatever was necessary. She hated for government to be so restrictive and wanted the City to have some wiggle room under special circumstances. Those would likely not come up very often if at all again. The last time was a special circumstance.

Councilor Collette thought temporary storage issue would be addressed with the flexibility in the ordinance rather than writing it in.

Mr. Gessner said that was correct as long as the City Council found it was in the public interest of doing so. For example, Council could make a finding that related to an historic structure. The proposed regulation was restrictive based on the experience of two years ago. To include a temporary period would require a significant re-write.

Councilor Stone asked if the policies of other municipalities specifically addressed that issue.

Mr. Gessner recalled seeing that sort of provision but nothing specifically.

Mr. Firestone said generally the codes were silent and did not explicitly address the issue of temporary storage of buildings or a temporary location. Most assumed that the location would be permanent.

Mr. Gessner suggested bringing back alternate language regarding temporary provisions if that was Council direction.

Mayor Bernard was comfortable with the proposed language, and thought the provisions were sufficient in the event of an emergency.

Councilor Collette added it also read that the temporary placement of relocated structures within public and private streets was prohibited unless expressly authorized under an approved relocation permit. She was comfortable with the proposed language with the understanding that it could be amended if necessary.

Councilor Stone wanted a provision. She would preface that by saying it needed to be done in a timely manner with some notation that the owner of the structure was financially responsible.

Councilor Barnes believed that stricter language would be more cost-effective for the City in the long term. The City spent a lot of money on the incident two years ago. Having an ordinance in place would probably result in spending a lot less on attorneys in the future.

Councilor Stone thought there should be some flexibility on the part of government when there were special circumstances. She wanted the City to be covered in terms of liability.

Councilor Loomis commented the City of Milwaukie went out of its way to help, and the proposed language gave the idea that it would never do so again. He liked Councilor Stone's idea that there be an alternative. He would like staff to look at that as long as it was not a lot of work; otherwise, as Councilor Collette said, there could be a workaround.

Mr. Gessner commented on not being able to legislate individual behavior. There were very specific terms established in the agreement that were not met. In trying to do the right thing, the City made several adjustments, which he thought were done in part because of the accountability issue. Giving permission was not the same as standing before the City Council and promising to take certain actions. If there was a potential delay in someone's following through on a promised move, then that person would be accountable to the City Council rather than staff. He thought the same end could be accomplished, and it was relatively easy to get someone before the Council in a time of need.

Councilor Loomis said his biggest fear was not being able to complete a move. He liked Councilor Stone's idea of looking at a flexible alternative.

Mayor Bernard heard general consensus on the provisions as currently written.

Councilor Stone would like something in the ordinance stating that the Council discouraged temporary placement. If the City Council approved it, then there needed to be a timeline. She supposed the Council could do that when they saw the case.

Mr. Firestone said that could be accomplished under the exceptions.

Letter to Speaker of the Oregon House, Karen Minnis

Mayor Bernard sought authorization to sign the letter to Speaker Minnis regarding photo radar.

Councilor Barnes said Chief Kanzler asked that the words "so-called" be removed.

There was consensus for the Mayor to sign the letter on behalf of the Council.

Council Communication Agreement

The Mayor and Council signed the agreement with the understanding that it would be reviewed at a later date. This version included Councilor Collette's signature and deleted former Councilor Lancaster's name.

Letter to Portland Mayor Tom Potter Regarding the Proposed Siting of Wal-Mart at Tacoma Street and McLoughlin Boulevard

Councilor Stone referred to page 1 and suggested adding, "The Sellwood and Ardenwald Neighborhoods would carry the brunt of impacts from this new store. Increased traffic volumes on Johnson Creek Boulevard and 32nd Avenue will diminish neighborhood livability and property values and displace local businesses." At the end she felt there needed to be a tougher statement than looking at this as a challenge. She thought it was more than a challenge to the neighborhood. She suggested the last sentence read, "Thank you for your

support, Mayor Potter. We are ready and willing to work with you to address this threat to neighborhood livability and small business development in our communities.” She believed those two issues were the heart of the matter.

Councilor Collette was good with those changes.

Councilor Loomis said he would remove that item from the consent agenda for discussion.

PERS Financing

Mr. Taylor discussed the costs associated with PERS participation including the unfunded actuarial liability (UAL). That was the present value cost of funding future benefits as employees retired. A portion was unfunded with PERS on a system-wide basis and an individual participant basis. The City of Milwaukie had an unfunded liability with PERS that currently constituted a piece of the rate that was paid to PERS with each payroll. PERS identified that on December 31, 2003, and based on actuarial tables determined what would need to be paid over that period of time in order to fund that liability. Governmental entities have taken different steps to fund that liability. He would provide information on funding that liability with PERS and if that would be done by continuing to participate with PERS as a portion of a rate or considering the alternative of issuing bonds. In that case, there would be a lump sum payment as pre-paid contributions. PERS would draw from that account in substitute for the portion of rate charged each year. There were some benefits, disadvantages, and risks associated with different parts of that funding. He introduced Carol Samuels to discuss the pros and cons of the proposed bonds. Ms. Samuels had experience with PERS and was currently with Seattle-Northwest, the company that was packaging the current series of bonds.

Ms. Samuels discussed the current status of PERS and the historic acts that the legislature made two years ago that basically cut the deficit in half. No one actually appreciated how much that other half was going to be. In January, the PERS actuary projected that jurisdictions across the state would see about a 9% increase, which was a percentage of payroll. That was a bigger increase than the PERS Board anticipated. Because the magnitude was so much greater than anticipated, the Board took an action to delay the implementation of the increase. The rates beginning July 1, 2007 would be increased by the amount not absorbed in 2005. The amount of the increase was not exact at this point because the 50% cut made in December 2003 made certain assumptions. She noted that PERS information was out of date by the time it was released. The contribution rate based on the 2001 valuation was 9.55% and increased to 17.4%. The rate was revised to 14.17% and was expected to grow to 18.87% in July 2007. There was currently a debt that was not being paid. That debt was similar to any other loan in that the longer it took to pay back, the more expensive it would be. The normal cost reflected the actuary’s best guess of how much the City needed to pay today to cover all of its obligations going forward. The health care premium amount paid for post-retirement health care benefits. The major change was in the amortization of the unfunded actuarial liability (UAL). That

was the amount that had not been paid to date. She noted the UAL was negative in the first column indicating a surplus. PERS was recognizing losses by phasing them in over a four-year period, and the 2002 negatives were just starting to hit the books. Simultaneously, the Legislature recognized all of the positive changes but only a portion of the negatives. That left Milwaukie, for example, with a surplus, but that was only on paper. Arguably from a financial standpoint, it might have been better to recognize the gains and losses at the same level. That was one reason why the increases were so dramatic.

Ms. Samuels discussed the UAL amount that was the calculation of the dollar amount owed as of December 31, 2003. No payments had been made, and interest had been accruing since December 31, 2003. However, it was not built into the rate structure. The PERS system did not provide information in a timely manner, so adjustments could be made. The other driver was that PERS worked on a biennial budget to match the State. She noted the move to reduce the rate increase was not a decision the PERS Board made with input from anyone.

Ms. Samuels referred to page 4 which provided a history of the UAL. What seemed outrageous in 1999 ended up to be a \$17 billion shortfall in 2002. It was the magnitude of that problem that forced the Legislature to take action. The Oregon Supreme Court ruled that changes to the 8% guarantee and cost of living suspension were unconstitutional. The financial consequences, which were not reflected in the rates, were expected to be minimal because PERS had been building up some reserves. The hope was that the reserves would take care of the reversals of the 8% guarantee.

The main problem was that returns were not keeping up with the guaranteed 8%. She noted in 2002, the fund lost 9%, which meant a 17% shortfall. Even though in 2003 the fund earned 20%, that was only 12% more than the expectation and was not enough to offset the major losses in the preceding years. She discussed pension systems nationally. The PERS Board exacerbated the problem by paying out to Tier 1 employees when earnings were in excess of 8%. When using 8%, one could not assume every year would be good. PERS did not put sufficient money aside during the good years for leaner times.

Ms. Samuels discussed options before the local jurisdictions. Over the past several years, some jurisdictions financed their PERS liability by selling bonds. Bonds were sold on a taxable basis, which meant that the interest paid on them was subject to federal taxes. Consequently, the interest rate was higher than the City might be used to on a tax-exempt bond. In today's market the rate would probably be under 5%.

Ms. Samuels provided a list of jurisdictions that had entered into this type of obligation. Most participated in pools to take advantage of economies of scale and to be more competitive in the corporate taxable bond market. She discussed the true interest costs (TIC), which she believed would be between 5% and 6% on the upcoming issue. The largest entity on the list was the State of Oregon in entered the bond market in October 2003.

She provided a summary with the assumption that the bonds would be sold in early September with a closing date of September 30, 2005. Under this scenario the rate would be reduced as of October 1. She calculated that the City would need about \$4.2 million to retire its debt and assumed an interest rate of 6%. The total savings over the life of the issue under the assumption that the money earned 8% interest was about \$1.2 million or \$50,000 annually. On a present value base, the savings would be about \$772,000. The last statistic had to do with how other kinds of re-financing were evaluated.

Ms. Samuels reviewed the savings on page 9 of the handout as they were spread out over time. The assumption was made that the savings would be mostly level over the life of the issue. The City would not have to take its savings this way if it did not wish to do so. If it were assumed the payroll was growing with fixed-level savings, the percentage reduction in the payroll rate would go down. If the City wanted a fixed reduction in its payroll rate, it might want to structure the savings to increase over time. The City could structure it any way it wished and not be dependent upon others in the pool.

She reviewed the rate reduction. Milwaukie's PERS rate as of last week was 14.17%. If the \$4 million payment were made, she estimated the rate reduction would be 4.45%. The debt cost depended on the payroll numbers used. She reiterated that the PERS data was from 2003. She would work with staff because the last thing the City would want to do was to structure a debt payment, which was fixed, based on a payroll assumption that was too high and get into cash flow difficulties. The net savings was estimated at 1.09%.

Ms. Samuels addressed the issues the Council would wish to consider. Refinancing the UAL was not risk free. The savings were based upon the performance of the funds sent to PERS. For example, if the City borrowed \$4 million and sent it to PERS for deposit in a lump sum account in the City's name, then it was similar to a pre-payment account for the City of Milwaukie. To the extent those monies earned 8%, the savings would be exactly what she showed the Council. If the money earned more than 8%, then the savings would go up. If it earned less than 6%, then the City would be in a worse financial position than if the City had stayed with the pay-as-you-go option. This was known as a classic arbitrage play. The City was borrowing money at a given percentage and investing it in hopes of earning more. The breakeven was the cost of the borrowing.

She discussed rates of return. The Oregon Investment Council was responsible for PERS investments, and it was historically very strong. History, however, cannot be an absolute predictor of what would happen in the future. The first pooled obligation Seattle-Northwest did was in 2002, and the interest rates were substantially higher. The boilerplate resolution had a maximum interest rate of 6.5%. The 2004 Series TIC was 6.11%. She noted that the North Clackamas School District was doing very well because it entered the market at just the right time. Another issue was that investors in taxable bonds did not like early redemptions.

Page 18 of the handout provided the timelines for the financing program that would put the bonds on the market in mid-September. During that time, Seattle-Northwest would assemble the materials. PERS would charge \$1,000 to calculate the payoff. Agencies could opt out up to 7 days prior to the pricing. If the City was interested, Seattle-Northwest requested an authorizing resolution no later than July 21.

Councilor Collette understood the alternative to selling bonds was to pay out-of-pocket on an ongoing basis at 14.17%. She asked if the City could absorb that kind of expenditure.

Mr. Taylor indicated he was concerned about that issue because expenditures were growing, and revenues were not. Next year's budget would be even tighter, and PERS was certainly one of the contributing factors. Personnel costs were typically 1/3 of the budget. He acknowledged that there were risks involved. Several other jurisdictions including Clackamas Fire District #1 and the City of Oregon City expressed interest in participating. Lake Oswego was not interested in participating primarily because of the risk issues. He discussed the pay-as-you-go scenario and the legislative impacts that might address the unfunded liability.

Councilor Collette understood there was no refund if the Legislature fixed the debt. It was in a savings account that might or might not earn good returns.

Ms. Samuels had heard many jurisdictions say this was too high, but she thought it was important to focus on the right risk. If the rate were reduced in the future, then it would be bought down further. The risk was in not earning the rate of return. She commented on various economic philosophies.

Mr. Taylor said it was appropriate to focus on that risk and added that the most compelling reason to consider bond funding was because market rates were very favorable right now.

Ms. Samuels thought it was appropriate to say it was a risk either way. Seattle-Northwest would create the pool with those jurisdictions that said they would approve the resolution.

Councilor Stone asked how many years it would take to pay back the debt if the City chose this route.

Ms. Samuels replied it was 23 years.

Councilor Stone asked Mr. Taylor if he felt it was feasible to take the pay-as-you-go scenario given some anticipated economic recovery and additional revenue coming into the City. She hoped that would jump start the cash flow. She asked him for his forecast of the status quo.

Mr. Taylor believed those were two separate questions because the cost to fund PERS was relative through that 23-year period. It was either through the rate or through bonds. The market return was going to affect the participation in PERS similarly. The money from the sale of the bonds would be invested at PERS and earned interest based on market return. He thought a good way to address the

question would be to ask if economic development or this choice would be positive or negative in terms funding the portion of costs associated with personnel. That would be relative to the market over the 23-year period. It appeared there could be benefits and would be a good option for the City to consider. Most likely, the market would fluctuate in a way that there would be savings to the City for that portion of costs related to PERS retirement. Economic development could contribute to reduced costs, but it was not a revenue generator.

Councilor Collette understood that if the money earned 8%, then the City would be saving \$53,000 annually or \$772,000 over the 23 years.

Mr. Taylor said the savings was not huge. This option had more to do with cost containment. It was significant in PERS costs depending on where the rates fell.

Councilor Stone did not like the concept of borrowing money to hopefully save money. It was risky.

Mr. Taylor included a statement from PERS regarding financing schemes. The unfunded UAL was not shown in the City's books as a liability. Within a few years, it could likely show through implementation of a program similar to GASB 34. If the City moved to this debt arrangement, a liability would be shown.

Councilor Collette intended to discuss this with her cousin who was a CPA for cities like Laguna Beach. She did not have enough knowledge to make a decision at this time.

Mr. Taylor said the initial resolution would move the City to the first step of the process of getting information from PERS. He thought it would be prudent to have the reasonable expectation that the desire was to move forward.

Councilor Stone asked Mr. Taylor if he thought this was good way to go.

Mr. Taylor replied that he felt it was.

City Attorney Introduction

Mr. Firestone introduced **Bill Monahan** who would be assisting Ramis, Crew & Corrigan on a contractual basis.

Mayor Bernard adjourned the work session at 6:47 p.m.

Pat DuVal, City Recorder

**CITY OF MILWAUKIE
CITY COUNCIL MEETING
JULY 5, 2005**

CALL TO ORDER

Mayor Bernard called the 1961st meeting of the Milwaukie City Council to order at 7:00 p.m. in the City Hall Council Chambers. The following Councilors were present:

Deborah Barnes, Council President	Joe Loomis
Carlotta Collette	Susan Stone

Staff present:

Gary Firestone, City Attorney	Paul Shirey, Engineering Director
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PLEDGE OF ALLEGIANCE

PROCLAMATIONS, COMMENDATIONS, SPECIAL REPORTS, AND AWARDS

Metro Update and Open Spaces Celebration

Metro Councilor Brian Newman provided information on the upcoming Greenspace Celebration. It was an honor for him to serve as the co-convenor of Oregon Solutions effort on Milwaukie's riverfront along with Dave Green and Councilor Loomis. Although Oregon Solutions team facilitation had ended, the group would continue its work. He was hopeful, particularly with Governor Kulongoski's interest and support, that resources would be found to help Milwaukie make its riverfront dream a reality.

In 1995, the Metro Council referred a Greenspace/Open Space bond measure to the voters for about \$135 million, and it passed overwhelmingly in the three counties. The promise was to focus those dollars on acquiring about 6,000 acres of remaining Greenspaces that might be threatened by development. Over the decade actually about 8,500 acres were purchased thanks to good staff work, cooperative landowners, donations, and leveraging other resources. The purpose of the Celebration was to tell voters what they purchased over those 10 years.

That 1995 program was in two sections. The first was the regional program that focused on purchasing about 13 target areas throughout the region. The second piece was the local share component. Revenues for Milwaukie allowed for a connection between Ardenwald and the Springwater Trail, an area adjacent to the Minthorn wetland for future natural park, native vegetation planting at Furnberg Park, Roswell Wetland, and Willow Place Wetland, and acquisition of a small property near the Cash spot and between McLoughlin Boulevard and Kellogg Lake for future trail access. Metro was holding a series of events throughout the region from September 1 to 11.

The Metro Council was now discussing the next phase of the program that would be another bond measure in November 2006. If there was public support and Metro decided to refer it, the measure would have three components. Those would be target area acquisition within and outside the Urban Growth Boundary (UGB), a local share

that would be a per capita allocation to local governments, and a challenge grant program where groups were invited to partner to undertake projects.

Metro Councilor Newman discussed *GreenScenes*, a quarterly newsletter published by Metro. He observed that it was good to see dirt being moved on the 3 Bridges Project, which should open fall 2006, and North Main Village Development.

Mayor Bernard asked when the South Corridor Policy Committee would meet again to consider the alternatives.

Metro Councilor Newman replied there were two phases to that project. The first was I-205 light rail. Metro officially handed that project off to TriMet, so it was no longer under Metro's purview. The Metro Policy Advisory Committee (MPAC) had Phase 2, which was the Portland State University (PSU) to Milwaukie segment. Financing was being assembled for the last environmental impact statement that was anticipated to begin this December. It would deal with all of the environmental work along the corridor in Milwaukie and Portland. When that environmental work was done, the South Corridor Policy Committee would reconvene to make the final decisions related to station locations and alignment. After all the environmental work was done, there would be an identified preferred alternative with a final alignment. The environmental work was a \$4 million undertaking.

Mayor Bernard stated that Phase 1 also included the Southgate park-and-ride. That seemed to have dropped from TriMet's radar screen.

Metro Councilor Newman agreed that Southgate was in Phase 1. He had heard that TriMet had completed the engineering and would take it through Milwaukie's permitting process. He had not been kept in the loop on that project.

Mayor Bernard addressed signage for the 3 Bridges Project and said he had heard comments that it was far back from the road to be readable.

Metro Councilor Newman said Metro had an intergovernmental agreement (IGA) with the City of Portland, and he said he would have someone from Metro contact the project manager. He believed the former car lot was being used as a staging area.

Councilor Collette asked if Milwaukie would be eligible for grant funds to continue design work on Riverfront Park.

Metro Councilor Newman did not think the timing would be good since the measure would not be referred to the voters until November 2006. He suggested leveraging other resources for the design work and using the local share and grant monies for the Riverfront Park. He commented on other projects throughout the City.

CONSENT AGENDA

Councilor Loomis asked that item D be pulled for discussion.

It was moved by Councilor Barnes and seconded by Councilor Collette to approve the Consent Agenda that consisted of the following:

- A. City Council Minutes of June 7 & 21, 2005;
- B. Lake Road Waterline Replacement Bid Award;
- C. OLCC Application for Happy Baskets, 3306 SE Lake Road; and

Motion passed unanimously. [5:0]

AUDIENCE PARTICIPATION --

None.

PUBLIC HEARING – None scheduled

OTHER BUSINESS

Library Board Appointments

Mayor Bernard, with the consent of Council, appointed Paula Harris and Leslie Schradle to vacant positions on the Ledding Library Board.

Consider Letter to City of Portland Mayor Tom Potter Regarding Proposed Wal-Mart at Tacoma Street and McLoughlin Boulevard

Councilor Loomis thought the neighborhoods were doing a great job in voicing their opinions, and he did not feel it was appropriate for the City Council to step in at this point. He believed it was more appropriate to send a letter to Metro and TriMet regarding proposed development on property that Milwaukie understood was going to be a park-and-ride. He was concerned the City was getting involved when it did not have to. Would the Council be having this discussion if an REI or Wild Oats were being proposed? The impact would be the same.

Mayor Bernard stated he would have a problem with a Wild Oats because he wanted a grocery store in the downtown area. There would be traffic regardless of what developed on that site. The Council supported the park-and-ride on the site. He suggested the property owner get information on the combined Portland State University (PSU), OIT, and Clackamas Community College campus proposal. That would be a great location with light rail. He thought it was time for the Milwaukie City Council to express its concerns.

Councilor Stone asked if the Portland City Council had taken an official position.

Councilor Collette said no application had been submitted.

Mr. Firestone said because the land use application would go through the City of Portland that Council had considerations that Milwaukie did not. Milwaukie could expect consultation and comment, but it would not anticipate making any decisions on this property.

Councilor Stone asked if Milwaukie would be getting itself in any kind of legal web if it sent a letter.

Mr. Firestone replied anyone who voted in favor of the letter would have to consider that he would at least be exposing himself to potential criticism if a Wal-Mart application were submitted. Since the property was in Portland it was not anticipated to come before the Milwaukie Council for a formal decision. He did not see any clear considerations that said the Council could not participate or express its opinion. He did not see any legal issues that would preclude the Council from sending a letter.

Councilor Stone asked if the portion of the property in Milwaukie could be used for such a store.

Councilor Collette said the property in Milwaukie was zoned industrial.

Mr. Firestone commented that people could always apply for zone changes, so it was not an impossibility.

Councilor Collette said there was only one line in the letter that referred to Wal-Mart itself. The rest of the letter said a Wal-Mart in that location would be a problem for the City because of traffic in the neighborhoods and challenges to small businesses. Without that one sentence, the letter would not say anything specifically negative about Wal-Mart. In fact, the letter said Milwaukie was open to big box businesses if appropriately located. She thought the Council would be preserving its right to comment on future applications.

Mr. Firestone said generally speaking, a site-specific comment reduced the risk of a challenge to participation in some future proceeding.

Councilor Collette thought the community investment in the downtown and neighborhoods was at risk. She felt the Council had a responsibility to protect that investment as much as possible. This would affect traffic on City streets, downtown businesses, light rail, park-and-ride, and the new Safeway on King Road.

Mayor Bernard thought the traffic impact of a Wal-Mart would be much greater than something like an REI.

Councilor Collette said grocery stores have a high turnaround in terms of trips. Park-and-ride typically generated traffic at peak hours. The impacts on the Sellwood Neighborhood, the Sellwood Bridge, Tacoma Street, and Johnson Creek Boulevard would be significant.

Councilor Stone made some editorial suggestions. She would remove the word “furthermore” and refer to the Wal-Mart site as being proposed.

Councilor Loomis suggested adding something about a Wal-Mart or any other type of business that would detract from the Milwaukie downtown. He also wanted to address the planned future park-and-ride on that site.

Mayor Bernard agreed with the suggestion to address the vision of the site’s being a park-and-ride facility. He was concerned about any business that would adversely impact the community.

Councilor Collette suggested adding language in the first paragraph that the site was planned for a future park-and-ride and light rail station.

Councilor Loomis commented that a lot of research went into a park-and-ride at that location. Now he heard that TriMet did not have the money. That was a bigger issue for him than Wal-Mart. Councilor Loomis was sympathetic with Mr. Dietrich as the property owner.

Councilor Collette agreed she was sympathetic with Mr. Dietrich, but on the other hand he went to the most outrageous industry he could find as an option.

Councilor Stone read her notes, “This facility would be sited on the border between our two cities and adjacent to neighborhoods and streets we hold in common. In addition, this location has been in the planning to be a future park-and-ride site and light rail station.” The next paragraph read, “Milwaukie has been working very hard to rebuild

our downtown and protect our taxpayer investments in this community. A new Wal-Mart at Tacoma Street and McLoughlin Boulevard would likely have serious consequences for this effort.”

Mayor Bernard heard general support.

Councilor Loomis wanted strong wording related to the planned park-and-ride facility.

Councilor Barnes recommended sending a copy of the letter to Metro and TriMet.

Mr. Firestone suggested that if the letter were not in its final form, then the Council could make a motion to approve the general form of the letter as discussed, direct the City Recorder to prepare the final version, and delegate final authority to the Mayor for the format.

It was moved by Councilor Collette and seconded by Councilor Barnes to approve the general format of the letter, direct a final be prepared, and authorize the Mayor to sign the letter. Motion passed 5:0

INFORMATION

Mayor Bernard read comments into the record:

These past weeks have been very difficult for this community and last week in particular for the family of Matal. Matal was taken from this world long before he should have been. His potential gone to the world for a reason I cannot possibly imagine. Tragedies such as these bring the community together, the community stepped up to the challenge and made every effort in the hope of finding this beautiful boy alive and bringing him home to the waiting arms of his mother. Every day thanks to our Chief Larry Kanzler and our public information officer Kevin Krebs Council was kept informed of the massive effort made to find Matal. I had a chance to observe the room at our Public Safety building where our officers, FBI, Clackamas County Sheriffs, and many others from around the Country were hard at work following up on tips, sifting through clues, and coordinating search efforts. It was truly amazing. While the Chief probably did not appreciate Councilor Barnes and I walking into the room where all this was going on, he later said “he wished others from City Staff and the Community could have seen the effort”. Our Police Officers, Reserve Officers, Clackamas Fire District #1 (your fire department), and our Code Enforcement personnel were hard at work with little rest for days. Our Community and the Council cannot possibly thank them enough; you’re all truly amazing. I would also like to thank Councilor Barnes and Councilor Collette for organizing the candlelight vigil. I know for the community we all felt kind of helpless and this gave us an opportunity to gather and express our hope for the safe return of Matal.

Just a day prior to this tragedy our Police officers responded to a 911 call and found an individual with a rifle threatening Police officers and when this individual did not put the rifle down our officer with reluctance fired one shot and disarmed this individual. The newspaper characterized this as an “attempted suicide by police”. I want those officers and all of our officers to know how proud I am that they make every effort to preserve

life. I know it's not easy and since I have been Mayor I know of two incidents when life was preserved. What a great Police force. What great leadership. I really do feel very safe in Milwaukie.

At least once a month I hear of some crime in Milwaukie on the news and it angers me when I find out that it was not in fact in Milwaukie and actually took place in unincorporated Clackamas County. Clackamas County Sheriffs Department is under funded and is constantly being cut by the County Commission and stretched beyond their limits. You the taxpayers in Milwaukie and the County do fund jail space and you should be screaming for adequate support for the jails. The Sheriff's Department does a great job and are great partners. Last week the Sheriff was forced to call for closure of more than 70 jail cells because of the lack of support from the County. The Courts had to step in and stop the closure because they can't do their job without adequate jail space. When are we going to start looking outside the box and find a solution? Why for example do all three Counties have to have their own jails? Jails they cannot possible staff, cells unoccupied, and convicted criminals released because there is inadequate staff funding. Jail is not always the solution and I am not advocating putting more people in jail. We must find a solution or the crime rate will continue to grow, and criminals will be released back into your community.

I want the media to take the time to look at a map of the City of Milwaukie and make sure that when reporting a crime they report it accurately. It's not fair to the City when the media credits Milwaukie with crimes that never took place within our control. We have a great Police Department, with trusted officers and leadership, that makes good decisions, and I am proud to entrust our community to them. Public safety has always been my priority.

Thank you for listening tonight and thank you again to all those that participated in the effort to find Matal. To Matal's family, you will be in our thoughts during these tough times and I want you to know if we can help please feel free to call upon us.

Councilor Collette added she was very proud of the Police Department and particularly Officer Kevin Krebs who as calm, sensitive, and assured throughout the press conferences.

Councilor Stone extended condolences to the family and friends of Matal Sanchez. It would be a tragedy in any community, but in a city the size of Milwaukie, it really hit home. She reiterated what Councilor Collette said. The police force did a great job, and Officer Krebs did a wonderful job of representing the City to the media. She understood this was a tough, emotional case for everyone, and she applauded everyone's courage.

Councilor Barnes thanked Milwaukie Covenant Church and its pastor for providing candles for vigil. At the last minute, the pastor stepped forward and shared some thoughtful words with those attending. It was amazing how many people from all parts of Milwaukie came forward that night.

ADJOURNMENT

It was moved by Councilor Collette and seconded by Councilor Barnes to adjourn the meeting. Motion passed unanimously. [5:0]

Mayor Bernard adjourned the regular session at 7:47 p.m.

Pat DuVal, Recorder



To: Mayor and City Council

Through: Mike Swanson, City Manager

From: Larry R. Kanzler

Subject: Renew Intergovernmental Agreement – Juvenile Crime Diversion Program

Date: July 11, 2005

Action Requested

Adopt a resolution authorizing the Mayor to sign and renew the current Intergovernmental Agreement with Clackamas County, which provides pass-through grant funding for the Milwaukie Police Department's Juvenile Diversion Program.

Background

During the past several years, the resources of the Clackamas County Juvenile Department have been depleted by the increasing demand for juvenile intervention of criminal offenders. In the past, police departments throughout Clackamas County could arrest a juvenile for a crime and refer that juvenile to the Juvenile Department of Clackamas County, knowing full well that there would be some timely sanction imposed by the Juvenile Court. That condition continues not to exist.

Prior to the implementation of this program in 2001, when Milwaukie police officer arrested juvenile criminal offenders, and the report of the criminal behavior was referred to the Juvenile Department, routinely there was no sanction levied against the juvenile for their criminal conduct. The Juvenile Diversion Program is filling that gap by addressing, through a diversion panel comprised of local citizens, first time minor offenders.

The purpose of the panel is to listen to the offender's reasons for committing the crime and then negotiate a restitution agreement. This program has successfully used locally sponsored diversion panels to address criminal behavior by first time offenders since the inception of this program. The program has resulted in 142 juvenile offenders served in calendar year 2004 with 59% of the offenders completing their individual accountability programs.

Data collected by the Clackamas County Juvenile Department tracked 59 youth who were charged through the juvenile court system and diverted through this program. 35 youth completed their respective diversion programs (restitution or some form of community service) with only 8% (3 youth) re-offending during the subsequent six-month period v. 92% who did not recidivate.

In comparison, 24 youth failed to complete their respective diversion programs – 8 youth, or 33% re-offended v. 67% who did not recidivate. Data clearly indicates that immediate accountability discourages recidivism.

This years pass-through diversion grant money is reduced from \$24,500 in 2003 to a total of \$13,390, and even this money is in jeopardy if the State's revenue package doesn't pass this legislative session. I have purposely delayed presenting renewal of this pass-through grant to Council because of the tenuous commitment of State funding. If the legislature reverses State funding for this program these monies will terminate and the program will cease. Neither the City of Milwaukie, nor the Police Department budgeted any money to support operation of this program. State funding provides total funding for this program.

This Intergovernmental Agreement will renew the existing agreement between the City of Milwaukie and Clackamas County for \$13,390 to implement and administer the Juvenile Diversion Program from July 1, 2005 to June 30, 2006.

Concurrence

Milwaukie Police Department and City Attorney.

Fiscal Impact

Provides \$13,390 in grant funds to operate the Juvenile Diversion Program.

Work Load Impacts

Approximately 20 hours of staff time to prepare and administer administrative program support.

Alternatives

None

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILWAUKIE, OREGON, AUTHORIZING THE MAYOR TO SIGN AND RENEW THE INTERGOVERNMENTAL AGREEMENT WITH CLACKAMAS COUNTY FOR A GRANT TO MAINTAIN THE JUVENILE CRIME DIVERSION PROGRAM.

WHEREAS, the City of Milwaukie is developing strategies to provide high quality livable communities ; and

WHEREAS, the City Council has directed city staff to develop cost effective programs to improve community livability; and

WHEREAS, first time juvenile criminal offenders need immediate intervention to discourage continued criminal activity ;

NOW, THEREFORE, BE IT RESOLVED that the City Council authorizes the Mayor to sign and renew the intergovernmental agreement with Clackamas County to receive a grant in the amount of \$13,390 to provide juvenile crime intervention for the City of Milwaukie, Oregon.

Introduced and adopted by the City Council on August 2, 2005.

This resolution is effective on August 2, 2005.

James Bernard, Mayor

ATTEST:

APPROVED AS TO FORM:
Ramis, Crew & Corrigan LLP

Pat DuVal, City Recorder

City Attorney



CLACKAMAS COUNTY

Department of Human Services
Office for Children and Families
Commission on Children and Families
Local Public Safety Coordinating Council

RODNEY A. COOK
DIRECTOR

June 21, 2005

Larry Kanzler, Police Chief
City of Milwaukie Police Department
10722 SE Main
Milwaukie, Oregon 97222-6537

Re: Fiscal Year 2006 Diversion Program Contract

Dear Chief:

Both houses of the current Oregon Legislature have not passed the budget for the Juvenile Crime Prevention Plan. The two state agencies who administer the grant streams, Oregon Youth Authority and the Criminal Justice Commission, have sent out Intergovernmental Agreements with the Counties for the next biennium based upon the Governor's Recommended Budget that was sent to the Legislature earlier this year. Clackamas County is in the process of negotiating with the State on this agreement.

Based upon that optimism from the State Agencies involved, but with the understanding that there may be adjustments to the contracts after the Oregon Legislature and Governor's Office have completed their work, the Office for Children & Families is offering the enclosed contract for City of Milwaukie Diversion Program services. The \$13,390 contract covers the period from July 1, 2005 through June 30, 2006.

Expected funded through this grant depends upon the availability of funds appropriated by the State of Oregon Legislature. Clackamas County is not obligated to replace program revenue that has been reduced by legislative appropriation or by any other state or local financial policy or procedure modification.

Enclosed are five (5) copies of the contract. Please return all of these contract copies after they have been signed to me. Once the County has approved the contract, I'll return an original signature copy for your records.

No reimbursement for services can be paid prior to the date of contract authorization by the County's Board of County Commissioners. We, therefore, need these signed contracts back as soon as possible. I'll also prepare customized monthly and quarterly reporting documents that can be sent electronically - those will be sent to you along with the official contract start date.

Sincerely,

A handwritten signature in cursive script that reads "Tom".

Thomas M. Barrett
Program Planner

TMB/tb

Enclosures

INTERGOVERNMENTAL AGREEMENT

(FY'06)
INTERGOVERNMENTAL AGREEMENT
BETWEEN
CLACKAMAS COUNTY, OREGON
AND
CITY OF MILWAUKIE

I. Purpose

This agreement is entered into between Clackamas County (COUNTY) and the City of Milwaukie for the cooperation of units of local government under the authority of ORS 190.010.

This agreement provides the basis for a cooperative working relationship for the purpose of continuing the local diversion panel for high-risk juveniles as part of the Clackamas County Juvenile Crime Prevention Plan.

II. Scope of Work and Cooperation

A. The City of Milwaukie agrees to:

- 1) Assess all youth residing within the boundaries of the North Clackamas School District, who are referred to the Clackamas County Juvenile Department for status offenses, violations, all Class C Misdemeanors and all Class B Misdemeanors and specified Class A Misdemeanors (Exhibit 1, II.12).
- 2) Complete a Risk Assessment for all youth determined to be eligible to participate in the local diversion program (Exhibit 1, II.13).
- 3) Enter into and monitor compliance of youth's Diversion Agreement conditions (Exhibit 1, II.14).
- 4) Coordinate and keep open communications with the Clackamas County Juvenile Department Liaison regarding case planning, progression of the case and final disposition of the case.
- 5) Develop and implement a volunteer services component.
- 6) Complete Quarterly Progress Work Plan (Exhibit 1) and Fiscal (Exhibit 3) reports.

B. The COUNTY agrees to:

- 1) Forward copies of appropriate documents, including police reports, to the City of Milwaukie Diversion Program.
- 2) Serve as a centralized depository for all records involving juvenile offenders.
- 3) Provide liaison staff for technical assistance, case consultation and networking as required.

INTERGOVERNMENTAL AGREEMENT

- 4) Except any and all diversion cases in which the juvenile and/or parents refuse to participate or have failed to adequately complete the local diversion program.
- 5) Allow youth who score two risk factors on Exhibit 1, II. 13 to be eligible for Clackamas County Juvenile Department funded resources.

III. Compensation

The COUNTY agrees to pay the City of Milwaukie an amount not to exceed \$ 13,390 for the services outlined in Section II.A.

AGENCY shall be paid on a cost reimbursement basis and shall submit invoices and accompanying performance reports as described in Exhibits 2 and 3 attached hereto.

All requests for payment are subject to the approval of the COUNTY and will be submitted to:

Rodney A. Cook, Director
Office for Children & Families
Public Services Building
2051 Kaen Road
Oregon City OR 97045-4035

IV. Liaison Responsibility

Police Chief Larry Kanzler will act as liaison from the City of Milwaukie for this project. Mark McDonnell will act as liaison from the COUNTY.

V. Special Requirements

- A. The COUNTY and the City of Milwaukie agree to comply with all applicable local, state, and federal ordinances, statutes, laws and regulations.
- B. The City of Milwaukie agrees to indemnify, save harmless and defend the COUNTY, its officers, commissioners and employees from and against all claims and actions, and all expenses incidental to the investigation and defense thereof, arising out of or based upon damage or injuries to persons or property caused by the errors, omissions, fault or negligence of the City of Milwaukie or the City of Milwaukie's employees, subject, where applicable, to the limitations and conditions of the Oregon Tort Claims Act, ORS 30.260 through 30.300, and the Oregon Constitution, Article XI, Section 7.

During the term of this contract AGENCY shall maintain in force at its own expense, each insurance noted below:

1. Comprehensive General Liability

Required by COUNTY Not required by COUNTY

INTERGOVERNMENTAL AGREEMENT

AGENCY agrees to furnish the COUNTY evidence of comprehensive general liability insurance in the amount of not less than \$500,000 combined single limit per occurrence/\$1,000,000 general annual aggregate for personal injury and property damage for the protection of the COUNTY, its officers, commissioners and employees against liability for damages because of personal injury, bodily injury, death or damage to property, including loss of use thereof in any way related to this contract. The COUNTY, at its option, may require a complete copy of the above policy.

2. Comprehensive Automobile Liability

Required by COUNTY Not required by COUNTY

AGENCY agrees to furnish the COUNTY evidence of comprehensive automobile liability insurance in the amount of not less than \$500,000 combined single limit for personal injury and property damage for the protection of the COUNTY, its officers, commissioners and employees against liability for damages because of personal injury, bodily injury, death or damage to property, including loss of use thereof in any way related to this contract. The COUNTY, at its option, may require a complete copy of the above policy.

3. Professional Liability

Required by COUNTY Not required by COUNTY

AGENCY agrees to furnish the COUNTY evidence of professional liability insurance in the amount of not less than \$500,000 combined single limit per occurrence/\$1,000,000 general annual aggregate for personal injury and property damage and malpractice or error and omissions coverage for the protection of the COUNTY, its officers, commissioners and employees against liability for damages because of personal injury, bodily injury, death, damage to property, including loss of use thereof, and damages because of negligent acts, errors and omissions in any way related to this contract. The COUNTY, at its option, may require a complete copy of the above policy.

4. Additional Insurance Provision

All required insurance shall include the following provision, provided however that professional liability insurance which excludes coverage based upon the presence of indemnification or hold harmless clauses shall not be subject to the requirements of subsection a.:

- a. the insurance shall include the COUNTY as an expressly scheduled additional insured, using form CG20-10, CG20-37, or their equivalent, and refer to and support the AGENCY's obligation to hold harmless the COUNTY, its officers, commissioners and employees. A blanket endorsement or automatic endorsement is not sufficient to meet this requirement.
- b. the insurance shall provide for 30 days written notice to the COUNTY in the event of cancellation or material change and include a statement that no act on the part of the insured shall affect the coverage afforded to the COUNTY under the insurance;

INTERGOVERNMENTAL AGREEMENT

- c. the insurance shall provide for written notice to the COUNTY within thirty (30) days after any reduction in the general annual aggregate limit.
 - d. Proof of insurance must include a copy of the endorsement showing the County as a scheduled insured.
- C. Record and Fiscal Control System. All payroll and financial records pertaining in whole or in part to this contract shall be clearly identified and readily accessible. Such records and documents should be retained for a period of three (3) years after receipt of final payment under this contract; provided that any records and documents that are the subject of audit findings shall be retained for a longer time until such audit findings are resolved.
- D. Access to Records. The COUNTY, the State of Oregon and the Federal Government, and their duly authorized representatives shall have access to the books, documents, papers, and records of the City of Milwaukie which are directly pertinent to the agreement for the purpose of making audit, examination, excerpts, and transcripts.
- E. This agreement is expressly subject to the debt limitation of Oregon Counties set forth in Article XI, Section 10, of the Oregon Constitution, and is contingent upon funds being appropriated therefor. Any provisions herein which would conflict with law are deemed inoperative to that extent.

VI. Amendment

This agreement may be amended at any time with the concurrence of both parties. Amendments become a part of this agreement only after the written amendment has been signed by both parties.

VII. Term of Agreement

This agreement becomes effective when this contract is signed by all necessary parties, but not prior to July 1, 2005. This contract will terminate June 30, 2006.

This agreement is subject to termination by either of the parties when thirty (30) days' written notice has been provided.

Upon termination of this agreement, any unexpended balances of agreement funds shall remain with the COUNTY.

INTERGOVERNMENTAL AGREEMENT

GOVERNMENTAL UNIT
CITY OF MILWAUKIE

By

James Bernard

Name (Typed)

Mayor

Title

Date

10722 SE Main

Street Address

Milwaukie, Oregon 97222-6537

City/Zip

(503) 786-7555

Phone Number

93-6002212

TIN, FIN or S.S.#

Gary Firestone, City Attorney Date

Larry Kanzler, Police Chief Date

CLACKAMAS COUNTY

Chair: Martha Schrader

Commissioner Bill Kennemer

Commissioner: Larry Sowa

Signing on Behalf of the Board:

Irene Fischer-Davidson, Director
Department of Human Services

Date

Approved as to Content:

Rodney A. Cook, Division Director

Date

INTERGOVERNMENTAL AGREEMENT

EXHIBIT 1 SCOPE OF WORK AND PERFORMANCE STANDARDS

- I. AGENCY shall meet all performance outcomes as outlined in attached Work Plan.
- II. Performance Standards:
 1. **Community Based, Holistic Approach**
 - AGENCY programs and services shall be community-focused, incorporating the greatest level of input from multiple stakeholders, including clients, families, and other agencies.
 - AGENCY programs and services shall have ongoing community investment and involvement.
 2. **Family-Centered Programs**
 - AGENCY programs and services shall involve families in all aspects, recognizing that they are the most important teachers, caregivers, and role models for their children.
 - AGENCY programs and services shall support and strengthen families in providing the foundation for the physical, social, emotional, and intellectual development for their children.
 3. **Establish/Maintain Effective Partnerships**
 - AGENCY, in order to enable data linkages, information sharing, and ongoing collaboration between partners to most effectively meet and address needs, shall ensure that appropriate staff attend OCF contractor's meetings, and training sessions, and participate in other activities as required by COUNTY.
 - AGENCY shall develop and promote continuous communications with similar organizations.
 4. **Utilize a Balanced SWOT (Strengths, Weaknesses, Opportunities, Threats) Approach**
 - AGENCY programs and services shall address both the risks/deficiencies, challenges and the strengths/assets/opportunities in their communities.
 5. **Implement Research Based Accountability**
 - AGENCY, in order to ensure programs and services are based on research-based, proven practices, shall complete and submit the Best Practices Assessment as required by OCF. In areas where proven practices are not available, AGENCY is encouraged to develop innovative strategies based on research principles.
 - AGENCY programs and services shall include research-based measurements of success to enable tracking of effectiveness toward meeting planned outcomes. These data shall be monitored by OCF on the Quarterly Work Plan. Quarterly Work Plans are to be submitted on or before date due.

1st Quarter, Jul 1 – Sep 30: due on Oct 31, 2005

INTERGOVERNMENTAL AGREEMENT

2nd Quarter, Oct 1 – Dec 31: due on Jan 31, 2006

3rd Quarter, Jan 1 – Mar 31: due on Apr 28, 2006

4th Quarter, Apr 1 – Jun 30: due on Jul 31, 2006

6. **Reflect and Incorporate Diversity**
 - AGENCY, in order to provide programs and services that meet the needs of diverse cultures and people with disabilities, shall complete and submit the Cultural Competency Assessment and Action Plan as required by OCF.
 - AGENCY, in order to provide programs and services that meet the needs of girls, shall complete and submit the Gender Specific Services Assessment and Action Plan as required by OCF.
7. **Internal Controls**
 - AGENCY shall submit a completed Annual Fiscal Capability Assessment to OCF on or before October 31, 2005.
8. **Funder Recognition**
 - AGENCY shall demonstrate good faith efforts to acknowledge the COUNTY's Commission on Children & Families when communicating with media representatives and when creating and distributing flyers describing services, workshops and other contract related details.
9. **Resource Expansion**
 - AGENCY shall demonstrate good faith effort to secure other funding to increase program capacity, enter into collaborative efforts and initiatives, and/or decrease dependence on long-term Commission on Children and Families funding.
10. **Use of Grant Funds**
 - No grant funds shall be used, directly or indirectly, to promote or oppose any political committee, or promote or oppose the nomination or election of a candidate, the gathering of signatures on an initiative, referendum or recall petition, the adoption of a measure or the recall of a public office holder.
11. **HIPAA Compliance**
 - If the work performed under this Contract is covered by the Health Insurance Portability and Accountability Act or the federal regulations implementing the Act (collectively referred to as HIPAA), AGENCY agrees to perform the work in compliance with HIPAA. Without limiting the generality of the foregoing, if the work performed under this Contract is covered by HIPAA, AGENCY shall comply with the following:

INTERGOVERNMENTAL AGREEMENT

- i. Privacy and Security of Individually Identifiable Health Information. On or after April 14, 2003, AGENCY, its agents, employees and subcontractors shall protect individually identifiable health information obtained or maintained about Department's clients from unauthorized use or disclosure, consistent with the requirements of HIPAA. This Contract may be amended to include additional terms and conditions related to the privacy and security of individually identifiable health information.
- ii. Data Transaction Systems. Any electronic exchange of information on or after October 16, 2002, between AGENCY and COUNTY to carry out financial or administrative activities related to health care will be in compliance with HIPAA standards for electronic transactions published in 65 Fed. Reg. 50312 (August 17, 2000). The following types of information exchanges are included: Health care claims or equivalent encounter information; health care payments and remittance advice; coordination of benefits; health claim status; enrollment and disenrollment in a health plan; eligibility for a health plan; health plan premium payments; referral certification and authorization; first report of injury; and health claims attachments. This Contract may be amended to include additional terms and conditions related to data transactions.
- iii. Consultation and Testing. If AGENCY reasonably believes that the AGENCY's or COUNTY's data transactions system or other application of HIPAA privacy or security compliance policy may result in a violation of HIPAA requirements, AGENCY shall promptly consult the COUNTY's HIPAA officer. AGENCY or COUNTY may initiate a request for testing of HIPAA transaction requirements, subject to available resources and the COUNTY's testing schedule.

12. Diversion Panel Cases

- AGENCY shall use the misdemeanor classification and criteria for referral to the juvenile diversion panel.

13. Oregon Juvenile Crime Prevention Screen/Assessment

- AGENCY shall assess level of risk in juveniles for determining eligibility for appropriate services using the Oregon Juvenile Crime Prevention Screen/Assessment instrument.

14. Clackamas County Diversion Agreement

- AGENCY shall use the Clackamas County Diversion Agreement with youth participating in the local diversion program.

INTERGOVERNMENTAL AGREEMENT

III. Performance Standards-County:

County shall:

1. Administer this contract in compliance with the Commission on Children and Families Act (Oregon laws 1993), and the Oregon Administrative Rules for the Commission on Children and Families, Chapter 423.
2. Communicate with service providers about contract performance and about Office for Children and Families' operations, standards and objectives.
3. Provide technical assistance to the AGENCY in developing activities to address the needs of minority youth, program contract amendments, wellness referrals, collaborative services, community development projects and resources.

PROGRAM/PROJECT WORK PLAN

2005-2006

Organization: City of Milwaukee		Strategy City of Milwaukee Diversion Panel						
Contact: Andrea Rohm, Panel Coord. Larry Kanzler, Chief Milwaukee Police Dept. 10722 SE Main Milwaukee OR 97222-6537	Phone: (503) 913-1636 cell E mail: kanzler@ci.milwaukee.or.us	Report For: (N/A) <input type="checkbox"/> 1st Qtr: July 1, 2005- Sept. 30, 2005 <input type="checkbox"/> 2nd Qtr: Oct. 1, 2005 - Dec. 31, 2005 <input type="checkbox"/> 3rd Qtr: Jan. 1, 2006 - Mar. 31, 2006 <input type="checkbox"/> 4th Qtr: Apr 1, 2006- June 30, 2006						
Outcome Goal: <input type="checkbox"/> Goal 1 Strong Nurturing Families		<input checked="" type="checkbox"/> Goal 3 Positive Youth Development		<input type="checkbox"/> Goal 4 Caring Communities and Systems				
High level Outcomes: Reduce Juvenile Arrest Rate and Recidivism Rate								
Specific OUTCOMES: (With Expected Targets)	Performance Measurement Instrument:	Baseline Data	1st Quarter 7/1/05-9/30/05	2nd Quarter 10/1/05-12/31/05	3rd Quarter 1/1/06-3/31/06	4th Quarter 4/1/06-6/30/06	Total or %	Comments
1) 80% of the youth participants will successfully complete an individual Diversion Agreement (IDA) [OCCF #3.07.01]	1) Results to be reported semi-annually using Juvenile Dept. records as: # cases closed 1 st & 2 nd quarter # cases closed 3 rd & 4 th quarter % Successful % Successful	1) 80% success rate measured semi-annually						

Exhibit 1

<p>2) 80% of the youth participants will not be referred to the Juvenile Dept. for another law violation for a 12-month period of time following termination of services. [OCCF #3.07.03]</p>	<p>2) Results to be reported when 6 month period of time has elapsed following termination of services # Assessed # Successful % Successful</p>	<p>2) 80% success rate measured 6 months and 12 months after program completion</p>						
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<p>OUTPUTS: (Services)</p>	<p>Performance Measurement Instrument:</p>	<p>Baseline Data</p>	<p>1st Quarter 7/1/05- 9/30/05</p>	<p>2nd Quarter 10/1/05- 12/31/05</p>	<p>3rd Quarter 1/1/06- 3/31/06</p>	<p>4th Quarter 4/1/06 - 6/30/06</p>	<p>Total or %</p>	<p>Comments</p>
<p>1) Of the youth referred for diversion program services up to 48 youth will have been put on an IDA by June 30, 2006. Target: Up to 48 youth</p>	<p>1) Reported quarterly as number of youth referred and number of youth being put on an individual diversion agreement (IDA)</p>	<p>1) up to 48 youth referred and placed on IDA</p>						
<p>2) By June 30, 2006, 48 youth will receive intensive community services to ensure accountability for completing the individual diversion agreement (IDA).</p>	<p>2) Reported quarterly by submitting copy of the Quarterly Diversion Report submitted to the Juvenile Department.</p>	<p>2) 80% success rate or 38 youth completing 1 IDA options</p>						

Developmental Activities <i>(Note: Please see Exhibit 1 of the contract for required Developmental Activities)</i>	Measured By and How:	Baseline	1st Quarter 7/1/05-9/30/05	2nd Quarter 10/1/05-12/31/05	3rd Quarter 1/1/06-3/31/06	4th Quarter 4/1/06-6/30/06	Total	Comments
<p>1) Primary provider to update the Office for Children and Families' Cultural Specific Services Self-Assessment. Target: By 9/15/05, update one assessment and workplan.</p>	<p>1) Cultural Specific Services Self Assessment to be submitted to OCF on or before 9/15/05</p>	<p>1) NA</p>						
<p>2) Participate in any State or County-sponsored Gender and/or Cultural Specific and/or evidence-based training and/or contractor's meeting</p>	<p>2) Meeting Dates; reported quarterly</p>	<p>2) NA</p>						
<p>3) Participants, staff and clients will participate in Juvenile Dept. evaluation & training requirements.</p>	<p>3) Date of training & number attending reported quarterly and Number of pre/post program assessment given reported quarterly.</p>	<p>3) NA</p>						
<p>4) Provider to prove that program is "evidence-based" by 9/30/05</p>	<p>4) Submitted with quarterly report period ending 9/30/05</p>	<p>4) NA</p>						

INTERGOVERNMENTAL AGREEMENT

EXHIBIT 2

PAYMENT PROCEDURES AND REPORTING REQUIREMENTS

1. PAYMENT PROCEDURES

The compensation authorized in this agreement shall include reimbursable expenses as prescribed in the COUNTY-approved budget in Exhibit 3 and in accordance with OMB Circulars A-87 if agency is a local government, A-122 if non-profit, A-133 if college. This amount does not include expenses for unusual and special activities or materials not included in the scope of services. Such unusual and special expenses will not be incurred without prior COUNTY approval. In addition, expense totaling an amount greater than the total budget for this project shall not be incurred without prior written consent of the COUNTY.

a) **Payment Options:**

AGENCY shall submit a monthly Request for Funds and Fiscal Report within 15 days of the end of each month. COUNTY reserves the right to reduce monthly payment by the amount of unexpended funds during the previous month. The monthly fiscal report shall be in accordance with the approved budget in Exhibit 3.

OR

AGENCY shall submit a quarterly Request for Funds and Fiscal Report within 15 days of the end of each quarter. COUNTY reserves the right to reduce quarter payment by the amount of unexpended funds during the previous quarter. The quarterly fiscal report shall be in accordance with the approved budget in Exhibit 3.

The COUNTY shall make payment to AGENCY within 30 days of receipt and approval of each funds request and fiscal report submittal. AGENCY shall submit a quarterly Program Performance Progress Report in accordance with Exhibit 1, and section 3 of Exhibit 2 of this contract.

Reimbursement request required to be prepared and submitted by AGENCY to the COUNTY shall be accurate and correct in all respects, supported by attached documentation and traceable to source documents through AGENCY's accounting records. Should inaccurate reports be submitted to the COUNTY, the COUNTY may elect to have AGENCY secure the services of a certified accounting firm. Cost of such accounting services are to be borne by AGENCY and not reimbursed from funds authorized by the agreement unless specifically agreed to between AGENCY and COUNTY in writing.

AGENCY shall submit a financial statement covering all expenditures within 30 days following the end of the contract. When the total funds advanced does not equal the AGENCY's total actual expenditures and the total budget, the financial statement shall include either:

INTERGOVERNMENTAL AGREEMENT

- A. A request for reimbursement of program expenditures. Such request shall not bring the total of funds received by the AGENCY in an amount in excess of the budget; or
- B. Contract amendment suitable to both the COUNTY and AGENCY.
- C. The return of all unexpended funds to the COUNTY.

AGENCY shall return all unexpended funds to the COUNTY within 10 days of the contract's termination when such termination is due to the AGENCY's failure to provide services in accordance with the contract.

Withholding of Contract Payments: Notwithstanding any other payment provision of this contract, should the AGENCY fail to submit required reports when due or submit reports which appear patently inaccurate or inadequate on their face, or fail to perform or document the performance of contracted services, the COUNTY shall immediately withhold payments hereunder. Such withholding of payment for cause may continue until the AGENCY submits required reports, performs required services, or establishes to the COUNTY's satisfaction that such failure arose out of causes beyond the control, and without the fault or negligence, of the AGENCY.

2. RECORDKEEPING

AGENCY shall keep detailed records of time and expenditures incurred and funded by this contract. Such records shall adequately identify the source and application of funds for activities within this contract in accordance with the provisions of OMB Circular (A-110 for non-profits, A-102 for local governments). These records shall allow accurate statements pertaining to grant awards and authorizations, obligations, unobligated balances, assets, liabilities, outlays, and income in accordance with generally accepted accounting practices.

AGENCY shall maintain a system of internal control comprising a documented plan of all coordinating procedures adopted to account for and safeguard its assets, check the adequacy and reliability of its accounting data, promote operating efficiency, and assure adherence to applicable regulations.

Expenditures shall be supported by properly executed payrolls, time records, invoices, vouchers, or other source documentation evidencing in proper detail the nature and propriety of charges. All accounting documents shall be clearly identified and readily accessible.

Financial records and supporting documents pertinent to this agreement shall be retained by AGENCY for a period of three years from the date of completion of the contract except as follows:

INTERGOVERNMENTAL AGREEMENT

- Records that are the subject of audit findings shall be retained for three years or until such audit findings have been resolved, whichever is later.

3. PROGRAM REPORTS

AGENCY shall submit program performance reports for each quarter of the fiscal year. These quarterly reports are to include: 1) cover sheet/request for funds, 2) work plan outcomes, services and development activities performance report, 3) financial statement. The quarterly reports are due to the COUNTY within 30 days of the end of each fiscal year quarter.

AGENCY shall complete and submit other reports as required and supplied by the COUNTY.

4. MONITORING

COUNTY shall evaluate the services provided under this contract primarily by quarterly workplan progress reports. The COUNTY may also conduct on-site monitoring of services. These site visits usually include on-site monitoring of client case files, client/parent/staff interviews, and review of program and agency policies, procedures, and files. COUNTY shall give written notification of problem areas related to performance under this contract, including requirements and time lines of corrective action.

The AGENCY will gather data necessary to complete quarterly workplan performance and budget, and any other reports required by the COUNTY.

The AGENCY will provide the client confidentiality releases necessary to facilitate annual site visits by the COUNTY. Site visit activities include, but are not limited to, review of client case files, program personnel policies, and program services procedures.

At any time during normal business hours and as often as the COUNTY, or other appropriate state or federal representatives may deem necessary, the AGENCY shall make available to the COUNTY for examination all its records with respect to matters covered by this contract for the purpose of making surveys, audits, examinations, excerpts and transcripts.

Should any records not meet the minimum standards of grant administration of the COUNTY, the COUNTY reserves the right to withhold any or all of its funding to AGENCY until such time as the standards are met. The COUNTY may require AGENCY to use any or all of the COUNTY's accounting and administrative procedures used in planning, controlling, monitoring and reporting all fiscal matters relating to this contract.

The COUNTY reserves the right to dispatch auditors of its choosing to any site where any phase of the project is being conducted or controlled in any way. If any audit or

INTERGOVERNMENTAL AGREEMENT

examination determines the AGENCY has expended funds which are questionable or disallowed, the AGENCY shall be given the opportunity to justify questioned and

disallowed expenditures prior to the COUNTY's final determination. Any disallowed costs resulting from the final determination shall be remitted to COUNTY from AGENCY's non COUNTY-administered funds, payable by check within 30 days of final determination.

5. AUDIT

AGENCY shall have an annual audit performed of projects funded by this agreement unless specifically waived in writing by COUNTY. Audits shall be performed by an independent certified accountant in accordance with GAO Audit Standards, OMB Circulars (A-133 and A-110 for non-profits, A-128 for local government agencies), and generally accepted auditing standards. Audit schedules shall clearly show statement of COUNTY-funded assets, liabilities, fund balance, revenues, and expenditures separately from non COUNTY-funded assets, liabilities, fund balance, revenues and expenditures.

Auditor shall be selected competitively and AGENCY should contract with auditor to assure proper scope, reports and timelines are maintained.

Audits are not required for cost reimbursement contracts under \$25,000.

Audits are due 120 days after the end of the contract period.

6. CAPITAL PURCHASES

Capital purchases through children and youth services grants are subject to Oregon Administrative Rule 436-010-0036 which indicates capital purchases to be the property of the COUNTY unless the COUNTY determines otherwise.

Capital purchases through children and families services grants are defined according to State of Oregon purchasing rules; initial value of more than \$5,000.

EXHIBIT 3

BUDGET

1. AGENCY shall submit for COUNTY approval a budget indicating the amount of COUNTY funds allocated for project performance as described in the scope of services. Budget shall be in sufficient detail to provide a sound basis for the COUNTY to effectively monitor compliance with the contract.

Any allocations of budgeted costs not directly allocable to the project shall be made in accordance with OMB Circular A-87, A-122 and A-133, and shall be properly documented by budget attachments.

2. Program income defined as amounts generated by the use of COUNTY funds shall be used to expand the program. AGENCY shall keep records to accurately record and report the use of program income.
3. AGENCY and the COUNTY shall administer budget adjustments and balances through the following processes:

ADJUSTMENTS

AGENCY shall not make minor or major budget adjustments without prior written approval of the COUNTY.

Major budget adjustments are defined as:

- those changes that move funds between the major budget categories of Personal Services, Materials and Services, Capital Outlay or Equipment, or
- those changes that exceed 10% within a major budget category.

Minor budget adjustments are those changes where less than 10% of the funds within a budget category (Personal Services, Materials and Services, Capital Outlay or Equipment) are moved between expenditure line items.

The COUNTY, working through the Commission on Children & Families and staff of the Office for Children & Families, will work with the AGENCY to manage budget adjustments.

BALANCES

The AGENCY is to forecast any expected grant balance and notify the Office for Children and Families by April 30 of each fiscal year. See also Payment Procedures in Exhibit 2.

4. Line item budget (COUNTY provided form attached).

**CLACKAMAS COUNTY OFFICE FOR CHILDREN AND FAMILIES
MONTHLY FISCAL REPORT (FY '06)**

Organization:	City of Milwaukie		Report For:					
Service:	Milwaukie Diversion Program		<input type="checkbox"/> Jul 05	<input type="checkbox"/> Aug 05	<input type="checkbox"/> Sep 05	<input type="checkbox"/> Oct 05	<input type="checkbox"/> Nov 05	<input type="checkbox"/> Dec 05
Program Contact:	Chief Larry Kanzler	OR Andrea Rohm	<input type="checkbox"/> Jan 06	<input type="checkbox"/> Feb 06	<input type="checkbox"/> Mar 06	<input type="checkbox"/> Apr 06	<input type="checkbox"/> May 06	<input type="checkbox"/> Jun 06
Date:								

Category	Approved Grant Amount	Approved Match Amount	Approved Total Program Amount	Monthly Grant Expenditure	Monthly Match Expenditure	Total Monthly Expenditure	YTD Grant Expenditure	YTD Match Expenditure	Total YTD Expenditure
Personnel (List salary, FTE & Fringe costs for each position)									
			\$ -			\$ -			\$ -
			\$ -			\$ -			\$ -
			\$ -			\$ -			\$ -
			\$ -			\$ -			\$ -
			\$ -			\$ -			\$ -
			\$ -			\$ -			\$ -
			\$ -			\$ -			\$ -
Total Personnel Svcs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Administration									
			\$ -			\$ -			\$ -
			\$ -			\$ -			\$ -
			\$ -			\$ -			\$ -
			\$ -			\$ -			\$ -
			\$ -			\$ -			\$ -
Total Administration	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplies									
Office Supplies			\$ -			\$ -			\$ -
Postage			\$ -			\$ -			\$ -
Program Supplies			\$ -			\$ -			\$ -
Equipment									
Equipment Maint/Rental			\$ -			\$ -			\$ -
Non-Capital Equip Purchases			\$ -			\$ -			\$ -
General Office			\$ -			\$ -			\$ -
Rent			\$ -			\$ -			\$ -

**CLACKAMAS COUNTY OFFICE FOR CHILDREN AND FAMILIES
MONTHLY FISCAL REPORT (FY '06)**

Report For:

Organization: City of Milwaukie

Service: Milwaukie Diversion Program

Program Contact: Chief Larry Kanzler OR Andrea Rohm

Date:

Jul 05 Aug 05 Sep 05
 Oct 05 Nov 05 Dec 05
 Jan 06 Feb 06 Mar 06
 Apr 06 May 06 Jun 06

Category	Approved Grant Amount	Approved Match Amount	Approved Program Amount	Monthly Grant Expenditure	Monthly Match Expenditure	Total Monthly Expenditure	YTD Grant Expenditure	YTD Match Expenditure	Total YTD Expenditure
Utilities			\$ -			\$ -			\$ -
Printing			\$ -			\$ -			\$ -
Phone			\$ -			\$ -			\$ -
Insurance(s)			\$ -			\$ -			\$ -
			\$ -			\$ -			\$ -
Professional Fees & Contract Svcs						\$ -			\$ -
Contract Services	\$13,390		\$13,390			\$ -			\$ -
Travel						\$ -			\$ -
Conferences & Training			\$ -			\$ -			\$ -
Mileage			\$ -			\$ -			\$ -
Additional (please specify)						\$ -			\$ -
			\$ -			\$ -			\$ -
			\$ -			\$ -			\$ -
Total Program Costs	\$13,390	\$ -	\$13,390	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Grant Costs	\$13,390	\$ -	\$13,390	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Please provide information on any budget anomalies in the budget above:

Anticipate that the City of Milwaukie will subcontract with Parrott Creek Child & Family Services



To: Mayor and City Council

Through: Mike Swanson, City Manager
Kenny Asher, Community Development/Public Works Director

From: Paul Shirey, Engineering Director

Subject: Proposed IGA with County Service District for Clearwater plan implementation

Date: July 26, 2005 for Regular Agenda August 2, 2005

Action Requested

Approve an IGA between by the Clackamas County Service District #1 (District) and the City of Milwaukie (City) for implementation of Clearwater plan to consolidate wastewater treatment services in north Clackamas County.

Background

Council was briefed last month by District staff regarding the results of a two-year effort to examine wastewater treatment options in north Clackamas. The need for the study is based on the fact that wastewater treatment capacity has been nearly consumed by the rapid pace of growth in north Clackamas. Facility expansion is essential to keep pace with growth.

The study, labeled the Clearwater report, examined various options and reached the following conclusions.

1. The capital cost of expanding treatment services at the existing Tri-City and Kellogg sites, or other combinations of sites, was cost comparable to consolidation, or "regionalization" of treatment services in a single location.
2. Regionalization was determined to be the most advantageous environmentally and economically.
3. Overall reliability and performance would be maximized in a single facility.
4. Highest and best use of land is achieved through the de-commissioning of Kellogg facility in Milwaukie and construction of an expanded facility in Oregon City.

For ratepayers, the study identified the following benefits:

1. Reduced cost of service due to efficiencies achieved through operating costs of a single plant
2. Economies of scale accrue to all ratepayers equally
3. Growth pays its own way through the collection of SDC's for future capacity improvements to serve growth.

Four cities in north Clackamas, Milwaukie, Happy Valley, Oregon City, Gladstone and West Linn are working with the District on agreements that will allow District staff to carry the Clearwater proposal forward to the County Commissioners for approval in August. The proposed Milwaukie IGA is attached.

Under the terms of the Agreement, the City would continue to provide retail service to its customers in the form of collection and pumping and would continue to collect System Development Charges (SDC's) to fund expansion based on growth in the city. The City has the option to become part of a new north Clackamas service district if it chooses, which would give the City representation in the affairs of the District that it does not currently enjoy. Becoming a part of the District should be relatively "transparent" to the ratepayer since the City would continue to operate the system in its current configuration. There are two service districts at present, CCSD#1 and Tri-City (both are staffed by the County and the County Commissioners serve as the board of directors). The two Districts may merge as a single entity under the regionalization approach envisioned by Clearwater.

The IGA stipulates that the Kellogg plant would be de-commissioned, currently predicted to be as soon as 2010 and the land and improvements transferred to the City of Milwaukie in a development-ready state. A new and expanded treatment facility would be constructed at the site of the Tri-City plant in Oregon City. Milwaukie would pay a treatment and transmission charge to the District not to exceed \$13/EDU or about \$1.4m per year. The current treatment rate, or "Unit Charge" for treatment services at the Kellogg Plant is about \$1.2m per year.

The Clearwater study estimates that on a District-wide basis, cost to relocate treatment capacity from Kellogg to Tri-City is equal to \$500 per EDU. For Milwaukie, this translates into \$4.5m. The IGA stipulates a down payment of 10% (\$450,000) in 2006, then a payment of \$1.8m in 2010 (the point at which Kellogg is de-commissioned) and \$2.25m estimated to be 2012 when the plant and land are transferred to the City of Milwaukie.

The City would have five years to sell the property for redevelopment after it takes title. The cost of the demolition and environmental remediation would be borne by the district. Proceeds from the sale of the property will be split, with two thirds of the value going to the district and one third to the City. The current assessed value of land and improvements is estimated at about \$2.5 m.

If the City does not sell the property within five years of conveyance by the District, then the City will pay the District two-thirds of the fair market value of the land and improvements as determined by an independent appraisal.

Concurrence

The City Manager and the Engineering Department have been working toward the Clearwater IGA for several years. The City Attorney has reviewed the IGA. Staff plans to work extensively with the community to explain the advantages of the plan and the basis for any needed rate adjustments prior to a public hearing (tentatively scheduled in November) to consider new wastewater rates.

Fiscal Impact

The current wastewater reserve fund balance of \$2.7m is sufficient to meet the cash payment of \$450,000 in July 2006 and will be large enough to cover a payment of \$1.8m in 2010 under current rate projections. The final payment of \$2.25m, however, will require a six-year "surcharge". Before the full details of the Clearwater IGA became known, staff was prepared to recommend an average wastewater rate increase of 3.9% per year beginning in January 2006 for the next five years. The increase is needed to meet projected inflation in wastewater collection and treatment expenses and to fund the cost of depreciation.

In order to fund the requirements of the Clearwater IGA, including on-going treatment and transmission charges, and the one-time payment of the \$4.5 million for de-commissioning the Kellogg facility, a surcharge of 2% must be added to the 3.9% increase. The combined rate impact would be equal to a 6% annual rate adjustment over the next five years.

Work Load Impacts

Engineering staff will continue to work with the District, based on Council feedback, to implement the Clearwater plan.

Alternatives

1. Approve the Clearwater IGA as presented.
2. Suggest modifications to the IGA.
3. Do not approve the IGA.

CLEARWATER ADVISORY COMMITTEE BY-LAWS

April 30, 2005

I. PURPOSE

The purpose of the Clearwater Advisory Committee is to advise the staff of Water Environment Services and the Board of County Commissioners on policy matters related to the provision of regional wastewater treatment services; to enhance coordination, cooperation, and communications between members; and to promote issues of mutual interest and benefit.

II. CLEARWATER ADVISORY COMMITTEE MEMBERSHIP

- A. The membership of the Clearwater Advisory Committee shall consist of the following:

Director, Water Environment Services
City Manager, City of Damascus
City Administrator, City of Gladstone
City Administrator, City of Happy Valley
City Manager, City of Milwaukie
City Manager, City of Oregon City
City Manager, City of West Linn

- B. Each member jurisdiction may also select an alternate who shall have authority to represent the jurisdiction in the absence of the member.

III. OFFICERS / REPRESENTATIVES

There shall be a chair and vice-chair of the Clearwater Advisory Committee.

- A. The chair and vice-chair shall be elected by the membership at its first official meeting.
- B. The chair and vice-chair shall serve one-year terms.
- C. In the case of a vacancy of an officer position, an election to fill the vacancy shall be held at the next Clearwater Advisory Committee meeting with the duly elected member immediately taking office upon election.
- D. There shall be no term limits for Clearwater Advisory Committee officers.
- E. An officer may be removed from office by a two-thirds vote of those present, provided that no action shall be taken unless a quorum is present. The Clearwater Advisory Committee may remove any

Clearwater Advisory Committee officer for cause as 'cause' may be defined by committee rule.

- F. The Clearwater Advisory Committee shall be staffed by Water Environment Services.

IV. FUNCTIONS

- A. The Clearwater Advisory Committee is an advisory body with respect to regional wastewater treatment services. Examples of the types of functions the Committee may undertake include:
 1. Annual Budget Review
 2. Annual Capital Project Review
 3. Rules and Regulations Governing Wastewater Collection and Treatment Services
 4. Capital Improvement Plan Review
 5. Cost Allocations

V. PROCEDURES

- A. Meetings

Meetings of the Clearwater Advisory Committee shall be held at least quarterly on a day to be determined by the Committee or called as needed by the chairperson or by a vote of the Clearwater Advisory Committee. The staff assigned to the Committee is responsible for notifying members of the meeting time and place and for preparing the agenda. A special meeting may be called at anytime with five (5) business days notice by the chair or any three members of the Committee. The chair or designee is responsible for preparing the agenda.

- B. Quorum

A quorum of the Clearwater Advisory Committee shall consist of a majority of the participating jurisdictions' voting members.

- C. Voting

Votes of the Clearwater Advisory Committee carry by a simple majority of those present, provided that no action shall be taken unless a quorum is present.

- D. Alternates

A designated alternate from the same jurisdiction may sit in the absence of the member and shall have full voting rights.

- E. Records
All Clearwater Advisory Committee actions shall be documented in the form of minutes, memoranda, and/or special reports. The assigned Water Environment Services staff person will be responsible for such documentation and distribution of such minutes, memoranda, and/or reports.
- F. Rules
Meetings shall be conducted in accordance with Roberts' Rules newly revised.

V. DUTIES

- A. The duties of the chair shall be as follows:
 - 1. The chair will call and conduct all Committee meetings including the establishment of the agenda.
 - 2. The chair, or designee, shall cause the delivery of all necessary materials to Committee members at least five (5) days prior to any regular meeting.
 - 3. The chair, or designee, shall be responsible for maintaining all Committee records.
 - 4. The chair may establish and appoint sub-committees as needed for a defined purpose, scope, and schedule. Each sub-committee shall have a minimum of three (3) members.
 - 5. The chair may dissolve sub-committees, with the concurrence of the Committee.
 - 6. The chair shall forward notification of all official Clearwater Advisory Committee meetings.
 - 7. The chair shall provide the Committee a brief summary of each Clearwater Advisory Committee meeting.
- B. The duties of the vice chair shall be as follows:
 - 1. To perform the duties of the chair in his/her absence.
- C. Neither the chair nor the vice chair nor any of the members of the Committee may bind the Committee nor any of the jurisdictions comprising the Committee in any way without the specific action of the Committee.

VI. AMENDMENTS

These by-laws may be amended from time to time by a majority of the members of the Committee, provided that all voting members of the Committee have been sent copies of the proposed amendments thirty (30) days prior to the meeting where action on the rules is scheduled.

Adopted on _____
Amended on _____, _____

DRAFT

**INTERGOVERNMENTAL AGREEMENT
BETWEEN
CLACKAMAS COUNTY SERVICE DISTRICT #1, TRI CITY SERVICE DISTRICT
AND
CITY OF MILWAUKIE
FOR
REGIONALIZED WASTEWATER TREATMENT SERVICES**

This Agreement is entered into this _____ day of _____, 2005, between Clackamas County Service District No. 1 and Tri City Service District (hereinafter Districts), county service districts organized under ORS Chapter 451, and the City of Milwaukie, (hereinafter "City"), a municipal corporation of the State of Oregon, all being political subdivisions of the State of Oregon.

RECITALS:

1. Clackamas County Service District No. 1 and Tri City Service District are county service districts organized under ORS Chapter 451. The City of Milwaukie is an Oregon municipal corporation, organized and existing under its municipal charter, ordinances and the laws of the State of Oregon.
2. Oregon Revised Statutes, Chapter 190, authorizes units of local government to enter into intergovernmental agreements for the performance of their duties or for the exercise of powers conferred upon them.
3. Districts own, operate, and maintain sanitary sewer collection, transmission, and treatment systems including the Kellogg Creek Water Pollution Control Plant and the Tri-City Water Pollution Control Plant.
4. City owns, operates, and maintains a sanitary sewer collection system, including pump stations and purchases wastewater treatment services from Clackamas County Service District No. 1.
5. Districts, performed a Regional Wastewater Treatment Option study to determine the best long-term solution for providing wastewater treatment services in the north Clackamas County area including the cities of Gladstone, Milwaukie, Oregon City, West Linn, Happy Valley and Johnson City.
6. The Regional Wastewater Treatment Option study determined that regionalization of wastewater treatment at a single facility provides the most cost-effective and environmentally sound long-term solution for wastewater treatment in the region. Milwaukie staff and citizens participated in the study and public outreach process.
7. Water Environment Services, administrator of Districts, has developed an implementation plan for regionalization of wastewater treatment services at a new facility, named the Clearwater Facility, to be located on the site of the existing Tri-City Water Pollution Control Plant.
8. Districts and City recognize the relocation of treatment capacity from the Kellogg Creek facility to the Clearwater site will enable the decommissioning and

redevelopment of the Kellogg Creek facility, and that such redevelopment is an essential feature of City's participation in the regionalization plan.

9. Districts and City agree that implementing the Clearwater Plan will promote efficiency and effectiveness in service delivery, and provide opportunities to maximize the highest and best use of land, construct community amenities, and improve environmental protection.

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

Section 1: Clearwater Project.

- A. Districts and City agree to support implementation of the Clearwater Project.
- B. Districts and City agree that the Clearwater Advisory Committee shall be formed to perform those functions as are prescribed by its bylaws, attached hereto as Exhibit A and incorporated herein by reference.
- C. Districts will perform those actions necessary to consolidate wastewater treatment at the new Clearwater Facility located at the site presently occupied by the Tri-City Water Pollution Control Facility, including but not limited to:
 - 1) Planning and Engineering
 - 2) Environmental Permitting
 - 3) Land Use Permitting Application
 - 4) Contract Bidding
 - 5) Construction Management
 - 6) Financing
- D. Districts agree to begin the process of implementation of the Clearwater Plan no later than September 1, 2005.

Section 2: Schedule.

- A. Districts agree to begin negotiations with the Oregon Department of Environmental Quality for authority to move the Kellogg Creek Water Pollution Control Facility discharge point and secure a new discharge permit for the Clearwater Facility, subject to the provisions of Section 4.
- B. Districts agree to begin negotiating agreement with the City of Oregon City for land use authority to develop the Clearwater Facility to the extent necessary to achieve the goals of a long-term solution for wastewater treatment services in the north Clackamas County area covered by the Regional Wastewater Treatment Options Study, subject to the provisions of Section 4.

- C. Districts agree to begin design of the Clearwater Project transmission system to accommodate the development of the Trolley Trail, Phase I, by September 30, 2005, subject to the provisions of Section 4.
- D. Districts agree to begin construction of the Clearwater Project transmission system to accommodate the development of the Trolley Trail, Phase I, not later than July 1, 2006, subject to the provisions of Section 4.
- E. Districts agree to begin design for expansion of the Tri-City Water Pollution Control Plant into the Clearwater Facility by July 1, 2006 subject to the provisions of Section 4.
- F. Districts agree to construct the Clearwater Facility as quickly as practicable in accordance with the schedule in Clearwater Implementation Plan, all factors considered and subject to the provisions of Section 4. Districts estimate completion of the first phase of the Clearwater Facility and transmission system by end of calendar year 2010.
- G. Districts agree to decommission the Kellogg Creek Water Pollution Control Plant as quickly as practicable in accordance with the schedule in Clearwater Implementation Plan, all factors considered and subject to the provisions of Section 4. Districts estimate decommissioning the Kellogg Creek Water Pollution Control Plant by end of calendar year 2010.
- H. Clackamas County Service District No. 1 agrees to transfer ownership of the property on which the Kellogg Creek Water Pollution Control Facility is sited, except for the raw sewage pump station and necessary road access, to the City following decommissioning, demolition and remediation of any environmental contaminants or hazards discovered on the site after structures are removed by the end of calendar year 2012. CCSD No. 1 agrees to cooperate with the City as to possible relocation or modification of the pump station in connection with the redevelopment of the property.
- I. If City chooses to market the property for private development, it will market said property at fair market value. The City will pay CCSD No. 1 two thirds of the proceeds from the sale of the property. If the City chooses to hold the property for more than five years, City of Milwaukie agrees to compensate Clackamas County Service District No. 1 or its successor in an amount equal to two thirds of the fair market value of said property as determined by an independent appraisal, of which the costs will be shared equally by CCSD No. 1 and the City.

Proceeds from the sale of the property to would be distributed at closing of the property sale to a private party, or no later than five years after the property is transferred to City.

Section 3: Payments and Other Consideration.

- A. City agrees to pay to Clackamas County Service District No. 1 a one-time payment of \$4,500,000 toward the capital costs for the Clearwater project, payable as follows: The first payment of \$450,000 is due when the trolley trail pipeline starts construction. The second payment of \$1,800,000 is due when facilities that will replace the Kellogg plant's capacity begins construction, and the final payment of \$2,250,000 is due when the Kellogg plant is decommissioned (i.e. taken out of service).
- B. In consideration of receiving wastewater transmission and treatment services, City agrees to pay Clackamas County Service District No. 1 a wholesale wastewater treatment and transmission rate at the amount per equivalent dwelling unit, not to exceed \$13 per EDU/month. The wholesale rate will begin on July 1, 2006 and replace the "Unit Charge" currently used from a 1970 agreement.
- C. City agrees to collect and on behalf of the District, a new Transmission and Treatment System Development Charge, as adopted by Clackamas County Service District No. 1, for each new Equivalent Dwelling Unit added to the system beginning on July 1, 2006. The rate for this charge will be based on the District's cost of expanding capacity at the Tri-City site and will be subject to review and comment by the Clearwater Advisory Committee before adoption
- D. In consideration of the terms and conditions of this agreement, City shall have one seat on the Clearwater Advisory Committee and shall be entitled to all rights and privileges as set forth in the attached Draft Clearwater Advisory Committee By-Laws dated April 30, 2005, and afforded all other participants on the Committee.

Section 4: Contingencies

The terms and conditions of this intergovernmental agreement are subject to approval of all necessary applications and permits, including but not limited to, a National Pollutant Discharge Elimination System permit issued by U. S. Environmental Protection Agency and Oregon Department of Environmental Quality, Master Plan and facility design approvals from the Oregon Department of Environmental Quality, land use approval by the City of Oregon City, and building permits by the City or Oregon City.

Section 5: Effective Date.

The effective date of this agreement shall be the date the last party executes the agreement, unless so specified otherwise by written amendment hereto.

Section 6: Term of Agreement.

The term of this agreement shall be ten years from the date specified in Section 5, or when all obligations of the parties as specified herein have been fulfilled, whichever occurs later.

Section 7: Termination.

- A. Except as otherwise provided in this Section, this agreement may be terminated only by the inability of Districts to procure the necessary permits and authorizations essential to siting, constructing, operating, and maintaining the Clearwater Facility and appurtenant facilities.
- B. In the event other jurisdictions on whose participation the Clearwater Project is dependent elect not to participate, this agreement shall be terminated without cost or obligation to either party.
- C. By mutual agreement of the parties.

Section 8: Amendment.

This agreement may be amended by the joint agreement of the parties. To be effective, all amendments shall be in writing and signed by authorized representatives of each party.

Section 9: Indemnification.

- A. Subject to the limitations of liability for public bodies set forth in the Oregon Tort Claims Act, (ORS 30.260 to 30.300) the City of Milwaukie shall hold harmless and indemnify the Districts, their Commissioners, employees, agents and volunteers against any and all claims, damages, losses and expenses (including all attorney(s) fees and costs), arising out of, or resulting from the City of Milwaukie's performance of this agreement when the loss or claim is attributable to the acts or omissions of the City of Milwaukie, its City Councilors, employees, agents and volunteers.
- B. Subject to the limitations of liability for public bodies set forth in the Oregon Tort Claims Act, (ORS 30.260 to 30.300) the Districts shall hold harmless and indemnify the City of Milwaukie, its Councilors, employees, agents and volunteers against all claims, damages, losses and expenses (including all attorney fees and costs) arising out of or resulting from the District's performance of this agreement when the loss or claim is attributable to the acts or omissions of the Districts, their Commissioners, employees, agents and volunteers.

Section 10: Attorney Fees.

If suit or action is instituted in connection with any controversy arising out of this agreement, the prevailing party shall be entitled to recover in addition to costs

such sums as the court may adjudge reasonable as attorney fees at trial, on petition for review and on appeal.

Section 11: Notices.

Any notice required or permitted under this agreement shall be given when actually delivered or seventy-two (72) hours after deposited in the United States mail, first class postage, return receipt requested, and addressed as follows:

Districts: Director
Water Environment Services
9101 SE Sunnybrook Boulevard, Suite 441
Clackamas, Oregon 97015

City: City Manager
City of Milwaukie
10722 SE Main Street
Milwaukie, Oregon 97022

Section 12: Severability.

City and the Districts agree that if any term or provision of this agreement is declared by a court of competent jurisdiction to be 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.

Section 13: Disputes

- A. Subject to extensions of time by mutual consent in writing, failure or unreasonable delay by any party to substantially perform any provision of this agreement shall constitute default. In the event of an alleged default or breach of any term or condition of this agreement, the party alleging such default or breach shall give the other party not less than 30 days notice in writing specifying the nature of the alleged default and the manner in which the default may be cured satisfactorily. During this 30-day period, the party in charge shall not be considered in default for purposes of termination or instituting legal proceedings.
- B. The parties shall first attempt to resolve the dispute by negotiation, followed by mediation, if negotiation fails to resolve the dispute.

Step One: (Negotiation)

The City Manager and director or other persons designated by each of the disputing parties will negotiate on behalf of the entities they represent and attempt to resolve the issue. If the dispute is resolved at this step, there shall be a written determination of such resolution, signed by each

Manage rand ratified by the governing bodies which shall be binding upon the parties.

Step Two: (Mediation)

If the dispute cannot be resolved within thirty (30) days at Step One, the parties shall submit the matter to non-binding mediation. The parties shall attempt to agree on a mediator. If they cannot agree, the parties shall request a list of five (5) mediators from an entity or firm providing mediation services. The parties will again attempt to mutually agree on a mediator from the list provided, but if they cannot agree, each party shall select on (1) name. The two selected shall select a third person. The dispute shall be heard by a panel of three (3) mediators and any common costs of mediation shall be borne equally by the parties who shall each bear their own costs and fees therefore. If the issue is resolved at this step, a written determination of such resolution shall be signed by each manager and approved by the governing bodies.

Step Three: (Legal Action)

After exhaustion of the preceding processes, if the parties agree, any dispute or claim shall be settled by arbitration under the jurisdiction of the circuit Court of the State of Oregon for Clackamas County pursuant to ORS Chapter 36 or by arbitration provided by the Department of Land Conservation and Development. In the absence of such an agreement, that same court shall have jurisdiction.

IN WITNESS THEREOF, the respective parties have cause to be signed in their behalf to make and enter into this agreement this _____ day of _____, 2005.

CITY OF MILWAUKIE

TRI-CITY
SERVICE DISTRICT

By: James Bernard
Mayor

By: Martha Schrader, Chair
Board of County Commissioners

ATTEST:

ATTEST:

By: _____
Pat Duval
City Recorder

By: _____

CLACKAMAS COUNTY
SERVICE DISTRICT #1

By: Martha Schrader, Chair
Board of County Commissioners

ATTEST:

By: _____

Clearwater IGA Summary
August 8, 2005
City Council regular agenda

The agreement (IGA) proposed between the City and the County Wastewater Service District is needed to implement the plan to consolidate wastewater treatment services in north Clackamas County, also known as the Clearwater plan. The IGA calls for the following:

1. The District will decommission the Kellogg treatment facility starting in 2010 and to transfer the property following demolition of the facility to the City of Milwaukie as soon as 2012.
2. Within five years of transfer of title, the City may sell the property for redevelopment purposes and pay two-thirds of the proceeds of the sale to the District. After five years the parties will pay for an appraisal and the City will pay the district two-thirds the appraised value for the property.
3. Milwaukie agrees to pay \$4.5 million to the District towards the cost of relocating the capacity of the Kellogg plant. Payments will be in three installments over a six-year period, or about \$500 per EDU (equivalent dwelling unit- a single family home is equal to one EDU).
4. The City agrees to pay treatment and transmission charges to the District in the first year that will not exceed \$13 per EDU, somewhat higher than the City currently pays the District for treatment services.

**North Clackamas Parks and Recreation District
Milwaukie Center/Community Advisory Board
Minutes of June 10, 2005**

Members present: Kim Buchholz, Chuck Petersen, Sharon Phillips, Joy Estes, Eleanor Johnson, Kathi Schroeder, Jane Hanno, Carolyn Mills, Joan Rowe, Joan Staley, Katie Rudolfelt, Ben Tabler, Molly Hanthorn

Members Excused: Jim McCready

Guests: Ben Horner-Johnson, George McKee, Ray Harris, Bob Kendall

Staff Present: Joan Young, Marty Hanley, Charlie Ciecko

Call to Order: Kim called the meeting to order at 9:34 am. Chuck moved approval of the minutes as printed. Ben seconded the motion which passed unanimously. Kim welcomed Ben Horner-Johnson, George McKee and Ray Harris who expressed interest in joining the Board. Also welcomed was Bob Kendall, longtime volunteer.

Correspondence: Malinda Iakob tendered her resignation from the Board due to family matters. She expressed her appreciation for the work of the board and the welcome she received.

Special Topic: Marty presented a brief history of the Transportation Services provided at the Center and the financial needs to continue service. The group brainstormed suggesting a wide range of ideas in three categories: Revenue Enhancements, Cost Efficiencies, Other ideas. Joan recorded ideas as Board members suggested them. After a spirited session, Kim asked for volunteers to work on a Task Force with the mission of reviewing the suggestions and others that may come in, determining which are viable and prioritizing a list to be presented to the C/CAB in October and then on to the NCPRD Board in November. It was agreed to have an eight member Task Force with Mary Paige, District Marketing person, as needed. Members include: Joan Young, Marty Hanley, Charles Petersen, Kim Buchholz, Bob Kendall, Ben Tabler, Mary Paige and a representative from the Friends.

Board/Committee Reports

Executive Committee: No meeting.

Board Officer Nominating Committee: Joan Rowe reported a slate of officers who have consented to serve. Kim asked for any further nominations. There were none. Eleanor moved to cast a unanimous ballot for the nominees. Ben seconded the motion and it passed unanimously. Joan Staley will be Chairperson, Joan Rowe will be Vice Chairperson and Carolyn Mills will be secretary.

NCPRD Board: No meeting.

North Clackamas Aquatic Park Task Force: Molly reported on the May 18 meeting. The group chose Facility Enhancement as the preferred strategy. Charlie will draft a report outline to be presented at a meeting to be announced.

Budget & Finance: No meeting.

Programs and Services: Molly reported the group has decided to meet quarterly but be available to staff as needed. E-mail updates can be used for urgent matters. It is hoped this will free up some staff time and Katie urged committee members to participate in more activities at the Center as a way of staying informed. This schedule will be reviewed at the April meeting.

Nutrition & Transportation: Ben said all his news had been given except for the Red Hat Tea fund-raiser, partnered with the Friends, which will be in August.

Building Review: No meeting.

Friends of the Milwaukie Center: Eleanor announced there are plans for some rose arbors to be planted in the Rose Garden. The 50th Wedding Anniversary celebration was happening and there would be two concerts in the Rose Garden in September.

Center Report: Joan thanked the outgoing officers. Charlie reported the budget should be adopted next week. The Planning Commission should rule on the North Clackamas Park plan Tuesday, June 14. Talks are continuing with Happy Valley about joining the Park District.

Meeting adjourned at 10:50 am. Next meeting is July 9, 2005, at 9:30 am.

m. hanthorn, secretary

North Clackamas Parks and Recreation District
MILWAUKIE CENTER DIVISION
Monthly Report for June, 2005

Programs/Services:

The recent Terri Schaivo case sparked public interest in the materials used to specify one's wishes in health care decisions; over 40 older adults attended a session offered by Geoff Bernhardt, an Elder Law Attorney entitled *End of Life Decision Making – What Tools Should You Use*.

The Friends of the Milwaukie Center hosted the Golden Wedding Anniversary Luncheon on June 10. Nineteen couples attended to rededicate their vows through a ceremony performed by Rev. Woodley White to celebrate marriages of over 50 years. Everyone attending enjoyed the special luncheon prepared by the Nutrition Program and appreciated having their long marriages – over 1,100 years totaled – recognized.

The Center/Community Advisory Board (C/CAB) held a brainstorming session at the June board meeting, identifying opportunities (possible revenue enhancers and ways to cut expenses) for the Transportation Program. The C/CAB appointed an ad hoc Transportation Committee to address the Transportation Program's budget deficit. They are now in the process of reviewing the ideas from the brainstorming session, and prioritizing and determining the feasibility of these options.

Summer term classes started in June. All fitness classes began in full force. The Tai-Chi class registrations were at a maximum and research has begun on adding an additional class time and possibly new satellite location for fall term. We had very few class cancellations with Creative Writing and Creative Writing II classes; Acrylics, Oil Painting, Watercolor and Drawing classes; and the majority of the Computer classes going strong.

The Nutrition Program provides an average of 1,000 deliveries per week for Meals on Wheels lunches and an additional 250 lunches per week are served in the dining room to folks who can come to the Center. The Bistro deli offers soup and sandwich du jour five days a week to ensure all who participate with the Center have nutritious food available to them.

Medicare is offering Prescription Drug coverage for the first time which means millions of older adults will be eligible to enroll in the variety of programs offered. Mark Factor, District Manager of the Oregon City Social Security office was invited to the Center to update the public on these historical changes.

The 39er's Travel Group planned and held two day trips during June – to the Oregon Garden and touring Covered Bridges in the Willamette Valley. Both of the trips sold out and received rave reviews.

Fund-raising:

The Friends of the Milwaukie Center, Inc. have mounted a "Raise the Roof" campaign to help pay for the cost of the reroofing of the Milwaukie Center. People can buy a square yard of roof for only \$75 – support in any denomination is appreciated! Vineyard Place Retirement Center is holding four concerts on Saturday evenings in August, with the proceeds assisting the roof fund.

August 12, 12:30 pm join us for the annual Ice Cream Social! For only \$2, you can build your own banana split or ice cream sundae and support the Meals on Wheels services at the same time. Wear your favorite beach bum attire and vie for the Beach Bum Contest prize. What a way to beat the heat!



Park & Recreation Board

PARB

Tuesday, May 24, 2005

7:00 PM to 9:00 PM

Conference Room – City Hall

MINUTES

Attendees: Mart Hughes, Kathy Buss, Kate McCready, Ray Harris, Rob Gabrish, Sherri Dow, Sonny Newson

Staff: JoAnn Herrigel, Joan Young

Minutes: Dow motioned to approve the minutes with modification of the typos noted by Herrigel. MacCready seconded and the motion passed 7-0.

Open Period: Sherri Dow handed out fliers showing the Mt. Scott and Kellogg Creek watershed area that she'd picked up at a fair recently.

Work plan: Herrigel reviewed the list of activities the Park Board had completed last year and then went over the proposed work plan for 2005-2006. The group thought the work plan looked fine. Herrigel said she would put the work plan on the Council's June 21 work session agenda.

Next meeting: Herrigel noted that she would be out of town on the date of the PARB's next scheduled meeting. She asked if the group would be open to meeting after the work session on June 21. All agreed.

Dow suggested that the group do a tour of all the City's parks during their July 26 meeting. The group agreed and it was decided that Herrigel would purchase pizza, salad and drinks to be eaten at the end of the tour. Board members said they would reimburse Herrigel for the expense.

Intergovernmental Agreement (IGA) with North Clackamas Park District:

Herrigel passed out copies of the IGA between the City and the Park District. She noted that Mart Hughes had raised the issue of re-negotiating the IGA with the District recently. Herrigel requested that before the group engaged in a discussion of the merits of this process that they read the document thoroughly so they know what the terms were. She agreed to send the Board members a summary she'd completed of this document several years ago to assist them in understanding it.

Hughes said the IGA had been written by City staff in order to "dump services." He noted that as part of the District we have a right and an obligation to monitor the services we are provided under this agreement. He noted that the IGA has never been modified since it was originally signed. He said the City has new parks that are not covered by the agreement and has also intensified uses of some of the parks that are covered by the IGA. He said since we are the owners of the properties he feels it's in our interest to maintain and operate our facilities appropriately. He said he feels that since the issue of the ball fields at North Clackamas Park have come up he feels it may be appropriate to have an IGA specifically for that one park. But he noted he still thinks the whole IGA should be reviewed and discussed with District staff.

The group agreed to revisit this issue after they'd had a chance to review the IGA and the summary Herrigel had prepared.

Dog Rules:

Herrigel reported that she had not completed the research requested by the group on the dog runs in the area and at North Clackamas Park. She suggested that the issue be placed on a future agenda at which time she would provide more information. She reported having met with the off leash hours advocates. She said she'd told them that if they wanted to form a study group for this issue that she could provide a Code staff person and that maybe a Park Board members would be willing to meet with them. No follow-up has taken place since then.

Suggestions/concerns by the Board:

- Put signs up at the Park on the "feces bag" stands
- Have signs say that "Dogs off leash violates Milwaukie City Code # _____"
- Need to warn folks with signs before we start enforcing
- Add a contact number to all signs for people who want to report problems
- Provide Joan Young with Code staff cards so the Senior Center can hand them to people who have concerns
- Seems the off leash violators have increased since Portland put their off leash hours policy in place
- Could we use volunteers to enforce?
- What is the fine and can we keep funds generated from fines for parks?

Skate Park:

Herrigel noted that there had been questions raised recently about siting a skate park in Milwaukie. She asked the group how they felt about skate parks.

Suggestions/concerns:

- Ask District to evaluate need for a skate park
- Do we have any skate areas near transit?
- They (skate park users) seem to self-police
- What about BMX facility? Is that still open – could that be used in off times?
- Jim Mishler, from Island Station, had suggested using an existing half pipe at Kellogg at one time.

Spring Park Property Sale:

Herrigel reported on a meeting she'd had with Charles Arnell (southern abutter of Spring Park) and John Gessner, the Planning Director, regarding sale of Lark Street right of way to the Arnells. She noted that after reviewing the area and reporting to Arnell the response from the PARB and acknowledging the process required for asking Council to declare the property surplus, Mr. Arnell had changed his offer to two triangular areas of Lark that would provide him a buffer for his property near the Park. Herrigel showed the group an overhead of the site and the areas concerned.

Hughes suggested offering to trade property rather than sell it. He said he felt that we should simply offer to trade some of ours for some of his. If a swap was not possible – then the sale should be very small and very specific.

District Update:

- DAB approved budget and sent to Budget committee
- Planning projects were prioritized for 05-06 spending at the last DAB meeting as follows:
 - 1) Stringfield Property

- 2) North Clackamas Park Concept Plan
- 3) Three creeks natural area (below Aquatics Park – formerly known as the North Clackamas District Park)

- Aquatics Park Task Force met last Wednesday
Discussion focused on peeling paint and stucco . It seems that the paint issue may be addressable legally but that the stucco may not be. Top priorities for the task force are:
 - 1) Facility enhancement (new features)
 - 2) Partnerships
 - 3) Ground leases – to private entities

The next task force may be the last one.

Meeting time change:

Herrigel noted that it had been suggested that PARB meet at 6:30 on their regular day each month and asked if the group supported that. Harris made a motion to meet at 6:30 p.m., Newson seconded and the motion passed 6-0 (Buss absent for vote).

Harris then motioned to adjourn and Gabrish seconded and he motion passed 6-0.

Riverfront Board Meeting Minutes
June 14 , 2005

Members present: Wall, Green Martin, Klein, Darling
Absent: Stacey, St. Clair
Visiting: Ed Zumwalt, Gill Williams

Minutes: Wall motioned to approve minutes as modified by Green. Klein seconded and motion passed 5-0.

Updates: Herrigel noted the following upcoming events:

- June 22 at 10 am the Governor will visit Milwaukie Riverfront to take the first swing at the last two buildings on the Riverfront. She encouraged all Board members to attend.
- June 24 is the last meeting of the Oregon Solutions group. The meeting is to be held at Gary and Sharon Klein's home from 9 to 12. Herrigel said the Declaration of Cooperation is expected to be completed by that time.
- On June 10, Herrigel and Green participated in a bike ride from Portland's Eastside Esplanade to Champoeg Park. Green and Herrigel only went as far as Milwaukie where the City provided water for bikers and Herrigel addressed the bikers about Milwaukie's plans for the Riverfront.
- Herrigel noted that she would be on vacation from June 27th through July 8.
- The Riverfest will be held on July 23rd. There will be a parade, music and food at the Jefferson Street boat ramp and dragon boat races. Staff will have a table and display on the Riverfront Park at the festival. Board members are encouraged to assist with staffing the booth.
- Wall noted that Kevin Mohr, a graduate student from U of O recently completed a project on options for use of the Sewage Treatment Plant site. Wall asked if the group would like to have Mohr attend an upcoming Riverfront Board meeting to discuss his project and share his designs. The group suggested Mohr be placed on an upcoming agenda.
- Green noted that he might be out of town July 12 through 19th. (The 12th is the next scheduled Riverfront Board meeting.)

Declaration of Cooperation:

Green asked the group if they had reviewed Herrigel's draft Declaration of Cooperation. Herrigel noted that all participants in the Oregon Solutions process have been asked to write up and sign a declaration in order to establish commitments from all participants for continuing work on the Riverfront park development. Herrigel's draft language was as follows:

**Milwaukie Riverfront Board
Draft
Declaration of Cooperation**

The Milwaukie Riverfront Board provides on-going guidance to the Milwaukie City Council regarding the planning and development of the Riverfront and related projects. The Board was appointed by City Council and is specifically responsible for (1) consultant selection, scope of work specifications, plan development, implementation and successful completion of the Riverfront project; and (2) providing leadership and acting as liaison in public involvement processes and recommending roles the City should or ought to pursue relative to the Riverfront. In its role for providing guidance to the Council, the Riverfront Board will:

- Coordinate and advance the design and construction of the Park.
- Act as a conduit for public input on the Park design
- Act as shepherds for the design and development of the Riverfront Park
- Keep the community informed on progress of the park development.
- The Board will encourage and assist the City staff, as necessary, in completing State agency grant applications and pursuing donations from other entities. Such efforts may include the pursuit of resources from mitigation projects that would benefit and restore natural resource areas of the Park.
- The Board will work with the Oregon Solutions project team, keeping them informed on the project, and asking for assistance as needed.
- Riverfront Board member Dave Green will co-chair the project team when periodic meetings are held in the future.

Comments on the draft included:

- Darling suggested adding the following language from the City Code regarding the Riverfront Board's role: *The Riverfront Board is to serve in an advisory capacity to the City Council by following the Downtown and Riverfront Master plan.*
- Darling: The City should be responsible for keeping the public informed, that is not the Riverfront Board's role.
- Darling: Riverfront Board is not responsible for fundraising. I understood the Oregon Solutions project team was created to acquire the resources to develop the riverfront and that the two groups were divided in their tasks. The Riverfront Board in the design process, the Oregon Solutions project teams in the resource development process. Suggested text: **The Oregon Solutions project team was created to acquire resources to develop the riverfront park. To that end, the Riverfront Board will encourage the Oregon Solutions team in their completion of this task.**
- Green: The real job of the Riverfront Board is to lead and hold the group together after the Oregon Solutions staff is gone.
- Martin: Should leave mitigation in the wording – even if we are simply assisting with fund-raising.

Herrigel said she would revise the declaration and circulate it to the Board for their review.

Riverfront Concept Designs:

Gill Williams showed the group a fourth scheme he had drawn reflecting their comments from the May meeting. He noted the following elements of scheme 4:

- Log dump parking was changed to allow drive-through for cars and trailers. Design addresses concerns raised by St Clair and Stacey at last meeting.
- Parking lot to north of ramp is tightened up and consists of 8 trailer and 8 car spaces.

Herrigel reported that she had spoken with Stacey that afternoon and he had stated he would be okay with Scheme 3 if the modifications to the log dump parking that make it more user friendly were made AND if we commit to Oregon Marine Board funding. He noted that his stipulation on the Marine Board funding commitment was in order to lock in the boat ramp and associated facilities for at least 20 years. He also noted that he preferred the parking area to be to the south of the boat ramp – where it is now.

Wall and Darling said they did not feel that a funding source should be associated with the design schemes that are reviewed by the public. Wall said he preferred to take multiple schemes out to the public if necessary but he felt strongly that we'd confuse the public if we tied funding sources to the design options. He said he regretted having said at the last meeting that he could go with a permanent solution if it meant committing to the Oregon Marine Board for 20 years.

Martin said that after receiving input from the public on the designs would be the time to identify potential funding sources.

Klein said he'd still like the ramp NOT to be between the two creeks.

Ed Zumwalt asked about moorage and if that would be included in the design. Gill noted that moorage was included in the Marina planned for the Treatment Plant site but not in the park between the creeks.

Herrigel asked the group how they felt the concept(s) should be presented to the public. She asked if they thought the public should be asked to pick one concept out of two or more or whether they should be asked which elements they thought should be in the park at all.

Wall responded that he felt we should ask the public which concept they preferred and then if they had any other comments about that concept.

Williams suggested the group might simply show the public the Riverfront Plan that is in the Comprehensive Plan and ask them to choose from a list of "design elements" such as an amphitheater, a boat ramp, parking etc.

Darling said she didn't want to just throw away all the work on the compromise scheme that the Board had completed.

Green said he thought the compromise plan should be reviewed and commented on by the public.

Martin said he didn't like all the parking between the creeks in Scheme 4.

Wall asked if we really need any parking between the creeks if the log dump area has parking. He said he'd be ok with recommending scheme 4 if there were at least reduced parking.

Green suggested that there seemed to be three options the group was looking at as a preferred scheme:

- Scheme 4 with 4 trailer and 4 car spaces between the creeks
- Scheme 4 with only car spaces between the creeks and trailer spots at the log dump
- Scheme 4 with no parking between the creeks at all.

Green added that we could actually modify scheme 4 to show green space where the parking lot is. Wall reminded the group that they were on record as stating that there should be a boat ramp on the Milwaukie Riverfront. Green clarified that he was suggesting two schemes be taken to the public for input: One that was a version of scheme 4 and another that showed the Riverfront as it was envisioned in the original Riverfront Plan now part of the Comprehensive Plan.

The group discussed whether two or three concepts should be reviewed by the public. Three concepts would include:

- Status Quo
- The compromise scheme (scheme 4), and
- Green space option as shown in Comp Plan

Two Concepts would include:

- The compromise scheme (scheme 4), and
- Green space option as shown in Comp Plan

Darling, Martin, Wall and Klein stated their preference for two options to be taken to the public. Klein specified that five trailer and five car spots only should be between the creeks. Darling agreed that only a few spaces should be between the creeks.

The issue of what the OMB and the number of spaces required for funding was raised. Klein stated that the idea was not to satisfy the Oregon Marine Board but to satisfy us.

Martin made a motion that no trailer parking be proposed for the north side of the boat ramp in Scheme 4 but rather there should only be car parking. Darling seconded.

Wall noted that the public might perceive that trailer parking was too far away from the boat ramp if we eliminated it from between the creeks.

The motion failed with (2) Martin and Darling voting yes and (3) Green, Wall and Klein voting no.

Wall made a motion that the parking north of the ramp in Scheme 4 be cut in half to 4 trailer and 4 car spaces and that the loop road be tightened further to add green space. Darling seconded and the motion passed 4 to 1 (Martin).

Klein then made a motion, seconded by Wall that the groups recommend to Council that the following schemes be taken out for public input:

- 1) Scheme 4 with 4 car and 4 trailer spaces north of ramp and trailer parking at the log dump area, and**
- 2) A “Green” scheme reflecting the Comprehensive Plan version with a boat dock added somewhere between the creeks.**

This motion passed 5-0.

Herrigel then asked the group again about how they felt public input should be solicited. Wall said he felt staff should encourage people to choose one concept and then ask them to state any deficiencies they found in that concept. The group generally concurred with this approach.

Herrigel said she proposed to take a Riverfront Board’s recommendations to the City Council meeting on July 19th. She added that she and Grady Wheeler would develop a public input process that included use of the Pilot, a direct mail survey and at least two open houses.

The group added that staff should use the Riverfest to get input as well as the Framer’s Market and brochures.

Green said that Williams would be asked to complete the revisions to scheme 4 and the “Green” concept by the last Oregon Solutions meeting.

Green reminded the group that he may be absent on July 12. It was proposed that the Board meet on Monday July 11 instead. Herrigel said she would poll the Board to see if that date would work for them all.

Wall motioned to adjourn. Martin seconded. Motion passed 5-0.