

**CITY OF MILWAUKIE
CITY COUNCIL MEETING
JUNE 7, 2011**

CALL TO ORDER

Mayor Ferguson called the 2103rd meeting of the Milwaukie City Council to order at 7:07 p.m. in the City Hall Council Chambers.

Present: Mayor Ferguson, Council President Greg Chaimov and Councilors Dave Hedges, Joe Loomis, and Mike Miller

Staff present: City Manager Bill Monahan, City Attorney Tim Ramis, City Recorder Pat DuVal, Finance Director Richard Seals, Finance Director Casey Camors, Code Compliance Assistant Sarah Lander, Planning Director Katie Mangle, and IST Director Esther Gartner

PLEDGE OF ALLEGIANCE

PROCLAMATIONS, COMMENDATION, SPECIAL REPORTS AND AWARDS

A. Community Emergency Response Team (CERT) Graduates

Mayor Ferguson and Councilors honored recent Community Emergency Response Team (CERT) graduates David Aschenbrenner, Jean Baker, Joe Nonne, Chris Pease, Tracy Pease, Vicki Robbins, Jo Anne Bird, and Milwaukie CERT Coordinator Linda Hedges. Not able to attend were: Pepi Anderson, Richard Baker, Charles Bird, Tyler Franzen, Laura Hansen, Nick Harris, Heidi Owens, Sonja Souder, Tiffany Warren and Toni Cline.

B. Truancy Court and School Resource Officer (SRO) Programs

Mark Pinder, Milwaukie High School Principal, discussed the Truancy Court and School Resource Officer (SRO) Programs. He reviewed the truancy intervention numbers and was pleased to note a 91.97% average daily membership. Mr. Pinder provided a brief overview of the attendance process. The School Resource Officer was in that line of work to help people through their issues, and he was an excellent ambassador. He commented that marijuana was a major issue at Milwaukie High School.

The Mayor and Councilors expressed their appreciation of Mr. Pinder's work at Milwaukie High School and commented on the value of the relationship between the City and the High School.

C. Parking Update

Ms. Lander updated the City Council on the recently-implemented block rule, signage, and outreach efforts. Enforcement officially began April 1 and began with warnings. To date no citations had been issued, but there has been substantial effort put toward education. She anticipated the number of parking permit applications would increase over time. The final implementation element would be maintenance or clarification of pavement markers that would be done during the summer.

Councilor Hedges asked if implementation if the block rule had freed up many parking spaces.

Ms. Lander replied there appeared to be more spaces available but some drivers may be opting for other modes of transportation. Staff plans to do a full parking update in September.

CONSENT AGENDA

It was moved by Councilor Hedges and seconded by Councilor Loomis to approve the consent agenda as presented:

- A. **Resolution 58-2011: A Resolution of the City Council of the City of Milwaukie, Oregon, Establishing Authority to Enter into an Agreement with Clackamas County Service District #1 (District) Regarding Construction Costs and Future Ownership and Maintenance of Two Sanitary Sewer Lines that Are Elements of the NE Sewer Extension Project; and**
- B. **City Council Minutes of the March 15, 2011 Work Session.**

Motion passed with the following vote: Councilors Hedges, Loomis, Miller, and Chaimov and Mayor Ferguson voting "aye." [5:0]

AUDIENCE PARTICIPATION

Kirin Das Bala, Milwaukie, submitted her utility billing information to Mr. Monahan.

Melissa Mattern, Milwaukie, asked if there would there be a discussion of the medical marijuana dispensary being proposed in the Island Station Neighborhood. Mayor Ferguson replied the City Council would comment on the matter later in the meeting.

Les Poole, Clackamas County, did not believe the proposed elevated light rail structure would survive any kind of a process. He advised the City it was obvious the whole extension needed to be reconfigured regardless of the cost. He had spoken with those who understood land use laws, and the need to follow the locally preferred alternative (LPA). This was a regional issue, and it was ironic the structure would be in the Island Station Neighborhood which was part of the City of Milwaukie. It was time to talk about a minimum operating segment (MOS) because the project was probably short \$50 - \$60 million.

Mayor Ferguson said in regard to the business being proposed on River Road, the City was in ongoing conversations with the business owner to determine conformance with the municipal code. More information will be provided to the community as matters were clarified.

PUBLIC HEARING

A. State Revenue Sharing

Mayor Ferguson called the public hearing on the City's election and qualifications to receive State Revenue Sharing to order at 7:46 p.m. The purpose of the hearing was to consider resolutions which effected the City's receipt of its share of State revenues during fiscal year 2012 and to hear public comment.

Mr. Seals and **Ms. Camors** provided the staff report. These were general monies of the State requiring hearings at the Budget Committee level and the City Council. Milwaukie was eligible to receive approximately \$180,000.

Mayor Ferguson reviewed the conduct of the hearing.

Correspondence: None.

Audience Testimony: None.

Staff Comments: No further comments needed.

Questions of Clarification: None.

Mayor Ferguson closed the public testimony portion of the hearing at 7:49 p.m.

It was moved by Councilor Miller and seconded by Councilor Loomis to adopt the resolution declaring the City's election to receive State Revenue Sharing funds (general funds of the State) for fiscal year 2012. Motion passed with the following vote: Councilors Hedges, Loomis, Miller, and Chaimov, and Mayor Ferguson voting "aye." [5:0]

RESOLUTION NO. 59-2011:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILWAUKIE, OREGON, DECLARING THE CITY OF MILWAUKIE'S ELECTION TO RECEIVE STATE REVENUE SHARING FUNDS (GENERAL FUNDS OF THE STATE) FOR THE FISCAL YEAR 2012.

It was moved by Councilor Miller and seconded by Councilor Hedges to adopt the resolution certifying the City was eligible to receive State Shared Revenues (cigarette, liquor, 911, and highway gas taxes) because it provides four or more municipal services. Motion passed with the following vote: Councilors Hedges, Loomis, Miller, and Chaimov, and Mayor Ferguson voting "aye." [5:0]

RESOLUTION NO. 60-2011:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILWAUKIE, OREGON, IS ELIGIBLE TO RECEIVE STATE SHARED REVENUES (CIGARETTE, LIQUOR, 911, AND HIGHWAY GAS TAXES) BECAUSE IT PROVIDES FOUR OR MORE MUNICIPAL SERVICES.

B. BUDGET HEARING – FISCAL YEAR 2012

Mayor Ferguson called the public hearing on the fiscal year 2012 budget and fees and charges for fiscal year 2012 to order at 7:51 p.m. The purpose of the hearing was to consider public comment on the proposed resolution adopting the budget, making appropriations, and declaring and categorizing taxes for fiscal year 2012 and setting fees and charges for fiscal year 2012.

Mr. Seals and **Ms. Camors** provided the staff report and described the fund reorganization process. Mr. Seals provided a breakdown of the budget based on fund percentages and described the City's progress in meeting adopted financial policy goals. The Milwaukie Budget Committee approved the FY 2012 Budget on April 28, 2011, in the amount of \$44 million. He noted the approved budget included utility rate adjustments that would increase residents monthly bills by approximately \$5.70.

Mayor Ferguson reviewed the conduct of the hearing

Correspondence: None.

Audience Testimony: **Joseph Kelly**, Milwaukie, expressed his opposition to the utility rate increases effective July 1. These were very difficult economic times, and he felt it was a bad time to increase any fees. There seemed to be a disconnect with the community.

Sherry Kelly, Milwaukie, spoke in opposition to the utility rate increases and asked why the citizens had not voted on this matter. She requested an amendment or delay on these rate increases.

David Aschenbrenner, Milwaukie, Budget Committee Chair, expressed his appreciation for the Finance Department team. It was a challenging process, but he felt the approved budget addressed the City's needs in order to keep the facilities and services from faltering.

Staff Comments: **Mr. Seals** explained historically cities were not required to put fees out to a vote as citywide infrastructure needs were considered fundamental services and not conducive to that requirement. Citizens Utility Advisory Board (CUAB) reviewed the rates and its recommendation was incorporated into the Budget. He noted that Board members, as well as the Mayor and Councilors, were all Milwaukie residents. Some increases were mitigated down in order to achieve a system of smooth incremental increases.

Correspondence: None.

Questions of Clarification: None.

Mayor Ferguson closed the public testimony portion of the hearing at 8:05 p.m.

Councilor Loomis understood the Kelly's comments and encouraged them to apply for a position on the CUAB. He added it was important to maintain the integrity of the City's infrastructure.

Councilor Miller understood the Kelly's concerns and added the City Council and CUAB members got the same rate increases as did all City residents. It was important to maintain the infrastructure and not have to pay more later if there were problems. Although few attended this hearing many people had emailed him about the rate increases.

Councilor Hedges understood the Kelly's concerns as he too lived on a fixed income. He had been persuaded the increases were needed. The water rate had not increased for 3 years, and repairs needed to be funded. The Clackamas County Fire District #1 required a certain level of hydrant maintenance, and the proposed increase would help the City comply with those standards. Next year, however, he would not support increasing fees and charges without making cuts in other areas of the City's budget.

Councilor Chaimov thanked staff and citizens for their work on putting together a difficult budget.

Mayor Ferguson added that the CUAB reviewed infrastructure conditions and funding needs. He believed the rate proposal was the best decision for the City and its residents.

It was moved by Councilor Hedges and seconded by Councilor Chaimov to adopt the resolution adopting the City budget, capital improvement plan, and master fees and charges schedule for the fiscal year commencing July 1, 2011, making appropriations, levying ad valorem taxes, and classifying the levy pursuant to Section 11b, Article XI of the Oregon Constitution with the following change that on page 48, in regards to the \$100,000 line-item for Economic Development Initiatives, that the underlying uses making up this appropriation line-item are all brought back for Council discussion and approval prior to being spent. Motion passed with the following vote: Councilors Hedges, Loomis, Miller, and Chaimov, and Mayor Ferguson voting "aye." [5:0]

RESOLUTION 61-2011:

A RESOLUTION ADOPTING THE CITY OF MILWAUKIE BUDGET, CAPITAL IMPROVEMENT PLAN (CIP), AND MASTER FEES AND CHARGES SCHEDULE FOR THE FISCAL YEAR COMMENCING JULY 1, 2011, MAKING APPROPRIATIONS, LEVYING AD VALOREM

**TAXES, AND CLASSIFYING THE LEVY PURSUANT TO SECTION 11b,
ARTICLE XI OF THE OREGON CONSTITUTION.**

OTHER BUSINESS

A. Northeast Sewer Extension Project Area Expedited Annexations (Annexation Assistance Batch #2) – Ordinance

Ms. Mangle provided the staff report. She indicated the properties on a map and reviewed the elements of the NE Sewer Extension Project. The annexation of these 18 properties was accomplished through the City's assistance program. The properties would retain their current low density residential designation and be withdrawn from certain service districts. The proposed annexation met all State and local requirements.

Councilor Miller asked if annexation of the properties represented a major expense to the City.

Mr. Parkin replied those property owners connecting to sewer would be responsible for those costs. Further the properties would be added to the City tax rolls.

It was moved by Councilor Chaimov and seconded by Councilor Loomis for the first and second readings by title only and adoption of the ordinance annexing multiple tracts of land into the City limits of the City of Milwaukie and withdrawing them from several service districts. Motion passed with the following vote: Councilors Hedges, Loomis, Miller, and Chaimov, and Mayor Ferguson voting "aye." [5:0].

Mr. Monahan read the ordinance two times by title only.

Ms. DuVal polled the City Council with the following vote: Councilors Hedges, Loomis, Miller, and Chaimov, and Mayor Ferguson voting "aye." [5:0].

ORDINANCE NO. 2030:

AN ORDINANCE OF THE CITY OF MILWAUKIE ANNEXING MULTIPLE TRACTS OF LAND INTO THE CITY LIMITS OF THE CITY OF MILWAUKIE AND WITHDRAWING THEM FROM SEVERAL SERVICE DISTRICTS AS DESCRIBED BELOW (FILE #A-10-04)

B. Contract Award for Voice over Internet Protocol (VoIP) Telephone System – Resolution

Ms. Gartner provided the staff report. The telephone system was a critical element of City's infrastructure. The current phone system was obsolete and not serviceable. She reviewed the process for the replacement of the 17-year old system currently being used. After going through the bid process, KRP had the highest rating among those who evaluated the bids and also came in as the lowest bidder. At this time the VoIP system was only internal because at this point in time most providers were not sophisticated enough to also go external. She estimated the system would be operating in August. She described the ability for staff to quickly make changes because the system was software based.

It was moved by Councilor Chaimov and seconded by Councilor Hedges to adopt the resolution authorizing the City Manager to sign a contract with KRP Communications for the purchase and implementation of a voice over internet protocol telephone replacement system. Motion passed with the following vote: Councilors Hedges, Loomis, Miller, and Chaimov, and Mayor Ferguson voting "aye." [5:0]

RESOLUTION NO. 62-2011:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILWAUKIE, OREGON, AUTHORIZING THE CITY MANAGER TO SIGN A CONTRACT WITH KRP COMMUNICATIONS FOR THE PURCHASE AND IMPLEMENTATION OF A VOICE OVER INTERNET PROTOCOL TELEPHONE REPLACEMENT SYSTEM.

C. Council Reports

The Mayor and Council reported on meetings they had attended on behalf of the City and announced upcoming community events.

ADJOURNMENT

It was moved by Councilor Chaimov and seconded by Councilor Miller to adjourn the meeting. Motion passed with the following vote: Councilors Hedges, Loomis, Miller, and Chaimov, and Mayor Ferguson voting "aye." [5:0]

Mayor Ferguson adjourned the regular session at 8:43 p.m.

Respectfully submitted,



Pat DuVal, Recorder

REGULAR SESSION

AGENDA

MILWAUKIE CITY COUNCIL June 7, 2011

MILWAUKIE CITY HALL
10722 SE Main Street

2103rd MEETING

REGULAR SESSION – 7:00 p.m.

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No. |
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Pledge of Allegiance | |
| 2. PROCLAMATIONS, COMMENDATIONS, SPECIAL REPORTS, AND AWARDS | 1 |
| A. CERT Program Graduates | 2 |
| B. Truancy Court & SRO Programs – Mark Pinder, MHS Principal | 3 |
| C. Parking Update
Staff: Sarah Lander, Code Compliance | |
| 3. CONSENT AGENDA <i>(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.)</i> | 5 |
| A. Amended and Restated Shared Pipe IGA – Resolution | 6 |
| B. City Council Work Session Minutes – 3/15/11 | 23 |
| 4. AUDIENCE PARTICIPATION <i>(The Presiding Officer will call for statements from citizens regarding issues relating to the City. Pursuant to Section 2.04.140, Milwaukie Municipal Code, only issues that are “not on the agenda” may be raised. In addition, issues that await a Council decision and for which the record is closed may not be discussed. Persons wishing to address the Council shall first complete a comment card and return it to the City Recorder. Pursuant to Section 2.04.360, Milwaukie Municipal Code, “all remarks shall be directed to the whole Council, and the Presiding Officer may limit comments or refuse recognition if the remarks become irrelevant, repetitious, personal, impertinent, or slanderous.” The Presiding Officer may limit the time permitted for presentations and may request that a spokesperson be selected for a group of persons wishing to speak.)</i> | |

5. PUBLIC HEARING <i>(Public Comment will be allowed on items appearing on this portion of the agenda following a brief staff report presenting the item and action requested. The Mayor may limit testimony.)</i>	29
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6. OTHER BUSINESS <i>(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.)</i>	66
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Staff: Li Alligood, Associate Planner	
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Public Information

- **Executive Session:** The Milwaukie City Council may meet in executive session immediately following adjournment of the regular session pursuant to ORS 192.660.
- 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.

2.

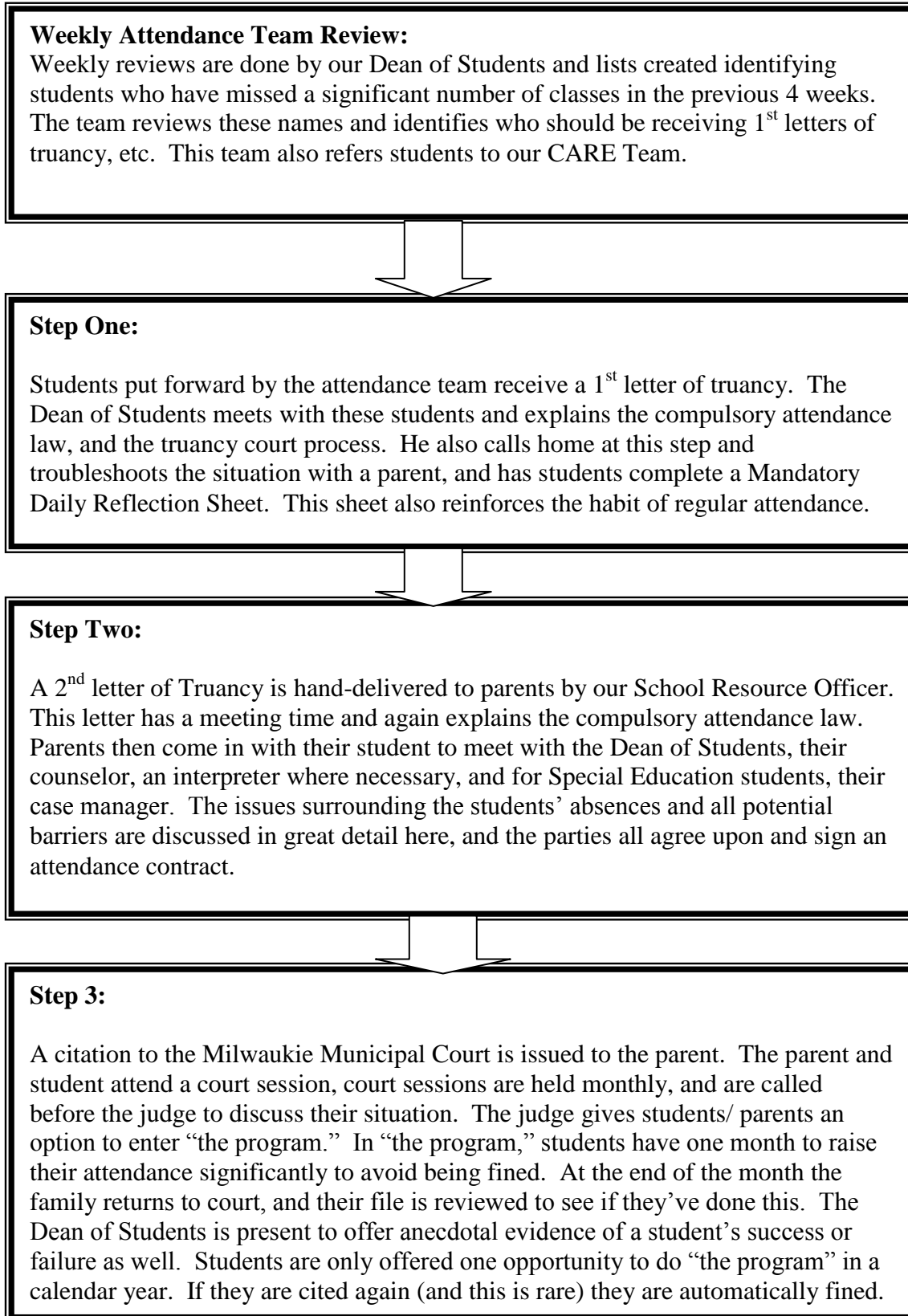
PROCLAMATIONS,
COMMENDATIONS,
SPECIAL REPORTS,
AND AWARDS

MILWAUKIE CERT GRADUATES

FEBRUARY AND MAY 2011

1. MARGARET (PEPI) ANDERSON
2. DAVID ASCHENBRENNER
3. JEAN BAKER
4. RICHARD BAKER
5. CHARLES BIRD
6. JO ANNE BIRD
7. TYLER FRANZEN
8. LAURA HANSEN
9. NICK HARRIS
10. JOSEPH NONNE
11. HEIDI OWENS
12. CHRIS PEASE
13. TRACY PEASE
14. VICKI ROBBINS
15. SONJA SOUDER
16. TIFFANY WARREN
17. TONY WATKINS-CLINE

Milwaukie High School Truancy Court Flow Chart



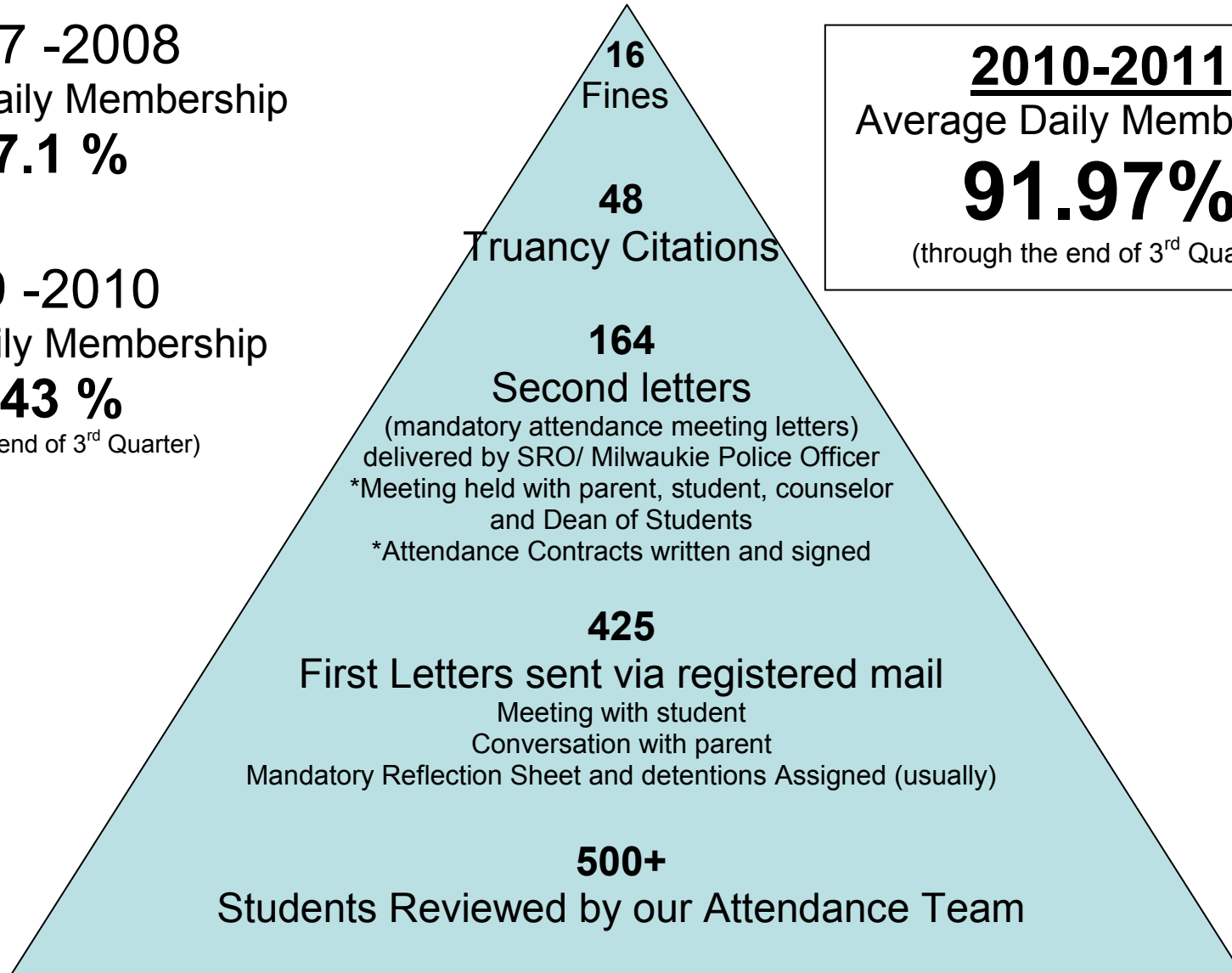
Milwaukie High School

Truancy Intervention 2010/2011 Results

2007 -2008
Average Daily Membership
87.1 %

2009 -2010
Average Daily Membership
91.43 %
(Through the end of 3rd Quarter)

2010-2011
Average Daily Membership
91.97%
(through the end of 3rd Quarter)



70+
Student Referred to the CARE Team
1334
Milwaukie High School (and MAA) Enrollment

3.
CONSENT AGENDA



3.A.

To: Mayor and City Council

Through: Bill Monahan, City Manager
Kenneth Asher, Community Development and Public Works Director
Gary Parkin, Engineering Director

From: Jason Rice, Civil Engineer

Date: May 15 for June 7, 2011 Regular Session

Subject: Amended and Re-Stated IGA for Shared NE Sewer Extension Pipes

ACTION REQUESTED

Authorize the City Manager to enter into an Inter-Governmental Agreement with Clackamas County Sewer District No. 1, amending and re-stating the City's agreement with CCSD No. 1 regarding joint construction and shared use of two sewer lines constructed in the NE Sewer Extension project.

HISTORY OF PRIOR ACTIONS AND DISCUSSIONS

March 2011: Council finalized the City's reimbursement district to recover costs expended on constructing the NE Sewer Extension (Res. 32-2011).

September 2010: Council authorized the creation of the NE Sewer Extension Reimbursement District (Res. 78-2010).

June 2010: Council approved an IGA with CCSD No. 1 describing the process by which ownership and maintenance of two shared sewer lines would be handled (Res. 63-2010).

December 2009: Council awarded the contract for construction of the NESE project to K & R Plumbing Construction Co. Inc., in the amount of \$2,653,257.05 (Res. 78-2009).

February 2009: Council authorized the City Manager to enter into a contract with Century West for engineering services to design the project.

October 2008: Council approved moving forward with the extension of the City's sewer system into Dual Interest Area "A" including: entering into an IGA with Clackamas County for engineering services; applying for a DEQ loan needed to fund the sewer extension; and moving forward with public information efforts (Res.81-2008).

July 1990: Clackamas County Order No 90-726 established an Urban Growth Management Agreement (UGMA) in which the City and County agreed to coordinate the future delivery of

services. With respect to Dual Interest Area “A”, the agreement states: “The City shall assume a lead role in providing urbanizing services.”

BACKGROUND

The City’s NE Sewer extension project and the County’s parallel project in the adjacent area were designed with two shared pipes to serve City of Milwaukie and CCSD No. 1 customers most efficiently. Immediately south of Johnson Creek Boulevard, from Linwood Avenue to the Johnson Creek Trunk line (approximately 1,600 feet), the City project required a collection line and the County project required a transmission line. On Westfork Avenue, the City has future customers on the south side of the street and the County has future customers on the north side of the street and the need to transmit flows from further “upstream” in its planned collection system. The City has constructed the Johnson Creek Trunk Line and the County has constructed the Westfork line, which will be commissioned shortly.

City Council, in July 2010, approved Resolution 63-2010 establishing that the cost share for each line would be based on customers directly served; that CCSD No. 1 would maintain both lines; that that ownership of the Johnson Creek Trunk line would be transferred to CCSD No. 1; and that City of Milwaukie customers would have unfettered access to both line. The agreement called for a follow-on agreement to finalize the exchange and further memorialize the City’s rights of use. That agreement is the subject of this action and has been provided as an exhibit to the attached resolution.

The amended and re-stated IGA records the final cost share for each pipe. (The County will pay \$213,975 for their share of constructing the Johnson Creek Trunk. The City will pay \$162,673 for the City share of the Westfork line.) The IGA also sets the terms of the transfer of the Trunk line to CCSD No. 1 through a Deed of Sale (the line will be transferred with no guarantees, on an “as is” basis. The IGA also calls for the assignment of two easements to CCSD No. 1 to ensure their ability to access and maintain the Trunk line.

CONCURRENCE

The City Attorney’s office assisted with the development of all of the instruments and the IGA, and reviewed the final language of the IGA and related documents. Engineering and Community Development worked cooperatively in finalizing the agreement.

FISCAL IMPACT

Payment to CCSD No. 1 will be made once this IGA is signed, while payment from CCSD No. 1 is expected to come near the end of June. The net gain to the City (approximately \$51,000) was assumed within the Reimbursement District, as adopted. In this way, the savings made possible through this shared use agreement are included in the total cost of the project.

WORK LOAD IMPACTS

None.

ALTERNATIVES

This agreement has been approximately two years in the making and benefits both CCSD No. 1 and City of Milwaukie. Adjustments could be made in the form of re-writing the agreement as proposed, or through a later amendment.

ATTACHMENTS

1. Resolution with Exhibits

ATTACHMENT 1

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILWAUKIE, OREGON, ESTABLISHING AUTHORITY TO ENTER INTO AN AGREEMENT WITH CLACKAMAS COUNTY SERVICE DISTRICT NO. 1 (DISTRICT) REGARDING CONSTRUCTION COSTS AND FUTURE OWNERSHIP AND MAINTENANCE OF TWO SANITARY SEWER LINES THAT ARE ELEMENTS OF THE NE SEWER EXTENSION PROJECT.

WHEREAS, The City and the District have worked together on design of two sanitary sewer projects, those two projects being adjacent to each other and immediately northeast of the City ; and

WHEREAS, Two lines, one running parallel to Johnson Creek Boulevard and the other running within Westfork Avenue, are necessary to the proper functioning of both projects; and

WHEREAS, There are substantial efficiencies in cost and effort to be achieved by the two utilities both making use of these lines; and

WHEREAS, The City and the District have previously agreed to an approach to share costs, whereby the District will own and maintain the pipes;

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Milwaukie, Oregon, authorizes the Mayor to execute the Intergovernmental Agreement attached hereto as Exhibit A.

Introduced and adopted by the City Council on June 7, 2011.

This resolution is effective on June 7, 2011.

Jeremy Ferguson, Mayor

ATTEST:

APPROVED AS TO FORM:
Jordan Schrader Ramis PC

Pat DuVal, City Recorder

City Attorney

AMENDED AND RESTATED INTERGOVERNMENTAL AGREEMENT

Between

CLACKAMAS COUNTY SERVICE DISTRICT NO. 1

and

THE CITY OF MILWAUKIE, OREGON

THIS AMENDED AND RESTATED INTERGOVERNMENTAL AGREEMENT (“Agreement”) is made this __ day of _____, 2011, by and between the Clackamas County Service District Number 1, a county service district (“CCSD No. 1”) and the City of Milwaukie, a political subdivision of the State of Oregon (“City”) regarding construction costs and future ownership and maintenance of two (2) sanitary sewer lines that are elements of the NE sewer extension project. Collectively referred to as (the “Projects”). City and CCSD No. 1 previously entered into an intergovernmental agreement concerning the same issues on or about July 20, 2010 (“Original Agreement”). City and CCSD No. 1 intend to amend, restate and entirely supersede the Original Agreement with this Agreement.

RECITALS

WHEREAS, City is a general purpose government organized pursuant to the laws of this state; and

WHEREAS, CCSD No. 1 is a limited purpose county service district organized pursuant to ORS Chapter 451 to provide sewage treatment, collection, and storm water services; and

WHEREAS, pursuant to ORS Chapter 451 the Board of County Commissioners (“BCC”) is the governing body of CCSD No. 1; and

WHEREAS, CCSD No. 1 and the City have each designed a sewer system in their designated service areas within the North Clackamas Revitalization Area, a county urban renewal district (“NCRA”); and

WHEREAS, the parties’ sewer systems have been designed by the same engineering services consultant through separate agreements, and construction services were bid separately; and

WHEREAS, the parties’ respective designs have made use of two shared lines to minimize total construction costs in the interests of customers of both utilities; and

WHEREAS, CCSD No. 1’s design assumes the use of a 12-inch sanitary sewer trunk line designed to collect sanitary flows southerly and easterly of SE Linwood and Johnson Creek Blvd and to carry District flow in a westerly direction approximately 1,600 feet to its connection with the City of Portland’s Lents Trunk as shown in the attached and incorporated Exhibit A; hereinafter referred to as the “Johnson Creek Trunk Line”; and

WHEREAS, the City has designed a sanitary sewer collection system that utilizes the Johnson Creek Trunk Line to collect and convey flows from City customers along this same general alignment to a connection with the City of Portland’s Lents Trunk as shown on the attached and incorporated Exhibit A; and

WHEREAS, the City has designed and constructed the Johnson Creek Trunk Line as contemplated in the original Agreement within public rights-of-way and two related easements; and

WHEREAS, an 8-inch main approximately 1,700 feet in length in SE Westfork Avenue between SE 58th Avenue and the connection to the City of Portland’s Lents Trunk in Johnson Creek Blvd., hereinafter referred to as the “Westfork Avenue Sewer Main,” has been designed and constructed by CCSD #1 to serve both CCSD No. 1 and City customers as shown in the attached and incorporated Exhibit A;

WHEREAS, each Party has a separate wholesale sewer service Agreement with the City of Portland for the purpose of providing recovery of Portland’s cost of constructing, maintaining and operating facilities for the transportation and treatment of sewage discharged from properties within CCSD No. 1 and the City; and

WHEREAS, both parties derive value from the existence of these lines; and

WHEREAS, each party’s share of joint costs will be allocated to the benefited properties when the projects are completed, by CCSD No. 1 through the formation of an Assessment District and by the City through formation of a Reimbursement District, respectively; and

WHEREAS, the City’s Urban Growth Management Agreement calls for the City to be the lead provider of urban services within Dual Interest Area “A”, Exhibit B, which includes all of the properties on the south side of Westfork Ave and those properties immediately to the south of the Johnson Creek Trunk Line; and

WHEREAS, CCSD No. 1 desires to maintain both lines due to the proportionately larger CCSD No. 1 flows that will pass through these lines; and

WHEREAS, the City is willing to transfer ownership of the two lines and related easements to CCSD No. 1 in return for a binding commitment that allows the City unimpeded access, at no additional cost, to the use of these same lines for their useful life and agreement that CCSD No. 1 shall maintain the lines; and

WHEREAS, the parties have the authority to enter into this Agreement pursuant to ORS 190.030, and being fully advised;

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AGREEMENT

NOW, THEREFORE, the parties hereto agree as follows:

Section 1. Joint Construction.

1.1 Johnson Creek Trunk Line. The City designed and constructed the Johnson Creek Trunk Line westerly from SE Linwood Avenue to the Lents Trunk connection and has invoiced and received full payment, or will receive full payment, from CCSD No. 1 for its proportionate share of the cost of construction, including pipe and all related appurtenances, utility relocations, and surface restoration and easements. The cost allocation for the Johnson Creek Trunk Line is attached and incorporated herein Exhibit C. The City has provided CCSD No. 1 with copies of as-built drawings for the Johnson Creek Trunk Line and CCSD No. 1 has inspected and accepted the as-built Johnson Creek Trunk Line. Pursuant to the terms of the Original Agreement, the City hereby transfers ownership of the Johnson Creek Trunk Line via the Bill of Sale provided to CCSD No. 1 in substantially the same form as that attached and incorporated herein as Exhibit D and hereby assigns to CCSD No. 1 its interest in the related easements upon recording the Assignments of Easement in Clackamas County in substantially the same form as that attached and incorporated herein as Exhibit E.

1.2 Westfork Avenue Sewer Main. CCSD No. 1 designed and constructed the 8-inch main and service laterals of the Westfork Avenue Sewer Main and has invoiced and received full payment from the City, or will receive full payment, for its proportionate share of the cost of construction, including the pipe and all related appurtenances, surface restoration, and the cost of providing one service lateral to each property to be eventually served by the City. The cost allocation for the Westfork Avenue Sewer Main is attached and incorporated herein as Exhibit F. The sewer main shall be owned, operated and maintained by CCSD No. 1 and CCSD No. 1 has provided the City with copies of as-built service connection drawings for the common section of sewer main.

1.3 Rights of Use. City customers shall have the right to connect to both the Johnson Creek Trunk Line and Westfork Avenue Sewer Main (collectively, the "Lines") constructed under this Agreement without any special financial obligation to CCSD No. 1 due to CCSD No. 1's ownership of the Lines. City and CCSD No. 1 shall each have the right to transmit flows collected elsewhere through the Lines without making compensation to the other Party. City's right to use the Lines as described herein is in consideration for the Assignments of Easement attached hereto and recorded in Clackamas County. CCSD No. 1 shall not act as the provider of retail sewer services within Dual Interest Area "A" without prior written permission of City. CCSD No. 1 shall require any customers within Dual Interest Area "A" to connect as City customers. These rights of use shall run with the life of the Lines.

1.4 Future Reconstruction. The City and CCSD No. 1 shall meet and negotiate in good faith to establish a fair and reasonable basis to apportion costs for any future replacement of the Lines. Upgrades required due to regulatory requirements shall be treated in the same manner as future replacement costs. Upgrades necessary due to the need for increased capacity in either line shall be the responsibility of the party causing greater demand on the lines beyond that estimated by the construction plans. Before a future capital investment is made to either line for

which a party may seek cost sharing, unless an emergency situation exists, the parties shall meet to discuss and reach agreement on the need, general approach, cost, and cost-share basis prior to capital investments in either line.

Section 2. Term. The obligations and rights of the parties enumerated in this Agreement shall have a term equal to the functional life of the Lines.

Section 3. No Termination of Service. CCSD No. 1 shall not terminate or impede the City's use of the Lines to convey the City's flow to Portland's Lents Trunk, including the use of any future reconstruction as contemplated in Section 1.4 unless agreed to by both parties to this Agreement.

Section 4. Amendment. The terms of this Agreement may be amended by mutual agreement of the parties. Any amendment shall be in writing and shall refer specifically to this Agreement and shall be valid only when executed by the governing bodies of the parties, and attached hereto.

Section 5. Severability. In the event any of the provisions of this Agreement shall be held to be invalid or unenforceable, the remaining provisions shall be valid and binding upon the parties hereto.

Section 6. Notice. Any notice herein required or permitted to be given shall be in writing and shall be effective when actually received if given by hand delivery or three (3) days after mailing, if sent by the United States mail, First Class, postage pre-paid, addressed to the parties as follows:

If to City:

City of Milwaukie
ATTENTION: Engineering Director
6101 SE Johnson Creek Blvd
Milwaukie, OR 97206

If to CCSD No. 1

Clackamas County Service District No. 1
c/o Water Environment Services
ATTENTION: Kathy Frasier
150 Beavercreek Road, 4th Floor
Oregon City, OR 97045

Changes to the above shall be by notice to the other in the manner provided in this paragraph.

Section 7. Dispute Resolution. The parties shall first attempt to resolve the dispute by negotiation between the City Manager for the City and the Director of the CCSD No. 1 followed

by submission of the dispute to binding arbitration pursuant to the rules of the American Arbitration Association.

Section 8. Nonwaiver. Failure by any party, at any time, to require performance by the other party of any provision hereof shall in no way affect such party's rights to enforce the same, nor shall any waiver by any party or parties of the breach hereof be held to be a waiver of the succeeding breach or a waiver of this clause.

Section 9. Binding Effect. The covenants, conditions, and terms of this Agreement shall extend to and be binding upon, and inure to the benefit of the successors and assigns of the parties hereto.

Section 10. Counterparts. This Agreement and related documents may be executed in one or more counterparts by the parties hereto. All counterparts shall be construed together and shall constitute one agreement.

Section 11. Authorization. Each of the signers of this Agreement acknowledges that they have authority to enter into binding agreements on behalf of the entity for which they sign.

IN WITNESS WHEREOF, the parties have set their hands as of the date and year hereinabove written.

CITY OF MILWAUKIE, a political subdivision of the State of Oregon

CLACKAMAS COUNTY SERVICE DISTRICT No. 1, a County service district

By: _____

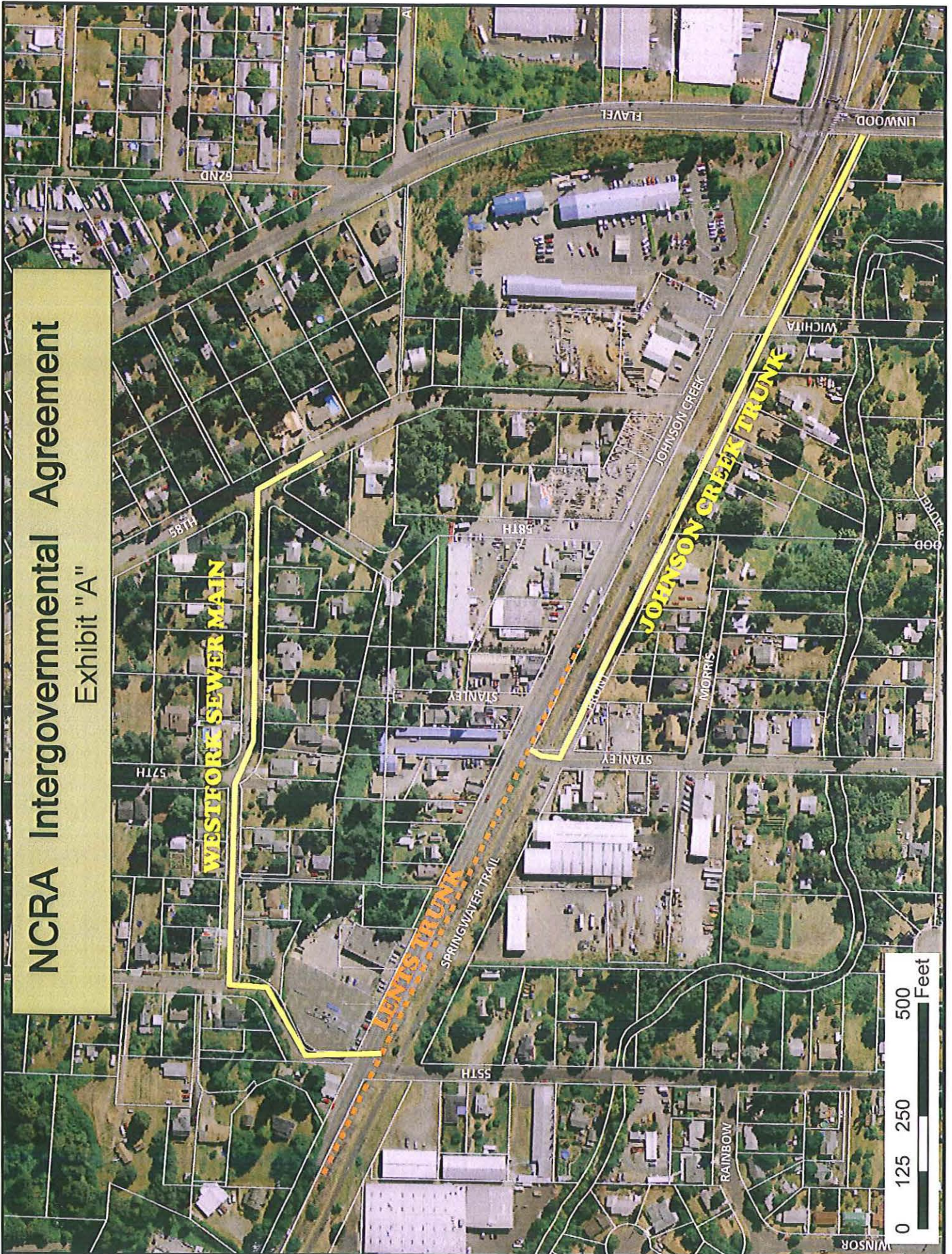
By: _____

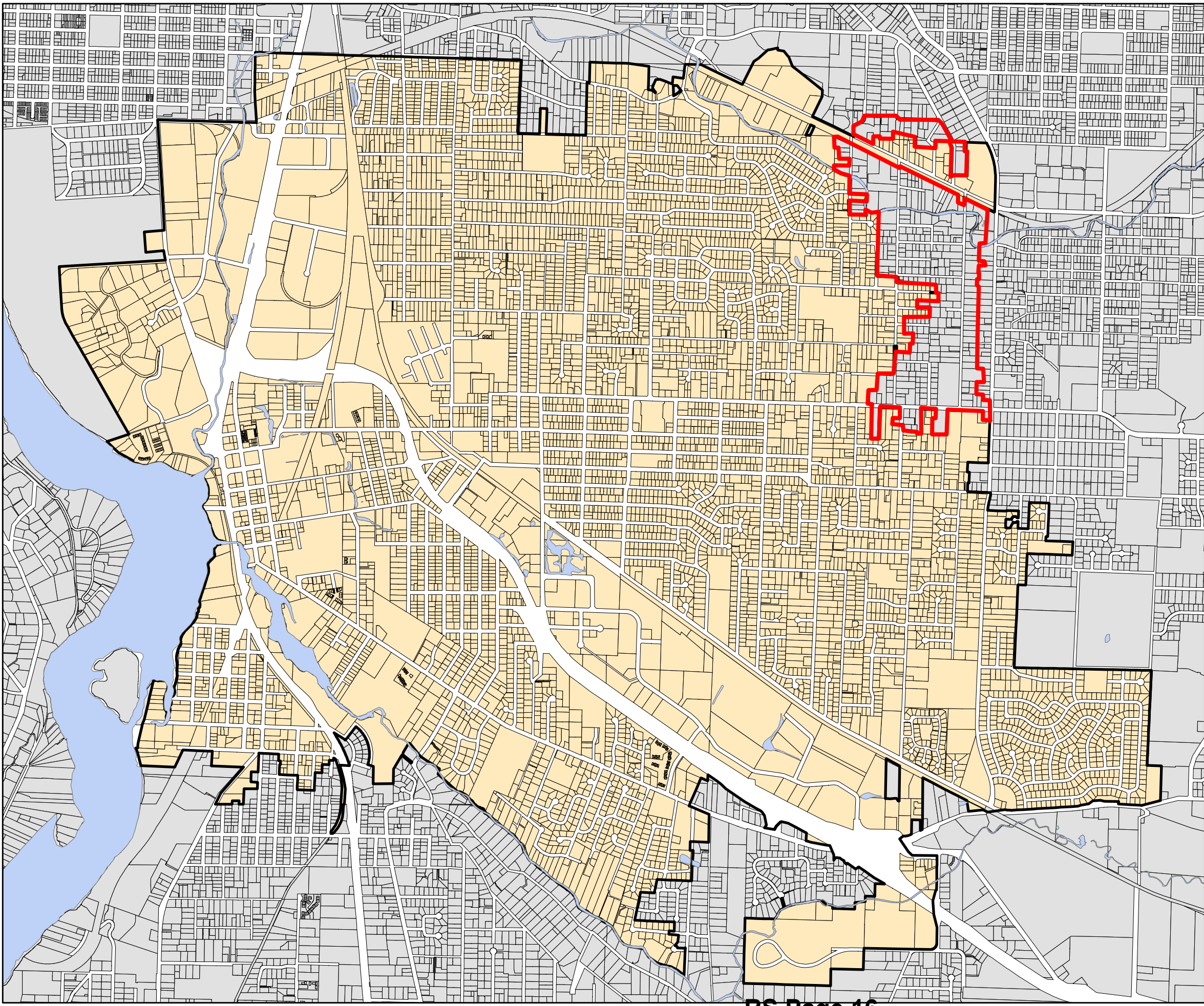
Date: _____

Date: _____

NCRA Intergovernmental Agreement

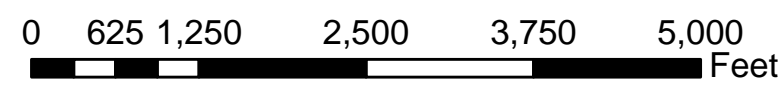
Exhibit "A"







Intergovernmental Agreement Exhibit "B"

City of Milwaukee and Dual Interest Area "A"



Legend

-  Bodies of Water
-  Dual Interest Area A

Johnson Creek Trunk Line Cost Allocation

EXHIBIT C

SCHEDULE A			K & R Plumbing Const.	
ITEMS	QUANTITY		UNIT PRICE	TOTAL AMOUNT
1 Mobilization (Max 5%)	0.11	LS	\$ 105,000.00	\$ 11,550.00
2 Traffic Control	0.10	LS	\$ 28,000.00	\$ 2,800.00
3 Clearing and Grubbing	0.50	LS	\$ 11,000.00	\$ 5,500.00
4 Rock Excavation - Trench (S.P.)	0	CY	\$ 150.00	\$ -
5 Foundation Material (S.P.)	0	CY	\$ 40.00	\$ -
6 8" PVC Pipe, Class A Backfill	0	LF	\$ 24.90	\$ -
7 8" PVC Pipe, Class B Backfill, 0-12 feet deep	0	LF	\$ 59.30	\$ -
8 8" PVC Pipe, Class B Backfill, 12-16 feet deep	0	LF	\$ 95.00	\$ -
9 8" PVC Pipe, Class B Backfill, Over 16 feet deep	0	LF	\$ 150.00	\$ -
10 12" PVC Pipe, Class A Backfill	575	LF	\$ 26.80	\$ 15,410.00
11 12" PVC Pipe, Class B Backfill, 0-12 feet deep	830	LF	\$ 67.50	\$ 56,025.00
12 12" PVC Pipe, Class B Backfill, 12-16 feet deep	201	LF	\$ 114.00	\$ 22,914.00
13 Horizontal Directional Drilling, Set-up through Restoration	0	LS	\$ 5,500.00	\$ -
14 Horizontal Directional Drilling, 8" HDPE Installation	0	LF	\$ 61.50	\$ -
15 4" C900 PVC Pipe, (Force Main) Class B Backfill	0	LF	\$ 43.00	\$ -
16 4" PVC Tees	0	EA	\$ 70.00	\$ -
17 4" PVC Pipe, Service Lateral Class A and B Backfill	0	LF	\$ 47.90	\$ -
18 48" Standard Manhole 0-12 feet deep	8	EA	\$ 4,500.00	\$ 36,000.00
19 Extra Depth Manhole	4	LF	\$ 200.00	\$ 800.00
20 Connect to Exist MH	1	LS	\$ 9,700.00	\$ 9,700.00
21 AC Trench Restoration - Main Line) 2" Thick	300	LF	\$ 9.25	\$ 2,775.00
22 AC Trench Restoration - (Service Lat.) 2" Thick	0	LF	\$ 10.00	\$ -
23 AC Trench Restoration - (Service Lat.) 6" Thick - JCB	0	LF	\$ 43.00	\$ -
24 Temp AC Trench- 1" Thick	0	SY	\$ 1.00	\$ -
25 AC Overlay- 2" Thick	640	SY	\$ 8.30	\$ 5,312.00
26 3/4"- 0" Shoulder Rock	25	Ton	\$ 22.00	\$ 550.00
27 3/4"- 0" Base Rock	0	Ton	\$ 27.00	\$ -
28 Restoration of Landscaping	0.75	LS	\$ 6,000.00	\$ 4,500.00
29 Erosion Control	0.40	LS	\$ 5,000.00	\$ 2,000.00
30 Impervious Barrier (CDF)	0	LS	\$ 900.00	\$ -
32 Temp Chainlink Fencing - PGE	1,400	LF	\$ 4.50	\$ 6,300.00
33 Temp Chainlink Fencing	200	LF	\$ 2.50	\$ 500.00
16" HDPE Storm Drain	1	LS	\$ 9,500.00	\$ 9,500.00
34 Waterline Collar Blocks - (Stipulated Price)	0	EA	\$ 1,500.00	\$ -
35 Decommission Existing Pump Station	0	LS	\$ 5,000.00	\$ -
36 Extra Work / Force Account (Valve Cluster Relocation - Wichita/JCB)	1	LS	\$ 39,196.00	\$ 39,196.00
(Additional Utility Potholing)	1	LS	\$ 624.00	\$ 624.00
TOTAL CONSTRUCTION COST				\$ 231,956.00

Century West Const. Engineering	\$26,874.00
Easement Negot & Appraisal	\$30,213.97
Easement Purch	\$41,135.00
Sub-total	\$ 330,178.97
CCSD No. 1 share (@56.25%)	\$ 185,725.67

Work exclusively to serve CCSD1

Waterline Relocation - Wichita to Linwood	1	LS	\$ 28,250.00	\$ 28,250.00
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Total CCSD No. 1 Cost Share \$ 213,975.67

BILL OF SALE

For valuable consideration, receipt of which is hereby acknowledged, the City of Milwaukie, an Oregon municipal corporation ("Seller") hereby sells, transfers and assigns to Clackamas County Service District No. 1, a county service district ("Buyer") the 12-inch sanitary sewer trunk line designed to collect sanitary flows southerly and easterly of SE Linwood and Johnson Creek Blvd and to carry such flows in a westerly direction approximately 1,600 feet to its connection with the City of Portland's Lents Trunk ("Johnson Creek Trunk Line"), depicted on the attached and incorporated Exhibit A. Seller represents and warrants to Buyer that it has all lawful right and authority to sell and transfer to Buyer the Johnson Creek Trunk Line and that it sells and transfers the Johnson Creek Trunk Line to Buyer free and clear of all liens, encumbrances and third-party interests or claims.

BY ACCEPTANCE OF THIS INSTRUMENT, BUYER ACKNOWLEDGES AND AGREES THAT, EXCEPT AS SET FORTH IN THIS INSTRUMENT, SELLER HAS NOT MADE, DOES NOT MAKE AND SPECIFICALLY DISCLAIMS ANY REPRESENTATIONS, WARRANTIES, PROMISES, COVENANTS, AGREEMENTS OR GUARANTIES OF ANY KIND OR CHARACTER WHATSOEVER, WHETHER EXPRESS OR IMPLIED, ORAL OR WRITTEN, PAST, PRESENT OR FUTURE, OF, AS TO, CONCERNING OR WITH RESPECT TO: (A) THE NATURE, QUALITY OR CONDITIONS OF THE JOHNSON CREEK TRUNK LINE, (B) THE INCOME TO BE DERIVED FROM THE JOHNSON CREEK TRUNK LINE, (C) THE SUITABILITY OF THE JOHNSON CREEK TRUNK LINE FOR ANY AND ALL ACTIVITIES AND USES, (D) THE COMPLIANCE OF OR BY THE JOHNSON CREEK TRUNK LINE OR ITS OPERATION WITH ANY LAWS, RULES, ORDINANCES OR REGULATIONS OF ANY APPLICABLE GOVERNMENTAL AUTHORITY OR BODY, (E) THE HABITABILITY, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OF THE JOHNSON CREEK TRUNK LINE, OR (F) ANY OTHER MATTER WITH RESPECT TO THE JOHNSON CREEK TRUNK LINE. BY ACCEPTANCE OF THIS INSTRUMENT, BUYER FURTHER ACKNOWLEDGES AND AGREES THAT, IT HAS BEEN GIVEN THE OPPORTUNITY TO INSPECT THE JOHNSON CREEK TRUNK LINE. BY ACCEPTANCE OF THIS INSTRUMENT, BUYER FURTHER ACKNOWLEDGES AND AGREES THAT ANY INFORMATION PROVIDED OR TO BE PROVIDED WITH RESPECT TO THE JOHNSON CREEK TRUNK LINE WAS OBTAINED FROM A VARIETY OF SOURCES AND THAT SELLER HAS NOT MADE ANY INDEPENDENT INVESTIGATION OR VERIFICATION OF SUCH INFORMATION. BY ACCEPTANCE OF THIS INSTRUMENT, BUYER FURTHER ACKNOWLEDGES AND AGREES THAT THE SALE OF THE JOHNSON CREEK TRUNK LINE AS PROVIDED FOR HEREIN IS MADE ON AN "AS IS, WHERE IS" CONDITION AND BASIS "WITH ALL FAULTS."

[SIGNATURES ON NEXT PAGE]

SELLER:

Dated: _____, 2011.

City of Milwaukie

By: _____
Name: _____
Its: _____

BUYER:

Dated: _____, 2011.

Clackamas County Service District No. 1

By: _____
Name: _____
Its: _____

ASSIGNMENT OF EASEMENTS

Between: The City of Milwaukie, an Oregon municipal corporation (“City”)

And: Clackamas County Service District No. 1, a county service district (“CCSD No. 1”)

Dated: _____, 2011

RECITALS

- A.** City is a general purpose government organized pursuant to the laws of this state;
- B.** CCSD No. 1 is a limited purpose county service district organized pursuant to ORS Chapter 451 to provide sewage treatment, collection, and storm water services;
- C.** Pursuant to ORS Chapter 451 the Board of County Commissioners (“BCC”) is the governing body of CCSD No. 1;
- D.** Pursuant to ORS Chapter 190, on or about July 20, 2010, City and CCSD No. 1 entered into an intergovernmental agreement (“IGA”) relating to sanitary sewer collection and detailing the construction and maintenance obligations of two shared lines (the “Lines”) for both parties’ respective sewer systems;
- E.** On _____, 2011 City and CCSD No. 1 entered into an Amended and Restated IGA to finalize the ownership of the Lines and each parties’ rights to use the Lines;
- F.** The Amended and Restated IGA contemplates shared use of the Lines, one referred to in the Amended and Restated IGA as the “Johnson Creek Trunk Line”, and one referred to in the Amended and Restated IGA as the “Westfork Avenue Sewer Main” ;
- G.** The Johnson Creek Trunk Line is located in the City in public rights-of-way and two easements (the “Easements”);
- H.** Pursuant to the Amended and Restated IGA, in consideration for maintenance and construction by CCSD No. 1, the City agrees to transfer ownership of the Easements to CCSD No. 1 in return for CCSD No. 1 granting to the City unimpeded access, at no additional cost, to use the Lines for their useful life and agreement that CCSD No. 1 maintains the Lines; and
- I.** The parties desire that this Agreement accomplishes the parties’ intentions as set forth in the Amended and Restated IGA.

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein, the parties agree as follows:

AGREEMENT

1. **Assignment.** City hereby assigns, conveys and transfers to CCSD No. 1 all right, title and interest in and to the Easements to CCSD No. 1, subject to the terms of the Amended and Restated IGA. The Easements are attached hereto as Exhibit A and Exhibit B, respectively, and are hereby incorporated into this agreement.

2. **Assumption.** CCSD No. 1 hereby accepts the assignment of the Easements and assumes all liabilities, obligations and responsibilities of the City in the Easements.

3. **Severability.** In the event any provisions of this Assignment are found to be void, the remaining provisions of the Assignment shall nevertheless be binding with the same effect as though the void parts were deleted.

4. **Waiver.** No waiver of any provision of this Assignment shall be valid unless made in writing and signed by the persons or party against whom charged.

5. **Binding Effect.** This Assignment shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, legal representatives, executors, administrators, successors, and permitted assigns. However, nothing in this paragraph shall be construed as modifying, in any way, any restriction on assignment or transfer provided for in the Assignment.

6. **Applicable Law.** The applicable law for the purpose of interpretation of this Assignment, or the enforcement of any rights or obligations hereunder, shall be the laws of the State of Oregon.

CITY:

CCSD No. 1:

CITY OF MILWAUKIE, an Oregon
municipal corporation

**CLACKAMAS COUNTY SERVICE
DISTRICT No. 1**, a county service district

By: _____

By: _____

Name: _____

Name: _____

Its: _____

Its: _____

Dated: _____

Dated: _____

Westfork Avenue Sewer Main Cost Allocation

EXHIBIT F

BASIC BID		Rotschy Inc.			
ITEMS	QUANTITY		UNIT PRICE	TOTAL AMOUNT	
1	Mobilization (Max 5%)	0.05	LS	\$ 174,500.00	\$ 8,725.00
2	Clearing and Grubbing	0.00	LS	\$ 60,000.00	\$ -
3	Rock Excavation - Trench (S.P.)	0	CY	\$ 175.00	\$ -
4	Foundation Material (S.P.)	25	CY	\$ 40.00	\$ 1,000.00
5	8" PVC Pipe, Class A Backfill	0	LF	\$ 29.00	\$ -
6	8" PVC Pipe, Class B Backfill, 0-12 feet deep	0	LF	\$ 53.00	\$ -
7	8" PVC Pipe, Class C Backfill, 0-12 feet deep	616	LF	\$ 40.00	\$ 24,640.00
8	8" PVC Pipe, Class C Backfill, Over 12 feet deep	1,240	LF	\$ 90.00	\$ 111,600.00
9	8" PVC Pipe, Class D Backfill	35	LF	\$ 150.00	\$ 5,250.00
10	Horizontal Directional Drilling, Set-up through Restoration - Lat JC5	0	LS	\$ 5,000.00	\$ -
11	Horizontal Directional Drilling, 8" HDPE Installation -Lat JC5	0	LF	\$ 150.00	\$ -
12	Horizontal Directional Drilling, Set-up through Restoration	0	EA	\$ 5,000.00	\$ -
13	Horizontal Directional Drilling, 8" HDPE Installation	0	LF	\$ 130.00	\$ -
14	4" PVC Pipe, Service Lateral Class A or C Backfill	0	LF	\$ 54.00	\$ -
15	6" PVC Pipe, Service Lateral Class A or C Backfill	0	LF	\$ 40.00	\$ -
16	PVC Tees	0	EA	\$ 87.00	\$ -
17	8791 SE 55th Service Lateral	0	LS	\$ 20,000.00	\$ -
18	Impervious Barrier	1	EA	\$ 700.00	\$ 700.00
19	48" Standard Manhole 0-12 feet deep	12	EA	\$ 2,740.00	\$ 32,880.00
20	48" Standard Manhole All Depths with CDF backfill	0	EA	\$ 3,800.00	\$ -
21	60" Standard Manhole All Depths with CDF backfill	0	EA	\$ 5,400.00	\$ -
22	Standard Cleanout - 8"	0	EA	\$ 170.00	\$ -
23	Extra Depth Manhole - 48" Dia	30	LF	\$ 115.00	\$ 3,450.00
24	Connect to Exist MH	0	EA	\$ 575.00	\$ -
25	Connect to Exist Lents Trunk	1	EA	\$ 2,275.00	\$ 2,275.00
26	Erosion Control	0	LS	\$ 12,000.00	\$ -
27	Restoration of Landscaping	0	LS	\$ 30,000.00	\$ -
28	Temp AC Trench- 2" Thick	1,000	SY	\$ 12.00	\$ 12,000.00
29	AC Trench Restoration - (Main Line) 6" Thick	35	LF	\$ 20.00	\$ 700.00
30	AC Trench Restoration - (Main Line) 4" Thick	0	LF	\$ 13.00	\$ -
31	AC Trench Restoration - (Main Line) 2" Thick	1,891	LF	\$ 8.00	\$ 15,128.00
32	AC Trench Restoration - (Outside Main Line) 2" Thick	0	SY	\$ 11.00	\$ -
33	AC Trench Restoration - (Service Lat.) 4" Thick	0	LF	\$ 15.00	\$ -
34	AC Trench Restoration - (Service Lat.) 2" Thick	0	LF	\$ 8.00	\$ -
35	AC Overlay, 2" Thick	4,200	SY	\$ 8.00	\$ 33,600.00
36	AC Overlay, 1-1/2" Thick	0	SY	\$ 7.00	\$ -
37	AC Grind- 2" Thick (S.P.)	0	SY	\$ 5.50	\$ -
38	3/4"- 0" Shoulder Rock	50	Ton	\$ 6.00	\$ 300.00
39	3/4"- 0" Base Rock	0	Ton	\$ 6.00	\$ -
40	Cement Treated Base, 6" Thick	0	SY	\$ 4.25	\$ -
41	Traffic Control	0.05	LS	\$ 40,000.00	\$ 2,000.00
42	Waterline Collar Blocks - (S.P.)	0	EA	\$ 1,500.00	\$ -
43	4-inch thick Concrete sidewalk	0	SY	\$ 100.00	\$ -
44	Differing Site Conditions (S.P.)	0	LS	\$ 50,000.00	\$ -
	SUBTOTAL				\$ 254,248.00
	CONTINGENCY - MISC. QUANTITIES	1	LS	\$ 25,000.00	\$ 25,000.00
	TOTAL ESTIMATED COST				\$ 279,248.00

City of Milwaukee Share (@ 50%) \$ 139,624.00

Work exclusively to serve City of Milwaukee customers

13 laterals	13	EA	\$ 1,773.00	\$ 23,049.00
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Total City of Milwaukee Cost Share \$ 162,673.00

MINUTES
MILWAUKIE CITY COUNCIL WORK SESSION
MARCH 15, 2011

Council President Chaimov called the work session to order at 5:03 in the City Hall Council Chambers

Council Present: Council President Chaimov, Councilors Loomis, Miller and Hedges

Staff Present: City Manager Bill Monahan, City Recorder Pat DuVal, Finance Director Casey Camors, Light Rail Design Coordinator Wendy Hemmen, Assistant Finance Director Rina Byrne, Community Development and Public Works Director Kenny Asher and Engineering Director Gary Parkin

City Manager's Report

The NDA leadership agenda would be focused on Council goals.

The next Clackamas Cities Dinner is on 3/17/11.

Trolley Trail Groundbreaking – Councilor Loomis, Councilor Hedges, Councilor Miller, and Council President Chaimov present.

Purple glove video presentation would be on 4/5/11.

C4 Committee alternate – Councilor Hedges will have a resolution at next meeting.

The Quiet Zone memo was handed out to Council.

Mr. Rice handed out Public Area Requirements memo.

Councilor Chaimov asked if were we charging more or less than we thought we would.

Councilor Miller would draft resolution for April 5 meeting

Mr. Monahan reviewed HB 2075.

Councilor Miller proposed resolution to the City Council that would be looked at in more depth on March 29 and on agenda for April 5. It freed downtown business from public area requirements for the period of 4/6/11-10/31/12. He provided copies for City Council review. To take a stand on what we believe in was holding back development in downtown Milwaukie. It should be the responsibility of the City and not the business owners because downtown was used by all. He asked Council to give feedback to Mr. Monahan

Councilor Hedges said he supported it with one caveat, should be citywide and not just the downtown.

Councilor Chaimov said it would be helpful to know potential scope of downtown area improvements on March 29.

Mr. Monahan said he would ask Kenny to bring a couple examples of “what-ifs” that involved new retail or reuse of an office building.

Councilor Loomis needed more information in the study session and what happens to those who have paid already. Know all the pros and cons. He had felt a detriment, but needed more information on actual impact of doing this.

Mr. Monahan for future any suspending of PAR did not mean they would not be provided. The City would put PAR in place, but need a funding mechanism.

Mr. Monahan would propose a funding source in the resolution.

Audit information

Ms. Camors reviewed the overall audit and plans for the coming fiscal year. Financial statements fairly represented financial position for FY 2010. Statements issued were referred to as annual financial statements. In coming year they would like to prepare a CAFR which was a program set up by government finance officers with concentration on full disclosure and transparency.

The City's financial position did not change significantly, it was a 1% decline overall. There were two funds with expenditures in excess of budget and two deficit fund balances. She added city's run in to this fairly often and she was hoping to avoid that next year.

Ms. Byrne reviewed 2 letters she received from the auditors. First was a statement of auditing standards that included certain aspects that they were required to communicate to Council. It was used to draw attention to anything unusual and there were no significant comments. The other letter was the SAS 115 that identified internal control issues or material weakness, which was more serious than significant deficiencies. There were no reports of material weakness, but there some deficiencies. The first two referred to account reconciliations that either weren't done at all or weren't done in a timely manner. The third related to audit schedules that were not done timely. The Finance Department plans to have all those repaired timely for the FY 2011 audit. The fourth point was that bank reconciliation were prepared, but was not reviewed. They starting reviewing the reconciliations in January by someone other than the preparer. The fifth point related to cash being over or short at the front desk and suggested individual cash drawers to reconcile differences. There may still be some refinements to make in that process in the following months. The sixth point related to staff posting their own utility payments. They would look to make substantive changes on internal controls. Some of these findings may be found in the next year's letter because they were already half way through this year, but if they did there should be a remark made that changes were made.

Quiet zone update

Ms. Hemmen reported on two of the quiet zones they were trying to get in Milwaukie. The last discussion was January, 2010. The quiet zones involved the mainline and the Tillamook Branch. She discussed progress made on mainline and Tillamook and how it compare to the Tualatin quiet zone. The City was expecting FRA approval of the City's proposal for the mainline, which should be here this week. Will start this summer with construction of sidewalks on Harrison with CDBG funding in the amount of approximately \$100,000. They also have crossing orders from ODOT rail in place;

would like to put in median barriers and as part of the SSMP program work to rebuild street pavement. That work requires approximately \$70,000 from budget and it was in the CIP packet. Their next step would be seeking crossing orders with ODOT rail once they had FRA approval. They would need approximately \$140,000 need to build the remainder in FY11-12, which was currently unfunded. Once all of the improvements are made the City can apply to establish the quiet zone, which silences the trains except for emergencies. It could be as early as 2012 depending on funding.

They had been working on the design with TriMet for the Tillamook branch starting at Mailwell. A draft application to be jointly formed with TriMet crossing orders should be ready with work beginning this summer. Quiet zones improvements for Tillamook branch will go in FY2013 with quiet zone established by FY2014. The Milwaukie quiet zone is about 1-mile long; mainline approximately \$300,000 and Tillamook about \$1 million funded by TriMet as part of the light rail project. She discussed the wayside horns in Tualatin. The City needs \$200,000 to finish mainline, but with less money they could do incrementally. Quiet Zones are a popular idea with Milwaukie residents, and she still gets phone calls from residents.

Councilor Loomis thanks Ms. Hemmen for her work and like the idea of doing the work incrementally if we don't have all of the funding.

Councilor Hedges was disappointed that it wouldn't be done until 2015. He had only had one comment that he heard was concern about safety and generally would like to see it happen as soon as possible.

Councilor Miller shared concern about going on for so long. He asked if there had been any discussion or meetings related to the Linwood / Harmony crossing.

Ms. Hemmen said there have been talks in the past. The solution was rejected by the neighborhood because it involved grade separating and an overpass. Most of that intersection was Clackamas County with only a small part in Milwaukie.

Mr. Aschenbrenner understood all had to be done before quiet zone established.

Monthly NDA Discussion

Present: Jeff Klein, Dave Aschenbrenner, Pepi Anderson, Art Ball, Ed Zumwalt, Dion Shepard, Linda Hedges, Bryan Dorr.

Ms. Shepard said they talked about Council Goals at length at the Historic Milwaukie NDA meeting. They didn't think the Trolley should be on there. Develop master plans for Kronberg and Balfour; already a master plan for Wichita. Kronberg has a sense of urgency – were there resources outside of the Parks District? She said it would be nice to have master plan before light rail.

Councilor Chaimov asked should the goal be have master plan before light rail or the park planned and developed before light rail arrived.

Ms. Shepard would like the second, but if master plan could be done in reasonable time then it would be shovel ready.

Mr. Zumwalt said there is a fear that it will be tied in with Kellogg for Coho and would drag on for many years. They would like to see something accomplished there.

Mr. Zumwalt like discussion of City Council playing a greater role in regional bodies.

Ms. Anderson said pursuing economic development went hand in hand with City attractions to make us a destination point as well as developing Riverfront Park. The baseball would be a key destination. It was important to find the \$5 million for light rail. She supported other areas where parks can be developed and whatever made the City attractive.

Mr. Klein agreed with Dion and Ed and the approach to outsourcing all parks and master planning to County was a mistake. He would like the City to take that back and work in conjunction with the County. When it comes to Robert Kronberg Park the big assumption is that it would be used for staging and would like to see park developed when staging phases out, which can't get done without a master plan. Looking at it in 3 years doesn't do that property justice. He thinks we need to take a look at school zones and ask a broader group of informed people to come up with better answers on how to better serve the community. He would like to see the City go away from wooden posts and install metal in concrete, and evaluate how we put up signs. He felt wooden posts reflected poorly on the overall state of the City.

Mr. Aschenbrenner thought it was important to establish misdemeanor court. He felt the residential design standards are important goals. Regarding the street car he said we need a line that serves the City and not a street car that goes up and down Main Street. He felt parks are important and need to be planned locally by the neighborhoods initially and the City can come to the table to get into comp plan.

Mr. Klein said parks are not easy to build and they were fortunate to have members of the community that played a role and donated their time on the project. He felt it shouldn't be as difficult as it is.

Mr. Aschenbrenner said the question to staff was how detailed does the plan have to be to get into comp plan. It was his recollection that they took a basic drawing to staff and then staff worked on the details.

Mr. Dorr said with regards to Balfour Park they had a preliminary plan, but were still getting feedback from the neighborhood to determine park features. They wanted to make sure to get feedback from neighbors bordering the park.

Mr. Aschenbrenner said he thought once they finalize the plan and have a drawing that was all that was needed to get the park in to the comp plan.

Councilor Chaimov asked why Mr. Aschenbrenner thought we needed a misdemeanor court.

Mr. Aschenbrenner replied if people are committing crime in the City it needed to be handled in the City. He thought that when the cases get pushed to the County they often get dropped due to lack of resources, which hurts the City. He thought it would pay for itself.

Councilor Hedges commented on the streetcar. Initially the street car idea was a local bus with 15-20 seats as a way for residents to get to and from light rail. It got shanghaied into a street car going to the baseball field and to Lake Oswego. A good Long-term goal would be to have bus service in Milwaukie by 2015 that connected various parts of Milwaukie so people can get around without using a car.

Mr. Dorr said he would like Balfour Park developed by the community and maintained by the City. He commented on metal versus wood sign poles. On JCB near Brookside and 45th there 4-5 poles and mailboxes in the middle of the sidewalk, which presented obstacles for people walking on the sidewalk. He felt signs posted in the middle of a sidewalks were unacceptable. He thanked Ms. Hedges and Councilor Hedges for attending their last meeting regarding emergency preparedness, which turned out to be days before the Japan disaster. Their NDA minutes are posted and available on line after the meeting.

Mr. Klein said Mr. Dorr's point was excellent about the signs in the sidewalks. When we are fortunate to put down new sidewalks we do not contact PGE to move utility poles. He doesn't get that. He counted 27 signs from 49th to Stanley Ave, which was about 4 blocks and that didn't include street signs, which seemed ridiculous. They were mainly regarding the school zones. They created obstacles for pedestrians and he would love to see signs placed on PGE poles. He said the City is told we can't post anything on PGE poles, but we allow them to put their poles on our sidewalks and just accept their answers, but don't ask why and he felt we need to ask the questions.

Mr. Dorr said that question had been raised in the WSMP survey in connection to Water Tower Park at 40th and Harvey. There is a 3 foot sidewalk with a 18" PGE pole in the middle of the sidewalk.

Ms. Anderson said there were a large amount of things that were positive and focused half on development and half on problem solving. She liked the communication goals and she had seen a lot of effort from City Staff.

Mr. Ball commented on the park issue. The biggest obstacle is money. He recalled the most difficult part Lewelling had with the park was funding, which took 3 years. It was important to get the right landscape architect whose services could cost \$15,000; some came from the City grants and others came from fundraising and a lot of volunteer labor.

Ms. Shepard would like to see some sort of preparedness project for the community. Also, she did not see anything about the triangle development.

Councilor Chaimov said they will talk about those as well as a more active code enforcement.

Mr. Klein fully supported that instead of the complaint driven format.

Ms. Hedges like the idea of improving collaboration between boards, committees, and City Council. She encouraged setting some standards such as going to their own NDA meetings and that minutes from all NDA's be online within a reasonable amount of time. She had become the queen of preparedness although Mr. Monahan doing work a lot of things going on such as the CERT team being 23 members. She said there are other

CITY COUNCIL WORK SESSION – MARCH 15, 2011

DRAFT MINUTES

Page 5 of 6

ways that the City can be prepared and suggested adopting a mantra. We want the City to have standards to work toward; staff support for volunteer organizations and have collaboration between the City and Fire Department could be better.

Council President Chaimov asked what the Mantra should be.

Ms. Hedges said as a one year goal to say Council would make efforts of hardening plans to train staff to the level they should be, and public works and police have their plans in place. We also need a public education campaign to make people aware of shelters and what they should do and where they can go in the event of an emergency.

Councilor Chaimov probably useful if people thought how to phrase overarching goal. They could work off the list from those working on emergency preparedness of things the City could do to get ready or help individuals get ready.

Mr. Aschenbrenner said phrasing for the goal could be to, *“Solidify the City Emergency Preparedness Plan along with a Public Education Campaign”*.

Mr. Monahan added the County is assisting us in updating our emergency plan, but then there was the matter of ensuring staff was ready through certifications and then public information piece.

Councilor Hedges said we can't have hard and fast plans. We need to make sure methods of communication with citizens is the most important thing and has to be effective.

Mr. Monahan said we can have a plan with an instant command system and have employees and citizens practice and understand responsibilities.

Mr. Ball asked if each NDA Chair could get a copy of the CIP when it is complete. He said that was distributed in years past and wanted to know if it could be done again.

Mr. Monahan said they will make sure it is distributed to each NDA.

Mr. Dorr said Lisa Gunion-Rinker is heading their parks effort. There NDA is trying to draft a fundraising process for the park.

Council President Chaimov adjourned 6:35 p.m.

5.
PUBLIC HEARING



5.A.

To: Mayor and City Council

From: Richard Seals, Finance Director
Casey Camors, Finance Director

Date: May 30, 2011 for June 7, 2011 City Council Regular Session

Subject: Resolutions Regarding State Revenue Sharing and State Shared Revenue

ACTION REQUESTED

Approval of the resolution certifying that the City of Milwaukie provides four or more municipal services for eligibility to receive state shared revenues, and approval of the resolution expressing the election to receive state revenue sharing, both for the 2012 fiscal year.

BACKGROUND

The City Council can show eligibility of the City of Milwaukie to receive State Revenue Sharing by adopting a resolution that certifies that the City offers four or more of the required municipal services, as outlined in ORS 221.760.

In order for the City of Milwaukie to receive a share of state revenues apportioned and distributed to Oregon cities during fiscal year 2012, as provided in ORS 221.770, the City Council must enact an ordinance or resolution expressing that election and file the same with the Oregon Department of Administrative Services no later than July 31.

CONCURRENCE

The City Manager concurs with the proposed resolutions.

FISCAL IMPACT

The following schedule reflects the projected revenue from the various state shared revenues, the fund the revenue is received in and the purposes for which the revenue is utilized.

Type	FY 2012	Fund Receiving the Revenue
Gas Tax Revenue	\$1,146,000	Streets
Liquor Tax Revenue	\$230,000	General
Cigarette Tax Revenue	\$30,000	General
911 Tax Revenue	\$81,000	General
State Revenue Sharing	\$180,000	General
Total	\$1,667,000	General

WORK LOAD IMPACTS

None.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILWAUKIE, OREGON, DECLARING THE CITY OF MILWAUKIE’S ELECTION TO RECEIVE STATE REVENUE SHARING FUNDS (GENERAL FUNDS OF THE STATE) FOR THE FISCAL YEAR 2012

WHEREAS, the City of Milwaukie desires to receive a share of state revenues apportioned and distributed to the cities of the state during fiscal year 2012 as provided in ORS 221.770; and

WHEREAS, ORS 221.770(1)(a) requires that any city electing to receive a distribution must enact an ordinance or resolution expressing that election and file the same with the Oregon Department of Administrative Services no later than June 30th; and

WHEREAS, ORS 221.770 (1)(b) requires that any city electing to receive a distribution must hold at least one public hearing at which citizens have the opportunity to provide written or oral comment on the possible uses of the distributions; and

NOW, THEREFORE, BE IT RESOLVED that by the City Council of the City of Milwaukie that the City hereby elects to receive its proportionate share of the state revenues for fiscal year 2012 pursuant to ORS 221.770 and has met the requirement of ORS 221.770 (1) as certified in the declaration certificate.

Introduced and adopted by the City Council on June __, 2011.

This resolution is effective on June __, 2011.

Jeremy Ferguson, Mayor

ATTEST:

APPROVED AS TO FORM:
Jordan Schrader Ramis PC

Pat DuVal, City Recorder

City Attorney

CITY OF MILWAUKIE

CERTIFICATION

I, Bill Monahan, City Manager, certify that a public hearing before the Budget Committee was held on April 14, 2011, and a public hearing before the City Council on June 7, 2011, giving citizens the opportunity to comment on the use state shared revenues.

Bill Monahan, City Manager

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILWAUKIE, OREGON,
IS ELIGIBLE TO RECEIVE STATE SHARED REVENUES (CIGARETTE, LIQUOR,
911, AND HIGHWAY GAS TAXES) BECAUSE IT PROVIDES FOUR OR MORE
MUNICIPAL SERVICES**

WHEREAS, ORS 221.760 provides as follows:

Section 1. The officer responsible for disbursing funds to cities under ORS 323.455, 366.785 to 366.820 and 471.805 shall, in the case of a city located within a county having more than 100,000 inhabitants according to the most recent federal decennial census, disburse such funds only if the city provides four or more of the following services:

- (1) Police protection
- (2) Fire protection
- (3) Street construction, maintenance, and lighting
- (4) Sanitary sewer
- (5) Storm sewers
- (6) Planning, zoning, and subdivision control
- (7) One or more utility services

and

WHEREAS, city officials recognize the desirability of assisting the state officer responsible for determining the eligibility of cities to receive such funds in accordance with ORS 221.760.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Milwaukie hereby certifies that it provides the following four or more municipal services enumerated in Section 1, ORS 221.760:

- (1) Police protection
- (2) Street construction, maintenance, and lighting
- (3) Sanitary sewer
- (4) Storm sewers
- (5) Planning, zoning, and subdivision control
- (6) One or more utility services

Introduced and adopted by the City Council on June __, 2011.

This resolution is effective on June __, 2011.

Jeremy Ferguson, Mayor

ATTEST:

APPROVED AS TO FORM:
Jordan Schrader Ramis PC

Pat DuVal, City Recorder

City Attorney

Attachment A

Projection of 2012 Fiscal Year State Shared Revenues

Amount and Use of State Shared Revenues

Projected for the City of Milwaukie using data from the League of Oregon Cities

Type	FY 2012	Fund Receiving the Revenue
Liquor Tax Revenue	\$230,000	General
Cigarette Tax Revenue	\$30,000	General
911 Tax Revenue	\$81,000	General
Gas Tax Revenue	\$1,146,000	Streets



5.B.

To: Mayor and City Council

From: Richard Seals, Finance Director
Casey Camors, Finance Director

Date: May 30, 2011 for June 7, 2011 City Council Regular Session

Subject: Resolution Adopting the FY 2012 Budget

ACTION REQUESTED

Consider and approve the resolution, as may be adjusted after receiving and considering public testimony, adopting the budget, making appropriations, and declaring and categorizing taxes for fiscal year 2012.

BACKGROUND

The Budget Committee of the City of Milwaukie met and approved the 2012 fiscal year budget on April 28, 2011. A financial summary of the approved budget and a notice of budget hearing before the City Council were published in the "Clackamas Review" on Tuesday, May 24, 2011 according to the requirements of Oregon Local Budget Law (ORS 294.418). The City Council may take action to adopt the budget once the budget hearing has been held and testimony has been heard and considered.

CONCURRENCE

The City Manager concurs with the proposed resolution.

FISCAL IMPACT

The resolution adopts the fiscal year 2012 annual budget of \$44,162,000.

A RESOLUTION ADOPTING THE CITY OF MILWAUKIE BUDGET, CAPITAL IMPROVEMENT PLAN (CIP), AND MASTER FEES AND CHARGES SCHEDULE FOR THE FISCAL YEAR COMMENCING JULY 1, 2011, MAKING APPROPRIATIONS, LEVYING AD VALOREM TAXES, AND CLASSIFYING THE LEVY PURSUANT TO SECTION 11b, ARTICLE XI OF THE OREGON CONSTITUTION.

BE IT RESOLVED by the City Council of the City of Milwaukie that:

Section 1. The City Council hereby adopts the budget approved by the Budget Committee for the fiscal year commencing July 1, 2011 in the sum of \$44,162,000 now on file at Milwaukie City Hall (Finance Department) 10722 SE Main Street, Milwaukie, Oregon 97222.

Section 2. The amounts listed below are hereby appropriated for the fiscal year commencing July 1, 2011 for the purposes stated.

GENERAL FUND

Community Services Department	\$ 908,000
Code Enforcement Department	196,000
Public Access Studio Department	112,000
Police Administration Department	505,000
Police Field Services Department	5,397,000
Police Support Services Department	349,000
Planning Services Department	579,000
Municipal Court Department	395,000
City Council Department	51,000
City Manager's Department	524,000
Human Resources Department	356,000
Finance Department	759,000
Records and Information Management Dept.	408,000
Information Systems Technology Department	1,033,000
Community Development & Public Works Admin	1,481,000
Engineering Services Department	617,000
Fleet Services Department	780,000
Facilities Management Department	1,157,000
Nondepartmental	1,056,000
Contingency	760,000
Total Appropriations in General Fund	<u>\$ 17,423,000</u>

LIBRARY FUND

Personal Services	\$ 1,347,000
Materials & Services	208,000
Debt Services	35,000
Transfers to Other Funds	753,000
Contingency	100,000
	<u>\$ 2,443,000</u>

BUILDING INSPECTIONS FUND

Personal Services	\$ 208,000
Materials & Services	14,000
Transfers to Other Funds	30,000
Contingency	64,000
	<u>\$ 316,000</u>

TRANSPORTATION FUND

Personal Services	\$ 431,000
Materials & Services	443,000
Transfers to Other Funds	1,008,000
Capital Outlay	1,024,000
Contingency	500,000
	<u>\$ 3,406,000</u>

WATER FUND

Personal Services	\$ 602,000
Materials & Services	618,000
Transfers to Other Funds	987,000
Capital Outlay	389,000
Contingency	93,000
	<u>\$ 2,689,000</u>

WASTEWATER FUND

Personal Services	\$ 415,000
Materials & Services	3,281,000
Debt Services	1,110,000
Transfers to Other Funds	1,014,000
Capital Outlay	840,000
Contingency	500,000
	<u>\$ 7,160,000</u>

STORMWATER FUND

Personal Services	\$	418,000
Materials & Services	▼	228,000
Transfers to Other Funds		837,000
Capital Outlay		340,000
Contingency		100,000
	▼	<u>\$ 1,923,000</u>

SYSTEMS DEVELOPMENT CHARGES FUND

Materials & Services	\$	58,000
Capital Outlay		396,000
Contingency		1,100,000
	▼	<u>\$ 1,554,000</u>

SUMMARY TOTALS FOR ALL FUNDS

Appropriated Expenditures	▼	\$ 33,697,000
Appropriated Contingency	▼	3,217,000
Total Appropriations	▼	<u>36,914,000</u>
Total Unappropriated	▼	7,248,000
	▼	<u>\$ 44,162,000</u>

Section 3. BE IT RESOLVED that the City Council of the City of Milwaukie hereby imposes the taxes provided for the FY 2011-12 adopted budget at the rate of \$4.0718 (City's permanent rate is \$6.5379 offset by County's FD1 permanent rate of \$2.4012 and bonded debt rate of \$0.0649) per \$1000 of assessed value for operations and \$0 bonded debt rate, and that taxes are hereby imposed for the FY 2011-12 tax year upon the assessed value of all taxable property; and classified pursuant to the categories and subject to the limits of section 11b, Article XI of the Oregon Constitution as follows:

	<u>FY 2011-12</u>
General Operations (permanent rate per \$1,000 AV)	\$ 4.0718
Debt Service Fund (excluded from M5 limitation)	\$ NONE

Section 4. The City Manager or his designee shall certify, file with and give notice to the County Assessors of Clackamas County and the Department of Revenue information as required by the Oregon Revised Statutes.

Section 5. Effective Date. This Resolution shall take effect upon passage.

The above resolution statements were approved and declared adopted at a regular meeting of the City Council of the City of Milwaukie held on the 7th day of June 2011.

Jeremy Ferguson, Mayor

Dated: _____

ATTEST:

Pat DuVal, City Recorder

Approved as to form:
Jordan, Schrader, Ramis, PC

City Attorney



5.B.2.

To: Mayor and City Council

Through: Bill Monahan, City Manager
Kenneth Asher, Director of Community Development and Public Works

From: Casey Camors, Finance Director
Richard Seals, Finance Director

Date: May 31, 2011 for June 7, 2011 City Council Regular Session

Subject: Annual Fee Schedule Update, 2011-12

ACTION REQUESTED

Adopt, by Resolution, an updated City Fee Schedule.

HISTORY OF PRIOR ACTIONS AND DISCUSSIONS

February 2011: Council adopted Resolution 18-2011, establishing new Fiscal Policies. An updated fee schedule is adopted by Council each year, commonly on the same or similar schedule as the City Budget.

BACKGROUND

The attached fee schedule (a red-line version and a clean version are both provided as attachments to the adopting Resolution), if adopted, would go into effect on July 1, 2011. Each year, department heads review their fees and make changes, as necessary. The suggested changes generally reflect either a new City practice or a change in the City's cost. The over-arching goal is to accurately recover City costs incurred, per the City's adopted fiscal policies:

The City will maximize the use of service and user charges in lieu of ad valorem taxes and subsidies from other City funds, for services that can be identified and where costs are directly related to the level of service provided. The Council may establish fees at less than "full cost recovery" when deemed in the public interest. The City will periodically and systematically review user fees and charges to take into account the effects of additional service costs and inflation.

The more significant changes in this year's update are:

- Building's fees are updated to more accurately reflect actual costs. The significant increase in grading/fill permits reflects the fact that these fees have not been updated in a long time. A new fee was needed for very small grading projects, as these projects had previously been exempt from permit requirements.
- The tree removal hearing (Engineering) fee was significantly reduced as the result of a change in practice. An administrative hearing process, rather than a "quasi-judicial" process, has been established to more accurately reflect the administrative nature of the review, thus reducing the City's cost to conduct the hearing.
- Two miscellaneous fees (Sidewalk Bench and Sidewalk Vendor) were removed because there was no City practice of collecting or enforcing these fees.
- Based on the recommendation of the Finance Director, billable hourly rates are being significantly increased to reflect general City overhead costs in addition to simply wage rates plus benefits, as had been previous practice. The factor of 2.5 times the base wage is at the low end of common practice in the region.

The Fee Schedule is updated through the course of the year, as needed, when Council actions impact fees. Those changes—such as the consolidation and simplification of the Planning Department's fee structure that was adopted as part of the Code "Tune Up" project—are not reflected as changes in this document, as they are already in effect.

CONCURRENCE

Changes and updates were solicited from all Department heads.

FISCAL IMPACT

No changes are significant enough to be expected to substantially alter any fund budgets.

WORK LOAD IMPACTS

None.

ALTERNATIVES

A delay in adoption would leave current fees in place.

EXHIBIT A



CITY HALL
10722 SE Main St
Milwaukie OR 97222

PHONE: 503-786-7555
FAX: 503-653-4433

Fee Schedule

Adopted June 7, 2011—Resolution #XX-2011 (except as noted)
Effective July 1, 2011 (except as noted)

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PLANNING (Revised Res. #24-2011, adopted 3/1/11, effective 5/14/11)

Land Use Application Fees

Standard Applications

The following standard fees apply to all land use applications¹ not listed below. Some applications may require additional fees as described below under Additional Application Fees:

Type I Administrative Review.....	\$150
Type II Administrative Review	\$900
Type III Quasi-Judicial Review.....	\$1,700
Type IV Quasi-Judicial Review	\$3,500
Type V Legislative Review.....	\$3,500

Other Applications

Community Service Use—Minor Modification (Type I)	\$25
Historic Resource Designation (Type IV).....	\$150
Minor Land Partition (Type II)	\$2000
Planned Development—Preliminary Plan Review (Type III).....	\$4400
Planned Development—Final Plan Review (Type IV)	\$5700
Property Line Adjustment (Type I).....	\$650
Subdivision—Preliminary Plat Review (Type III).....	\$4400 + \$100 per lot over 4 lots
Temporary Structure (Type I)	\$50

Annexations

Annexation (Expedited).....	\$150
Annexation (Nonexpedited: No Zone Change or Comp Plan Amendment)	\$150
Annexation (Nonexpedited: Zone Change only).....	\$500
Annexation (Nonexpedited: Zone Change and Comp Plan Amendment).....	\$3500

Appeals

Appeal to Planning Commission.....	\$500
<small>(Fees waived for NDA-sponsored appeals, pursuant to Resolution #26-1999)</small>	
Appeal to City Council.....	\$1000
<small>(Fees waived for NDA-sponsored appeals, pursuant to Resolution #26-1999)</small>	
Tree Removal Appeal Hearing (FEE MOVED TO ENGINEERING, AND REDUCED)	\$500

Additional Application Fees

The following fees apply in addition to Land Use Application fees:

Measure 56 Notice (for Zoning Map or Text Amendment)	Actual Cost (\$1 per affected property, \$35 minimum)
Reserve deposit	\$500
Technical Report Review:	
• Scope of Work Preparation.....	Actual Cost ²
Reserve deposit.....	\$1,000
• Review of Technical Report	Actual Cost ³
Reserve deposit:	
• Traffic	\$2,500
• Water Quality Resources	\$1,500 \$2,000
• All others	\$1,000

¹ For a complete list of land use application types, see Milwaukie Municipal Code Table 19.901.

² Actual cost to be determined by Planning Director or Engineering Director by estimating the cost of City staff time and resources dedicated to the project. See more information under Deposit Information.

³ Actual cost to be determined by Planning Director or Engineering Director by estimating the cost of City staff time and resources dedicated to the project. See more information under Deposit Information.

Deposit Information

In some cases, reserve deposits are collected to ensure that the City’s actual expenses are covered. Deposits will be refunded relative to actual costs, and additional money may be required if actual costs exceed the deposit amount. This applies only to reserve deposits—base fees are nonrefundable.

Discounts for Land Use Applications

- Two or more applications.....No discount for most expensive application, 25% discount for all others.
 (This discount applies to applications which relate to the same unit of land and which will be reviewed and decided concurrently.)
- Senior citizens..... 10% discount
 (Seniors must be at least 65 years of age, and must be the property owner.)
- Low income citizens..... 25% discount
 (Low-income citizens may qualify for reduced fees by filing the same application used to apply for reduced sewer and water rates.)
- NDA-sponsored land use applications related to parks.....Fees waived

Other Planning Fees

Early Assistance

- Preapplication Meeting \$100 (\$50 applied to subsequent land use application fee)
 (Applies to optional meetings attended by a maximum of 2 City staff. No written notes provided.)
- Preapplication Conference \$200 (\$100 applied to subsequent land use application fee)
 (Applies to required or optional meetings that require 3 or more City staff. Written summary notes provided 2 weeks after meeting.)
- Preapplication Conference—Transportation Facilities Review \$100
 (Additional meeting required to discuss Transportation Impact Study.)
- Design Review Consultation with Design and Landmarks Committee \$800

Special Requests

- Planning Commission Approval for Bee Colonies \$500
- Property Value Reduction Claims (pertaining to Measures 37 or 49).....\$1,515
 (Fee will be refunded if applicant prevails. If claim is denied, additional money may be required to cover contract-attorney or appraiser costs, as determined by City Manager.)
- Significant Modification of Complete Land Use Application.....\$500
- Reschedule of Public Hearing at Applicant’s Request (when re-notification required).....\$500
- Temporary Occupancy Request\$100
- Time Extension of Previously Granted Land Use Approval (Title 17 only)\$50
- Zoning Confirmation (General)\$50
- Zoning Confirmation (DMV Permit, LUCS).....\$25

Permit Review and Inspections

- Building Permit Review and Inspections (Minor; e.g., Demolition, Erosion Control, etc.).....\$25
- Building Permit Review and Inspections (Major)\$200
- Additional Planning Inspection Fee.....\$50
- Modifications to Building Permit during Review\$100
 (Fee applies to site plan revisions generated by applicant, not those required by staff during review process.)
- Sign Permit Review (per sign)\$100
- Sign Permit Review (Daily Display or “sandwich board” sign)\$150
- Tree Permit (major pruning or removal of trees in the public right-of-way)\$80

Materials

Many materials are available online for free at <http://www.ci.milwaukie.or.us/planning/planning-documents-ordinances-plans-and-guidelines>. Contact Planning staff for additional information.

Zoning Ordinance	\$25
Comprehensive Plan	\$15

Comprehensive Plan or Zoning Ordinance Map:

- 11x17 handout (Black & White/Color) No charge/\$2
- GIS maps (e.g., Zoning Map)..... Full sheet \$45; see Engineering fees for other sizes

Comprehensive Plan ancillary documents: (most not available online)

- Ardenwald Park Master Plan.....\$2
- Downtown and Riverfront Land Use Framework Plan\$25
- Elk Rock Island Natural Area Management Plan\$8
- Furnberg Park Master Plan\$5
- Homewood Park Master Plan\$1
- Johnson Creek Resources Management Plan.....\$15
- Lake Road Multimodal Plan\$8
- Lewelling Community Park Master Plan.....\$1
- North Clackamas PFP.....\$25
- Town Center Master Plan.....\$15
- Scott Park Master Plan.....\$2
- Spring Park Master Plan\$5
- Springwater Corridor Master Plan\$8
- Transportation System Plan
 - Full Document49
 - Executive Summary\$15
 - CD\$3.50
- Water Tower Park Master Plan.....\$2
- Wichita Park Master Plan.....\$2
- Vision Statement (one page)..... No charge

Sign Ordinance	\$5
Land Division Ordinance.....	\$5
Downtown Design Guidelines (Black & White/Color)	\$10/\$35
Downtown and Riverfront Public Area Requirements.....	\$15
Other informational handouts (10 pages or less)	No charge
Other informational handouts (over 10 pages)	At cost

Penalties⁴ (each day that a violation exists is a separate offense)

Violation of Sign Ordinance (Title 14) (Ord. #1965, adopted 2006, and Ord. #1733, adopted 1993)	up to \$100
Unpermitted tree cutting in the public right-of-way (Title 16) (Ord. #1836, adopted 1998).....	\$150 to 500
Violation of Land Division Ordinance (Title 17) (Ord. #1907, adopted 2002)	\$200
Violation of Zoning Ordinance (Title 19) (Ord. #2025, adopted 2011).....	up to \$200

⁴ All violations of the Municipal Code are additionally subject to the Code Enforcement abatement fee and the general penalty for third or subsequent violations. See the **Code Enforcement** section for complete information.

BUILDING

Section I. Residential Building Permits

A. Structural Permits—Valuation shall be calculated in accordance with OAR 918-050-0100.

1. Permit Fee

Permit fees from calculation of total valuation from the square footage of the improvement

\$1-\$500	\$18.75
\$501-\$2,000	\$18.75 plus \$2.89 per \$C over \$5C to \$2K
\$2,001-\$25,000	\$62.10 plus \$11.54 per \$K over \$2K to \$25K
\$25,001-\$50,000	\$327.52 plus \$8.58 per \$K over \$25K to \$50K
\$50,001-\$100,000	\$542.02 plus \$5.77 per \$K over \$50K to \$100K
\$100,001 and up.....	\$830.52 plus \$4.88 per \$K over \$100K
Minimum permit fee.....	\$75.00 \$100.00

2. Initial Plan Review Fees 65% of the permit fee

3. Plan Review Fees Required/Requested by Changes, Additions, Revisions ~~\$70.00~~ **\$75.00**/hr. (1 hr. min.)

4. Third Party Plan Review Fee (for transfer of plan review to a third party) 10% of the permit fee (\$65.00 min.)

5. Residential Solar PV Installation **\$100**

B. Mechanical Permits—Fees per current Mechanical Permit application

Minimum Permit Fee ~~\$60.00~~ **\$85.00**

1. HVAC

For the installation of:

a. Air handling unit including ducts:	
Up to 10,000 cfm.....	\$23.00 \$24.00
Over 10,000 cfm	\$26.00 \$27.00
b. Air conditioning/heat pump (site plan required)	\$40.00 \$42.00
c. Alteration of existing HVAC system.....	\$18.50 \$19.50
d. Boiler/compressor.....	\$18.50 \$19.50
e. Install/relocate/replace furnace/burner including ductwork and vent:	
Up to 100,000 BTU/H.....	\$18.50 \$19.50
Over 100,000 BTU/H.....	\$22.00 \$23.00
f. Install/relocate/replace heaters (room, suspended, wall- or floor-mounted)	\$18.50 \$19.50
g. Vent for other than furnace	\$18.50 \$19.50

2. Environmental Exhaust and Ventilation

For the installation of:

a. Appliance vent	\$15.00 \$16.00
b. Dryer exhaust.....	\$12.00 \$13.00
c. Each hood that is served by a mechanical exhaust or air conditioning	\$10.00 \$11.00
d. Exhaust system with single duct (bath fan) each.....	\$8.50 \$9.00
e. Exhaust system apart from heating or air conditioning	\$12.00 \$13.00

3. Fuel Piping and Distribution

a. LPG-NG-Oil fuel piping:	
Up to 4 outlets (includes gas tag).....	\$22.00 \$23.00
Each additional outlet over 4	\$2.00 \$2.50

4. Other Listed Application or Equipment

a. Decorative fireplace or insert	\$35.00 \$37.00
b. Woodstove/pellet stove.....	\$47.00 \$49.00
c. For each appliance or piece of equipment regulated by the code but not classed in other appliance categories, for which no other fee is listed in this code, or for which there is an alteration or extension of an existing mechanical system	\$18.50 \$19.50

C. Plumbing Permits—Fees per current Plumbing Permit application

1. Total Bathrooms Per Dwelling	
1 bath dwelling (includes 1 kitchen).....	\$335.00 <u>\$352.00</u>
2 bath dwelling (includes 1 kitchen).....	\$370.00 <u>\$389.00</u>
3 bath dwelling (includes 1 kitchen).....	\$440.00 <u>\$462.00</u>
Additional bathroom/kitchen	\$175.00 <u>\$184.00</u>
Includes the first 100 ft. of water piping, sanitary and storm sewer lines, hose bibs, icemakers, underfloor low point drains, and rain drain packages that include the piping, gutters, downspouts, and perimeter system.	
2. Additions, Alterations, and Repairs	\$16.75 <u>\$18.00</u> /fixture
3. Building Sewer Connection <u>\$57.00</u>
4. Utilities per 100 feet.....	\$62.00 <u>\$65.00</u>
a. Catch basin.....	\$27.00 <u>\$28.00</u>
b. Drywells each	\$27.00 <u>\$28.00</u>
c. Footing drain (per 100 lin. ft.)	\$53.00 <u>\$56.00</u>
d. Rain drain connector.....	\$27.00 <u>\$28.00</u>
e. Manholes each.....	\$53.00 <u>\$56.00</u>
5. Interior Piping (per 100 lin. ft.).....	\$62.00 <u>\$65.00</u>
6. Stand-alone Fire Suppression Systems (requires a backflow device installed by licensed plumbing contractor or persons exempt from licensing)	
0 sq. ft. to 2,000 sq. ft.....	\$90.00 <u>\$94.50</u>
2,001 sq. ft. to 3,600 sq. ft.	\$135.00 <u>\$141.75</u>
3,601 sq. ft. to 7,200 sq. ft.	\$169.00 <u>\$177.50</u>
\$7,201 sq. ft. and greater	\$315.00 <u>\$330.75</u>
7. Multipurpose or Continuous Loop Fire Suppression Systems	
0 sq. ft. to 2,000 sq. ft.....	\$90.00 <u>\$94.50</u>
2,001 sq. ft. to 3,600 sq. ft.	\$135.00 <u>\$141.75</u>
3,601 sq. ft. to 7,200 sq. ft.	\$169.00 <u>\$177.50</u>
\$7,201 sq. ft. and greater	\$315.00 <u>\$330.75</u>
8. Minimum permit fee.....	\$60.00 <u>\$85.00</u>

D. Other Inspections and Fees

1. Inspections outside of normal business hours.....	\$98.00/hr. (min. charge 2 hrs.) (Must be preapproved by applicant)
2. Inspections for which no fee is specifically indicated.....	\$68.00/hr. (Must be preapproved by applicant)
3. Reinspection fee	\$59.00 <u>\$60.00</u> /hr.
4. Replacement sheets	\$23.00/sheet
5. The minimum fee shall be.....	\$50.00 <u>\$85.00</u>
6. Investigation fee	Amount of subject permit fee
7. Temporary Certificate of Completion..... <u>\$50.00</u>

E. Manufactured Dwelling and Cabana Installation Permits— All jurisdictions in the Tri-County area shall charge a single fee for the installation and set-up of manufactured homes. This single fee shall include the concrete slab, runners, or foundations when they comply with the prescriptive requirements of the Oregon Manufactured Dwelling standard, electrical feeder and plumbing connections, and all cross-over connections.

1. Installation permit	\$445.00
2. Earthquake-resistant bracing	\$135.00
3. Reinspection	\$135.00
4. Statewide code development, training and monitoring fee (in addition to all other manufactured dwelling fees and charges)	\$30.00

Section II. Commercial/Industrial Building Permits

A. Structural Permits—Valuation shall be calculated in accordance with OAR 918-050-0110.

1. Permit Fee	
Permit fees from calculation of total valuation from the square footage of the improvement	
\$1-\$500	\$18.75
\$501-\$2,000	\$18.75 plus \$2.89 per \$C over \$5C to \$2K
\$2,001-\$25,000	\$62.10 plus \$11.54 per \$K over \$2K to \$25K
\$25,001-\$50,000	\$327.52 plus \$8.58 per \$K over \$25K to \$50K
\$50,001-\$100,000	\$542.02 plus \$5.77 per \$K over \$50K to \$100K
\$100,001 and up	\$830.52 plus \$4.88 per \$K over \$100K
Minimum permit fee	\$75.00 <u>\$100.00</u>
2. Initial Plan Review Fees	65% of the permit fee
3. Plan Review Fees Required/Requested by Changes, Additions, Revisions	\$70.00 <u>\$75.00</u> /hr. (1 hr. min.)
4. Fire and Life Safety Plan Review Fee (commercial only)	40% of structural permit fee (Based on valuation of total improvements or \$50.00/hr. to review a Fire and Life Safety Master Plan) (Hourly charge must be approved by Applicant)
5. Seismic Site Hazard Report Review	1% of total structural and mechanical fees

B. Mechanical Permits—Valuation shall be calculated on the value of the equipment and installation costs.

1. Use this section for commercial installation, replacement or relocation of nonportable mechanical equipment or mechanical work not covered previously. Indicate the value of all mechanical labor, materials, and equipment.	
Permit Fee:	
\$1 to \$5,000 <u>\$6,500</u>	\$60.00 <u>\$85.00</u>
\$5,001 <u>\$6,501</u> to \$10,000	\$60.00 <u>\$85.00</u> plus \$1.74 <u>\$1.73</u> per \$C over \$5K <u>\$6.5K</u>
\$10,001 to \$100,000	\$145.50 plus \$10.50 per \$K over \$10K
\$100,001 and up	\$1,090.50 plus \$7.25 per \$K over \$100K
Minimum permit fee	\$60.00 <u>\$85.00</u>
2. Plan review fee	25% of mechanical permit fee
3. Plan Review Fees Required/Requested by Changes, Additions, Revisions	\$70.00 <u>\$75.00</u> /hr. (1 hr. min.)

C. Plumbing Permits

1. Each fixture Additions, Alterations, and Repairs	\$16.75 <u>\$18.00</u> /fixture
2. Utilities per 100 feet	\$62.00 <u>\$65.00</u>
a. Catch basin	\$27.00 <u>\$28.00</u>
b. Drywells each	\$27.00 <u>\$28.00</u>
c. Footing drain (per 100 lin. ft.)	\$53.00 <u>\$56.00</u>
d. Rain drain connector	\$27.00 <u>\$28.00</u>
e. Manholes each	\$53.00 <u>\$56.00</u>
3. Interior Piping (per 100 lin. ft.)	\$62.00 <u>\$65.00</u>
4. Building Sewers (per 100 lin. ft.) (DELETED, SAME AS #2 ABOVE)	\$62.00

- 5. **Initial Plan Review Fees** 30% of the Plumbing permit fees
- 6. **Plan Review Fees Required/Requested by Changes, Additions, Revisions** ~~\$70.00~~ \$75.00/hr. (1 hr. min.)
- 7. **Minimum permit fee**..... ~~\$60.00~~ \$85.00
- 8. **Medical Gas Permits:** Valuation shall be calculated on the value of the equipment and installation costs.
Medical Gas Permit Fees:
 \$1-\$5,000 ~~\$6,500~~ ~~\$60.00~~ \$85.00
 \$5,001-\$6,501-\$10,000 ~~\$60.00~~ \$85.00 plus ~~\$1.74~~ \$1.73 per \$C over ~~\$5K~~ \$6.5K
 \$10,001-\$100,000 \$145.50 plus \$10.50 per \$K over \$10K
 \$100,001 and up..... \$1,090.50 plus \$7.25 per \$K over \$100K
 Minimum permit fee..... ~~\$60.00~~ \$85.00

D. Other Inspections and Fees

- 1. **Inspections outside of normal business hours**..... \$98.00/hr. (min. charge 2 hrs.)
 (Must be preapproved by applicant)
- 2. **Inspections for which no fee is specifically indicated**..... ~~\$68.00~~ \$75.00/hr.
 (Must be preapproved by applicant)
- 3. **Reinspection fee**..... ~~\$58.00~~ \$60.00/hr.
- 4. **Replacement sheets** \$23.00/sheet
- 5. **The minimum fee shall be**..... ~~\$50.00~~ \$85.00
- 6. **Investigation fee** Amount of subject permit fee
- 7. **Temporary Certificate of Occupancy** \$180.00
- 8. **Change of use/occupancy** \$300.00

E. Deferred Submittal Fee (in addition to project plan review fee)
 (OAR 918-050-0170)..... \$250.00 + 10% of deferred item permit fee
 per deferred submittal (minimum \$300.00)

F. Phased Permit Fee (in addition to project plan review fee)
 (OAR 918-050-0160)..... \$250.00 + 10% of total project permit fee per phase
 (minimum \$300.00, not to exceed \$1,500 per phase)

Section III. Permit Related Fees

- A. A State surcharge shall be collected in an amount as required by State law.
- ~~B. Electrical permit fees shall be as adopted in Resolution 19-2003, adopted by the City Council on May 6, 2003 (effective July 1, 2003) with the following exceptions:~~
 - ~~1. The state surcharge shall be the amount required by State law as noted in Section III.A of this resolution.~~
 - ~~2. The Minor Labels program will be deleted as required by SB 512 and SB 587.~~
- C. **House Building Moving/Demolition Permits**
 2,000 sq. ft. or less \$78.00
 Each additional 1,000 sq. ft. \$38.00
 Plan Review Fee..... 65% of the permit fee
- D. **Prefabricated Structures**(Per current permit fees)
- E. **Temporary Structures**.....(Per current permit fees)

F. Manufactured Dwelling Parks and Mobile Home Parks	Per current State of Oregon permit fee (OAR. Division 650. Table 1) plus 30%
G. Recreational Parks and Organizational Camps	Per current State of Oregon permit fee (OAR. Division 650. Table 1) plus 30%
H. Miscellaneous Building Valuations	
1. Retaining Walls	
To 8 ft. high, including footing	\$254.00/lin. ft.
Over 8 ft. high	\$276.00/lin. ft.
2. Fences	
Over 6 ft. to 8 ft. high	\$15.00/lin. ft.
3. Concrete Slabs on Grade Foundations —For house moves, modular buildings, pole buildings, etc.	
Plain concrete:	
4-in. slab	\$3.00/sq. ft.
5-in. slab	\$3.10/sq. ft.
6-in. slab	\$3.25/sq. ft.
Reinforced concrete	Add \$1.15/sq. ft.
4. Crawl Space Foundations	
For house moves, modular, etc.	\$7.50/sq. ft.
5. Accessory Buildings	
With floor slab	\$55.00/sq. ft.
Without floor slab	\$28.00/sq. ft.
6. Pole Buildings	
Up to and including 14-ft. eave height	\$32.00/sq. ft.
Over 14-ft. eave height	\$45.00/sq. ft.
For insulation:	
Roof—add	\$.35/sq. ft.
Slab—add	\$.35/sq. ft.
Wall—add	\$.35/sq. ft.
For slabs on grade	see Section III.H.3 for fees
7. Swimming Pools (pool only/deck extra)	
Concrete or gunite	\$70.00/sq. ft.
Plastic below ground	\$45.00/sq. ft.

Section IV. In-Fill and Grading

A. In-Fill and Grading Permit Fees	
50 cubic yards or less 1-50 cubic yards	No charge \$100.00
51 to 100 cubic yards	\$35.00 \$150.00
101 to 1,000 cubic yards	\$45.00 \$200.00
1,001 to 10,000 cubic yards	\$65.00 \$250.00
10,001 cubic yards or more	Total hourly cost*
*Cost to include supervision, overhead, equipment, hourly wages, and benefits of employees involved	
B. In-Fill and Grading Plan Review Fees	
50 cubic yards or less 1-50 cubic yards	No charge \$100.00
51 to 100 cubic yards	\$35.00 \$150.00
101 to 1,000 cubic yards	\$45.00 \$200.00
1,001 to 10,000 cubic yards	\$65.00 \$250.00
10,001 cubic yards or more	Total hourly cost*
*Cost to include supervision, overhead, equipment, hourly wages, and benefits of employees involved	

C. Other Inspections and Fees

- 1. **Inspections outside normal business hours** \$75.00/hr. (min. charge 2 hrs.)
- 2. **Reinspection fee** \$75.00/hr.
- 3. **Inspections for which no fee is specifically indicated** \$75.00/hr.

Section V. Penalties⁵ (each day that a violation exists is a separate offense)

- Violation of vacant building standards (Ord. #1464, adopted 1980)..... up to \$300
- Interference with fire control device (Ord. #1515, adopted 1982) up to \$750
- Swimming pool barrier violation (Ord. #1430, adopted 1979) up to \$100 per week⁶
- Building relocation violation (Ord. #1952, adopted 2005)..... not less than \$1,000
- Failure to comply with stop work order (Ord. #1881, adopted 2000) up to \$1,000
- Any violation of Title 15 for which a specific penalty has not been expressly provided up to \$1,000
(Ord. #2011, adopted 2010)

Section VI. Specialty Code Penalty

A. Penalty

- Violation of various Specialty Codes (building, plumbing, mechanical, electrical) up to \$1,000 per day, (max. \$5,000)
(Ord. #1814, adopted 1997, and Ord. #2011, adopted 2010)

B. Fee

- Appeal of Specialty Code violation \$250
(Ord. #2011, adopted 2010)

⁵ All violations of the Municipal Code (except Specialty Code penalty) are additionally subject to the abatement fee and the general penalty for third or subsequent violations. See the **Code Enforcement** section for complete information.

⁶ Each week that this violation exists is a separate offense.

ENGINEERING

Inspections and Permits

Right-of-Way Inspection Permit.....	\$150
Right-of-Way Use Permit.....	\$30
Subdivision Const. Inspect. (Street/Sewer/Water/Storm Sewer).....	5.5% of Total Const. Cost (min. \$500)
Public Impvts. Const. Inspection (Comml./Ind./Misc. Dev.).....	5.5% of Total Const. Cost (min. \$500)
Street Opening Inspection Fee	\$85
Right-of-way/Street Opening Reinspection (beyond standard of 2 for R-O-W and 1 for street opening).....	\$85
Street Opening Deposit.....	\$1,500 (Performance bond amount at discretion of City Engineer)
Right-of-Way Usage for Wireless Communication Facility.....	\$250/month per antenna per utility pole
<u>Sewer Inspection (residential).....</u>	<u>\$100</u>
Sewer Dye Test	\$100
Moving Buildings.....	\$200 + \$65/hr. staff time + \$1,000 deposit

Tree Removal

<u>Tree Removal Appeal Hearing (FEE MOVED HERE FROM PLANNING, AND REDUCED).....</u>	<u>\$500-\$250</u>
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Materials (Engineering)

Public Works Standards	\$30
Sewer TV Inspection Tape	\$25

Electronic Drawings

Paper—all sizes	\$5 per sheet plus \$45/hr. for additional work
Other format.....	\$7
Reproduction charges	\$1 for first page/\$.10 each additional page

Printed and Electronic Maps (GIS)

Standard selection of GIS maps

Full Sheet (34" x 44").....	\$45
1/2 Sheet (22" x 34").....	\$35
1/4 Sheet (17" x 22").....	\$25
1/8 Sheet (11" x 17").....	\$15
Electronic file (via electronic mail in PDF, JPG, GIF or TIF formats)	\$15
Electronic file (for mailed media, which includes postage, handling and media charges).....	\$22

Aerial maps

Full Sheet (34" x 44").....	\$50
1/2 Sheet (22" x 34").....	\$40
1/4 Sheet (17" x 22").....	\$30
1/8 Sheet (11" x 17").....	\$20
Electronic file (via electronic mail in PDF, JPG, GIF or TIF formats)	\$15
Electronic file (for mailed media, which includes postage, handling and media charges).....	\$22

Custom maps:

Flat charge per hour plus cost of materials	\$55
Electronic file (for mailed media, which includes postage, handling and media charges).....	\$7

Erosion Control

Erosion Prevention and Sediment Control Planning and Design Manual (CD)	\$10
Minimum Charge for Clearing/Construction*	\$75
Minimum charge applies if:	
• Over 500 sq. ft. of disturbed soil	
• Not in or around a sensitive area (NR Zone, wetlands, conservancies, and streams)	
• Value of structure/remodel doesn't exceed \$20,000	
Clearing/Construction for Single-Family Residential.....	\$380
Rate if certified in erosion control**	\$225
Clearing/Construction for Multifamily Residential	\$490
Rate if certified in erosion control**	\$335
	(additional \$40 per ½ acre over 1 acre)
Clearing/Construction for Subdivision/Commercial/Industrial.....	\$623
Rate if certified in erosion control**	\$467
	(additional \$40 per ½ acre over 1 acre)
Additional Site Visit (due to code enforcement).....	\$65

*Erosion control certification discount does not apply

**Certification requires 4 hours of training in erosion control every 2 years

Penalties⁷ (each day that a violation exists is a separate offense)

Violation of capital improvement regulations (Ord. #1707, adopted 1991)	up to \$500
Basketball hoop regulation violation (Ord. #1503, adopted 1981, and Ord. #1405, adopted 1978)	up to \$250
Vegetation too low in the right-of-way (Ord. #1999, adopted 2009)	up to \$100
Clear vision violation (Ord. #1679, adopted 1990)	up to \$250
Failure to repair sidewalk (Ord. #1697, adopted 1991)	up to \$250
Sidewalk bench violation (Ord. #1503, adopted 1981, and Ord. #1289, adopted 1974).....	up to \$100
Failure to remove street bench after permit termination (Ord. #1289, adopted 1974)	\$25
Flood hazard violation (Ord. #1983, adopted 2008, and Ord. #1899, adopted 2002).....	up to \$1,000
Access management violation (Ord. #2004 adopted 2009)	up to \$250
Right-of-way encroachment (Ord. #2004 adopted 2009, and Ord. #1866 adopted 2000)	up to \$250
Erosion control violation (Ord. #1899 adopted 2002).....	up to \$300

⁷ All violations of the Municipal Code are additionally subject to the Code Enforcement abatement fee and the general penalty for third or subsequent violations. See the **Code Enforcement** section for complete information.

SYSTEM DEVELOPMENT CHARGES & CONSTRUCTION EXCISE TAXES

Transportation System Development Charge

Trip generation rates for each land use type are derived from the Institute of Transportation (ITE) report Trip Generation (7th Edition, 2003). Trip rates are expressed as vehicle trips entering and leaving a property during the p.m. peak travel period.

Transportation SDC..... \$1611.30 per trip

Stormwater System Development Charge

Stormwater unit is equal to 2,706 square feet of impervious surface on the property. Each single-family residential property is 1 stormwater unit.

Stormwater SDC:

Reimbursement.....\$275.06 per stormwater unit
 Improvement..... \$781.92 per stormwater unit
 Administration.....\$81.39 per stormwater unit
TOTAL\$1,138.37 per stormwater unit

Wastewater System Development Charge

A wastewater unit is equal to 16 fixture units derived from Table 7-3 of the Oregon Plumbing Specialty Code. Each residential dwelling unit is 1 wastewater unit.

Wastewater SDC:

Reimbursement.....\$327 per wastewater unit
 Improvement.....\$566 per wastewater unit
TOTAL\$893 per wastewater unit

Water System Development Charge

Meter Size	Reimbursement	Improvement	Administration	TOTAL
5/8"x3/4"	\$506.86	\$421.35	\$71.08	\$999.30
3/4"x3/4"	\$760.29	\$632.03	\$106.63	\$1,498.94
1"	\$1,267.15	\$1,053.38	\$177.71	\$2,498.24
1.5"	\$2,534.29	\$2,106.76	\$355.42	\$4,996.48
2"	\$4,054.87	\$3,370.82	\$568.67	\$7,994.36
3"	\$8,109.74	\$6,741.64	\$1,137.34	\$15,988.72
4"	\$12,671.47	\$10,533.81	\$1,777.10	\$24,982.38
6"	\$25,342.95	\$21,067.61	\$3,554.19	\$49,964.75
8"	\$40,548.71	\$33,708.18	\$5,686.71	\$79,943.60
10"	\$58,288.78	\$48,455.51	\$8,174.65	\$114,918.93
12"	\$114,043.26	\$94,804.25	\$15,993.87	\$224,841.38

Parks and Recreation System Development Charge

Collected for the North Clackamas Parks and Recreation District (adopted Clackamas Board of County Commissioners, Ordinance 09-2007, Oct. 25, 2007)

Parks and Recreation SDC:

Single-Family Residential	\$3,985 per dwelling unit
Multifamily Residential.....	\$3,608 per dwelling unit
Nonresidential	\$60 per employee*

* Number of employees calculated according to type of business and building square feet
See: <http://www.clackamas.us/transportation/planning/sdc.htm#psdc>

School Construction Excise Tax

Collected for North Clackamas School District (adopted North Clackamas School District, December 6, 2007)

School Construction Excise Tax:

Residential.....	\$1 per square foot
Commercial	\$0.50 per square foot*

*Total commercial fee capped at \$25,000 per project. Private schools, public improvements, low-income (HUD) housing, hospitals, religious facilities, and agricultural buildings are exempt.

Construction under 1,000 square feet exempted.

Metro Construction Excise Tax

Collected for Metro (adopted Metro Council, Ordinance 06-1115, March 23, 2006, effective July 1, 2006; extended Metro Council, Ordinance 09-1220, June 11, 2009)

Metro Construction Excise Tax..... \$0.12 per \$100 of permit value

*Permits for construction projects valued at \$100,000 or less will be exempted from this tax as well as permits for development of affordable housing units and permits issued to 501(c)(3) nonprofit organizations for other projects aimed at serving low-income populations. Permits for construction valued at more than \$10 million will be assessed a flat \$12,000 fee (0.12 percent of \$10 million).

UTILITIES

Monthly Rates

Wastewater and Water

UTILITY	RESIDENTIAL		LOW-INCOME		COMMERCIAL	
	Fixed (per unit)	Volume Charge (per CCF of water consumption)	Fixed (per unit)	Volume Charge (per CCF of water consumption)	Fixed (per account)	Volume Charge (per CCF of water consumption)
Wastewater ¹ Res. #52-2005 effective March 1, 2011	\$10.41	\$2.95	\$5.20	\$1.47	\$10.41	\$4.13
Temp. Wastewater Surcharge ² Res. #89-2010 effective Dec. 21, 2010	NA	\$1.00	NA	\$0.00	NA	\$1.00
Water Res. #2-2004 effective July 1, 2010	\$3.90 ³	\$1.77	exempt	\$1.77	\$3.90 ³	\$1.77

¹ Residential wastewater volume charge is determined by the average monthly water usage from the November thru February water bills.

² Wastewater surcharge will be lifted pending wholesale agreement with Clackamas County Service District No. 1.

³ Fixed water rate of \$3.90 is for a 3/4" meter or smaller. The base rates for larger meters are as follows:

Commercial/Multifamily Meters		Standby Meters for Fire Flow Purposes	
Meter Size	Monthly Base Rate	Meter Size	Monthly Base Rate
1"	\$5.44	2"	\$5.80
1.5"	\$8.77	4"	\$20.90
2"	\$13.62	6"	\$30.43
3"	\$33.58	8"	\$41.32
4"	\$57.71	10"	\$52.19
6"	\$85.16	12"	\$63.07

Stormwater and Streets

UTILITY	SINGLE-FAMILY RESIDENTIAL ¹	LOW-INCOME	COMMERCIAL
Stormwater Res. #15-2005 effective July 1 2009	\$9.90	\$4.95	\$9.90 per 2,706 sq. ft. of impervious area
Street Maintenance Ord. #1966 effective July 1, 2007	\$3.35	Exempt	\$.35 per daily trip generated ²

¹ Full billing cycle rates for other residential categories are:

Rates for Other Residential Categories	
Residential Category	Rates
Multifamily residential	\$2.10 per unit
Elderly housing	\$1.40 per unit
Mobile homes	\$1.40 per unit
Congregate care	\$.70 per unit

² Commercial daily trip generation is calculated based on type of use and building square feet. Monthly bill is capped at \$250. (Municipal Code Section 3.25.060.)

Other Charges

Water

Service and Equipment

Connect Service 5/8" or 3/4" Residential Service	\$2,460
Connect Service 1"	\$2,547
Connect Service 1 1/2"	\$2,923
Connect Service 2"	\$3,067

Equipment

3/4" Meter	\$208
1" Meter	\$301
1 1/2" Meter	\$510
2" Meter	\$625
Hydrant Meter Deposit	\$2000
	(Refundable less water usage)

Miscellaneous

Delinquent Account—Past Due Notice	\$5
Delinquent Account—Notice of Termination	\$5
Shut-off/Turn-on	\$30
After-hours Restoration of Service (reduced from \$120 by authorization of City Manager on 3/11/11) (Monday-Friday 5:00-8:00 p.m.; Saturday and Sunday 8:00 a.m.-5:00 p.m.)	\$80
Information Research	\$44/hr.
Reimbursement District Fee	To be determined by scope of project

Penalties⁸ (each day that a violation exists is a separate offense)

Low income utility rate violation (Ord. #1424, adopted 1979)	up to \$200
Water, wastewater, or storm system regulation violation	\$25 to \$500
(Ord. #1418, adopted 1978, Ord. #1548, adopted 1983, and Ord. #1755, adopted 1994)	
Sewer violation (Ord. #1548, adopted 1983)	maximum \$500
FOG violation (Ord. #1990, adopted 2008, Ord. #1985, adopted 2008, and Ord. #1972, adopted 2007)	maximum \$500

⁸ All violations of the Municipal Code are additionally subject to the Code Enforcement abatement fee and the general penalty for third or subsequent violations. See the **Code Enforcement** section for complete information.

BUSINESS REGISTRATION

Fees and charges

Standard base fee	\$110
New business commencing between July 1 and December 31	\$55
Change in business ownership fee	\$10
Fee for each FTE	\$5
Delinquent Registration.....	\$10% of base fee each calendar month and fraction thereof delinquent
Temporary Business (2 weeks or less)	\$25
Duplicate receipt	\$10

Penalties⁹ (each day that a violation exists is a separate offense)

Violation of business registration requirements (Ord. #1863, adopted 1999, and Ord. #1349, adopted 1976).....	up to \$200
Failure to secure motor vehicle fuel sales permit (Ord. #1970, adopted 2007)	200% penalty on tax owed
Failure to file monthly motor vehicle fuel sales report (Ord. #1970, adopted 2007).....	\$50
Late payment of motor vehicle fuel sales tax (Ord. #1970, adopted 2007).....	1% or 10% of tax (depending upon length of delinquency)
Violation of “Milwaukie Junk Dealers, Secondhand Dealers, Pawnbrokers and Transient Merchants Ordinance” (Ord. #1552, adopted 1983).....	up to \$300

PARKING

Monthly Permit.....\$20

PARKING BAIL SCHEDULE (Res. #46-2009, adopted 2009) If bail is not posted by the court date the fine will be doubled (Ord. #2005, adopted 2009, Ord. #1997, adopted 2009, Ord. #1728, adopted 1993, and Ord. #1361, adopted 1977)			
Abandoned Vehicle	\$50.00	No Parking Zone/Prohibited	\$50.00
Angle Parking	\$15.00	On Crosswalk/Sidewalk	\$35.00
Bicycle Lane	\$20.00	Over 1 Ft. from Curb	\$15.00
Blocking Driveway	\$50.00	Over Space Line	\$15.00
Block Rule	\$25.00	Overtime Parking	\$25.00
Bus Zone	\$20.00	Overtime Parking 5 or more	\$30.00
Double Parking	\$20.00	Permit Only Parking	\$30.00
During Prohibited Times	\$50.00	Taxi Zone	\$20.00
Emergency/Safety Zone	\$50.00	Tow Away Zone	\$50.00
Fire Hydrant	\$50.00	Traffic Hazard	\$50.00
Five or More Unpaid Violations	\$50.00	Trucks—2 Hr. Limit	\$50.00
Handicapped Zone	\$250.00	Wrong Side of Street	\$15.00
Loading Zone	\$20.00		

⁹ All violations of the Municipal Code are additionally subject to the Code Enforcement abatement fee and the general penalty for third or subsequent violations. See the **Code Enforcement** section for complete information.

POLICE

Permits/Licenses

Adult Business	\$372
Alarm Permit—Residential (seniors 60+ exempt from fee requirement)	\$15
Alarm Permit—Business	\$21
Gun Background Check.....	\$21
Liquor License (Original Application)	\$108
Liquor License (Name or other change)	\$83
Liquor License (Renewal Application).....	\$36
Liquor License (Temporary License)	\$10/day per type of alcohol: beer, wine, or distilled spirits

Police Reports

Dispatch Tape Copy	\$26
Video Tape Copy	\$31
Police Report	\$15
Copy of Field Contact Report (FCR card).....	\$5
Photo CD	\$15

(Additional research charges may apply for unusual/complex requests)

Police Services

False Alarm Response (first three)	No charge
False Alarm Response (each alarm after third).....	\$160
Vehicle Impound	\$50
Fingerprinting	\$10
Loud Party Response—first response	Warning
Loud Party Response—second response and/or each subsequent response in 24-hr. period	\$50
Fire and Emergency Services fee (Ord. #1764, adopted 1994).....	Actual cost

Penalties¹⁰ (each day that a violation exists is a separate offense)

Penalties

Traffic violation penalty	at least 50% of maximum under Oregon Statute (Ord. #1922, adopted 2003)
Weapon discharge violation (Ord. #1515, adopted 1982).....	up to \$750
Public consumption of alcohol (Ord. #1746, adopted 1993)	up to \$250
Failure to pay Fire and Emergency Services fee (Ord. #1767, adopted 1994, and Ord. #1764, adopted 1994).....	up to \$300
Security alarm violation (Ord. #1568, adopted 1984)	maximum \$500

Fee

Traffic citation fee (Ord. #1900, adopted 2002).....	\$10 (in addition to penalty)
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¹⁰ All violations of the Municipal Code are additionally subject to the Code Enforcement abatement fee and the general penalty for third or subsequent violations. See the **Code Enforcement** section for complete information.

CODE ENFORCEMENT

Penalties¹¹ (each day that a violation exists is a separate offense)

Penalties

General penalty (applies to any Municipal Code violation where no other penalty is specified).....	\$150 to \$500
<small>(Ord. #1935, adopted 2004, Ord. #1758, adopted 1994, and Ord. #1591, adopted 1986)</small>	
Third or subsequent violation (applies to any Municipal Code violation).....	\$1,000
<small>(Ord. #1935, adopted 2004, Ord. #1758, adopted 1994, and Ord. #1591, adopted 1986)</small>	
Nuisance violation (Ord. #1503, adopted 1981, and Ord. #1028, adopted 1964).....	maximum \$500
Shopping cart retrieval programmatic violation (Ord. #1980, adopted 2008).....	maximum \$500
Noise control violation (Ord. #1528, adopted 1982).....	maximum \$500
Adult business code violation (Ord. #1533, adopted 1982).....	maximum \$500
Public urination or defecation (Ord. #1953, adopted 2005).....	up to \$750
Curfew violation (Ord. #1503, adopted 1981, and Ord. #995, adopted 1963).....	up to \$300
Failure to retrieve shopping cart within 72 hours (Ord. #1980, adopted 2008).....	\$50
Solid waste regulation/unfranchised violation (Ord. #1955, adopted 2005).....	up to \$100

Fee

Abatement fee (applies to any Municipal Code violation citation).....	\$50
<small>(Ord. #1998, adopted 2009, Ord. #1758, adopted 1994, and Ord. #1659, adopted 1989)</small>	

¹¹ All violations of the Municipal Code are additionally subject to the Code Enforcement abatement fee and the general penalty for third or subsequent violations. See the **Code Enforcement** section for complete information.

LIBRARY

Charges

Microfilm Copies	\$0.10
Photocopies:	
Black and White	\$0.10
Color	\$0.90
Non-District citizen library use	\$95/yr

Fines

Overdue Fine (all materials):	
• Adult	\$0.25/day (\$3 max.)
• Juvenile	\$0.10/day (\$1 max.)
Barcode.....	\$1
Book Jacket	\$2
Barcode and Book Jacket.....	\$3
Audiobook Cassette or CD	\$7
Audiobook and CD-ROM case	\$5
Juvenile Kit—Plastic Bag	\$3
Media Cases:	
Cover sheet	\$1
Video Box	\$1
DVD Case	\$1
CD Case	\$2
CD and CD-ROM booklets	\$3
Missing Pages and Booklets	Refer to Librarian
Lost Item	Actual Retail Cost
Damaged Material	Replacement Cost
Lost Library Card	\$1
Public Computer Printing	First 5 free then \$0.10 per page

MISCELLANEOUS

Photocopies

Staff Assisted/Research Required:

Black and White	\$0.30
Color	\$1

Unassisted:

Black and White	\$0.05
Color	\$0.75

Other Copying/Service

Audio tape	\$10
Video tape	\$20
Transcription (per hour)	\$30
Electronic files on CD-ROM	\$5

(Includes \$2 for postage & handling. Additional research charges may apply.)

Photographs

Color photos on photo quality paper	\$3 per page
Color photos on standard copy paper	\$1 per page

Financial Reports

Comprehensive Annual Financial Report	\$45
Annual Adopted Budget	\$45

Miscellaneous

Sidewalk Bench annual fee	\$74
Sidewalk Use—Vendor Fee	\$10
Major Community Event	Actual Direct Cost
Block Party—Misc. Event	Actual Direct Cost
Temporary Event/Block Party	Actual Direct Cost
Returned Check Charge	\$30
Lien Search	\$27
Postage and Handling	\$2 + postage cost

RECYCLING

Down to Earth Day

Automobile Load	\$2
Station Wagon	\$2
Small Pickup	\$5
Standard Pickup	\$6
Large Truck	\$8
Small Trailer	\$5
Large Trailer	\$6
Unmounted Tires (each)	\$1.50
Residual Solid Waste Permit Registration	\$100
Residual Solid Waste Tonnage Fee	\$2.80/ton

TELECOMMUNICATIONS

Registration fee	\$36
Franchise review deposit	\$5,000
Community Service Use—Wireless Communication Facility (see PLANNING fees)	
Right-of-Way Usage for Wireless Communication Facility (see ENGINEERING fees)	

BILLABLE HOURLY RATES

Unless otherwise specified, the City employee billable hourly rate shall be calculated as 2.5 times the employee's hourly pay rate, to the nearest \$5 increment. This calculation shall be used to recover costs for those services billed on an hourly basis, including but not limited to professional services such as planning, engineering, public works, utility, financial, legal, and police services. The use of a multiplier of 2.5 is intended to recover all overhead, training, benefits, and other costs associated with a City employee's time. Any work performed during overtime hours shall be billed the calculated hourly rate multiplied by 125 percent. A schedule of hourly billing rates will be maintained. The City Manager or Department Directors are authorized to adjust calculated billings to reflect the impact of unusual circumstances or situations.

6.
OTHER BUSINESS



To: Mayor and City Council

Through: Bill Monahan, City Manager
Kenneth Asher, Community Development and Public Works Director
Katie Mangle, Planning Director

From: Li Alligood, Assistant Planner

Subject: Expedited Annexations in Northeast Sewer Extension Project Area
(Annexation Assistance Program Batch #2)

Date: May 31, 2011, for June 7, 2011, Regular Session

ACTION REQUESTED

Approve application A-10-04, an expedited annexation petition, and adopt the attached ordinance and associated findings in support of approval (Attachment 1). Approval of this application would result in the following actions:

- Annexation of 18 properties (“Annexation Properties”) into the City of Milwaukie through the City’s Annexation Assistance Program. (See Attachments 2 and 3.)
- Application of City land use and zoning designations to the Annexation Properties.
- Amendments to the City’s Land Use Map and Zoning Map to reflect the City’s new boundary and land use and zoning designations.
- Withdrawal of all Annexation Properties from the following urban service providers and districts:
 - Clackamas County Service District for Enhanced Law Enforcement
 - Clackamas County Service District No. 5 for Street Lights

HISTORY OF PRIOR ACTIONS AND DISCUSSIONS

October 2010: Council approved annexations of 32 properties as part of Annexation Assistance Program Batch #1 (Ordinance 2019).

May 2010: Council approved a two-year Annexation Assistance Program for properties that meet certain eligibility requirements (Resolution 38-2010).

January 2010: Council annexed the rights-of-way in the Northeast Sewer Extension (NESE) Project Area making all properties in this area contiguous to the City limits and eligible for annexation (Ordinance 2010).

September 2009: Council initiated annexation of the rights-of-way in the NESE Project Area by resolution (Resolution No. 58-2009).

August 2009: Staff briefed Council on the status of the NESE Project and the need to annex the rights-of-way in this area.

July 1990: Clackamas County Order No 90-726 established an Urban Growth Management Agreement (UGMA) in which the City and County agreed to coordinate the future delivery of services to the unincorporated areas of North Clackamas County. With respect to Dual Interest Area “A”, the agreement states: *“The City shall assume a lead role in providing urbanizing services.”*

BACKGROUND

Annexation Assistance Program

Council approved a 2 ½-year Annexation Assistance Program in May 2010. The purpose of this program is to: (1) encourage property owners to connect to sewer in the NESE Project Area by making the annexation process as easy and affordable as possible, and (2) enable the City to process multiple annexations at one time making efficient use of staff resources and reducing the City’s overall costs per annexation.

The City advertised the program at two NESE Project open houses in May 2010, through a postcard mailing in July 2010, and on the City’s website. Property owners were given until August 6, 2010 to participate in the first batch of assisted annexations (Batch #1); 32 properties were annexed as part of Batch #1.

In advance of the second batch of assisted annexations, the City advertised the program at a NESE Project open house in March 2011. The submission timeline for the second batch of annexations was August 9, 2010, to April 1, 2011. Nineteen properties submitted applications for the second batch of annexations (Batch #2). One application was withdrawn.

In order to be eligible for annexation assistance, property owners were required to meet the following three eligibility criteria:

- Maintain the same or City-equivalent zoning designation upon annexation.
- Operate a conforming use on the property upon annexation.
- Meet the expedited petition requirements for annexation initiation, which requires consent from all property owners and at least one half of all registered voters residing at the property.

Proposal

Eighteen properties, composed of 23 tax lots, propose to annex to the City through the City’s Annexation Assistance Program to access City sewer. Two of these properties have already connected to the City sewer due to failing septic systems. These connections were completed through the City’s emergency connection process, which requires property owners to submit a

complete annexation application; pay or establish a payment schedule for the connection fees; and sign a “Consent to Annex” form.

Table 1 below summarizes the Annexation Properties’ current zoning designations in the County and the City-equivalent land use and zoning designations that would automatically be applied to the Annexation Properties upon annexation.

Table 1: City-Equivalent Zoning and Land Use Designations

Tax Map ID	Address	County Zoning	City-Equivalent	
			Zoning	Land Use
1. 1S2E30AA06200	5702 SE Westfork St	R7	R-7	Low Density
2. 1S2E30DA10200	5972 SE Hazel Pl	R10	R-10	Low Density
3. 1S2E30AD06200 & 6300	6005 SE Laurel St	R7	R-7	Low Density
4. 1S2E30DA02000 & 2200	6011 SE Hazel Pl	R10	R-10	Low Density
5. 1S2E30DD03300	10011 SE Wichita Ave	R10	R-10	Low Density
6. 1S2E30DA05000	5903 SE Hazel Pl	R10	R-10	Low Density
7. 1S2E30DA01200	9509 SE Wichita Ave	R10	R-10	Low Density
8. 1S2E30DA10700	5945 SE Hill St	R10	R-10	Low Density
9. 1S2E30DA10800	5940 SE Hill St	R10	R-10	Low Density
10. 1S2E30DB00100	5620 SE Firwood St	R7	R-7	Low Density
11. 1S2E30DC03200	10117 SE Stanley Ave	R10	R-10	Low Density
12. 1S2E30AC01000	9415 SE Stanley Ave	R7	R-7	Low Density
13. 1S2E30AD06600 & 6500	6020 SE Johnson Creek Blvd	R7	R-7	Low Density
14. 1S2E30DD04300	9917 SE Hollywood Ave	R10	R-10	Low Density
15. 1S2E30DA01900 & 2300	6030 SE Cedar St	R10	R-10	Low Density
16. 1S2E30AC01100	5707 SE Firwood St	R7	R-7	Low Density
17. 1S2E30DA01902	6040 SE Cedar St	R10	R-10	Low Density
18. 1S2E30DD08600 & 8500	10200 SE Hollywood Ave	R10	R-10	Low Density

Site and Vicinity

The Annexation Properties are contiguous to the existing city limits through either their adjacency to private property within the city limits or City of Milwaukie right-of-way. The Annexation Properties are also within the City’s urban growth management area (UGMA).

The Annexation Properties are located throughout the NESE Project Area. This area is primarily developed with single-family residential uses with some commercial and industrial uses around the area’s perimeter, particularly along King Rd and Johnson Creek Blvd.

Annexation Petition

All property owners and a majority of the electors residing at the Annexation Properties have signed an annexation petition. As a result, the petition is initiated by the “Consent of All Owners of Land” method and meets the requirements for initiation set forth in Oregon Revised Statutes

(ORS) Section 222.125, Metro Code Section 3.09.040, and MMC Subsection 19.1102.2.A.1. Compliance with these requirements is detailed in Attachment 1 Exhibit A.

The petition is being processed as an expedited annexation at the request of the Annexation Properties' owners. Under the expedited process, a City land use and zoning designation is automatically applied to the Annexation Properties upon annexation.¹

Pursuant to City, regional, and State regulations on expedited annexations, all necessary parties, interested persons, and residents and property owners within 400 feet of the Annexation Properties were notified of these proceedings. A public hearing is not required for an expedited annexation; however, Council must adopt an ordinance to implement the annexation.

Annexation is a multi-step process. It requires approval by City Council, processing by Metro, and then filing by the Secretary of State. Annexations become effective the date they are filed by the Secretary of State, which occurs approximately four to eight weeks after City Council approval.

Expedited Annexation Approval Criteria

Expedited annexations must meet the approval criteria of Milwaukie Municipal Code Section 19.1102.3. Compliance with the following criteria is detailed in Attachment 1 Exhibit A.

- A. The subject site must be located within the City's urban growth management area (UGMA);
- B. The subject site must be contiguous to the existing city limits;
- C. The requirements of Oregon Revised Statutes for initiation of the annexation process must be met;
- D. The proposal must be consistent with Milwaukie Comprehensive Plan Policies;
- E. The proposal must comply with the criteria of Metro code Sections 3.09.050 (d) and, if applicable, (e).

Expedited annexations must also meet the following provisions of Metro Code Section 3.09.045. Compliance with these criteria is detailed in Attachment 1 Exhibit A.

- (1) Find that the change is consistent with expressly applicable provisions in:
 - (A) Any applicable urban service agreement adopted pursuant to ORS 195.205;
 - (B) Any applicable annexation plan adopted pursuant to ORS 195.205;
 - (C) Any applicable cooperative planning agreement adopted pursuant to ORS 195.020 (2) between the affected entity and a necessary party;
 - (D) Any applicable public facility plan adopted pursuant to a statewide planning goal on public facilities and services;
 - (E) Any applicable comprehensive plan.

¹ Per Milwaukie Municipal Code Table 19.1104.1.E Zoning and Land Use Designations for Boundary Changes, the City automatically assigns a City land use and zoning designation based on a property's existing zoning designation in the County.

- (2) Consider whether the boundary change would:
- (A) Promote the timely, orderly and economic provision of public facilities and services;
 - (B) Affect the quality and quantity of urban services; and
 - (C) Eliminate or avoid unnecessary duplication of facilities and services.

Utilities, Service Providers, and Service Districts

The City is authorized by ORS Section 222.120 (5) to withdraw the Annexation Properties from non-City service providers and districts upon annexation of the property to the City. This allows for a more unified and efficient delivery of urban services to newly annexed properties and is in keeping with the City's Comprehensive Plan policies relating to annexation.

Wastewater: The Annexation Properties are within the City's sewer service area pursuant to the 1990 City-County Urban Growth Management Agreement and will be served by the City's new sewer system once they are connected. Two of the Annexation Properties have already connected to City sewer through the emergency sewer connection process.

Water: One Annexation Property, namely 10117 SE Stanley Ave (Tax Map ID 1S2E30DC03200), is not in the Clackamas River Water (CRW) district. It is currently served by City water. The City has an 8-inch water main in Stanley Ave that can adequately continue to serve this property. The remaining 17 properties are within the CRW district and currently served by CRW. Pursuant to the City's IGA with CRW, none of these properties are to be withdrawn from the district at this time. They are to remain in the CRW district and continue to be served by CRW until such time as the City's IGA with CRW is amended or renegotiated.

Storm: The Annexation Properties are not connected to a public storm water system. Treatment and management of on-site storm water will be required when new development occurs. Most of the streets in this area are also not connected to a public storm water system. In the fall of 2010, storm water swales were installed as a part of the NESE project at key locations to reduce ponding.

Fire: The Annexation Properties are currently served by Clackamas County Fire District No. 1 and will continue to be served by this fire district upon annexation since the entire City and surrounding area is within this district.

Police: The Annexation Properties are currently served by the Clackamas County Sheriff's Department and are within the Clackamas County Service District for Enhanced Law Enforcement, which provides additional police protection to the area. The City has its own police department, and this department can adequately serve the Annexation Properties. In order to avoid duplication of services, the properties should be withdrawn from Clackamas County Service District for Enhanced Law Enforcement upon annexation.

Street Lights: The Annexation Properties are currently within Clackamas County Service District No. 5 for Street Lights (the “District”).² The City took jurisdiction of the streets in the NESE Project Area, but not the lights, since none of the properties were in the city at that time. This, however, is expected to change as these and other annexations occur in the area. In anticipation of these changes, City and District staff are working on an IGA that would: (1) transfer the street lights in this area to the City, and (2) transfer the street light payments that will continue to be collected in this area by the District to the City.

It has been the City’s practice to remove properties from the District upon annexation, as the City provides street lighting for properties within the city as part of its package of city services. Staff believes that it is timely and appropriate to remove the Annexation Properties from the District at this time. Even though the street lights in this area are currently operated by the District, the District supports the City’s removal of the Annexation Properties from the District with the understanding that a future IGA will resolve the transfer of the street lights and payments in this area to the City.

Other Services: Planning, Building, Engineering, Code Enforcement, and other municipal services are available through the City and will be available to serve these properties upon annexation. The Annexation Properties will continue to receive services and remain within the boundaries of certain regional and county service providers, such as Tri-Met, North Clackamas School District, Vector Control District, etc.

CONCURRENCE

Community Development, Engineering, and Planning have been working closely with Clackamas River Water and Clackamas County Service District No. 5 for Street Lights throughout this annexation process. Both of these service providers concur with the withdrawals being proposed as part of these annexation proceedings.

The Finance, Engineering, and Operations Supervisors agree with the approach currently under discussion with Clackamas County Service District No. 5 for Street Lights regarding the transference of the street lights in this area to the City.

Community Development, Community Services, Engineering, and Planning have been working together on the NESE Project for almost two years. Annexation of properties in this area is a desired and expected outcome of this sewer project.

All City departments, necessary parties, interested persons, and residents and property owners within 400 feet of the site were notified of these annexation proceedings as required by City, regional, and State regulations. The City did not receive any objection to the proposed annexation by any necessary party.

FISCAL IMPACT

The Annexation Properties have a total Assessed Value of \$2,327,629 and will generate approximately \$9,473 in property taxes annually for general purposes to the City of Milwaukie. Within the general fund for fiscal year 2012, the estimated general fund costs allocable to these

² Not all streets in this area have street lights and only those properties on streets with lights are billed by the County for this service. Seven of the 18 Annexation Properties are currently billed by the District for street lighting.

properties that may be recoverable from property taxes is estimated at \$8,715. This represents a net contribution to the general fund of approximately \$758.³

Since the Annexation Properties are within Clackamas County's Urban Renewal district, their property tax contribution will remain at the above amount until they are removed from the district. As a result, the City will realize a decreasing relative contribution to the general fund through fiscal year 2015, when property tax revenue will approximate allocable net costs. Beginning in fiscal year 2016, and until the property is released from the urban renewal district, property taxes received from these properties are anticipated to be less than the allocable net costs to provide general fund services.

The Annexation Properties will generate storm water and wastewater utility revenue. The estimated costs to provide these utility services will be offset by the rate revenue generated from the annexed properties.

The Annexation Properties will also generate approximately \$2,043 annually in state gas tax revenue (as a result of the additional population) and \$674 annually in street maintenance revenue, both of which are dedicated to street-related costs incurred by the City. Staff is in the process of creating a maintenance plan for the streets in this area. As such, it is not yet known whether the revenue generated by the Annexation Properties will meet the costs of maintaining the streets in this area.⁴

WORK LOAD IMPACTS

Workload impacts will be minimal and will likely include, but are not limited to, the following: utility billing, provision of general governmental services, and the setting up and maintenance of property records.

ALTERNATIVES

The application is subject to Milwaukie Comprehensive Plan Chapter 6 City Growth and Governmental Relationships, Oregon Revised Statutes Chapter 222 City Boundary Changes, Metro Code Chapter 3.09 Local Government Boundary Changes, and MMC Chapter 19.1100 Annexations and Boundary Changes.

The City Council has two decision-making options:

1. Approve the application and adopt the ordinance and findings in support of approval.
2. Deny the application and adopt findings in support of denial.

³ The impact of state shared revenues, e.g., liquor and cigarette taxes, franchise revenue, and other non-property tax revenue, is reflected in the general fund analysis.

⁴ Almost all of the streets in this area were recently overlaid as part of the NESE Project. The cost for these recent street improvements will be borne by these and future Annexation Properties when they pay their proportionate share of the project costs upon connection to the new sewer system.

ATTACHMENTS

1. Annexation Ordinance
 - Exhibit A. Findings in Support of Approval
 - Exhibit B. Legal Description and Tax Maps
2. Annexation Site Map
3. Annexation Property List

ATTACHMENT 1

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF MILWAUKIE ANNEXING MULTIPLE TRACTS OF LAND INTO THE CITY LIMITS OF THE CITY OF MILWAUKIE AND WITHDRAWING THEM FROM SEVERAL SERVICE DISTRICTS AS DESCRIBED BELOW.

(FILE #A-10-04).

WITHDRAWAL OF THE FOLLOWING TRACTS OF LAND IDENTIFIED BELOW BY TAX MAP I.D. NUMBER AND STREET ADDRESS FROM THE TERRITORY OF CLACKAMAS COUNTY SERVICE DISTRICT FOR ENHANCED LAW ENFORCEMENT AND CLACKAMAS COUNTY SERVICE DISTRICT NO. 5 FOR STREET LIGHTS:

- | | |
|--------------------------|----------------------------|
| 1. 1S2E30AA06200 | 5702 SE Westfork St |
| 2. 1S2E30DA10200 | 5972 SE Hazel Pl |
| 3. 1S2E30AD06200 & 6300 | 6005 SE Laurel St |
| 4. 1S2E30DA02000 & 2200 | 6011 SE Hazel Pl |
| 5. 1S2E30DD03300 | 10011 SE Wichita Ave |
| 6. 1S2E30DA05000 | 5903 SE Hazel Pl |
| 7. 1S2E30DA01200 | 9509 SE Wichita Ave |
| 8. 1S2E30DA10700 | 5945 SE Hill St |
| 9. 1S2E30DA10800 | 5940 SE Hill St |
| 10. 1S2E30DB00100 | 5620 SE Firwood St |
| 11. 1S2E30DC03200 | 10117 SE Stanley Ave |
| 12. 1S2E30AC01000 | 9415 SE Stanley Ave |
| 13. 1S2E30AD06600 & 6500 | 6020 SE Johnson Creek Blvd |
| 14. 1S2E30DD04300 | 9917 SE Hollywood Ave |
| 15. 1S2E30DA01900 & 2300 | 6030 SE Cedar St |
| 16. 1S2E30AC01100 | 5707 SE Firwood St |
| 17. 1S2E30DA01902 | 6040 SE Cedar St |
| 18. 1S2E30DD08600 & 8500 | 10200 SE Hollywood Ave |

WHEREAS, the territory proposed for annexation is contiguous to the City's boundary and is within the City's urban growth management area; and

WHEREAS, the requirements of the Oregon Revised Statutes for initiation of the annexation were met by providing written consent from a majority of electors and all owners of land in the territory proposed for annexation; and

WHEREAS, the territory proposed for annexation lies within the territory of Clackamas River Water, Clackamas County Service District No. 5 for Street Lights, and Clackamas County Service District for Enhanced Law Enforcement; and

WHEREAS, the annexation and withdrawals are not contested by any necessary party; and

WHEREAS, the annexation was processed through the City's Annexation Assistance Program established by Resolution 38-2010; and

WHEREAS, the annexation will promote the timely, orderly, and economic provision of public facilities and services; and

WHEREAS, Table 19.1104.1.E of the Milwaukie Municipal Code provides for the automatic application of City zoning and Comprehensive Plan land use designations; and

WHEREAS, the City conducted a public meeting and mailed notice of the public meeting as required by law; and

WHEREAS, the City prepared and made available an annexation report that addressed all applicable criteria, and, upon consideration of such report, the City Council favors annexation of the tracts of land and withdrawal from all applicable service districts based on findings and conclusions attached hereto as Exhibit A;

NOW, THEREFORE, THE CITY OF MILWAUKIE DOES ORDAIN AS FOLLOWS:

Section 1. The Findings in Support of Approval and attached as Exhibit A are hereby adopted.

Section 2. The tracts of land described and depicted in Exhibit B are hereby annexed to the City of Milwaukie.

Section 3. The tracts of land annexed by this ordinance and described in Section 2 are hereby withdrawn from Clackamas County Service District for Enhanced Law Enforcement and Clackamas County Service District No. 5 for Street Lights.

Section 4. The tracts of land annexed by this ordinance and described in Section 2 are hereby assigned the following Municipal Code zoning and Comprehensive Plan land use designations.

Tax Map ID	Address	Zoning	Land Use
1. 1S2E30AA06200	5702 SE Westfork Ave	R-7	Low Density
2. 1S2E30DA10200	5972 SE Hazel Pl	R-10	Low Density
3. 1S2E30AD06200 & 6300	6005 SE Laurel St	R-7	Low Density
4. 1S2E30DA02000 & 2200	6011 SE Hazel Pl	R-10	Low Density
5. 1S2E30DD03300	10011 SE Wichita Ave	R-10	Low Density
6. 1S2E30DA05000	5903 SE Hazel Pl	R-10	Low Density
7. 1S2E30DA01200	9509 SE Wichita Ave	R-10	Low Density
8. 1S2E30DA10700	5945 SE Hill St	R-10	Low Density
9. 1S2E30DA10800	5940 SE Hill St	R-10	Low Density
10. 1S2E30DB00100	5620 SE Firwood St	R-7	Low Density
11. 1S2E30DC03200	10117 SE Stanley Ave	R-10	Low Density
12. 1S2E30AC01000	9415 SE Stanley Ave	R-7	Low Density
13. 1S2E30AD06600 & 6500	6020 SE Johnson Creek Blvd	R-7	Low Density
14. 1S2E30DD04300	9917 SE Hollywood Ave	R-10	Low Density

- | | | | |
|--------------------------|------------------------|------|-------------|
| 15. 1S2E30DA01900 & 2300 | 6030 SE Cedar St | R-10 | Low Density |
| 16. 1S2E30AC01100 | 5707 SE Firwood St | R-7 | Low Density |
| 17. 1S2E30DA01902 | 6040 SE Cedar St | R-10 | Low Density |
| 18. 1S2E30DD08600 & 8500 | 10200 SE Hollywood Ave | R-10 | Low Density |

Section 5. The City shall immediately file a copy of this ordinance with Metro and other agencies required by Metro Code Chapter 3.09.030 and ORS 222.005 and 222.177. The annexation and withdrawals shall become effective upon filing of the annexation records with the Secretary of State as provided by ORS 222.180.

Read the first time on _____, and moved to second reading by _____ vote of the City Council.

Read the second time and adopted by the City Council on _____.

Signed by the Mayor on _____.

Jeremy Ferguson, Mayor

ATTEST:

APPROVED AS TO FORM:
Jordan Schrader Ramis PC

Pat DuVal, City Recorder

City Attorney

Document1 (Last revised 09/18/07)

FINDINGS IN SUPPORT OF APPROVAL

Expedited Annexations in NE Sewer Extension Project Area
(Annexation Assistance Program Batch #2)
File# A-10-04

Based on the expedited annexation staff report for Annexation Assistance Program Batch #2, the Milwaukie City Council finds:

1. The Annexation Properties consist of 18 properties composed of 23 tax lots for a total area of 7.15 acres. They are identified below by tax map ID number and street address.

Tax Lot ID	Address
1S2E30AA06200	5702 SE Westfork St
1S2E30DA10200	5972 SE Hazel Pl
1S2E30AD06200 & 6300	6005 SE Laurel St
1S2E30DA02000 & 2200	6011 SE Hazel Pl
1S2E30DD03300	10011 SE Wichita Ave
1S2E30DA05000	5903 SE Hazel Pl
1S2E30DA01200	9509 SE Wichita Ave
1S2E30DA10700	5945 SE Hill St
1S2E30DA10800	5940 SE Hill St
1S2E30DB00100	5620 SE Firwood St
1S2E30DC03200	10117 SE Stanley Ave
1S2E30AC01000	9415 SE Stanley Ave
1S2E30AD06600 & 6500	6020 SE Johnson Creek Blvd
1S2E30DD04300	9917 SE Hollywood Ave
1S2E30DA01900 & 2300	6030 SE Cedar St
1S2E30AC01100	5707 SE Firwood St
1S2E30DA01902	6040 SE Cedar St
1S2E30DD08600 & 8500	10200 SE Hollywood Ave

2. The Annexation Properties are contiguous to the existing city limits through either their adjacency to private property within the city limits or recently annexed public right-of-way. They are within the City's Urban Growth Management Area (UGMA) and are located throughout the NE Sewer Extension (NESE) Project Area. The NESE Project Area is primarily developed with single-family residential uses with some commercial and industrial uses around the area's perimeter, particularly along King Rd and Johnson Creek Blvd.
3. The Annexation Properties seek annexation to the City to access City services, namely sewer service. Two of the Annexation Properties have already connected to City sewer through the emergency connection process.

4. The annexation petition was initiated by Consent of All Owners of Land between August 9, 2010, and April 1, 2011. It meets the requirements for initiation set forth in ORS 222.125, Metro Code Section 3.09.040, and Milwaukie Municipal Code (MMC) Subsection 19.1102.2.A.1.
5. The annexation petition was processed and public notice was provided in accordance with ORS Section 222.125, Metro Code Section 3.09.045, and MMC Section 19.1104.
6. The annexation petition is being processed as an expedited annexation at the request of the Annexation Properties' owners. It meets the expedited annexation procedural requirements set forth in MMC Section 19.1104.
7. The expedited annexation process provides for automatic application of City land use and zoning designations to the Annexation Properties based on their existing zoning designations in the County pursuant to MMC Table 19.1104.1.E. Table 1 below summarizes the Annexation Properties' automatic land use and zoning designations upon annexation.

Table 1: Automatic Zoning and Land Use Designations

Tax Map ID	Address	County Zoning	City-Equivalent	
			Zoning	Land Use
1. 1S2E30AA06200	5702 SE Westfork St	R7	R-7	Low Density
2. 1S2E30DA10200	5972 SE Hazel Pl	R10	R-10	Low Density
3. 1S2E30AD06200 & 6300	6005 SE Laurel St	R7	R-7	Low Density
4. 1S2E30DA02000 & 2200	6011 SE Hazel Pl	R10	R-10	Low Density
5. 1S2E30DD03300	10011 SE Wichita Ave	R10	R-10	Low Density
6. 1S2E30DA05000	5903 SE Hazel Pl	R10	R-10	Low Density
7. 1S2E30DA01200	9509 SE Wichita Ave	R10	R-10	Low Density
8. 1S2E30DA10700	5945 SE Hill St	R10	R-10	Low Density
9. 1S2E30DA10800	5940 SE Hill St	R10	R-10	Low Density
10. 1S2E30DB00100	5620 SE Firwood St	R7	R-7	Low Density
11. 1S2E30DC03200	10117 SE Stanley Ave	R10	R-10	Low Density
12. 1S2E30AC01000	9415 SE Stanley Ave	R7	R-7	Low Density
13. 1S2E30AD06600 & 6500	6020 SE Johnson Creek Blvd	R7	R-7	Low Density
14. 1S2E30DD04300	9917 SE Hollywood Ave	R10	R-10	Low Density
15. 1S2E30DA01900 & 2300	6030 SE Cedar St	R10	R-10	Low Density
16. 1S2E30AC01100	5707 SE Firwood St	R7	R-7	Low Density
17. 1S2E30DA01902	6040 SE Cedar St	R10	R-10	Low Density
18. 1S2E30DD08600 & 8500	10200 SE Hollywood Ave	R10	R-10	Low Density

8. The applicable City approval criteria for expedited annexations are contained in MMC 19.1502.3. They are listed below with findings in italics.
 - A. The subject site must be located within the City's urban growth management area (UGMA);
The Annexation Properties are within the City's UGMA.
 - B. The subject site must be contiguous to the existing city limits;
The Annexation Properties are contiguous to the existing city limits along their frontages.
 - C. The requirements of Oregon Revised Statutes for initiation of the annexation process must be met;
All property owners and at least one half of all registered voters residing at the Annexation Properties consented to the annexation by signing the annexation petition. Staff confirmed property ownership through Clackamas County Assessment and Taxation and voter registration through Clackamas County Elections Division. As submitted, the annexation petition meets the Oregon Revised Statutes requirements for initiation pursuant to the "Consent of All Owners of Land" initiation method.
 - D. The proposal must be consistent with Milwaukie Comprehensive Plan Policies;
Chapter 6 of the Comprehensive Plan contains the City's annexation policies. Applicable annexation policies include: (1) delivery of City services to annexing areas where the City has adequate services, and (2) requiring annexation in order to receive a City service. Annexation will make these properties eligible to connect to the City's new sewer system. As proposed, the annexation is consistent with Milwaukie Comprehensive Plan policies.
 - E. The proposal must comply with the criteria of Metro code Sections 3.09.050 (d) and, if applicable, (e).
The annexation proposal is consistent with applicable Metro Code sections for expedited annexations as described below.
9. Prior to approving an expedited annexation, the City must apply the provisions contained in Section 3.09.045 of the Metro Code. They are listed below with findings in italics.
 - (1) Find that the change is consistent with expressly applicable provisions in:

- (A) Any applicable urban service agreement adopted pursuant to ORS 195.205;

There are no applicable urban service agreements adopted pursuant to ORS 195 in the area of the proposed annexation. The City, however, has an UGMA agreement with Clackamas County that states that the City will take the lead in providing urban services in the area of the proposed annexation. Pursuant to this agreement, the City has recently constructed a new sewer system in this area. Annexation will make these properties eligible to connect to this system.

- (B) Any applicable annexation plan adopted pursuant to ORS 195.205;

There are no applicable annexation plans adopted pursuant to ORS 195 in the area of the proposed annexation.

- (C) Any applicable cooperative planning agreement adopted pursuant to ORS 195.020 (2) between the affected entity and a necessary party;

There are no applicable cooperative planning agreements adopted pursuant to ORS 195 in the area of the proposed annexation.

- (D) Any applicable public facility plan adopted pursuant to a statewide planning goal on public facilities and services;

Clackamas County completed a North Clackamas Urban Area Public Facilities Plan in 1989 in compliance with Goal 11 of the Land Conservation and Development Commission for coordination of adequate public facilities and services. The City subsequently adopted this plan as an ancillary Comprehensive Plan document. The plan contains four elements:

- *Sanitary Sewerage Services*
- *Storm Drainage*
- *Transportation Element*
- *Water Systems*

The proposed annexation is consistent with the four elements of this plan as follows:

Sewer: The City is the identified sewer service provider in the area of the proposed annexation and has recently completed construction of a public sewer system that can adequately serve the Annexation Properties.

Storm Drainage: The City will require on-site management of storm water runoff at the time of development and will regulate direct

storm water discharge to Johnson Creek.

Transportation: The City will require public street improvements along the Annexation Properties' frontages at the time of development.

Water: Clackamas River Water (CRW) is the identified water service provider in this plan. However, the City's more recent UGMA agreement with the County identifies the City as the lead urban service provider in the area of the proposed annexation. The City is in the process of developing a water service master plan for all of the territory within its UGMA and discussing possible service provision changes with CRW. In the meantime, CRW will continue to provide water service to the Annexation Properties, with one exception. See Finding 10 for more detail on the one Annexation Property not currently served by CRW.

- (E) Any applicable comprehensive plan.

The proposed annexation is consistent with the Milwaukie Comprehensive Plan, which is more fully described on the previous page. The Clackamas County Comprehensive Plan contains no specific language regarding City annexations. It does, however, contain the City-County UGMA agreement, which identifies the area of the proposed annexation as being within the City's UGMA. The UGMA agreement requires that the City notify the County of proposed annexations, which the City has done. The agreement also calls for City assumption of jurisdiction of local streets that are adjacent to newly annexed areas. The City has already annexed and taken jurisdiction of the streets in the NESE Project Area.

- (2) Consider whether the boundary change would:

- (A) Promote the timely, orderly and economic provision of public facilities and services;

The City is the identified urban service provider in the area of the proposed annexation, and the proposed annexation will facilitate the timely, orderly, and economic provision of urban services to the Annexation Properties.

The City has recently completed a public sewer system in this area. Annexation will make these properties eligible to connect to this system.

The majority of properties in this area is currently served by CRW and will continue to be served by CRW until such time as the IGA between the City and CRW is amended or renegotiated.

(B) Affect the quality and quantity of urban services; and
Annexation of the Annexation Properties is not expected to affect the quality or quantity of urban services in this area given the surrounding level of urban development and the existing level of urban service provision in this area.

(C) Eliminate or avoid unnecessary duplication of facilities and services.

The site will be served by the Milwaukie Police Department upon annexation. In order to avoid duplication of law enforcement services, the site will be withdrawn from the Clackamas County Service District for Enhanced Law Enforcement.

The majority of properties in this area is currently served by CRW and will continue to be served by CRW until such time as the IGA between the City and CRW is amended or renegotiated. In the meantime, the City does not intend to duplicate CRW's existing water supply system or withdraw private properties currently being served by CRW from the CRW district. See Finding 10 for more detail on the one Annexation Property not currently served by CRW.

10. The City is authorized by ORS Section 222.120 (5) to withdraw annexed territory from non-City service providers and districts upon annexation of the territory to the City. This allows for more unified and efficient delivery of urban services to newly annexed properties and is in keeping with the City's Comprehensive Plan policies relating to annexation.

Wastewater: The Annexation Properties are within the City's sewer service area pursuant to the 1990 City-County Urban Growth Management Agreement and will be served by the City's new sewer system once it is completed later this year. Two of the properties have already connected to the City sewer through the emergency connection process.

Water: One Annexation Property, namely 10117 SE Stanley Ave (Tax Map ID 1S2E30DC03200), is not in the Clackamas River Water (CRW) district. It is currently served by City water. The City has an 8-inch water main in Stanley Ave that can adequately continue to serve this property. The remaining 17 properties are within the CRW district and currently served by CRW. Pursuant to the City's IGA with CRW, none of these properties are to be withdrawn from the district at this time. They are to remain in the CRW district and continue to be served by CRW until such time as the City's IGA with CRW is amended or renegotiated.

Storm: The Annexation Properties are not connected to a public storm water system. Treatment and management of on-site storm water will be required when

new development occurs. Most of the streets in this area are also not connected to a public storm water system. In the fall of 2010, storm water swales were installed as a part of the NESE project at key locations to reduce ponding.

Fire: The Annexation Properties are currently served by Clackamas County Fire District No. 1 and will continue to be served by this fire district upon annexation since the entire City and surrounding area is within this district.

Police: The Annexation Properties are currently served by the Clackamas County Sheriff's Department and are within the Clackamas County Service District for Enhanced Law Enforcement, which provides additional police protection to the area. The City has its own police department, and this department can adequately serve the Annexation Properties. In order to avoid duplication of services, the properties should be withdrawn from Clackamas County Service District for Enhanced Law Enforcement upon annexation.

Street Lights: The Annexation Properties are currently within Clackamas County Service District No. 5 for Street Lights (the "District").¹ The City recently took jurisdiction of the streets in the NESE Project Area but not the lights since none of the properties were in the city at this time. This, however, is expected to change as this and other annexations occur in this area. In anticipation of these changes, City and District staff are working on an IGA that would: (1) transfer the street lights in this area to the City, and (2) transfer the street light payments that will continue to be collected in this area by the District to the City.

It has been the City's practice to remove properties from the District upon annexation, as the City provides street lighting for properties within the city as part of its package of city services. Staff believes that it is timely and appropriate to remove the Annexation Properties from the District at this time. Even though the street lights in this area are currently operated by the District, the District supports the City's removal of the Annexation Properties from the District with the understanding that a future IGA will resolve the transference of the street lights and payments in this area to the City.

Other Services: Planning, Building, Engineering, Code Enforcement, and other municipal services are available through the City and will be available to serve these properties upon annexation. The Annexation Properties will continue to receive services and remain within the boundaries of certain regional and county service providers, such as Tri-Met, North Clackamas School District, Vector Control District, etc.

¹ Not all streets in this area have street lights and only those properties on streets with lights are billed by the County for this service. Seven of the 18 Annexation Properties are currently billed by the District for street lighting.

ATTACHMENT 1
Exhibit B(1)

ANNEXATION TO THE CITY OF MILWAUKIE
Properties in the NE Sewer Extension Project Area
File #A-10-04

LEGAL DESCRIPTIONS

PARCEL 1 (1-2E-30AA-6200)

A parcel of land in Section 30, Township 1 South, Range 2 East, of the Willamette Meridian, being part of Lot 14, Block 28, DARLINGTON PLAT 4, a duly recorded subdivision in Clackamas County, Oregon, and more particularly described as follows:

BEGINNING at Northwest corner of said Lot 14;

Thence Southeasterly along the Southerly right-of-way line of SE West Fork Street (Howard Street), 60 feet;

Thence Southwesterly to a point on the Southerly line of said Lot 14, which bears South 79° 21' 30" East along said Southerly line, 56 feet from the Southwest corner of said Lot 14;

Thence North 79° 21' 30" West, 56 feet to said Southwest corner of said Lot 14;

Thence North along the West line of said Lot 14, 171.27 feet to an exterior angle corner in the West line of said Lot 14:

Thence North 36° 52' East along the Westerly line of said Lot 14, 25 feet, more or less, to the point of beginning.

PARCEL 2 (1-2E-30AC-1000 and 1100)

A parcel of land in the Hector Campbell DLC in Section 30, Township 1 South, Range 2 East, of the Willamette Meridian, Clackamas County, Oregon, being more particularly described as follows:

BEGINNING at the Northeast of Tract 3, LOGUS TRACTS, a duly recorded subdivision in Clackamas County, Oregon, which is also the Southeast corner of Tract 2 of said LOGUS TRACTS;

Thence North along the East line of said Tract 2, 104.00 feet;

Thence East, 130.00 feet to the True Point of Beginning;

Thence continuing East, 130.00 feet to the West right-of-way line of SE Stanley Avenue;

Thence South along the West right-of-way line of SE Stanley Avenue, 104.00 feet;

Thence West, 130.00 feet;

Thence North parallel with the West right-of-way line of SE Stanley Avenue, 104.00 feet to the point of beginning.

EXCEPT THEREFROM the South 10 feet conveyed to Clackamas County for road purposes in Book 116, Page 315, Clackamas County Deed Records.

PARCEL 3 (1-2E-30AD-6200, 6300, 6500 and 6600)

A parcel of land in the Hector Campbell DLC in Section 30, Township 1 South, Range 2 East, of the Willamette Meridian, Clackamas County, Oregon, being more particularly described as follows:

BEGINNING at a 2-inch iron pipe in the center line of SE Laurel Street on the East line of HOLLYWOOD PARK, a duly recorded subdivision in Clackamas County, Oregon;

Thence North 89° 43' East on an extension of the center line of said SE Laurel Street, 24.9 feet to an iron pipe at the Northwest corner of Block 9, HOLLYWOOD PARK ANNEX, a duly recorded subdivision in Clackamas County, Oregon;

Thence North 57° 58' 38" East, 123.56 feet;

Thence North 89° 43' East parallel with and 65 feet Northerly from the North line of said HOLLYWOOD PARK ANNEX and extension of said SE Laurel Street, 89.24 feet to the most Easterly Southeast corner of a tract of land conveyed to the Public by Book 493, Page 165, recorded as Recorder's Fee No. 55-3925, Clackamas County Deed Records, and the TRUE POINT OF BEGINNING of the tract herein described;

Thence North 0° 58' West along the Easterly line of said tract conveyed to the Public, 60 feet;

Thence along the Northerly line of said tract conveyed to the Public South 89° 43' West, 60 feet;

Thence continuing along the line of said tract conveyed to the Public South 0° 58' East, 20 feet;

Thence along the Northerly line of said tract conveyed to the Public South 89° 43' West, 40.17 feet;

Thence along the Northwesterly line of said tract conveyed to the Public South 57° 58' 38" West, 139.68 feet, more or less, to a point on the Easterly line of the aforementioned HOLLYWOOD PARK that is 32.22 feet North of the iron pipe in the center of SE Laurel Street;

Thence Northerly along the Easterly line of said HOLLYWOOD PARK, 165.78 feet, more or less, to the Northeast corner thereof and the center of Johnson Creek;

Thence Easterly along the center of Johnson Creek, 10 feet, more or less, to the Southwest corner of Lot 6, ALDERHURST, a duly recorded subdivision in Clackamas County, Oregon;

Thence Northerly along the Westerly line of said Lot 6 and the Westerly line of Lot 5 of said ALDERHURST, 450.60 feet to the Northwest corner of said Lot 5;

Thence South 65° 40' East along the Northerly line of said Lot 5 and the Northerly line of said ALDERHURST, 163.34 feet to a point on the Northerly extension of the Easterly line of Lot 4 of said ALDERHURST;

Thence South 24° 20' West along the Northerly extension of the Easterly line of said Lot 4 and the Easterly line of said Lot 4, 230.00 feet to the Southeast corner of said Lot 4 and a point on the Northerly line of the aforementioned Lot 6;

Thence Southeasterly along the Northerly line of said Lot 6, 50.00 feet to the Southwest corner of Lot 3 of said ALDERHURST and a point that is 50.00 feet from the Northeast corner of said Lot 6;

Thence Southwesterly parallel with the Easterly line of said Lot 6 and 50.00 feet distant therefrom, 176.00 feet, more or less, to the Southerly line of said Lot 6 and the center of Johnson Creek;

Thence Easterly along the center line of Johnson Creek, 254 feet, more or less, to the Northwest corner of a tract of land conveyed to Ellen E Anderson by Deed Volume 226, Page 448, Clackamas county Deed Records;

Thence Southerly along the West line of said Anderson tract, 176 feet, more or less, to a point which is 65 feet North of the North line of the afore mentioned plat of HOLLYWOOD PARK ANNEX and the Northeast corner of a tract of land conveyed to Peter J. Heinrichs, et ux, by Deed Book 491, Page 179, Clackamas County Deed Records;

Thence South 89° 43' West along the North line of said Heinrichs' tract, 62 feet, more or less, to the point of beginning.

TOGETHER WITH that portion of vacated unnamed public road extending off SE Laurel Street and SE Hollywood Avenue, which inured thereto by virtue of Order No. 93-413, as recorded May 20, 1993 in Recorder's Fee No. 93-33893.

EXCEPTING THEREFROM that portion that lies South of the Easterly extension of the North line of SE Laurel Street and West of the Northerly extension of the East line of SE Hollywood Avenue.

PARCEL 4 (1-2E-30DA-1200, 1900, 1902, and 2300)

A parcel of land in the Hector Campbell DLC, in Section 30, Township 1 South, Range 2 East, of the Willamette Meridian, Clackamas County, Oregon, being more particularly described as follows:

BEGINNING at the southeasterly corner of that certain tract of land described in the deed from T.S. Mullen and wife to School District 119, recorded in Book 109, Page 128, Clackamas County Deed Records;

Thence running northerly along the westerly right-of-way line of SE Wichita Avenue (aka SE 60th Avenue), 2254 feet to the TRUE POINT OF BEGINNING of the tract of land herein described;

Thence Westerly along the North line of said tract, 300 feet;

Thence South parallel with the West right-of-way line of said SE Wichita Avenue, 100 feet to a point on the North line of Parcel I of a tract of land conveyed to Harry W. Schantin, et ux, in Book 667, Page 664, Clackamas County Deed Records;

Thence Westerly along the Northerly line of said Parcel I of said Schantin tract and the Northerly line of Parcel II of said Schantin tract, 145 feet, more or less, to the Easterly line of HOLLYWOOD PARK, a duly recorded subdivision in Clackamas County, Oregon;

Thence Southerly along said Easterly boundary of HOLLYWOOD PARK, 20.00 feet to the Northwest corner of that tract of land conveyed to Robert Wiechmann in Instrument No. 72-22847, Clackamas County Deed Records;

Thence Easterly along the North line of said Wiechmann tract, 105.00 feet to the Northeast corner thereof and a point in the Westerly line of Parcel I of said Schantin tract;

Thence Southerly along the Westerly line of said Parcel I, 105.00 feet to the Northwest corner of that tract of land conveyed to Dean McEachran, et ux, in Instrument No. 72-7887, Clackamas County Deed Records;

Thence Easterly along the Northerly line of said McEachran tract and the Northerly line of the Harold D. Baumgardner, et ux, tract as described in Book 484, Page 327, Clackamas County Deed Records, 160.00 feet to the Northeast corner of said Baumgardner tract and the most Northerly and Easterly Southeast corner of said Parcel I of said Schantin tract;

Thence Northerly along the Easterly line of said Schantin tract, 125 feet to the Northeast corner thereof, said point also being the Northwest corner of tract of land conveyed to Walter Bohlman, et ux, in Book 456, Page 377, Clackamas County Deed Records;

Thence Easterly along the North line of said Bohlman tract, 180 feet to the Westerly right-of-way line of said SE Wichita Avenue;

Thence North along the Westerly right-of-way line of SE Wichita Avenue, 100 feet to the point of beginning.

PARCEL 5 (1-2E-30DA-2000 and 2200)

A parcel of land in the Hector Campbell DLC, in Section 30, Township 1 South, Range 2 East, of the Willamette Meridian, Clackamas County, Oregon, being more particularly described as follows:

BEGINNING at a point on the easterly line of HOLLYWOOD PARK, a duly recorded subdivision in Clackamas County, Oregon, that is 563 feet southerly from the northeasterly corner of said plat when measured on the easterly line thereof;

Thence southerly following the easterly line of said plat, 100 feet to the southwest corner of the tract of land conveyed to Austin Banks, et ux, by deed recorded December 27, 1945, in book 357, Page 445, Clackamas County Deed Records;

Thence continuing southerly following the easterly line of said plat a distance of 250 feet to the southwest corner of that certain tract conveyed to Gulde Investment Company, by deed recorded October 2, 1959, in Book 561, Page 810, Clackamas County Deed Records;

Thence East along the South line of said Gulde Investment Company tract and the North right-of-way line of SE Hazel Place, 55 feet to the Southeast corner of said Gulde Investment Company tract, and the TRUE POINT OF BEGINNING of the tract herein described;

Thence North along the East line of said Gulde Investment Company tract and the Northerly extension thereof, 120 feet;

Thence East parallel with the South line of the aforesaid Banks tract, 50 feet, more or less, to the east line of that certain tract of land conveyed to E.W. Andrews, et ux, by deed recorded February 25, 1952 in Book 453, Page 619, Deed Records;

Thence South along the East line of said Andrews tract, 120 feet to the Southeast corner thereof and a point on the North right-of-way line of SE Hazel Place;

Thence West along the South line of said Andrews tract and the North right-of-way line of SE Hazel Place, 50 feet, more or less, to the point of beginning.

PARCEL 6 (1-2E-30DA-5000)

A parcel of land in Section 30, Township 1 South, Range 2 East, of the Willamette Meridian, being the West three-quarters of Lot 7, Block 4, HOLLYWOOD PARK, a duly recorded subdivision in Clackamas County, Oregon.

PARCEL 7 (1-2E-30DA-10200)

A parcel of land in the Hector Campbell DLC, in Section 30, Township 1 South, Range 2 East, of the Willamette Meridian, Clackamas County, Oregon, being more particularly described as follows:

BEGINNING at the Southeasterly corner of that certain tract of land described in the deed from T.S. Mullen and wife to School District 119, recorded in Book 109, Page 128, Clackamas County Deed Records;

Thence Northerly along the Westerly right-of-way line of SE Wichita Avenue (aka SE 60th Avenue), 1774.0 feet;

Thence continuing Northerly along the Westerly right-of-way line of SE Wichita Avenue, 96 feet to the Southerly right-of-way line of SE Hazel Place;

Thence West along the Southerly right-of-way line of SE Hazel Place, 231 feet to the Northeast corner of a tract of land conveyed to Vincent T. Hart by deed recorded January 19, 1949 in Book 415, Page 740, Clackamas County Deed Records, and the TRUE POINT OF BEGINNING of the tract of land herein described;

Thence Southerly parallel with the Westerly right-of-way line of SE Wichita Avenue, 96 feet;

Thence Easterly along a line which if extended westerly would intersect the easterly line of HOLLYWOOD PARK, a duly recorded subdivision in Clackamas County, Oregon, at a point which is 1043 feet southerly from the northeasterly corner of said HOLLYWOOD PARK when measured on the easterly line thereof, a distance of 106 feet;

Thence Northerly parallel with the Westerly line of said SE Wichita Avenue, 96 feet to a point on the Southerly right-of-way line of SE Hazel Place;

Thence Westerly along the Southerly right-of-way line of SE Hazel Place, 106 feet to the point of beginning.

PARCEL 8 (1-2E-30DA-10700 and 10800)

A parcel of land in the Hector Campbell DLC, in Section 30, Township 1 South, Range 2 East, of the Willamette Meridian, Clackamas County, Oregon, being more

particularly described as follows:

BEGINNING at a point on the West right-of-way line of SE Wichita Avenue (aka SE 60th Avenue), 1288 feet north of the Southeast corner of that tract described in a deed from T.S. Mullen and wife to School District No. 119, recorded in Book 109, Page 128, Clackamas County Deed Records;

Thence West, 200 feet to the TRUE POINT OF BEGINNING of the tract herein described;

Thence continuing West, 100 feet;

Thence North parallel with the West right-of-way line of SE Wichita Avenue, 150 feet to a point on the South line of tract of land conveyed to Robert W Hensey and Darlene M Hensey, husband and wife by deed recorded April 15, 1964 in Book 638, Page 656, Clackamas County Deed Records;

Thence West along said South line of the Hensey tract, 6 feet to the Southwest Corner thereof;

Thence North along the West line of said Hensey tract, 96 feet to the Northwest corner thereof;

Thence East along the North line of said Hensey tract, 186 feet the Northeast corner thereof and the Northwest corner of a tract of land described in a deed recorded May 24, 1960 in Book 571, Page 625, Clackamas County Deed Records;

Thence South along the east line of said Hensey tract and its Southerly projection, 96 feet, more or less, to a point on the North right-of-way line of SE Hill Street, conveyed to the Public in a deed recorded June 1, 1967 in Book 691, Page 168, Clackamas County Deed Records;

Thence West along the North right-of-way line of said SE Hill Street, 100 feet to the Northwest corner of said Hill Street;

Thence South along the West end of said SE Hill Street, 50 feet to the Southwest corner of said SE Hill Street;

Thence East along the South right-of-way line of said SE Hill Street, 20 feet;

Thence South, 100 feet to the point of beginning.

PARCEL 9 (1-2E-30DB-100)

A parcel of land in the Hector Campbell DLC, in Section 30, Township 1 South, Range 2 East, of the Willamette Meridian, Clackamas County, Oregon, being more particularly described as follows:

BEGINNING at the Northeast corner of Tract 3, LOGUS TRACTS, a duly recorded subdivision in Clackamas County, Oregon;

Thence North 89° 30' East on a projection of the North line of said Tract 3, 82 feet;

Thence South 0° 46' East, 230.85 feet, more or less, to the South line of a tract of land described in Book 379, Page 576, Clackamas County Deed Records;

Thence South 89° 30' West, 82 feet, more or less, to the East boundary of the George Wills Donation Land Claim;

Thence North 0° 46' West tracing the East boundary of the George Wills Donation Land Claim 230.85 feet to the point of beginning;

EXCEPT the rights of the Public, governmental bodies, and public utilities in and to that portion of the herein described property lying within the limits of SE Firwood Street.

PARCEL 10 (1-2E-30DC-3200)

A parcel of land in the Hector Campbell DLC, in Section 30, Township 1 South, Range 2 East, of the Willamette Meridian, Clackamas County, Oregon, being more particularly described as follows:

BEGINNING at a point that is 136.1 feet East of the Northeast corner of Tract 40 of GIBSON'S SUBDIVISION OF TRACTS NUMBERED 10, 11, 12, 13 AND THE WEST 480 FT OF TRACTS NUMBERED 1 AND 2 OF THE LOGUS TRACTS, a duly recorded subdivision in Clackamas County, Oregon;

Thence East, 100.00 feet to the Westerly right-of-way line of SE Stanley Avenue;

Thence South along the Westerly right-of-way line of SE Stanley Avenue, 85.00 feet;

Thence West, 100.00 feet;

Thence North parallel with the Westerly right-of-way line of SE Stanley Avenue, 85.00 feet to the place of beginning.

EXCEPT that portion within that road deeded to the public in Book 184, Page 512, Clackamas County Deed Records.

PARCEL 11 (1-2E-30DD-3300)

A parcel of land in the Hector Campbell DLC, in Section 30, Township 1 South, Range 2 East, of the Willamette Meridian, Clackamas County, Oregon, being more particularly described as follows:

BEGINNING at a point on the Westerly right-of-way line of SE Wichita Avenue which is 877 feet North of the Southeast corner of a tract of land conveyed to School District No. 119 in Book 109, Page 128, Clackamas County Deed Records;

Thence continuing Northerly along the Westerly right-of-way line of said SE Wichita Avenue, 167 feet;

Thence West, 449.60 feet, more or less, to the Southeast corner of HOLLYWOOD PARK, a duly recorded subdivision in Clackamas County, Oregon;

Thence South on the projection of the Easterly line of said HOLLYWOOD PARK, 167 feet;

Thence East, 447 feet, more or less, to the point of beginning.

EXCEPTING THEREFROM the westerly 143.5 feet.

PARCEL 12 (1-2E-30DD-4300)

A parcel of land in the Hector Campbell DLC, in Section 30, Township 1 South, Range 2 East, of the Willamette Meridian, Clackamas County, Oregon, being more particularly described as follows:

BEGINNING at the initial point of HOLLYWOOD PARK, a duly recorded subdivision in Clackamas County, Oregon, which is also the Southwest corner of Block 8 of said HOLLYWOOD PARK and a point on the Easterly right-of-way line of SE Stanley Avenue;

Thence East along the south line of said Block 8, 231.25 feet;

Thence South parallel with the Easterly right-of-way line of said SE Stanley Avenue, 62.50 feet to the TRUE POINT OF BEGINNING of the tract herein described;

Thence continuing South parallel with the Easterly right-of-way line of said Stanley Avenue 75 feet;

Thence East parallel with the South line of said Block 8, 231.25 feet, more or less, to a point which is 12.5 feet West from the Southerly projection of the East line of said HOLLYWOOD PARK;

Thence North parallel with said projected line 75 feet;

Thence West parallel with the South line of said Block 8, 231.25 feet, more or less, to the place of beginning.

PARCEL 13 (1-2E-30DD-8500 and 8600)

A parcel of land in the Hector Campbell DLC, in Section 30, Township 1 South, Range 2 East, of the Willamette Meridian, Clackamas County, Oregon, being more particularly described as follows:

The North 60.00 feet of Lot 6, Block 12, and the South 3.00 feet of Lot 7, Block 12, HOLLYWOOD PARK ANNEX NO. 2, a duly recorded subdivision in Clackamas County.

EXCEPTING THEREFROM that portion described in a Deed to Clackamas County recorded August 21, 1953, in Book 472, Page 660, Clackamas County Deed Records.

ATTACHMENT 1 - EXHIBIT B(2)

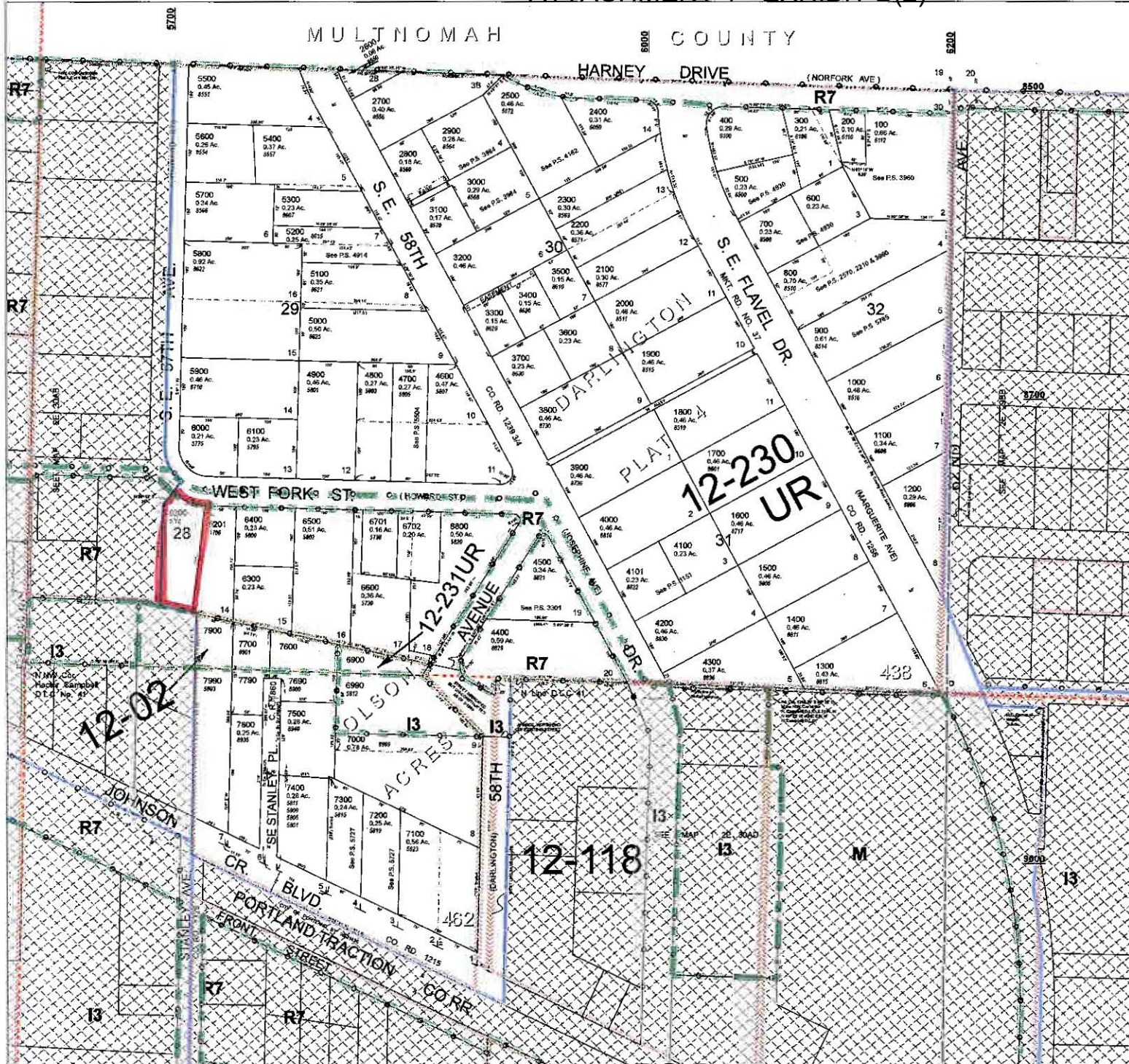
MULTNOMAH COUNTY

12 E 30 AA

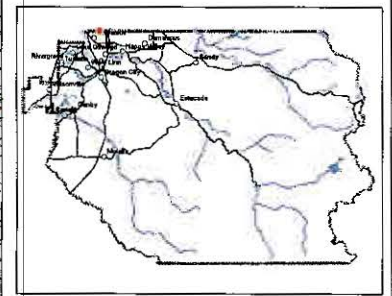
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Clackamas County
1" = 100'

D. L. C.
HECTOR CAMPBELL NO. 41

Cancelled Taxlots
6706



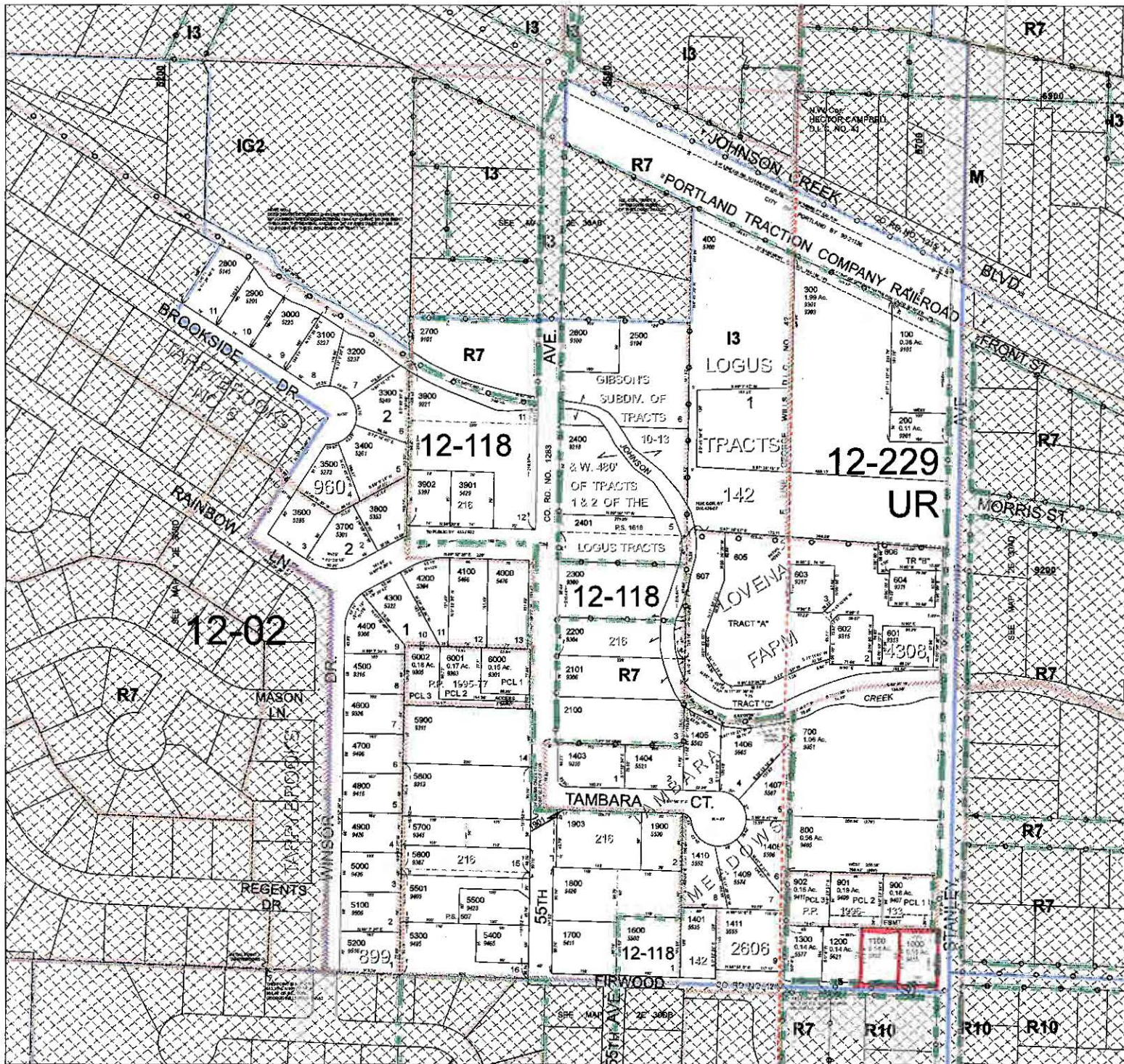
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- Private Road ROW
- - - Historical Boundary
- - - Railroad Centerline
- TaxCodeLines
- Map Index
- WaterLines
- Land Use Zoning
- Plats
- Water
- Corner
- Section Corner
- 1/16th Line
- Govt Lot Line
- DLC Line
- Meander Line
- PLSS Section Line
- Historic Corridor 40'
- Historic Corridor 20'



THIS MAP IS FOR ASSESSMENT
PURPOSES ONLY



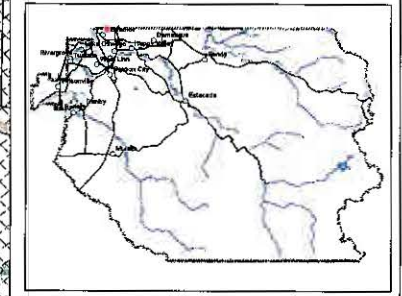
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Clackamas County
1" = 100'

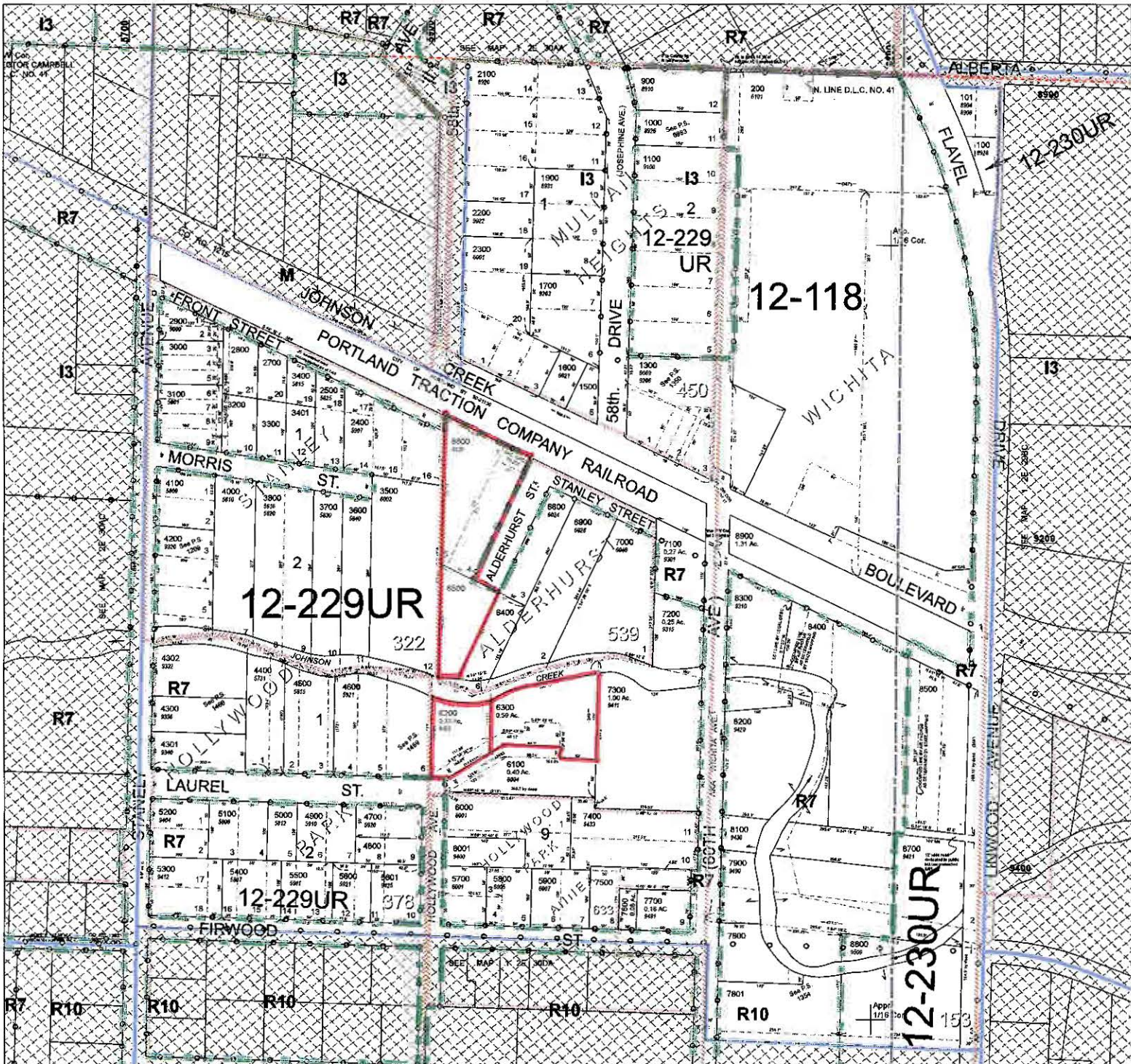
D. L. C.
HECTOR CAMPBELL NO. 41
GEORGE WILLS NO. 42

- Cancelled Taxlots*
- 500
 - 600
 - 400
 - 1400
 - 1402
 - 1500
 - 1900
 - 2000
 - 2001
 - 2002
 - 5501
 - 5701
- Parcel Boundary
 - - - Private Road ROW
 - - - Historical Boundary
 - Railroad Centerline
 - TaxCode Lines
 - Map Index
 - Water Lines
 - Land Use Zoning
 - Plats
 - Water
 - Corner
 - Section Corner
 - 1/16th Line
 - Govt Lot Line
 - DEC Line
 - Meander Line
 - PLSS Section Line
 - Historic Corridor 40'
 - Historic Corridor 20'



THIS MAP IS FOR ASSESSMENT
PURPOSES ONLY

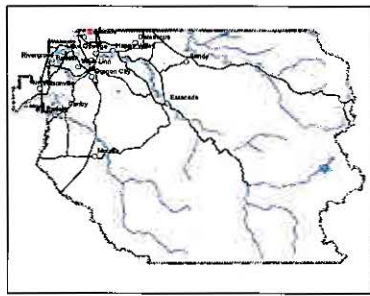
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MILWAUKIE



1 2 E 30 AD
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 Clackamas County
 1" = 100'

D. L. C.
 HECTOR CAMPBELL NO. 41

- Cancelled Taxlots*
- 201
 - 202
 - 300
 - 300
 - 400
 - 500
 - 600
 - 700
 - 800
 - 900
 - 1000
 - 1100
 - 1200
 - 1300
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 - TaxCodeLines
 - Map Index
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 - Land Use Zoning
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 - Govt Lot Line
 - DLC Line
 - Meander Line
 - PLSS Section Line
 - Historic Corridor 40'
 - Historic Corridor 20'



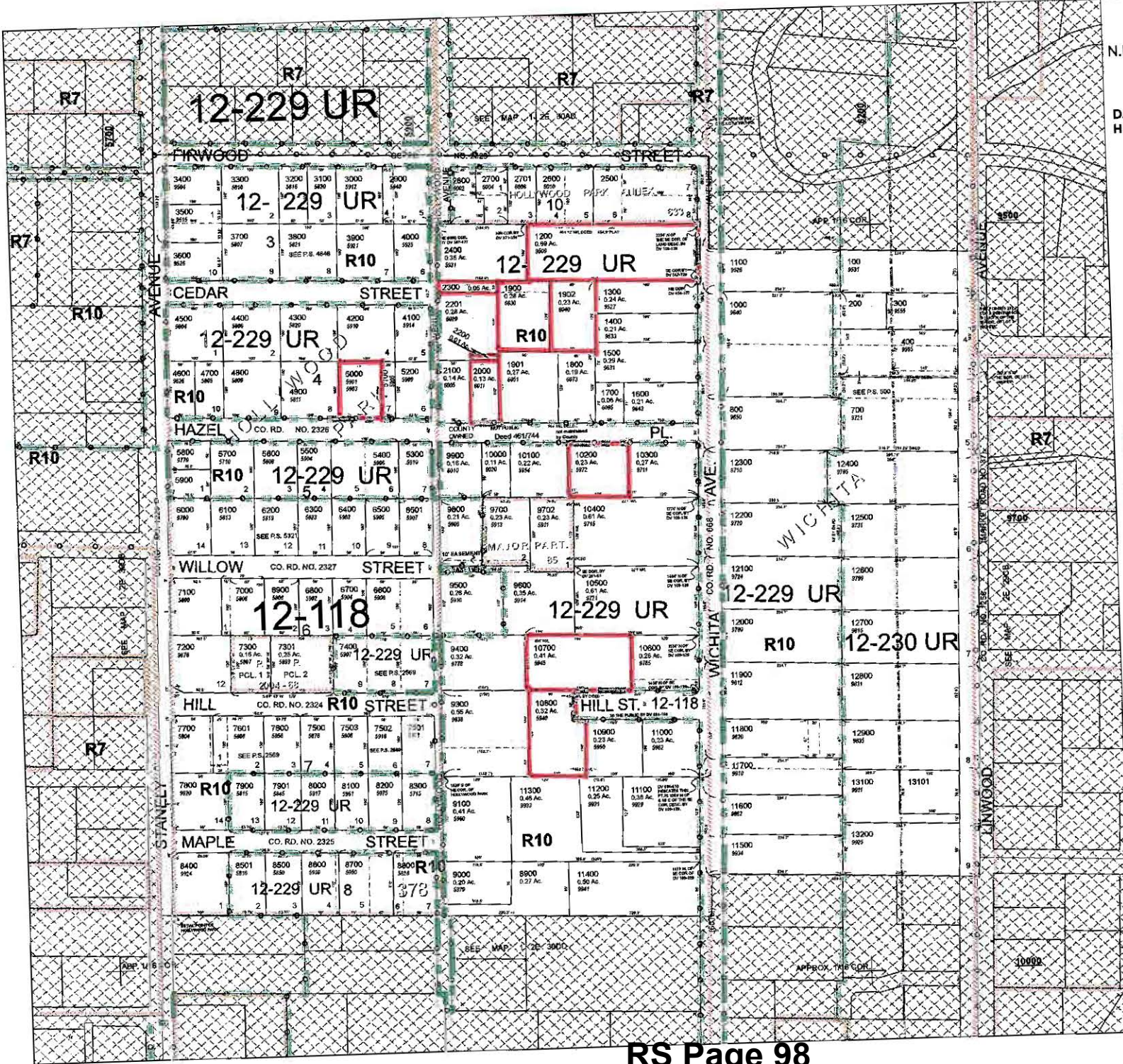
THIS MAP IS FOR ASSESSMENT PURPOSES ONLY

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Clackamas County
1" = 100'

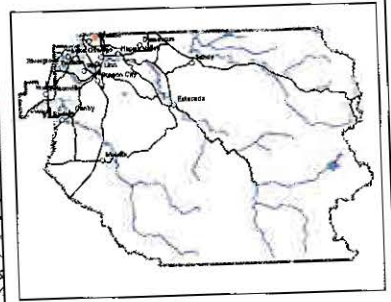
D. L. C.
HECTOR CAMPBELL NO. 41

Cancelled Taxlots

500
600
701
900
0001
7101
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7301
7801
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9200
9701
13000

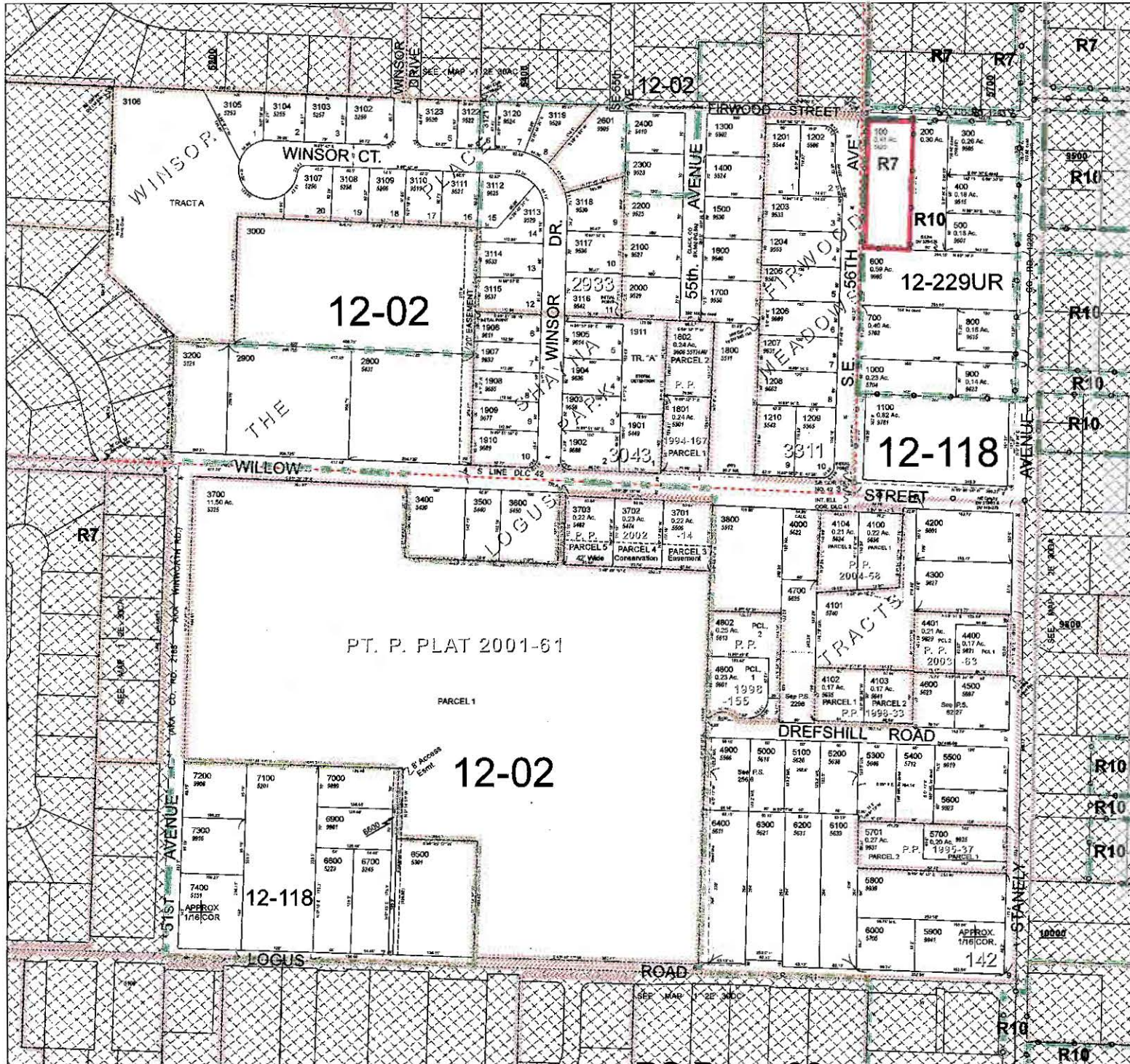


- Parcel Boundary
- - - Private Road ROW
- - - Historical Boundary
- - - Railroad Centeline
- TaxCodeLines
- WaterLines
- Land Use Zoning
- Plats
- Water
- Corner
- Section Corner
- 1/18th Line
- Govt Lot Line
- D/LC Line
- Meander Line
- PLSS Section Line
- Historic Corridor 40'
- Historic Corridor 20'



THIS MAP IS FOR ASSESSMENT PURPOSES ONLY





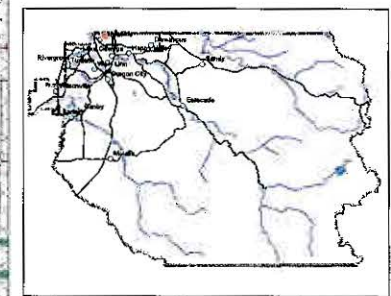
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MILWAUKIE
N.W.1/4 S.E.1/4 SEC.30 T.1S. R.2E. W.M.
Clackamas County
1" = 100'

D. L. C.
HECTOR CAMPBELL NO. 41
GEORGE WILLS NO. 42

Cancelled Taxlots

1200
1500
2500
2501
2600
2700
3100
3101
3300
3900
4601
5301

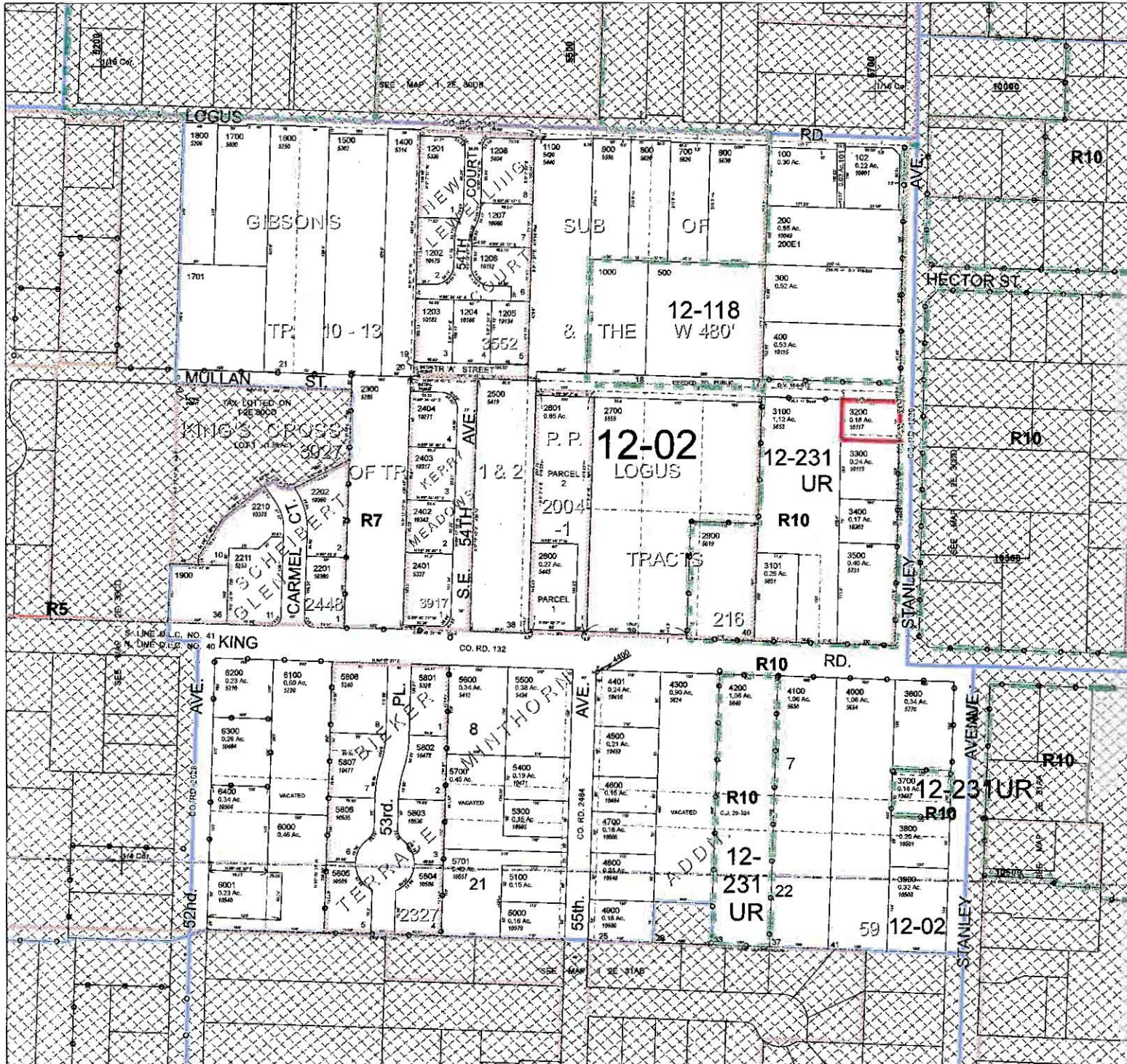
- Parcel Boundary
- Private Road ROW
- Historical Boundary
- Railroad Centerline
- TaxCodeLines
- WaterLines
- Land Use Zoning
- Plats
- Water
- Corner
- Section Corner
- 1/16th Line
- Govt Lot Line
- DLC Line
- Meander Line
- PLSS Section Line
- Historic Corridor 40'
- Historic Corridor 20'



THIS MAP IS FOR ASSESSMENT
PURPOSES ONLY



1 E 30 DB
MILWAUKIE



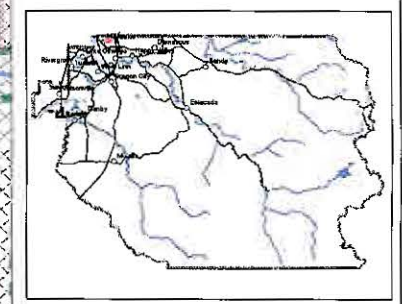
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Clackamas County
1" = 100'

D. L. C.
DANIEL HATHAWAY NO. 40
HECTOR CAMPBELL NO. 41

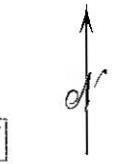
Cancelled Taxlots

- 1200
- 1300
- 2203
- 2204
- 2205
- 2206
- 2207
- 2208
- 2209
- 2212
- 2400
- 2800
- 3000
- 5200
- 6800
- 5900
- 5901
- 6500

- Parcel Boundary
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- - - Historical Boundary
- Railroad Centerline
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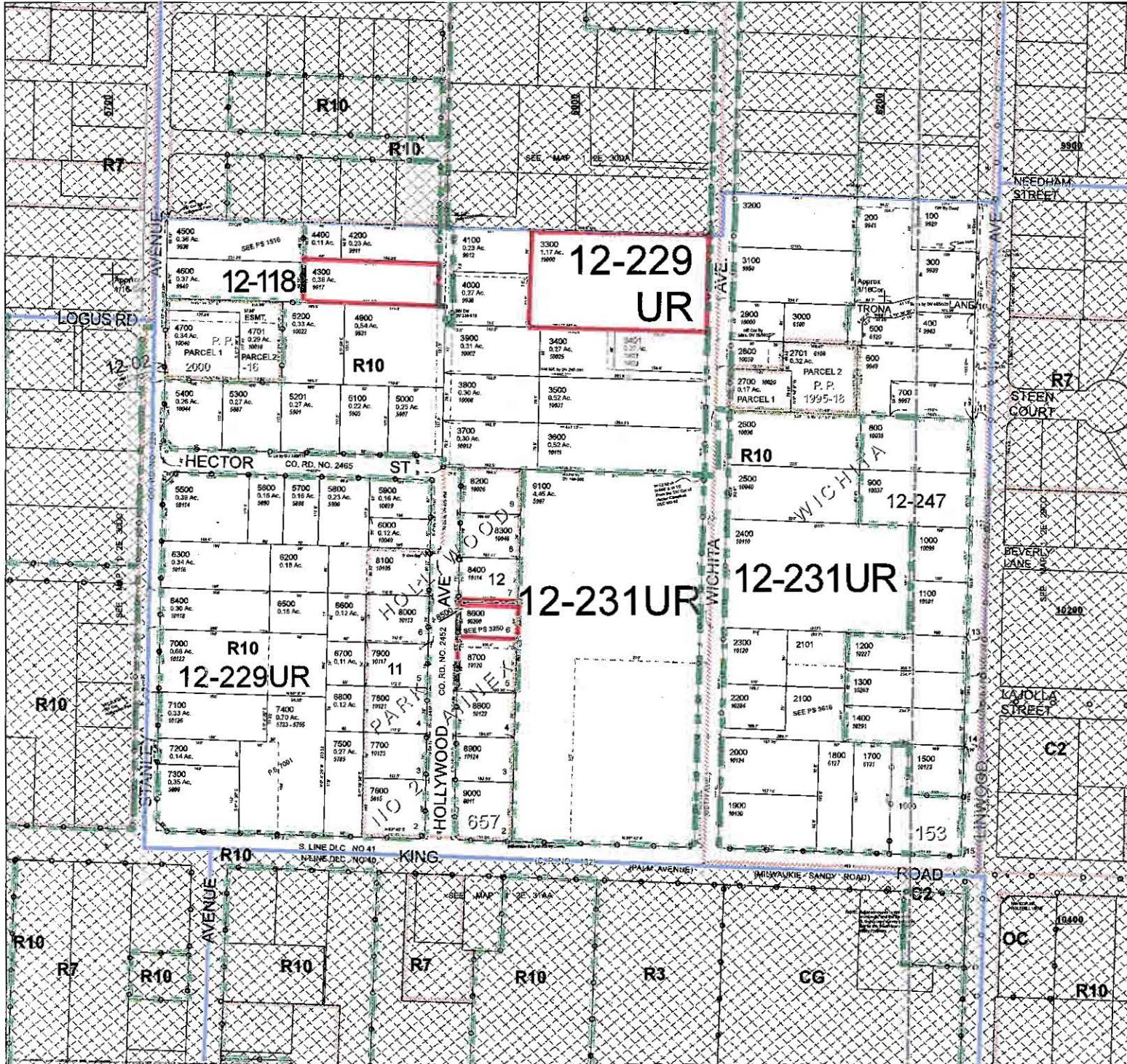
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Clackamas County
1" = 100'

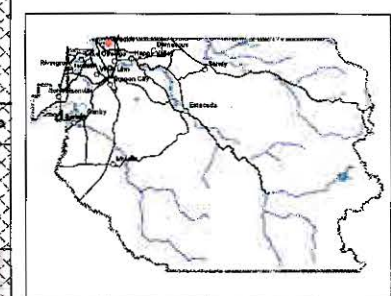
D. L. C.
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Cancelled Taxlots

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- 5601
- 6100
- 6900
- 7301

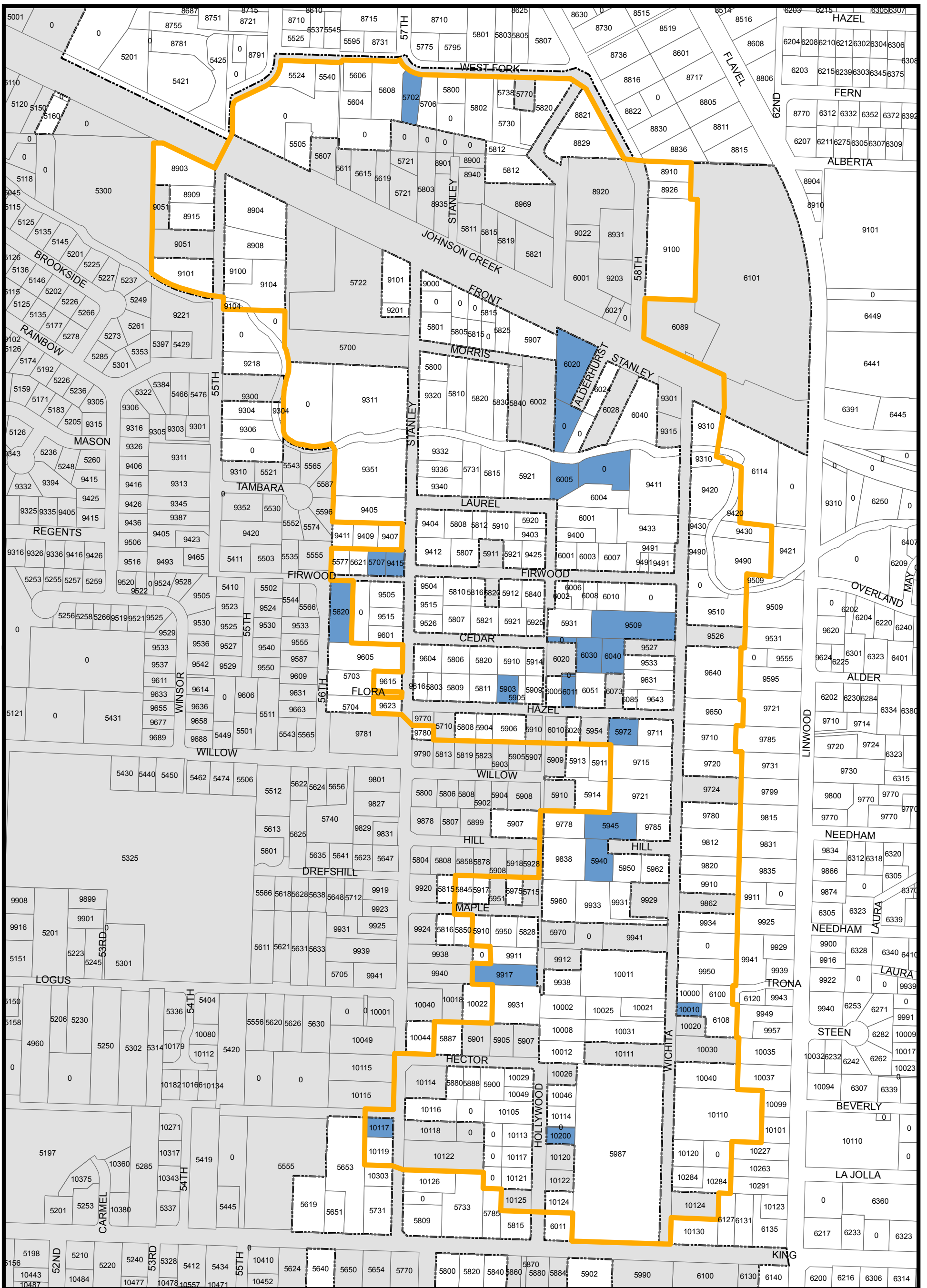


- Parcel Boundary
- Private Road ROW
- Historical Boundary
- Railroad Centerline
- TaxCodeLines
- Map Index
- WaterLines
- Land Use Zoning
- Plats
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1 2 E 30 DD

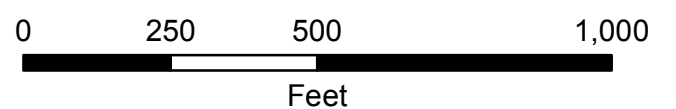


Site Map for Annexation File: A-10-04

-  Properties Petitioning for Annexation
-  NE Sewer Extension Project Boundary
-  City of Milwaukee Boundary



North



ATTACHMENT 3

LIST OF PROPERTIES PETITIONING FOR ANNEXATION

Expedited Annexations in NE Sewer Extension Project Area
(Annexation Assistance Program Batch #2)
File# A-10-04

No.	Tax Lot ID	Address	Applicant
1.	1S2E30AA06200	5701 SE Westfork St	Lela and Gerald Hogland
2.	1S2E30DA10200	5972 SE Hazel Pl	Karen Fritz
3.	1S2E30AD06200 & 6300	6005 SE Laurel St	Chris Davis and Lisa Cosgrove
4.	1S2E30DA02000 & 2200	6011 SE Hazel Pl	Jose Ortiz Lopez
5.	1S2E30DD03300	10011 SE Wichita Ave	James M. Covell and Marilyn C. Lindberg
6.	1S2E30DA05000	5903 SE Hazel Pl	Preston Swain
7.	1S2E30DA01200	9509 SE Wichita Ave	Yvonne Geise
8.	1S2E30DA10700	5945 SE Hill St	Robert and Darlene Hensey
9.	1S2E30DA10800	5940 SE Hill St	Byron & Elisabeth Estes
10.	1S2E30DB00100	5620 SE Firwood St	Janice (Mears) Wilson
11.	1S2E30DC03200	10117 SE Stanley Ave	Raymond L. and Rhonda L. Shanks
12.	1S2E30AC01000	9415 SE Stanley Ave	Timothy A. Wonderly
13.	1S2E30AD06600 & 6500	6020 SE Johnson Creek Blvd	Debra Beers
14.	1S2E30DD04300	9917 SE Hollywood Ave	Kalman R. and Glenda M. Kallay
15.	1S2E30DA01900 & 2300	6030 SE Cedar St	John S. and Juliana M. Kollas
16.	1S2E30AC01100	5707 SE Firwood St	George and Linda Archer
17.	1S2E30DA01902	6040 SE Cedar St	Ray Brechthill
18.	1S2E30DD08600 & 8500	10200 SE Hollywood Ave	Joshua J. Rood



6.B.

To: Mayor and City Council

Through: Bill Monahan, City Manager

From: Esther L. Gartner, Information Systems and Technology (IST) Director

Date: May 26, 2011 for June 7, 2011 Regular Council Session

Subject: VoIP Telephone Contract Award

ACTION REQUESTED

Authorize the City Manager to sign a contract with KRP Communication for the purchase and implementation of the Interactive Intelligence VoIP (Voice over Internet Protocol) telephone system solution for the City in an amount not to exceed \$240,000.

HISTORY OF PRIOR ACTIONS AND DISCUSSIONS

March 2008: Northwest Information Services, Inc. (NIS) conducted a Voice Switching Systems Assessment to 1) determine City's readiness in considering a VoIP system as replacement for the current PBX (Private Branch Exchange) system, and 2) research and document desired features and functions of a new replacement telephone system.

February 2011: City Council authorizes City Manager to sign an agreement with Northwest Information Services, Inc. (NIS) to provide project management services in the selection and implementation of a new telephone system to include the acquisition of all necessary software and hardware equipment.

BACKGROUND

The City's telephone system is an essential communication tool used on a daily basis to conduct business between staff, citizens and business partners. This critical piece of infrastructure has been servicing the City for the past 15 plus years and has now reached end of sales and serviceable life by the manufacturer. The City can no longer procure new replacement parts and phones for these failed units. Additionally, refurbished parts and phones have only a limited 90-day warranty. These parts are difficult to acquire and are more expensive than their modern day IP phone counterparts.

Recognizing the obsolescence of the current system the City embarked on a process to evaluate and solicit for a replacement telephone system. The IST department, with assistance

from NIS, evaluated the voice technologies and decided to pursue a VoIP technology strategy. The VoIP solution would allow the City to use its existing fiber network backbone to carry both data and voice traffic, thus reducing the cost and need for two separate networks. It would also allow the City to integrate voice and data services. Thus, voicemails and faxes could be delivered to a user's electronic mailbox providing the user one place to work with various forms of communication. These centralized services could also be retrieved by different devices, such as desktop computers, traditional telephone sets, cell phones, smartphones and other remote devices. The integration of these various communication media technologies accessible from a variety of devices is known as a unified messaging environment.

Equally important to creating a unified messaging environment is removing the geographic barriers that presently exist in the current phone system. For example, key features and functions, such as building pages and call parking, cannot be shared between buildings and are isolated to current phone switch locations. The new VoIP system removes those barriers and allows fluid communications across the entire organization. This creates new opportunities to enhance and streamline current business processes and improve communications throughout the City and community.

On March 28, 2011 the City posted a RFP (request for proposal) for a "VoIP Voice Communication System Replacement" to solicit for a new telephone system. A non-mandatory pre-proposal conference was held on April 4th to allow potential respondents to physically review each telecom room at all City facilities to assist in their design specifications. A question and answer period was provided to all potential respondents with an aggregate list of all submitted questions and answers posted to the City's website on April 8th.

The VoIP project has gone through a competitive proposal process in accordance with Chapter 30 of the City's Public Contracting Rules. The City received eight (8) proposals by the stated April 22nd closing date. Evaluation criteria, which included 1) life-cycle cost of ownership, 2) customer references, 3) service level agreement, 4) implementation plan, 5) overall service value, 6) technology and design proposed, and 7) respondent's competency, which was subsequently applied to all proposals. Individual vendor demonstrations were held for the top four respondents to assist in the decision-making process. At the conclusion of the evaluation process, KRP Communications earned the highest score. The following table is a summary of the respondent's scores based on the evaluation performed by NIS and validated by the IST Director.

	Respondent Company Name	Proposed System	Score
1	KRP Communications	Interactive Intelligence	1108.06
2	Integra Telecom	Mitel	1055.67
3	Touch Point Networks	Tadiran Coral Sea	1038.62
4	Mitel	Mitel	1021.11
5	Structured Communications	ShoreTel	1012.35
6	Alcatel-Lucent	Alcatel-Lucent	1011.91
7	Qwest Communications	ShoreTel	1007.21
8	Black Box	NEC	902.72

Additional VoIP Enhancements

In addition to the unified messaging capabilities and global City-wide communications design the new system will offer several additional benefits. These include a GUI (graphical user interface) application for the computer that allows point and click, drag and drop operations in manipulating calls, call recording, desktop dialing and presence management, which allows users to see the current status of other users across the organization. The inclusion of the “presence management” function allows staff to text-chat with each other while on or off the phone, redirect calls to other phone devices in one click, customize directory listings, queue messages for pickup by other staff or groups, and change their current status to a range of more descriptive real-time activities.

The new VoIP system is designed with a primary site and a failover site. Therefore, if the primary site goes offline for any reason the failover site, which is fully redundant, takes over call handling and E911 services for the City. The current system has no failover capabilities or 911/E911 configurations, which has posed a safety risk in correctly identifying the actual building and caller location during a 911 emergency.

Configuring and managing moves, adds and changes in the new VoIP system is expanded and greatly simplified in a GUI interface for administrative staff.

About KRP Communications

The following information about KRP Communications is taken directly from their website, <http://www.krpcomm.com/about>, in order to provide some background on the company.

KRP is a complete unified communications solutions provider delivering open standards-based technologies which can integrate to or replace legacy systems to offer a wide range of added functionality for voice and data communications.

We have been providing advanced interaction management solutions to our customers since 1998; our unified communications solutions can range from feature-rich IP PBXs to full-fledged contact center solutions.

KRP is an Elite partner with Interactive Intelligence, a Gold Certified Microsoft partner, and a Polycom voice and Video partner. We have also partnered with technology leaders Cisco and Juniper Networks to deliver best of calls network devices completing our goal to be a complete unified communications provider.

We are dedicated to working at the forefront of converging hardware and software technologies to keep our family of clients on the leading-edge.

KRP Communications has headquarters in British Columbia and in Seattle, Washington. KRP has several branch offices in Canada and in Portland, Oregon.

CONCURRENCE

The evaluation team, consisting of NIS and City IST department staff, is in agreement that a valid bidding/proposal process was followed and according to the evaluation results KRP Communications scored the highest of the eight respondents. The IST department is in agreement with the formal NIS recommendation to choose the KRP Communications VoIP design solution as the replacement telephone system for the City.

FISCAL IMPACT

The VoIP telephone replacement system is in the current fiscal year 2010-2011 budget for a total of \$300,000. The NIS project management contract is included in the VoIP project costs at \$39,300 leaving a balance of \$260,700. The IST department estimates no more than \$240,000 is needed to purchase and implement the new VoIP system by KRP Communications. The remainder of the balance, approximately \$20,700, is to cover the required cabling in various buildings to support the new VoIP system.

WORK LOAD IMPACTS

The VoIP telephone replacement project can be accommodated within existing IST department workloads. NIS staff will continue to provide project advocacy services to the City during and following the project implementation. The IST Director will provide project oversight and work with KRP Communications to manage the implementation of the new VoIP telephone system. The IST department staff will coordinate activities with KRP to implement the various components of the system.

All staff and City Council will be trained on the new system following successful implementation.

ALTERNATIVES

- 1) Do not award the contract. This would leave the City with a telephone system that has expired manufacturer support effective April 30, 2011. The phone system is failing and expensive to maintain. Parts are difficult to acquire and carry only a 90-day warranty. The current system is inefficient and poses a significant risk to business continuity should hardware failure occur at any of the three telephone switch sites.
- 2) Reject all proposals and direct staff to re-advertise for a new telephone system.
- 3) Reject all proposals and direct staff to amend the Request for Proposals and re-advertise for submission of new proposals.

ATTACHMENTS

1. Resolution

ATTACHMENT 1

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILWAUKIE, OREGON, AUTHORIZING THE CITY MANAGER TO SIGN A CONTRACT WITH KRP COMMUNICATIONS FOR THE PURCHASE AND IMPLEMENTATION OF A VOICE OVER INTERNET PROTOCOL TELEPHONE REPLACEMENT SYSTEM.

WHEREAS, the City's current telephone system is over 15 years in age and has been made obsolete by the manufacturer effective April 20, 2011; and

WHEREAS, the City's adopted fiscal 2010-2011 budget identified \$300,000 for the replacement of the City's aging and inefficient telephone system; and

WHEREAS, the cost and risk to maintain the current system exceeds the benefits and efficiencies gained in upgrading to a newer voice technology that integrates with other City applications, which will also strategically position the City to evaluate the implementation of emerging voice and video technologies; and

WHEREAS, KRP Communications has been identified as the most qualified provider of the needed VoIP (Voice over Internet Protocol) solution through a competitive proposal process;

NOW, THEREFORE, BE IT RESOLVED that the City of Milwaukie authorizes the City Manager to sign a contract with KRP Communications for the purchase and implementation of a VoIP telephone replacement system not to exceed \$240,000.

Introduced and adopted by the City Council on June 7, 2011.

This resolution is effective on June 7, 2011.

Jeremy Ferguson, Mayor

ATTEST:

APPROVED AS TO FORM:
Jordan Schrader Ramis PC

Pat DuVal, City Recorder

City Attorney

Document1 (Last revised 09/18/07)