

MILWAUKIE
CITY COUNCIL MEETING
February 7, 1984
7 p.m.

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COUNCIL CHAMBERS

1449th Meeting

At 5 p.m prior to the regular meeting the Council interviewed the following persons for positions on city advisory bodies.

Betty Roholt, 3154 SE Lake Rd. - Planning Commission
Robert Knudson, 10708 SE Home Ave.- Planning Commission
Don Trotter, 12102 SE 36th - Planning Commission

Brian S. King, 4266 SE Harvey St. - Parks Commission
James Schuld, 5603 SE Aldercrest Rd. - Parks Commission

John Kauffman, 11105 SE Home Ave. - Civil Service Commission

Mary Wilson, applicant for Traffic Safety Commission and
Joan A. Langsev, applicant for Parks Commission did not
appear for their scheduled interviews.

REGULAR MEETING

The one thousand four hundred and forty ninth meeting of
the Milwaukie City Council was held on February 7, 1984 with
the following Councilors present:

Mayor Joy Burgess Don Graf
Ron Kinsella Roger Hall
Mike Richmond

Also present:

Hugh H. Brown, City Manager Marge Post, Finance Dir.
Greg Eades, City Attorney (arrived 11 p.m.)
Steve Hall, Public Works Director Dick Bailey, Fire Chief
Laurie Perkin, Secretary

AUDIENCE PARTICIPATION

Mayor Burgess presented silver tray to Dolora Hegg, former
Director of Milwaukie Loaves and Fishes, in appreciation
for her many years of service to senior citizens in the
community. Sara Hite, Senior Center Director, thanked
Dolora for her contribution to the Milwaukie Senior Center.

Jim Backenstos expressed his opposition to the waiving of
the bidding process in the purchase of a new fire truck.
He objected also to the high cost of salaries and benefits
and said that the Concerned Citizens would not be supporting
the proposed budget. He said that more money should be
spent on street repairs.

Kinsella pointed out that the budget had been approved by
the entire budget committee, of which Backenstos was
Chairman. He said the fire truck was built into that
budget and that the bidding process had been waived before
under similar circumstances.

Al Liane objected also to the waiving of the bidding process. He expressed concern that if the city could not pay the debt on the fire truck, the citizens would have to pick up the debt.

City Manager said the final decision on the fire truck will come before Council in March.

OTHER BUSINESS

Mayor opened the meeting to discussion of McLoughlin Blvd. improvements. City Manager said after extensive study the Oregon Dept. of Transportation had recommended an alternative which would be presented tonight. Steve Hall, Public Works Director, has submitted staff report dated January, 1984, which included background, cost options, technical analysis summary of alternatives, hearing study report with exhibits and a copy of Resolution 25-1982 passed by the City Council in August of 1982. In summary the report stated that technically, only Alternative 3 with the traffic loop in the southwest quadrant meets the current goals of the Milwaukie City Council Resolution 25-1982 and the project goals established by the Draft Environmental Impact Statement prepared by the Oregon Dept. of Transportation. P. Works Director has provided map of the proposed improvements and spoke of businesses which would be impacted, trees which would have to be removed and traffic problems and projections. He listed criteria in Resolution 25-1982 and referred to traffic analysis of downtown Milwaukie done by Tom Schwabb.

Andy Catugno, Metro, spoke of traffic projections and impact of the Tacoma Overpass on Johnson Creek Blvd. He said the overpass would not have significant impact on Johnson Creek Blvd. traffic, that traffic would increase due to industrial development.

Ed Hardt, Oregon Dept. of Transportation, addressed ODOT position paper, dated December 1, 1983 outlining reasons for recommendation of Alternative # 3, the Tacoma Overpass. He said of the three final alternatives studied-the flyover, alternative #18 from the Conradt report, and the overpass, the overpass was significantly superior. Among deficiencies listed for the other alternatives were; too costly, did not relieve rail crossing problem, did not relieve congestion on Tacoma, did not attract traffic from neighborhoods from 17th to McLoughlin.

Alonzo Wertz, Tri-Met, said Tri-Met is not taking a position at this time. He said Alternative # 3 does not work well with light rail alignment and the configuration of the interchange does not provide for transfer of buses or pull-outs but the design does move traffic well.

The following persons spoke in opposition to the overpass:

Ray Polani, Citizens for Better Transit
Easton Cross, Kasch's Nursery and Garden Center
Ernest R. Munch, Attorney for Kasch's Nursery
Steve Johnson, 3635 SE Johnson Creek Blvd.
Ken McFarling, 7417 SE 20th Ave. Oregon Assn. of Railway Passengers
Douglas R. Allen, 2247 SE 51st. Ave. Citizens for Better Transit
Douglas Coleman, 6125 SE 23rd Ave. Portland
Walt Schmunk, 3714 SE Johnson Creek Blvd.
Alice Elmstrom, 8715 SE 36th
James Gotcher, 3606 SE Johnson Creek Blvd.

Speaking in favor of the overpass:

Roy Marvin, Precision Cast Parts, 8838 57th
Harold Kulm, 8808 SE 43rd
Duane Forney, Public Project Engineer for Southern Pacific

Raising Questions:

Gary Madson, 240 SE Caruthers, Central Eastside Industrial Council
Russ Davis, 40th & Johnson Creek, Boyd Peyton, 9704 SE 37th
Among objections raised were: the overpass was too costly, it would have adverse impact on neighborhood and businesses and would result in people losing jobs, a more extensive study of the flyover alternative should be done, it would increase traffic on Johnson Creek Blvd.

Among comments in favor of the overpass: the overpass would solve the railway crossing problem, it would cost less than the flyover, it would not significantly increase traffic on Johnson Creek Blvd., it would solve the traffic problem on Tacoma.

There was extended discussion on population growth statistics, traffic figures, projected ridership, signal improvement, impact to businesses and traffic on Johnson Creek Blvd. Catugno said statistics listed in analysis report were recent, He said that although light rail would be better and cheaper service, it would not serve that many more people.

Hardt said businesses impacted would be Kasch's, Shell Station, Appletree Restaurant, auto repair shop east of restaurant and Edwards Mfg.

Mayor has received the following correspondence from Kenneth & Nola Cook, 8802 SE 41st, objecting to the overpass. She received phone calls objecting to overpass from Anthony Pawol, 9527 SE 33rd and Stephen Elliott, 9739 SE 42nd.

There was discussion on signalization improvements, limiting truck traffic on Johnson Creek Blvd., limiting impact on Kasch's Nursery and traffic increase on Johnson Creek Blvd.

It was decided by Council that more information was needed before making any decision. Members of the Council were asked to contact Steve Hall, Public Works Director, with any questions. ODOT was requested to provide more information on impact on Kasch's, traffic impact on Johnson Creek and cost of the flyover alternative.

It was the consensus of Council to excuse Don Graf from the meeting of January 31, 1984.

LEGISLATION

Payment of bills

It was MOVED by Graf, SECONDED by Kinsella, that the bills listed for February 7, 1984 be approved for payment. MOTION CARRIED unanimously.

It was MOVED by Kinsella SECONDED by Richmond to extend the meeting. MOTION CARRIED unanimously.

Deferred Compensation

Finance Director has prepared memo dated Feb. 1, 1984, requesting adoption of resolution maintaining participation in ICMA Retirement Trust. It was MOVED by Graf, SECONDED by Hall to adopt Resolution 1-1984 (A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILWAUKIE REGARDING DEFERRED COMPENSATION PLAN ADMINISTERED BY ICMA RETIREMENT CORPORATION). MOTION CARRIED unanimously.

Ordinance Records Retention

City Attorney has prepared ordinance repealing records retention ordinance which is out of date. The city will then comply with retention schedules adopted by State Archivist. It was MOVED by Hall, SECONDED by Graf, to read the ordinance the first time by title only. MOTION CARRIED unanimously. It was MOVED by Hall, SECONDED by Graf, to read the ordinance the second time by title only. MOTION CARRIED unanimously. It was MOVED by Hall, SECONDED by Graf, to adopt Ordinance 1559 (AN ORDINANCE OF THE CITY OF MILWAUKIE, OREGON, REPEALING ORDINANCE NO. 1388 PROVIDING FOR THE RETENTION AND DISPOSAL OF CITY RECORDS). MOTION CARRIED unanimously.

Audit Report

Finance Director has prepared memo dated Feb. 1, 1984 regarding audit disclosures 1982-83 and requesting adoption

of resolutions indicating action on deficiencies found in audit report. She has listed recommended action to be taken and time frame. It was MOVED by Graf, SECONDED by Hall to adopt Resolution 2-1984 (A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILWAUKIE REGARDING THE REPAYMENT OF CERTAIN INTERFUND LOANS) MOTION CARRIED unanimously. It was MOVED by Graf, SECONDED by Hall, to adopt Resolution 3-1984 (A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILWAUKIE REGARDING THE REPAYMENT OF CERTAIN INTERFUND LOANS) MOTION CARRIED unanimously.

Finance Director has prepared memo dated Feb. 1, 1984 regarding Audit report June 30, 1984 Letter to Management summarizing comments cited by auditors and staff comments.

Finance Director has prepared memo dated January 30, 1984 recommending deletion of Principal Clerk position and addition of position of Data Control Accountant due to present duties in Finance Department since the installation of the computer. It was MOVED by Hall, SECONDED by Graf, to accept recommendation of Finance Director.

It was MOVED by Graf, SECONDED by Hall, to extend the meeting. MOTION CARRIED unanimously.

Purchase of Fire Truck

Finance Director has prepared report of status of purchase of fire truck. The vehicle will be in the city at the end of February, she said. She has listed in summary status of each portion of the transaction including remodeling of fire station, lease purchase agreement, and details of sale of trucks # 53 & 56.

Fire Chief, Dick Bailey, gave presentation on the one-station proposal which could be implemented even if the firestop proposal was not approved. He talked about changes in manning levels, mutual aid, risk factors, and benefits of one station operation. City Manager said this proposal will need to be presented to the public and will come back before Council in two to four weeks.

DEQ - Backyard burning policy

Bill McDonald, Administrative Assistant, has submitted memo regarding backyard burning public hearings and recommending the city adopt a position which emphasises the public's need for convenient, economical options. Graf suggesting writing a letter opposing the ban on backyard burning until viable options are available. Council concurred.

CONSENT AGENDA

Approval of minutes, 1-17, 23,25, 1984.

Liquor license renewals: Albertsons Inc., Red's Coach Inn, Plaid Pantry No. 79, Safeway Stores, Inc., 7-11 Food Store No.'s 19325 and 14508. It was MOVED by Graf, SECONDED by Kinsella, to adopt the consent agenda. MOTION CARRIED unanimously.

OTHER BUSINESS

Bill Hupp has suggested awarding certificates of appreciation to long-time businessmen in the city. City Manager said he would check with business community.

Kinsella suggested Council direct Planning Dept. to change policy regarding granting of 10% administrative variance. City Attorney said Planning Staff was already working on an ordinance which would require that property owners be notified of an administrative variance.

Kinsella reported that the task force on the transit center would be looking at 27 sites and that Alonzo Wertz from Tri-Met would be present at the next meeting to answer questions on number of buses, etc.

Appointment to Commissions

It was MOVED by Graf, SECONDED by Hall, to appoint Don Trotter, Betty Roholt, and Robert Knudson to the Planning Commission. MOTION CARRIED with the following vote: AYES: Richmond, Kinsella, Graf, Hall, NO: Burgess

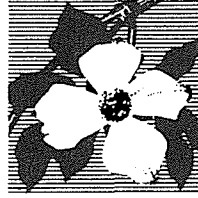
It was MOVED by Graf, SECONDED by Hall, to appoint Brian King and James Schuld to the Parks & Recreation Commission. MOTION CARRIED unanimously.

It was MOVED by Graf, SECONDED by Hall, to appoint John Kauffman to the Civil Service Commission. MOTION CARRIED unanimously.

The meeting was adjourned at 12:20 p.m.

Joy Burgess, Mayor

Laurie Perkin, Secretary



MEMORANDUM

TO: MAYOR AND CITY COUNCIL

FROM: HUGH H. BROWN, CITY MANAGER

SUBJECT: CITY COUNCIL MEETING - FEBRUARY 7, 1984

DATE: FEBRUARY 3, 1984

Tuesday's meeting will be preceded by numerous interviews for board and commission positions. The interviews will begin at 5 p.m. in the Council Chambers and sandwiches will be available about 4:30 p.m.

The agenda is full, particularly with the McLoughlin discussion. Under Audience Participation, Delora Hegg will be presented an inscribed silver platter from the city in recognition for her services to the city's seniors. Her resignation from Milwaukie Loaves & Fishes was effective January 16, 1984.

Have a beautiful weekened. This is just how people told me it would be in Oregon!



CLACKAMAS COUNTY SHERIFF'S DEPARTMENT

2223 S. Kaen Road Oregon City, Oregon 97045

(503) 655-8218

January 24, 1984

Office of
BILL BROOKS, SHERIFF
CLACKAMAS COUNTY

Mr. Hugh Brown
City of Milwaukie
Milwaukie City Hall
Milwaukie, OR 97222

Dear Hugh:

Chief Deputy Bradshaw advised me that during the meeting of the Milwaukie City Council on Tuesday January 17, 1984 a question was raised concerning prisoners board. As I understand there was a difference of opinion as to whether the City of Milwaukie was presently paying a rate of \$20.00 per day for prisoner board.


Based upon a decision of the Clackamas County Board of Commissioners no municipalities within Clackamas County have been billed for prisoner board since February of 1982.

Prior to this time the contractual rate was \$8.25 per prisoner day. The total amount billed to the City of Milwaukie for fiscal 1981-82 was \$1,040.50 based upon the contracted daily rate.

During the calendar year of 1983 there were 239 persons arrested and lodged in the Clackamas County Jail by the Milwaukie Police Department. This resulted in 2,421 prisoner days served. The actual costs for the detention of these prisoners, based on \$44.70 per day, was \$108,218.70. No direct costs were billed to the City of Milwaukie.

I hope this information may clarify any questions about present costs to the City of Milwaukie for prisoner board.

Sincerely,


BILL BROOKS, SHERIFF

cc: Mayor Joy Burgess
Don Graf, Councilor
Roger Hall, Councilor
Ron Kinsella, Councilor
Mike Richmond, Councilor

W Marge A. Post, Finance Director
Board of County Commissioners

MEMORANDUM

TO: MAYOR AND CITY COUNCIL

FROM: GREG EADES, CITY ATTORNEY *GE*

DATE: JANUARY 30, 1984

SUBJECT: ATTENDANCE AT COUNCIL MEETINGS.

Mayor Burgess asked me to review the procedures regarding attendance. The rules are contained in the Charter and Ordinance No. 1480 (Council Rules).

Charter Section 20 provides that Councillors may be removed from office for 60 days' absence from meetings without consent of the Council. The rules ordinance states in Section 4(A) that members are required to attend all meetings, and the Council may determine whether a member's absence is excused. I assume that if a particular absence is not excused, it counts toward the 60 days after which a vacancy is declared. There is no procedure in the ordinance for notification of absence or for excusing an absence.

I suggest that you adopt some system for notice of absences and move to excuse any absences at the following meeting, if such a motion is warranted. Absences have not been a serious problem with this Council, so there's no reason to make this more complicated than it has to be.

GE/vk

INTERVIEWS
February 7, 1984

9 - storefront

<u>COMMISSION</u>	<u>VACANCIES</u>	<u>APPLICANT</u>
Parks & Recreation	2	Brian S. King 4266 SE Harvey St Joan A. Langsev 5200 SE Jennings Ave James Schuld 5603 SE Aldercrest Rd
Traffic Safety	2	Mary E. Wilson 12255 SE 36th Ave John Kaufman 11105 SE Home Ave (Primary interest is Traffic Safety Comm. but will serve on Civil Service Comm., Parks & Recreation)
Planning	3	Betty Roholt *** 3154 SE Lake Rd. Robert G. Knudson 10708 SE Home Ave Donald J. Trotter 12102 SE 36th
Civil Service	1	John Kaufman 11105 SE Home Ave

SCHEDULE

5:00 pm	Betty Roholt	Planning
5:10 pm	Joan A. Langsev	Parks & Recreation
5:15 pm	Robert G. Knudson	Planning
5:30 pm	James Schuld	Parks & Recreation
5:45 pm	Don Trotter	Planning
6:00 pm	Mary Wilson	Traffic Safety
6:15 pm	Brian King	Parks & Recreation
6:30 pm	John Kaufman	Traffic Safety Civil Service Parks & Recreation

*All of the applicants are eligible for appointment for all positions for which they have applied.

*** Betty Roholt is now serving her first term on Planning Commission.

PARKS AND RECREATION COMMISSION

FUNCTION

To serve in an advisory capacity to the City Council and other commissions and advisory boards as to park planning, development, and siting within the community. Also, it is PARC's function to survey community recreation and leisure time needs and advise the City Council as to the city's role in meeting those needs.

NUMBER OF COMMISSIONERS

7

LENGTH OF TERM

2 years

SCHEDULE OF MEETINGS

September through May- 2nd and 4th Monday of the month.
June through August- 4th Monday of the month.

QUALIFICATIONS

demonstrate an interest, experience, or expertise in some area of delivery of park and recreation or related services within the City of Milwaukie.

Desirable:

Willingness to support the programs of the Parks and Recreation Department.

Ability to gather input regarding community parks and recreation needs.

Experience in working with other community groups, committees, or other organizations.

TYPICAL TASKS

1. Annual review of Parks and Recreation Department operations.
2. Conduct community needs surveys.
3. Review special facility use requests.
4. Analyze specific problems as referred to PARC by the Parks and Recreation Superintendent or the City Council and recommend solutions.
5. To recommend new or revised policy to the City Council regarding park and recreation matters.

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TRAFFIC SAFETY COMMISSION

FUNCTION

To act in an advisory capacity to the City Council and City Manager in coordination of traffic safety activities, foster public knowledge and support of the traffic law enforcement and traffic engineering problems, cooperate with the school systems in promotion of traffic safety, promote the education of the public on traffic safety and in general assist in the overall reduction of traffic accidents, injuries and deaths.

NUMBER OF BOARD MEMBERS

seven (7)

LENGTH OF TERM

two (2) years

SCHEDULE OF MEETINGS

The second Monday of each month

QUALIFICATIONS

Mandated:

One member is appointed by the North Clackamas School District. One member is a Milwaukie High School student appointed by the High School. Of the five members appointed by the Council, three may be non-residents of the city.

Desirable:

Familiarity with basic traffic laws
Licensed driver

TYPICAL TASKS

1. Recommend solutions to specific problems referred to the to the Commission by Staff or City Council.
2. Research, develop and implement traffic safety programs which meet local needs.
3. Promote the education of the public on traffic safety.

PLANNING COMMISSION

FUNCTION

To make decisions and/or recommendations to City Council on land use issues related to maintaining and improving the city's environment, as well as managing and guiding development.

NUMBER OF BOARD MEMBERS

7

LENGTH OF TERM:

4 years

SCHEDULE OF MEETINGS

The Planning Commission meets on the second and fourth Tuesday of each month and/or on other days as required under special circumstances.

QUALIFICATIONS

Mandated:

The Commission shall consist of seven members. Five voting members must be residents of the city. No more than two members shall be engaged in the same kind of occupation.

Desirable:

Desire to serve in local government.

Familiarity and understanding of general principles and issues of land use planning.

Sensitivity and ability to make impartial decisions in public interest.

Experience in working with public committees.

TYPICAL TASKS

1. Become familiar with Comprehensive Plan and implementing Ordinances
2. Make decisions on conditional uses, variances, exceptions, subdivisions, expansion of nonconforming uses, plan reviews, other land use issues.
3. Make recommendations to City Council on amendments to the Comprehensive Plan and Zoning Ordinance, Zone Changes, Planned Developments, street vacations and other land use issues.
4. To establish new or revised land use guidelines.

CIVIL SERVICE COMMISSION

FUNCTION

To develop and maintain for the city a system of personnel administration which governs the appointment, promotion, transfer, layoff, removal, discipline and welfare of its employees and which is based on the principles of merit and science, economy, efficiency and equal opportunity.

NUMBER OF COMMISSIONERS

5

LENGTH OF TERM

4 years - Terms begin March 1 - Expire end of February

SCHEDULE OF MEETINGS

Once a month on 4th Tuesday evening. Other meetings as required under special circumstances. (At The Milwaukie Senior Center)

QUALIFICATIONS

Mandated:

All must be registered voters and residents of the city. Two must be representatives of labor.

Desirable

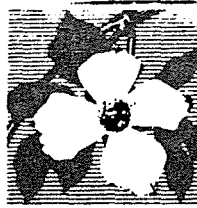
Previous volunteer experience on committee serving the public interest and work experience involving some aspect of organizational development would be helpful.

TYPICAL TASKS

1. Become familiar with Civil Service Chapter of City Charter and with Civil Service Rules.
2. Rule on appeals by employees from personnel actions taken by City Manager.
3. Establish and/or revise rules which interpret Civil Service Chapter of Charter and govern City's personnel system.

CITY OF MILWAUKIE

CITY HALL • 10722 S.E. MAIN STREET
MILWAUKIE, OREGON 97222
TELEPHONE (503) 659-5171



Application For
Appointment To
City Advisory Bodies
1984

NAME: 10:57 JOAN A LANGSEV

ADDRESS: 5200 SE JENNINGS AVE #46

TELEPHONE: (HOME) 659-7017 (WORK) 659-6930

MILWAUKIE RESIDENT SINCE: DEC 1983

PREVIOUS CITY APPOINTMENTS, OFFICES: CITY OF TROUTDALE
DESIGN REVIEW BOARD (LANDSCAPING)

EMPLOYMENT OR PROFESSIONAL ACTIVITIES: LANDSCAPE CONTRACTORS
LICENSE. HAVE WORKED FOR MANY AND OWNED
MY OWN LANDSCAPING BUSINESS.

OTHER COMMUNITY AFFILIATIONS OR ACTIVITIES: A MEMBER O.A.N.
GARDNER'S CHAPTER

WILL YOU BE ABLE TO ATTEND REGULAR MEETINGS AT NIGHT? YES
DURING THE DAY? MIGHT

WHAT ARE YOUR SPECIAL INTERESTS, GOALS FOR MILWAUKIE? MAINTAIN
QUALITY STANDARDS, AS IT GROWS.

OTHER BACKGROUND OR INPUT YOU FEEL WOULD BE BENEFICIAL TO THIS
COMMITTEE OR COMMITTEES: I DO ENJOY THE OUT OF DOORS,
THEREFORE I AM AWARE HOW THINGS GROW IN THEIR
NATURAL SURROUNDINGS. BECAUSE OF MY TRAINING ALSO
I KNOW WHAT IS WORKABLE IN CITY SITES.

Please Check Committee or Committees on Which You Would Like to Serve:
This form valid for only one year from date of application.

- | | | | |
|--------------------------------|--------------------------|-------------------------------|-------------------------------------|
| Budget Committee | <input type="checkbox"/> | Parks & Recreation Commission | <input checked="" type="checkbox"/> |
| Building Code Board of Appeals | <input type="checkbox"/> | Planning Commission | <input type="checkbox"/> |
| Civil Service Commission | <input type="checkbox"/> | Senior Citizen Advisory Comm. | <input type="checkbox"/> |
| Fire Code Board of Appeals | <input type="checkbox"/> | Traffic Safety Commission | <input type="checkbox"/> |
| Library Board | <input type="checkbox"/> | | |

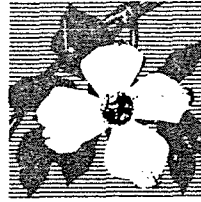
This information will be kept on file with the City for use in
consideration of appointments to city advisory bodies. Please feel
free to attach any additional background information you think would
be of value to the City Council.

Thank you.

Joan Langsev
Signature

1-30-84
Date

CITY OF MILWAUKIE



Application for Appointment to City Advisory Bodies 1984

NAME: Mary E Wilson
 ADDRESS: 13255 SE 30E The Milwaukie
 TELEPHONE: (HOME) 659-4964 (WORK) 655-8560
 MILWAUKIE RESIDENT SINCE: Feb 1979
 REGISTERED VOTER: yes DATE OF BIRTH _____
 PREVIOUS CITY APPOINTMENTS, OFFICES: none

EMPLOYMENT OR PROFESSIONAL ACTIVITIES: Community Health Nurse -
Pediatric Nurse Practitioner (recently laid off) - Clatsop County Health
Dept.

OTHER COMMUNITY AFFILIATIONS OR ACTIVITIES: Part time Coordinator
(Jan 1 - 1984) Clatsop County Child Safety program

WILL YOU BE ABLE TO ATTEND REGULAR MEETINGS AT NIGHT? yes
 DURING THE DAY? yes

WHAT ARE YOUR SPECIAL INTERESTS, GOALS FOR MILWAUKIE? More awareness
of kids & parent of health up & repair & toddler car
separation. Motivation of people driving when under
influence. Better bicycle safety programs.

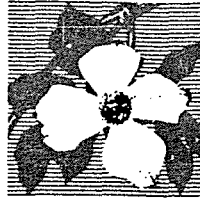
OTHER BACKGROUND OR INPUT YOU FEEL WOULD BE BENEFICIAL TO THIS
 COMMISSION OR COMMISSIONS taught safety to mothers with children
attending Child Health Clinic as a part of Child Health Examination

This form valid for one year from date of application.

Please check commission or commissions on which you would like to
 serve:

- | | |
|---|--|
| <input type="checkbox"/> Budget Committee | <input type="checkbox"/> Fire Code Board of Appeals |
| <input type="checkbox"/> Building Code Board of Appeals | <input type="checkbox"/> Library Board |
| <input type="checkbox"/> Cable Communications Commission | <input type="checkbox"/> Parks & Recreation Comm. |
| <input type="checkbox"/> Center Advisory Board | <input type="checkbox"/> Planning Commission |
| <input type="checkbox"/> Civil Service Commission | <input type="checkbox"/> Senior Citizen Advisory
Commission |
| <input checked="" type="checkbox"/> Traffic Safety Commission | |

CITY OF MILWAUKIE



Application for Appointment to City Advisory Bodies 1984

NAME: JOHN F. KAUFFMAN

ADDRESS: 11105 SE Home Ave

TELEPHONE: (HOME) 654-1828 (WORK) 655-8551

MILWAUKIE RESIDENT SINCE: August 1982

MILWAUKIE-REGISTERED VOTER: yes DATE OF BIRTH January 12, 1945

PREVIOUS CITY APPOINTMENTS, OFFICES: none

EMPLOYMENT OR PROFESSIONAL ACTIVITIES: Supervisor of Records & Elections, Clackamas County Clerk's Office

OTHER COMMUNITY AFFILIATIONS OR ACTIVITIES: Board of Directors, Clackco Federal Credit Union, Chairman - 1983

WILL YOU BE ABLE TO ATTEND REGULAR MEETINGS AT NIGHT? yes
DURING THE DAY? possibly

WHAT ARE YOUR SPECIAL INTERESTS, GOALS FOR MILWAUKIE?
want to maintain the livability of Milwaukie

OTHER BACKGROUND OR INPUT YOU FEEL WOULD BE BENEFICIAL TO THIS COMMISSION OR COMMISSIONS I am a native of Clackamas County, born in Oregon City and graduated from Canby High School

This form valid for one year from date of application.

Please check commission or commissions on which you would like to serve:

- | | |
|---|--|
| <input type="checkbox"/> Budget Committee | <input type="checkbox"/> Fire Code Board of Appeals |
| <input type="checkbox"/> Building Code Board of Appeals | <input checked="" type="checkbox"/> Library Board |
| <input type="checkbox"/> Cable Communications Commission | <input checked="" type="checkbox"/> Parks & Recreation Comm. |
| <input type="checkbox"/> Center Advisory Board | <input type="checkbox"/> Planning Commission |
| <input checked="" type="checkbox"/> Civil Service Commission | <input type="checkbox"/> Senior Citizen Advisory Commission |
| <input checked="" type="checkbox"/> Traffic Safety Commission | |

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CITY OF MILWAUKIE
BILLS PAYABLE FEBRUARY 7, 1984

1.	A & A Welder's Supply, Inc.	11.08	7-	11.08
2.	Able Radiator	40.00	7-	40.00
3.	Adam, Arlie J., MS,CCC-A	44.00	4-	33.00
			30-	11.00
4.	Alder Street Clock Shop	60.50	1-34	60.50
5.	Alexander Plymouth	175.38	1-52	175.38
6.	American Fire Journal	14.95	1-61	14.95
7.	American Society of Building	35.00	1-93	35.00
8.	B & P Quick Print	1,063.41	1-21	1,063.41
9.	Bailey, Richard	33.60	1-61	33.60
10.	Baker & Taylor (N.Y.)	442.43	1-34	442.43
11.	Beck, T. L.	62.50	1-35	62.50
12.	A Beeper Company	48.00	1-52	48.00
13.	Ben-Ko-Matic Brush & Equipment Co.	479.45	7-	479.45
14.	Bernard's Garage	102.39	7-	102.39
15.	Blake, Moffitt & Towne	70.00	1-34	70.00
16.	Bob's Rentals	46.00	30-	46.00
17.	Boise Cascade	431.31	1-23	147.33
			1-32	57.44
			1-53	92.60
			1-62	133.94
18.	Bound to Stay Bound Books, Inc.	10.34	1-34	10.34
19.	Brown, Hugh	38.60	1-10	38.60
20.	City Rubber Stamp	32.33	1-21	17.29
			1-53	15.04
21.	CEMA	100.00	1-62	100.00
22.	Calibre Press, Inc.	65.00	1-52	65.00
23.	Cantel, Inc.	114.85	4-	28.29
			20-	28.28
			30-	58.28
24.	Chamberlain, Kim	35.00	1-36	35.00
25.	Childers Enterprises, Inc.	500.00	1-23	500.00
26.	Columbia Battery	106.01	7-	106.01
27.	Contacts Influential Intl. Corp.	350.00	1-34	350.00
28.	Contemporary Images	12.00	12-	12.00
29.	Coopers & Lybrand	2,644.00	1-23	2,644.00
30.	L. N. Curtis & Sons	65.68	1-62	65.68
31.	Clackamas Cty. Animal Control	184.00	1-52	184.00
32.	" " Bar Association	25.00	1-22	25.00
33.	" " Finance	58.31	1-23	58.31
34.	" " Environmental Services	320.10	4-	320.10
35.	" " Fire Dist. #1	640.36	1-62	640.36
36.	" " Library	212.57	1-34	212.57
37.	" " Printing	97.67	1-52	97.67
38.	" " Recorder	38.00	1-92	38.00
39.	" " Sheriff's Department	7.80	1-52	7.80
40.	DanCor Ltd.	95.00	1-52	95.00
41.	De Haas & Associates	300.23	30-	300.23

Documented
[Signature]
H. H. Brown
City Manager

III
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CITY OF MILWAUKIE
BILLS CITY OF MILWAUKIE
BILLS PAYABLE FEBRUARY 7, 1984

	L & A holder's Supply, Inc.	11.08	7-	11.08
42.	Dept. of Finance & Administration	4.60	1-23	4.60
43.	Dun's Marketing Services	585.00	1-34	585.00
44.	Eden Systems	2,000.00	12-	2,000.00
45.	Executive Department	322.00	1-53	322.00
46.	Feenaughty	154.40	7-52	154.40
47.	Firestone Tire Center	308.64	7-61	308.64
48.	H. D. Fowler company	64.10	30-03	64.10
49.	Fred Meyer	14.39	1-52	1,014.39
50.	Gary-Worth, Inc.	393.61	7-61	393.61
51.	Gaylord Industries, Inc.	85.00	1-32	85.00
52.	Graphic Products, Inc.	18.90	1-24	18.90
53.	Hartford, Dale	210.00	12-2	210.00
54.	Higgins Sign Company	490.00	1-62	490.00
55.	Highsmith Co., Inc.	15.92	1-34	15.92
56.	Hillsboro Police Department	78.00	12-4	78.00
57.	Hopp's Upholstery	150.00	1-62	150.00
58.	Horton Electric	154.30	1-37	114.30
			30-2	40.00
			1-53	92.60
59.	IBM	96.00	1-32	96.00
60.	Innovation Auto-Body	460.03	3-54	460.03
61.	Intl. Association of Chiefs of Police	25.00	1-52	25.00
62.	Jess's Bear Frame & Axle	20.00	1-52	20.00
63.	R.S.S., Robert Keefer	10.00	1-36	10.00
64.	Kovac, Leonard J., Jr.	130.50	1-22	130.50
65.	L & M Appliance Parts & Service	27.00	1-32	27.00
66.	Legislative Counsel Committee	240.00	1-34	180.00
			1-51	60.00
67.	Linn Benton Community College	190.00	20-	95.00
			30-5	95.00
68.	McNaught, Terri Jo	263.63	12-	263.63
69.	Main Street Cleaners	520.60	1-52	520.60
70.	Marvac Products Co.	40.00	4-4	40.00
71.	Marriott Hotel	50.16	1-10	50.16
72.	Massad Ayoub	70.00	1-52	2,6470.00
73.	Mike's Suzuki	30.45	1-52	30.45
74.	Milwaukie Police Reserve	165.00	1-26	165.00
75.	Milwaukie Tour & Travel	742.00	1-62	742.00
76.	Mobile Radio Communication Service	41.25	1-61	41.25
77.	Moore Business Forms	8.39	1-23	8.39
78.	Motorola, Inc.	144.25	1-62	144.25
79.	Multigraphics	67.20	1-24	67.20
80.	Municipal Finance Officers' Assn.	150.00	1-23	150.00
81.	NCR	231.93	12-	231.93
82.	National Fire Protection Assoc.	26.55	1-63	26.55
83.	Northside Ford Truck Sales, Inc.	78.17	1-62	78.17
84.	Northwest Law Enforcement Equipment	1,743.64	1-52	1,743.64

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a(3)

CITY OF MILWAUKIE
BILLS PAYABLE FEBRUARY 7, 1984

86.	Northwest Natural Gas	1,591.93	1-32	879.34
			1-34	712.59
87.	Northwest Roads & Street Conference	40.00	1-92	40.00
88.	Oak Grove Auto Parts	224.38	1-62	48.90
			7-	175.48
89.	Oak Lodge Sanitary District	157.50	20-	157.50
90.	Oil Filter Service Company	46.65	7-	46.65
91.	Olinger Gladstone Dodge	16.72	7-	16.72
92.	Olson Bros. Service	375.94	1-52	375.94
93.	Oregon Assn. Court Administration	20.00	1-26	20.00
94.	Oregon Department of Revenue	102.50	1-23	102.50
95.	Oregonian	75.40	1-34	75.40
96.	Oregon Rubber Mat Mfgs.	100.10	12-	100.10
97.	Oregon State Bar Association	185.00	1-22	185.00
98.	Oregon State Library	20.00	1-34	20.00
99.	Oregon State Police	133.63	1-52	133.63
100.	PGE	23,507.06	1-41	18,628.41
			1-32	741.32
			1-36	40.73
			1-37	609.05
			1-41	11.40
			1-61	52.23
			4-	437.53
			6-	17.70
			20-	167.44
			30-	2,801.25
101.	Pacific Fence & Wire	7.78	4-	7.78
102.	Pacific Northwest Bell	476.57	1-21	55.34
			1-31	54.10
			1-32	268.94
			1-36	58.47
			1-53	39.72
102.	Pacific Pipeline, Inc.	36.82	1-34	36.82
103.	Pacific Western Bank	436.90	12-	436.90
104.	The Parts Store	225.89	7-	225.89
105.	Petty Cash	438.49	1-10	22.54
			1-21	18.23
			1-22	17.17
			1-28	.09
			1-31	32.66
			1-33	10.50
			1-34	38.86
			1-35	11.58
			1-36	26.21
			1-37	13.41
			1-51	18.64
			1-52	98.39
			1-53	8.46
			1-62	32.23
			1-91	12.09
			7-	66.71
			12-	8.52
			20-	.99
			30-	1.21

III

CITY OF MILWAUKIE
BILLS PAYABLE FEBRUARY 7, 1984

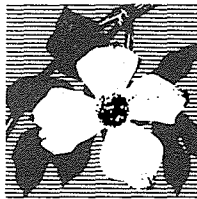
106.	Piper's Pub	110.00	1-10	110.00
107.	Pitney Bowes	155.00	1-23	155.00
108.	Platt Electric Supply, Inc.	283.20	4-	94.40
			20-	94.40
			30-	94.40
109.	Portland Observer	14.55	1-34	14.55
110.	Portland Water Bureau	146.49	30-	146.49
111.	Quality Books, Inc.	59.10	1-34	59.10
112.	Robben Oil	1,359.26	1-37	837.30
			1-61	521.96
113.	Rock Creek Sand & Gravel	505.00	4-	505.00
114.	Rodda Paint	37.22	1-31	13.03
			1-37	24.19
115.	Reading Enrichment Company, Inc.	11.11	1-34	11.11
116.	Saatkamp, Jay	35.25	30-	35.25
117.	Safelite Auto Glass	150.00	1-52	150.00
118.	Sanderson Safety	865.82	20-	811.82
			30-	54.00
119.	Southern Pacific Transportation Co.	225.00	30-	225.00
120.	Stafford Oil Co., Inc.	6,244.74	GL	6,244.74
121.	Stuart Company	15.90	12-	15.90
122.	T & K Products and Supply	494.75	1-52	494.75
123.	Traffic Safety Supply	334.75	1-32	334.75
124.	U. S. Pipe & Foundry	2,583.00	30-	2,583.00
125.	U.S. Postmaster	2,500.00	1-23	2,500.00
126.	Union Oil Company	25.00	1-62	25.00
127.	United Metal Fab. Co.	25.00	1-41	25.00
128.	Viking Freight System	65.08	4-	21.70
			20-	21.69
			30-	21.69
129.	W.D. Automotive	450.00	1-52	450.00
130.	Watts, Franklin, Inc.	329.21	1-34	329.21
131.	Weiler Chevrolet	23.18	7-	23.18
132.	Western Pacific Construction Materials	120.56	4-	120.56
133.	Wilcox Printery	23.00	1-23	23.00
134.	Witness Fees	10.00	1-26	10.00
		\$65,253.89		\$65,253.89

CHART OF ACCOUNTS
FUNDS & DEPARTMENTS

- 01 General Fund
- 10 City Council
 - 21 City Administration
 - 22 City Attorney
 - 23 Finance
 - 24 Purchasing
 - 26 Court
 - 27 Cable Franchise
 - 28 Personnel
 - 31 Community Services Administration
 - 32 Milwaukie Center
 - 34 Library
 - 35 Planning
 - 36 Parks & Recreation
 - 37 City Hall
 - 41 General Government
 - 51 Police Administration
 - 52 Field Services
 - 53 Support Services
 - 61 Fire Administration
 - 62 Fire Suppression
 - 63 Fire Prevention
 - 91 Public Works Administration
 - 92 Public Works Engineering
 - 93 Public Work Building
- 03 Equipment Reserve Fund
- 04 State Tax Street Fund
- 05 Improvement Bond Sinking Fund
- 06 Street Improvement Fund
- 07 Equipment Repair Fund
- 09 Bike Path Fund
- 10 Fixed Asset Account Group
- 12 Federal Revenue Sharing Fund
- 13 Community Development Fund
- 20 Sewer Fund
- 30 Water Fund

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a (5)

CITY OF MILWAUKIE



FINANCE DEPARTMENT
in the City Hall • phone 659-5171

III
B
①

February 1, 1984

To: Hugh Brown, City Manager
From: Margaret A. Post, Director of Finance
Subject: DEFERRED COMPENSATION AGREEMENT

Marge Post

The city's agreement for deferred compensation is with ICMA. ICMA has declared a new administrative structure for the ICMA Retirement Corporation. They have established a trust with a Board of Trustees to be selected by participating employees, thus giving the employers ultimate control over the management of the funds. Included in the trustees' responsibilities are oversight of ICMA performance, appointment of auditors, and monitoring of investment goals and objectives.

For the city to maintain full and continuing participation in the Retirement Turst it is necessary to adopt a resolution amending the deferred compensation agreement.

The City Attorney has prepared the necessary resolution to accomplish this. It is recommended that the City Council adopt the resolution and forward to ICMA.

cc: Greg Eades, City Attorney
Jo Durand, Personnel Officer

Attachment

Approval Recommended
Hugh H. Brown
Hugh H. Brown
City Manager

RESOLUTION NUMBER _____

III
B
②

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILWAUKIE REGARDING DEFERRED COMPENSATION PLAN ADMINISTERED BY ICMA RETIREMENT CORPORATION.

WHEREAS, the city maintains a deferred compensation plan for its employees which is administered by the ICMA Retirement Corporation (the "Administrator"); and

WHEREAS, the Administrator has recommended changes in the plan document to comply with recent federal legislation and Internal Revenue Service Regulations governing said plans; and

WHEREAS, the Internal Revenue Service has issued a private letter ruling approving said plan document as complying with Section 457 of the Internal Revenue Code; and

WHEREAS, other public employers have joined together to establish the ICMA Retirement Trust for the purpose of representing the interest of the participating employers with respect to the collective investment of funds held under their deferred compensation plans; and

WHEREAS, said Trust is a salutary development which further advances the quality of administration for plans administered by the ICMA Retirement Corporation:

NOW THEREFORE BE IT RESOLVED that the city hereby adopts the deferred compensation plan, attached hereto as Appendix A, as an amendment and restatement of its present deferred compensation plan administered by the ICMA Retirement Corporation, which shall continue to act as Administrator of said plan; and

BE IT FURTHER RESOLVED that the city hereby executes the ICMA Retirement Trust, attached hereto as Appendix B; and

BE IT FURTHER RESOLVED that the City Council hereby adopts the trust agreement with ICMA Retirement Corporation as appears at Appendix C hereto, as an amendment and restatement of its existing trust agreement with the ICMA Retirement Corporation, and directs the ICMA Retirement Corporation, as Trustee, to invest all funds held under the deferred compensation plan through the ICMA Retirement Trust as soon as is practicable; and

BE IT FURTHER RESOLVED that the Finance Director shall be the coordinator for this program and shall receive necessary reports, notices, etc from the ICMA Retirement Corporation as Administrator, and shall cast, on behalf of the city, any required votes under the program. Administrative duties to carry out the plan may be assigned to the appropriate departments.

RESOLUTION NO. _____

III
B(3) Page 2

Introduced and adopted by the City Council on _____
_____, 1984.

Joy Burgess, Mayor

ATTEST:

Laurie Perkin, City Recorder

Approved as to form:

Greg Eades, City Attorney

III
B(3)

("EMPLOYER")

DEFERRED COMPENSATION PLAN

I. INTRODUCTION

The Employer hereby establishes the Employer's Deferred Compensation Plan, hereinafter referred to as the "Plan." The Plan consists of the provisions set forth in this document.

The primary purpose of this Plan is to provide retirement income and other deferred benefits to the Employees of the Employer in accordance with the provisions of section 457 of the Internal Revenue Code of 1954, as amended.

This Plan shall be an agreement solely between the Employer and participating Employees.

II. DEFINITIONS

- 2.01 Account:** The bookkeeping account maintained for each Participant reflecting the cumulative amount of the Participant's Deferred Compensation, including any income, gains, losses, or increases or decreases in market value attributable to the Employer's investment of the Participant's Deferred Compensation, and further reflecting any distributions to the Participant or the Participant's Beneficiary and any fees or expenses charged against such Participant's Deferred Compensation.
- 2.02 Administrator:** The person or persons named to carry out certain nondiscretionary administrative functions under the Plan, as hereinafter described. The Employer may remove any person as Administrator upon 60 days advance notice in writing to such person, in which case the Employer shall name another person or persons to act as Administrator. The Administrator may resign upon 60 days advance notice in writing to the Employer, in which case the Employer shall name another person or persons to act as Administrator.
- 2.03 Beneficiary:** The person or persons designated by the Participant in his Joinder Agreement who shall receive any benefits payable hereunder in the event of the Participant's death.
- 2.04 Deferred Compensation:** The amount of Normal Compensation otherwise payable to the Participant which the Participant and the Employer mutually agree to defer hereunder, any amount credited to a Participant's Account by reason of a transfer under Section 6.03, or any other amount which the Employer agrees to credit to a Participant's Account.
- 2.05 Employee:** Any individual who provides services for the Employer, whether as an employee of the Employer or as an independent contractor, and who has been designated by the Employer as eligible to participate in the Plan.
- 2.06 Includible Compensation:** The amount of an Employee's compensation from the Employer for a taxable year that is attributable to services performed for the Employer and that is includible in the Employee's gross income for the taxable year for federal income tax purposes; such term does not include any amount excludable from gross income under this Plan or any other plan described in section 457(b) of the Internal Revenue Code, any amount excludable from gross income under section 403(b) of the Internal Revenue Code, or any other amount excludable from gross income for federal income tax purposes. Includible Compensation shall be determined without regard to any community property laws.
- 2.07 Joinder Agreement:** An agreement entered into between an Employee and the Employer, including any amendments or modifications thereof. Such agreement shall fix the amount of Deferred Compensation, specify a preference among the investment alternatives designated by the Employer, designate the Employee's Beneficiary or Beneficiaries, and incorporate the terms, conditions, and provisions of the Plan by reference.
- 2.08 Normal Compensation:** The amount of compensation which would be payable to a Participant by the Employer for a taxable year if no Joinder Agreement were in effect to defer compensation under this Plan.
- 2.09 Normal Retirement Age:** Age 70, unless the Participant has elected an alternate Normal Retirement Age by written instrument delivered to the Administrator prior to Separation from Service. A Participant's Normal Retirement Age determines (a) the latest time when benefits may commence under this Plan (unless the Participant continues employment after Normal Retirement Age), and (b) the period during which a Participant may utilize the catch-up limitation of Section 5.02 hereunder. Once a Participant has to any extent utilized the catch-up limitation of Section 5.02, his Normal Retirement Age may not be changed.
- A Participant's alternate Normal Retirement Age may not be earlier than the earliest date that the Participant will become eligible to retire and receive unreduced retirement benefits under the Employer's basic retirement plan covering the Participant and may not be later than the date the Participant attains age 70. If a Participant continues employment after attaining age 70, not having previously elected an alternate Normal Retirement Age, the Participant's alternate Normal Retirement Age shall not be later than the mandatory retirement age, if any, established by the Employer, or the age at which the Participant actually separates from service if the Employer has no mandatory retirement age. If the Participant will not become eligible to receive benefits under a basic retirement plan maintained by the Employer, the Participant's alternate Normal Retirement Age may not be earlier than attainment of age 55 and may not be later than attainment of age 70.
- 2.10 Participant:** Any Employee who has joined the Plan pursuant to the requirements of Article IV.
- 2.11 Plan Year:** The calendar year.

III B(4)

2.12 Retirement: The first date upon which both of the following shall have occurred with respect to a Participant: Separation from Service and attainment of Normal Retirement Age.

2.13 Separation from Service: Severance of the Participant's employment with the Employer. A Participant shall be deemed to have severed his employment with the Employer for purposes of this Plan when, in accordance with the established practices of the Employer, the employment relationship is considered to have actually terminated. In the case of a Participant who is an independent contractor of the Employer, Separation from Service shall be deemed to have occurred when the Participant's contract under which services are performed has completely expired and terminated, there is no foreseeable possibility that the Employer will renew the contract or enter into a new contract for the Participant's services, and it is not anticipated that the Participant will become an Employee of the Employer.

III. ADMINISTRATION

3.01 Duties of Employer: The Employer shall have the authority to make all discretionary decisions affecting the rights or benefits of Participants which may be required in the administration of this Plan.

3.02 Duties of Administrator: The Administrator, as agent for the Employer, shall perform nondiscretionary administrative functions in connection with the Plan, including the maintenance of Participants' Accounts, the provision of periodic reports of the status of each Account and the disbursement of benefits on behalf of the Employer in accordance with the provisions of this Plan.

IV. PARTICIPATION IN THE PLAN

4.01 Initial Participation: An Employee may become a Participant by entering into a Joinder Agreement prior to the beginning of the calendar month in which the Joinder Agreement is to become effective to defer compensation not yet earned.

4.02 Amendment of Joinder Agreement: A Participant may amend an executed Joinder Agreement to change the amount of compensation not yet earned which is to be deferred (including the reduction of such future deferrals to zero) or to change his investment preference (subject to such restrictions as may result from the nature or terms of any investment made by the Employer). Such amendment shall become effective as of the beginning of the calendar month commencing after the date the amendment is executed. A Participant may at any time amend his Joinder Agreement to change the designated Beneficiary and such amendment shall become effective immediately.

V. LIMITATIONS ON DEFERRALS

5.01 Normal Limitation: Except as provided in Section 5.02, the maximum amount of Deferred Compensation for any Participant for any taxable year shall not exceed the lesser of \$7,500.00 or 33 1/3 percent of the Participant's Includible Compensation for the taxable year. This limitation will ordinarily be equivalent to the lesser of \$7,500.00 or 25 percent of the Participant's Normal Compensation.

5.02 Catch-up Limitation: For each of the last three (3) taxable years of a Participant ending before his attainment of Normal Retirement Age, the maximum amount of Deferred Compensation shall be the lesser of: (1) \$15,000 or (2) the sum of (i) the Normal Limitation for the taxable year, and (ii) that portion of the Normal Limitation for each of the prior taxable years of the Participant commencing after 1978 during which the Plan was in existence and the Participant was eligible to participate in the Plan (or in any other plan established under section 457 of the Internal Revenue Code by an employer within the same State as the Employer) less the amount of Deferred Compensation for each such prior taxable year (including amounts deferred under such other

plan). For purposes of this Section 5.02, a Participant's Includible Compensation for the current taxable year shall be deemed to include any Deferred Compensation for the taxable year in excess of the amount permitted under the Normal Limitation, and the Participant's Includible Compensation for any prior taxable year shall be deemed to exclude any amount that could have been deferred under the Normal Limitation for such prior taxable year.

5.03 Section 403(b) Annuities: For purposes of Sections 5.01 and 5.02, amounts contributed by the Employer on behalf of a Participant for the purchase of an annuity contract described in section 403(b) of the Internal Revenue Code shall be treated as if such amounts constituted Deferred Compensation under this Plan for the taxable year in which the contribution was made and shall thereby reduce the maximum amount that may be deferred for such taxable year.

VI. INVESTMENTS AND ACCOUNT VALUES

6.01 Investment of Deferred Compensation: All investments of Participants' Deferred Compensation made by the Employer, including all property and rights purchased with such amounts and all income attributable thereto, shall be the sole property of the Employer and shall not be held in trust for Participants or as collateral security for the fulfillment of the Employer's obligations under the Plan. Such property shall be subject to the claims of general creditors of the Employer, and no Participant or Beneficiary shall have any vested interest or secured or preferred position with respect to such property or have any claim against the Employer except as a general creditor.

6.02 Crediting of Accounts: The Participant's Account shall reflect the amount and value of the investments or other property obtained by the Employer through the investment of the Participant's Deferred Compensation. It is anticipated that the Employer's investments with respect to a Participant will conform to the investment preference specified in the Participant's Joinder Agreement, but nothing herein shall be construed to require the Employer to make any particular investment of a Participant's Deferred Compensation. Each Participant shall receive periodic reports, not less frequently than annually, showing the then-current value of his Account.

6.03 Acceptance of Transfers: Pursuant to an appropriate written agreement, the Employer may accept and credit to a Participant's Account amounts transferred from another employer within the same State representing amounts held by such other employer under an eligible State deferred compensation plan described in section 457 of the Internal Revenue Code. Any such transferred amount shall not be treated as a deferral subject to the limitations of Article V, provided however, that the actual amount of any deferral under the plan from which the transfer is made shall be taken into account in computing the catch-up limitation under Section 5.02.

6.04 Employer Liability: In no event shall the Employer's liability to pay benefits to a Participant under Article VI exceed the value of the amounts credited to the Participant's Account; the Employer shall not be liable for losses arising from depreciation or shrinkage in the value of any investments acquired under this Plan.

VII. BENEFITS

7.01 Retirement Benefits and Election on Separation from Service: Except as otherwise provided in this Article VII, the distribution of a Participant's Account shall commence during the second calendar month after the close of the Year of the Participant's Retirement, and the distribution of such Retirement benefits shall be made in accordance with one of the payment options described in Section 7.02. Notwithstanding the foregoing, the Participant may irrevocably

cably elect within 60 days following Separation from Service to have the distribution of benefits commence on a date other than that described in the preceding sentence which is at least 60 days after the date such election is delivered in writing to the Employer and forwarded to the Administrator but not later than 60 days after the close of the Plan Year of the Participant's Retirement.

7.02 Payment Options: As provided in Sections 7.01, 7.05 and 7.06, a Participant may elect to have the value of his Account distributed in accordance with one of the following payment options, provided that such option is consistent with the limitations set forth in Section 7.03:

- (a) Equal monthly, quarterly, semi-annual or annual payments in an amount chosen by the Participant, continuing until his Account is exhausted;
- (b) One lump sum payment;
- (c) Approximately equal monthly, quarterly, semi-annual or annual payments, calculated to continue for a period certain chosen by the Participant;
- (d) Payments equal to payments made by the issuer of a retirement annuity policy acquired by the Employer;
- (e) Any other payment option elected by the Participant and agreed to by the Employer.

A Participant's election of a payment option must be made at least 30 days before the payment of benefits is to commence. If a Participant fails to make a timely election of a payment option, benefits shall be paid monthly under option (c) above for a period of five years.

7.03 Limitation on Options: No payment option may be selected by the Participant under Section 7.02 unless the present value of the payments to the Participant, determined as of the date benefits commence, exceeds 50 percent of the value of the Participant's Account as of the date benefits commence. Present value determinations under this Section shall be made by the Administrator in accordance with the expected return multiples set forth in section 1.72-9 of the Federal Income Tax Regulations (or any successor provision to such regulations).

7.04 Post-retirement Death Benefits: Should the Participant die after he has begun to receive benefits under a payment option, the remaining payments, if any, under the payment option shall be payable to the Participant's Beneficiary commencing within 60 days after the Administrator receives proof of the Participant's death, unless the Beneficiary elects payment under a different payment option at least 30 days prior to the date that the first payment becomes payable to the Beneficiary. In no event shall the Employer or Administrator be liable to the Beneficiary for the amount of any payment made in the name of the Participant before the Administrator receives proof of death of the Participant. Notwithstanding the foregoing, payments to a Beneficiary shall not extend over a period longer than (i) the Beneficiary's life expectancy if the Beneficiary is the Participant's spouse or (ii) fifteen (15) years if the Beneficiary is not the Participant's spouse. If no Beneficiary is designated in the Joinder Agreement, or if the designated Beneficiary does not survive the Participant for a period of fifteen (15) days, then the commuted value of any remaining payments under the payment option shall be paid in a lump sum to the estate of the Participant. If the designated Beneficiary survives the Participant for a period of fifteen (15) days, but does not continue to live for the remaining period of payments under the payment option (as modified, if necessary, in conformity with the third sentence of this section), then the commuted value of any remaining payments under the payment option shall be paid in a lump sum to the estate of the Beneficiary.

7.05 Pre-retirement Death Benefits: Should the Participant die before he has begun to receive the benefits provided by

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Sections 7.01 or 7.06, a death benefit equal to the value of the Participant's Account shall be payable to the Beneficiary commencing no later than 60 days after the close of the Plan Year in which the Participant would have attained Normal Retirement Age. Such death benefit shall be paid in a lump sum unless the Beneficiary elects a different payment option within 90 days of the Participant's death. A Beneficiary who may elect a payment option pursuant to the provisions of the preceding sentence shall be treated as if he were a Participant for purposes of determining the payment options available under Section 7.02; provided, however, that the payment option chosen by the Beneficiary must provide for payments to the Beneficiary over a period no longer than the life expectancy of the Beneficiary if the Beneficiary is the Participant's spouse and must provide for payments over a period not in excess of fifteen (15) years if the Beneficiary is not the Participant's spouse.

7.06 Disability: In the event a Participant becomes disabled before the commencement of Retirement benefits under Section 7.01, the Participant may elect to commence benefits under one of the payment options described in Section 7.02 on the last day of the month following a determination of disability by the Employer. The Participant's request for such determination must be made within a reasonable time after the impairment which constitutes the disability occurs. A Participant shall be considered disabled for purposes of this Plan if he is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or be of long-continued and indefinite duration. The disability of any Participant shall be determined in accordance with uniform principles consistently applied and upon the basis of such medical evidence as the Employer deems necessary and desirable.

7.07 Unforeseeable Emergencies: In the event an unforeseeable emergency occurs, a Participant may apply to the Employer to receive that part of the value of his account that is reasonably needed to satisfy the emergency need. If such an application is approved by the Employer, the Participant shall be paid only such amount as the Employer deems necessary to meet the emergency need, but payment shall not be made to the extent that the financial hardship may be relieved through cessation of deferral under the Plan, insurance or other reimbursement, or liquidation of other assets to the extent such liquidation would not itself cause severe financial hardship. An unforeseeable emergency shall be deemed to involve only circumstances of severe financial hardship to the Participant resulting from a sudden and unexpected illness or accident of the Participant or of a dependent (as defined in section 152(a) of the Internal Revenue Code) of the Participant, loss of the Participant's property due to casualty, or other similar and extraordinary unforeseeable circumstances arising as a result of events beyond the control of the Participant. The need to send a Participant's child to college or to purchase a new home shall not be considered unforeseeable emergencies. The determination as to whether such an unforeseeable emergency exists shall be based on the merits of each individual case.

VIII. NON-ASSIGNABILITY

No Participant or Beneficiary shall have any right to commute, sell, assign, pledge, transfer or otherwise convey or encumber the right to receive any payments hereunder, which payments and rights are expressly declared to be non-assignable and non-transferable.

IX. RELATIONSHIP TO OTHER PLANS AND EMPLOYMENT AGREEMENTS

This Plan serves in addition to any other retirement, pension, or benefit plan or system presently in existence or hereinafter established for the benefit of the Employer's employees, and participation hereunder shall not affect benefits receivable under

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any such plan or system. Nothing contained in this Plan shall be deemed to constitute an employment contract or agreement between any Participant and the Employer or to give any Participant the right to be retained in the employ of the Employer. Nor shall anything herein be construed to modify the terms of any employment contract or agreement between a Participant and the Employer.

X. AMENDMENT OR TERMINATION OF PLAN

The Employer may at any time amend this Plan provided that it transmits such amendment in writing to the Administrator at least 30 days prior to the effective date of the amendment. The consent of the Administrator shall not be required in order for such amendment to become effective, but the Administrator shall be under no obligation to continue acting as Administrator hereunder if it disapproves of such amendment. The Employer may at any time terminate this Plan.

The Administrator may at any time propose an amendment to the Plan by an instrument in writing transmitted to the Employer at least 30 days before the effective date of the amendment. Such amendment shall become effective unless, within such 30-day

period, the Employer notifies the Administrator in writing that it disapproves such amendment, in which case such amendment shall not become effective. In the event of such disapproval, the Administrator shall be under no obligation to continue acting as Administrator hereunder.

No amendment or termination of the Plan shall divest a Participant of any rights with respect to compensation deferred before the date of the amendment or termination.

XI. APPLICABLE LAW

This Plan shall be construed under the laws of the state where the Employer is located and is established with the intent that it meet the requirements of an "eligible State deferred compensation plan" under section 457 of the Internal Revenue Code of 1954, as amended. The provisions of this Plan shall be interpreted wherever possible in conformity with the requirements of that section.

XII. GENDER AND NUMBER

The masculine pronoun, whenever used herein, shall include the feminine pronoun, and the singular shall include the plural, except where the context requires otherwise.

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DECLARATION OF TRUST of ICMA RETIREMENT TRUST

ARTICLE I. Name and Definitions

SECTION 1.1. Name. The Name of the Trust created hereby is the ICMA Retirement Trust.

SECTION 1.2. Definitions. Wherever they are used herein, the following terms shall have the following respective meanings:

- (a) By-Laws. The By-Laws referred to in Section 4.1 hereof, as amended from time to time.
- (b) Deferred Compensation Plan. A deferred compensation plan established and maintained by a Public Employer for the purpose of providing retirement income and other deferred benefits to its employees in accordance with the provisions of section 457 of the Internal Revenue Code of 1954, as amended.
- (c) Guaranteed Investment Contract. A contract entered into by the Retirement Trust with insurance companies that provides for a guaranteed rate of return on investments made pursuant to such contract.
- (d) ICMA. The International City Management Association.
- (e) ICMA/RC Trustees. Those Trustees elected by the Public Employers who, in accordance with the provisions of Section 3.1(a) hereof, are also members of the Board of Directors of ICMA or RC.
- (f) Investment Adviser. The Investment Adviser that enters into a contract with the Retirement Trust to provide advice with respect to investment of the Trust Property.
- (g) Employer Trust. A trust created pursuant to an agreement between RC and a Public Employer for the purpose of investing and administering the funds set aside by such employer in connection with its deferred compensation agreements with its employees.
- (h) Portfolios. The Portfolios of investments established by the Investment Adviser to the Retirement Trust, under the supervision of the Trustees, for the purpose of providing investments for the Trust Property.
- (i) Public Employee Trustees. Those Trustees elected by the Public Employers who, in accordance with the provisions of Section 3.1(a) hereof, are full-time employees of Public Employers.
- (j) Public Employer. A unit of state or local government, or any agency or instrumentality thereof, that has adopted a Deferred Compensation Plan and has executed this Declaration of Trust.
- (k) RC. The International City Management Association Retirement Corporation.
- (l) Retirement Trust. The Trust created by this Declaration of Trust.
- (m) Trust Property. The amounts held in the Retirement Trust on behalf of the Public Employers. The Trust Property shall include any income resulting from the investment of the amounts so held.
- (n) Trustees. The Public Employee Trustees and ICMA/RC Trustees elected by the Public Employers to serve as members of the Board of Trustees of the Retirement Trust.

ARTICLE II. Creation and Purpose of the Trust; Ownership of Trust Property

SECTION 2.1. Creation. The Retirement Trust is created and established by the execution of this Declaration of Trust by the Trustees and the participating Public Employers.

SECTION 2.2. Purpose. The purpose of the Retirement Trust is to provide for the commingled investment of funds held by the Public Employers in connection with their Deferred Compensation Plans. The Trust Property shall be invested in the Portfolios, in Guaranteed Investment Contracts and in other investments recommended by the Investment Adviser under the supervision of the Board of Trustees.

SECTION 2.3 Ownership of Trust Property. The Trustees shall have legal title to the Trust Property. The Public Employers shall be the beneficial owners of the Trust Property.

ARTICLE III. Trustees

SECTION 3.1. Number and Qualification of Trustees.

(a) The Board of Trustees shall consist of nine Trustees. Five of the Trustees shall be full-time employees of a Public Employer (the Public Employee Trustees) who are authorized by such Public Employer to serve as Trustee. The remaining four Trustees shall consist of two persons who, at the time of election to the Board of Trustees, are members of the Board of Directors of ICMA and two persons who, at the time of election, are members of the Board of Directors of RC (the ICMA/RC Trustees). One of the Trustees who is a director of ICMA, and one of the Trustees who is a director of RC, shall, at the time of election, be full-time employees of a Public Employer.

(b) No person may serve as a Trustee for more than one term in any ten-year period.

SECTION 3.2. Election and Term.

(a) Except for the Trustees appointed to fill vacancies pursuant to Section 3.5 hereof, the Trustees shall be elected by a vote of a majority of the Public Employers in accordance with the procedures set forth in the By-Laws.

(b) At the first election of Trustees, three Trustees shall be elected for a term of three years, three Trustees shall be elected for a term of two years and three Trustees shall be elected for a term of one year. At each subsequent election, three Trustees shall be elected for a term of three years and until his or her successor is elected and qualified.

SECTION 3.3. Nominations. The Trustees who are full-time employees of Public Employers shall serve as the Nominating Committee for the Public Employee Trustees. The Nominating Committee shall choose candidates for Public Employee Trustees in accordance with the procedures set forth in the By-Laws.

SECTION 3.4. Resignation and Removal.

(a) Any Trustee may resign as Trustee (without need for prior or subsequent accounting) by an instrument in writing signed by the Trustee and delivered to the other Trustees and such resignation shall be effective upon such delivery, or at a later date according

to the terms of the instrument. Any of the Trustees may be removed for cause, by a vote of a majority of the Public Employers.

(b) Each Public Employee Trustee shall resign his or her position as Trustee within sixty days of the date on which he or she ceases to be a full-time employee of a Public Employer.

SECTION 3.5. Vacancies. The term of office of a Trustee shall terminate and a vacancy shall occur in the event of the death, resignation, removal, adjudicated incompetence or other incapacity to perform the duties of the office of a Trustee. In the case of a vacancy, the remaining Trustees shall appoint such person as they in their discretion shall see fit (subject to the limitations set forth in this Section), to serve for the unexpired portion of the term of the Trustee who has resigned or otherwise ceased to be a Trustee. The appointment shall be made by a written instrument signed by a majority of the Trustees. The person appointed must be the same type of Trustee (i.e., Public Employee Trustee or ICMA/RC Trustee) as the person who has ceased to be a Trustee. An appointment of a Trustee may be made in anticipation of a vacancy to occur at a later date by reason of retirement or resignation, provided that such appointment shall not become effective prior to such retirement or resignation. Whenever a vacancy in the number of Trustees shall occur, until such vacancy is filled as provided in this Section 3.5, the Trustees in office, regardless of their number, shall have all the powers granted to the Trustees and shall discharge all the duties imposed upon the Trustees by this Declaration. A written instrument certifying the existence of such vacancy signed by a majority of the Trustees shall be conclusive evidence of the existence of such vacancy.

SECTION 3.6. Trustees Serve in Representative Capacity. By executing this Declaration, each Public Employer agrees that the Public Employee Trustees elected by the Public Employers are authorized to act as agents and representatives of the Public Employers collectively.

ARTICLE IV. Powers of Trustees

SECTION 4.1. General Powers. The Trustees shall have the power to conduct the business of the Trust and to carry on its operations. Such power shall include, but shall not be limited to, the power to:

- (a) receive the Trust Property from the Public Employers or from a Trustee of any Employer Trust;
- (b) enter into a contract with an Investment Adviser providing, among other things, for the establishment and operation of the Portfolios, selection of the Guaranteed Investment Contracts in which the Trust Property may be invested, selection of other investments for the Trust Property and the payment of reasonable fees to the Investment Adviser and to any sub-investment adviser retained by the Investment Adviser;
- (c) review annually the performance of the Investment Adviser and approve annually the contract with such Investment Adviser;
- (d) invest and reinvest the Trust Property in the Portfolios, the Guaranteed Investment Contracts and in any other investment recommended by the Investment Adviser, provided that if a Public Employer has directed that its monies be invested in specified Portfolios or in a Guaranteed Investment Contract, the Trustees of the Retirement Trust shall invest such monies in accordance with such directions;
- (e) keep such portion of the Trust Property in cash or cash balances as the Trustees, from time to time, may deem to be in the best interest of the Retirement Trust created hereby, without liability for interest thereon;
- (f) accept and retain for such time as they may deem advisable any securities or other property received or acquired by them as Trustees hereunder, whether or not such securities or other property would normally be purchased as investments hereunder;
- (g) cause any securities or other property held as part of the Trust Property to be registered in the name of the Retirement Trust or in the name of a nominee, and to hold any investments in bearer form, but the books and records of the Trustees shall at all

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times show that all such investments are a part of the Trust Property;

(h) make, execute, acknowledge, and deliver any and all documents of transfer and conveyance and any and all other instruments that may be necessary or appropriate to carry out the powers herein granted;

(i) vote upon any stock, bonds, or other securities; give general or special proxies or powers of attorney with or without power of substitution; exercise any conversion privileges, subscription rights, or other options, and make any payments incidental thereto; oppose, or consent to, or otherwise participate in, corporate reorganizations or other changes affecting corporate securities, and delegate discretionary powers, and pay any assessments or charges in connection therewith; and generally exercise any of the powers of an owner with respect to stocks, bonds, securities or other property held as part of the Trust Property;

(j) enter into contracts or arrangements for goods or services required in connection with the operation of the Retirement Trust, including, but not limited to, contracts with custodians and contracts for the provision of administrative services;

(k) borrow or raise money for the purpose of the Retirement Trust in such amount, and upon such terms and conditions, as the Trustees shall deem advisable, provided that the aggregate amount of such borrowings shall not exceed 30% of the value of the Trust Property. No person lending money to the Trustees shall be bound to see the application of the money lent or to inquire into its validity, expediency or propriety of any such borrowing;

(l) incur reasonable expenses as required for the operation of the Retirement Trust and deduct such expenses from the Trust Property;

(m) pay expenses properly allocable to the Trust Property incurred in connection with the Deferred Compensation Plans of the Employer Trusts and deduct such expenses from that portion of the Trust Property beneficially owned by the Public Employer to whom such expenses are properly allocable;

(n) pay out of the Trust Property all real and personal property taxes, income taxes and other taxes of any and all kinds which, in the opinion of the Trustees, are properly levied, or assessed under existing or future laws upon, or in respect of, the Trust Property and allocate any such taxes to the appropriate accounts;

(o) adopt, amend and repeal the By-Laws, provided that such By-Laws are at all times consistent with the terms of this Declaration of Trust;

(p) employ persons to make available interests in the Retirement Trust to employers eligible to maintain a deferred compensation plan under section 457 of the Internal Revenue Code, as amended;

(q) issue the Annual Report of the Retirement Trust, and the disclosure documents and other literature used by the Retirement Trust;

(r) make loans, including the purchase of debt obligations, provided that all such loans shall bear interest at the current market rate;

(s) contract for, and delegate any powers granted hereunder to, such officers, agents, employees, auditors and attorneys as the Trustees may select, provided that the Trustees may not delegate the powers set forth in paragraphs (b), (c) and (o) of this Section 4.1 and may not delegate any powers if such delegation would violate their fiduciary duties;

(t) provide for the indemnification of the officers and Trustees of the Retirement Trust and purchase fiduciary insurance;

(u) maintain books and records, including separate accounts for each Public Employer or Employer Trust and such additional separate accounts as are required under, and consistent with, the Deferred Compensation Plan of each Public Employer; and

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(v) do all such acts, take all such proceedings, and exercise all such rights and privileges, although not specifically mentioned herein, as the Trustees may deem necessary or appropriate to administer the Trust Property and to carry out the purposes of the Retirement Trust.

SECTION 4.2. Distribution of Trust Property. Distributions of the Trust Property shall be made to, or on behalf of, the Public Employer, in accordance with the terms of the Deferred Compensation Plans or Employer Trusts. The Trustees of the Retirement Trust shall be fully protected in making payments in accordance with the directions of the Public Employers or the Trustees of the Employer Trusts without ascertaining whether such payments are in compliance with the provisions of the Deferred Compensation Plans or the agreements creating the Employer Trusts.

SECTION 4.3. Execution of Instruments. The Trustees may unanimously designate any one or more of the Trustees to execute any instrument or document on behalf of all, including but not limited to the signing or endorsement of any check and the signing of any applications, insurance and other contracts, and the action of such designated Trustee or Trustees shall have the same force and effect as if taken by all the Trustees.

ARTICLE V. Duty of Care and Liability of Trustees

SECTION 5.1. Duty of Care. In exercising the powers hereinbefore granted to the Trustees, the Trustees shall perform all acts within their authority for the exclusive purpose of providing benefits for the Public Employers, and shall perform such acts with the care, skill, prudence and diligence in the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims.

SECTION 5.2. Liability. The Trustees shall not be liable for any mistake of judgment or other action taken in good faith, and for any action taken or omitted in reliance in good faith upon the books of account or other records of the Retirement Trust, upon the opinion of counsel, or upon reports made to the Retirement Trust by any of its officers, employees or agents or by the Investment Adviser or any sub-investment adviser, accountants, appraisers or other experts or consultants selected with reasonable care by the Trustees, officers or employees of the Retirement Trust. The Trustees shall also not be liable for any loss sustained by the Trust Property by reason of any investment made in good faith and in accordance with the standard of care set forth in Section 5.1.

SECTION 5.3. Bond. No Trustee shall be obligated to give any bond or other security for the performance of any of his or her duties hereunder.

ARTICLE VI. Annual Report to Shareholders

The Trustees shall annually submit to the Public Employers a written report of the transactions of the Retirement Trust, including financial statements which shall be certified by independent public accountants chosen by the Trustees.

ARTICLE VII. Duration or Amendment of Retirement Trust

SECTION 7.1. Withdrawal. A Public Employer may, at any time, withdraw from this Retirement Trust by delivering to the Board of Trustees a statement to that effect. The withdrawing Public Employer's beneficial interest in the Retirement Trust shall be paid out to the Public Employer or to the Trustee of the Employer Trust, as appropriate.

SECTION 7.2. Duration. The Retirement Trust shall continue until terminated by the vote of a majority of the Public Employers, each casting one vote. Upon termination, all of the Trust Property shall be paid out to the Public Employers or the Trustees of the Employer Trusts, as appropriate.

SECTION 7.3. Amendment. The Retirement Trust may be amended by the vote of a majority of the Public Employers, each casting one vote.

SECTION 7.4. Procedure. A resolution to terminate or amend the Retirement Trust or to remove a Trustee shall be submitted to a vote of the Public Employers if: (a) a majority of the Trustees so direct, or (b) a petition requesting a vote, signed by not less than 25% of the Public Employers, is submitted to the Trustees.

ARTICLE VIII. Miscellaneous

SECTION 8.1. Governing Law. Except as otherwise required by state or local law, this Declaration of Trust and the Retirement Trust hereby created shall be construed and regulated by the laws of the District of Columbia.

SECTION 8.2. Counterparts. This Declaration may be executed by the Public Employers and Trustees in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

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TRUST AGREEMENT WITH THE ICMA RETIREMENT CORPORATION

AGREEMENT made by and between the Employer named in the attached resolution and the International City Management Association Retirement Corporation (hereinafter the "Trustee" or "Retirement Corporation"), a nonprofit corporation organized and existing under the laws of the State of Delaware, for the purpose of investing and otherwise administering the funds set aside by Employers in connection with deferred compensation plans established under section 457 of the Internal Revenue Code of 1954 (the "Code"). This Agreement shall take effect upon acceptance by the Trustee of its appointment by the Employer to serve as Trustee in accordance herewith as set forth in the attached resolution.

WHEREAS, the Employer has established a deferred compensation plan under section 457 of the Code (the "Plan");

WHEREAS, in order that there will be sufficient funds available to discharge the Employer's contractual obligations under the Plan, the Employer desires to set aside periodically amounts equal to the amount of compensation deferred:

WHEREAS, the funds set aside, together with any and all assets derived from the investment thereof, are to be exclusively within the dominion, control, and ownership of the Employer, and subject to the Employer's absolute right of withdrawal, no employees having any interest whatsoever therein;

NOW, THEREFORE, this Agreement witnesseth that (a) the Employer will pay monies to the Trustee to be placed in deferred compensation accounts for the Employer; (b) the Trustee covenants that it will hold said sums, and any other funds which it may receive hereunder, in trust for the uses and purposes and upon the terms and conditions hereinafter stated; and (c) the parties hereto agree as follows:

ARTICLE I. General Duties of the Parties.

Section 1.1. General Duty of the Employer. The Employer shall make regular periodic payments equal to the amounts of its employees' compensation which are deferred in accordance with the terms and conditions of the Plan to the extent that such amounts are to be invested under the Trust.

Section 1.2. General Duties of the Trustee. The Trustee shall hold all funds received by it hereunder, which, together with the income therefrom, shall constitute the Trust Funds. It shall administer the Trust Funds, collect the income thereof, and make payments therefrom, all as hereinafter provided. The Trustee shall also hold all Trust Funds which are transferred to it as successor Trustee by the Employer from existing deferred compensation arrangements with its Employees under plans described in section 457 of the Code. Such Trust Funds shall be subject to all of the terms and provisions of this Agreement.

ARTICLE II. Powers and Duties of the Trustee in Investment, Administration, and Disbursement of the Trust Funds.

Section 2.1. Investment Powers and Duties of the Trustee. The Trustee shall have the power to invest and reinvest the principal and income of the Trust Funds and keep the Trust Funds invested, without distinction between principal and income, in securities or in other property, real or personal, wherever situated, including, but not limited to, stocks, common or preferred, bonds, retirement annuity and insurance policies, mortgages, and other evidences of indebtedness or ownership, investment companies, common or group trust funds, or separate and different types of funds (including equity, fixed income) which fulfill requirements of state and local governmental laws,

provided, however, that the Employer may direct investment by the Trustee among available investment alternatives in such proportions as the Employer authorizes in connection with its deferred compensation agreements with its employees. For these purposes, these Trust Funds may be commingled with Trust Funds set aside by other Employers pursuant to the terms of the ICMA Retirement Trust. Investment powers vested in the Trustee by the Section may be delegated by the Trustee to any bank, insurance or trust company, or any investment advisor, manager or agent selected by it.

Section 2.2. Administrative Powers of the Trustee. The Trustee shall have the power in its discretion:

(a) To purchase, or subscribe for, any securities or other property and to retain the same in trust.

(b) To sell, exchange, convey, transfer or otherwise dispose of any securities or other property held by it, by private contract, or at public auction. No person dealing with the Trustee shall be bound to see the application of the purchase money or to inquire into the validity, expediency, or propriety of any such sale or other disposition.

(c) To vote upon any stocks, bonds, or other securities; to give general or special proxies or powers of attorney with or without power of substitution; to exercise any conversion privilege, subscription rights, or other options, and to make any payments incidental thereto; to oppose, or to consent to, or otherwise participate in, corporate reorganizations or other changes affecting corporate securities, and to delegate discretionary powers, and to pay any assessments or charges in connection therewith; and generally to exercise any of the powers of an owner with respect to stocks, bonds, securities or other property held as part of the Trust Funds.

(d) To cause any securities or other property held as part of the Trust Funds to be registered in its own name, and to hold any investments in bearer form, but the books and records of the Trustee shall at all times show that all such investments are a part of the Trust Funds.

(e) To borrow or raise money for the purpose of the Trust in such amount, and upon such terms and conditions, as the Trustee shall deem advisable; and, for any sum so borrowed, to issue its promissory note as Trustee, and to secure the repayment thereof by pledging all, or any part, of the Trust Funds. No person lending money to the Trustee shall be bound to see the application of the money lent or to inquire into its validity, expediency or propriety of any such borrowing.

(f) To keep such portion of the Trust Funds in cash or cash balances as the Trustee, from time to time, may deem to be in the best interest of the Trust created hereby, without liability for interest thereon.

(g) To accept and retain for such time as it may deem advisable any securities or other property received or acquired by it as Trustee hereunder, whether or not such securities or other property would normally be purchased as investment hereunder.

(h) To make, execute, acknowledge, and deliver any and all documents of transfer and conveyance and any and all other instruments that may be necessary or appropriate to carry out the powers herein granted.

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(i) To settle, compromise, or submit to arbitration any claims, debts, or damages due or owing to or from the Trust Funds; to commence or defend suits or legal or administrative proceedings; and to represent the Trust Funds in all suits and legal and administrative proceedings.

(j) To do all such acts, take all such proceedings, and exercise all such rights and privileges, although not specifically mentioned herein, as the Trustee may deem necessary to administer the Trust Funds and to carry out the purposes of this Trust.

Section 2.3. Distributions from the Trust Funds. The Employer hereby appoints the Trustee as its agent for the purpose of making distributions from the Trust Funds. In this regard the terms and conditions set forth in the Plan are to guide and control the Trustee's power

Section 2.4. Valuation of Trust Funds. At least once a year as of Valuation Dates designated by the Trustee, the Trustee shall determine the value of the Trust Funds. Assets of the Trust Funds shall be valued at their market values at the close of business on the Valuation Date, or, in the absence of readily ascertainable market values as the Trustee shall determine, in accordance with methods consistently followed and uniformly applied.

ARTICLE III. For Protection of Trustee.

Section 3.1. Evidence of Action by Employer. The Trustee may rely upon any certificate, notice or direction purporting to have been signed on behalf of the Employer which the Trustee believes to have been signed by a duly designated official of the Employer. No communication shall be binding upon any of the Trust Funds or Trustee until they are received by the Trustee.

Section 3.2. Advice of Counsel. The Trustee may consult with any legal counsel with respect to the construction of this Agreement, its duties hereunder, or any act, which it proposes to take or omit, and shall not be liable for any action taken or omitted in good faith pursuant to such advice.

Section 3.3. Miscellaneous. The Trustee shall use ordinary care and reasonable diligence, but shall not be liable for any mistake of judgment or other action taken in good faith. The Trustee shall not be liable for any loss sustained by the Trust Funds by reasons of any investment made in good faith and in accordance with the provisions of this Agreement.

The Trustee's duties and obligations shall be limited to those expressly imposed upon it by this Agreement.

ARTICLE IV. Taxes, Expenses and Compensation of Trustee.

Section 4.1. Taxes. The Trustee shall deduct from and charge against the Trust Funds any taxes on the Trust Funds or the income thereof or which the Trustee is required to pay with respect to the interest of any person therein.

Section 4.2. Expenses. The Trustee shall deduct from and charge against the Trust Funds all reasonable expenses incurred by the Trustee in the administration of the Trust Funds, including counsel, agency, investment advisory, and other necessary fees.

ARTICLE V. Settlement of Accounts. The Trustee shall keep accurate and detailed accounts of all investments, receipts, disbursements, and other transactions hereunder.

Within ninety (90) days after the close of each fiscal year, the Trustee shall render in duplicate to the Employer an account of its acts and transactions as Trustee hereunder. If any part of the Trust Fund shall be invested through the medium of any common, collective or commingled Trust Funds, the last annual report of such Trust Funds shall be submitted with and incorporated in the account.

If within ninety (90) days after the mailing of the account or any amended account the Employer has not filed with the Trustee notice of any objection to any act or transaction of the Trustee, the account or amended account shall become an account stated. If any objection has been filed, and if the Employer is satisfied that it should be withdrawn or if the account is adjusted to the Employer's satisfaction, the Employer shall in writing filed with the Trustee signify approval of the account and it shall become an account stated.

When an account becomes an account stated, such account shall be finally settled, and the Trustee shall be completely discharged and released, as if such account had been settled and allowed by a judgment or decree of a court of competent jurisdiction in an action or proceeding in which the Trustee and the Employer were parties.

The Trustee shall have the right to apply at any time to a court of competent jurisdiction for the judicial settlement of its account.

ARTICLE VI. Resignation and Removal of Trustee.

Section 6.1. Resignation of Trustee. The Trustee may resign at any time by filing with the Employer its written resignation. Such resignation shall take effect sixty (60) days from the date of such filing and upon appointment of a successor pursuant to Section 6.3., whichever shall first occur.

Section 6.2. Removal of Trustee. The Employer may remove the Trustee at any time by delivering to the Trustee a written notice of its removal and an appointment of a successor pursuant to Section 6.3. Such removal shall not take effect prior to sixty (60) days from such delivery unless the Trustee agrees to an earlier effective date.

Section 6.3. Appointment of Successor Trustee. The appointment of a successor to the Trustee shall take effect upon the delivery to the Trustee of (a) an instrument in writing executed by the Employer appointing such successor, and exonerating such successor from liability for the acts and omissions of its predecessor, and (b) an acceptance in writing, executed by such successor.

All of the provisions set forth herein with respect to the Trustee shall relate to each successor with the same force and effect as if such successor had been originally named as Trustee hereunder.

If a successor is not appointed within sixty (60) days after the Trustee gives notice of its resignation pursuant to Section 6.1., the Trustee may apply to any court of competent jurisdiction for appointment of a successor.

Section 6.4. Transfer of Funds to Successor. Upon the resignation or removal of the Trustee and appointment of a successor, and after the final account of the Trustee has been properly settled, the Trustee shall transfer and deliver any of the Trust Funds involved to such successor.

ARTICLE VII. Duration and Revocation of Trust Agreement.

Section 7.1. Duration and Revocation. This Trust shall continue for such time as may be necessary to accomplish the purpose for which it was created but may be terminated or revoked at any time by the Employer as it relates to any and/or all related participating Employees. Written notice of such termination or revocation shall be given to the Trustee by the Employer. Upon termination or revocation of the Trust, all of the assets thereof shall return to and revert to the Employer. Termination of this Trust shall not, however, relieve the Employer of the Employer's continuing obligation to pay deferred compensation to Employees in accordance with the terms of the Plan.

Section 7.2. Amendment. The Employer shall have the right to amend this Agreement in whole and in part but only with the Trustee's written consent. Any such amendment shall become effective upon (a) delivery to the Trustee of a written instrument of amendment, and (b) the endorsement by the Trustee on such instrument of its consent thereto.

ARTICLE VIII. Miscellaneous.

Section 8.1. Laws of the District of Columbia to Govern. This Agreement and the Trust hereby created shall be construed and regulated by the laws of the District of Columbia.

Section 8.2. Successor Employers. The "Employer" shall include any person who succeeds the Employer and who thereby becomes subject to the obligations of the Employer under the Plan.

Section 8.3. Withdrawals. The Employer may, at any time, and from time to time, withdraw a portion or all of Trust Funds created by this Agreement.

Section 8.4. Gender and Number. The masculine includes the feminine and the singular includes the plural unless the context requires another meaning.

MEMORANDUM

III
c①

TO: MAYOR AND CITY COUNCIL

FROM: GREG EADES, CITY ATTORNEY *GE*

DATE: JANUARY 30, 1984

SUBJECT: RECORDS RETENTION ORDINANCE.

Sometime ago the city adopted a records retention ordinance to govern the maintenance and disposal of city records. As I understand it, this ordinance was necessary because, although the State Archivist in the Secretary of State's office was responsible for maintenance of all public records, statewide regulations had not yet been adopted.

Now the state regulations are available, and our ordinance is out of date. Since it's no longer necessary to maintain any local rules, I recommend that you repeal the ordinance.

GE/vk

R. H. Brown
R. H. Brown
City Manager

III
C (2)

ORDINANCE NUMBER _____

AN ORDINANCE OF THE CITY OF MILWAUKIE, OREGON, REPEALING ORDINANCE NO. 1388 PROVIDING FOR THE RETENTION AND DISPOSAL OF CITY RECORDS.

WHEREAS, Ordinance No. 1388 provides a retention schedule for the maintenance of city records and documents, and

WHEREAS, ORS Chapter 192 requires the State Archivist to adopt statewide rules for the custody and maintenance of public records, and

WHEREAS, the retention schedules in Ordinance No. 1388 are in conflict with those adopted by the State Archivist and the city desires to conform its procedures to those promulgated by the state, now therefore

THE CITY OF MILWAUKIE DOES ORDAIN AS FOLLOWS:

Section 1. Ordinance No. 1388, adopted February 27, 1978 is repealed.

Section 2. The City Manager or his designee is responsible for maintaining city records and documents in accordance with the rules adopted by the State Archivist.

Read the first time on _____, 1984, and moved to second reading by _____ vote of the City Council.

Read the second time and adopted by the City Council on _____, 1984.

Signed by the Mayor on _____, 1984.

Joy Burgess, Mayor

ATTEST:

Laurie Perkin, Recorder

Approved as to form:



Greg Eades, City Attorney

1520 SE Eton Lane
Milwaukie, Oregon 97222
January 13, 1984

TV a
①

Joy Burgess, Mayor
City of Milwaukie
Milwaukie, Oregon 97222

Joy--


If you have not already seen it, please be sure to read the editorial on page D10 of today's Oregonian concerning the Tacoma Street overpass. For once, the newspaper's hit the nail right on the head!

You may remember my note to you several months ago referring to the Milwaukie Expressway and its effect on the Tacoma situation. The Expressway, like most major projects I've seen, was built with little, if any, consideration as to the consequences of the extra traffic that would be "dumped" off its exits (in this case S.E. 17th & also McLoughlin Blvd). The result is that Portland has spent thousands of dollars/unsucessfully cope with the traffic now being led into the Sellwood area because of the convenience of the Expressway. Portland will have to eventually face up to major street alterations in order to handle this traffic. I live over here and watched this fiasco!

The traffic count may be down now, but as soon as a new easy-off exit is constructed at Tacoma, you can be sure the traffic count will skyrocket onto Johnson Creek Blvd, thence into Ardenwald, where the city of Milwaukie will then be stuck with the problems and massive costs (as the city of Portland is now in Sellwood) of handling the influx of additional vehicles.

I sincerely hope that you, and the council, will turn down the overpass proposal unless the planners are willing to provide both the solutions and funding to handle the consequences of the project.

Sincerely,


Ted Havlicek

KASCH'S

garden centers & nurseries

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- ★ Landscape Contractors

IV#

a (2)

20 January 1984

Mayor Joy Burgess
City of Milwaukie
10722 SE Main Street
Milwaukie, Oregon 97222

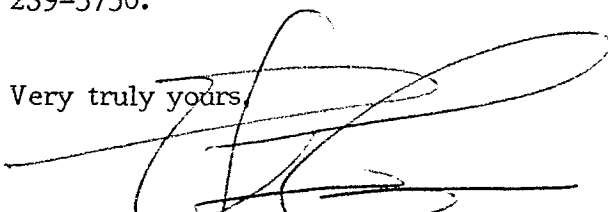
Dear Mayor Burgess

I have enclosed a copy of a letter to Robert Heard, Project Coordinator for the Oregon Department of Transportation explaining our position and concerns relative to the proposed McLoughlin Corridor project.

I am asking that local jurisdictions postpone public hearings and action on the proposed improvements until after the public and the decision makers have had at least 30 days to study a Department of Transportation report comparing and evaluating all of the viable alternatives.

If you have any questions concerning our request or our concerns please call me at 239-5750.

Very truly yours,


Easton Cross, President
Kasch's Garden Center and Nursery

cc: Mr. Steve Hall, City of Milwaukie

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IV
a (3)

20 January 1984

Mr. Robert J. Heard
Project Coordinator
Oregon Department of Transportation
9002 SE. McLoughlin Boulevard
Milwaukie, Oregon 97222

Dear Mr. Heard,

I am writing to thank you for the time you have taken in working with Kasch's while trying to resolve the difficult problems associated with by the McLoughlin Corridor project. As you know, our main store is located southwest of the Tacoma/McLoughlin intersection, and could be relocated by the project.

Our Tacoma/McLoughlin location has been a good one. Since our store was established there 40 years ago, it has grown to be the largest garden supply center in the state. It serves thousands of customers from the entire metropolitan area on a regular basis and occasionally some from as far away as Idaho and California. We would like to remain at that location for many more years.

In following the development of the alternatives for the Tacoma/McLoughlin interchange, there appear to be two which could both improve the regional transportation system and allow us to remain in our present location. Those alternatives are the "Flyover" alternative, and the "City of Portland (COP) Loop" alternative. The Flyover alternative will not displace our business and it is the alternative which we favor. The COP Loop alternative could be acceptable if modified to move the Tacoma roadway to the southern edge of our property, and if right-of-way were swapped with the city.

We are concerned at this point in the process because the Flyover alternative, (the alternative which we favor) has never been adequately presented to the public or the decision makers for their review. The Flyover alternative was not included in the draft environmental impact statement (DEIS), and consequently was not a choice when public hearings were held, in 1982. We request that a report be prepared as a supplement to the DEIS. This report should fairly represent and evaluate the Flyover alternative at the same level of detail as the analysis done for other alternatives originally addressed in the DEIS. This report should be available for public review a minimum of 30 days prior to additional public hearings on the McLoughlin Corridor project, (longer, if required by law.)

We would also appreciate your investigation of any modifications to the COP Loop scheme which might make it more compatible with our goal of remaining at our present location.

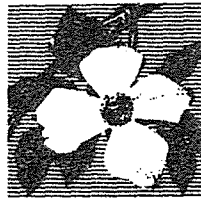
IV
a (4)

Again, I would like to thank you for your assistance in this matter. If you have any question about this letter or our concerns, please call me at 239-5750, or call my consultant Mr. Ernest Munch at 224-1282.

Very truly yours,

Easton Cross, President
Kasch's Garden Center and Nursery

CITY OF MILWAUKIE



OFFICE OF THE CITY MANAGER
in the City Hall • phone 659-5171

IV
B (1)

MEMORANDUM

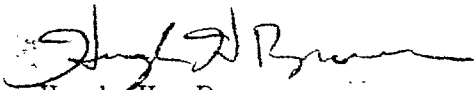
TO: MAYOR AND CITY COUNCIL
FROM: HUGH H. BROWN, CITY MANAGER
SUBJECT: AUDIT REPORT 1982-83
DATE: FEBRUARY 1, 1984

Attached are two memos from the Finance Director. One addresses the audit disclosures made in the 1982-83 Audit Report and the other addresses the Management Letter comments.

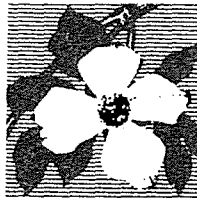
The audit comments and responses accurately reflect the City's financial system, and the recommended actions will provide the City with sound financial management. Many of the actions can be accomplished very quickly; however; some will have to be accomplished over a longer period of time.

The staff and I are committed to correcting the existing deficiencies and improving the system wherever possible.

I recommend City Council approval of the resolutions for subsequent forwarding to the office of the Secretary of State.


Hugh H. Brown
City Manager

CITY OF MILWAUKIE



FINANCE DEPARTMENT
in the City Hall • phone 659-5171

IV
B (2)

February 1, 1984

To: Hugh Brown, City Manager
From: Margaret A. Post, Finance Director
Re: Audit Disclosures 1982-83

Marge Post

Oregon Administrative Rules require that the Council pass a resolution indicating action they will take on any deficiencies found in an audit report. Listed below are the cited deficiencies, recommended action to be taken and an estimated time frame.

Page/Ref
54
Item V

Item

Budgets & Budgeting Practices:

A. In fiscal year 1982-83 the city made expenditures in excess of budget appropriations. This condition can not be corrected retroactively. We are attempting to ensure that this will not occur during fiscal year 1983-84. However, there may be exceptions due to the transition to the computer system.

B. This comment relates to the deficit fund balance in the Equipment Repair Fund on June 30, 1983 and the fact that provisions were not made in the 1983-84 budget to eliminate the deficit. The attached resolution will transfer adequate appropriations from the appropriate funds to eliminate the deficit as of June 30, 1983. The Director of Public Works and I will be working toward a resolution of the financial condition of this fund during the ensuing month. Council action may be required still this fiscal year to ensure that a deficit does not exist June 30, 1984.

C. This comment relates to two interfund loans made without repayment provisions. As with item B the attached resolution has been prepared to provide repayment of the loans during this fiscal year.

A general deficiency comment but not cited as a specific deficiency was the status of our detail ledgers on fixed assets. Because of the current changes being made in the financial system and the need to have an appropriate system to keep detail fixed asset accounts this area will not be addressed during fiscal year 1983-84. Limited activity will occur in this area during fiscal year 1984-85 but these actions will not be sufficient

CITY HALL • 10722 S.E. MAIN STREET • MILWAUKIE, OREGON 97222 • TELEPHONE (503) 659-5171

Audit Disclosures 1982-83
Page 2
February 1, 1984

IV
B (3)

to remove audit comments on our fixed asset accounting system entirely.

I have attached for your information the referenced sections of the audit report.

I recommend that City Council adopt the Resolutions and forward them to the Secretary of State with a copy of this memo.

Attachments

COOPERS & LYBRAND Audit Report
for Year Ending 6/30/83

IV
B(4)

V Except as mentioned below, the City has complied with statutory provisions in the preparation and adoption of 1983 and 1983-84 budgets.

- A. The City made the following expenditures in excess of the related appropriation category for fiscal year 1983:

Federal Revenue Sharing Fund:	
Operating expenses	\$ 4,261
Bikeway Fund:	
Operating expenses	996
Equipment Reserve Fund:	
Debt service	31,955
Improvement Bond Sinking Fund:	
Debt service	141,011
Street Improvement Fund:	
Operating expenses	4,657
Sewer Fund:	
Capital outlay	10,504

- B. The City had a deficit retained earnings of \$36,066 in the Equipment Repair Fund at June 30, 1983. No provision was made in the 1983-84 budget to eliminate this deficit.

- C. ORS 294.460 states "...the money so loaned shall be returned to the fund from which it was borrowed by the end of the ensuing year". The following loans were outstanding for more than one fiscal year:

Loan from Street Improvement Fund to Sewer Fund for \$7,933.

Loan from Water Fund to Improvement Bond and Interest Sinking Fund for \$9,405.

RESOLUTION NO. _____

IV
B5

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILWAUKIE REGARDING
THE REPAYMENT OF CERTAIN INTERFUND LOANS

WHEREAS, on June 30, 1983, the Street Improvement Fund had loaned
the Sewer Fund \$7,933; and

WHEREAS, on June 30, 1983, the Improvement Bond and Interest Sinking
Fund had loaned the Water Fund \$9,405; and

WHEREAS, the 1983-84 budget did not provide for repayment of these
loans; and

WHEREAS, it is the desire of the City to repay these loans at this
time;

NOW, THEREFORE, BE IT RESOLVED that \$7,933 be transferred from the
Sewer Fund Contingency to Miscellaneous for the purpose of repayment of
the loan to the Street Improvement Fund.

BE IT FURTHER RESOLVED that \$9,405 be transferred from the Water Fund
Contingency to Miscellaneous for the purpose of repayment of the loan to
the Improvement Bond and Interest Sinking Fund.

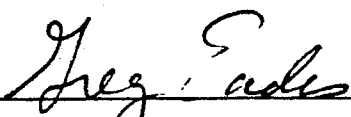
BE IT FURTHER RESOLVED that the Finance Department perform the
necessary accounting functions to accomplish repayment of these loans.

Adopted by the City Council on the _____ day of _____, 1984.

Laurie Perkin, City Recorder

Joy Burgess, Mayor

Approved As To Form



Greg Eades, City Attorney

RESOLUTION NO. _____

IV
B (6)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILWAUKIE REGARDING
THE DEFICIT FUND BALANCE IN THE EQUIPMENT REPAIR FUND

WHEREAS, a deficit fund balance of \$36,066 existed in the Equipment
Repair Fund on June 30, 1983; and

WHEREAS, provisions have not been made to eliminate the deficit fund
balance; and

WHEREAS, the City is desirous of eliminating the deficit fund balance
at this time;

NOW, THEREFORE, BE IT RESOLVED that the funds utilizing the Equipment
Repair Fund's services shall pay the deficit in the following amounts:

General Fund	\$ 3,607.00
Street Fund	22,000.00
Sewer Fund	4,328.00
Water Fund	6,131.00

BE IT FURTHER RESOLVED that the following transfer of appropriations
are authorized and approved: \$7,322 from the Street Fund Contingency to
Street Fund Repairs and Maintenance; \$4,328.00 from the Sewer Fund Contingency to Sewer Fund Repairs and Maintenance; \$6,131.00 from the Water Fund Contingency to Water Fund Repairs and Maintenance.

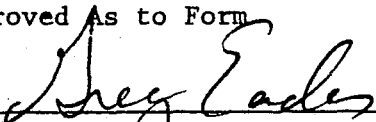
BE IT FURTHER RESOLVED that the Finance Department perform the necessary
accounting functions to transfer the necessary appropriations and charge the
appropriate funds to eliminate the deficit.

Adopted by the City Council on the _____ day of _____, 1984.

Laurie Perkin, City Recorder

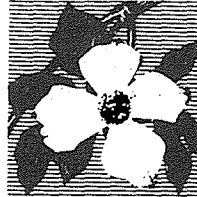
Joy Burgess, Mayor

Approved As to Form



Greg Eades, City Attorney

CITY OF MILWAUKIE



FINANCE DEPARTMENT
in the City Hall • phone 659-5171

IV
B(7)

February 1, 1984

To: Hugh Brown
From: Margaret A. Post, Finance Director *Marge Post*
Re: Audit Report, June 30, 1983 - Letter to Management

Listed below is a summary of the comments cited by the auditors in their "Letter to Management", June 30, 1983 with staff comments.

1. Accounting Controls were Inadequate During the Year:

The auditors cited four specific areas of weakness and that these conditions still existed as of October, 1983.

The items were:

- A. Bank accounts were not reconciled or were reconciled incorrectly.
- B. Individual funds were not in balance.
- C. June 30, 1982 audit adjustments were not posted.
- D. Accounting activity in some funds had not been posted all year.

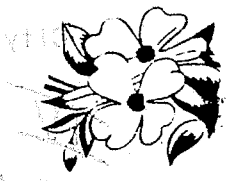
These conditions and similar accounting control remain inadequate and are a basic problem in the City's financial system. Steps are being taken to remedy these and related problems. Specifically we are automating our check reconciliation functions through the bank. We are establishing a time frame and work plan to bring the financial reporting system current and have all entries made prior to June 30, 1984. In addition, as I discussed with you, we are trying to hire a person to perform the Metro grant accounting functions. This same person, in a separate assignment, may be able to assist in the proper design, implementation and updating of our financial system. A great portion of the system lacks documentation or internal policies and/or procedures to support the accounting system. Without these internal sub-systems functioning properly we will continue to have accounting errors, lack of accounting control and the system's reliability will continue to decrease.

2. Continue to Monitor Operations in the Equipment Repair Fund:

As stated in the memo on the Audit Report the Equipment Repair Fund has had a deficit in the past and continues to have financial problems. The Director of Public Works and I are working on alternative financing for the function and/or alternative ways to provide the service. We should have a plan for your review by March 1, 1984.

IV
B (Z)

3. Record Parking Lot Revenues in the General Fund:
In prior years the rental of parking spaces revenue has been recorded in the Street Improvement Fund, a special assessment fund. The auditors recommend that the operations be budgeted and accounted for in the General Fund. Adjusting entries will be made to accomplish this in fiscal year 1983-84. For 1984-85 they have been budgeted in the General Fund.
4. Record Assessment Interest Income in Proper Fund:
An error was made in recording interest earned. The auditors recommended and we concur that interest should be credited to the appropriate fund. The condition that allows this to occur and go undetected should be corrected with computerization and the improved accounting controls.
- 5 & 6. These two items deal with the City's failure to transfer certain necessary appropriations to meet expenditures and to repaying outstanding loans. These two items were addressed in the Audit Report Comments.
7. Establish Better Control over Contracts:
The audit comment recommends that the City establish centralized, current contract files in the Finance Department. This will occur during revisions of the purchasing and accounts payable portion of the accounting system.
8. Establish Accountability over Fixed Assets:
The auditors recommend that the City continue in its endeavor to establish and maintain accountability over its fixed assets. They also recommend procedures that should be included in this undertaking. I concur with the auditor's recommendation; however, given the City's overall financial system and weaknesses I do not believe we can accomplish this during fiscal year 1983-84. In 1984-85 we will make progress in this area even though it will be limited to completing the inventory of fixed assets with values and emphasis on our assets in the enterprise funds (i.e., water and sewer). I would point out that our City is similar to most other municipalities in needing improvement in the area of fixed asset accounting. My recommendation for the work in 1984-85 is based on providing the city with the most crucial information from a fixed asset accounting system, not the entire objectives of fixed asset accounting.



CITY OF MILWAUKIE
Inter-Department Memorandum

IV
C ①

TO: Hugh Brown, City Manager
DATE: January 30, 1984
FROM: Marge Post, Finance Director
SUBJECT: Position Classifications Within the Finance Department

The Finance Department currently has the following approved positions:

- 1 Director
- 1 Supervising Accountant
- 1 Senior Accounting Clerk
- 1 Accounting Clerk
- 1 Principal Clerk

In addition, we have one temporary Senior Accounting Clerk, and the Principal Clerk is being filled on a temporary basis. On January 23, 1984, the Civil Service Commission approved the reclassification of Merlin Becker to Data Control Accountant from Senior Accounting Clerk. The primary reasoning was the new duties and tasks Mr. Becker performs now that the computer has been installed. I would like to redefine the positions at this time by deleting the Principal Clerk and adding the position of Data Control Accountant. The present duties in the office require this type of staffing.

As I have indicated to you, it is very possible that positions will require further reclassification as the department progresses with computerization.

The 1983-84 budget will not require adjustments due to monies budgeted in permanent and temporary salaries. In 1984-85 we will need to offset an increased cost of approximately \$2,000.

Approval Recommended
[Signature]
Hugh H. Brown
City Manager

SENIOR ACCOUNTING CLERK

IV
C (2)

Definition

This is responsible accounting and budgetary clerical work in the maintenance and review of fiscal records; the work involves responsibility for maintaining accounting and budgetary records. Employees of this class assist a technical supervisor with more complex fiscal functions and problems.

Typical Tasks

Performs considerable work on a mini-computer; prepares periodic accounting and budget status reports; computes and prepares city payrolls by Departments including the listing of earnings and deductions of each employee; writes related reports to various agencies in conjunction with payroll activities; computes and prepares billings to various agencies for services provided, and prepares supporting schedules of personnel, material and equipment expenses; compiles data for annual budgetary reports of income and expense; makes analyses of current financial status in relation to prior year's or month's fiscal experience; reconciles checking, investments and related accounts; prepares NSF checks and charges; maintains a set of equipment, material and other cost accounts in accordance with pre-determined breakdowns; balances accounts and reconciles to general books; makes adjusting, opening, and closing entries; makes journal entries and performs related work as assigned.

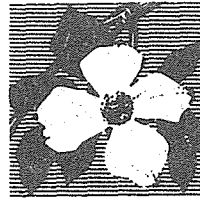
Employment Standards

Education and experience equivalent to a combination of two years of experience as Accounting Clerk or the equivalent of municipal bookkeeping experience supplemented by college or business school training in bookkeeping or accounting.

Knowledge of: bookkeeping and accounting principles; purchasing, tax and allied systems and procedures; some knowledge of budgetary principles and procedures as applied to city and utility operations;

Ability to: apply accounting principles to the maintenance of fiscal, budgetary and accounting records; perform detail work involving written or numerical data, and to make arithmetic calculations rapidly and accurately.

CITY OF MILWAUKIE



OFFICE OF THE CITY MANAGER
in the City Hall • phone 659-5171

IV 001

MEMORANDUM

TO: HGUH BROWN, CITY MANAGER
FROM: MARGARET A. POST, FINANCE DIRECTOR
SUBJECT: FIRE TRUCK PURCHASE STATUS
DATE: FEBRUARY 1, 1984

Margaret Post

I had indicated to the City Council that we would be bringing the financing package for the fire truck to them on February 7, 1984. In negotiating the financial arrangements we strove to ensure that all necessary alterations were made, that warranties were fully protected, final acceptance by the city and the lowest interest cost for the city. These objectives can best be met by not signing the lease purchase agreement until delivery and final acceptance by the city. This is anticipated to occur on March 1, 1984. Accordingly, the lease purchase will not be presented to the Council until March 6, 1984. If delivery and/or final acceptance is delayed Council action will also be delayed.

Listed below is a summary of the status on each portion of this transaction:

1. Truck: We have inspected the truck and it is currently at the Pierce plant in Appleton Wisconsin undergoing the necessary modifications pursuant to our requirements. It is anticipated that these modifications will be completed by approximately February 24th. The city will then fly back to Appleton to drive the truck to Milwaukie. At that time the truck will undergo on-site modifications, inspection and acceptance testing. In addition, training on the ladder will occur at this time.
2. Remodeling the Fire Station: The architect has completed the drawings and engineering work. Bids are being solicited at this time and a recommendation from the architect to the city will be made the week of February 6th.

The architect will oversee the remodeling and make the necessary inspections. Preliminary review indicates that the remodeling will be within the costs previously delineated to the Council.

Fire Truck Purchase Status
page 2
February 1, 1984

IV 002

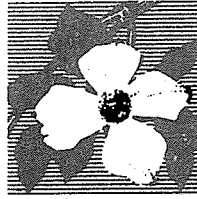
3. Lease Purchase: The lease purchase with Starline is for a seven year period with an interest rate of 8.75% which is $\frac{1}{4}$ % lower than previously indicated to Council. The agreement also provides for a split down payment with 10% due upon execution of the lease purchase agreement and 10% due in July, 1984. The purpose of the split down payment is to allow felxibility in the sale of the equipment and earn interest on available cash. Upon receipt of all documents they will be reviewed by the City Attorney.

4. Sale of Truck 53 and Engine 56: The Fire Department has provided the necessary information to place advertisements for the sale of these two pieces of equipment once final acceptance of the new truck is made and the Lease Purchase Agreement has been executed.

If additional information is required please let me know.

cc: Greg Eades, City Attorney
Richard Bailey, Fire Chief

CITY OF MILWAUKIE



IV f
OFFICE OF THE CITY MANAGER
in the City Hall • phone 659-5171

MEMORANDUM

TO: HUGH BROWN, CITY MANAGER
FROM: BILL MACDONALD, ADMINISTRATIVE ASSISTANT
SUBJECT: BACKYARD BURNING RULES: PUBLIC HEARING
DATE: FEBRUARY 2, 1984

The Department of Environmental Quality is proceeding with the public hearing process in response to the Environmental Quality Commission's instructions issued November 6th to prepare rules banning backyard burning.

D.E.Q.'s staff position was that while there was an environmental issue which supported a ban, the public opposition was so great that no action should be taken at this time. The Environmental Quality Commission decided, however, to begin the rule making and public hearing process rather than wait.

Metro has studied the yard debris problem at length. Their report on options such as "MacFarland's Bark" underscored the problem of ensuring adequate volumes of materials to make such an operation economically viable. Recently Metro has reestimated the impact of placing yard debris volumes in landfills and has stated that its impact on St. Johns landfill would be to reduce capacity by 5 days per year (i.e. if debris now burned was placed in the landfill instead).

The Milwaukie Solid Waste Task Force Report proposed eventual development of a city program to coordinate yard debris removal as a "city-hauler-service club" public service event. With recycling just beginning, it wouldn't be feasible to add that service burden on the haulers for at least a year.

I would recommend that the city adopt a position on yard debris which emphasizes the public's need for convenient, economical yard debris options. The should precede the the ban and should be heavily promoted by Metro and D.E.Q.

The long range view probably supports movement away from burning but the implementation should be well-planned and gradual.



ACTOR ATIYEH
Governor

Department of Environmental Quality

522 S.W. FIFTH AVENUE, BOX 1760, PORTLAND, OREGON 97207 PHONE: (503) 229-5696

TV
f(2)

Amended Notice of Public Hearing for Proposed Revision of Open Burning Rules

The Department of Environmental Quality is scheduling an additional hearing to accept testimony on proposed amendments to OAR 340-23-005 through 23-115, Rules for Open Burning. The proposed rules would ban backyard burning of yard debris in the Portland area, and would establish a hardship burning permit program. Reorganization of fourth priority agricultural burning rules is also proposed.

The additional hearing is scheduled for:

Tuesday, February 28
7:00 p.m.
Multnomah County Courthouse
Room 602
1021 S.W. Fourth Avenue
Portland

Also, the deadline for written comments has been extended to 5 p.m. Thursday, March 1. Written comments may be sent to the DEQ Public Affairs Section, P.O. Box 1760, Portland, OR 97207, but must be received no later than 5 p.m. Thursday, March 1, 1984.

The other hearings are scheduled for:

<u>City</u>	<u>Time</u>	<u>Date</u>	<u>Location</u>
Portland	10:00 a.m.	2-15-84 (Wednesday)	Multnomah County Courthouse Room 602 1021 S.W. Fourth Avenue
Gresham	7:00 p.m.	2-16-84 (Thursday)	Gresham City Hall 1333 N.W. Eastman
Beaverton	7:00 p.m.	2-21-84 (Tuesday)	Beaverton Operations Center 9600 S.W. Allen Blvd.
Oregon City	7:00 p.m.	2-22-84 (Wednesday)	Carpenters Union Hall 276 Warner Milne Rd.

For more information, contact Margaret McCue at 229-6488.

Date prepared: January 19, 1984

V
a ①

MILWAUKIE
CITY COUNCIL MEETING
January 17, 1984
7 p.m.

COUNCIL CHAMBERS

1448th Meeting

The one thousand four hundred and forty eighth meeting of the Milwaukie City Council was held January 17 with the following Councilors present:

Mayor Joy Burgess	Don Graf
Mike Richmond	Roger Hall
Ron Kinsella	

Also present:

Hugh Brown, City Manager	Dick Bailey, Fire Chief
Greg Eades, City Attorney	Marge Post, Finance Dir.
Steve Hall, P.W. Director	Laurie Perkin, Secretary

AUDIENCE PARTICIPATION

Jim Backenstos said Judge Morgan's decision regarding his son's traffic citation was overturned and that his legal fees amounted to \$1000. He said he had no recourse but to file a civil suit against the city to recover his legal fees. He also referred to editorial in the Oregonian objecting to the Tacoma overpass. He asked that Council take both matters under consideration. City Attorney said the city does not intend to pursue the Backenstos case and no Council direction was needed.

Al Liane asked about two items in the current budget, overtime and repairs and maintenance costs. He said he has asked for information and was told it was not available. He expressed concern over the city's record keeping procedures. City Manager said with the conversion of the computer, records are being updated and that a complete reporting system would be in effect in the near future.

Bill Hupp asked that discussion of the sheriff's levy be removed from the agenda since there was no public information. City Manager said that a representative from the sheriff's department would be present at the meeting.

Mel Paulson spoke of the property sale of the Red Soils tract in Oregon City on Warner Milne Road. He said he was disappointed the city had no input on this matter, there was no information on the benefit of this sale or figures on the cost available. He said the Commissioners would discuss this on Thursday, January 19 at 10:00 and that the city should have representation at this meeting.

V
a (2)

Public Hearing - Appeal of Planning Commission Decision
re M-83-11a, VR-83-18, VR-83-30.

Mayor outlined procedures of public hearing. No conflict of interest or ex parte contacts were declared. No jurisdictional issues raised.

Lori Mastrantonio-Meuser, Associate Planner, gave the staff presentation referring to staff report dated January 17, 1984 regarding appeal of Planning Commission approval of minor land partition and lot area and rear yard setback variances at 3915 SE King Rd on November 22, 1983. Lori gave a brief description of the background. In June of 1983, the applicant, Dwight Newton, applied for a minor land partition and lot area variance allowing 6300 sq. ft. lot instead of the required 7000 sq. ft. This request was granted by the Planning Dept. as an administrative decision. No notices were sent to property owners as the zoning ordinance does not require it. The following correction was made in the staff report: On page 2, last sentence of first paragraph should read 6300 sq. feet rather than 9950 sq. ft. In October of 1983, the applicant applied for a second variance for an 18 ft. rear-yard setback rather than the required 20 ft. At this time, she said, the surrounding property owners contacted the Planning Department expressing their concern about the partition and variance. A meeting was held with staff, property owners and the applicant. It was decided by staff to take the matter to the Planning Commission because of the two variance requests at the same site and the neighborhood concerns. On November 22, 1983, the Planning Commission held a public hearing with proper notice and upheld the staff decision for the minor land partition and lot area variance and granted the second variance request for the 18 ft. rearyard setback.

The appeal before Council was filed December 6, 1984 and appeals the Planning Commission decision on M-83-11a minor land partition and VR-83-18 lot area variance stating that the decision of the Planning Commission will set a precedent by creating a lot which is unique in itself and minor land partition is against spirit and intent of comprehensive plan as this is low density area. The appeal requested that Parcel # 2 should be declared non buildable and would result in crowded housing condition.

There were questions from Council regarding notice requirements. Lori M. explained that the zoning ordinance does not require notices be sent for a variance request of 10% or less, that this is an administrative decision. She said notices were sent out after the second variance request for the meeting on November 22. She said there was evidently some confusion over this among property owners, since they apparently were under the impression they would receive

V
2 (3)

notices regarding the minor land partition and first variance request in June.

There were questions regarding the number of variances allowed without public input. Lori said the code was not clear on this but that notices were sent after the second variance request.

There was further discussion on involvement of property owners. Lori said she and the City Manager went out to see the site after it became known that the neighbors were concerned and that a meeting was held in City Hall with neighbors, staff, and applicant to discuss the concerns.

No correspondence has been received. The following persons appeared to speak in support of the appeal:

Paul G. Barrett, 10317 SE 40th, said that in May neighbors became concerned when they saw that the property was being surveyed, that they went to the Planning Dept. and spoke to Jerry Thelander who told them not to worry since the property was not large enough to allow a flag lot. During October, the neighbors noticed a fence being installed and again contacted the Planning Dept. At this time they were informed that a minor land partition and a variance allowing for 6300 sq. ft. lot was granted. No notification had been sent to the surrounding property owners. They were also told at this time that a request had been made for a second variance. After meeting with city staff and applicant it became clear that the applicant intended to build a house on the property. Barrett said he felt that surrounding property would be devalued by this partition, that the original subdivision was faulty and did not meet requirements of R-7 zone. He said mistakes had been made in the Planning Dept, that the applicant had been granted special privileges, and that rights of property owners were ignored. He said both variance requirements should have been discovered by the applicant or the planning staff at the beginning. Now that the property has been sold, he said, the property owners would be satisfied if the second parcel would be declared non-buildable.

City Attorney asked why the second variance had not been listed on the appeal notice. Barrett said this was an oversight on part of the appellants.

Howard Cleary, 10316 SE 38th, said the partition was not in conformance with the comprehensive plan, that in regard to unique conditions, the area becomes unique when it becomes a flag lot. He said the partition would cause a parking problem and that there were feasible alternatives, that parcel # 1 should be included with parcel # 2 or that parcel # 2 should be declared unbuildable. He said this partition would be detrimental to the neighborhood and would set a precedent.

David Moore, 3925 SE King, referred to the staff report items 1 through 4 on page 3. He said the property was unique when it becomes a flag lot, that the neighbor's enjoyment of their property would be lessened, that the applicant was given special privileges, and that the benefits of the partition did not outweigh the adverse effects.

Judy Moore, 3925 SE King, complained that it took two days to reach anyone in the Planning Department, and pointed out that the applicant does not legally reside at the property.

John Fax, 3926 SE King Road, said there was no garage on the property and that cars would have to park on the street. He said there no value to zoning requirements if they did not protect property owners.

Emily Nabut, 3809 SE King Road, said that city staff pretended ignorance of the law, that property owners had been misled.

The following persons spoke in opposition to the appeal:

Joe Glaze, Attorney for the applicant, questioned the procedure of the public hearing. He said he had understood he would be able to speak first and would then get a chance for rebuttal. City Attorney suggested both parties have a chance for rebuttal with the applicant being last. Mr. Glaze agreed with this procedure.

Mr. Glaze said that the applicant, Mr. Newton, was a victim of circumstance. He first made an application for a minor land partition and variance request allowing a 6300 sq. ft. rather than the required 7000 ft. Planning staff assisted him in this request and the minor land partition and variance were approved. It was not until much later, he said, that staff discovered the flag lot must have a turnaround and a second variance. Meanwhile Newton had sold the lot on the first parcel. (Mr. Glaze submitted into evidence a drawing of the plan of the property.) Glaze said the application did meet the requirements of the comprehensive plan and referred to page 37 which states that it is the policy of the city to encourage infill housing to reduce costs and that such changes may result in reduction of lot sizes. He said city staff contributed to this problem and that the city should take responsibility.

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a (5)

Rolland Grina, 3740 SE King, said the property was in very bad shape before the applicant cleaned it up, that he did not see how it would degrade the neighborhood, and that it would benefit the city tax wise.

There was no further testimony.

There were questions from Council concerning sale of property and how the deed was recorded with the county. Kinsella asked how could the deed be recorded with the county when, at the time it was sold, the second variance was not granted. City Attorney said the county does not concern itself with whether or not property meets local requirements. He did however, send a letter to Mr. Newton on October 25, 1984, advising him not to sell property. It was shortly after this apparently when the sale of the property became final.

There was more discussion on the parking problems and conflicts with the comp. plan. Lori M. said there was adequate room for parking and there was no conflict with the comp. plan as far as designation .

There were questions on procedures of the Planning Dept. and on the 10% variance rule and number of variances allowed. City Attorney said there was no maximum on the number of variances allowed.

Graf asked Mr. Barrett about adverse impacts. Mr. Barrett said the house to be built would be right up against his house, that there would be no room to park and approval of this request will set a precedent and will result in many more such requests.

Rebuttal Testimony

Paul Barrett said it was Mr. Newton's responsibility to go over his application, that city staff had helped him and should have seen potential problems with variances, etc. He submitted into evidence a picture of property at 3915 SE King road taken the afternoon of January 17, 1984. He questioned the legality of the sale of the property and stressed the parking problems and overcrowding that would result if this partition is allowed.

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2 (6)

Joe Glaze, Attorney for applicant, said the application does meet requirements of the comp. plan, that the objections of the neighbors were "perceived" objections and that Council should take into consideration only the objective facts of the case in making their decision.

The public hearing closed at 9:40 p.m.

It was MOVED by Graf, SECONDED by Kinsella to uphold the decision of the Planning Commission and cite the findings contained in the staff report. Under discussion, Richmond expressed concern over the comp. plan allowance of flag lots. Burgess said she did not feel it had been proven that the partition was in conformance with the comp. plan. Kinsella said the City Council had passed the comp. plan and would have to live with it. City Attorney suggested that Council not rely entirely on errors of planning staff in making its decision since to some extent, the errors, if any, were cured by the Planning Commission hearing and the appeal was taken from that decision. None of the testimony cited Planning Commission errors. On the MOTION to uphold the decision of the Planning Commission, MOTION CARRIED with the following vote: AYES: Graf, Hall, Kinsella. NOES: Richmond, Burgess.

The meeting was recessed at 10:00 p.m., reconvened at 10:10 p.m.

Discussion of Sheriff's Serial Levy

Risley Bradshaw from the Clackamas County Sheriff's Dept. talked about the 3 year levy amounting to \$9,974,800 each year for 3 years. He said the current level of services would be maintained and there would be no new programs and no new personnel. He mentioned some changes in the original proposal which included record keeping support in the District Attorney's office and the Police Department. The County Commissioners will be making a decision on Jan. 19 whether to place the levy on the ballot in March. There were questions from Council on what services the city receives and how much the levy costs the citizens of Milwaukie. It was determined to be about \$1,000,000 a year which would amount to the average homeowner approximately \$88 a year. There was some confusion over whether or not the city paid for prisoner board. The City Attorney said the city paid \$20 a day for prisoner board. It was MOVED by Graf, SECONDED by Burgess, that a letter be sent to County Commissioners stating that at the present time with the information now available, due to the disproportionate amount of money and services received, the city cannot support the sheriff's levy. MOTION CARRIED unanimously.

Public Hearing - Purchase of Fire Truck

City Manager said the purchase of a new fire truck was included in the present budget, that the request before Council tonight was for authorization to waive the competitive bidding process and that a public hearing was required for this purpose. The public hearing opened at 10:50 p.m. Council was acting as Public Contact Review Board pursuant to Ordinance No. 1367.

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a (7)

Fire Chief said Starline Equipment has a demonstrator fire truck available which meets specifications which have been drawn up and would amount to a \$40,000 savings.

There was discussion on expenditure limitation. City Attorney said there was no expenditure limitation in the Charter, that the limitation is on public improvements which refers to real property utility improvements. There was extended discussion on interest rates, types of financing, amount of downpayment, and the balance of present lease on truck # 55.

Jack Stennet, Fire Captain, talked about the condition of truck # 53 which would be replaced by the new truck. He said it was 20 years old and needs to be completely renovated, that it would be so costly to repair that it was not worth it.

Gary Hughes from Starline Equipment, said this the truck being considered for purchase was the last of 9 demonstrators and had been put on hold until the morning of January 18 pending decision by Council.

No one appeared to speak in favor of the request to waive the bidding process. The following persons spoke in opposition to the request:

Al Liane, 3809 SE Monroe, said he did not like to side-step the bidding process, that here was no provision for capital outlay in the present budget. (City Manager said this was included in the present budget).

Jim Backenstos, 3626 SE Harrison, said he was not convinced buying the truck at this time was a good idea, that there would probably be other trucks available at a later time.

The public hearing was closed at 11:30 p.m. It was MOVED by Kinsella, SECONDED by Graf, to continue the meeting 1/2 hour. It was MOVED by Graf, SECONDED by Richmond, to put aside the competitive bidding process as requested because of the substantial saving involved. MOTION CARRIED with the following vote: AYES: Kinsella, Richmond, Graf, Hall. NO: Burgess. It was MOVED by Graf, SECONDED by Kinsella, to approve purchase of fire truck as requested. MOTION CARRIED with the following vote: AYES: Graf, Hall, Kinsella, Richmond. NO: Burgess.

LEGISLATION

Payment of bills

It was MOVED by Graf, SECONDED by Kinsella, that the bills listed for January 17, 1984 be approved for payment. MOTION CARRIED unanimously.

OTHER BUSINESS

Urban Services Boundary

Public Works Director said the County Department of Environmental Services has brought jurisdictions together to resolve boundary issues in eastern corner of city. The boundary established, he said was the one defined by the Cogan and Associates study. A meeting will be held February 2 at 7:30 at Clackamas High School to discuss boundary issues.

City Manager has requested that Budget Committee members terms be extended to June 30th to avoid new members being appointed in the midst of the budget process. It was MOVED by Graf, SECONDED by Kinsella, to extend terms of Budget Committee members as requested. MOTION CARRIED unanimously.

Kinsella requested that materials for Council consideration be provided to Council sooner. He would like a copy of the Cogan annexation report.

City Manager reminded Council of dinner meeting with Ron Wyden at the Sunnyside Inn at 5:45 p.m. Wednesday, January 18.

City Manager said staff would respond to the audit report and the cost of Backenstos trial at the next meeting.

City Manager has prepared memo dated January 17, 1984 requesting Council approval of 4 days of administrative leave for management/confidential employees, 1 day per year for part time permanent employees, and 2 days per year for Milwaukie Employee Association employees. It was Council concurrence to accept recommendation of City Manager.

There was consensus of Council to write a letter to Metro regarding burning ban.

City Manager said Tri-Met had requested additional space for buses on 21st and he has approved the request.

The meeting was adjourned at 12 p.m.

Mayor Joy Burgess

Laurie Perkin, Secretary

MILWAUKIE
CITY COUNCIL MEETING
January 23, 1984
7 p.m.

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a (9)

LINWOOD SCHOOL

SPECIAL MEETING

A special meeting of the Milwaukie City Council was held on January 23, 1984 with the following Councilors present:

Mayor Joy Burgess
Mike Richmond
Ron Kinsella

Absent:

Don Graf
Roger Hall

Also present:

Hugh Brown, City Manager
Dick Bailey, Fire Chief
Laurie Perkin, Secretary

The special meeting was held to discuss FIRESTOP, the proposed intergovernmental agreement with Oak Lodge Fire Dept. and the City of Milwaukie.

City Manager gave brief background of the proposal which is an alternative method of providing fire services at a reduced cost. He introduced Dick Bailey, Fire Chief, who gave staff report.

Chief Bailey said this proposal was a result of extensive research by himself and Chief Bill Mills of the Oak Lodge Fire Dept. in an effort to determine an efficient and cost saving method of providing fire protection service. The International Association of Firefighters was contacted, a committee was formed and a study was made with the input of the unions. He said it was decided that objectives must be 1) cost savings, 2) cost must be capped for at least 2 years, and 3) better fire protection service. He said both the City of Milwaukie and the Oak Lodge Fire District have looked at the proposal and have tentatively agreed upon it.

Questions from Audience

Jim Backenstos posed the following questions to Chief Bailey:

1) why is your salary to be \$8 -10,000 higher and why are you the head? 2) will the decision on firestop be made at the administrative level or will the decision be up to the voters? 3) will there be any cutting back of line personnel?

Chief Bailey responded that 1) under ORS 190 and ORS 236 relating to intergovernmental agreements, it is provided that no personnel shall lose benefit because of a merger therefore he (Bailey) would have to make more money than present fire chief. 2) this decision would have to be made

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a (10)

by the City Council however his personal opinion would be that this is a decision better left to elected officials.
3) no cuts in line personnel, however cuts will be made through attrition and administrative personnel.

Backenstos asked if there would be any new equipment relative to this proposal. Bailey said no.

Persons speaking in favor of FIRESTOP

Gordon Morterud, 12405 SE 18th Street, spoke of manning of fire apparatus and the NFP (National Fire Protection) standards used by insurance companies. He gave details of number of men needed for putting lines into a fire, for backup, for pump operation, etc. He said the number needed for a minimum residential fire would be ten and that Milwaukie has only six. Firestop will help to solve this problem, he said.

Kinsella asked if the Firestop proposal would lower the fire insurance rating. Bailey said the city could under the proposal go from a 3 to a 2 rating.

There was discussion on impacts of another measure # 3, City of Portland manning levels, and construction work which will be needed at Station 5 A to house the new fire truck.

Al Liane, 4809 SE Monroe, expressed concern about the possibility of the agreement not working out and about the possibility of the budget not passing. He said also that citizens should have a chance to vote on this issue, that if the agreement did not work out the city would have to take personnel back at a higher rate of pay and the voters would have nothing to say about it. Kinsella referred to amendments made in the proposal which include substitute language having to do with rollback of salaries.

There was further discussion on personnel cuts, budgeting process which would be used, how dissolution would take place in the event of a dispute. Bailey said 180 days notice would be required before dissolution and this would allow time to deal with budgetary issues. He spoke of cost savings of the proposal and explained the formula which has been developed. He said copies of the proposal would be available in the City Manager's office on Thursday, January 26.

There were questions regarding the Civil Service system to be used under this agreement. Bailey said the civil service

system would operate under ORS statutes rather than City of Milwaukie Civil Service and would be used as a hiring process not an appeals body. It has been the wish of both unions and management, he said to simplify grievance procedure.

There was discussion of the boundaries. Bailey said boundaries would be Willamette River, Gladstone, Portland, Oak Ridge area, District # 1 and # 71. approximately 11 1/2 sq. miles and approximate 45,000 population.

There was discussion of other such mergers of fire districts in Oregon. Bailey said there were several in the Salem area and in Roseburg, etc..

Mayor referred to amendments to the proposal which Council has recommended and asked for any other suggested amendments.

Kinsella commented that city identity, salaries, and whether the issue should go to the voters seemed to be the primary concerns expressed by citizenry. There was extended discussion on these issues.

There was discussion on the recent fire on Main Street, the time factor, manning levels, number of stations in operation under Firestop, prevention system, and education of public.

Burgess asked about the cost of dispatch. Bailey said based on assessed value in the current year, it amounted to \$116, 000. Next year between Oak Lodge and Milwaukie it would be approximately \$130,000. He said mutual dispatch with Milwaukie Police Dept. would be a possibility in the future.

Al Liane asked if there had been any consideration given to forming an Oak Lodge - Milwaukie Fire District, permanent structure which would be separate from the city. Bailey and City Manager said they felt this was not the direction people wished to pursue.

There was more discussion on attitude of people toward the proposal and whether or not it should go to a vote. The majority of citizens present were in favor of voting on the proposal.

The meeting was adjourned at 8:35 p.m.

MILWAUKIE
CITY COUNCIL MEETING
January 25, 1984
5 p.m.

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ADMINISTRATION OFFICE

SPECIAL MEETING

A special meeting of the Milwaukie City Council was held on January 25, 1984 with the following Councilors present:

Mayor Joy Burgess	Don Graf
Ron Kinsella	Roger Hall
Mike Richmond	

Also present:

Hugh Brown, City Manager	Marge Post, Finance Director
Greg Eades, City Attorney	Laurie Perkin, Secretary
Dick Bailey, Fire Chief	

Mayor Burgess said she had called a special meeting in order to deal with concerns of citizens in regard to the purchase of a new fire truck approved by City Council on January 17, 1984.

Jim Backenstos has submitted letter dated January 25, 1984 listing objections to the waiving of the competitive bidding process, expressing concerns over the swiftness of the purchase and the extra costs of remodeling which will be necessary to house the truck. Backenstos spoke of his concern over the possibility of the budget not passing or a measure # 3 becoming law, thus placing the city in financial crisis with a 7 year debt.

Al Liane spoke against the swift procedure and said this type of action will set a dangerous precedent. He said he measured several of the overpasses in the city and that the new truck will not go under the overpasses. Fire Chief said that none of the present equipment will fit under the overpasses either. He said this has not been a problem.

There was discussion on the cost of the remodeling. Bailey said the cost was approximately \$3200.

There was discussion on the Fire Department trucks, gallon capacity, condition of trucks, types of trucks, etc. Bailey said the new truck will take the place of two other trucks which will be sold. He talked of the highest cost of repairs on trucks in the last few years.

There was extended discussion on the need for a ladder truck. Bailey said this kind of flexibility was greatly needed.

Graf asked about the legality of waiving the bidding process. City Attorney said ORS statute regarding public contracts allows city to waive bidding process if there is a substantial savings involved.

City Council Special Meeting
January 25, 1984

Page 2.

IV
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He said the charter contains 2 debt limitation provisions, 1) \$25,000 on voluntary floating indebtedness meaning the city cannot borrow more than \$25,000 to balance the budget, and 2) \$1 bonded indebtedness without vote of people. Since the city does not intend to sell bonds for the fire truck and this purchase is budgeted this limitation does not apply.

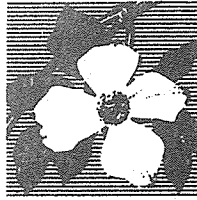
There was discussion on terms of lease purchase agreement, consequences of the budget not passing, etc. Finance Director said if for some reason the city did not have resources, the lease could be terminated.

Mayor asked if Council cared to reconsider the decision to waive bidding process and purchase fire truck. No member of the Council wished to do so.

The meeting was adjourned at 6:30 p.m.

Joy Burgess, Mayor

Laurie Perkin, Secretary



CITY COUNCIL AGENDA
FEBRUARY 7, 1984
7 p.m.

COUNCIL CHAMBERS

REGULAR MEETING
(1449th)

5:00 Interviews

- I CALL TO ORDER
 - (a) Call to order
 - (b) Invocation
 - (c) Pledge of allegiance

- II AUDIENCE PARTICIPATION
 - (a) Presentation to Delora Hegg

- III LEGISLATION
 - (a) Payment of bills
 - (b) Resolution re Deferred Compensation program
RESOLUTION _____
 - (c) Ordinance re records retention
ORDINANCE _____

- IV OTHER BUSINESS
 - (a) Discussion of proposed McLoughlin improvements
 - (b) Report concerning 1983-84 Audit and resolution regarding adjustments
RESOLUTION _____
RESOLUTION _____
 - (c) Request for approval of new position - Data Control Accountant - Finance Department
 - (d) Report on status of fire truck purchase
 - (e) Discussion of Project FIRESTOP and alternatives
 - (f) Notice of D.E.Q. public hearing re backyard burning

V CONSENT AGENDA

- (a) Approval of minutes - January 17, 23, 25, 1984
- (b) Approval of liquor licenses
 - 1. Albertson's, Inc.
 - 2. Red's Coach Inn
 - 3. Plaid Pantry No. 79
 - 4. Safeway Stores, Inc.
 - 5. 7-11 Food Store #'s 19325 & 14508

VI INFORMATION

- (a) Letter from Bolliger, Hampton & Tarlow re legal assistance
- (c) Letter from Glenda French re recycling
- (d) Minutes - Budget Committee - January 5 & 7, 1984
- (e) Minutes - Center Advisory Board - Dec. 9, 1983
- (f) Minutes - Senior Citizens Advisory Board - Dec. 16, 1983
- (g) Minutes - Planning Commission, January 10, 1984

VII ADJOURNMENT

III
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CITY OF MILWAUKIE
BILLS PAYABLE FEBRUARY 7, 1984

1.	A & A Welder's Supply, Inc.	11.08	7-	11.08
2.	Able Radiator	40.00	7-	40.00
3.	Adam, Arlie J., MS,CCC-A	44.00	4-	33.00
			30-	11.00
4.	Alder Street Clock Shop	60.50	1-34	60.50
5.	Alexander Plymouth	175.38	1-52	175.38
6.	American Fire Journal	14.95	1-61	14.95
7.	American Society of Building	35.00	1-93	35.00
8.	B & P Quick Print	1,063.41	1-21	1,063.41
9.	Bailey, Richard	33.60	1-61	33.60
10.	Baker & Taylor (N.Y.)	442.43	1-34	442.43
11.	Beck, T. L.	62.50	1-35	62.50
12.	A Beeper Company	48.00	1-52	48.00
13.	Ben-Ko-Matic Brush & Equipment Co.	479.45	7-	479.45
14.	Bernard's Garage	102.39	7-	102.39
15.	Blake, Moffitt & Towne	70.00	1-34	70.00
16.	Bob's Rentals	46.00	30-	46.00
17.	Boise Cascade	431.31	1-23	147.33
			1-32	57.44
			1-53	92.60
			1-62	133.94
18.	Bound to Stay Bound Books, Inc.	10.34	1-34	10.34
19.	Brown, Hugh	38.60	1-10	38.60
20.	City Rubber Stamp	32.33	1-21	17.29
			1-53	15.04
21.	CEMA	100.00	1-62	100.00
22.	Calibre Press, Inc.	65.00	1-52	65.00
23.	Cantel, Inc.	114.85	4-	28.29
			20-	28.28
			30-	58.28
24.	Chamberlain, Kim	35.00	1-36	35.00
25.	Childers Enterprises, Inc.	500.00	1-23	500.00
26.	Columbia Battery	106.01	7-	106.01
27.	Contacts Influential Intl. Corp.	350.00	1-34	350.00
28.	Contemporary Images	12.00	12-	12.00
29.	Coopers & Lybrand	2,644.00	1-23	2,644.00
30.	L. N. Curtis & Sons	65.68	1-62	65.68
31.	Clackamas Cty. Animal Control	184.00	1-52	184.00
32.	" " Bar Association	25.00	1-22	25.00
33.	" " Finance	58.31	1-23	58.31
34.	" " Environmental Services	320.10	4-	320.10
35.	" " Fire Dist. #1	640.36	1-62	640.36
36.	" " Library	212.57	1-34	212.57
37.	" " Printing	97.67	1-52	97.67
38.	" " Recorder	38.00	1-92	38.00
39.	" " Sheriff's Department	7.80	1-52	7.80
40.	DanCor Ltd.	95.00	1-52	95.00
41.	De Haas & Associates	300.23	30-	300.23

Thy J. Brown
Thy J. Brown
City Manager

CITY OF MILWAUKIE
 BILLS PAYABLE FEBRUARY 7, 1984

42.	Dept. of Finance & Administration	4.60	1-23	4.60
43.	Dun's Marketing Services	585.00	1-34	585.00
44.	Eden Systems	2,000.00	12-	2,000.00
45.	Executive Department	322.00	1-53	322.00
46.	Feenaughty	154.40	7-	154.40
47.	Firestone Tire Center	308.64	7-	308.64
48.	H. D. Fowler company	64.10	30-	64.10
49.	Fred Meyer	14.39	1-52	14.39
50.	Gary-Worth, Inc.	393.61	7-	393.61
51.	Gaylord Industries, Inc.	85.00	1-32	85.00
52.	Graphic Products, Inc.	18.90	1-24	18.90
53.	Hartford, Dale	210.00	12-	210.00
54.	Higgins Sign Company	490.00	1-62	490.00
55.	Highsmith Co., Inc.	15.92	1-34	15.92
56.	Hillsboro Police Department	78.00	12-	78.00
57.	Hopp's Upholstery	150.00	1-62	150.00
58.	Horton Electric	154.30	1-37	114.30
			30-	40.00
59.	IBM	96.00	1-32	96.00
60.	Innovation Auto-Body	460.03	3-	460.03
61.	Intl. Association of Chiefs of Police	25.00	1-52	25.00
62.	Jess's Bear Frame & Axle	20.00	1-52	20.00
63.	R.S.S., Robert Keefer	10.00	1-36	10.00
64.	Kovac, Leonard J., Jr.	130.50	1-22	130.50
65.	L & M Appliance Parts & Service	27.00	1-32	27.00
66.	Legislative Counsel Committee	240.00	1-34	180.00
			1-51	60.00
67.	Linn Benton Community College	190.00	20-	95.00
			30-	95.00
68.	McNaught, Terri Jo	263.63	12-	263.63
69.	Main Street Cleaners	520.60	1-52	520.60
70.	Marvac Products Co.	40.00	4-	40.00
71.	Marriott Hotel	50.16	1-10	50.16
72.	Massad Ayooob	70.00	1-52	70.00
73.	Mike's Suzuki	30.45	1-52	30.45
74.	Milwaukie Police Reserve	165.00	1-26	165.00
75.	Milwaukie Tour & Travel	742.00	1-62	742.00
76.	Mobile Radio Communication Service	41.25	1-61	41.25
77.	Moore Business Forms	8.39	1-23	8.39
78.	Motorola, Inc.	144.25	1-62	144.25
79.	Multigraphics	67.20	1-24	67.20
80.	Municipal Finance Officers' Assn.	150.00	1-23	150.00
81.	NCR	231.93	12-	231.93
82.	National Fire Protection Assoc.	26.55	1-63	26.55
83.	Northside Ford Truck Sales, Inc.	78.17	1-62	78.17
84.	Northwest Law Enforcement Equipment	1,743.64	1-52	1,743.64

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CITY OF MILWAUKIE
BILLS PAYABLE FEBRUARY 7, 1984

86.	Northwest Natural Gas	1,591.93	1-32	879.34
			1-34	712.59
87.	Northwest Roads & Street Conference	40.00	1-92	40.00
88.	Oak Grove Auto Parts	224.38	1-62	48.90
			7-	175.48
89.	Oak Lodge Sanitary District	157.50	20-	157.50
90.	Oil Filter Service Company	46.65	7-	46.65
91.	Olinger Gladstone Dodge	16.72	7-	16.72
92.	Olson Bros. Service	375.94	1-52	375.94
93.	Oregon Assn. Court Administration	20.00	1-26	20.00
94.	Oregon Department of Revenue	102.50	1-23	102.50
95.	Oregonian	75.40	1-34	75.40
96.	Oregon Rubber Mat Mfgs.	100.10	12-	100.10
97.	Oregon State Bar Association	185.00	1-22	185.00
98.	Oregon State Library	20.00	1-34	20.00
99.	Oregon State Police	133.63	1-52	133.63
100.	PGE	23,507.06	1-41	18,628.41
			1-32	741.32
			1-36	40.73
			1-37	609.05
			1-41	11.40
			1-61	52.23
			4-	437.53
			6-	17.70
			20-	167.44
			30-	2,801.25
101.	Pacific Fence & Wire	7.78	4-	7.78
102.	Pacific Northwest Bell	476.57	1-21	55.34
			1-31	54.10
			1-32	268.94
			1-36	58.47
			1-53	39.72
102.	Pacific Pipeline, Inc.	36.82	1-34	36.82
103.	Pacific Western Bank	436.90	12-	436.90
104.	The Parts Store	225.89	7-	225.89
105.	Petty Cash	438.49	1-10	22.54
			1-21	18.23
			1-22	17.17
			1-28	.09
			1-31	32.66
			1-33	10.50
			1-34	38.86
			1-35	11.58
			1-36	26.21
			1-37	13.41
			1-51	18.64
			1-52	98.39
			1-53	8.46
			1-62	32.23
			1-91	12.09
			7-	66.71
			12-	8.52
			20-	.99
			30-	1.21

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CITY OF MILWAUKIE
BILLS PAYABLE FEBRUARY 7, 1984

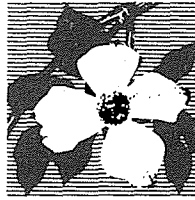
106.	Piper's Pub	110.00	1-10	110.00
107.	Pitney Bowes	155.00	1-23	155.00
108.	Platt Electric Supply, Inc.	283.20	4-	94.40
			20-	94.40
			30-	94.40
109.	Portland Observer	14.55	1-34	14.55
110.	Portland Water Bureau	146.49	30-	146.49
111.	Quality Books, Inc.	59.10	1-34	59.10
112.	Robben Oil	1,359.26	1-37	837.30
			1-61	521.96
113.	Rock Creek Sand & Gravel	505.00	4-	505.00
114.	Rodda Paint	37.22	1-31	13.03
			1-37	24.19
115.	Reading Enrichment Company, Inc.	11.11	1-34	11.11
116.	Saatkamp, Jay	35.25	30-	35.25
117.	Safelite Auto Glass	150.00	1-52	150.00
118.	Sanderson Safety	865.82	20-	811.82
			30-	54.00
119.	Southern Pacific Transportation Co.	225.00	30-	225.00
120.	Stafford Oil Co., Inc.	6,244.74	GL	6,244.74
121.	Stuart Company	15.90	12-	15.90
122.	T & K Products and Supply	494.75	1-52	494.75
123.	Traffic Safety Supply	334.75	1-32	334.75
124.	U. S. Pipe & Foundry	2,583.00	30-	2,583.00
125.	U.S. Postmaster	2,500.00	1-23	2,500.00
126.	Union Oil Company	25.00	1-62	25.00
127.	United Metal Fab. Co.	25.00	1-41	25.00
128.	Viking Freight System	65.08	4-	21.70
			20-	21.69
			30-	21.69
129.	W.D. Automotive	450.00	1-52	450.00
130.	Watts, Franklin, Inc.	329.21	1-34	329.21
131.	Weiler Chevrolet	23.18	7-	23.18
132.	Western Pacific Construction Materials	120.56	4-	120.56
133.	Wilcox Printery	23.00	1-23	23.00
134.	Witness Fees	10.00	1-26	10.00
		\$65,253.89		\$65,253.89

CHART OF ACCOUNTS
FUNDS & DEPARTMENTS

- 01 General Fund
 - 10 City Council
 - 21 City Administration
 - 22 City Attorney
 - 23 Finance
 - 24 Purchasing
 - 26 Court
 - 27 Cable Franchise
 - 28 Personnel
 - 31 Community Services Administration
 - 32 Milwaukie Center
 - 34 Library
 - 35 Planning
 - 36 Parks & Recreation
 - 37 City Hall
 - 41 General Government
 - 51 Police Administration
 - 52 Field Services
 - 53 Support Services
 - 61 Fire Administration
 - 62 Fire Suppression
 - 63 Fire Prevention
 - 91 Public Works Administration
 - 92 Public Works Engineering
 - 93 Public Work Building
- 03 Equipment Reserve Fund
- 04 State Tax Street Fund
- 05 Improvement Bond Sinking Fund
- 06 Street Improvement Fund
- 07 Equipment Repair Fund
- 09 Bike Path Fund
- 10 Fixed Asset Account Group
- 12 Federal Revenue Sharing Fund
- 13 Community Development Fund
- 20 Sewer Fund
- 30 Water Fund

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CITY OF MILWAUKIE



FINANCE DEPARTMENT
in the City Hall • phone 659-5171

III
B
①

February 1, 1984

To: Hugh Brown, City Manager
From: Margaret A. Post, Director of Finance
Subject: DEFERRED COMPENSATION AGREEMENT

Marge Post

The city's agreement for deferred compensation is with ICMA. ICMA has declared a new administrative structure for the ICMA Retirement Corporation. They have established a trust with a Board of Trustees to be selected by participating employees, thus giving the employers ultimate control over the management of the funds. Included in the trustees' responsibilities are oversight of ICMA performance, appointment of auditors, and monitoring of investment goals and objectives.

For the city to maintain full and continuing participation in the Retirement Trust it is necessary to adopt a resolution amending the deferred compensation agreement.

The City Attorney has prepared the necessary resolution to accomplish this. It is recommended that the City Council adopt the resolution and forward to ICMA.

cc: Greg Eades, City Attorney
Jo Durand, Personnel Officer

Attachment

Approval Recommended
Hugh H. Brown
Hugh H. Brown
City Manager

RESOLUTION NUMBER _____

III
B
②

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILWAUKIE REGARDING DEFERRED COMPENSATION PLAN ADMINISTERED BY ICMA RETIREMENT CORPORATION.

WHEREAS, the city maintains a deferred compensation plan for its employees which is administered by the ICMA Retirement Corporation (the "Administrator"); and

WHEREAS, the Administrator has recommended changes in the plan document to comply with recent federal legislation and Internal Revenue Service Regulations governing said plans; and

WHEREAS, the Internal Revenue Service has issued a private letter ruling approving said plan document as complying with Section 457 of the Internal Revenue Code; and

WHEREAS, other public employers have joined together to establish the ICMA Retirement Trust for the purpose of representing the interest of the participating employers with respect to the collective investment of funds held under their deferred compensation plans; and

WHEREAS, said Trust is a salutary development which further advances the quality of administration for plans administered by the ICMA Retirement Corporation:

NOW THEREFORE BE IT RESOLVED that the city hereby adopts the deferred compensation plan, attached hereto as Appendix A, as an amendment and restatement of its present deferred compensation plan administered by the ICMA Retirement Corporation, which shall continue to act as Administrator of said plan; and

BE IT FURTHER RESOLVED that the city hereby executes the ICMA Retirement Trust, attached hereto as Appendix B; and

BE IT FURTHER RESOLVED that the City Council hereby adopts the trust agreement with ICMA Retirement Corporation as appears at Appendix C hereto, as an amendment and restatement of its existing trust agreement with the ICMA Retirement Corporation, and directs the ICMA Retirement Corporation, as Trustee, to invest all funds held under the deferred compensation plan through the ICMA Retirement Trust as soon as is practicable; and

BE IT FURTHER RESOLVED that the Finance Director shall be the coordinator for this program and shall receive necessary reports, notices, etc from the ICMA Retirement Corporation as Administrator, and shall cast, on behalf of the city, any required votes under the program. Administrative duties to carry out the plan may be assigned to the appropriate departments.

RESOLUTION NO. _____

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B(3) Page 2

Introduced and adopted by the City Council on _____
_____, 1984.

Joy Burgess, Mayor

ATTEST:

Laurie Perkin, City Recorder

Approved as to form:

Greg Eades, City Attorney

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B(3)

("EMPLOYER")

DEFERRED COMPENSATION PLAN

I. INTRODUCTION

The Employer hereby establishes the Employer's Deferred Compensation Plan, hereinafter referred to as the "Plan." The Plan consists of the provisions set forth in this document.

The primary purpose of this Plan is to provide retirement income and other deferred benefits to the Employees of the Employer in accordance with the provisions of section 457 of the Internal Revenue Code of 1954, as amended.

This Plan shall be an agreement solely between the Employer and participating Employees.

II. DEFINITIONS

- 2.01 Account:** The bookkeeping account maintained for each Participant reflecting the cumulative amount of the Participant's Deferred Compensation, including any income, gains, losses, or increases or decreases in market value attributable to the Employer's investment of the Participant's Deferred Compensation, and further reflecting any distributions to the Participant or the Participant's Beneficiary and any fees or expenses charged against such Participant's Deferred Compensation.
- 2.02 Administrator:** The person or persons named to carry out certain nondiscretionary administrative functions under the Plan, as hereinafter described. The Employer may remove any person as Administrator upon 60 days advance notice in writing to such person, in which case the Employer shall name another person or persons to act as Administrator. The Administrator may resign upon 60 days advance notice in writing to the Employer, in which case the Employer shall name another person or persons to act as Administrator.
- 2.03 Beneficiary:** The person or persons designated by the Participant in his Joinder Agreement who shall receive any benefits payable hereunder in the event of the Participant's death.
- 2.04 Deferred Compensation:** The amount of Normal Compensation otherwise payable to the Participant which the Participant and the Employer mutually agree to defer hereunder, any amount credited to a Participant's Account by reason of a transfer under Section 6.03, or any other amount which the Employer agrees to credit to a Participant's Account.
- 2.05 Employee:** Any individual who provides services for the Employer, whether as an employee of the Employer or as an independent contractor, and who has been designated by the Employer as eligible to participate in the Plan.
- 2.06 Includible Compensation:** The amount of an Employee's compensation from the Employer for a taxable year that is attributable to services performed for the Employer and that is includible in the Employee's gross income for the taxable year for federal income tax purposes; such term does not include any amount excludable from gross income under this Plan or any other plan described in section 457(b) of the Internal Revenue Code, any amount excludable from gross income under section 403(b) of the Internal Revenue Code, or any other amount excludable from gross income for federal income tax purposes. Includible Compensation shall be determined without regard to any community property laws.
- 2.07 Joinder Agreement:** An agreement entered into between an Employee and the Employer, including any amendments or modifications thereof. Such agreement shall fix the amount of Deferred Compensation, specify a preference among the investment alternatives designated by the Employer, designate the Employee's Beneficiary or Beneficiaries, and incorporate the terms, conditions, and provisions of the Plan by reference.
- 2.08 Normal Compensation:** The amount of compensation which would be payable to a Participant by the Employer for a taxable year if no Joinder Agreement were in effect to defer compensation under this Plan.
- 2.09 Normal Retirement Age:** Age 70, unless the Participant has elected an alternate Normal Retirement Age by written instrument delivered to the Administrator prior to Separation from Service. A Participant's Normal Retirement Age determines (a) the latest time when benefits may commence under this Plan (unless the Participant continues employment after Normal Retirement Age), and (b) the period during which a Participant may utilize the catch-up limitation of Section 5.02 hereunder. Once a Participant has to any extent utilized the catch-up limitation of Section 5.02, his Normal Retirement Age may not be changed.
- A Participant's alternate Normal Retirement Age may not be earlier than the earliest date that the Participant will become eligible to retire and receive unreduced retirement benefits under the Employer's basic retirement plan covering the Participant and may not be later than the date the Participant attains age 70. If a Participant continues employment after attaining age 70, not having previously elected an alternate Normal Retirement Age, the Participant's alternate Normal Retirement Age shall not be later than the mandatory retirement age, if any, established by the Employer, or the age at which the Participant actually separates from service if the Employer has no mandatory retirement age. If the Participant will not become eligible to receive benefits under a basic retirement plan maintained by the Employer, the Participant's alternate Normal Retirement Age may not be earlier than attainment of age 55 and may not be later than attainment of age 70.
- 2.10 Participant:** Any Employee who has joined the Plan pursuant to the requirements of Article IV.
- 2.11 Plan Year:** The calendar year.

2.12 Retirement: The first date upon which both of the following shall have occurred with respect to a Participant: Separation from Service and attainment of Normal Retirement Age.

2.13 Separation from Service: Severance of the Participant's employment with the Employer. A Participant shall be deemed to have severed his employment with the Employer for purposes of this Plan when, in accordance with the established practices of the Employer, the employment relationship is considered to have actually terminated. In the case of a Participant who is an independent contractor of the Employer, Separation from Service shall be deemed to have occurred when the Participant's contract under which services are performed has completely expired and terminated, there is no foreseeable possibility that the Employer will renew the contract or enter into a new contract for the Participant's services, and it is not anticipated that the Participant will become an Employee of the Employer.

III. ADMINISTRATION

3.01 Duties of Employer: The Employer shall have the authority to make all discretionary decisions affecting the rights or benefits of Participants which may be required in the administration of this Plan.

3.02 Duties of Administrator: The Administrator, as agent for the Employer, shall perform nondiscretionary administrative functions in connection with the Plan, including the maintenance of Participants' Accounts, the provision of periodic reports of the status of each Account and the disbursement of benefits on behalf of the Employer in accordance with the provisions of this Plan.

IV. PARTICIPATION IN THE PLAN

4.01 Initial Participation: An Employee may become a Participant by entering into a Joinder Agreement prior to the beginning of the calendar month in which the Joinder Agreement is to become effective to defer compensation not yet earned.

4.02 Amendment of Joinder Agreement: A Participant may amend an executed Joinder Agreement to change the amount of compensation not yet earned which is to be deferred (including the reduction of such future deferrals to zero) or to change his investment preference (subject to such restrictions as may result from the nature or terms of any investment made by the Employer). Such amendment shall become effective as of the beginning of the calendar month commencing after the date the amendment is executed. A Participant may at any time amend his Joinder Agreement to change the designated Beneficiary and such amendment shall become effective immediately.

V. LIMITATIONS ON DEFERRALS

5.01 Normal Limitation: Except as provided in Section 5.02, the maximum amount of Deferred Compensation for any Participant for any taxable year shall not exceed the lesser of \$7,500.00 or 33 1/3 percent of the Participant's Includible Compensation for the taxable year. This limitation will ordinarily be equivalent to the lesser of \$7,500.00 or 25 percent of the Participant's Normal Compensation.

5.02 Catch-up Limitation: For each of the last three (3) taxable years of a Participant ending before his attainment of Normal Retirement Age, the maximum amount of Deferred Compensation shall be the lesser of: (1) \$15,000 or (2) the sum of (i) the Normal Limitation for the taxable year, and (ii) that portion of the Normal Limitation for each of the prior taxable years of the Participant commencing after 1978 during which the Plan was in existence and the Participant was eligible to participate in the Plan (or in any other plan established under section 457 of the Internal Revenue Code by an employer within the same State as the Employer) less the amount of Deferred Compensation for each such prior taxable year (including amounts deferred under such other

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plan). For purposes of this Section 5.02, a Participant's Includible Compensation for the current taxable year shall be deemed to include any Deferred Compensation for the taxable year in excess of the amount permitted under the Normal Limitation, and the Participant's Includible Compensation for any prior taxable year shall be deemed to exclude any amount that could have been deferred under the Normal Limitation for such prior taxable year.

5.03 Section 403(b) Annuities: For purposes of Sections 5.01 and 5.02, amounts contributed by the Employer on behalf of a Participant for the purchase of an annuity contract described in section 403(b) of the Internal Revenue Code shall be treated as if such amounts constituted Deferred Compensation under this Plan for the taxable year in which the contribution was made and shall thereby reduce the maximum amount that may be deferred for such taxable year.

VI. INVESTMENTS AND ACCOUNT VALUES

6.01 Investment of Deferred Compensation: All investments of Participants' Deferred Compensation made by the Employer, including all property and rights purchased with such amounts and all income attributable thereto, shall be the sole property of the Employer and shall not be held in trust for Participants or as collateral security for the fulfillment of the Employer's obligations under the Plan. Such property shall be subject to the claims of general creditors of the Employer, and no Participant or Beneficiary shall have any vested interest or secured or preferred position with respect to such property or have any claim against the Employer except as a general creditor.

6.02 Crediting of Accounts: The Participant's Account shall reflect the amount and value of the investments or other property obtained by the Employer through the investment of the Participant's Deferred Compensation. It is anticipated that the Employer's investments with respect to a Participant will conform to the investment preference specified in the Participant's Joinder Agreement, but nothing herein shall be construed to require the Employer to make any particular investment of a Participant's Deferred Compensation. Each Participant shall receive periodic reports, not less frequently than annually, showing the then-current value of his Account.

6.03 Acceptance of Transfers: Pursuant to an appropriate written agreement, the Employer may accept and credit to a Participant's Account amounts transferred from another employer within the same State representing amounts held by such other employer under an eligible State deferred compensation plan described in section 457 of the Internal Revenue Code. Any such transferred amount shall not be treated as a deferral subject to the limitations of Article V, provided however, that the actual amount of any deferral under the plan from which the transfer is made shall be taken into account in computing the catch-up limitation under Section 5.02.

6.04 Employer Liability: In no event shall the Employer's liability to pay benefits to a Participant under Article VI exceed the value of the amounts credited to the Participant's Account; the Employer shall not be liable for losses arising from depreciation or shrinkage in the value of any investments acquired under this Plan.

VII. BENEFITS

7.01 Retirement Benefits and Election on Separation from Service: Except as otherwise provided in this Article VII, the distribution of a Participant's Account shall commence during the second calendar month after the close of the Year of the Participant's Retirement, and the distribution of such Retirement benefits shall be made in accordance with one of the payment options described in Section 7.02. Notwithstanding the foregoing, the Participant may irrevocably

cably elect within 60 days following Separation from Service to have the distribution of benefits commence on a date other than that described in the preceding sentence which is at least 60 days after the date such election is delivered in writing to the Employer and forwarded to the Administrator but not later than 60 days after the close of the Plan Year of the Participant's Retirement.

7.02 Payment Options: As provided in Sections 7.01, 7.05 and 7.06, a Participant may elect to have the value of his Account distributed in accordance with one of the following payment options, provided that such option is consistent with the limitations set forth in Section 7.03:

- (a) Equal monthly, quarterly, semi-annual or annual payments in an amount chosen by the Participant, continuing until his Account is exhausted;
- (b) One lump sum payment;
- (c) Approximately equal monthly, quarterly, semi-annual or annual payments, calculated to continue for a period certain chosen by the Participant;
- (d) Payments equal to payments made by the issuer of a retirement annuity policy acquired by the Employer;
- (e) Any other payment option elected by the Participant and agreed to by the Employer.

A Participant's election of a payment option must be made at least 30 days before the payment of benefits is to commence. If a Participant fails to make a timely election of a payment option, benefits shall be paid monthly under option (c) above for a period of five years.

7.03 Limitation on Options: No payment option may be selected by the Participant under Section 7.02 unless the present value of the payments to the Participant, determined as of the date benefits commence, exceeds 50 percent of the value of the Participant's Account as of the date benefits commence. Present value determinations under this Section shall be made by the Administrator in accordance with the expected return multiples set forth in section 1.72-9 of the Federal Income Tax Regulations (or any successor provision to such regulations).

7.04 Post-retirement Death Benefits: Should the Participant die after he has begun to receive benefits under a payment option, the remaining payments, if any, under the payment option shall be payable to the Participant's Beneficiary commencing within 60 days after the Administrator receives proof of the Participant's death, unless the Beneficiary elects payment under a different payment option at least 30 days prior to the date that the first payment becomes payable to the Beneficiary. In no event shall the Employer or Administrator be liable to the Beneficiary for the amount of any payment made in the name of the Participant before the Administrator receives proof of death of the Participant. Notwithstanding the foregoing, payments to a Beneficiary shall not extend over a period longer than (i) the Beneficiary's life expectancy if the Beneficiary is the Participant's spouse or (ii) fifteen (15) years if the Beneficiary is not the Participant's spouse. If no Beneficiary is designated in the Joinder Agreement, or if the designated Beneficiary does not survive the Participant for a period of fifteen (15) days, then the commuted value of any remaining payments under the payment option shall be paid in a lump sum to the estate of the Participant. If the designated Beneficiary survives the Participant for a period of fifteen (15) days, but does not continue to live for the remaining period of payments under the payment option (as modified, if necessary, in conformity with the third sentence of this section), then the commuted value of any remaining payments under the payment option shall be paid in a lump sum to the estate of the Beneficiary.

7.05 Pre-retirement Death Benefits: Should the Participant die before he has begun to receive the benefits provided by

Sections 7.01 or 7.06, a death benefit equal to the value of the Participant's Account shall be payable to the Beneficiary commencing no later than 60 days after the close of the Plan Year in which the Participant would have attained Normal Retirement Age. Such death benefit shall be paid in a lump sum unless the Beneficiary elects a different payment option within 90 days of the Participant's death. A Beneficiary who may elect a payment option pursuant to the provisions of the preceding sentence shall be treated as if he were a Participant for purposes of determining the payment options available under Section 7.02; provided, however, that the payment option chosen by the Beneficiary must provide for payments to the Beneficiary over a period no longer than the life expectancy of the Beneficiary if the Beneficiary is the Participant's spouse and must provide for payments over a period not in excess of fifteen (15) years if the Beneficiary is not the Participant's spouse.

7.06 Disability: In the event a Participant becomes disabled before the commencement of Retirement benefits under Section 7.01, the Participant may elect to commence benefits under one of the payment options described in Section 7.02 on the last day of the month following a determination of disability by the Employer. The Participant's request for such determination must be made within a reasonable time after the impairment which constitutes the disability occurs. A Participant shall be considered disabled for purposes of this Plan if he is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or be of long-continued and indefinite duration. The disability of any Participant shall be determined in accordance with uniform principles consistently applied and upon the basis of such medical evidence as the Employer deems necessary and desirable.

7.07 Unforeseeable Emergencies: In the event an unforeseeable emergency occurs, a Participant may apply to the Employer to receive that part of the value of his account that is reasonably needed to satisfy the emergency need. If such an application is approved by the Employer, the Participant shall be paid only such amount as the Employer deems necessary to meet the emergency need, but payment shall not be made to the extent that the financial hardship may be relieved through cessation of deferral under the Plan, insurance or other reimbursement, or liquidation of other assets to the extent such liquidation would not itself cause severe financial hardship. An unforeseeable emergency shall be deemed to involve only circumstances of severe financial hardship to the Participant resulting from a sudden and unexpected illness or accident of the Participant or of a dependent (as defined in section 152(a) of the Internal Revenue Code) of the Participant, loss of the Participant's property due to casualty, or other similar and extraordinary unforeseeable circumstances arising as a result of events beyond the control of the Participant. The need to send a Participant's child to college or to purchase a new home shall not be considered unforeseeable emergencies. The determination as to whether such an unforeseeable emergency exists shall be based on the merits of each individual case.

VIII. NON-ASSIGNABILITY

No Participant or Beneficiary shall have any right to commute, sell, assign, pledge, transfer or otherwise convey or encumber the right to receive any payments hereunder, which payments and rights are expressly declared to be non-assignable and non-transferable.

IX. RELATIONSHIP TO OTHER PLANS AND EMPLOYMENT AGREEMENTS

This Plan serves in addition to any other retirement, pension, or benefit plan or system presently in existence or hereinafter established for the benefit of the Employer's employees, and participation hereunder shall not affect benefits receivable under

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any such plan or system. Nothing contained in this Plan shall be deemed to constitute an employment contract or agreement between any Participant and the Employer or to give any Participant the right to be retained in the employ of the Employer. Nor shall anything herein be construed to modify the terms of any employment contract or agreement between a Participant and the Employer.

X. AMENDMENT OR TERMINATION OF PLAN

The Employer may at any time amend this Plan provided that it transmits such amendment in writing to the Administrator at least 30 days prior to the effective date of the amendment. The consent of the Administrator shall not be required in order for such amendment to become effective, but the Administrator shall be under no obligation to continue acting as Administrator hereunder if it disapproves of such amendment. The Employer may at any time terminate this Plan.

The Administrator may at any time propose an amendment to the Plan by an instrument in writing transmitted to the Employer at least 30 days before the effective date of the amendment. Such amendment shall become effective unless, within such 30-day

period, the Employer notifies the Administrator in writing that it disapproves such amendment, in which case such amendment shall not become effective. In the event of such disapproval, the Administrator shall be under no obligation to continue acting as Administrator hereunder.

No amendment or termination of the Plan shall divest any Participant of any rights with respect to compensation deferred before the date of the amendment or termination.

XI. APPLICABLE LAW

This Plan shall be construed under the laws of the state where the Employer is located and is established with the intent that it meet the requirements of an "eligible State deferred compensation plan" under section 457 of the Internal Revenue Code of 1954, as amended. The provisions of this Plan shall be interpreted wherever possible in conformity with the requirements of that section.

XII. GENDER AND NUMBER

The masculine pronoun, whenever used herein, shall include the feminine pronoun, and the singular shall include the plural, except where the context requires otherwise.

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DECLARATION OF TRUST of ICMA RETIREMENT TRUST

ARTICLE I. Name and Definitions

SECTION 1.1. Name. The Name of the Trust created hereby is the ICMA Retirement Trust.

SECTION 1.2. Definitions. Wherever they are used herein, the following terms shall have the following respective meanings:

(a) By-Laws. The By-Laws referred to in Section 4.1 hereof, as amended from time to time.

(b) Deferred Compensation Plan. A deferred compensation plan established and maintained by a Public Employer for the purpose of providing retirement income and other deferred benefits to its employees in accordance with the provisions of section 457 of the Internal Revenue Code of 1954, as amended.

(c) Guaranteed Investment Contract. A contract entered into by the Retirement Trust with insurance companies that provides for a guaranteed rate of return on investments made pursuant to such contract.

(d) ICMA. The International City Management Association.

(e) ICMA/RC Trustees. Those Trustees elected by the Public Employers who, in accordance with the provisions of Section 3.1(a) hereof, are also members of the Board of Directors of ICMA or RC.

(f) Investment Adviser. The Investment Adviser that enters into a contract with the Retirement Trust to provide advice with respect to investment of the Trust Property.

(g) Employer Trust. A trust created pursuant to an agreement between RC and a Public Employer for the purpose of investing and administering the funds set aside by such employer in connection with its deferred compensation agreements with its employees.

(h) Portfolios. The Portfolios of investments established by the Investment Adviser to the Retirement Trust, under the supervision of the Trustees, for the purpose of providing investments for the Trust Property.

(i) Public Employee Trustees. Those Trustees elected by the Public Employers who, in accordance with the provisions of Section 3.1(a) hereof, are full-time employees of Public Employers.

(j) Public Employer. A unit of state or local government, or any agency or instrumentality thereof, that has adopted a Deferred Compensation Plan and has executed this Declaration of Trust.

(k) RC. The International City Management Association Retirement Corporation.

(l) Retirement Trust. The Trust created by this Declaration of Trust.

(m) Trust Property. The amounts held in the Retirement Trust on behalf of the Public Employers. The Trust Property shall include any income resulting from the investment of the amounts so held.

(n) Trustees. The Public Employee Trustees and ICMA/RC Trustees elected by the Public Employers to serve as members of the Board of Trustees of the Retirement Trust.

ARTICLE II. Creation and Purpose of the Trust; Ownership of Trust Property

SECTION 2.1. Creation. The Retirement Trust is created and established by the execution of this Declaration of Trust by the Trustees and the participating Public Employers.

SECTION 2.2. Purpose. The purpose of the Retirement Trust is to provide for the commingled investment of funds held by the Public Employers in connection with their Deferred Compensation Plans. The Trust Property shall be invested in the Portfolios, in Guaranteed Investment Contracts and in other investments recommended by the Investment Adviser under the supervision of the Board of Trustees.

SECTION 2.3 Ownership of Trust Property. The Trustees shall have legal title to the Trust Property. The Public Employers shall be the beneficial owners of the Trust Property.

ARTICLE III. Trustees

SECTION 3.1. Number and Qualification of Trustees.

(a) The Board of Trustees shall consist of nine Trustees. Five of the Trustees shall be full-time employees of a Public Employer (the Public Employee Trustees) who are authorized by such Public Employer to serve as Trustee. The remaining four Trustees shall consist of two persons who, at the time of election to the Board of Trustees, are members of the Board of Directors of ICMA and two persons who, at the time of election, are members of the Board of Directors of RC (the ICMA/RC Trustees). One of the Trustees who is a director of ICMA, and one of the Trustees who is a director of RC, shall, at the time of election, be full-time employees of a Public Employer.

(b) No person may serve as a Trustee for more than one term in any ten-year period.

SECTION 3.2. Election and Term.

(a) Except for the Trustees appointed to fill vacancies pursuant to Section 3.5 hereof, the Trustees shall be elected by a vote of a majority of the Public Employers in accordance with the procedures set forth in the By-Laws.

(b) At the first election of Trustees, three Trustees shall be elected for a term of three years, three Trustees shall be elected for a term of two years and three Trustees shall be elected for a term of one year. At each subsequent election, three Trustees shall be elected for a term of three years and until his or her successor is elected and qualified.

SECTION 3.3. Nominations. The Trustees who are full-time employees of Public Employers shall serve as the Nominating Committee for the Public Employee Trustees. The Nominating Committee shall choose candidates for Public Employee Trustees in accordance with the procedures set forth in the By-Laws.

SECTION 3.4. Resignation and Removal.

(a) Any Trustee may resign as Trustee (without need for prior or subsequent accounting) by an instrument in writing signed by the Trustee and delivered to the other Trustees and such resignation shall be effective upon such delivery, or at a later date according

to the terms of the instrument. Any of the Trustees may be removed for cause, by a vote of a majority of the Public Employers.

(b) Each Public Employee Trustee shall resign his or her position as Trustee within sixty days of the date on which he or she ceases to be a full-time employee of a Public Employer.

SECTION 3.5. Vacancies. The term of office of a Trustee shall terminate and a vacancy shall occur in the event of the death, resignation, removal, adjudicated incompetence or other incapacity to perform the duties of the office of a Trustee. In the case of a vacancy, the remaining Trustees shall appoint such person as they in their discretion shall see fit (subject to the limitations set forth in this Section), to serve for the unexpired portion of the term of the Trustee who has resigned or otherwise ceased to be a Trustee. The appointment shall be made by a written instrument signed by a majority of the Trustees. The person appointed must be the same type of Trustee (i.e., Public Employee Trustee or ICMA/RC Trustee) as the person who has ceased to be a Trustee. An appointment of a Trustee may be made in anticipation of a vacancy to occur at a later date by reason of retirement or resignation, provided that such appointment shall not become effective prior to such retirement or resignation. Whenever a vacancy in the number of Trustees shall occur, until such vacancy is filled as provided in this Section 3.5, the Trustees in office, regardless of their number, shall have all the powers granted to the Trustees and shall discharge all the duties imposed upon the Trustees by this Declaration. A written instrument certifying the existence of such vacancy signed by a majority of the Trustees shall be conclusive evidence of the existence of such vacancy.

SECTION 3.6. Trustees Serve in Representative Capacity. By executing this Declaration, each Public Employer agrees that the Public Employee Trustees elected by the Public Employers are authorized to act as agents and representatives of the Public Employers collectively.

ARTICLE IV. Powers of Trustees

SECTION 4.1. General Powers. The Trustees shall have the power to conduct the business of the Trust and to carry on its operations. Such power shall include, but shall not be limited to, the power to:

- (a) receive the Trust Property from the Public Employers or from a Trustee of any Employer Trust;
- (b) enter into a contract with an Investment Adviser providing, among other things, for the establishment and operation of the Portfolios, selection of the Guaranteed Investment Contracts in which the Trust Property may be invested, selection of other investments for the Trust Property and the payment of reasonable fees to the Investment Adviser and to any sub-investment adviser retained by the Investment Adviser;
- (c) review annually the performance of the Investment Adviser and approve annually the contract with such Investment Adviser;
- (d) invest and reinvest the Trust Property in the Portfolios, the Guaranteed Investment Contracts and in any other investment recommended by the Investment Adviser, provided that if a Public Employer has directed that its monies be invested in specified Portfolios or in a Guaranteed Investment Contract, the Trustees of the Retirement Trust shall invest such monies in accordance with such directions;
- (e) keep such portion of the Trust Property in cash or cash balances as the Trustees, from time to time, may deem to be in the best interest of the Retirement Trust created hereby, without liability for interest thereon;
- (f) accept and retain for such time as they may deem advisable any securities or other property received or acquired by them as Trustees hereunder, whether or not such securities or other property would normally be purchased as investments hereunder;
- (g) cause any securities or other property held as part of the Trust Property to be registered in the name of the Retirement Trust or in the name of a nominee, and to hold any investments in bearer form, but the books and records of the Trustees shall at all

times show that all such investments are a part of the Trust Property;

(h) make, execute, acknowledge, and deliver any and all documents of transfer and conveyance and any and all other instruments that may be necessary or appropriate to carry out the powers herein granted;

(i) vote upon any stock, bonds, or other securities; give general or special proxies or powers of attorney with or without power of substitution; exercise any conversion privileges, subscription rights, or other options, and make any payments incidental thereto; oppose, or consent to, or otherwise participate in, corporate reorganizations or other changes affecting corporate securities, and delegate discretionary powers, and pay any assessments or charges in connection therewith; and generally exercise any of the powers of an owner with respect to stocks, bonds, securities or other property held as part of the Trust Property;

(j) enter into contracts or arrangements for goods or services required in connection with the operation of the Retirement Trust, including, but not limited to, contracts with custodians and contracts for the provision of administrative services;

(k) borrow or raise money for the purpose of the Retirement Trust in such amount, and upon such terms and conditions, as the Trustees shall deem advisable, provided that the aggregate amount of such borrowings shall not exceed 30% of the value of the Trust Property. No person lending money to the Trustees shall be bound to see the application of the money lent or to inquire into its validity, expediency or propriety of any such borrowing;

(l) incur reasonable expenses as required for the operation of the Retirement Trust and deduct such expenses from the Trust Property;

(m) pay expenses properly allocable to the Trust Property incurred in connection with the Deferred Compensation Plans of the Employer Trusts and deduct such expenses from that portion of the Trust Property beneficially owned by the Public Employer to whom such expenses are properly allocable;

(n) pay out of the Trust Property all real and personal property taxes, income taxes and other taxes of any and all kinds which, in the opinion of the Trustees, are properly levied, or assessed under existing or future laws upon, or in respect of, the Trust Property and allocate any such taxes to the appropriate accounts;

(o) adopt, amend and repeal the By-Laws, provided that such By-Laws are at all times consistent with the terms of this Declaration of Trust;

(p) employ persons to make available interests in the Retirement Trust to employers eligible to maintain a deferred compensation plan under section 457 of the Internal Revenue Code, as amended;

(q) issue the Annual Report of the Retirement Trust, and the disclosure documents and other literature used by the Retirement Trust;

(r) make loans, including the purchase of debt obligations, provided that all such loans shall bear interest at the current market rate;

(s) contract for, and delegate any powers granted hereunder to, such officers, agents, employees, auditors and attorneys as the Trustees may select, provided that the Trustees may not delegate the powers set forth in paragraphs (b), (c) and (o) of this Section 4.1 and may not delegate any powers if such delegation would violate their fiduciary duties;

(t) provide for the indemnification of the officers and Trustees of the Retirement Trust and purchase fiduciary insurance;

(u) maintain books and records, including separate accounts for each Public Employer or Employer Trust and such additional separate accounts as are required under, and consistent with, the Deferred Compensation Plan of each Public Employer; and

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(v) do all such acts, take all such proceedings, and exercise all such rights and privileges, although not specifically mentioned herein, as the Trustees may deem necessary or appropriate to administer the Trust Property and to carry out the purposes of the Retirement Trust.

SECTION 4.2. Distribution of Trust Property. Distributions of the Trust Property shall be made to, or on behalf of, the Public Employer, in accordance with the terms of the Deferred Compensation Plans or Employer Trusts. The Trustees of the Retirement Trust shall be fully protected in making payments in accordance with the directions of the Public Employers or the Trustees of the Employer Trusts without ascertaining whether such payments are in compliance with the provisions of the Deferred Compensation Plans or the agreements creating the Employer Trusts.

SECTION 4.3. Execution of Instruments. The Trustees may unanimously designate any one or more of the Trustees to execute any instrument or document on behalf of all, including but not limited to the signing or endorsement of any check and the signing of any applications, insurance and other contracts, and the action of such designated Trustee or Trustees shall have the same force and effect as if taken by all the Trustees.

ARTICLE V. Duty of Care and Liability of Trustees

SECTION 5.1. Duty of Care. In exercising the powers hereinbefore granted to the Trustees, the Trustees shall perform all acts within their authority for the exclusive purpose of providing benefits for the Public Employers, and shall perform such acts with the care, skill, prudence and diligence in the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims.

SECTION 5.2. Liability. The Trustees shall not be liable for any mistake of judgment or other action taken in good faith, and for any action taken or omitted in reliance in good faith upon the books of account or other records of the Retirement Trust, upon the opinion of counsel, or upon reports made to the Retirement Trust by any of its officers, employees or agents or by the Investment Adviser or any sub-investment adviser, accountants, appraisers or other experts or consultants selected with reasonable care by the Trustees, officers or employees of the Retirement Trust. The Trustees shall also not be liable for any loss sustained by the Trust Property by reason of any investment made in good faith and in accordance with the standard of care set forth in Section 5.1.

SECTION 5.3. Bond. No Trustee shall be obligated to give any bond or other security for the performance of any of his or her duties hereunder.

ARTICLE VI. Annual Report to Shareholders

The Trustees shall annually submit to the Public Employers a written report of the transactions of the Retirement Trust, including financial statements which shall be certified by independent public accountants chosen by the Trustees.

ARTICLE VII. Duration or Amendment of Retirement Trust

SECTION 7.1. Withdrawal. A Public Employer may, at any time, withdraw from this Retirement Trust by delivering to the Board of Trustees a statement to that effect. The withdrawing Public Employer's beneficial interest in the Retirement Trust shall be paid out to the Public Employer or to the Trustee of the Employer Trust, as appropriate.

SECTION 7.2. Duration. The Retirement Trust shall continue until terminated by the vote of a majority of the Public Employers, each casting one vote. Upon termination, all of the Trust Property shall be paid out to the Public Employers or the Trustees of the Employer Trusts, as appropriate.

SECTION 7.3. Amendment. The Retirement Trust may be amended by the vote of a majority of the Public Employers, each casting one vote.

SECTION 7.4. Procedure. A resolution to terminate or amend the Retirement Trust or to remove a Trustee shall be submitted to a vote of the Public Employers if: (a) a majority of the Trustees so direct, or (b) a petition requesting a vote, signed by not less than 25% of the Public Employers, is submitted to the Trustees.

ARTICLE VIII. Miscellaneous

SECTION 8.1. Governing Law. Except as otherwise required by state or local law, this Declaration of Trust and the Retirement Trust hereby created shall be construed and regulated by the laws of the District of Columbia.

SECTION 8.2. Counterparts. This Declaration may be executed by the Public Employers and Trustees in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

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TRUST AGREEMENT WITH THE ICMA RETIREMENT CORPORATION

AGREEMENT made by and between the Employer named in the attached resolution and the International City Management Association Retirement Corporation (hereinafter the "Trustee" or "Retirement Corporation"), a nonprofit corporation organized and existing under the laws of the State of Delaware, for the purpose of investing and otherwise administering the funds set aside by Employers in connection with deferred compensation plans established under section 457 of the Internal Revenue Code of 1954 (the "Code"). This Agreement shall take effect upon acceptance by the Trustee of its appointment by the Employer to serve as Trustee in accordance herewith as set forth in the attached resolution.

WHEREAS, the Employer has established a deferred compensation plan under section 457 of the Code (the "Plan");

WHEREAS, in order that there will be sufficient funds available to discharge the Employer's contractual obligations under the Plan, the Employer desires to set aside periodically amounts equal to the amount of compensation deferred;

WHEREAS, the funds set aside, together with any and all assets derived from the investment thereof, are to be exclusively within the dominion, control, and ownership of the Employer, and subject to the Employer's absolute right of withdrawal, no employees having any interest whatsoever therein;

NOW, THEREFORE, this Agreement witnesseth that (a) the Employer will pay monies to the Trustee to be placed in deferred compensation accounts for the Employer; (b) the Trustee covenants that it will hold said sums, and any other funds which it may receive hereunder, in trust for the uses and purposes and upon the terms and conditions hereinafter stated; and (c) the parties hereto agree as follows:

ARTICLE I. General Duties of the Parties.

Section 1.1. General Duty of the Employer. The Employer shall make regular periodic payments equal to the amounts of its employees' compensation which are deferred in accordance with the terms and conditions of the Plan to the extent that such amounts are to be invested under the Trust.

Section 1.2. General Duties of the Trustee. The Trustee shall hold all funds received by it hereunder, which, together with the income therefrom, shall constitute the Trust Funds. It shall administer the Trust Funds, collect the income thereof, and make payments therefrom, all as hereinafter provided. The Trustee shall also hold all Trust Funds which are transferred to it as successor Trustee by the Employer from existing deferred compensation arrangements with its Employees under plans described in section 457 of the Code. Such Trust Funds shall be subject to all of the terms and provisions of this Agreement.

ARTICLE II. Powers and Duties of the Trustee in Investment, Administration, and Disbursement of the Trust Funds.

Section 2.1. Investment Powers and Duties of the Trustee. The Trustee shall have the power to invest and reinvest the principal and income of the Trust Funds and keep the Trust Funds invested, without distinction between principal and income, in securities or in other property, real or personal, wherever situated, including, but not limited to, stocks, common or preferred, bonds, retirement annuity and insurance policies, mortgages, and other evidences of indebtedness or ownership, investment companies, common or group trust funds, or separate and different types of funds (including equity, fixed income) which fulfill requirements of state and local governmental laws,

provided, however, that the Employer may direct investment by the Trustee among available investment alternatives in such proportions as the Employer authorizes in connection with its deferred compensation agreements with its employees. For these purposes, these Trust Funds may be commingled with Trust Funds set aside by other Employers pursuant to the terms of the ICMA Retirement Trust. Investment powers vested in the Trustee by the Section may be delegated by the Trustee to any bank, insurance or trust company, or any investment advisor, manager or agent selected by it.

Section 2.2. Administrative Powers of the Trustee. The Trustee shall have the power in its discretion:

(a) To purchase, or subscribe for, any securities or other property and to retain the same in trust.

(b) To sell, exchange, convey, transfer or otherwise dispose of any securities or other property held by it, by private contract, or at public auction. No person dealing with the Trustee shall be bound to see the application of the purchase money or to inquire into the validity, expediency, or propriety of any such sale or other disposition.

(c) To vote upon any stocks, bonds, or other securities; to give general or special proxies or powers of attorney with or without power of substitution; to exercise any conversion privilege, subscription rights, or other options, and to make any payments incidental thereto; to oppose, or to consent to, or otherwise participate in, corporate reorganizations or other changes affecting corporate securities, and to delegate discretionary powers, and to pay any assessments or charges in connection therewith; and generally to exercise any of the powers of an owner with respect to stocks, bonds, securities or other property held as part of the Trust Funds.

(d) To cause any securities or other property held as part of the Trust Funds to be registered in its own name, and to hold any investments in bearer form, but the books and records of the Trustee shall at all times show that all such investments are a part of the Trust Funds.

(e) To borrow or raise money for the purpose of the Trust in such amount, and upon such terms and conditions, as the Trustee shall deem advisable; and, for any sum so borrowed, to issue its promissory note as Trustee, and to secure the repayment thereof by pledging all, or any part, of the Trust Funds. No person lending money to the Trustee shall be bound to see the application of the money lent or to inquire into its validity, expediency or propriety of any such borrowing.

(f) To keep such portion of the Trust Funds in cash or cash balances as the Trustee, from time to time, may deem to be in the best interest of the Trust created hereby, without liability for interest thereon.

(g) To accept and retain for such time as it may deem advisable any securities or other property received or acquired by it as Trustee hereunder, whether or not such securities or other property would normally be purchased as investment hereunder.

(h) To make, execute, acknowledge, and deliver any and all documents of transfer and conveyance and any and all other instruments that may be necessary or appropriate to carry out the powers herein granted.

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(i) To settle, compromise, or submit to arbitration any claims, debts, or damages due or owing to or from the Trust Funds; to commence or defend suits or legal or administrative proceedings; and to represent the Trust Funds in all suits and legal and administrative proceedings.

(j) To do all such acts, take all such proceedings, and exercise all such rights and privileges, although not specifically mentioned herein, as the Trustee may deem necessary to administer the Trust Funds and to carry out the purposes of this Trust.

Section 2.3. Distributions from the Trust Funds. The Employer hereby appoints the Trustee as its agent for the purpose of making distributions from the Trust Funds. In this regard the terms and conditions set forth in the Plan are to guide and control the Trustee's power

Section 2.4. Valuation of Trust Funds. At least once a year as of Valuation Dates designated by the Trustee, the Trustee shall determine the value of the Trust Funds. Assets of the Trust Funds shall be valued at their market values at the close of business on the Valuation Date, or, in the absence of readily ascertainable market values as the Trustee shall determine, in accordance with methods consistently followed and uniformly applied.

ARTICLE III. For Protection of Trustee.

Section 3.1. Evidence of Action by Employer. The Trustee may rely upon any certificate, notice or direction purporting to have been signed on behalf of the Employer which the Trustee believes to have been signed by a duly designated official of the Employer. No communication shall be binding upon any of the Trust Funds or Trustee until they are received by the Trustee.

Section 3.2. Advice of Counsel. The Trustee may consult with any legal counsel with respect to the construction of this Agreement, its duties hereunder, or any act, which it proposes to take or omit, and shall not be liable for any action taken or omitted in good faith pursuant to such advice.

Section 3.3. Miscellaneous. The Trustee shall use ordinary care and reasonable diligence, but shall not be liable for any mistake of judgment or other action taken in good faith. The Trustee shall not be liable for any loss sustained by the Trust Funds by reasons of any investment made in good faith and in accordance with the provisions of this Agreement.

The Trustee's duties and obligations shall be limited to those expressly imposed upon it by this Agreement.

ARTICLE IV. Taxes, Expenses and Compensation of Trustee.

Section 4.1. Taxes. The Trustee shall deduct from and charge against the Trust Funds any taxes on the Trust Funds or the income thereof or which the Trustee is required to pay with respect to the interest of any person therein.

Section 4.2. Expenses. The Trustee shall deduct from and charge against the Trust Funds all reasonable expenses incurred by the Trustee in the administration of the Trust Funds, including counsel, agency, investment advisory, and other necessary fees.

ARTICLE V. Settlement of Accounts. The Trustee shall keep accurate and detailed accounts of all investments, receipts, disbursements, and other transactions hereunder.

Within ninety (90) days after the close of each fiscal year, the Trustee shall render in duplicate to the Employer an account of its acts and transactions as Trustee hereunder. If any part of the Trust Fund shall be invested through the medium of any common, collective or commingled Trust Funds, the last annual report of such Trust Funds shall be submitted with and incorporated in the account.

If within ninety (90) days after the mailing of the account or any amended account the Employer has not filed with the Trustee notice of any objection to any act or transaction of the Trustee, the account or amended account shall become an account stated. If any objection has been filed, and if the Employer is satisfied that it should be withdrawn or if the account is adjusted to the Employer's satisfaction, the Employer shall in writing filed with the Trustee signify approval of the account and it shall become an account stated.

When an account becomes an account stated, such account shall be finally settled, and the Trustee shall be completely discharged and released, as if such account had been settled and allowed by a judgment or decree of a court of competent jurisdiction in an action or proceeding in which the Trustee and the Employer were parties.

The Trustee shall have the right to apply at any time to a court of competent jurisdiction for the judicial settlement of its account.

ARTICLE VI. Resignation and Removal of Trustee.

Section 6.1. Resignation of Trustee. The Trustee may resign at any time by filing with the Employer its written resignation. Such resignation shall take effect sixty (60) days from the date of such filing and upon appointment of a successor pursuant to Section 6.3, whichever shall first occur.

Section 6.2. Removal of Trustee. The Employer may remove the Trustee at any time by delivering to the Trustee a written notice of its removal and an appointment of a successor pursuant to Section 6.3. Such removal shall not take effect prior to sixty (60) days from such delivery unless the Trustee agrees to an earlier effective date.

Section 6.3. Appointment of Successor Trustee. The appointment of a successor to the Trustee shall take effect upon the delivery to the Trustee of (a) an instrument in writing executed by the Employer appointing such successor, and exonerating such successor from liability for the acts and omissions of its predecessor, and (b) an acceptance in writing, executed by such successor.

All of the provisions set forth herein with respect to the Trustee shall relate to each successor with the same force and effect as if such successor had been originally named as Trustee hereunder.

If a successor is not appointed within sixty (60) days after the Trustee gives notice of its resignation pursuant to Section 6.1, the Trustee may apply to any court of competent jurisdiction for appointment of a successor.

Section 6.4. Transfer of Funds to Successor. Upon the resignation or removal of the Trustee and appointment of a successor, and after the final account of the Trustee has been properly settled, the Trustee shall transfer and deliver any of the Trust Funds involved to such successor.

ARTICLE VII. Duration and Revocation of Trust Agreement.

Section 7.1. Duration and Revocation. This Trust shall continue for such time as may be necessary to accomplish the purpose for which it was created but may be terminated or revoked at any time by the Employer as it relates to any and/or all related participating Employees. Written notice of such termination or revocation shall be given to the Trustee by the Employer. Upon termination or revocation of the Trust, all of the assets thereof shall return to and revert to the Employer. Termination of this Trust shall not, however, relieve the Employer of the Employer's continuing obligation to pay deferred compensation to Employees in accordance with the terms of the Plan.

Section 7.2. Amendment. The Employer shall have the right to amend this Agreement in whole and in part but only with the Trustee's written consent. Any such amendment shall become effective upon (a) delivery to the Trustee of a written instrument of amendment, and (b) the endorsement by the Trustee on such instrument of its consent thereto.

ARTICLE VIII. Miscellaneous.

Section 8.1. Laws of the District of Columbia to Govern. This Agreement and the Trust hereby created shall be construed and regulated by the laws of the District of Columbia.

Section 8.2. Successor Employers. The "Employer" shall include any person who succeeds the Employer and who thereby becomes subject to the obligations of the Employer under the Plan.

Section 8.3. Withdrawals. The Employer may, at any time, and from time to time, withdraw a portion or all of Trust Funds created by this Agreement.

Section 8.4. Gender and Number. The masculine includes the feminine and the singular includes the plural unless the context requires another meaning.

MEMORANDUM

TO: MAYOR AND CITY COUNCIL

FROM: GREG EADES, CITY ATTORNEY *GE*

DATE: JANUARY 30, 1984

SUBJECT: RECORDS RETENTION ORDINANCE.

Sometime ago the city adopted a records retention ordinance to govern the maintenance and disposal of city records. As I understand it, this ordinance was necessary because, although the State Archivist in the Secretary of State's office was responsible for maintenance of all public records, statewide regulations had not yet been adopted.

Now the state regulations are available, and our ordinance is out of date. Since it's no longer necessary to maintain any local rules, I recommend that you repeal the ordinance.

GE/vk

Ralph H. Brown
Ralph H. Brown
City Manager

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ORDINANCE NUMBER _____

AN ORDINANCE OF THE CITY OF MILWAUKIE, OREGON, REPEALING ORDINANCE NO. 1388 PROVIDING FOR THE RETENTION AND DISPOSAL OF CITY RECORDS.

WHEREAS, Ordinance No. 1388 provides a retention schedule for the maintenance of city records and documents, and

WHEREAS, ORS Chapter 192 requires the State Archivist to adopt statewide rules for the custody and maintenance of public records, and

WHEREAS, the retention schedules in Ordinance No. 1388 are in conflict with those adopted by the State Archivist and the city desires to conform its procedures to those promulgated by the state, now therefore

THE CITY OF MILWAUKIE DOES ORDAIN AS FOLLOWS:

Section 1. Ordinance No. 1388, adopted February 27, 1978 is repealed.

Section 2. The City Manager or his designee is responsible for maintaining city records and documents in accordance with the rules adopted by the State Archivist.

Read the first time on _____, 1984, and moved to second reading by _____ vote of the City Council.

Read the second time and adopted by the City Council on _____, 1984.

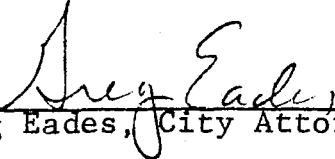
Signed by the Mayor on _____, 1984.

Joy Burgess, Mayor

ATTEST:

Laurie Perkin, Recorder

Approved as to form:



Greg Eades, City Attorney

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January 24, 1984

The Honorable Joy Burgess
City of Milwaukie
10722 S. E. Main
Milwaukie, OR 97222

Dear Mayor Joy Burgess:

This is to inform you of my interest in assisting the City of Milwaukie on legal matters and to request that you consider our firm in the event that you find a need for outside counsel. A description of the firm and its members is enclosed for your reference.

RALPH BOLLIGER
LEWIS B. HAMPTON
ARTHUR L. TARLOW
KEITH W. GRIFFEN
JOHN S. CAVANAGH
BRUCE L. SCHAFER
E. ANDREW JORDAN

BILL MOSHOFSKY
OF COUNSEL

I recently left the Metropolitan Service District (Metro), where I served as General Counsel since 1979, to enter private practice. Prior to that time, I was Chief Legal Counsel to the Columbia Region Association of Governments (CRAG) and City Attorney and Acting City Administrator of the City of Woodburn. During law school at the University of Oregon, I was employed as assistant to the City Manager and Personnel Director of Eugene and served an internship in the Seattle Police Department. In addition to broad experience in all municipal affairs and litigation, I have devoted a substantial portion of my career to land use and collective bargaining.

If the need arises, I would be pleased to offer my assistance in whatever legal capacity you may find useful, and I request that I be notified in the event that you seek bids for legal services in the future.

Thank you for your consideration.

Very truly yours,

BOLLIGER, HAMPTON & TARLOW

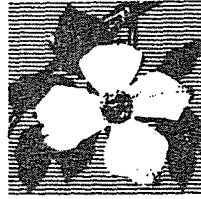

E. ANDREW JORDAN

EAJ/jga/1582H

Enclosure(s)

1600 S.W. CEDAR HILLS BLVD.
SUITE 102
PORTLAND, OREGON 97225
TELEPHONE (503) 641-7171
TELEX: 360-001 INTERPULSE PTL

CITY OF MILWAUKIE



OFFICE OF THE CITY MANAGER
in the City Hall • phone 659-5171

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MEMORANDUM

TO: MAYOR AND CITY COUNCIL
FROM: HUGH H. BROWN, CITY MANAGER
SUBJECT: AUDIT REPORT 1982-83
DATE: FEBRUARY 1, 1984

Attached are two memos from the Finance Director. One addresses the audit disclosures made in the 1982-83 Audit Report and the other addresses the Management Letter comments.

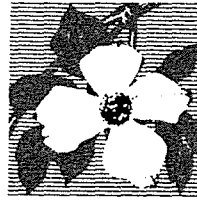
The audit comments and responses accurately reflect the City's financial system, and the recommended actions will provide the City with sound financial management. Many of the actions can be accomplished very quickly; however; some will have to be accomplished over a longer period of time.

The staff and I are committed to correcting the existing deficiencies and improving the system wherever possible.

I recommend City Council approval of the resolutions for subsequent forwarding to the office of the Secretary of State.


Hugh H. Brown
City Manager

CITY OF MILWAUKIE



FINANCE DEPARTMENT
in the City Hall • phone 659-5171

IV
B (2)

February 1, 1984

To: Hugh Brown, City Manager
From: Margaret A. Post, Finance Director
Re: Audit Disclosures 1982-83

Marge Post

Oregon Administrative Rules require that the Council pass a resolution indicating action they will take on any deficiencies found in an audit report. Listed below are the cited deficiencies, recommended action to be taken and an estimated time frame.

Page/Ref

54

Item V

Item

Budgets & Budgeting Practices:

A. In fiscal year 1982-83 the city made expenditures in excess of budget appropriations. This condition can not be corrected retroactively. We are attempting to ensure that this will not occur during fiscal year 1983-84. However, there may be exceptions due to the transition to the computer system.

B. This comment relates to the deficit fund balance in the Equipment Repair Fund on June 30, 1983 and the fact that provisions were not made in the 1983-84 budget to eliminate the deficit. The attached resolution will transfer adequate appropriations from the appropriate funds to eliminate the deficit as of June 30, 1983. The Director of Public Works and I will be working toward a resolution of the financial condition of this fund during the ensuing month. Council action may be required still this fiscal year to ensure that a deficit does not exist June 30, 1984.

C. This comment relates to two interfund loans made without repayment provisions. As with item B the attached resolution has been prepared to provide repayment of the loans during this fiscal year.

A general deficiency comment but not cited as a specific deficiency was the status of our detail ledgers on fixed assets. Because of the current changes being made in the financial system and the need to have an appropriate system to keep detail fixed asset accounts this area will not be addressed during fiscal year 1983-84. Limited activity will occur in this area during fiscal year 1984-85 but these actions will not be sufficient

Audit Disclosures 1982-83
Page 2
February 1, 1984

IV
B (3)

to remove audit comments on our fixed asset accounting system entirely.

I have attached for your information the referenced sections of the audit report.

I recommend that City Council adopt the Resolutions and forward them to the Secretary of State with a copy of this memo.

Attachments

COOPERS & LYBRAND Audit Report
for Year Ending 6/30/83

IV
B(4)

V Except as mentioned below, the City has complied with statutory provisions in the preparation and adoption of 1983 and 1983-84 budgets.

- A. The City made the following expenditures in excess of the related appropriation category for fiscal year 1983:

Federal Revenue Sharing Fund:	
Operating expenses	\$ 4,261
Bikeway Fund:	
Operating expenses	996
Equipment Reserve Fund:	
Debt service	31,955
Improvement Bond Sinking Fund:	
Debt service	141,011
Street Improvement Fund:	
Operating expenses	4,657
Sewer Fund:	
Capital outlay	10,504

- B. The City had a deficit retained earnings of \$36,066 in the Equipment Repair Fund at June 30, 1983. No provision was made in the 1983-84 budget to eliminate this deficit.

- C. ORS 294.460 states "...the money so loaned shall be returned to the fund from which it was borrowed by the end of the ensuing year". The following loans were outstanding for more than one fiscal year:

. Loan from Street Improvement Fund to Sewer Fund for \$7,933.

. Loan from Water Fund to Improvement Bond and Interest Sinking Fund for \$9,405.

RESOLUTION NO. _____

IV
B5

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILWAUKIE REGARDING
THE REPAYMENT OF CERTAIN INTERFUND LOANS

WHEREAS, on June 30, 1983, the Street Improvement Fund had loaned
the Sewer Fund \$7,933; and

WHEREAS, on June 30, 1983, the Improvement Bond and Interest Sinking
Fund had loaned the Water Fund \$9,405; and

WHEREAS, the 1983-84 budget did not provide for repayment of these
loans; and

WHEREAS, it is the desire of the City to repay these loans at this
time;

NOW, THEREFORE, BE IT RESOLVED that \$7,933 be transferred from the
Sewer Fund Contingency to Miscellaneous for the purpose of repayment of
the loan to the Street Improvement Fund.

BE IT FURTHER RESOLVED that \$9,405 be transferred from the Water Fund
Contingency to Miscellaneous for the purpose of repayment of the loan to
the Improvement Bond and Interest Sinking Fund.

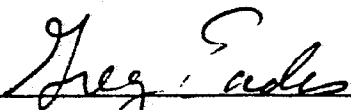
BE IT FURTHER RESOLVED that the Finance Department perform the
necessary accounting functions to accomplish repayment of these loans.

Adopted by the City Council on the _____ day of _____, 1984.

Laurie Perkin, City Recorder

Joy Burgess, Mayor

Approved As To Form



Greg Eades, City Attorney

RESOLUTION NO. _____

IV
B (6)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILWAUKIE REGARDING
THE DEFICIT FUND BALANCE IN THE EQUIPMENT REPAIR FUND

WHEREAS, a deficit fund balance of \$36,066 existed in the Equipment
Repair Fund on June 30, 1983; and

WHEREAS, provisions have not been made to eliminate the deficit fund
balance; and

WHEREAS, the City is desirous of eliminating the deficit fund balance
at this time;

NOW, THEREFORE, BE IT RESOLVED that the funds utilizing the Equipment
Repair Fund's services shall pay the deficit in the following amounts:

General Fund	\$ 3,607.00
Street Fund	22,000.00
Sewer Fund	4,328.00
Water Fund	6,131.00

BE IT FURTHER RESOLVED that the following transfer of appropriations
are authorized and approved: \$7,322 from the Street Fund Contingency to
Street Fund Repairs and Maintenance; \$4,328.00 from the Sewer Fund Contin-
gency to Sewer Fund Repairs and Maintenance; \$6,131.00 from the Water Fund
Contingency to Water Fund Repairs and Maintenance.

BE IT FURTHER RESOLVED that the Finance Department perform the necessary
accounting functions to transfer the necessary appropriations and charge the
appropriate funds to eliminate the deficit.

Adopted by the City Council on the _____ day of _____, 1984.

Laurie Perkin, City Recorder

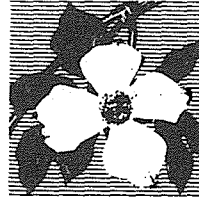
Joy Burgess, Mayor

Approved As to Form



Greg Eades, City Attorney

CITY OF MILWAUKIE



FINANCE DEPARTMENT
in the City Hall • phone 659-5171

IV
B(7)

February 1, 1984

To: Hugh Brown
From: Margaret A. Post, Finance Director *Marge Post*
Re: Audit Report, June 30, 1983 - Letter to Management

Listed below is a summary of the comments cited by the auditors in their "Letter to Management", June 30, 1983 with staff comments.

1. Accounting Controls were Inadequate During the Year:

The auditors cited four specific areas of weakness and that these conditions still existed as of October, 1983.

The items were:

- A. Bank accounts were not reconciled or were reconciled incorrectly.
- B. Individual funds were not in balance.
- C. June 30, 1982 audit adjustments were not posted.
- D. Accounting activity in some funds had not been posted all year.

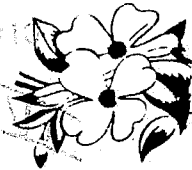
These conditions and similar accounting control remain inadequate and are a basic problem in the City's financial system. Steps are being taken to remedy these and related problems. Specifically we are automating our check reconciliation functions through the bank. We are establishing a time frame and work plan to bring the financial reporting system current and have all entries made prior to June 30, 1984. In addition, as I discussed with you, we are trying to hire a person to perform the Metro grant accounting functions. This same person, in a separate assignment, may be able to assist in the proper design, implementation and updating of our financial system. A great portion of the system lacks documentation or internal policies and/or procedures to support the accounting system. Without these internal sub-systems functioning properly we will continue to have accounting errors, lack of accounting control and the system's reliability will continue to decrease.

2. Continue to Monitor Operations in the Equipment Repair Fund:

As stated in the memo on the Audit Report the Equipment Repair Fund has had a deficit in the past and continues to have financial problems. The Director of Public Works and I are working on alternative financing for the function and/or alternative ways to provide the service. We should have a plan for your review by March 1, 1984.

IV
B(7)

3. Record Parking Lot Revenues in the General Fund:
In prior years the rental of parking spaces revenue has been recorded in the Street Improvement Fund, a special assessment fund. The auditors recommend that the operations be budgeted and accounted for in the General Fund. Adjusting entries will be made to accomplish this in fiscal year 1983-84. For 1984-85 they have been budgeted in the General Fund.
4. Record Assessment Interest Income in Proper Fund:
An error was made in recording interest earned. The auditors recommended and we concur that interest should be credited to the appropriate fund. The condition that allows this to occur and go undetected should be corrected with computerization and the improved accounting controls.
- 5 & 6. These two items deal with the City's failure to transfer certain necessary appropriations to meet expenditures and to repaying outstanding loans. These two items were addressed in the Audit Report Comments.
7. Establish Better Control over Contracts:
The audit comment recommends that the City establish centralized, current contract files in the Finance Department. This will occur during revisions of the purchasing and accounts payable portion of the accounting system.
8. Establish Accountability over Fixed Assets:
The auditors recommend that the City continue in its endeavor to establish and maintain accountability over its fixed assets. They also recommend procedures that should be included in this undertaking. I concur with the auditor's recommendation; however, given the City's overall financial system and weaknesses I do not believe we can accomplish this during fiscal year 1983-84. In 1984-85 we will make progress in this area even though it will be limited to completing the inventory of fixed assets with values and emphasis on our assets in the enterprise funds (i.e., water and sewer). I would point out that our City is similar to most other municipalities in needing improvement in the area of fixed asset accounting. My recommendation for the work in 1984-85 is based on providing the city with the most crucial information from a fixed asset accounting system, not the entire objectives of fixed asset accounting.



CITY OF MILWAUKIE
Inter-Department Memorandum

IV
C ①

TO: Hugh Brown, City Manager

DATE: January 30, 1984

FROM: Marge Post, Finance Director

Marge Post

SUBJECT: Position Classifications Within the Finance Department

The Finance Department currently has the following approved positions:

- 1 Director
- 1 Supervising Accountant
- 1 Senior Accounting Clerk
- 1 Accounting Clerk
- 1 Principal Clerk

In addition, we have one temporary Senior Accounting Clerk, and the Principal Clerk is being filled on a temporary basis. On January 23, 1984, the Civil Service Commission approved the reclassification of Merlin Becker to Data Control Accountant from Senior Accounting Clerk. The primary reasoning was the new duties and tasks Mr. Becker performs now that the computer has been installed. I would like to redefine the positions at this time by deleting the Principal Clerk and adding the position of Data Control Accountant. The present duties in the office require this type of staffing.

As I have indicated to you, it is very possible that positions will require further reclassification as the department progresses with computerization.

The 1983-84 budget will not require adjustments due to monies budgeted in permanent and temporary salaries. In 1984-85 we will need to offset an increased cost of approximately \$2,000.

Approval Recommended

Hugh H. Brown

Hugh H. Brown
City Manager

SENIOR ACCOUNTING CLERK

IV
C (2)

Definition

This is responsible accounting and budgetary clerical work in the maintenance and review of fiscal records; the work involves responsibility for maintaining accounting and budgetary records. Employees of this class assist a technical supervisor with more complex fiscal functions and problems.

Typical Tasks

Performs considerable work on a mini-computer; prepares periodic accounting and budget status reports; computes and prepares city payrolls by Departments including the listing of earnings and deductions of each employee; writes related reports to various agencies in conjunction with payroll activities; computes and prepares billings to various agencies for services provided, and prepares supporting schedules of personnel, material and equipment expenses; compiles data for annual budgetary reports of income and expense; makes analyses of current financial status in relation to prior year's or month's fiscal experience; reconciles checking, investments and related accounts; prepares NSF checks and charges; maintains a set of equipment, material and other cost accounts in accordance with pre-determined breakdowns; balances accounts and reconciles to general books; makes adjusting, opening, and closing entries; makes journal entries and performs related work as assigned.

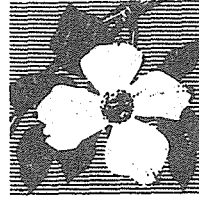
Employment Standards

Education and experience equivalent to a combination of two years of experience as Accounting Clerk or the equivalent of municipal bookkeeping experience supplemented by college of business school training in bookkeeping or accounting.

Knowledge of: bookkeeping and accounting principles; purchasing, tax and allied systems and procedures; some knowledge of budgetary principles and procedures as applied to city and utility operations;

Ability to: apply accounting principles to the maintenance of fiscal, budgetary and accounting records; perform detail work involving written or numerical data, and to make arithmetic calculations rapidly and accurately.

CITY OF MILWAUKIE



OFFICE OF THE CITY MANAGER
in the City Hall • phone 659-5171

IV 001

MEMORANDUM

TO: HGUH BROWN, CITY MANAGER
FROM: MARGARET A. POST, FINANCE DIRECTOR
SUBJECT: FIRE TRUCK PURCHASE STATUS
DATE: FEBRUARY 1, 1984

Margaret Post

I had indicated to the City Council that we would be bringing the financing package for the fire truck to them on February 7, 1984. In negotiating the financial arrangements we strove to ensure that all necessary alterations were made, that warranties were fully protected, final acceptance by the city and the lowest interest cost for the city. These objectives can best be met by not signing the lease purchase agreement until delivery and final acceptance by the city. This is anticipated to occur on March 1, 1984. Accordingly, the lease purchase will not be presented to the Council until March 6, 1984. If delivery and/or final acceptance is delayed Council action will also be delayed.

Listed below is a summary of the status on each portion of this transaction:

1. Truck: We have inspected the truck and it is currently at the Pierce plant in Appleton Wisconsin undergoing the necessary modifications pursuant to our requirements. It is anticipated that these modifications will be completed by approximately February 24th. The city will then fly back to Appleton to drive the truck to Milwaukie. At that time the truck will undergo on-site modifications, inspection and acceptance testing. In addition, training on the ladder will occur at this time.
2. Remodeling the Fire Station: The architect has completed the drawings and engineering work. Bids are being solicited at this time and a recommendation from the architect to the city will be made the week of February 6th.

The architect will oversee the remodeling and make the necessary inspections. Preliminary review indicates that the remodeling will be within the costs previously delineated to the Council.

Fire Truck Purchase Status
page 2
February 1, 1984

IV 002

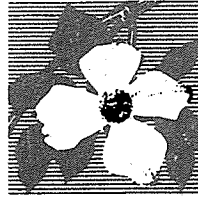
3. Lease Purchase: The lease purchase with Starline is for a seven year period with an interest rate of 8.75% which is $\frac{1}{4}$ % lower than previously indicated to Council. The agreement also provides for a split down payment with 10% due upon execution of the lease purchase agreement and 10% due in July, 1984. The purpose of the split down payment is to allow flexibility in the sale of the equipment and earn interest on available cash. Upon receipt of all documents they will be reviewed by the City Attorney.

4. Sale of Truck 53 and Engine 56: The Fire Department has provided the necessary information to place advertisements for the sale of these two pieces of equipment once final acceptance of the new truck is made and the Lease Purchase Agreement has been executed.

If additional information is required please let me know.

cc: Greg Eades, City Attorney
Richard Bailey, Fire Chief

CITY OF MILWAUKIE



OFFICE OF THE CITY MANAGER
in the City Hall • phone 659-5171

MEMORANDUM

TO: HUGH BROWN, CITY MANAGER

FROM: BILL MACDONALD, ADMINISTRATIVE ASSISTANT

SUBJECT: BACKYARD BURNING RULES: PUBLIC HEARING

DATE: FEBRUARY 2, 1984

The Department of Environmental Quality is proceeding with the public hearing process in response to the Environmental Quality Commission's instructions issued November 6th to prepare rules banning backyard burning.

D.E.Q.'s staff position was that while there was an environmental issue which supported a ban, the public opposition was so great that no action should be taken at this time. The Environmental Quality Commission decided, however, to begin the rule making and public hearing process rather than wait.

Metro has studied the yard debris problem at length. Their report on options such as "MacFarland's Bark" underscored the problem of ensuring adequate volumes of materials to make such an operation economically viable. Recently Metro has reestimated the impact of placing yard debris volumes in landfills and has stated that its impact on St. Johns landfill would be to reduce capacity by 5 days per year (i.e. if debris now burned was placed in the landfill instead).

The Milwaukie Solid Waste Task Force Report proposed eventual development of a city program to coordinate yard debris removal as a "city-hauler-service club" public service event. With recycling just beginning, it wouldn't be feasible to add that service burden on the haulers for at least a year.

I would recommend that the city adopt a position on yard debris which emphasizes the public's need for convenient, economical yard debris options. The _____ should precede the ban and should be heavily promoted by Metro and D.E.Q.

The long range view probably supports movement away from burning but the implementation should be well-planned and gradual.



VICTOR ATIYEH
Governor

Department of Environmental Quality

522 S.W. FIFTH AVENUE, BOX 1760, PORTLAND, OREGON 97207 PHONE: (503) 229-5696

TV
f(2)

Amended
Notice of Public Hearing
for
Proposed Revision of Open Burning Rules

The Department of Environmental Quality is scheduling an additional hearing to accept testimony on proposed amendments to OAR 340-23-005 through 23-115, Rules for Open Burning. The proposed rules would ban backyard burning of yard debris in the Portland area, and would establish a hardship burning permit program. Reorganization of fourth priority agricultural burning rules is also proposed.

The additional hearing is scheduled for:

Tuesday, February 28
7:00 p.m.
Multnomah County Courthouse
Room 602
1021 S.W. Fourth Avenue
Portland

Also, the deadline for written comments has been extended to 5 p.m. Thursday, March 1. Written comments may be sent to the DEQ Public Affairs Section, P.O. Box 1760, Portland, OR 97207, but must be received no later than 5 p.m. Thursday, March 1, 1984.

The other hearings are scheduled for:

<u>City</u>	<u>Time</u>	<u>Date</u>	<u>Location</u>
Portland	10:00 a.m.	2-15-84 (Wednesday)	Multnomah County Courthouse Room 602 1021 S.W. Fourth Avenue
Gresham	7:00 p.m.	2-16-84 (Thursday)	Gresham City Hall 1333 N.W. Eastman
Beaverton	7:00 p.m.	2-21-84 (Tuesday)	Beaverton Operations Center 9600 S.W. Allen Blvd.
Oregon City	7:00 p.m.	2-22-84 (Wednesday)	Carpenters Union Hall 276 Warner Milne Rd.

For more information, contact Margaret McCue at 229-6488.

Date prepared: January 19, 1984

FJ264

MILWAUKIE
CITY COUNCIL MEETING
January 17, 1984
7 p.m.

V
a ①

COUNCIL CHAMBERS

1448th Meeting

The one thousand four hundred and forty eighth meeting of the Milwaukie City Council was held January 17 with the following Councilors present:

Mayor Joy Burgess	Don Graf
Mike Richmond	Roger Hall
Ron Kinsella	

Also present:

Hugh Brown, City Manager	Dick Bailey, Fire Chief
Greg Eades, City Attorney	Marge Post, Finance Dir.
Steve Hall, P.W. Director	Laurie Perkin, Secretary

AUDIENCE PARTICIPATION

Jim Backenstos said Judge Morgan's decision regarding his son's traffic citation was overturned and that his legal fees amounted to \$1000. He said he had no recourse but to file a civil suit against the city to recover his legal fees. He also referred to editorial in the Oregonian objecting to the Tacoma overpass. He asked that Council take both matters under consideration. City Attorney said the city does not intend to pursue the Backenstos case and no Council direction was needed.

Al Liane asked about two items in the current budget, overtime and repairs and maintenance costs. He said he has asked for information and was told it was not available. He expressed concern over the city's record keeping procedures. City Manager said with the conversion of the computer, records are being updated and that a complete reporting system would be in effect in the near future.

Bill Hupp asked that discussion of the sheriff's levy be removed from the agenda since there was no public information. City Manager said that a representative from the sheriff's department would be present at the meeting.

Mel Paulson spoke of the property sale of the Red Soils tract in Oregon City on Warner Milne Road. He said he was disappointed the city had no input on this matter, there was no information on the benefit of this sale or figures on the cost available. He said the Commissioners would discuss this on Thursday, January 19 at 10:00 and that the city should have representation at this meeting.

V
a (2)

Public Hearing - Appeal of Planning Commission Decision
re M-83-11a, VR-83-18, VR-83-30.

Mayor outlined procedures of public hearing. No conflict of interest or ex parte contacts were declared. No jurisdictional issues raised.

Lori Mastrantonio-Meuser, Associate Planner, gave the staff presentation referring to staff report dated January 17, 1984 regarding appeal of Planning Commission approval of minor land partition and lot area and rear yard setback variances at 3915 SE King Rd on November 22, 1983. Lori gave a brief description of the background. In June of 1983, the applicant, Dwight Newton, applied for a minor land partition and lot area variance allowing 6300 sq. ft. lot instead of the required 7000 sq. ft. This request was granted by the Planning Dept. as an administrative decision. No notices were sent to property owners as the zoning ordinance does not require it. The following correction was made in the staff report: On page 2, last sentence of first paragraph should read 6300 sq. feet rather than 9950 sq. ft. In October of 1983, the applicant applied for a second variance for an 18 ft. rear-yard setback rather than the required 20 ft. At this time, she said, the surrounding property owners contacted the Planning Department expressing their concern about the partition and variance. A meeting was held with staff, property owners and the applicant. It was decided by staff to take the matter to the Planning Commission because of the two variance requests at the same site and the neighborhood concerns. On November 22, 1983, the Planning Commission held a public hearing with proper notice and upheld the staff decision for the minor land partition and lot area variance and granted the second variance request for the 18 ft. rear yard setback.

The appeal before Council was filed December 6, 1984 and appeals the Planning Commission decision on M-83-11a minor land partition and VR-83-18 lot area variance stating that the decision of the Planning Commission will set a precedent by creating a lot which is unique in itself and minor land partition is against spirit and intent of comprehensive plan as this is low density area. The appeal requested that Parcel # 2 should be declared nonbuildable and would result in crowded housing condition.

There were questions from Council regarding notice requirements. Lori M. explained that the zoning ordinance does not require notices be sent for a variance request of 10% or less, that this is an administrative decision. She said notices were sent out after the second variance request for the meeting on November 22. She said there was evidently some confusion over this among property owners, since they apparently were under the impression they would receive

notices regarding the minor land partition and first variance request in June.

There were questions regarding the number of variances allowed without public input. Lori said the code was not clear on this but that notices were sent after the second variance request.

There was further discussion on involvement of property owners. Lori said she and the City Manager went out to see the site after it became known that the neighbors were concerned and that a meeting was held in City Hall with neighbors, staff, and applicant to discuss the concerns.

No correspondence has been received. The following persons appeared to speak in support of the appeal:

Paul G. Barrett, 10317 SE 40th, said that in May neighbors became concerned when they saw that the property was being surveyed, that they went to the Planning Dept. and spoke to Jerry Thelander who told them not to worry since the property was not large enough to allow a flag lot. During October, the neighbors noticed a fence being installed and again contacted the Planning Dept. At this time they were informed that a minor land partition and a variance allowing for 6300 sq. ft. lot was granted. No notification had been sent to the surrounding property owners. They were also told at this time that a request had been made for a second variance. After meeting with city staff and applicant it became clear that the applicant intended to build a house on the property. Barrett said he felt that surrounding property would be devalued by this partition, that the original subdivision was faulty and did not meet requirements of R-7 zone. He said mistakes had been made in the Planning Dept, that the applicant had been granted special privileges, and that rights of property owners were ignored. He said both variance requirements should have been discovered by the applicant or the planning staff at the beginning. Now that the property has been sold, he said, the property owners would be satisfied if the second parcel would be declared non-buildable.

City Attorney asked why the second variance had not been listed on the appeal notice. Barrett said this was an oversight on part of the appellants.

Howard Cleary, 10316 SE 38th, said the partition was not in conformance with the comprehensive plan, that in regard to unique conditions, the area becomes unique when it becomes a flag lot. He said the partition would cause a parking problem and that there were feasible alternatives, that parcel # 1 should be included with parcel # 2 or that parcel # 2 should be declared unbuildable. He said this partition would be detrimental to the neighborhood and would set a precedent.

V
a (4)

David Moore, 3925 SE King, referred to the staff report items 1 through 4 on page 3. He said the property was unique when it becomes a flag lot, that the neighbor's enjoyment of their property would be lessened, that the applicant was given special privileges, and that the benefits of the partition did not outweigh the adverse effects.

Judy Moore, 3925 SE King, complained that it took two days to reach anyone in the Planning Department, and pointed out that the applicant does not legally reside at the property.

John Fax, 3926 SE King Road, said there was no garage on the property and that cars would have to park on the street. He said there no value to zoning requirements if they did not protect property owners.

Emily Nabut, 3809 SE King Road, said that city staff pretended ignorance of the law, that property owners had been misled.

The following persons spoke in opposition to the appeal:

Joe Glaze, Attorney for the applicant, questioned the procedure of the public hearing. He said he had understood he would be able to speak first and would then get a chance for rebuttal. City Attorney suggested both parties have a chance for rebuttal with the applicant being last. Mr. Glaze agreed with this procedure.

Mr. Glaze said that the applicant, Mr. Newton, was a victim of circumstance. He first made an application for a minor land partition and variance request allowing a 6300 sq. ft. rather than the required 7000 ft. Planning staff assisted him in this request and the minor land partition and variance were approved. It was not until much later, he said, that staff discovered the flag lot must have a turnaround and a second variance. Meanwhile Newton had sold the lot on the first parcel. (Mr. Glaze submitted into evidence a drawing of the plan of the property.) Glaze said the application did meet the requirements of the comprehensive plan and referred to page 37 which states that it is the policy of the city to encourage infill housing to reduce costs and that such changes may result in reduction of lot sizes. He said city staff contributed to this problem and that the city should take responsibility.

V
a (5)

Rolland Grina, 3740 SE King, said the property was in very bad shape before the applicant cleaned it up, that he did not see how it would degrade the neighborhood, and that it would benefit the city tax wise.

There was no further testimony.

There were questions from Council concerning sale of property and how the deed was recorded with the county. Kinsella asked how could the deed be recorded with the county when, at the time it was sold, the second variance was not granted. City Attorney said the county does not concern itself with whether or not property meets local requirements. He did however, send a letter to Mr. Newton on October 25, 1984, advising him not to sell property. It was shortly after this apparently when the sale of the property became final.

There was more discussion on the parking problems and conflicts with the comp. plan. Lori M. said there was adequate room for parking and there was no conflict with the comp. plan as far as designation .

There were questions on procedures of the Planning Dept. and on the 10% variance rule and number of variances allowed. City Attorney said there was no maximum on the number of variances allowed.

Graf asked Mr. Barrett about adverse impacts. Mr. Barrett said the house to be built would be right up against his house, that there would be no room to park and approval of this request will set a precedent and will result in many more such requests.

Rebuttal Testimony

Paul Barrett said it was Mr. Newton's responsibility to go over his application, that city staff had helped him and should have seen potential problems with variances, etc. He submitted into evidence a picture of property at 3915 SE King road taken the afternoon of January 17, 1984. He questioned the legality of the sale of the property and stressed the parking problems and overcrowding that would result if this partition is allowed.

V
2 (6)

Joe Glaze, Attorney for applicant, said the application does meet requirements of the comp. plan, that the objections of the neighbors were "perceived" objections and that Council should take into consideration only the objective facts of the case in making their decision.

The public hearing closed at 9:40 p.m.

It was MOVED by Graf, SECONDED by Kinsella to uphold the decision of the Planning Commission and cite the findings contained in the staff report. Under discussion, Richmond expressed concern over the comp. plan allowance of flag lots. Burgess said she did not feel it had been proven that the partition was in conformance with the comp. plan. Kinsella said the City Council had passed the comp. plan and would have to live with it. City Attorney suggested that Council not rely entirely on errors of planning staff in making its decision since to some extent, the errors, if any, were cured by the Planning Commission hearing and the appeal was taken from that decision. None of the testimony cited Planning Commission errors. On the MOTION to uphold the decision of the Planning Commission, MOTION CARRIED with the following vote: AYES: Graf, Hall, Kinsella. NOES: Richmond, Burgess.

The meeting was recessed at 10:00 p.m., reconvened at 10:10 p.m.

Discussion of Sheriff's Serial Levy

Risley Bradshaw from the Clackamas County Sheriff's Dept. talked about the 3 year levy amounting to \$9,974,800 each year for 3 years. He said the current level of services would be maintained and there would be no new programs and no new personnel. He mentioned some changes in the original proposal which included record keeping support in the District Attorney's office and the Police Department. The County Commissioners will be making a decision on Jan. 19 whether to place the levy on the ballot in March. There were questions from Council on what services the city receives and how much the levy costs the citizens of Milwaukie. It was determined to be about \$1,000,000 a year which would amount to the average homeowner approximately \$88 a year. There was some confusion over whether or not the city paid for prisoner board. The City Attorney said the city paid \$20 a day for prisoner board. It was MOVED by Graf, SECONDED by Burgess, that a letter be sent to County Commissioners stating that at the present time with the information now available, due to the disproportionate amount of money and services received, the city cannot support the sheriff's levy. MOTION CARRIED unanimously.

Public Hearing - Purchase of Fire Truck

City Manager said the purchase of a new fire truck was included in the present budget, that the request before Council tonight was for authorization to waive the competitive bidding process and that a public hearing was required for this purpose. The public hearing opened at 10:50 p.m. Council was acting as Public Contact Review Board pursuant to Ordinance No. 1367.

IV
a (7)

Fire Chief said Starline Equipment has a demonstrator fire truck available which meets specifications which have been drawn up and would amount to a \$40,000 savings.

There was discussion on expenditure limitation. City Attorney said there was no expenditure limitation in the Charter, that the limitation is on public improvements which refers to real property utility improvements. There was extended discussion on interest rates, types of financing, amount of downpayment, and the balance of present lease on truck # 55.

Jack Stennet, Fire Captain, talked about the condition of truck # 53 which would be replaced by the new truck. He said it was 20 years old and needs to be completely renovated, that it would be so costly to repair that it was not worth it.

Gary Hughes from Starline Equipment, said this the truck being considered for purchase was the last of 9 demonstrators and had been put on hold until the morning of January 18 pending decision by Council.

No one appeared to speak in favor of the request to waive the bidding process. The following persons spoke in opposition to the request:

Al Liane, 3809 SE Monroe, said he did not like to side-step the bidding process, that here was no provision for capital outlay in the present budget. (City Manager said this was included in the present budget).

Jim Backenstos, 3626 SE Harrison, said he was not convinced buying the truck at this time was a good idea, that there would probably be other trucks available at a later time.

The public hearing was closed at 11:30 p.m. It was MOVED by Kinsella, SECONDED by Graf, to continue the meeting 1/2 hour. It was MOVED by Graf, SECONDED by Richmond, to put aside the competitive bidding process as requested because of the substantial saving involved. MOTION CARRIED with the following vote: AYES: Kinsella, Richmond, Graf, Hall. NO: Burgess. It was MOVED by Graf, SECONDED by Kinsella, to approve purchase of fire truck as requested. MOTION CARRIED with the following vote: AYES: Graf, Hall, Kinsella, Richmond. NO: Burgess.

LEGISLATION

Payment of bills

It was MOVED by Graf, SECONDED by Kinsella, that the bills listed for January 17, 1984 be approved for payment. MOTION CARRIED unanimously.

V
a (8)

OTHER BUSINESS

Urban Services Boundary

Public Works Director said the County Department of Environmental Services has brought jurisdictions together to resolve boundary issues in eastern corner of city. The boundary established, he said was the one defined by the Cogan and Associates study. A meeting will be held February 2 at 7:30 at Clackamas High School to discuss boundary issues.

City Manager has requested that Budget Committee members terms be extended to June 30th to avoid new members being appointed in the midst of the budget process. It was MOVED by Graf, SECONDED by Kinsella, to extend terms of Budget Committee members as requested. MOTION CARRIED unanimously.

Kinsella requested that materials for Council consideration be provided to Council sooner. He would like a copy of the Cogan annexation report.

City Manager reminded Council of dinner meeting with Ron Wyden at the Sunnyside Inn at 5:45 p.m. Wednesday, January 18.

City Manager said staff would respond to the audit report and the cost of Backenstos trial at the next meeting.

City Manager has prepared memo dated January 17, 1984 requesting Council approval of 4 days of administrative leave for management/confidential employees, 1 day per year for part time permanent employees, and 2 days per year for Milwaukie Employee Association employees. It was Council concurrence to accept recommendation of City Manager.

There was consensus of Council to write a letter to Metro regarding burning ban.

City Manager said Tri-Met had requested additional space for buses on 21st and he has approved the request.

The meeting was adjourned at 12 p.m.

Mayor Joy Burgess

Laurie Perkin, Secretary

MILWAUKIE
CITY COUNCIL MEETING
January 23, 1984
7 p.m.

V
a (9)

LINWOOD SCHOOL

SPECIAL MEETING

A special meeting of the Milwaukie City Council was held on January 23, 1984 with the following Councilors present:

Mayor Joy Burgess
Mike Richmond
Ron Kinsella

Absent:

Don Graf
Roger Hall

Also present:

Hugh Brown, City Manager
Dick Bailey, Fire Chief
Laurie Perkin, Secretary

The special meeting was held to discuss FIRESTOP, the proposed intergovernmental agreement with Oak Lodge Fire Dept. and the City of Milwaukie.

City Manager gave brief background of the proposal which is an alternative method of providing fire services at a reduced cost. He introduced Dick Bailey, Fire Chief, who gave staff report.

Chief Bailey said this proposal was a result of extensive research by himself and Chief Bill Mills of the Oak Lodge Fire Dept. in an effort to determine an efficient and cost saving method of providing fire protection service. The International Association of Firefighters was contacted, a committee was formed and a study was made with the input of the unions. He said it was decided that objectives must be 1) cost savings, 2) cost must be capped for at least 2 years, and 3) better fire protection service. He said both the City of Milwaukie and the Oak Lodge Fire District have looked at the proposal and have tentatively agreed upon it.

Questions from Audience

Jim Backenstos posed the following questions to Chief Bailey:

1) why is your salary to be \$8 -10,000 higher and why are you the head? 2) will the decision on firestop be made at the administrative level or will the decision be up to the voters? 3) will there be any cutting back of line personnel?

Chief Bailey responded that 1) under ORS 190 and ORS 236 relating to intergovernmental agreements, it is provided that no personnel shall lose benefit because of a merger therefore he (Bailey) would have to make more money than present fire chief. 2) this decision would have to be made

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by the City Council however his personal opinion would be that this is a decision better left to elected officials.
3) no cuts in line personnel, however cuts will be made through attrition and administrative personnel.

Backenstos asked if there would be any new equipment relative to this proposal. Bailey said no.

Persons speaking in favor of FIRESTOP

Gordon Morterud, 12405 SE 18th Street, spoke of manning of fire apparatus and the NFP (National Fire Protection) standards used by insurance companies. He gave details of number of men needed for putting lines into a fire, for backup, for pump operation, etc. He said the number needed for a minimum residential fire would be ten and that Milwaukie has only six. Firestop will help to solve this problem, he said.

Kinsella asked if the Firestop proposal would lower the fire insurance rating. Bailey said the city could under the proposal go from a 3 to a 2 rating.

There was discussion on impacts of another measure # 3, City of Portland manning levels, and construction work which will be needed at Station 5 A to house the new fire truck.

Al Liane, 4809 SE Monroe, expressed concern about the possibility of the agreement not working out and about the possibility of the budget not passing. He said also that citizens should have a chance to vote on this issue, that if the agreement did not work out the city would have to take personnel back at a higher rate of pay and the voters would have nothing to say about it. Kinsella referred to amendments made in the proposal which include substitute language having to do with rollback of salaries.

There was further discussion on personnel cuts, budgeting process which would be used, how dissolution would take place in the event of a dispute. Bailey said 180 days notice would be required before dissolution and this would allow time to deal with budgetary issues. He spoke of cost savings of the proposal and explained the formula which has been developed. He said copies of the proposal would be available in the City Manager's office on Thursday, January 26.

There were questions regarding the Civil Service system to be used under this agreement. Bailey said the civil service

system would operate under ORS statutes rather than City of Milwaukie Civil Service and would be used as a hiring process not an appeals body. It has been the wish of both unions and management, he said to simplify grievance procedure.

There was discussion of the boundaries. Bailey said boundaries would be Willamette River, Gladstone, Portland, Oak Ridge area, District # 1 and # 71. approximately 11 1/2 sq. miles and approximate 45,000 population.

There was discussion of other such mergers of fire districts in Oregon. Bailey said there were several in the Salem area and in Roseburg, etc..

Mayor referred to amendments to the proposal which Council has recommended and asked for any other suggested amendments.

Kinsella commented that city identity, salaries, and whether the issue should go to the voters seemed to be the primary concerns expressed by citizenry. There was extended discussion on these issues.

There was discussion on the recent fire on Main Street, the time factor, manning levels, number of stations in operation under Firestop, prevention system, and education of public.

Burgess asked about the cost of dispatch. Bailey said based on assessed value in the current year, it amounted to \$116, 000. Next year between Oak Lodge and Milwaukie it would be approximately \$130,000. He said mutual dispatch with Milwaukie Police Dept. would be a possibility in the future.

Al Liane asked if there had been any consideration given to forming an Oak Lodge - Milwaukie Fire District, permanent structure which would be separate from the city. Bailey and City Manager said they felt this was not the direction people wished to pursue.

There was more discussion on attitude of people toward the proposal and whether or not it should go to a vote. The majority of citizens present were in favor of voting on the proposal.

The meeting was adjourned at 8:35 p.m.

MILWAUKIE
CITY COUNCIL MEETING
January 25, 1984
5 p.m.

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ADMINISTRATION OFFICE

SPECIAL MEETING

A special meeting of the Milwaukie City Council was held on January 25, 1984 with the following Councilors present:

Mayor Joy Burgess	Don Graf
Ron Kinsella	Roger Hall
Mike Richmond	

Also present:

Hugh Brown, City Manager	Marge Post, Finance Director
Greg Eades, City Attorney	Laurie Perkin, Secretary
Dick Bailey, Fire Chief	

Mayor Burgess said she had called a special meeting in order to deal with concerns of citizens in regard to the purchase of a new fire truck approved by City Council on January 17, 1984.

Jim Backenstos has submitted letter dated January 25, 1984 listing objections to the waiving of the competitive bidding process, expressing concerns over the swiftness of the purchase and the extra costs of remodeling which will be necessary to house the truck. Backenstos spoke of his concern over the possibility of the budget not passing or a measure # 3 becoming law, thus placing the city in financial crisis with a 7 year debt.

Al Liane spoke against the swift procedure and said this type of action will set a dangerous precedent. He said he measured several of the overpasses in the city and that the new truck will not go under the overpasses. Fire Chief said that none of the present equipment will fit under the overpasses either. He said this has not been a problem.

There was discussion on the cost of the remodeling. Bailey said the cost was approximately \$3200.

There was discussion on the Fire Department trucks, gallon capacity, condition of trucks, types of trucks, etc. Bailey said the new truck will take the place of two other trucks which will be sold. He talked of the highest cost of repairs on trucks in the last few years.

There was extended discussion on the need for a ladder truck. Bailey said this kind of flexibility was greatly needed.

Graf asked about the legality of waiving the bidding process. City Attorney said ORS statute regarding public contracts allows city to waive bidding process if there is a substantial savings involved.

City Council Special Meeting
January 25, 1984

Page 2.

V
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13

He said the charter contains 2 debt limitation provisions, 1) \$25,000 on voluntary floating indebtedness meaning the city cannot borrow more than \$25,000 to balance the budget, and 2) \$1 bonded indebtedness without vote of people. Since the city does not intend to sell bonds for the fire truck and this purchase is budgeted this limitation does not apply.

There was discussion on terms of lease purchase agreement, consequences of the budget not passing, etc. Finance Director said if for some reason the city did not have resources, the lease could be terminated.

Mayor asked if Council cared to reconsider the decision to waive bidding process and purchase fire truck. No member of the Council wished to do so.

The meeting was adjourned at 6:30 p.m.

Joy Burgess, Mayor

Laurie Perkin, Secretary

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MILWAUKIE
CITY COUNCIL MEETING
January 25, 1984
5 p.m.

ADMINISTRATION OFFICE

SPECIAL MEETING

A special meeting of the Milwaukie City Council was held on January 25, 1984 with the following Councilors present:

Mayor Joy Burgess	Don Graf
Ron Kinsella	Roger Hall
Mike Richmond	

Also present:

Hugh Brown, City Manager	Marge Post, Finance Director
Greg Eades, City Attorney	Laurie Perkin, Secretary
Dick Bailey, Fire Chief	

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Al Liane spoke against the swift procedure and said this type of action will set a dangerous precedent. He said he measured several of the overpasses in the city and that the new truck will not go under the overpasses. Fire Chief said that none of the present equipment will fit under the overpasses either. He said this has not been a problem.

There was discussion on the cost of the remodeling. Bailey said the cost was approximately \$3200.

There was discussion on the Fire Department trucks, gallon capacity, condition of trucks, types of trucks, etc. Bailey said the new truck will take the place of two other trucks which will be sold. He talked of the high cost of repairs on trucks in the last few years.

There was extended discussion on the need for a ladder truck. Bailey said this kind of flexibility was greatly needed.

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City Council Special Meeting
January 25, 1984

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Page 2.

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the city does not intend to sell bonds for the fire truck
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consequences of the budget not passing, etc. Finance
Director said if for some reason the city did not have
resources, the lease could be terminated.

Mayor asked if Council cared to reconsider the decision to
waive bidding process and purchase fire truck. No member
of the Council-wished to do so.

The meeting was adjourned at 6:30 p.m.

Joy Burgess, Mayor

Laurie Perkin, Secretary

MEMORANDUM

V
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TO: Hugh Brown, City Manager
FROM: Gayle Easterday, Police Lieutenant *Gayle*
DATE: January 17, 1984
SUBJECT: APPLICATION FOR LIQUOR LICENSE RENEWAL

State and local law enforcement records fail to reflect any negative information on the below-listed applicant. I therefore find no reason to deny issuance of the requested license renewal.

APPLICANT: Albertson's Inc.
DBA: ALBERTSON'S FOOD CENTER NO. 517
3232 S. E. Harrison Street
Milwaukie, Oregon 97222

GGE:ck

MEMORANDUM

TO: Hugh Brown, City Manager
FROM: Gayle G. Easterday, Police Lieutenant
DATE: January 23, 1984
SUBJECT: APPLICATION FOR LIQUOR LICENSE RENEWAL

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B②
Gayle Easterday

State and local law enforcement records fail to reflect any negative information on the below-listed applicant. I therefore find no reason to deny issuance of the requested license renewal.

APPLICANT: L & L Corporation
dba RED'S COACH INN
10477 SE Main Street
Milwaukie, Oregon 97222

GGE:ck

M E M O R A N D U M

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Gayle Easterday

TO: Hugh Brown, City Manager
FROM: Gayle G. Easterday, Police Lieutenant
DATE: January 23, 1984
SUBJECT: APPLICATION FOR LIQUOR LICENSE RENEWAL

State and local law enforcement records fail to reflect any negative information on the below-listed applicant. I therefore find no reason to deny issuance of the requested license renewal.

APPLICANT: Plaid Pantries, Inc.
dba PLAID PANTRY MARKET NO. 79
9410 S. E. 32nd Avenue
Milwaukie, Oregon 97222

GGE:ck

MEMORANDUM

TO: Hugh Brown, City Manager
FROM: Gayle G. Easterday, Police Lieutenant
DATE: January 23, 1984
SUBJECT: APPLICATION FOR LIQUOR LICENSE RENEWAL

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Gayle Easterday

State and local law enforcement records fail to reflect any negative information on the below-listed applicant. I therefore find no reason to deny issuance of the requested license renewal.

APPLICANT: Safeway Stores, Inc.
dba SAFEWAY STORE NO. 349
10554 SE Main Street
Milwaukie, Oregon 97222

GGE:ck

M E M O R A N D U M

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Gayle Easterday

TO: Hugh Brown, City Manager
FROM: Gayle Easterday, Police Lieutenant
DATE: January 24, 1984
SUBJECT: APPLICATION FOR LIQUOR LICENSE RENEWAL

State and local law enforcement records fail to reflect any negative information on the below-listed applicant. I therefore find no reason to deny issuance of the requested license renewal.

APPLICANT: O'Halloran, Thomas D.
The Southland Corporation
dba 7-ELEVEN FOOD STORE
6303 SE Harmony, #19325
Milwaukie, Oregon 97222

GGE:ck

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January 24, 1984

The Honorable Joy Burgess
City of Milwaukie
10722 S. E. Main
Milwaukie, OR 97222

Dear Mayor Joy Burgess:

This is to inform you of my interest in assisting the City of Milwaukie on legal matters and to request that you consider our firm in the event that you find a need for outside counsel. A description of the firm and its members is enclosed for your reference.

I recently left the Metropolitan Service District (Metro), where I served as General Counsel since 1979, to enter private practice. Prior to that time, I was Chief Legal Counsel to the Columbia Region Association of Governments (CRAG) and City Attorney and Acting City Administrator of the City of Woodburn. During law school at the University of Oregon, I was employed as assistant to the City Manager and Personnel Director of Eugene and served an internship in the Seattle Police Department. In addition to broad experience in all municipal affairs and litigation, I have devoted a substantial portion of my career to land use and collective bargaining.

If the need arises, I would be pleased to offer my assistance in whatever legal capacity you may find useful, and I request that I be notified in the event that you seek bids for legal services in the future.

Thank you for your consideration.

Very truly yours,

BOLLIGER, HAMPTON & TARLOW


E. ANDREW JORDAN

EAJ/jga/1582H

Enclosure(s)

RALPH BOLLIGER
LEWIS B. HAMPTON
ARTHUR L. TARLOW
KEITH W. GRIFFEN
JOHN S. CAVANAGH
BRUCE L. SCHAFER
E. ANDREW JORDAN

BILL MOSHOFSKY
OF COUNSEL

1600 S.W. CEDAR HILLS BLVD.
SUITE 102
PORTLAND, OREGON 97225
TELEPHONE (503) 641-7171
TELEX: 360001 INTERPULSE PTL

III
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Jan 12, 1983

Dear Hugh,

I am proud to be part of a community that makes recycling convenient to its citizens. As administrators of the earth's resources, this is one way we can all respond.

Thank you for making it easier for us to be more responsible.

Blenda French

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CITY OF MILWAUKIE
BUDGET COMMITTEE MEETING
January 5, 1984

COUNCIL CHAMBERS you for your assistance in this matter. If 7:30 p.m.

If you have any questions or concerns, please call me at 239-5750, or call my

A meeting of the City of Milwaukie Budget Committee was held on January 5, 1984 with the following members present:

Joe Bernard, Chairman	Joy Burgess, Mayor
James Backenstos	Mike Richmond
Georgia Brakeman	Ron Kinsella
Kathleen Hulme	Don Graf
Ken Upton	Roger Hall (arrived 8 p.m.)

Also present:

Hugh Brown, City Manager	Ron Schanaker, Police Chief
Marge Post, Finance Director	Topaz Faulkner, Comm. Serv. Dir.
Steve Hall, P.W. Director	Laurie Perkin, Secretary
Dick Bailey, Fire Chief	

Election of Chairperson

Graf nominated Joe Bernard for Chairman. Burgess nominated Jim Backenstos for Chairman. The results of a roll call vote were as follows: Voting for Bernard: AYES: Backenstos, Upton, Graf. NOES: Kinsella, Brakeman, Hulme, Burgess, Richmond, Bernard. Backenstos was named Budget Committee Chairman. It was concurrence that Georgia Brakeman be named Secretary.

Backenstos made an opening statement outlining procedures to be used in the Budget Committee meetings.

It was MOVED by Upton, SECONDED by Burgess that the minutes of the October 27, 1983 meeting be approved as read. MOTION CARRIED unanimously.

City Manager introduced new Finance Director, Marge Post and gave a brief summary of the budget with the major changes. There is an increase of \$364,630 and addition of three positions, one of which is a new position - that of Assistant Planner. Other positions which are reinstatements are that of Receptionist and Building Inspector.

City Manager pointed out correction in Street Fund due to League of Oregon Cities increased estimate of gas tax.

There was extended discussion on assessed valuation, how tax rate was determined, and amount of taxes to be levied. Finance Director referred to Analysis of Tax to be Levied listed in budget. The tax base, within 6% limitation is \$1,350,735. The special operating levy is \$1,631,438, making total levy \$2,982,173.

City Manager and Finance Director gave brief summary of expenditures and revenues. Among topics discussed were transfer of water and sewer funds, county payment to library, cost of computer system, franchise fees for garbage haulers

CITY OF MILWAUKIE
Budget Committee Minutes
January 5, 1984

VI
Page 2

2

7:30 p.m.
and Cable TV, and Municipal Court. Mayor said she would like to see information regarding the transfer of major traffic offenses to the city's municipal court as well as the cost of prosecution. City Manager said this information would be forthcoming in the next month or two, that it was not a part of the budget.

There was extended discussion on fringe benefits. Finance Director said she would bring a list of personnel cost requirements at the next meeting.

It was MOVED by Kinsella, SECONDED by Richmond, that the meeting be adjourned. The meeting was adjourned at 9:00 p.m.

Election of Chairperson

Graf nominated Joe Bernard for Chairman. Burgess nominated Jim Backenstos for Chairman. The results of a roll call vote were as follows: Voting for Bernard: AYES: Backenstos, Burgess, Hulme, Richmond, Kinsella, Post, Schanaker, Topaz, Faulkner, Lawrence, Perkin, Secretary. Backenstos was named Budget Committee Chairman. It was concurred that Georgia Brakeman be named Secretary.

Backenstos made an opening statement outlining procedures to be followed at Budget Committee meetings.

It was MOVED by Gordon, SECONDED by Burgess that the minutes of the October 1983 meeting be approved as read. MOTION CARRIED.

City Manager introduced new Finance Director, Marge Post and gave a brief summary of the budget with the major changes. There is an increase of \$364,630 and addition of three positions, one of which is a new position - that of Assistant Director. Other positions which are reinstatements are that of Inspector and Building Inspector.

City Manager pointed out correction in Street Fund due to change of Oregon Cities increased estimate of gas tax.

There was extended discussion on assessed valuation, how tax rate was determined, and amount of taxes to be levied. Finance Director referred to Analysis of Tax to be Levied listed in budget. The tax base, within 6% limitation is \$1,450,335. The special operating levy is \$1,631,438, making total levy \$3,081,773.

City Manager and Finance Director gave brief summary of expenditures and revenues. Among topics discussed were credit for water and sewer funds, county payment to library, cost of computer system, franchise fees for garbage haulers.

CITY OF MILWAUKIE
BUDGET COMMITTEE MEETING
January 7, 1984

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COUNCIL CHAMBERS

8:30 a.m.

A meeting of the City of Milwaukie Budget Committee was held on January 7, 1984 with the following members present:

Jim Backenstos, Chairman	Joy Burgess, Mayor
Joe Bernard	Mike Richmond
Georgia Brakeman	Ron Kinsella
Kathleen Hulme	Don Graf
Ken Upton	Roger Hall

Also present:

Hugh Brown, City Manager	Dick Bailey, Fire Chief
Marge Post, Finance Director	Ron Schanaker, Police Chief
Steve Hall, Public W. Director	Laurie Perkin, Secretary
Topaz Faulkner, Comm. Serv. Dir.	

The meeting was called to order by Chairman, Jim Backenstos. City Manager and Finance Director have submitted list of state shared revenues in the proposed 1984-85 budget. City Manager said this was to meet state requirements only and did not require any formal action, that the use of these funds was to offset property taxes.

Finance Director has prepared proposed 1984-85 summary of requirements for all city departments and list of resources from all funds actual and proposed from 1981-82 through 1983-85.

There was discussion on the increase in state gas tax allocation and the new contract with Clackamas County Service District # 1.

The general meeting recessed at 9:15 a.m. so that the following sub committees could meet:

Administration: Roger Hall, Georgia Brakeman, BC members
Finance Hugh Brown, Marge Post, staff

Community Services: Ron Kinsella, Jim Backenstos, BC members
Topaz Faulkner, staff

Fire Dept.: Don Graf, Kathleen Hulme, BC members
Dick Bailey, staff

Police Dept.: Joy Burgess, Ken Upton, BC members
Ron Schanaker, staff

Public Works Dept.: Joe Bernard, Mike Richmond, BC members
Steve Hall, staff

Meeting reconvened at 10:10 a.m. sub committees went briefly through changes, decreases and increases.

There was extended discussion on cost of fringe benefits, insurance rates, and salaries.

Budget Committee Minutes
January 7, 1984

Page 2.

It was suggested that major traffic offenses be returned to city for prosecution and that the City Attorney act as City Prosecutor. City Manager said this was being discussed and a recommendation will be brought to Council within 2 months.

The following proposals were listed for Council consideration:

- 1) Increase City Council allowance.
- 2) Return major traffic offenses and City Attorney take over prosecution.
- 3) Initiate innovative program to maintain city owned land.
- 4) City withdrawal from League of Oregon Cities & Metro.
- 5) Eliminate 16th police officer from budget.
- 6) Establish department of public safety
- 7) Oppose Sheriff's Levy
- 8) Obtain lawnmower for Parks Dept.
- 9) Caretaker for Parks Dept.

The following topics were discussed:

Administration: computer costs, impact of computer, receptionist position, remodeling.

Community Services: assistant planner position, code enforcement, equipment needs in Parks Dept.

Police Dept.: animal control, police car maintenance, selling of the police facility, elimination of 16th police officer, public safety administration, sheriff's levy.

Fire Dept.: need for new equipment.

Public Works Dept.: assistant building inspector position, increase of gas tax, increase in materials and services, rental of city equipment, replacement of equipment.

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It was MOVED by Kinsella, SECONDED by Upton, to cut budget \$75,000 to \$1,556,438 thus reducing the tax rate to \$5.08 per thousand. Under discussion, Hall suggested City Manager decide where cuts would be made. Bernard suggested that increase for City Council members be included in the motion. Kinsella suggested one of the cuts could be the 16th police officer position. Backenstos suggested City Attorney do prosecution work. Mayor requested that information on municipal court be forwarded to the Budget Committee as well as to the City Council. On the AMENDMENT to the MOTION to raise allowance of Mayor and City Council to \$100 - \$75, MOTION CARRIED with the following vote: AYES: Burgess, Hall, Richmond, Backenstos, Bernard, Hulme, Brakeman, Upton. NOES: Kinsella, Graf. On the MOTION to cut budget \$75,000, MOTION CARRIED unanimously. City Manager suggested cuts would be made by elimination of 16th police officer, remodeling and some data processing equipment with the remainder to be taken out of contingency fund. It was MOVED by Hall, SECONDED by Burgess, to approve budget with changes and sen. to Council for final approval. MOTION CARRIED unanimously.

The meeting was adjourned at 3:00 p.m.

Georgia Brakeman, Secretary

Laurie Perkin, City
Recorder

MILWAUKIE SENIOR CENTER
ADVISORY BOARD
MINUTES

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DECEMBER 16, 1983

Members Present:

Maxine Hansen
Cathryn Boyles
Jean Higginbotham
Helen Kappler
John O'Hara
Paul Schaefer
Janet Witter

Members Excused:

Irene Suchsland
Sharon McCartney

Staff:

Sara Hite

Maxine Hansen, Chair, called the meeting to order at 10:00 am.

Minutes of the November 18 meeting were read and approved as corrected.

Maxine read the draft of a letter from Center Staff to John Mullin of Clackamas County Area Agency on Aging, requesting funding for Outreach hours. The acute need is for more outreach capability. Discussion of the letter and the Budget and Program Description form attached brought approval by the Board of both the draft as written and of the requested amounts. Jean moved, and Janet seconded, that the Advisory Board strongly endorse this proposal and support the Center Director if requested. Motion passed unanimously.

Review of the Fiscal Year 84-85 Center Budget: Sara presented the Budget for review and discussion. Cost of the Newsletter is a problem, but since volunteers do all but the actual printing, and Friends of the Center pay for the postage, no solution arose. No additions were proposed, but discussion brought forward concern about figures for telephone expense. Also, present needs for a wood-tone wheeled cart for moving and holding heavy urns, etc., and more chairs and tables with a dolly for moving them were noted, as well as future need for Center-owned sound-system and pool tables.

Maxine reported that she and John Coursey had spoken to AAA in Multnomah County for information about additional parking allowance for the handicapped.

Loaves & Fishes has polled the luncheon attendance and found that at several meals 10 or 11 handicapped persons were present. Sara suggested that a time limit be marked on the new spaces (8-5:00 Mon-Fri.) so that during evening affairs parking will be available to the non-handicapped, as well as for weekend use. The Board directed Sara to request 5 more handicapped-spaces from the City, and to clarify through the Newsletter the method of applying for documentation allowing the privilege of using such space. The Center has the application forms on hand.

Cathryn reminded us of the Friends' brunch, Sunday, with Christmas program.

Maxine suggested, and it was agreed, that we table the "Olympic Games" plans until another meeting.

Meeting adjourned.

Janet Witter, Secretary

MINUTES
SENIOR CITIZEN ADVISORY COMMISSION
DECEMBER 9, 1983



Members present: Katherine Stevens, Nick Knapp, Joe Keller,
Doris Olsen, Lillie Moore, Doug McClure, Louise
Trimpler, Alice Measure

Staff present: Sara Hite

Guest: Ron Shanaker

Meeting was called to order by chairman, Kay Stevens.

Minutes of the October 14, 1983 meeting were read and approved as read.

Gertrude Shirk, who was appointed to fill Art Renner's term, will not be able to serve due to health problems.

Ron Shanaker, Police Chief, spoke regarding the two German shepherd police dogs to be added to the force. The dogs' primary function will be tracking. They will be of much value in searches. They are not attack dogs, but will protect their handler if the officer is molested. The cost will be \$5,000 the first year and they will go on duty in July, 1984. The Crime Prevention Officer is developing Home Watch programs. The drug and alcohol program in the schools will continue and expand.

Housing - A \$2.5 million application has been made to HUD to renovate the Hillside Park homes.

The Tram bus, funded by Tri-Met, will expand. The county will supervise this program.

The Roof has been completed.

Next Meeting set for January 13, 1984; agenda: Tri-Met Transfer Center.

Meeting was adjourned at 11:45 a.m.

Respectfully submitted,
Alice Measure, Secretary

PLANNING COMMISSION MINUTES

REGULAR MEETING

JANUARY 10, 1984

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MEMBERS PRESENT

Rebecca Sweetland
George Cathey
John Littlehales
Bob Brown
John Foster

STAFF PRESENT

Lori Mastrantonio, Assoc. Plnr.
Steve Hall, Public Works Dir.

EXCUSED ABSENCES

Al Liane
Betty Roholt

Mr. Cathey called the meeting to order at 6:30 PM.

Mr. Brown made a Motion to approve Planning Commission Meeting Minutes for November 8, 1983, Mr. Littlehales Seconded the Motion, it carried unanimously.

Mr. Littlehales made a Motion to approve Planning Commission Meeting Minutes for November 22, 1983, Mr. Cathey Seconded the Motion, it carried unanimously.

Mr. Cathey noted a correction to the November 29, 1983 Planning Commission Minutes, Page 2, Item A., to be changed to 20° (degrees) The Commission by consensus agreed to correct Item #4 of the Site Design Schedule to include Items A through D, instead of listing them under Item #5. Mr. Brown made a Motion to approve Planning Commission Minutes for November 29, 1983 as amended, Mr. Foster Seconded the Motion, it carried 3-0, Ms. Sweetland and Mr. Brown abstaining because of absence.

Mr. Brown noted a correction to the December 13, 1983 Planning Commission Minutes, Page 3, last paragraph, to read: Motion carried 5-0. Mr. Littlehales made a Motion to approve Planning Commission Minutes for December 13, 1983 as amended, Mr. Brown Seconded the Motion, it carried unanimously.

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3.1 PROPOSED AMENDMENT TO THE MILWAUKIE ZONING ORDINANCE.
Density Bonus - Continued from November 29, 1983 meeting.

Lori presented the Staff Report, reviewing background of the amendment, and correcting the Site Design Schedule as indicated by the Minutes. The Density Bonus section includes information relating to solar access, energy conservation, and site design which has been compiled from several surrounding jurisdictions, analyzed and re-evaluated for compatibility to this community. There was discussion explaining the accumulation and percentages of density bonus points allowed based on the degree of density. Correction was made to the footnote on the bottom of the Site Design Schedule, to read: A 10% Density Bonus may be granted to Planned Developments achieving a minimum of 50 points from the above 64 potential points.

Ms. Sweetland made a Motion to recommend adoption of the Site and Structural Design Schedule to the City Council. Mr. Foster made a Motion to amend the Main Motion, that action be taken to recommend to the Council adoption of the entire proposed amendment for Density Bonus, Mr. Brown Seconded the Motion, the Motion carried unanimously. Ms. Sweetland left the panel for the evening. Discussion continued on the remaining sections of the proposed amendment.

The Commission requested further explanation on total allowed units per acre in relationship to each of the density districts. After discussion of the Space Heating, Water Heating, and Miscellaneous Schedules the Commission, by consensus, revised the statement to read: A 5% Density Bonus will be granted to Planned Developments achieving a total of 26 Points from a combination of space heating, water heating and miscellaneous, which total 45 potential points.

Mr. Brown made a Motion to approve the five schedules for Density Bonuses, and review in final form at the next meeting. Mr. Littlehales Seconded the Motion, it carried 3-1, Mr. Foster voting in opposition.

MILWAUKIE PLANNING DEPARTMENT
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... THE MILWAUKIE ZONING ORDINANCE.
... continued from November 29, 1983 meeting.

3.2 PROPOSED AMENDMENT TO THE MILWAUKIE ZONING ORDINANCE -
Secondary Dwelling Units - Continued from the
November 29, 1983 meeting.

Mr. Cathey suggested that Item #4, Page 1, be changed to read:
The unit does not exceed one bedroom and a total unit area of
800 square feet. No more than one additional unit is allowed.

Mr. Brown made a Motion to recommend to the City Council amendment
for the Conditional Use Criteria, as amended Specific Standards
for Secondary Dwelling Units. Mr. Littlehales Seconded the Motion,
it carried unanimously.

The Commission recessed for ten minutes. The Commission by consensus
tabled the agenda items 3.3 and 3.4, Proposed Amendment for
Adult Residential Care Facility and Community Service Overlay
until the next meeting, January 24, 1984. Amendments relating
to Density Bonus and Secondary Dwelling Units will be presented
in final form at that meeting.

The Commission requested further explanation on total allowed
units per acre in each district to each of the density districts.
After discussion of the Space Heating, Water Heating, and Miscel-
laneous categories the Commission, by consensus, revised the
statement to read: A 1% density bonus will be granted to Planned
Developments achieving a total of 25 points from a combination
of space heating, water heating and miscellaneous, which total
a maximum of 25.

The Commission also discussed the schedule for
the proposed amendments to the zoning ordinance and the
planning commission meeting schedule.

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- 4.1 RANDY AND DEBRA BURGESS, VR-83-34
LOCATION: 4315 SE Adams
PROPOSAL: Request approval of a variance to the parking standards to eliminate one covered parking space.

Lori presented the Staff Report. Mr. Foster asked if there are other residences in the same neighborhood that have two cars parked side by side. Lori said there are other residences that enjoy the same use of the their property.

APPLICANT'S RESPONSE:

SPEAKING: RANDY BURGESS, 7731 SW 40th Ave, Portland

Mr. Burgess said he intended to move to the residence at 4315 SE Adams, and has parked two vehicles in the driveway without extending into the sidewalk. There are others in the neighborhood who also park vehicles side by side in the driveway.

There was no testimony in favor or opposition to the request.

Lorti explained that the current parking standard is 9' x 19', for standard parking space; 8' x 18' for compact parking space. The Ordinance allows for one standard and one compact parking space, and the proposed 17' width would be adequate.

Mr. Littlehales made a Motion to approve VR-83-34, as recommended by Staff, with the Condition: Two on-site side-by-side parking spaces be provided. Mr. Brown Seconded the Motion, it carried unanimously.

FINDINGS:

1. The request meets the variance criteria in that:
 - a. The variance is the minimum necessary to allow the applicants to enjoy the same use of their property which others enjoy in the area as there are other homes without covered parking.
 - b. The variance request would have minor impacts to the surrounding properties as two on-site parking spaces will be provided, decreasing congestion along Adams Street.
2. The request is in compliance with the Comprehensive Plan in that improvements can be made to the property while still maintaining and improving the quality of the neighborhood.

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VR-83-34 - Continued

CONDITION:

1. Approval of the request is subject to the condition that two on-site parking spaces (minimum 17 feet wide) be provided as per Staff review and approval.

4.2 RICHARD BLOMQUIST, VR-83-33

LOCATION: (333 SE McBrod

PROPOSAL: Request approval of a variance to the 15% landscaping requirement.

Lori presented the Staff Report.

APPLICANT'S RESPONSE:

SPEAKING: RICHARD BLOMQUIST, 9590 SW 166th Ave, Beaverton, OR.

Mr. Blomquist said that it is not economically feasible to install the required landscaping on the site.

Mr. Cathey mentioned the Commission must judge the application according to specific criteria and not on the basis of feasibility.

There was no testimony in favor or opposition of the request.

Mr. Littlehales made a Motion to approve VR-83-33, with Findings and Conditions as proposed by Staff, adding another Condition to read: Approval does not apply to any future development of the property. Mr. Cathey Seconded the Motion, it carried unanimously.

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FINDINGS: VR-83-33

1. The request meets the variance criteria in that:
 - a. There are unique conditions which apply to the site due to the location of the existing structure, loading docks and railroad tracks.
 - b. The variance is the minimum necessary to allow the applicant to enjoy the same use of his property in a similar manner as others in the same zone.
 - c. There does not appear to be practical alternatives which would obviate the need for the variance because of the pre-existing site conditions.
 - d. The variance will have minor, if any, adverse impacts to surrounding properties as the existing landscaping along the north side will be preserved and the landscaping along the east side will be improved.

CONDITIONS: VR-83-33

1. The applicant must sign a Developer's Agreement with the City for future improvements along McBrod Avenue.
2. That the landscaping along the east side of the structure be improved to the satisfaction of Staff and that the landscaping along the north side be protected during construction.
3. Approval does not apply to any future development of the property.

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4.3 CHAMP HUSTED, S-83-1

LOCATION: East of Stanley Avenue and west of Sundial Court.
PROPOSAL: Request approval of a modification to a previously approved preliminary plat from 10 to 11 lots.

Lori presented the Staff Report, presenting a memorandum from the Public Works Department, dated January 9, 1984. She also mentioned that Clackamas County had deeded the west end of the strip of Sundial Court to the City.

APPLICANT'S RESPONSE:

SPEAKING: CHAMP HUSTED, 13460 SE Beech, Milwaukie

Mr. Husted explained that it is to their advantage to remove the existing home, and reshape the lots which will allow for an additional lot. Removal of the structure could be done by the Fire Department for training purposes.

SPEAKING: JOLEEN BRIANT, 5931 SE Sundial Crt., Milwaukie

Mr. Briant is concerned about drainage problems at the end of Sundial Court.

Steve Hall explained that an additional dry well will be placed on the property.

SPEAKING: RICHARD REESE, 11403 SE Stanley, Milwaukie

Mr. Reese asked if the burnt house would be removed, if the project were not completed.

Steve Hall explained that the house would be demolished.

Mr. Cathey said he liked the configuration of the modification to the previously approved Preliminary Plat because it does not include a flag lot.

Mr. Foster made a Motion to approve S-83-1, as presented with Findings and Conditions. Mr. Littlehales Seconded the Motion, it carried, unanimously.

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FINDINGS: S-83-1

1. The request meets the requirements of the Zoning and Subdivision Ordinances.
2. Adequate public facilities are proposed.
3. The proposal is in conformance with the Comprehensive Plan in that:
 - a. New housing will be developed while preserving and enhancing the local neighborhood.
 - b. The proposal complies with the density requirements. Each lot meets or exceeds the required 7,000 square foot per lot.
 - c. The proposal will maintain the single-family scale of the existing neighborhood as it shall comply with the R-7 Standards.

CONDITIONS: S-83-1

1. Street trees shall be provided. The size, species and spacing shall be reviewed and approved by Staff.
2. All public facilities shall be provided as per the specifications of the Public Works Director, including adequate street radii and street lights.
3. A survey of the site shall be submitted prior to approval of the Final Plat.

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4.4 KOIN TV, INC. CU-83-18, VR-83-35
LOCATION: South of 9800 SE McBrod Avenue and north of Highway 224.
PROPOSAL: Request approval of a conditional use allowing the construction of two TV satellite dishes and one tower within the M-L Zone and approval of a variance to the maximum height requirement of 48 feet to allow an 80-foot high tower.

Lori presented the Staff Report.

APPLICANT'S REPOSE:

SPEAKING: HERB DAVIDSON, 11944 SE Brookside Drive, Portland

Mr. Davidson, Director of Engineering explained that the proposed project is part of a reporting and transmittal system that covers the whole regional area. He mentioned that there are actually 3 microwave dishes proposed for the site. The reason the tower must be 80 feet high is to allow reception of microwaves above the terrain to the downtown KOIN building. A study was completed by COMPUTOM, of Dallas, Texas which showed this site to be the best location for this facility.

Mr. Cathey asked if the microwave pose any danger to the health, safety, and welfare of the community. Mr. Davidson said the microwave are in common usage by the telephone companies, and are very low wattage. Landscaping will be maintained, and the site fenced for protection. The facilities will be elevated above the ground level where there would be potential water flow. The tower will be guyed with three cables within the fenced area. There was discussion about painting the equipment some earthtone color. There are no plans to install any signs for the facility. The Fire Department will have access to the facility and be provided with keys to the locked gate.

SPEAKING: EUGENE SCHOENHEIT, 9036 SE 41st Avenue, Milwaukie

Mr. Schoenheit suggested that the dishes be painted a light green color to blend with the landscaping.

There was no further testimony in favor or in opposition to the request.

The Commission agreed that the facility should be painted with earthtone colors. There will be an equipment building located on the site, but will not include an sanitary facilities. Mr. Davidson said the building will be highly insulated, designed to operate with automatic heating and cooling, and in the future there may be some consideration for an on-site power system.

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CU-83-18, VR-83-35 CONTINUED

Staff suggested that the Commission consider modification to Condition #2, to include provision for paved and landscaped accessway and parking lot, and bond to insure the completion of the entire project relating to the previous approval of the Brod and McClung property. Staff presented proposed findings.

Mr. Brown made a Motion to approve CU-83-18; VR-83-35, with Findings and Conditions as modified by Staff. Mr. Littlehales Seconded the Motion, it carried unanimously.

FINDINGS: CU-83-18; VR-83-35

1. The request meets the Conditions Use Criteria in that
 - a. The affect on surrounding properties will be minimal as the station will be 30' from the nearest structure. In addition, the site will be landscaped.
 - b. The request complies with all requirements, except for the height requirement.
 - c. The request complies with the Comprehensive Plan as indicated in Exhibit #3.
 - d. The request complies with the characteristics although a soils study is necessary prior to construction.
 - e. The proposed use is timely. No improvements or additional public facilities are necessary except for a hard-surfaced access path.
2. The request meets the Variance Request Criteria in that:
 - a. Due to geographical constraints the additional height of the tower is necessary to receive transmission.
 - b. There are similar uses in the same zone.
 - c. As per the applicant, there are no other sites as suitable as this in this area.
 - d. This use is compatible with uses in the surrounding area as it is located in an Industrial area.

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CU-83-18, VR-83-35 CONTINUED

CONDITIONS:

1. That a Landscape and Painting Plan be submitted for Staff review and approval.
 2. That the property owner pave and landscape the accessway and parking lot to the Broad and McClung property or post a bond (amount to be determined by Staff) for such improvements. The accessway, parking and landscape plan shall be submitted as per the specifications of the Planning and Public Works Departments. No permits shall be issued until either the improvements are made or a bond is posted for the improvements.
 3. That a soils study of the site, prepared by a licensed soils scientist or geologist, be submitted for Staff review.
 4. That the Floodplain Boundaries be illustrated on the survey, in accordance with Exhibit #6 of the Staff Report. All structures are to be flood proofed. The type and location of fence shall be determined after boundaries of the floodplain are mapped.
- 4.5 DAN ZINZER AND JAMES KNAPP JR., S-83-5
LOCATION: East of 42nd Avenue, West of Mason Hill Drive and North of Mason Lane
PROPOSAL: Request approval of a Preliminary Plat.

Staff suggested that the public hearing be tabled until the meeting of January 24, 1984 to allow Staff and the applicant adequate time to review information presented just prior to the meeting which relates directly to the request. Procedure was explained to the audience.

Mr. Foster made a Motion to table the request, S-83-5, DAN ZINZER AND JAMES KNAPP JR. until the meeting to be held January 24, 1984. The Motion was Seconded by Mr. Brown, it carried unanimously.

The Meeting Adjourned at 10:45 PM.