



## TUALATIN CITY COUNCIL MEETING

MONDAY, OCTOBER 14, 2019

JUANITA POHL CENTER  
8513 SW TUALATIN ROAD  
TUALATIN, OR 97062

Mayor Frank Bubenik  
Council President Nancy Grimes  
Councilor Paul Morrison                      Councilor Robert Kellogg  
Councilor Bridget Brooks                      Councilor Maria Reyes  
Councilor Valerie Pratt

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### 5:00 PM WORK SESSION

- 1. 5:00 p.m. (60 min) – Regional Land Use & Transportation Update.** Staff will give an overview of key land use and transportation projects for the quarter (Q3) in an effort to discuss opportunities for advocacy and coordination.
- 2. 6:00 p.m. (30 min) – PERS Employer Incentive Program.** In the 2018 Legislative Session, the Legislature created the PERS Employer Incentive Fund (EIF), which created a 25% match for funds contributed by member agencies to set up a side account. In the 2019 Legislative Session, \$100 million dollars were set aside to fund the matching program. The PERS Board created rules allowing for entities that had an unfunded liability that exceeded 200% of payroll to apply for matching funds in the first 90-day application period. The City of Tualatin's percentage, as of the 2017 Actuarial Valuation, was 204%. The application period opened on September 3<sup>rd</sup> and we have submitted an application for the 25% match and it was approved. Staff will present the proposed amount of contribution, the match amount, and the estimated PERS contribution savings for Council review.
- 3. 6:30 p.m. (30 min) – Council Meeting Agenda Review, Communications & Roundtable.** Council will review the agenda for the October 14<sup>th</sup> City Council meeting and brief the Council on issues of mutual interest.

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### 7:00 P.M. CITY COUNCIL MEETING

Call to Order

Pledge of Allegiance

Announcements

- 1.** Update on the Tualatin Youth Advisory Council's Activities for October, 2019
- 2.** 2019 West Coast Giant Pumpkin Regatta Announcement
- 3.** Multi-City Equity Summit Announcement

4. Proclamation Declaring October 23-31, 2019 as Red Ribbon Week in the City of Tualatin
5. New Employee Introduction- Alyssa Kerr, Court Clerk

## **Public Comment**

*This section of the agenda allows anyone to address the Council regarding any issue not on the agenda, or to request to have an item removed from the consent agenda. The duration for each individual speaking is limited to 3 minutes. Matters requiring further investigation or detailed answers will be referred to City staff for follow-up and report at a future meeting.*

## **Consent Agenda**

*The Consent Agenda will be enacted with one vote. The Mayor will ask Councilors if there is anyone who wishes to remove any item from the Consent Agenda for discussion and consideration. If you wish to request an item to be removed from the consent agenda you should do so during the Citizen Comment section of the agenda.*

1. Consideration of Approval of the Work Session of September 9, 2019 and Work Session and Regular Minutes of September 23, 2019
2. Consideration of **Resolution No. 5473-19** Awarding Fiscal Year 2019-20 Outside Agency Grant Funds to Provide Services to the Tualatin Community
3. Consideration of **Resolution No. 5475-19** Annual Adoption of the City of Tualatin Investment Policy
4. Consideration of **Resolution No. 5474-19** Authorizing the City Manager to Execute an Intergovernmental Agreement with the City of Lake Oswego to Share Certain Sewer Equipment

## **General Business**

*If you wish to speak on a general business item please fill out a Speaker Request Form and you will be called forward during the appropriate item. The duration for each individual speaking is limited to 3 minutes. Matters requiring further investigation or detailed answers will be referred to City staff for follow-up and report at a future meeting.*

1. Consideration of **Resolution No. 5472-19** Designating the City of Tualatin, Oregon as a BEE CITY USA® Affiliate

## **Council Communications**

### **Items Removed from Consent Agenda**

*Items removed from the Consent Agenda will be discussed individually at this time. The Mayor may impose a time limit on speakers addressing these issues.*

## **Adjournment**

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Meeting materials, including agendas, packets, public hearing and public comment guidelines, and Mayor and Councilor bios are available at [www.tualatinoregon.gov/council](http://www.tualatinoregon.gov/council).

Tualatin City Council meets are broadcast live, and recorded, by Tualatin Valley Community Television (TVCTV) Government Access Programming. For more information, contact TVCTV at 503.629.8534 or visit [www.tvctv.org/tualatin](http://www.tvctv.org/tualatin).

In compliance with the Americans with Disabilities Act, this meeting location is accessible to persons with disabilities. To request accommodations, please contact the City Manager's Office at 503.691.3011 36 hours in advance of the meeting.



*City of Tualatin*

## CITY OF TUALATIN Staff Report

**TO:** Honorable Mayor and Members of the City Council

**THROUGH:** Sherilyn Lombos, City Manager

**FROM:** Gareth Prior, Management Analyst II  
Aquilla Hurd-Ravich, Director of Community Development

**DATE:** October 14, 2019

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### **SUBJECT:**

Regional Land Use and Transportation Update (Q3)

### **RECOMMENDATION:**

Community Development staff will give an overview of key land use and transportation projects for the quarter (Q3) in an effort to discuss opportunities for advocacy and coordination.

### **EXECUTIVE SUMMARY:**

The purpose of this update is to accomplish the following:

1. Highlight the top third quarter (Q3) projects receiving public input.
2. Discussion on Council, staff, and community coordination for input on these projects.
3. Provide a directory of projects you may hear about at regional meetings.

To accomplish number one, staff will provide an overview of the following land use and transportation projects as they are at a crucial time for public input:

- Southwest Corridor: TriMet
- 99W Corridor Study: Oregon Department of Transportation (ODOT), Tigard, Sherwood, King City, and Washington County
- 2020 Transportation Investment Measure (T2020): Metro

Attached to this agenda item is a detailed description of the top three projects and a list of active and less active projects. Staff will not provide an overview presentation on the further list of projects, but can follow up on questions, contact speakers to come to Council, or bring forward to a future work session for discussion.

### **FINANCIAL IMPLICATIONS:**

None.

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### **ATTACHMENTS:**

- A. Regional project tracking list for Q3
- B. Presentation for October 14<sup>th</sup> City Council work session

## Southwest Corridor: TriMet

Q3 Top 3

### Q3 Update

At their upcoming meeting on November 4, 2019, the Southwest Corridor Steering Committee will be asked to make a recommendation to define the project length that will receive further design by TriMet, and be sent to Metro to be included in the 2020 regional transportation investment measure (T2020). The current cost estimate identified a \$400 million gap in funding to get to Tualatin. At the previous Steering Committee meeting, there was discussion of alternatives for cuts or funding to fill gap. A pivotal cut (approximately \$200 million) would be to reduce the footprint of certain sections of Barbur Boulevard by removing an auto lane and shrinking the width of sidewalks.

The future of the Village Inn is still to be determined, although TriMet has expressed interest in no business dislocations at the Bridgeport station terminus. The future will be known when construction drawings are published as a part of the Federal Environmental Impact Statement (FEIS) for public comment (late 2019 or early 2020). Another item following a similar timeline for public comment is the Conceptual Design Report (CDR), which will explain the look, feel, and design of the project.

**Description:** An effort to establish a new 12-mile [TriMet MAX line](#) (light rail) between southwest Portland and Bridgeport Village in Tualatin. In addition to light rail, the plan includes roadway, bicycle and pedestrian projects, a strategy to promote equitable development in the corridor ([SWEDS](#)), and a shared investment strategy for transportation improvements that connect the corridor's communities well beyond the proposed light rail line.

**Impact to Tualatin:** Opportunity and challenges that come with new light rail. No direct City of Tualatin funding is expected, as other project partners and the regional 2020 transportation measure will be relied upon for the local contribution to fund the project.

**Website (project):** <https://trimet.org/swcorridor/>

**Contact (project):** Jennifer Koozer, Senior Community Affairs Manager at TriMet, at (503) 962-2116 or [koozerj@trimet.org](mailto:koozerj@trimet.org).

**Website (Tualatin):** <https://www.tualatinoregon.gov/communitydevelopment/southwest-corridor-plan>

**Contact (Tualatin):** Garet Prior, Management Analyst II, at (503) 691-3020 or [gprior@tualatin.gov](mailto:gprior@tualatin.gov)

# Highway 99W Corridor Study: Sherwood, King City, Tigard, Tualatin, ODOT and Washington County

Q3 Top 3

## Q3 Update

Born out of frustration that Highway 99W corridor needs were not being properly recognized, the cities of Sherwood, King City, Tigard, and Tualatin, as well as ODOT and Washington County, have been meeting to figure out what can be done to improve the corridor.

Through collaborative discussion, the idea of a corridor study to coordinate and identify catalyst projects, as well as catalog needs, was supported. ODOT offered to be the project manager (they own the road) and provide \$50,000 to fund a project scoping effort to better determine the cost and scope of a full corridor study (estimated completion early 2020).

Aided by Washington County, there is an effort to advocate to Metro Council and the T2020 Task Force to identify funding for a Highway 99W corridor study.

**Description:** Highway 99W dissects Tualatin’s northwest corner and serves as a gateway into our major employment areas. Safety and congestion are major needs for the corridor and Tualatin residents. Tualatin Moving Forward has begun to address these needs by filling in sidewalk gaps.

**Impact to Tualatin:** A corridor study could help prioritize and direct larger efforts to achieve transformational change to meet future equity, safety, congestion, and climate smart strategy needs. For example, Tualatin’s Transportation System Plan envisioned a park-and-ride facility along 99W that would collect commuters and shift them on to public transit, thus reducing congestion on internal roads.

**Website (project):** None

**Contact (project):** None

**Contact (Tualatin):** Aquilla Hurd-Ravich, Community Development Director, at (503) 691-3018 or [ahurd-ravich@tualatin.gov](mailto:ahurd-ravich@tualatin.gov).

## 2020 transportation funding measure (T2020): Metro

Q3 Top 3

### Q3 Update

In February 2019, Metro Council appointed a Task Force of 35 people to review regional transportation needs and recommend a list of projects to be included in a 2020 regional investment measure (vote). In the remaining months of 2019, the Task Force will provide their recommendation to Metro Council.

On September 18th, Mayor Bubenik and Councilor Pratt spoke to the Task Force about the needs for Tualatin-Sherwood Road, Southwest Corridor Plan, and Highway 99W.

Metro [scheduled](#) the following Task Force public meetings: October 16 and 30, November 20, and December 18.

**Description:** By early 2020, Metro Council will consider referring a transportation investment measure to voters on the November 2020 ballot.

**Impact to Tualatin:** If issued by Metro Council, in 2020 Tualatin residents will have the opportunity to vote on a regional transportation funding measure. This would establish a regional source for transportation funding, which would be a new allocation as the majority of transportation funding comes from the [federal government](#), state (e.g. [HB 2017/Keep Oregon Moving](#)), and local ([Tualatin Moving Forward](#)).

**Website (project):** <https://www.oregonmetro.gov/public-projects/2020-transportation-investment-measure>

**Contact (project):** Tyler Frisbee, Transportation Policy and Federal Affairs Manager at Metro, at (503) 797-1935 or [Tyler.Frisbee@oregonmetro.gov](mailto:Tyler.Frisbee@oregonmetro.gov).

**Contact (Tualatin):** Garet Prior, Management Analyst II, at (503) 691-3020 or [gprior@tualatin.gov](mailto:gprior@tualatin.gov)

## Vehicle Registration Fee (VRF): Clackamas County



**Q3 Update:** The Clackamas County Board passed a VRF and set up a community task force to provide direction on how to use a portion of the funds (approximately \$1.2 million annually) for strategic investment. Clackamas County and City of Tualatin staff have discussed possible projects for the strategic fund.

**Description:** The VRF will establish a new Community Road Fund to increase safety, relieve congestion, and maintain local roads.

**Impact to Tualatin:** Estimated \$58,741 in new revenue for road maintenance and transportation investment. Approximately \$1.2 million annually will be made available through a strategic investment fund.

**Website (project):** <https://www.clackamas.us/transportation/vrf>

**Contact (project):** Trent Wilson, Clackamas County Public & Government Affairs, at (503) 655-8206 or [TWilson2@co.clackamas.or.us](mailto:TWilson2@co.clackamas.or.us).

**Contact (Tualatin):** Garet Prior, Management Analyst II, at (503) 691-3020 or [gprior@tualatin.gov](mailto:gprior@tualatin.gov)

## Designing Livable Streets update: Metro

**Q3 Update:** Metro staff is working with a staff sub-committee to develop a draft document for public comment.

**Description:** Metro's Designing Livable Streets and Trails project is updating and developing new design guidelines for our regional transportation system, including creating new design guidance for regional multi-use paths.

**Impact to Tualatin:** Design guidelines set by Metro could be used as requirements for regionally funded projects or through the regional functional transportation plan, which we are required to be compatible with in our Transportation Systems Plan (TSP).

**Website (project):** <https://www.oregonmetro.gov/public-projects/updating-street-design-guidance>

**Contact (project):** Lake Strongheart McTighe, Senior Regional Planner at Metro, at (503) 797-1660 or [lake.mctighe@oregonmetro.gov](mailto:lake.mctighe@oregonmetro.gov).

**Contact (Tualatin):** Mike McCarthy, Transportation Engineer, at (503) 691-3674 or [mmccarthy@tualatin.gov](mailto:mmccarthy@tualatin.gov).



## First-Last Mile (FLM) transportation study: Washington County

Active

**Q3 Update:** Tualatin’s downtown WES station was selected as one of 10 finalist locations that will receive the full analysis. Washington County staff is developing a draft analysis for public comment, which will occur later in 2019.

**Description:** The First and Last Mile (FLM) proposes to provide an analysis for improving connections between transit and commuter destinations so everyone can safely access transit. The FLM project will result in recommendations for implementing 1) infrastructure investments to provide safer, faster and more comfortable access to transit; and 2) opportunities to support and integrate innovative mobility options that are coordinated, flexible, and responsive to the land use and transportation context.

**Impact to Tualatin:** Possible source for identifying and funding transit and FLM improvements.

**Website (project):**

<https://www.co.washington.or.us/LUT/Divisions/LongRangePlanning/PlanningPrograms/TransportationPlanning/first-and-last-mile.cfm>

**Contact (project):** Dyami Valentine, Washington County Department of Land Use & Transportation Senior Planner, at (503) 846-3821 or [dyami\\_valentine@co.washington.or.us](mailto:dyami_valentine@co.washington.or.us).

**Contact (Tualatin):** Garet Prior, Management Analyst II, at (503) 691-3020 or [gprior@tualatin.gov](mailto:gprior@tualatin.gov)

## Regional Flexible Fund Allocation (RFFA) Step 2: Metro

**Q3 Update:** RFFA applications have been submitted and are available for public comment ([Metro website](#)). The next step will be for the coordinating committees in Washington County and Clackamas County to provide a priority list to Metro. The application closest to Tualatin is by Sherwood for the design of Blake Street extended, which is adjacent to Tualatin’s SW Concept Plan.

**Description:** Regional flexible funds come from three federal grant programs: the Surface Transportation Program, the Congestion Mitigation/Air Quality Program and the Transportation Alternatives Program.

**Impact to Tualatin:** This is a potential source for transportation funding, albeit one that comes with additional administrative and design burden. For example, the design of the Herman Road bike-pedestrian improvements was funded in a previous RFFA cycle, but the city is now working with Washington County to swap those funds to complete the project because Oregon Department of Transportation (ODOT) standards became too onerous.

**Website (project):** <https://www.oregonmetro.gov/tools-partners/grants-and-resources/regional-flexible-funding>

**Contact (project):** Kim Ellis, Metro Principal Transportation Planner, at (503) 797-1617 or [kim.ellis@oregonmetro.gov](mailto:kim.ellis@oregonmetro.gov).

**Contact (Tualatin):** Garet Prior, Management Analyst II, at (503) 691-3020 or [gprior@tualatin.gov](mailto:gprior@tualatin.gov)

## Tolling/Congestion (Value) Pricing: Metro and ODOT

Less Active

**Description:** ODOT will continue their process of studying tolling segments ([map](#)) on Interstate 5 and 205. Metro will begin a process to evaluate tolling/congestion (value) pricing on other roads such as 99W and 217.

**Impact to Tualatin:** Direct impact to Tualatin residents and businesses traveling along the interstate or state highway system. Indirect impact to “lesser” roads with vehicles diverting from highways to avoid tolls.

**Website (project):** <https://www.oregon.gov/ODOT/Pages/VP-join-conversation.aspx>

**Contact (project):** Mandy Putney, ODOT Policy and Development Manager Region 1, at (503) 731-8356 or [mandy.putney@odot.state.or.us](mailto:mandy.putney@odot.state.or.us). Tyler Frisbee, Transportation Policy and Federal Affairs Manager at Metro, at (503) 797-1935 or [Tyler.Frisbee@oregonmetro.gov](mailto:Tyler.Frisbee@oregonmetro.gov).

**Contact (Tualatin):** Garet Prior, Management Analyst II, at (503) 691-3020 or [gprior@tualatin.gov](mailto:gprior@tualatin.gov)

## Transit study connecting Tualatin to Oregon City: Clackamas County

**Description:** Through HB 2017/Keep Oregon Moving Regional Coordination funding, Clackamas County will be hiring a consultant to lead a transit evaluation between Tualatin and Oregon City. Community engagement efforts will be forthcoming in early 2020.

**Impact to Tualatin:** Identify specific investments and costs for a transit connection with Oregon City.

**Website (project):** None.

**Contact (project):** Karen Buehrig, Clackamas County Transportation Planning Supervisor, at (503) 742-4683 or [karenb@clackamas.us](mailto:karenb@clackamas.us).

**Contact (Tualatin):** Garet Prior, Management Analyst II, at (503) 691-3020 or [gprior@tualatin.gov](mailto:gprior@tualatin.gov)

## Shuttle expansion study in Tualatin: Washington County and Ride Connection

**Description:** Through HB 2017/Keep Oregon Moving Regional Coordination funding, Washington County in coordination with Ride Connection will be evaluating and funding expansion of the Tualatin Shuttle.

**Impact to Tualatin:** Identify specific investments or expansion areas for the Tualatin Shuttle. Community engagement efforts will be forthcoming in late 2019 or early 2020.

**Website (project):** None.

**Contact (project):** Dyami Valentine, Washington County Department of Land Use & Transportation Senior Planner, at (503) 846-3821 or [dyami\\_valentine@co.washington.or.us](mailto:dyami_valentine@co.washington.or.us).

Less Active

**Contact (Tualatin):** Garet Prior, Management Analyst II, at (503) 691-3020 or [gprior@tualatin.gov](mailto:gprior@tualatin.gov)

## I-205 widening and Abernathy Bridge replacement: Oregon Department of Transportation (ODOT) and Clackamas County

**Description:** ODOT is beginning the I-205 Widening and Seismic Improvements Project, which will address congestion and traveler safety issues on a seven-mile stretch of I-205 between Stafford Road and OR 213. The project would add a third lane in each direction and upgrades the Abernathy Bridge and the eight other I-205 bridges in the project area to withstand a major earthquake. Currently, the project has funding to install safety signage, but is awaiting a sizeable amount of funding to pay for design and construction of the major project elements (e.g. bridge replacement or road widening). If funding were in place today, the earliest project completion date is 2024.

**Impact to Tualatin:** In addition to the transportation benefits for Tualatin, elements of the Stafford area planning agreement are coordinated with Interstate 205 widening design, funding, and scheduled construction.

**Website (project):** <http://www.i205corridor.org/>

**Contact (project):** Ellen Sweeney, ODOT Community Affairs Coordinator, at (503) 731-8230 or [ellen.sweeney@odot.state.or.us](mailto:ellen.sweeney@odot.state.or.us).

**Contact (Tualatin):** Garet Prior, Management Analyst II, at (503) 691-3020 or [gprior@tualatin.gov](mailto:gprior@tualatin.gov)

## UGB reserves infrastructure study: Washington County

**Description:** Washington County received a Metro 2040 planning grant to facilitate concept and comprehensive planning for the urban reserve areas by getting a better idea of existing and future transportation system needs in those areas to accommodate future growth. The project is expected to create an infrastructure finance plan template to use in concept and comprehensive planning.

**Impact to Tualatin:** Projections for transportation infrastructure costs for the following urban reserve areas ([see map](#)): Tonquin, I-5 East-Washington County, and Elligsen Road North. These numbers could inform or guide future urban growth boundary annexation requests to Metro. Of these areas, Tualatin would most directly be involved with concept planning the I-5 East-Washington County area.

**Website (project):** [www.co.washington.or.us/lut](http://www.co.washington.or.us/lut)

**Contact (project):** Jessica Pelz, Senior Planner Washington County Department of Land Use & Transportation, (503) 846-3960 or [jessica\\_pelz@co.washington.or.us](mailto:jessica_pelz@co.washington.or.us).

**Contact (Tualatin):** Steve Koper, Planning Manager, at (503) 691-3028 or [skoper@tualatin.gov](mailto:skoper@tualatin.gov).

## Statewide Transportation Improvement Program (STIP) 2021-2024 project list: ODOT

Less Active

**Description:** A centerpiece of HB2017/Keep Oregon Moving is the Statewide Transportation Improvement Fund (STIF). This fund provides a new dedicated source of funding to expand public transportation to access jobs, improve mobility, relieve congestion and reduce greenhouse gas emissions around Oregon.

**Impact to Tualatin:** This is a possible funding source for transportation investment.

**Website (project):** <https://www.oregon.gov/ODOT/Regions/Pages/Region-1-STIP.aspx>

**Contact (project):** Mandy Putney, ODOT Policy and Development Manager Region 1, at (503) 731-8356 or [mandy.putney@odot.state.or.us](mailto:mandy.putney@odot.state.or.us).

**Contact (Tualatin):** Garet Prior, Management Analyst II, at (503) 691-3020 or [gprior@tualatin.gov](mailto:gprior@tualatin.gov)

## Data tracking and forecasting (land use and economic): Metro

**Description:** The Land Use Analytics Team (LUAT) , in addition to the land use data and forecast capacity sustenance work regularly updates long- range economic and demographic projections in order to incorporate the latest observed changes in demographic, economic, and real estate development conditions.

**Impact to Tualatin:** Data forecasted by Metro impacts the underlying assumptions for regional planning projects (e.g. Southwest Corridor) and urban growth boundary expansion applications.

**Website (project):** <https://www.oregonmetro.gov/2040-distributed-forecast>

**Contact (project):** Jeff Frkonja, Metro, at [jeff.frkonja@oregonmetro.gov](mailto:jeff.frkonja@oregonmetro.gov).

**Contact (Tualatin):** Steve Koper, Planning Manager, at (503) 691-3028 or [skoper@tualatin.gov](mailto:skoper@tualatin.gov).

## Regional mobility policy update: Metro

**Description:** Since early 2019, Metro and ODOT have been working to begin updating the Regional Mobility Policy. This project was identified in the 2018 Regional Transportation Plan (RTP) as a necessary step to updating the RTP’s 20-year old “interim” mobility policy to better align with the comprehensive set of goals and desired outcomes identified in the plan.

**Impact to Tualatin:** Performance targets for reducing emissions and single-occupancy vehicles, along with levels of delay and service are requirements from the existing mobility policy and standards. Updates to this mobility policy could shift how transportation projects are evaluated at the regional level and standards required through the local Transportation System Plan.

**Website (project):** <https://www.oregonmetro.gov/mobility-corridors-atlas>

**Contact (project):** Kim Ellis, Metro Principal Transportation Planner, at (503) 797-1617 or [kim.ellis@oregonmetro.gov](mailto:kim.ellis@oregonmetro.gov).

Less Active

**Contact (Tualatin):** Gareth Prior, Management Analyst II, at (503) 691-3020 or [gprior@tualatin.gov](mailto:gprior@tualatin.gov)

## Transportation futures study: Clackamas County

**Description:** Similar to the [Washington County Transportation Futures Study](#), Clackamas County is pursuing a 50-year transportation futures study (Clackamas County Transportation 2070) that will forecast major population, economic, environmental, and technology changes to inform what strategic actions are required to meet the needs of communities throughout Clackamas County.

**Impact to Tualatin:** Clackamas County requested Tualatin support for their \$2.5 million request to the Oregon Legislature and Governor.

**Website (project):** <https://www.clackamas.us/engineering/planningprojects.html>

**Contact (project):** Trent Wilson, Clackamas County Public & Government Affairs, at (503) 655-8206 or [TWilson2@co.clackamas.or.us](mailto:TWilson2@co.clackamas.or.us).

**Contact (Tualatin):** Gareth Prior, Management Analyst II, at (503) 691-3020 or [gprior@tualatin.gov](mailto:gprior@tualatin.gov)



# 2019 Quarter 3 Regional Land Use and Transportation Update

Tualatin City Council  
Work Session  
10.14.2019



# Purpose

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1. Highlight top Q3 projects receiving public input
2. Discussion on coordinating Council, staff, and/or community input
3. Provide a directory of projects you may hear about at regional meetings

# Southwest Corridor Plan

TriMet

Bridgeport in Tualatin

TriMet MAX Line



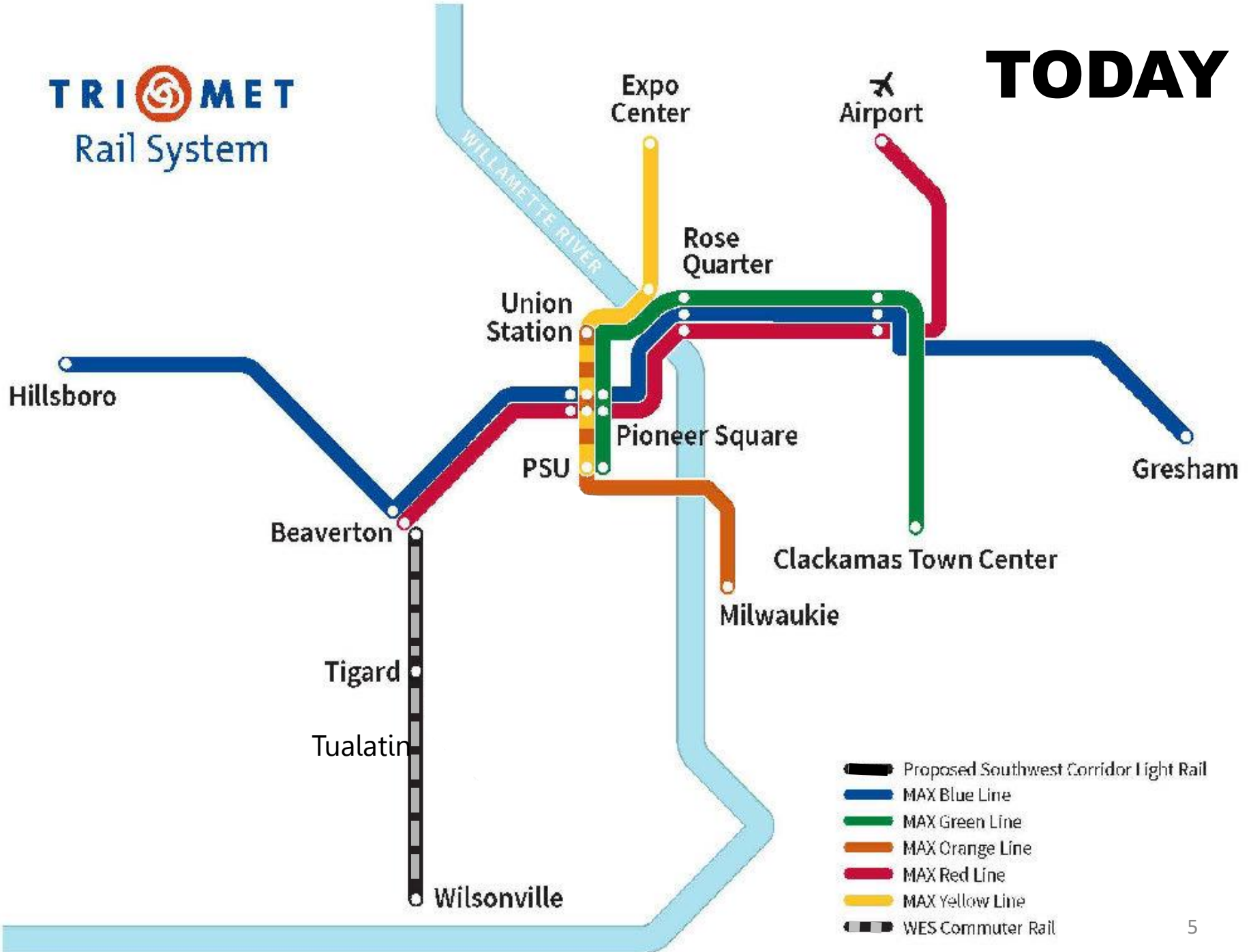


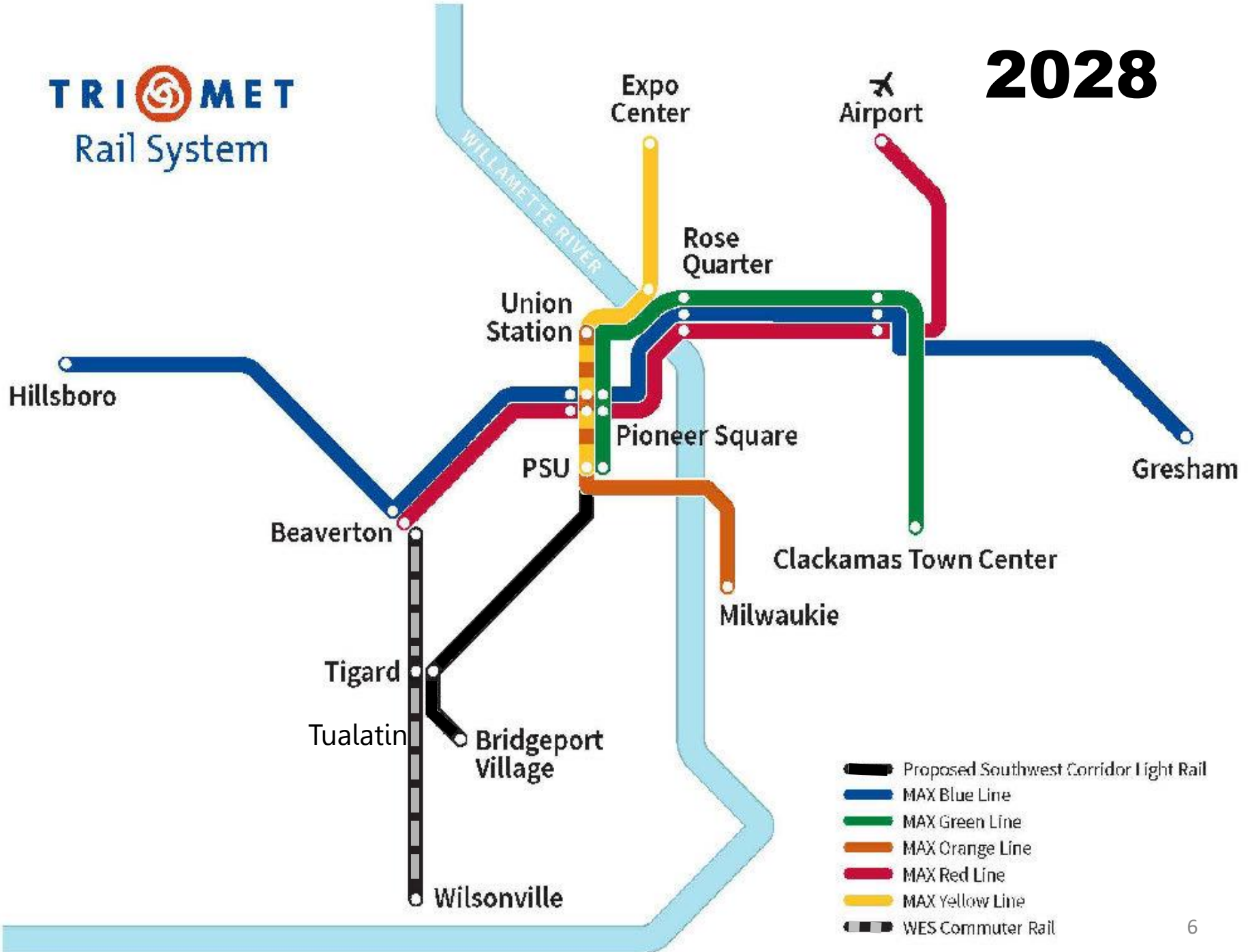
# TRANSPORTATION POLICY & FUNDING FRAMEWORK



elected, appointed, or volunteer   
 staff   
 policy or plans   
 funding   
 federal funding   
 *\*additional funding opportunities exist*

Garet Prior and Erin Engman  
City of Tualatin (2019)





# What project could be built by 2027?

CONCEPT SCENARIOS

FUNDING

+

SCOPE

TOTAL



**1A**

To Bridgeport with Barbur Refinements

~\$200M



**1B**

To Bonita/UBF with Barbur Refinements

N/A



**2A**

To Bonita/UBF with LPA Design

~\$200M



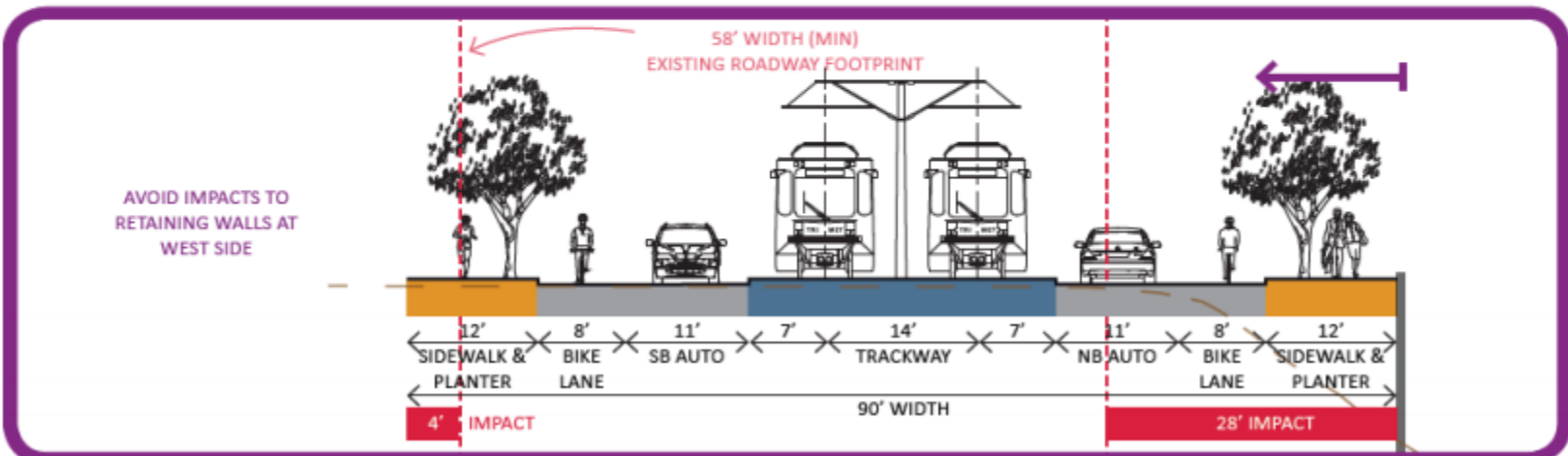
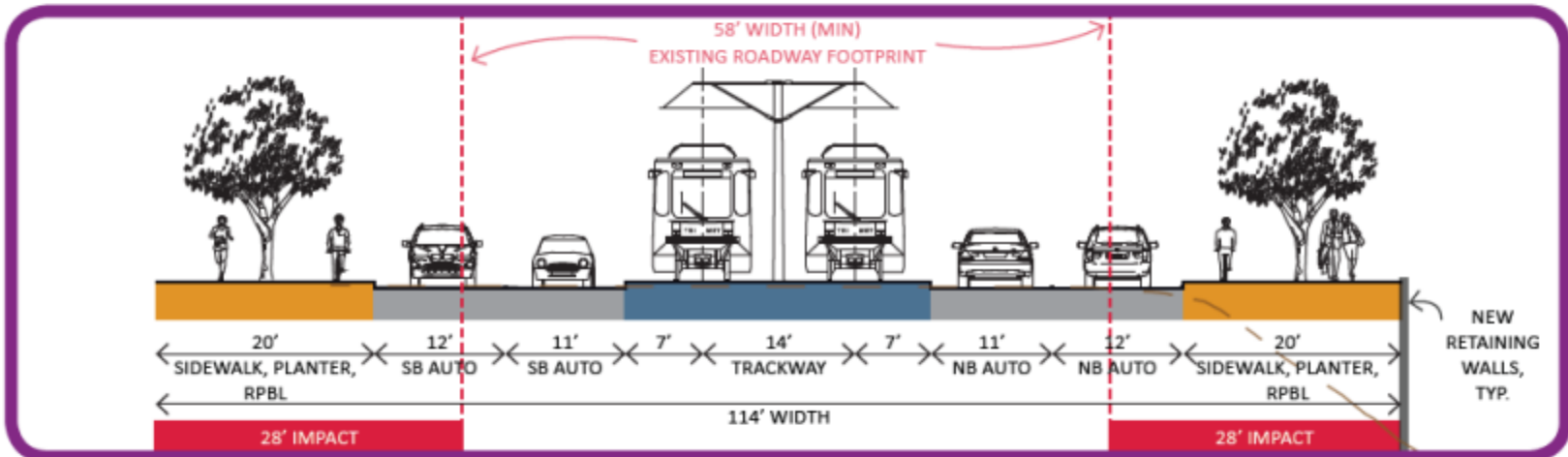
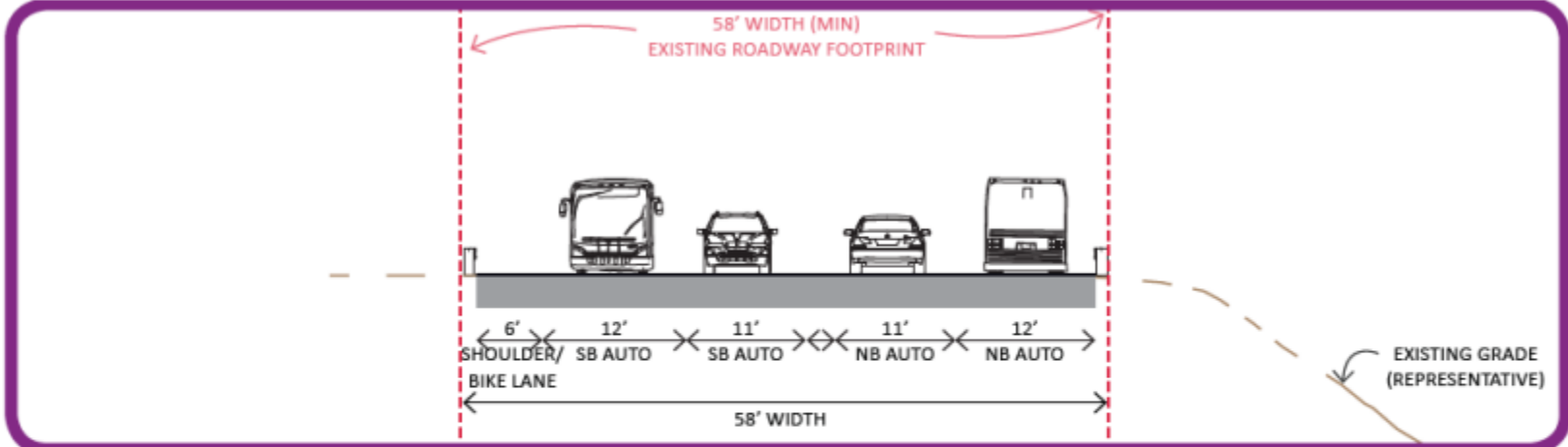
**2B**

To Hall with LPA Design

N/A

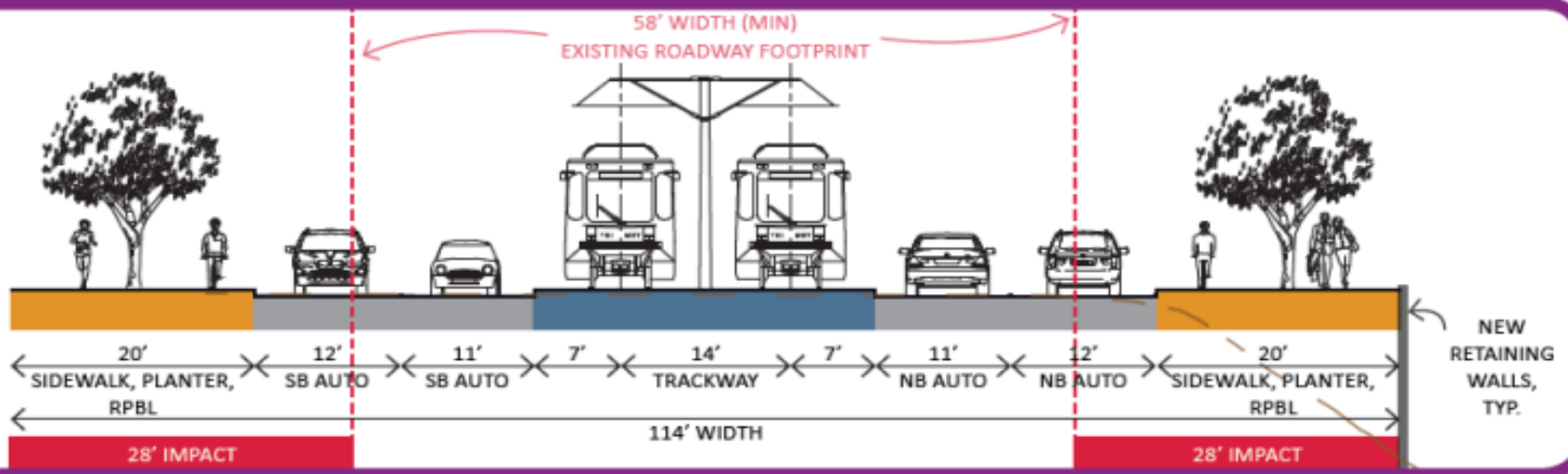


~(\$400M)

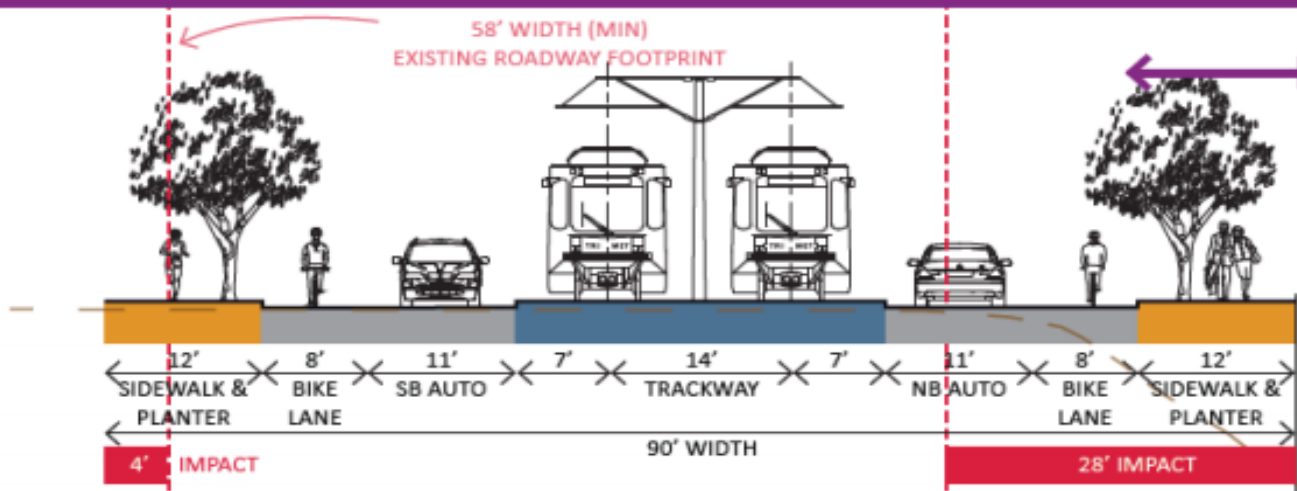


# Barbur Boulevard (near viaducts)





AVOID IMPACTS TO  
RETAINING WALLS AT  
WEST SIDE





# Steering Committee meeting

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1. Length of project (and Minimum Operable Segment or MOS) to be designed by TriMet for the Final Environmental Impact Statement (FEIS)
2. Length of project that will be recommended to Metro Council for 2020 regional transportation vote (T2020)



# FEIS

Final Environment Impact Statement  
*Late 2019*

 **Trolley Trail**

**TRAIL RULES:**

-  Yield to pedestrians.
-  Keep animals under control. Keep pets on a leash and waste must be removed.
-  Keep the trail clean.
-  Stop at intersections and obey all traffic laws.
-  Keep right and pass on the left.
-  Motorized vehicles are prohibited.
-  Please be respectful of neighbors.



**In an emergency dial 911**  
Milwaukee Police Dept.  
Non-Emergency Dispatch  
503-746-7500  
Trail Contact  
503-794-9830  
NCPDR.com  
NCPDR 06B\_07-2004



# CDR

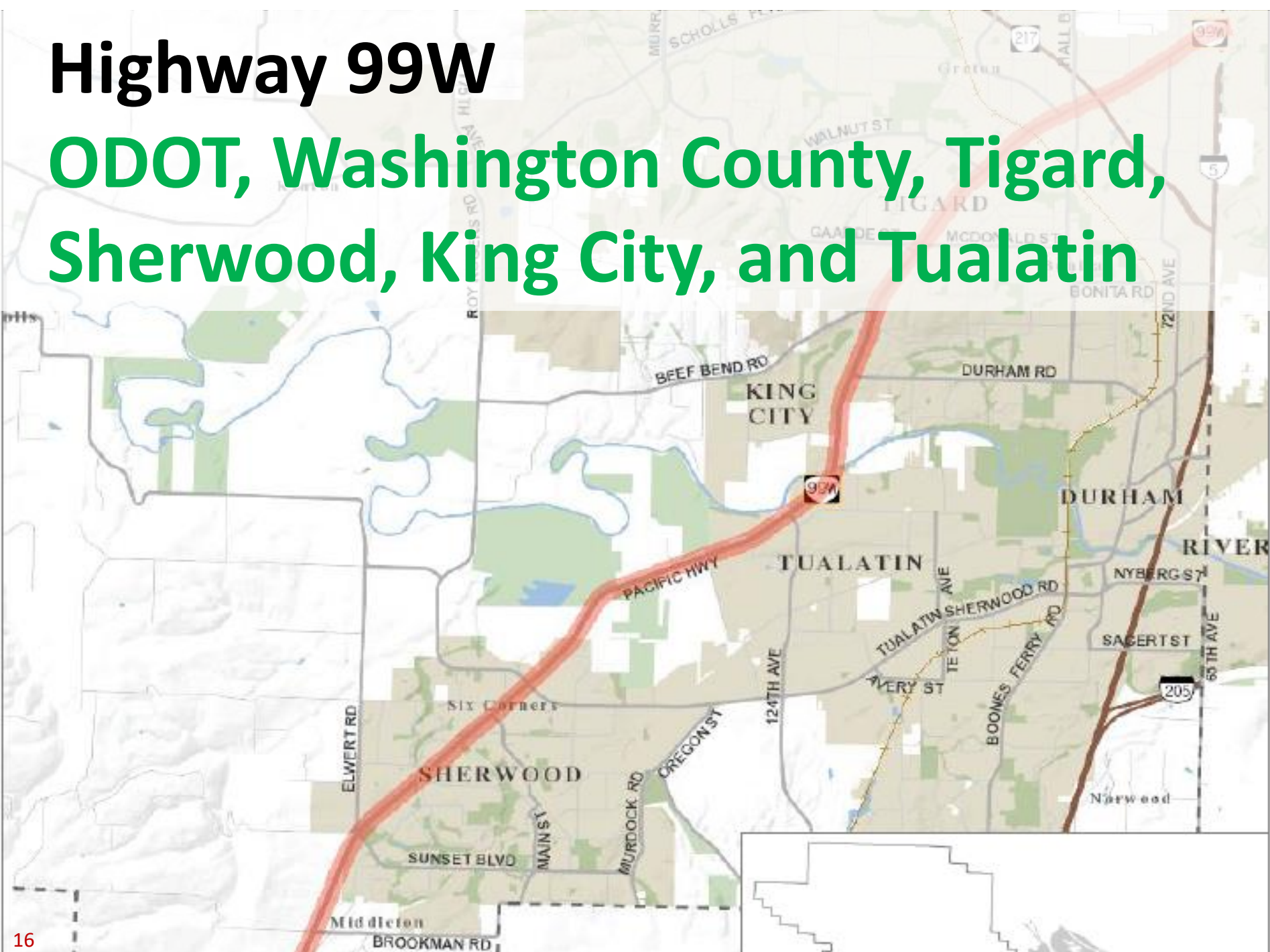
## Conceptual Design Report *Early 2020*

# Questions, Comments, or Direction for Staff

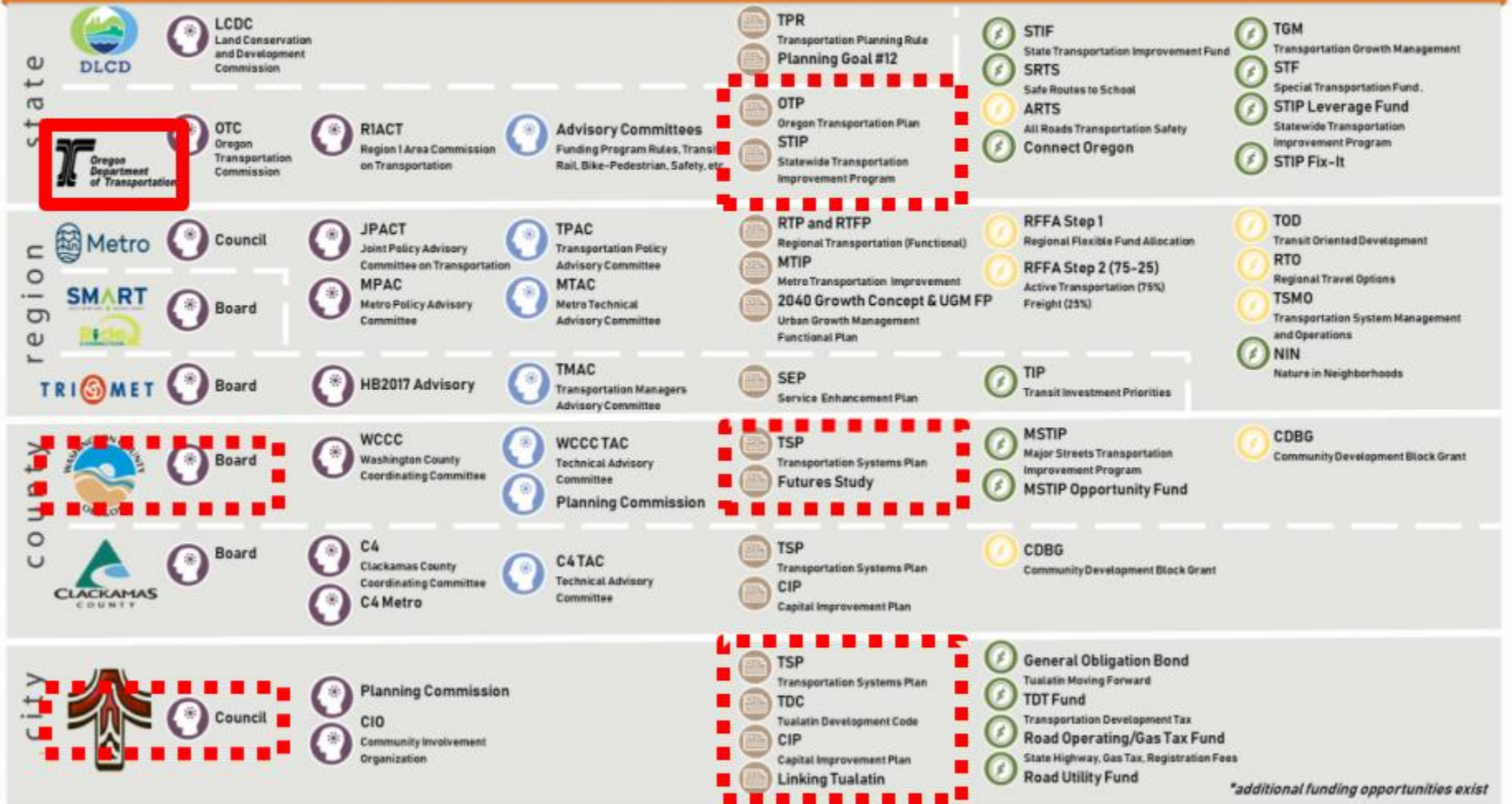
1. Council feedback for upcoming Steering Committee meeting

# Highway 99W

ODOT, Washington County, Tigard,  
Sherwood, King City, and Tualatin



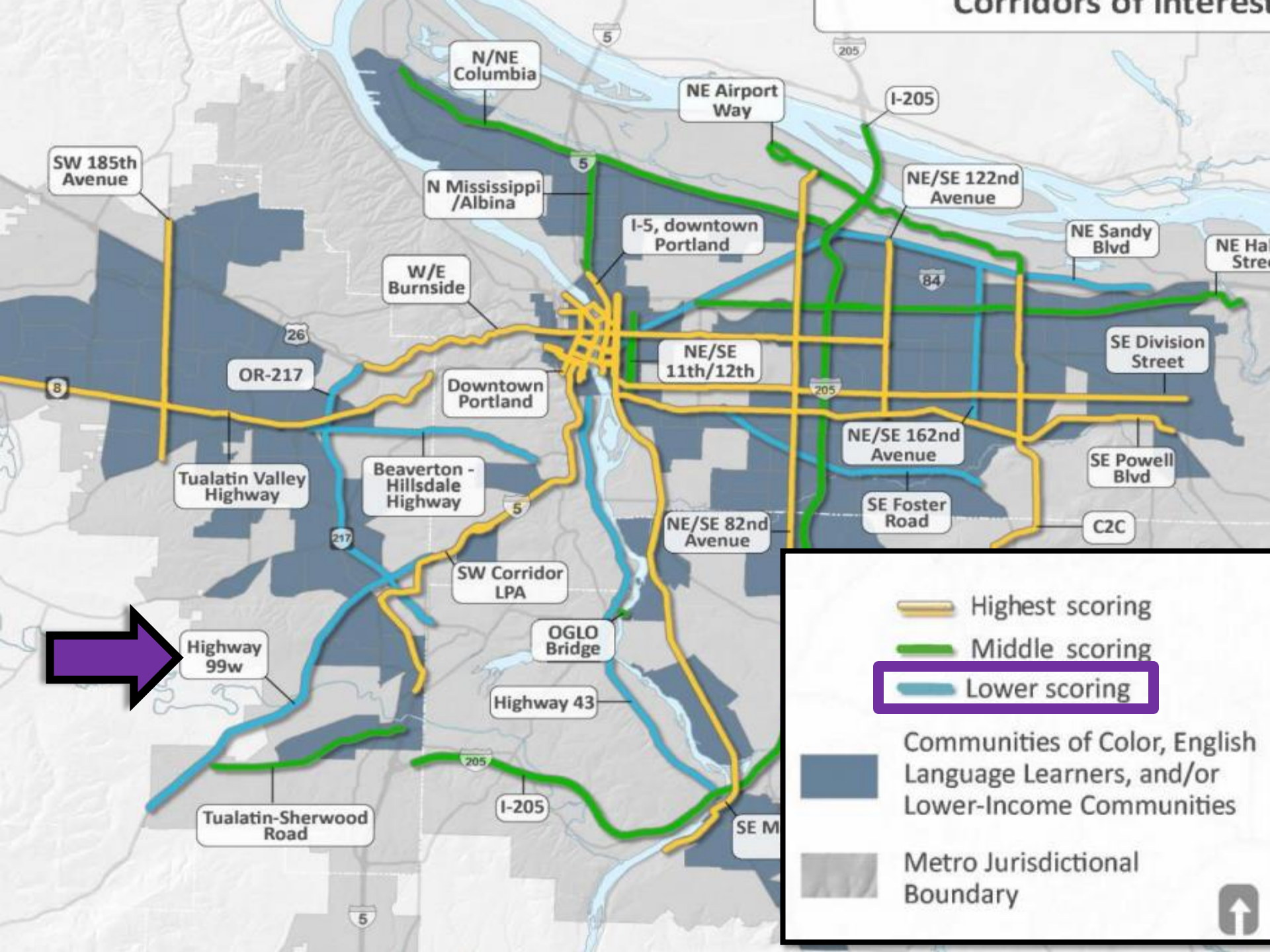
# TRANSPORTATION POLICY & FUNDING FRAMEWORK



*\*additional funding opportunities exist*

elected, appointed, or volunteer
 staff
 policy or plans
 funding
 federal funding
 Garet Prior and Erin Engman  
City of Tualatin (2019)

# Corridors of Interest



- Highest scoring
- Middle scoring
- Lower scoring

- Communities of Color, English Language Learners, and/or Lower-Income Communities
- Metro Jurisdictional Boundary



# Highway 99W Corridor Study

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- ODOT supporting effort with \$50,000 to better understand a corridor study scope and scale, in coordination with city staff
- Washington County aiding by providing information to fulfill Metro's T2020 process for project funding



# Questions, Comments, or Direction for Staff

1. Council feedback for staff
2. Advocate for funding from Metro's T2020 measure

# Transportation 2020 Measure

## Metro



Metro



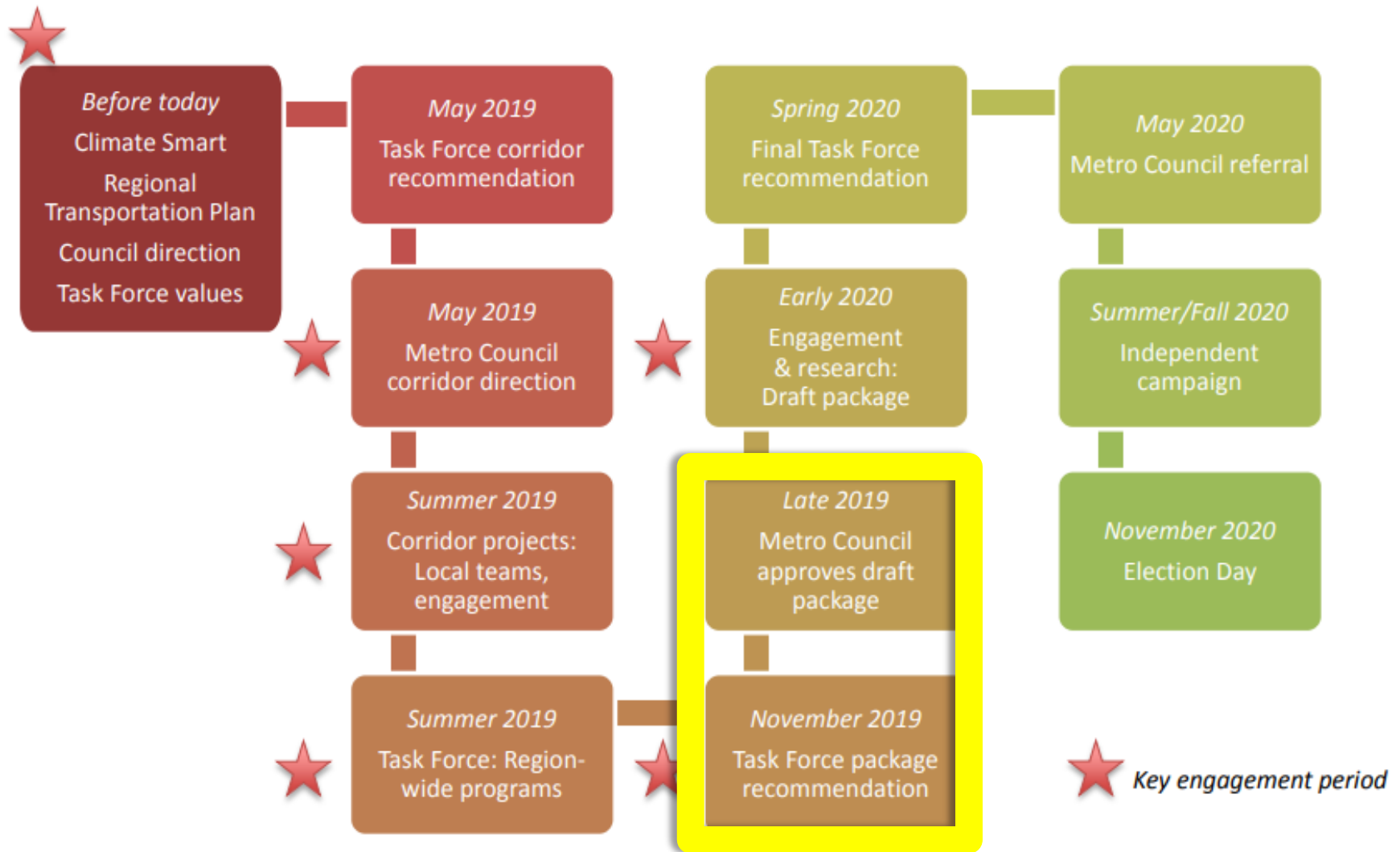
# TRANSPORTATION POLICY & FUNDING FRAMEWORK

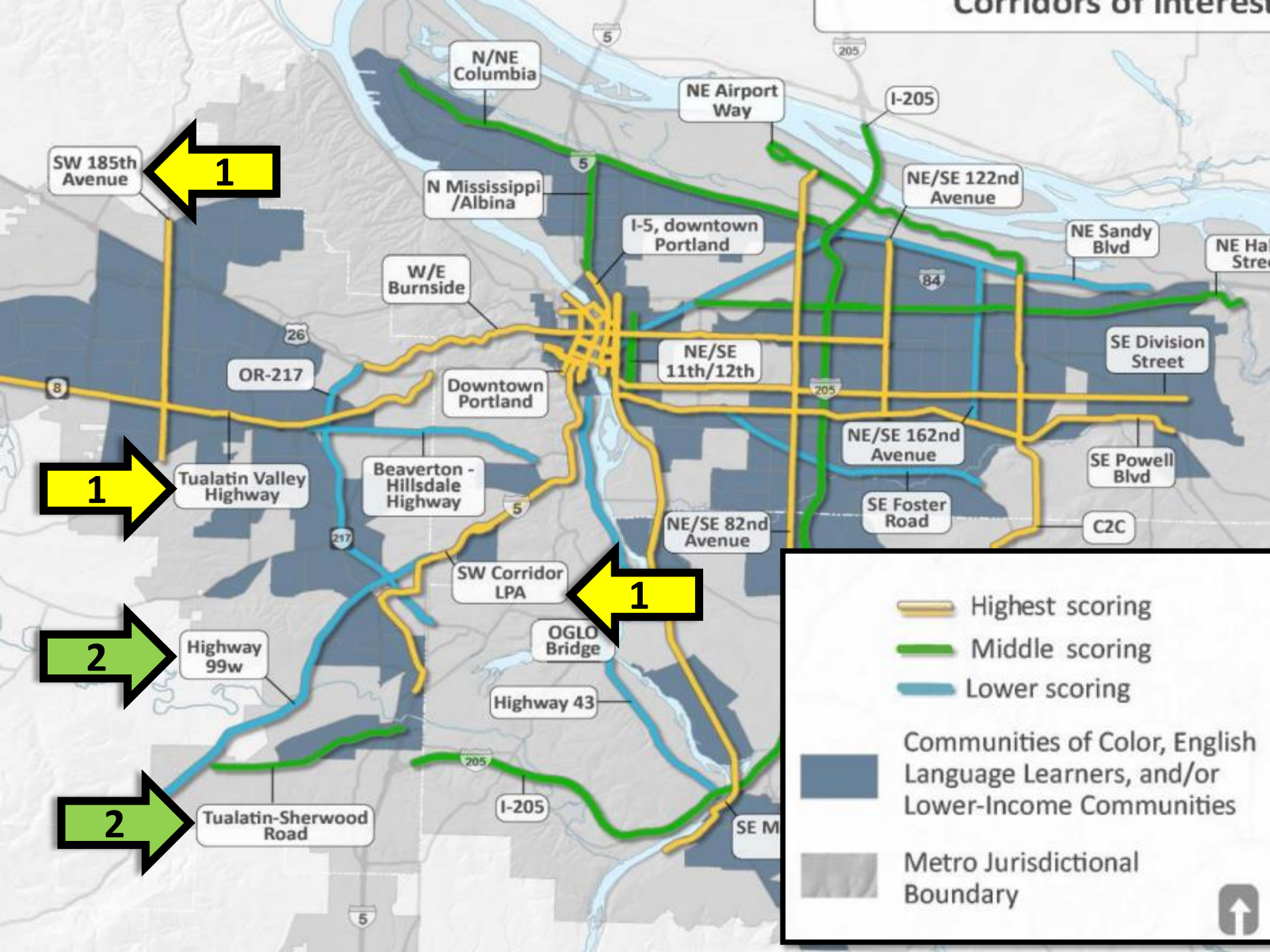


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Garet Prior and Erin Engman  
City of Tualatin (2019)





- Highest scoring
- Middle scoring
- Lower scoring

Communities of Color, English Language Learners, and/or Lower-Income Communities

Metro Jurisdictional Boundary



# T2020 Task Force public meetings

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- September 18th, Mayor Bubenik and Councilor Pratt spoke about the needs for Tualatin-Sherwood Road, Southwest Corridor Plan, and Highway 99W
- Public meetings: October 16 and 30, November 20, and December 18

# Questions, Comments, or Direction for Staff

1. Council feedback for staff
2. Advocate for funding from Metro's T2020 measure

# Other Questions or Comments

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- Projects in the active or less active list you want to hear about in the future?



# Contact Us!

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*City of Tualatin*

## CITY OF TUALATIN Staff Report

**TO:** Honorable Mayor and Members of the City Council  
**THROUGH:** Sherilyn Lombos, City Manager  
**FROM:** Don Hudson, Assistant City Manager/Finance Director  
**DATE:** October 14, 2019

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**SUBJECT:**  
PERS Employer Incentive Fund

**EXECUTIVE SUMMARY:**

In the 2018 Legislative Session, the Legislature created the PERS Employer Incentive Fund (EIF), which created a 25% match for funds contributed by member agencies to set up a side account. In the 2019 Legislative Session, \$100 million dollars were set aside to fund the matching program. The PERS Board created rules allowing for entities that had an unfunded liability that exceeded 200% of payroll to apply for matching funds in the first 90-day application period. The City of Tualatin's percentage, as of the 2017 Actuarial Valuation, was 204%. The application period opened on September 3<sup>rd</sup> and we have submitted an application for the 25% match and it was approved. Staff will present the proposed amount of contribution, the match amount, and the estimated PERS contribution savings for Council review.

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October 14, 2019

# *Tualatin Youth Advisory Council*

*Youth Participating in Governance*

# West Coast Giant Pumpkin Regatta

- Saturday, October 19
- Crafts, pumpkin carving, pumpkin bowling, face painting
- Proceeds help fund NLC trip in March!



# Other Activities

- New Member Recruitment
- Planning out our focus for the year





Saturday, October 19, 2019

Lake of the Commons

10am-4pm



**Giant Pumpkin Races • 5k Regatta Run  
Family Entertainment • Pie Eating Contests  
Costume Contests • Pumpkin Decorating •  
Food • And Lots More!**



PHOTOGRAPHY





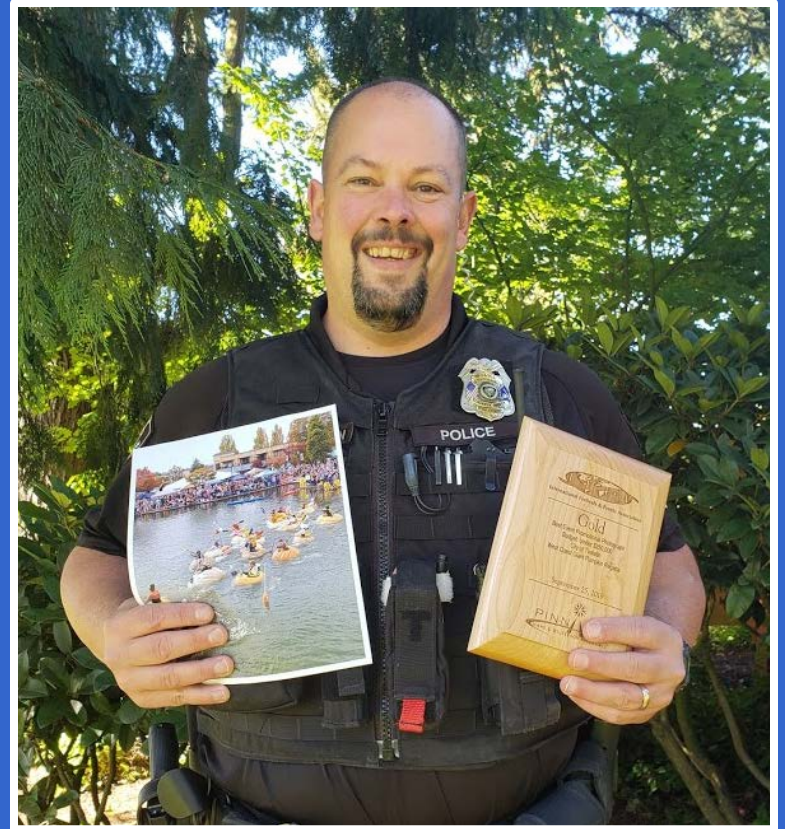


# PUMPKINS & PRINTS

A small illustration of a pumpkin carving stencil and a green leaf with a brown stem, positioned above the word 'PUMPKINS'.

Friday, October 18  
Stickmen Brewing Company  
5-11pm  
\$20 in advance/\$25 at the door

Terminator Giant Pumpkin Weigh-Off  
Photo Booth  
Pumpkin Carving Demonstration  
Food and Drinks



# THE CITY OF TUALATIN'S 16<sup>TH</sup> ANNUAL WEST COAST GIANT PUMPKIN REGATTA



SATURDAY, OCTOBER 19, 2019 10AM-4PM

THE LAKE OF THE COMMONS · 8325 SW NYBERG STREET, TUALATIN, OREGON  
GIANT PUMPKIN RACES · FOOD · FAMILY FUN · 5K REGATTA RUN  
FREE ADMISSION · [WWW.TUALATINOREGON.GOV](http://WWW.TUALATINOREGON.GOV) · RAIN OR SHINE



save the date



# MULTI-CITY EQUITY SUMMIT

PLANTING THE SEEDS FOR POSITIVE CHANGE.

## WHEN:

Saturday  
October 19, 2019  
8:00 a.m. to 4:00 p.m.

## WHERE:

Lake Oswego High School  
2501 Country Club Road Lake  
Oswego, OR 97034

Join us for the inaugural Multi-City Equity Summit as we learn together and identify ways to support diversity, equity, and inclusion in our communities.

For more information, contact David Salerno Owens at [salernod@loswego.k12.or.us](mailto:salernod@loswego.k12.or.us) or visit the website at: <http://multicityequity.org/>

## SPONSORS:



# Proclamation

*Declaring October 23-31, 2019  
Red Ribbon Week  
in the City of Tualatin*

WHEREAS, Alcohol and other drug abuse in this nation has reached epidemic stages; and

WHEREAS, It is imperative that visible, unified prevention education efforts by community members be launched to eliminate the demand for drugs; and

WHEREAS, National Family Partnership (NFP) is sponsoring the National Red Ribbon Campaign offering residents the opportunity to demonstrate their commitment to drug-free lifestyles; and

WHEREAS, The National Red Ribbon Campaign will be celebrated during "Red Ribbon Week" October 23-31; and

WHEREAS, Business, government, parents, law enforcement, media, medical, religious institutions, schools, seniors, service organizations and youth will demonstrate their commitment to healthy, drug-free lifestyles by wearing and displaying Red Ribbons during this week long campaign.

NOW THEREFORE BE IT RESOLVED, that the City of Tualatin does hereby proclaim October 23-31, 2019 as Red Ribbon Week and encourages everyone to participate in drug prevention education activities, making a visible statement that we are strongly committed to a drug-free community.

INTRODUCED AND ADOPTED this 14<sup>th</sup> day of October, 2019.

CITY OF TUALATIN, OREGON

BY \_\_\_\_\_  
Mayor

ATTEST:

BY \_\_\_\_\_  
City Recorder



*City of Tualatin*

**CITY OF TUALATIN**  
**Staff Report**

**TO:** Honorable Mayor and Members of the City Council  
**THROUGH:** Sherilyn Lombos, City Manager  
**FROM:** Nicole Morris, Deputy City Recorder  
**DATE:** October 14, 2019

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**SUBJECT:**

Consideration of Approval of the Work Session of September 9, 2019 and Work Session and Regular Minutes of September 23, 2019

**RECOMMENDATION:**

Staff respectfully recommends the Council adopt the attached minutes.

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**ATTACHMENTS:**

- City Council Work Session Minutes of September 9, 2019
- City Council Work Session Minutes of September 23, 2019
- City Council Regular Meeting Minutes of September 23, 2019



## OFFICIAL MINUTES OF THE TUALATIN CITY COUNCIL WORK SESSION FOR SEPTEMBER 9, 2019

Present: Council President Nancy Grimes, Councilor Bridget Brooks, Councilor Robert Kellogg, Councilor Paul Morrison, Councilor Maria Reyes, Councilor Valerie Pratt

Absent: Mayor Frank Bubenik

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Council President Nancy Grimes called the meeting to order at 5:00 p.m.

### **1. Police Traffic Stop Data**

Police Chief Bill Steele presented information on the Statistical Transparency of Policing (STOP) data collection project. He stated as of July 1, 2019 all Tier 2 agencies were required to gather information on all traffic and pedestrian stops. The Tualatin Police Department started collecting this information back in November 2018. Chief Steele spoke to the definition of profiling and what is considered a stop when related to this project. Data collected includes race, age, sex, nature of the stop, statutory reason for the stop, disposition, physical custody arrest, and search information. He stated all data that is collected is forwarded to the Oregon Criminal Justice Commission to be analyzed. Once analyzed it is then forwarded to the Governor and DPSST. Chief Steel presented Tualatin's data from February 1 to August 31, 2019.

Councilor Kellogg asked how the data is collected. Chief Steele stated all calls for service are captured through their software and then the data is gathered after the traffic stop.

Councilor Morrison stated the data continues to verify the professionalism of our department.

Councilor Reyes asked about probable cause for traffic stops. Chief Steele spoke to how probable cause is handled during traffic violations.

Councilor Brooks thanked the department for collecting data earlier than required. She reminded everyone of the upcoming Tualatin Police Foundation Shop with a Cop event. Chief Steele stated the event will take place the first part of October and is geared toward school supply needs for youth at Hazelbrook Elementary.

### **2. Jurgens Park Off Leash Dog Area**

Parks and Recreation Director Ross Hoover and Parks and Planning Development Manager Rich Mueller presented an overview on the Jurgens off-leash dog area. Director Hoover stated the park addresses community facility needs and master plan desires. He stated it provides an off-leash area for current users. He noted it is not a comprehensible site plan or has the park been evaluated on a regional scale. The timeline is set to begin site preparation in the winter/spring 2020 and open in the spring/summer 2020. Manager Mueller spoke to communications and engagement that were conducted. He stated there were several meetings held on the topic and feedback included keeping it simple, layout maps, preferred locations for



trash cans, benches, rule signs, and a grass surface for the area. Director Hoover stated this is a temporary interim solution for the area and formal master planning will happen in the future.

Councilor Brooks thanked staff for their great outreach efforts on this project.

Councilor Morrison asked what the ratio for citizen comment both in favor and against the park was. Manager Mueller stated feedback was all positive and supportive of the effort.

Councilor Morrison asked if there is space for a regional park in the area. Director Hoover stated the question came up during feedback and he is not sure at this time if that is something that is feasible for the area.

Councilor Pratt asked how long the temporary space will be in use. Director Hoover stated it is a interim solution and the length has not been determined at this time.

Council took a break from 5:35 to 5:44 p.m.

### **3. Parks and Recreation Project Prioritization and Funding**

Parks and Recreation Director Ross Hoover, Parks and Planning Development Manager Rich Mueller, and Tualatin Parks Advisory Committee (TPARK) Chair Beth Dittman presented on the project prioritization process for the Parks and Recreation Master Plan. Manager Mueller explained the evaluation process of the projects and the sequencing criteria and scoring guidance. Chair Dittman shared Tier I, II, and III projects as prioritized by TPARK. She noted each tier was broken down by current or in progress, planning and development, capital, and aspirational projects. Manager Mueller stated Tier I projects are near term, Tier II medium term, and Tier III long term. Director Hoover stated next steps include identifying funding sources for implementation. He spoke to potential funding opportunities including an operating levy, park utility fee, and a general obligation bond. Director Hoover shared current vs needed funding for Tier I projects and projected SDC revenues. Chair Dittman requested Council initiate a citizen survey on funding sources and opportunities.

Councilor Morrison questioned the numbers that were presented and the costs of completing Tier I projects. He requested further evaluation of the numbers in order to move forward.

Councilor Pratt asked about the sources of revenues to purchase park lands in the Basalt Creek area. Director Hoover stated SDC and a bond would be the primary sources of revenues for the purchase of new land.

Councilor Reyes asked for clarification on what an operating levy is. Director Hoover stated a levy is intended to be used for operating expenses. City Manager Lombos added that it is a vote of the public and renewal is voted on every 3-5 years.

Councilor Reyes asked how a park utility fee is implemented. Director Hoover stated it is generally a fee that is charged on a utility bill and is directly earmarked for maintenance of parks.

Councilor Brooks stated she too has interest in purchasing park land in Basalt Creek. She stated she does have concerns with increased property values as time goes by and would like to purchase early to see those cost savings. Councilor Brooks stated when evaluating the funding sources she would be interested in pursuing levies and bonds at this time. She added that she has interested in pursuing philanthropic and state grants. Director Hoover stated grants are a big part of development of the next phase of funding for parks.

Councilor Kellogg asked about project scoring for each individual project. Manager Mueller stated he doesn't have exact scoring but noted Tier I projects where the highest ranking projects. Councilor Kellogg asked what the highest scoring project was. Manager Mueller stated Community Park and Jurgens Park scored the highest. Chair Dittman stated Lafky and Basalt Creek are priorities for TPARK.

Councilor Kellogg asked if the \$37 million dollar funding need has been refined. Manager Mueller stated the funding numbers came from the project list in the master plan and were consultant driven based on costs throughout the metro area. Councilor Kellogg stated accuracy of cost projections is going to be important moving forward.

Councilor Reyes wants to be make sure the city is really looking at needs vs. wants. Chair Dittman stated needs were evaluated and that is where the Tiers come into play. Tier I is the tier that is directly related to meeting needs.

Councilor Brooks wants to make sure the city is doing improvements that add value to the current system as well. Director Hoover stated value is captured in the scoring sheets through operational sustainability and return on revenue.

Council President Grimes stated the scoring sheet addresses equity and equality. She stated she feels currently there is inequity amongst the parks throughout the city. She would like to see a way that equity is as much as a priority as purchasing land and new park development.

City Manager Lombos asked what Council would like to see staff bring back for consideration.

Councilor Brooks would like to see more information on a utility fee for maintenance of parks and information on levies and bonds for the Basalt Creek area.

Councilor Reyes would like to see information on a utility fee and revenue projections on levies and bonds.

Council President Grimes would like to evaluate these items and understand the impact on residents from each option. Councilor Pratt agreed.

Councilor Morrison stated he doesn't believe the city can do an operating levy and a bond at the same time. He stated an operating levy will raise more money and is more impactful on business then a utility bill tax. He would like to know what additional resources are needed to move the parks forward.

#### **4. Council Meeting Agenda Review, Communications & Roundtable**

Councilor Morrison stated he attended the following meetings and events: attended coffee with Senator Wagner and State Representative Prusak, the Just Compassion Meeting, Clackamas County Coordinating Committee on housing, Tualatin-Sherwood Road Open House for the widening of the road, and attended Congresswoman's Bonamici event.

Councilor Pratt reminded citizens about the Tualatin Historical Society Annual Auction this Friday. She announced Viva Tualatin will be held this Saturday from 1-9pm at Community Park, she noted they are still looking for volunteers. Councilor Pratt stated she attended the Metro Transportation Funding Committee. She announced the 2020 Transportation Committee will be holding a meeting at Beaverton City Hall, September 18, 5:30-7:30 p.m., where citizens can go and advocate for transportation funding for Tualatin.

Councilor Brooks stated she attended Congresswoman's Bonamici event. She reminded citizens registration for the Equity Summit is open.

Councilor Reyes stated she attended the following meetings and events: Congresswoman's Bonamici Event, the Council Committee on Advisory Appointments meeting, and the Diversity Task Force meeting.

Council President Grimes adjourned the meeting at 6:55 p.m.

Sherilyn Lombos, City Manager

\_\_\_\_\_ / Nicole Morris, Recording Secretary

\_\_\_\_\_ / Frank Bubenik, Mayor



## OFFICIAL MINUTES OF THE TUALATIN CITY COUNCIL WORK SESSION FOR SEPTEMBER 23, 2019

Present: Mayor Frank Bubenik, Council President Nancy Grimes, Councilor Robert Kellogg, Councilor Paul Morrison, Councilor Valerie Pratt

Absent: Councilor Bridget Brooks, Councilor Maria Reyes

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Mayor Bubenik called the meeting to order at 5:30 p.m.

### **1. Allocation of Funds to Outside Agencies.**

The Council reviewed the applications and discussed funding. The Council determined award amounts that will come forward in a resolution at the next Council meeting.

### **2. Tualatin 2040 Update.**

Planning Manager Steve Koper, Senior Planner Karen Perl Fox, Economic Development Manager Jonathan Taylor, and Community Advisory Committee (CAC) liaisons for the Tualatin 2040 Project Daniel Bachhuber and Bryce Payne presented an update on the Tualatin 2040 project. Planner Fox presented a summary from the Under One Roof Open House. She stated the purpose of the meeting was to update and engage the community on the Tualatin 2040 project and address the severely rent burdened in Tualatin. She presented a brief recap on the presentations, moderated questions, and the question and answer period.

Planner Fox spoke to work done to date. She stated the Housing Needs Analysis (HNA) and Economic Opportunities Analysis (EOA) have been completed and ran by both the CAC and the Technical Advisory Committee (TAC) for input. She stated the HNA evaluates whether the city has 20 years of housing growth and the EOA evaluates whether the city has 20 years of land for commercial and industrial growth. Both analysis estimated buildable land and land capacity, housing and employment growth, and indicated a surplus or deficit of land to meet the needs. This information provides a basis for decision making on a policy prioritization plan.

Planner Fox spoke to key takeaways from the HNA. She noted there is total buildable lands of 322 acres available which includes over 50% of that designated as low/medium density residential. Planner Fox stated the 2040 forecasts show a total of 1,014 dwelling units being made available. She stated the recommended housing mix is 40% single family detached, 15% single family attached, and 45% multifamily. She stated land availability shows a surplus of 101 acres in low/medium density residential and a deficit of 11 acres in medium high and high/high rise residential. Planner Fox spoke to affordability stating that 22% of homeowners and 56% of renters spend more than 30% of their income on housing costs.

Manager Taylor spoke to takeaways from the EOA. He stated the buildable land inventory identified 385 buildable acres with over 95% being designated as industrial. Manager Taylor stated the 2040 forecast shows a total of 53,332 employees which is an increase of 12,850 employees from today and is allocated to be 45% industrial, 8% retail, 45% office, and 2%

government. He stated land availability shows a deficit of 74 acres of industrial land, a deficit of 175 acres of retail/office land, and no "Tier 1" industrial sites that are shovel ready.

Planner Fox spoke to the housing strategy that is attached to the HNA. She stated staff is currently in step four which is completion of the policy phase. She stated housing policy strategies include: adequate land supply, housing type variety, affordability and affordable housing, funding tools, redevelopment opportunities, and housing-transportation-other connections. Mr. Bachhuber presented the first theme from the CAC which represents communities who are vulnerable in their housing situations and want to make them more secure. Suggestions to satisfy the theme included leveraging Metro's Affordable Housing Bond, prioritize strategies that address housing needs for households at 60% the median income or less, incentives to encourage mixed income housing, facilitate the conversion of vacant retail space to mixed use residential, reduce landlord screening criteria barriers, and land banking or land trust strategies. Mr. Payne presented another housing theme from the CAC that addressed that only 7% of Tualatin's workforce lives in Tualatin. Suggestions to satisfy the theme included increasing housing in commercial areas and evaluate work force housing proximity to medium and light industrial areas, encourage employer assisted housing programs, and a greater diversity of housing options by reducing parking requirements, smaller lot sizes, and reduced number of plan designations in Tualatin.

Manager Taylor spoke to the economic development strategy that is attached to EOA. He stated the timeline is the same as the housing strategy. He stated economic strategies include efficient use of buildable land, redevelopment opportunities, business retention, growth and attraction, and planning and economic development connections. Mr. Payne presented the CAC economic theme that addresses concerns with downtown Tualatin and the commons where it is noted that they feel underutilized, closed, in need of upgrading, and doesn't feel continuous. Suggestions to satisfy the theme include reconstituting urban renewal in the area, updating the town center plan, establishing clear and objective design standards, and evaluating current parking requirements. Mr. Bachhuber presented another economic theme from the CAC that stated certain areas of Tualatin feel disconnected or inaccessible. Suggestions to satisfy the theme included encouraging "10-15 minute neighborhoods", aligning the housing and economic analysis, and strengthen the sense of community. Mr. Payne presented the last CAC theme that suggested the city more actively be involved and ambitious in commercial activities that would make the city more vibrant moving into the future. Suggestions to satisfy the theme included leveraging the Chamber as a strong partner, prohibiting non-dense employment uses and focusing on encouraging and fostering employment dense land uses, incentives for entrepreneurs, and tactical urbanism.

Planner Koper stated in addition to committee feedback the city conducted a series of stakeholder interviews to explore topics beyond housing and economic development. He presented a word cloud that represented stakeholder feedback. He recapped additional feedback collected from various committee meetings that included housing and livability, transportation and parking, civic identity and downtown, employment and industrial development, parks and open spaces, citizen engagement, and promotion of equity and inclusion in the city.

Planner Koper presented the upcoming schedule which includes the final TAC and CAC meetings in September. In October and November public comment will be open on the draft prioritization plan. In December the City Council will review and finalize the final prioritization plan. Planner Koper stated the Policy Prioritization Plan will cover three primary areas that

include updates to Tualatin's Economic Development Strategic Plan, updates to Tualatin's Development Code and creating a Housing Strategy, and any additional code changes.

Councilor Pratt asked what specific issues were being discussed in relation to parking. Planner Koper stated there were dual concerns in relation to adequate parking and costs for parking in relation to affordable housing. Mayor Bubenik stated some of the challenges with affordable housing is related to parking standards. He stated most people who live in affordable housing don't have cars so the developers who build these units will ask for parking waivers. Councilor Kellogg stated that presumes there is public transit available in the area.

Councilor Morrison stated there is a proposed low income apartment building in Tualatin that will not be applying for a parking variance because they feel it is too complex. Councilor Morrison asked what the city would have to do to create a mechanism that allows a parking variance in a timely manner. Planner Koper stated there is a mechanism in the development code that justifies an alternate parking mechanism that puts the burden on the applicant. He stated there would have to be a council policy to make the necessary changes to accomplish a different process.

Councilor Pratt asked about the need for office space and if there were considerations for people working from home. Planner Fox stated there were discussions at some of the committee meetings and she stated it is something that can be evaluated further.

Councilor Grimes stated she is in favor of incentivizing parking for developments on transit lines. She stated that when there is not adequate parking at these developments there is a burden placed on the surrounding areas and the city will need to be careful when issuing parking waivers.

Councilor Grimes asked if the EOA buildable land figure of 385 acres included the Basalt Creek area. Manager Taylor stated the number does include the Basalt Creek area.

Councilor Kellogg asked why Tualatin's Comprehensive Plan is built into the development code. Planner Koper stated it has historically been that way but it is what started the development code improvement process. Councilor Kellogg asked what the benefit is to have them separated. Planner Koper stated removing it would allow for it to be restructured and would provide for better flow of the document.

Councilor Kellogg asked when HB2001 has to be implemented. Community Development Director Aquilla Hurd-Ravich stated cities are waiting for DLCD to provide a model code. She noted the city is expected to adopt the new code by June 30, 2021.

Mayor Bubenik concurred with the themes and strategies presented from the CAC. Mayor Bubenik stated he has met with developers who have interest in development of the commons and the downtown core or who want to be building affordable housing in Tualatin.

Councilor Grimes asked staff to come back with options specific to senior housing.

Councilor Morrison asked if any of this includes the Stafford Development of Borland Road. Manager Koper stated it does not.

**3. Council Meeting Agenda Review, Communications & Roundtable.**

Mayor Bubenik moved this item to the regular meeting due to time constraints.

Mayor Bubenik adjourned the meeting at 6:59 p.m.

Sherilyn Lombos, City Manager

\_\_\_\_\_ / Nicole Morris, Recording Secretary

\_\_\_\_\_ / Frank Bubenik, Mayor



## OFFICIAL MINUTES OF THE TUALATIN CITY COUNCIL MEETING FOR SEPTEMBER 23, 2019

Present: Mayor Frank Bubenik, Council President Nancy Grimes, Councilor Robert Kellogg, Councilor Paul Morrison, Councilor Valerie Pratt

Absent: Councilor Bridget Brooks, Councilor Maria Reyes

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### Call to Order

Mayor Bubenik called the meeting to order at 7:08 p.m.

### Pledge of Allegiance

### Public Comment

None.

### Consent Agenda

Motion made by Council President Grimes, Seconded by Councilor Kellogg to adopt the consent agenda.

Voting Yea: Mayor Bubenik, Council President Grimes, Councilor Kellogg, Councilor Morrison, Councilor Pratt

MOTION PASSED

1. Consideration of Approval of the Regular Meeting of September 9, 2019
2. Consideration of Approval of a New Liquor License Application for Taqueria El Mariachi Loco
3. Consideration of **Resolution No. 5470-19** Purchasing a 2019 Camel Jet-Vac Truck
4. Consideration of **Resolution No. 5471-19** Amending the City of Tualatin Fee Schedule and Rescinding Resolution No. 5445-19

### General Business

1. Consideration of Recommendations from the Council Committee on Advisory Appointments

Motion made by Council President Grimes, Seconded by Councilor Pratt to approve the Council Committee on Advisory Appointments recommendations.

Voting Yea: Mayor Bubenik, Council President Grimes, Councilor Kellogg, Councilor Morrison, Councilor Pratt

MOTION PASSED

2. Event Facility Planning and Feasibility Study

Parks and Recreation Director Ross Hoover and Parks and Planning Development Manager Rich Mueller presented on the status of the feasibility study for an event center. Manager



Mueller stated the Parks and Recreation Master Plan identifies an event facilities space that would enhance tourism and overnight visit. He stated the feasibility study for the event space was budgeted for this year. Manager Mueller stated staff was originally slated to evaluate space at Brown's Ferry Park but due to site restrictions that were discovered it makes this site location not suitable. Director Hoover stated the question staff has now is whether to conduct a city wide search for additional sites or pause and readdress this need in the future.

Councilor Morrison asked about the current building at Browns Ferry Park and the future use for it. Director Hoover stated the barn that was being considered onsite is not currently open to the public due to its aging structure. Councilor Morrison asked if funding will be needed for restoration of the barn in the future. Director Hoover stated as long as it is continued to be used for city storage it can remain as is.

Councilor Morrison asked if additional funding would be needed to expand the scope of the feasibility study to identify other locations. Manager Mueller stated staff would modify the scope of the project to keep it within budget.

Council President Grimes asked about the other facilities at Brown's Ferry Park and their uses. Director Hoover stated the Brown's Ferry Community Center is currently used by small groups and will continue to operate in that capacity until the end of its usable life.

Councilor Kellogg asked if broadening the scope would increase the cost. Director Hoover stated staff would work to narrow down site locations before having a consultant evaluation in order to keep the cost the same.

Mayor Bubenik stated funding for the feasibility study is coming from the Transient Lodging Tax (TLT) fund. He stated he is in favor of leaving these dollars in this fund and waiting until the Basalt Creek area is developed further and sites there can be considered.

Councilor Pratt stated she would like to see the feasibility study continue to move forward and have other sites evaluated as this was a top priority in the master plan.

Councilor Kellogg asked what is next on the list of projects. Director Hoover stated the next item on staff's work plan is to begin site selection and planning for a Veteran's Memorial. Councilor Kellogg asked what the budget is for the project. Manager Mueller stated the project is budgeted at \$40,000. Councilor Kellogg would like to swap the two projects on the work plan and pick the feasibility study up for the event center when that project is complete.

Mayor Bubenik stated he is ok not moving forward at this time with the event facility feasibility study as the money will continue to be available in the TLT fund.

Councilor Morrison asked if the Veteran's Memorial is a separately budgeted item. Director Hoover stated it was budgeted separately. Councilor Morrison stated it he would like to see the event site locations presented to the CIO's and let them bring ideas forward for consideration why staff works on the memorial project.

Council directed staff to proceed with the Veteran's Memorial project and pick the event feasibility study project back up when that is completed.

## **Council Communications**

Councilor Morrison met with Tualatin High School Principle regarding parking concerns surrounding the high school. He stated the parking lot remodel is slated and funded for next summer. Councilor Morrison stated he also attended the Stafford Traffic meeting.

Councilor Morrison requested the Council increase the funding for the Outside Agency Grants to be 1% of the city's budget.

Councilor Morrison stated he attended the C4 meeting where they heard a presentation on the 2020 plan. He stated there is a lot of disagreement on the plan throughout cities in Clackamas County and he would like to see everyone united. He believes there is something for everyone in the plan.

Councilor Pratt stated she participated in the following meetings and events and provided brief recaps of each: Viva Tualatin, the Metro 2020 meeting, and the Policy Advisory Board meeting. She promoted the Tony the Dog Fundraiser for the Tualatin Police Foundation, more information is available on the foundation's website.

Councilor Kellogg attended the Stafford meeting where they discussed funding of transportation projects. He stated they will be installing radar feedback signs and begin planning for a roundabout at the Ellington intersection. Councilor Kellogg stated he attended the SW Corridor meeting where they discussed being \$400 million dollars over budget on the current project scope. He noted \$200 million can be removed if the City of Portland agrees to the narrowed Barber Road. At this time the committee has no direction from the City of Portland. The final decision on the corridor will be made late October or early November.

Mayor Bubenik stated he participated in the following meetings and events and provided brief recaps of each: attended site tours of manufacturing and development sites hosted by the Relators Association, Viva Tualatin, the Metro 2020 meeting, and the Washington County Coordinating Committee where Metro Councilor Lynn Peterson presented updates.

## **Adjournment**

Mayor Bubenik adjourned the meeting at 8:00 p.m.

Sherilyn Lombos, City Manager

\_\_\_\_\_ / Nicole Morris, Recording Secretary

\_\_\_\_\_ / Frank Bubenik, Mayor



City of Tualatin

## CITY OF TUALATIN Staff Report

**TO:** Honorable Mayor and Members of the City Council  
**THROUGH:** Sherilyn Lombos, City Manager  
**FROM:** Nicole Morris, Deputy City Recorder  
**DATE:** 10/14/19

---

**SUBJECT:**

Consideration of Resolution No. 5473-19 Awarding Fiscal Year 2019-20 Outside Agency Grant Funds to Provide Services to the Tualatin Community

**RECOMMENDATION:**

Staff recommends the City Council approve Resolution No 5473-19 awarding the 2019-20 Outside Agency Grants.

**EXECUTIVE SUMMARY:**

On September 23, 2019, the City Council discussed in work session the disbursements of the fiscal year 2019-20 Outside Agency Grant funding. Consensus was reached at the meeting to disperse the funds as follows:

Agency	Award Amount
Columbia Land Trust	\$1,000
Community Action Organization	\$5,000
Community Warehouse	\$3,000
Domestic Violence Resource Center	\$2,000
Family Justice Center of Washington County	\$4,500
Family Promise of Tualatin Valley	\$3,000
Good Neighbor Center	\$4,500
Meals on Wheels People	\$1,000

Neighbors Nourishing Communities	\$2,500
Rebuilding Together Washington County, Inc.	\$2,000
Sexual Assault Resource Center	\$2,000
Tualatin Compassion Clinic	\$2,500
Tigard-Tualatin Family Resource Center	\$4,000
Tualatin School House Food Pantry	\$3,000

**FINANCIAL IMPLICATIONS:**

Grant funds for the Outside Agency Grants were budgeted for Fiscal Year 2019-20 in the amount of \$40,000.

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**ATTACHMENTS:**

-Resolution No. 5473-19

RESOLUTION NO. 5473-19

A RESOLUTION AWARDING FISCAL YEAR 2019/2020 OUTSIDE AGENCY GRANT FUNDS TO PROVIDE SOCIAL SERVICES TO THE CITIZENS OF TUALATIN

WHEREAS, the City Council finds that providing social services is an important governmental function; and

WHEREAS, the City does not provide social services directly; and

WHEREAS, other non-profit entities exist that provide social services that serve the citizens of the City of Tualatin; and

WHEREAS, the City finds it is most efficient for the City to utilize these entities to provide social services to the citizens of Tualatin; and

WHEREAS, the City finds it is in the public interest for the City to grant funds directly to non-profit entities in order to provide needed social services;

WHEREAS, the City Council finds the City will receive a direct public benefit from the expenditure of these funds.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF TUALATIN, OREGON, that:

**Section 1.** The City Council awards the following amounts to the following entities as a grant to provide social services to the citizens of the City of Tualatin:

Agency	Award Amount
Columbia Land Trust	\$1,000
Community Action Organization	\$5,000
Community Warehouse	\$3,000
Domestic Violence Resource Center	\$2,000
Family Justice Center of Washington County	\$4,500

Family Promise of Tualatin Valley	\$3,000
Good Neighbor Center	\$4,500
Meals on Wheels People	\$1,000
Neighbors Nourishing Communities	\$2,500
Rebuilding Together Washington County, Inc.	\$2,000
Sexual Assault Resource Center	\$2,000
Tualatin Compassion Clinic	\$2,500
Tigard-Tualatin Family Resource Center	\$4,000
Tualatin School House Food Pantry	\$3,000

**Section 2.** The City Manager is authorized to execute grant agreements with the entities consistent with Section 1 of this resolution.

**Section 3.** This resolution is effective upon adoption.

INTRODUCED AND ADOPTED this 14th day of October, 2019.

CITY OF TUALATIN, OREGON

BY \_\_\_\_\_  
Mayor

APPROVED AS TO LEGAL FORM

ATTEST:

BY \_\_\_\_\_  
City Attorney

BY \_\_\_\_\_  
City Recorder



*City of Tualatin*

**CITY OF TUALATIN**  
**Staff Report**

**TO:** Honorable Mayor and Members of the City Council  
**THROUGH:** Sherilyn Lombos, City Manager  
**FROM:** Don Hudson, Assistant City Manager/Finance Director  
**DATE:** October 14, 2019

---

**SUBJECT:**

Consideration of **Resolution No. 5475-19** Annual Adoption of the City of Tualatin Investment Policy

**RECOMMENDATION:**

Staff Recommends that the City Council adopt the attached Investment Policy, with changes described below

**EXECUTIVE SUMMARY:**

Oregon Revised Statutes (ORS) 294.135(a) requires local governments investing in securities with maturities longer than 18 months to annually adopt their investment policies. The City Council adopted the current policy in October 2018. The policy is being presented for re-adoption to the City Council with the following recommended changes:

**Diversification Table:** Update diversification table to combine corporate and commercial paper max holdings to 35%, allowable by state statute.

**Current Table**

Issue Type	Maximum % Holdings	Maximum % per Issuer	Ratings S&P	Ratings Moody's
US Treasury Obligations	100%	None	N/A	N/A
US Agency Primary Securities FHLB, FNMA, FHLMC, FFCB	100%	40%	N/A	N/A
US Agency Secondary Securities FICO, FARMER MAC etc.	10%	5%	Security must be rated	Security must be rated
Municipal Bonds (OR, CA, ID, WA)	10%	10%	AA-	Aa3
Corporate Bonds	20%	5%*	AA-	Aa3
Commercial Paper	10%		A1+	P1
Bank Time Deposits/Savings Accounts	25%	15%	Oregon Public Depository	Oregon Public Depository
Certificates of Deposit	10%	5%	Oregon Public Depository	Oregon Public Depository
Banker's Acceptance	25%	5%	A1+ AA-Underlying	P1 Aa3 Underlying
Oregon Short Term Fund	Maximum allowed per ORS 294.810	None	N/A	N/A

\*Issuer constraints apply to the combined issues in corporate and commercial paper holdings.

**Updated Table**

Issue Type	Maximum % Holdings	Maximum % per Issuer	Ratings S&P	Ratings Moody's
US Treasury Obligations	100%	None	N/A	N/A
US Agency Primary Securities FHLB, FNMA, FHLMC, FFCB	100%	40%	N/A	N/A
US Agency Secondary Securities FICO, FARMER MAC etc.	10%	5%	Security must be rated	Security must be rated
Municipal Bonds (OR, CA, ID, WA)	10%	10%	AA-	Aa3
Corporate Bonds	35%*	5%**	AA-	Aa3
Commercial Paper			A1+	P1
Bank Time Deposits/Savings Accounts	25%	15%	Oregon Public Depository	Oregon Public Depository
Certificates of Deposit	10%	5%	Oregon Public Depository	Oregon Public Depository
Banker's Acceptance	25%	5%	A1+ AA- Underlying	P1 Aa3 Underlying
Oregon Short Term Fund	Maximum allowed per ORS 294.810	None	N/A	N/A

\*35% maximum combined corporate and commercial paper per ORS.

\*\*Issuer constraints apply to the combined issues in corporate and commercial paper holdings.

**Section 6.3:** Change the language as follows:

**Original Language:**



A periodic (at least annual) review of all authorized investment advisors will be conducted by the Finance director to determine their continued eligibility within the portfolio guidelines. The Investment Advisor must notify the City immediately if any of the following issues arise while serving under a City Contract:

**Updated:**

A periodic (at least annual) review of all authorized investment advisors **under contract** will be conducted by the Finance director to determine their continued eligibility within the portfolio guidelines. The Investment Advisor must notify the City immediately if any of the following issues arise while serving under a City Contract:

These changes are being recommended by Government Portfolio Advisors, the City's investment advisor. No other changes are being proposed.

**OUTCOMES OF DECISION:**

Annual adoption of the City's investment portfolio under State Statute.

**ALTERNATIVES TO RECOMMENDATION:**

Reject changes and re-adopt current investment policy language.

---

**ATTACHMENTS:**

- Resolution No. 5475-19

RESOLUTION NO. 5475-19

A RESOLUTION ADOPTING THE CITY OF TUALATIN INVESTMENT POLICY

WHEREAS, Oregon Revised Statutes (ORS) 294.135(1)(a) requires local governments investing in securities with maturities longer than 18 months to annually adopt their investment policies;

WHEREAS, the Council adopted the City of Tualatin investment policy on October 22, 2018;

WHEREAS, the City invests in securities with maturities longer than 18 months; and

WHEREAS, the Council wishes to comply with ORS 294.135(1)(a) and adopt the City of Tualatin Investment Policy.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF TUALATIN, OREGON, that:

**Section 1.** The Council adopts the City of Tualatin Investment Policy, which attached as Exhibit A and incorporated by reference.

**Section 2.** This resolution is effective upon adoption.

INTRODUCED AND ADOPTED this 14th day of October, 2019.

CITY OF TUALATIN, OREGON

BY \_\_\_\_\_  
Mayor

APPROVED AS TO FORM:

ATTEST:

BY \_\_\_\_\_  
City Attorney

BY \_\_\_\_\_  
City Recorder

# CITY OF TUALATIN



## INVESTMENT POLICY 2019

**Exhibit A**  
**Resolution No. 5475-19**

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**Exhibit A**  
**Resolution No. 5475-19**

## **1. INTRODUCTION**

The purpose of this Investment Policy is to establish the investment objectives, delegation of authority, standards of prudence, eligible investments and transactions, internal controls, reporting requirements, and safekeeping and custodial procedures necessary for the prudent management and investment of the funds of the City of Tualatin.

## **2. GOVERNING AUTHORITY**

The investment program shall be operated in conformance with federal, state, and other legal requirements. Specifically, this investment policy is written in conformance with ORS 294.035; 294.040; 294.052; 294.135; 294.145 and 294.810. All funds within the scope of this policy are subject to regulations established by the state of Oregon. Any revisions or extensions of these sections of the ORS shall be assumed to be part of this Investment Policy immediately upon being enacted.

This Policy has been adopted by Resolution No. 5475-19 by the City Council of Tualatin, Oregon on October 14, 2019.

## **3. SCOPE**

This policy applies to activities of the City with regards to investing the financial assets of all funds except for funds held in trust for the Pension Portfolio and deferred compensation funds for the employees of the City which have separate rules. Other than bond proceeds or other unusual situations, the total of all funds ranges from \$40,000,000 to \$50,000,000. This policy provides direction for the following fund types:

1. General Fund
2. Special Revenue Funds
3. Capital Projects Funds
4. Debt Service Funds
5. Enterprise Funds
6. Internal Service Funds
7. Trust and Agency Funds
8. Other Funds

## **4. OBJECTIVES**

The City's principal investment objectives in order of priority are:

### **4.1 Safety:**

- Preservation of capital and protection of investment principal.
- Diversification to avoid incurring unreasonable risks regarding specific security types or individual financial institutions.

**Exhibit A**  
**Resolution No. 5475-19**

**4.2 Liquidity:**

- Maintenance of sufficient liquidity to meet operating requirements that are reasonably anticipated.

**4.3 Yield – Return:**

- Attainment of a market value rate of return throughout budgetary and economic cycles.

**5. STANDARDS OF CARE**

**5.1 Delegation of Authority**

- a. Governing Body: The ultimate fiduciary responsibility and authority for the investment of City funds resides with the City Council. The City hereby designates the Finance Director as the Investment Officer for the City's funds. The Finance Director shall invest City funds in accordance with ORS Chapter 294, Public Financial Administration, and with this Investment Policy. This Policy shall constitute a "written order" from City Council per ORS 294.035.
- b. Investment Advisor: Subject to required procurement procedures, the City may engage the support services of outside professionals in regard to its financial program, so long as it can be demonstrated or anticipated that these services produce a net financial advantage or necessary financial protection of the City's resources. External investment advisors shall be subject to Oregon Revised Statutes and the provisions of this Investment Policy. The Advisor shall provide non-discretionary advisory services, which require prior approval from the Finance Director on all transactions.

In order to optimize total return through active portfolio management, resources shall be allocated to the cash management program. This commitment of resources shall include financial and staffing considerations.

**5.2 Prudence:**

The standard of prudence to be used, by the Finance Director, in the context of managing the overall portfolio is the prudent person rule which states:

"Investments will be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived."

The City's Finance Director (ORS 294.004 (2)) and staff acting in accordance with this Investment Policy, written procedures, and Oregon Revised Statutes 294.035 and 294.040 and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price change or other loss, provided deviations from expectations are reported and appropriate action is taken to control adverse developments within a timely fashion as defined in this policy.

**Exhibit A**  
**Resolution No. 5475-19**

**5.3 Ethics:**

Officers and employees involved in the investment process shall refrain from personal activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions. Employees and investment officials shall disclose any material interests in financial institutions with which they conduct business. Disclosure shall be made to the governing body. They shall further disclose any personal investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of the City. Officers and employees shall, at all times, comply with the State of Oregon Government Standards and Practices code of ethics set forth in ORS Chapter 244.

**6. AUTHORIZED FINANCIAL INSTITUTIONS**

The City shall maintain a list of all authorized financial institutions and dealers that are approved for investment purposes. Any firm is eligible to make an application to the Finance Director and upon due consideration and approval, will be added to the list. Additions and deletions to the list will be made at the City's discretion. There should be in place, proof as to all the necessary credentials and licenses held by employees of the brokers/dealers who will have contact with the City of Tualatin as specified by but not necessarily limited to the Financial Industry Regulatory Authority (FINRA), Securities and Exchange Commission (SEC), etc.

**6.1 Broker/Dealers:**

The Investment Officer shall determine which broker/dealer firms and registered representatives are authorized for the purposes of investing funds within the scope of this investment policy. A list will be maintained of approved broker/dealer firms and affiliated registered representatives. The following minimum criteria must be met prior to authorizing investment transactions. The Investment Officer may impose more stringent criteria.

- a. Broker/Dealer firms must meet the following minimum criteria:
  - i. Be registered with the Securities and Exchange Commission (SEC);
  - ii. Be registered with the Financial Industry Regulatory Authority (FINRA).
  - iii. Provide most recent audited financials.
  - iv. Provide FINRA Focus Report filings.
  
- b. Approved broker/dealer employees who execute transactions with the City must meet the following minimum criteria:
  - i. Be a registered representative with the Financial Industry Regulatory Authority (FINRA);
  - ii. Be licensed by the state of Oregon;
  - iii. Provide certification (in writing) of having read; understood; and agreed to comply with the most current version of this investment policy.
  
- c. If the City's investment advisor is contracted to provide securities transactions on behalf of the City, the advisor's broker/dealer list must be provided to the Investment Officer for approval. The Investment Officer can assign the responsibility of

**Exhibit A**  
**Resolution No. 5475-19**

broker/dealer due diligence process to the Advisor, and all licensing information on the counterparties will be maintained by the Advisor and available upon request.

The advisor broker/dealer review should include:

- i. FINRA Certification check
- ii. Firm Profile
- iii. Firm History
- iv. Firm Operations
- v. Disclosures of Arbitration Awards, Disciplinary and Regulatory Events
- vi. State Registration Verification
- vii. Financial review of acceptable FINRA capital requirements or letter of credit for clearing settlements.

The advisors must provide the City with any changes to the list prior to transacting on behalf of the City.

**6.2 Financial Bank Institutions:**

All financial banks that provide bank deposits, certificates of deposits or any other deposit of the bank to the City must either be fully covered by the FDIC or the bank must be a participant of the Public Funds Collateralization Program (PFCP) program. ORS Chapter 295 governs the collateralization of Oregon public funds and provides the statutory requirements for the Public Funds Collateralization Program. Bank depositories are required to pledge collateral against any public funds deposits in excess of deposit insurance amounts. This provides additional protection for public funds in the event of a bank loss. ORS Chapter 295 sets the specific value of the collateral, as well as the types of collateral that are acceptable. ORS Chapter 295 creates a shared liability structure for participating bank depositories, better protecting public funds though still not guaranteeing that all funds are 100% protected.

**6.3 Investment Advisors:**

An Investment Advisor may be utilized to manage funds and will be selected through a competitive RFP process. The Advisor must meet the following criteria:

- a. The investment advisor firm must be registered with the Securities and Exchange Commission (SEC) or licensed by the state of Oregon; (Note: Investment advisor firms with assets under management > \$100 million must be registered with the SEC, otherwise the firm must be licensed by the state of Oregon);
- b. All investment advisor firm representatives conducting investment transactions on behalf of City must be registered representatives with FINRA;
- c. All investment advisor firm representatives conducting investment transactions on behalf of City must be licensed by the state of Oregon;
- d. Contract terms will include that the Investment advisor will comply with the City's Investment Policy.



**Exhibit A**  
**Resolution No. 5475-19**

A periodic (at least annual) review of all authorized investment advisors under contract will be conducted by the Finance director to determine their continued eligibility within the portfolio guidelines. The Investment Advisor must notify the City immediately if any of the following issues arise while serving under a City Contract:

- a. Pending investigations by securities regulators.
- b. Significant changes in net capital.
- c. Pending customer arbitration cases.
- d. Regulatory enforcement actions.

**6.4 Competitive Transactions:**

The Finance Director will obtain telephone, faxed or emailed quotes before purchasing or selling an investment. The Finance Director will select the quote which best satisfies the investment objectives of the investment portfolio within the parameters of this policy. The Finance Director and/or the Investment Advisor will maintain a written record of each bidding process including the name and prices offered by each participating financial institution.

In the instance of a security for which there is no readily available competitive bid or offering on the same specific issue, the Investment Officer shall document quotations for comparable or alternative securities.

The City's investment advisor that is providing investment management services must provide documentation of competitive pricing execution on each transaction. The investment advisor will retain documentation and provide upon request.

**7. SAFEKEEPING AND CUSTODY**

**7.1 Safekeeping of Securities and Funds:**

Securities will be held by an independent third-party safekeeping institution selected by the City in the City's segregated account. Upon request, the safekeeping institution shall make available a copy of its Statement on Standards for Attestation Engagements (SSAE) No. 16.

All trades of marketable securities will be executed on a delivery vs payment (DVP) basis to ensure that securities are deposited in the City of Tualatin's safekeeping institution prior to the release of funds. The City will have online access through the safekeeping bank for verification of the account holdings and transactions.

**7.2 Bank Deposits and Certificates of Deposit:**

The City may hold bank deposits or certificates of deposits at banks qualified under ORS 295.

**7.3 Accounting Method:**

The City shall comply with all required legal provisions and Generally Accepted Accounting Principles (GAAP). The accounting principles are those contained in the pronouncements of authoritative bodies including but not necessarily limited to, the Governmental Accounting

## **Exhibit A Resolution No. 5475-19**

Standards Board (GASB); the American Institute of Certified Public Accountants (AICPA); and the Financial Accounting Standards Board (FASB).

### **7.4 Internal Controls:**

The Finance Director shall maintain a system of written internal controls which shall address the following areas of concern:

- Compliance with investment policy constraints and requirements
- Clear delegation of authority
- Segregation of duties and separation of responsibilities for trade execution, accounting, and record keeping
- Written confirmation of transactions and funds transfers
- Timely reconciliation of custodial reports
- Appropriate security for online transactions and access to bank accounts and bank data
- Custodial safekeeping
- Control of collusion
- Review, maintenance and monitoring of security procedures both manual and automated
- Dual authorizations of wire and automated clearing house (ACH) transfers
- Avoidance of physical delivery of securities wherever possible and address control requirements for physical delivery where necessary

An external auditor shall provide an annual independent audit to assure compliance with Oregon state law and City of Tualatin policies and procedures.

## **8. AUTHORIZED AND SUITABLE INVESTMENTS**

### **8.1 Authorized Investments:**

All investments of the City shall be made in accordance with Oregon Revised Statutes: ORS 294.035 (Investment of surplus funds of political subdivisions; approved investments), ORS 294.040 (Restriction on investments under ORS 294.035), ORS 294.135 (Investment maturity dates), ORS 294.145 (Prohibited conduct for Finance Director including not committing to invest funds or sell securities more than 14 business days prior to the anticipated date of settlement), ORS 294.805 to 294.895 (Local Government Investment Pool). Any revisions or extensions of these sections of the ORS must be amended to this policy in order to be allowable.

If additional types of securities are considered for investment, per Oregon state statute they will not be eligible for investment until this Policy has been amended and the amended version adopted by City Council.

**Exhibit A**  
**Resolution No. 5475-19**

**8.2 Suitable Investments:**

This policy recognizes S&P and Moody's as the major Nationally Recognized Statistical Ratings Organizations (NRSRO).

In the case of split ratings, where the major NRSROs issue different ratings, the higher rating shall apply. Minimum credit ratings and percentage limitations apply to the time of purchase.

The City is empowered to invest in the following types of securities:

**US Treasury Obligations:** U.S. Treasury and other government obligations that carry the full faith and credit guarantee of the United States for the timely payment of principal and interest [ORS Section 294.035(3)(a)].

**US Agency Obligations - Primary:** Senior debenture obligations of US federal agencies and instrumentalities or U.S. government sponsored enterprises (GSE) that have actively traded markets and provide a higher level of liquidity. These include: Federal National Mortgage Association (FNMA), the Federal Home Loan Mortgage Corporation (FHLMC), Federal Home Loan Banks (FHLB), and the Federal Farm Credit Bureau (FFCB).

**US Agency Obligations - Secondary:** Other US government sponsored enterprises that are less marketable are considered secondary GSEs. They include, but are not limited to: Private Export Funding Corporation (PEFCO), Tennessee Valley Authority (TVA), Financing Corporation (FICO) and Federal Agricultural Mortgage Corporation, (Farmer Mac).

**Municipal Debt:** Lawfully issued debt obligations of the States of Oregon, California, Idaho and Washington and political subdivisions of those states if the obligations have a long-term rating on the settlement date of AA- or better by S&P or Aa3 or better by Moody's.

**Corporate Indebtedness:** Corporate indebtedness must be rated on the settlement date AA- or better by S&P or Aa3 or better by Moody's.

**Commercial Paper:** Commercial Paper that is rated A1+/P1. Issuer constraints for commercial paper combined with corporate notes will be limited by statute to 5% of market value per issuer.

**Local Government Investment Pool:** State Treasurer's local short-term investment fund up to the statutory limit per ORS Section 294.810.

**Certificates of Deposit:** Certificates of deposit in insured institutions as defined in ORS 706.008, in credit unions as defined in ORS Section 723.006 or in federal credit unions, if the institution or credit union maintains a head office or a branch in this state [ORS Section 294.035(3)(d)].

**Bank Time Deposit/Savings Accounts:** Time deposit open accounts or savings accounts in insured institutions as defined in ORS Section 706.008, in credit unions as defined in ORS Section 723.006 or in federal credit unions, if the institution or credit union maintains a head office or a branch in this state [ORS Section 294.035(3)(d)].

**Exhibit A**  
**Resolution No. 5475-19**

**Bankers' Acceptance:** Banker's acceptances, if the banker's acceptances are: (i) Guaranteed by, and carried on the books of, a qualified financial institution\*; (ii) Eligible for discount by the Federal Reserve System; and (iii) Issued by a qualified financial institution whose short-term letter of credit rating is rated in the highest category by one or more nationally recognized statistical rating organizations.

\*For the purposes of this paragraph, "qualified financial institution" means: (i) A financial institution that is located and licensed to do banking business in the State of Oregon; or (ii) A financial institution that is wholly owned by a financial holding company or a bank holding company that owns a financial institution that is located and licensed to do banking business in the State of Oregon [ORS Section 294.035(3)(h)].

**8.3 Collateralization:**

Time deposit open accounts, Certificates of Deposit and savings accounts shall be collateralized through the collateral pool for any excess over the amount insured by an agency of the United States government in accordance with ORS 295.015 and ORS 295.018.

**9. INVESTMENT PARAMETERS**

**9.1 Diversification:**

The City will diversify the investment portfolio to avoid incurring unreasonable risks, both credit and interest rate risk, inherent in over investing in specific instruments, individual financial institutions or maturities.

**Credit risk:** is the risk that a security or a portfolio will lose some or all of its value due to a real or perceived change in the ability of the issuer to repay its debt.

**Liquidity risk:** is the risk that an investment may not be easily marketable or redeemable.

**Interest rate risk:** longer term investments have the potential to achieve higher returns but are also likely to exhibit higher market value price volatility due to the changes in the general level of interest rates.

**Exhibit A**  
**Resolution No. 5475-19**

**Diversification Constraints on Total Holdings – Liquidity and Core Funds**

<b>Issue Type</b>	<b>Maximum % Holdings</b>	<b>Maximum % per Issuer</b>	<b>Ratings S&amp;P</b>	<b>Ratings Moody's</b>
US Treasury Obligations	100%	None	N/A	N/A
US Agency Primary Securities FHLB, FNMA, FHLMC, FFCB	100%	40%	N/A	N/A
US Agency Secondary Securities FICO, FARMER MAC etc.	10%	5%	Security must be rated	Security must be rated
Municipal Bonds (OR, CA, ID, WA)	10%	10%	AA-	Aa3
Corporate Bonds	35%*	5%**	AA-	Aa3
Commercial Paper			A1+	P1
Bank Time Deposits/Savings Accounts	25%	15%	Oregon Public Depository	Oregon Public Depository
Certificates of Deposit	10%	5%	Oregon Public Depository	Oregon Public Depository
Banker's Acceptance	25%	5%	A1+ AA- Underlying	P1 Aa3 Underlying
Oregon Short Term Fund	Maximum allowed per ORS 294.810	None	N/A	N/A

\*35% maximum combined corporate and commercial paper per ORS.

\*\*Issuer constraints apply to the combined issues in corporate and commercial paper holdings.

**9.2 Investment Maturity:**

The City will not directly invest in securities with a stated maturity of more than five (5) years from the date of purchase.

- The maximum weighted maturity of the total portfolio shall not exceed two (2) years. This maximum is established to limit the portfolio to excessive price change exposure.
- Liquidity funds will be held in the State Pool, Bank Deposits or in money market instruments maturing six months and shorter. The liquidity portfolio shall, at a minimum, represent six month budgeted outflows.
- Core funds will be defined as the funds in excess of liquidity requirements. The investments in this portion of the portfolio will have maturities between 1 day and 5 years and will be only invested based on the diversification parameters listed in 9.1 of this policy.
- Total Portfolio Maturity Constraints:

**Exhibit A**  
**Resolution No. 5475-19**

<b>Maturity Constraints</b>	<b>Minimum % of Total Portfolio</b>
Under 30 days	10%
Under 1 year	25%
Under 5 years	100%

<b>Maturity Constraints</b>	<b>Maximum of Total Portfolio in Years</b>
Weighted Average Maturity	2.00

<b>Security Structure Constraint</b>	<b>Maximum % of Total Portfolio</b>
Callable Agency Securities	25%

**9.3 Prohibited Investments:**

- The City shall not invest in “144A” private placement securities, this includes commercial paper privately placed under section 4(a)(2) of the Securities Act of 1933
- The City shall not lend securities nor directly participate in a securities lending or reverse repurchase program.
- The City shall not purchase mortgage backed securities.
- The City will not purchase, per ORS 294.040, any bonds of issuers listed in ORS 294.035(3)(a) to (c) that have a prior default history.
- No commitments to buy or sell securities may be made more than 14 days prior to the anticipated settlement date, or receive a fee other than interest for future deliveries.

**10. INVESTMENT OF PROCEEDS FROM DEBT ISSUANCE**

Investments of bond proceeds are restricted further and will not include corporate bonds in the dedicated bond proceed portfolio. All other allowable investments including: US Treasury, US Agency and Commercial Paper may be utilized. The investments will be made in a manner to match cash flow expectations based on managed disbursement schedules.

Liquidity for bond proceeds will be managed through the OSTF Pool or Bank deposit balances.

Funds from bond proceeds and amounts held in a bond payment reserve or proceeds fund may be invested pursuant to ORS 294.052. Investments of bond proceeds are typically not invested for resale and maturity matched with expected outflows.

Information will be maintained for arbitrage rebate calculations.

**11. INVESTMENT OF RESERVE OR CAPITAL IMPROVEMENTS**

Pursuant to ORS 294.135(1)(b), reserve or capital Improvement project monies may be invested in securities exceeding three years when the funds in question are being accumulated for an anticipated use that will occur more than 18 months after the funds are invested, then, upon the

**Exhibit A**  
**Resolution No. 5475-19**

approval of the governing body of the county, municipality, school district or other political subdivision, the maturity of the investment or investments made with the funds may occur when the funds are expected to be used.

## **12. POLICY COMPLIANCE AND PERFORMANCE STANDARDS**

### **12.1 Compliance Measurement and Procedures:**

- a. Compliance Report: A compliance report documenting the portfolio versus the investment policy shall be maintained quarterly.
- b. Compliance Measurement: Guideline measurements will use market value of investments.
- c. Compliance Procedures:
  - i. If the portfolio falls outside of compliance with adopted investment policy guidelines or is being managed inconsistently with this policy, the Investment Officer shall bring the portfolio back into compliance in a prudent manner and as soon as prudently feasible.
  - ii. Violations of portfolio guidelines as a result of transactions; actions to bring the portfolio back into compliance and; reasoning for actions taken to bring the portfolio back into compliance shall be documented and reported to the City Council.
  - iii. Due to fluctuations in the aggregate surplus funds balance, maximum percentages for a particular issuer or investment type may be exceeded at a point in time. Securities need not be liquidated to realign the portfolio; however, consideration should be given to this matter when future purchases are made to ensure that appropriate diversification is maintained.
  - iv. As determined on any date that the security is held within the portfolio. If the credit rating of a security is subsequently downgraded below the minimum rating level for a new investment of that security, the Finance Director shall evaluate the downgrade on a case-by-case basis in order to determine if the security should be held or sold. The Finance Director will apply the general objectives of Safety, Liquidity, Yield and Legality to make the decision. *If the City has hired the services of an Investor Advisor, the Finance Director will act on the recommendation of the Advisor.*

### **12.2 Performance Measurement:**

- a. The City yields will be compared to the OST Pool rates.
- b. The portfolio will be invested into a predetermined structure that will be measured against a selected benchmark portfolio. The structure will be based upon a chosen minimum and maximum effective duration and will have the objective to achieve market rates of returns over long investment horizons. The purpose of the benchmark is to appropriately manage the risk in the portfolio given interest rate cycles. The core portfolio is expected to provide similar returns to the benchmark over interest rate cycles, but may underperform or out perform in certain periods. The portfolio will be positioned to first protect principal and then achieve market rates of return. The

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benchmark used will be a 0-3 year or 0-5 year standard market index and comparisons will be calculated monthly and reported quarterly.

- c. When comparing the performance of the City's portfolio, all fees and expenses involved with managing the portfolio shall be included in the computation of the portfolio's rate of return.
- d. The mark to market pricing will be calculated monthly and be provided in a monthly report.

### **13. REPORTING REQUIREMENTS**

The Finance Director will retain and provide quarterly investment reports to the City Council in a similar manner as outlined in ORS 208.090. The reports also will be available upon request. Securities holdings and cash balances held in the investment portfolio will be provided on the reports.

The minimum quarterly reporting requirements for total portfolio are as follows:

- Earnings Yield
- Holdings Report (including mark to market)
- Transactions Report
- Weighted Average Maturity or Duration
- Compliance Report

### **14. INVESTMENT POLICY ADOPTION**

This Investment Policy shall be adopted by City Council annually in accordance with ORS 294.135(a). Any significant changes to the policy must be reviewed by the Oregon Short Term-Fund Board prior to submitting to City Council for adoption.



**Exhibit A**  
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**15. GLOSSARY**

**Accrued Interest:** The interest accumulated on a security since the issue date or since the last coupon payment. The buyer of the security pays the market price plus accrued interest.

**Agency Securities:** See “Federal Agency Securities.”

**Bankers’ Acceptance (BA’s):** A draft or bill of exchange drawn upon and accepted by a bank. Frequently used to finance shipping of international goods. Used as a short-term credit instrument, bankers’ acceptances are traded at a discount from face value as a month market instrument in the secondary market on the basis of the credit quality of the guaranteeing bank.

**Basis Point:** A basis point is a unit of measure used in finance to describe the percentage change in the value or rate of a financial instrument. One basis point is equivalent to 0.01% (1/100<sup>th</sup> of a percent) or 0.0001 in decimal form. In most cases, it refers to changes in interest rates and bond yields.

**Benchmark:** A market index used as a comparative basis for measuring the performance of an investment portfolio. A performance benchmark should represent a close correlation to investment guidelines, risk tolerance and duration of the actual portfolio’s investments.

**Bond:** An interest-bearing security issued by a corporation, government, governmental agency, or other body. It is a form of debt with an interest rate, maturity, and face value, and it is usually secured by specific assets. Most bonds have a maturity of greater than one year and in general, pay interest semiannually.

**Broker/Dealer:** A person or firm transacting securities business with customers. A “broker” acts as an agent between buyers and sellers, and receives a commission for these services. A “dealer” buys and sells financial assets from its own portfolio. A dealer takes risk by owning an inventory of securities, whereas a broker merely matches up buyers and sellers.

**Call:** An option to buy a specific asset at a certain price within a certain period of time.

**Callable:** A bond or preferred stock that may be redeemed by the issuer before maturity for a call price specified at the time of issuance.

**Call Date:** The date before maturity on which a bond may be redeemed at the option of the issuer.

**Certificate of Deposit (CD):** Bank obligation issued by a financial institution generally offering a fixed rate of return (coupon) for a specified period of time (maturity).

**Collateral:** Securities or other property that a borrower pledges as security for the repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

**Commercial Paper:** Short-term, unsecured, negotiable promissory notes issued by a company or financial institution. Issued at a discount and matures at par or face value. Usually a maximum maturity of 270 days, and given a short-term debt rating by one or more NRSROs.

## **Exhibit A**

### **Resolution No. 5475-19**

**Core Fund:** Core funds are defined as operating fund balance which exceeds the City's daily liquidity needs. Core funds are invested out the yield curve to diversify maturity structure in the overall portfolio. Having longer term investments in a portfolio will stabilize the overall portfolio interest earnings over interest rate cycles.

**Corporate Note:** A debt instrument issued by a corporation with a maturity of greater than one year and less than ten years.

**Coupon Rate:** The annual rate of interest that the issuer of a bond promises to pay to the holder of the bond.

**Current Maturity:** The amount of time left until an obligation matures. For example, a one-year bill issued nine months ago has a current maturity of three months.

**Current Yield:** The coupon payments on a security as a percentage of the security's market price. In many instances the price should be gross of accrued interest, particularly on instruments where no coupon is left to be paid until maturity.

**CUSIP:** A CUSIP number identifies securities. CUSIP stands for Committee on Uniform Security Identification Procedures, which was established under the auspices of the American Bankers Association to develop a uniform method of identifying municipal, U.S. government, and corporate securities.

**Delivery Versus Payment (DVP):** Settlement procedure in which securities are delivered versus payment of cash, but only after cash has been received. Most security transactions, including those through the Fed Securities Wire system and DTC, are done DVP as a protection for both the buyer and seller of securities.

**Depository Trust Company (DTC):** A firm through which members can use a computer to arrange for securities to be delivered to other members without physical delivery of certificates. A member of the Federal Reserve System and owned mostly by the New York Stock Exchange, the Depository Trust Company uses computerized debit and credit entries. Most corporate securities, commercial paper, CDs and BAs clear through DTC.

**Discount Notes:** Short term debt obligations issued by Federal Agencies at a discount. Discount notes mature at par and can range in maturity from overnight to one year. Discount Notes typically have very large primary (new issue) and secondary markets.

**Federal Agency Security:** A debt instrument issued by one of the federal agencies. Federal agencies are considered second in credit quality and liquidity only to U.S. Treasuries.

**Federal Agency:** Government sponsored/owned entity created by the U.S. Congress, generally for the purpose of acting as a financial intermediary by borrowing in the marketplace and directing proceeds to specific areas of the economy considered to otherwise have restricted access to credit markets.

**Federal Farm Credit Bank (FFCB):** A Government Sponsored Enterprise (GSE) system that is a network of cooperatively owned lending institutions that provide credit services to farmers, agricultural cooperatives and rural utilities. The FFCBs act as financial intermediaries that borrow money in the capital markets and use the proceeds to make loans and provide other assistance

## **Exhibit A**

### **Resolution No. 5475-19**

to farmers and farm-affiliated businesses. FFCB debt is not an obligation of, nor is it guaranteed by the U.S. government, although it is considered to have minimal credit risk due to its importance to the U.S. Financial system and agricultural industry. Also issues notes under its “designated note” program.

**Federal Home Loan Bank System (FHLB).** A Government Sponsored Enterprise (GSE) system, consisting of wholesale banks (currently twelve district banks) owned by their member banks, which provides correspondent banking services and credit to various financial institutions, financed by the issuance of securities. The principal purpose of the FHLB is to add liquidity to the mortgage markets. Although FHLB does not directly fund mortgages, it provides a stable supply of credit to thrift institutions that make new mortgage loans. FHLB debt is not an obligation of, nor is it guaranteed by the U.S. government, although it is considered to have minimal credit risk due to its importance to the U.S. financial system and housing market. Frequent issuer of discount notes, agency notes and callable agency securities. Also issues notes under its “global note” and “TAP” programs.

**Federal Home Loan Mortgage Corporation (FHLMC or "Freddie Mac").** One of the large Federal Agencies. A government sponsored public corporation (GSE) that provides stability and assistance to the secondary market for home mortgages by purchasing first mortgages and participation interests financed by the sale of debt and guaranteed mortgage backed securities. FHLMC debt is not an obligation of, nor is it guaranteed by the U.S. government, although it is considered to have minimal credit risk due to its importance to the U.S. financial system and housing market. Frequent issuer of discount notes, agency notes, callable agency securities and MBS. Also issues notes under its “reference note” program.

**Federal National Mortgage Association (FNMA or "Fannie Mae").** One of the large Federal Agencies. A government sponsored public corporation (GSE) that provides liquidity to the residential mortgage market by purchasing mortgage loans from lenders, financed by the issuance of debt securities and MBS (pools of mortgages packaged together as a security). FNMA debt is not an obligation of, nor is it guaranteed by the U.S. government, although it is considered to have minimal credit risk due to its importance to the U.S. financial system and housing market. Frequent issuer of discount notes, agency notes, callable agency securities and MBS. Also issues notes under its “benchmark note” program.

**Federal Reserve Bank.** One of the 12 distinct banks of the Federal Reserve System.

**Federal Reserve System (the Fed).** The independent central bank system of the United States that establishes and conducts the nation's monetary policy. This is accomplished in three major ways: (1) raising or lowering bank reserve requirements, (2) raising or lowering the target Fed Funds Rate and Discount Rate, and (3) in open market operations by buying and selling government securities. The Federal Reserve System is made up of twelve Federal Reserve District Banks, their branches, and many national and state banks throughout the nation. It is headed by the seven member Board of Governors known as the “Federal Reserve Board” and headed by its Chairman.

**General Obligation Bonds (GOs):** Bonds secured by the pledge of the municipal issuer's full faith and credit, which usually includes unlimited taxing power.

**Government Bonds:** Securities issued by the federal government; they are obligations of the U.S. Treasury. Also known as “governments.”

## **Exhibit A**

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**Government Sponsored Enterprise (GSE):** Privately owned entity subject to federal regulation and supervision, created by the U.S. Congress to reduce the cost of capital for certain borrowing sectors of the economy such as students, farmers, and homeowners. GSEs carry the implicit backing of the U.S. Government, but they are not direct obligations of the U.S. Government. For this reason, these securities will offer a yield premium over Treasuries. Some consider GSEs to be stealth recipients of corporate welfare. Examples of GSEs include: FHLB, FHLMC, FNMA and FFCB.

**Interest:** Compensation paid or to be paid for the use of money. The rate of interest is generally expressed as an annual percentage.

**Interest Rate:** The interest payable each year on borrowed funds, expressed as a percentage of the principal.

**Investment Advisor:** A company that provides professional advice managing portfolios, investment recommendations and/or research in exchange for a management fee.

**Investment Portfolio:** A collection of securities held by a bank, individual, institution, or government agency for investment purposes.

**Investment Securities:** Securities purchased for an investment portfolio, as opposed to those purchased for resale to customers.

**Liquidity:** The ease at which a security can be bought or sold (converted to cash) in the market. A large number of buyers and sellers and a high volume of trading activity are important components of liquidity.

**Liquidity Component:** A percentage of the total portfolio that is dedicated to providing liquidity needs for the City.

**Mark to Market:** Adjustment of an account or portfolio to reflect actual market price rather than book price, purchase price or some other valuation.

**Municipals:** Securities, usually bonds, issued by a state or its agencies. The interest on “munis” is usually exempt from federal income taxes and state and local income taxes in the state of issuance. Municipal securities may or may not be backed by the issuing agency’s taxation powers.

**NRSRO:** A “Nationally Recognized Statistical Rating Organization.” A designated rating organization that the SEC has deemed a strong national presence in the U.S. NRSROs provide credit ratings on corporate and bank debt issues. Only ratings of a NRSRO may be used for the regulatory purposes of rating such as Moody’s, S&P, Fitch and Duff & Phelps.

**Par Value:** The value of a security expressed as a specific dollar amount marked on the face of the security, or the amount of money due at maturity. Par value should not be confused with market value.

**Prudent Person Standard:** Standard that requires that when investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee will act with care, skill, prudence, and diligence under the circumstances the prevailing, including, but not limited to, the

**Exhibit A**  
**Resolution No. 5475-19**

general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the entity.

**Rate of Return:** Amount of income received from an investment, expressed as a percentage of the amount invested.

**State of Oregon Local Government Investment Pool (OSTF – Oregon Short Term Fund):** The OSTF is organized pursuant to ORS 294.805 through 294.895. Participation in the Pool will not exceed the maximum limit annually set by ORS 294.810.

**Total Return:** Investment performance measured over a period of time that includes coupon interest, interest on interest, and both realized and unrealized gains or losses. Total return includes, therefore, any market value appreciation/depreciation on investments held at period end.

**Treasury Bill (T-Bill):** An obligation of the U.S. government with a maturity of one year or less. T-bills bear no interest but are sold at a discount.

**Treasury Bonds and Notes:** Obligations of the U.S. government that bear interest. Notes have maturities of one to ten years; bonds have longer maturities.

**Yield:** The annual rate of return on an investment, expressed as a percentage of the investment. Income yield is obtained by dividing the current dollar income by the current market price for the security. Net yield, or yield to maturity, is the current income yield minus any premium above par or plus any discount from par in the purchase price, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond.

**Yield to Maturity:** The average annual yield on a security, assuming it is held to maturity; equals to the rate at which all principal and interest payments would be discounted to produce a present value equal to the purchase price of the bond.



City of Tualatin

## CITY OF TUALATIN Staff Report

**TO:** Honorable Mayor and Members of the City Council  
**THROUGH:** Sherilyn Lombos, City Manager  
**FROM:** Nic Westendorf, Management Analyst II  
**DATE:** October 14, 2019

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**SUBJECT:**

Consideration of Resolution Number 5474-19; a resolution authorizing the City Manager to execute an intergovernmental agreement with the City of Lake Oswego to share certain sewer equipment.

**RECOMMENDATION:**

Staff recommends approval of Resolution 5474-19.

**EXECUTIVE SUMMARY:**

The City of Tualatin will make a one-time payment to the City of Lake Oswego to purchase and share access to a 2018 Dyna-Vac Rhino Easement Reel Mower and trailer (collectively referred to as "equipment") which are used to clean sanitary sewer lines that are not accessible by our Vacuum Truck.

The City's previous easement machine was at the end of its useful life and in need of replacement. This partnership with the City of Lake Oswego provides an opportunity for both Cities to acquire a specialty piece of equipment and reduce the costs incurred. Neither City requires full time use of this equipment.

**OUTCOMES OF DECISION:**

The Cities of Lake Oswego and Tualatin will share the equipment, lowering the overall cost for both Cities.

**FINANCIAL IMPLICATIONS:**

The City of Tualatin will pay Lake Oswego \$28,923 for 50% of the cost of the equipment and trailer. There are no reoccurring costs to Tualatin to use the equipment.

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**ATTACHMENTS:**

- Resolution 5474-19

RESOLUTION NO. 5474-19

A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE AN INTERGOVERNMENTAL AGREEMENT WITH THE CITY OF LAKE OSWEGO TO SHARE CERTAIN SEWER EQUIPMENT

WHEREAS, in 2018, the City of Lake Oswego acquired the A 2018 Dyna-Vac Rhino Easement Reel Mover, Model RH- 100, and a 2019 Great Northern Trailer, Model TB16-7K, to be used for the transport of the Easement Reel Mover (collectively, "Equipment");

WHEREAS, Lake Oswego does not require full time utilization of the Equipment and has made the Equipment available to Tualatin for shared use;

WHEREAS, Tualatin has need for the Equipment and wishes to share in the use of the Equipment with Lake Oswego;

WHEREAS, ORS 190 authorizes Tualatin and Lake Oswego to enter into an Intergovernmental Agreement (IGA) to allow Tualatin to share the Equipment with Lake Oswego; and

WHEREAS, this IGA provides a benefit to Tualatin and is in the public interest.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF TUALATIN, OREGON, that:

**Section 1.** The City Manager is authorized to execute an Intergovernmental Agreement with the City of Lake Oswego to share the Equipment, which is attached as Exhibit 1, and incorporated by reference.

**Section 2.** The City Manager is authorized to make administrative modifications to the Intergovernmental Agreement to fully implement its intent.

**Section 3.** This resolution is effective upon adoption.

Adopted by the City Council this \_\_\_\_ day of \_\_\_\_\_, 2019.

CITY OF TUALATIN, OREGON

BY \_\_\_\_\_  
Mayor

APPROVED AS TO FORM

ATTEST:

BY \_\_\_\_\_  
City Attorney

BY \_\_\_\_\_  
City Recorder

**EXHIBIT 1  
RESOLUTION NO. 5474-19**

**Intergovernmental Agreement between the CITY OF LAKE OSWEGO and  
CITY OF TUALATIN  
Regarding Easement Reel Mover and Trailer**

**Parties:** City of Tualatin and City of Lake Oswego

**Tualatin Mailing Address:** 18880 SW Martinazzi Avenue Tualatin, OR 97062

**Lake Oswego Mailing Address:** P.O. Box 369 Lake Oswego, OR 97034

**Contact Name:** Bert Olheiser, Storm Sewer Storm Manager & Phil Lawrence,  
Wastewater Superintendent

**Contact Email:** bolheiser@tualatin.gov; plawrence@lakeoswego.city

**Date of Agreement:** \_\_\_\_\_, 2019

**Date of Completion:** Continuing

**Whereas**, each of the parties is a governmental entity in the State of Oregon and is authorized to enter into this Intergovernmental Agreement pursuant to ORS 190.010, ORS 190.110, or other law.

**WITNESSETH:**

The **Cities of Lake Oswego and Tualatin**, each a municipal corporation, mutually covenant and agree to and with each other as follows:

1. **OVERVIEW AND PURPOSE OF AGREEMENT.** In 2018, the City of Lake Oswego acquired the below Equipment. Lake Oswego does not require full time utilization of the Equipment and its usage of the Equipment is such that the Equipment can be made available to another city for shared use. Tualatin similarly has need for the Equipment but does not require full time utilization of the Equipment, and wishes to share in the use of the Equipment under the terms of this Agreement.
2. **DESCRIPTION OF EQUIPMENT.** A 2018 Dyna-Vac Rhino Easement Reel Mover, Model RH-100, and a 2019 Great Northern Trailer, Model TB16-7K, to be used for the transport of the Easement Reel Mover (collectively, "Equipment"). Specifications of both items are attached, Appendix A. Purchase documentation can be provided to Tualatin by Lake Oswego upon request.
3. **DURATION OF AGREEMENT.** This Agreement is effective on the date this Agreement has been signed by every party hereto and continues for twenty years, unless sooner terminated.



**4. OWNERSHIP/TERMINATION.**

- A. Lake Oswego will own the equipment during the term of this Agreement.
- B. Either party may terminate this Agreement upon 60 days prior written notice to the other party.
- C. Upon termination, all rights, title, and interest in the equipment belongs to the non-terminating party. The terminating party must transfer possession of the equipment to the non-terminating party and cooperative in good faith to execute any and all documents necessary to effectuate title transfer of the equipment to the non-terminating party.
- D. In the event of a mutual termination, the parties will meet in good faith and come to agreement on equipment transfer and payment for depreciated value, if any.

**5. TERMS OF USE OF EQUIPMENT.**

- A. The parties recognize that shared use of the Equipment will necessitate coordination of scheduling.
- B. Lake Oswego will store the equipment and have the primary right of use. Tualatin will notify Lake Oswego of its need for use of the equipment and Lake Oswego will make its best good faith effort to make the equipment available for use.
- C. Tualatin will provide Lake Oswego with a one-week notice of Tualatin's request to use the equipment. If the equipment is available, Lake Oswego must allow Tualatin the use. If the equipment is not available, the equipment will be made available at the earliest possible date, or such other date as mutually agreed. The parties anticipate some emergency requests for use of the equipment may occur, e.g. same day or next day usage, and in such cases, the parties will provide priority to the emergency use over regular use. (Because Lake Oswego has the primary right of use and will generally have possession of the Equipment, Lake Oswego need not give notice to itself of intended use of the Equipment.)
- D. Lake Oswego will be responsible for preventative maintenance and repairs on the Equipment, except per subsection E below. Lake Oswego shall endeavor to maintain the Equipment in good working order, to the same degree as similar Lake Oswego equipment.
- E. The Party using the Equipment must:
  - i. Provide routine daily maintenance on the machine, including hose inspection, engine oil level check, hydraulic oil maintenance, and checking/adding of all other fluids. Any daily routine maintenance questions can be directed to the City of Lake Oswego.

- ii. Clean and store the equipment appropriately.
- iii. Repair the Equipment for repairs that are needed due to use/misuse of the machine above ordinary wear and tear.
- iv. Notify the City of Lake Oswego of the need for any repairs that are due to the ordinary wear and tear of the use of the Equipment.

**6. DAMAGE TO EQUIPMENT/REPAIR.**

A. The Party using the equipment is responsible for all damage caused by such use, absent normal wear and tear. The Party causing damage must have the equipment repaired or replaced, or pay the other Party to make the repairs or replacement, in a prompt and reasonable manner. If a Party damages the equipment, repairs or payments made for repairs must be made before a party may terminate the agreement.

B. If a total loss of the equipment occurs during the storage of the equipment due to fire, theft, or other unforeseen event, the Party with possession must promptly pay the other Party one-half of the depreciated value of the equipment, or one-half of the insurance proceeds received if an insurance claim is made.

**7. END OF USEFUL LIFE/SURPLUS.** At the end of its useful life, Lake Oswego may surplus the equipment, consistent with Lake Oswego rules and State law. Any net proceeds from such surplus will be split evenly between the cities. This provision does not apply if the Agreement was terminated.

**8. PAYMENT.** Tualatin shall pay to Lake Oswego **\$28,923.00** upon execution of this agreement. (This amount is 50% of the total purchase price of the Easement Reel Mover (\$25,369.00) and the trailer (\$3,554.00); no further charges incurred for utilizing the Equipment for the duration of this agreement. There will be no recurring cost to Tualatin to use the Equipment after the initial payment.

**9. INDEMNIFICATION.** Each party shall indemnify, defend, and hold the other party harmless from any claims or cause of action arising or resulting from the Equipment and its operation during the time when the Equipment is under the possession or control of the party.

10. **INSURANCE.** Each party shall be responsible to obtain any insurance coverages it deems appropriate to insure itself against claims or losses occurring when the Equipment is in the party's possession.

**CITY OF TUALATIN**

By \_\_\_\_\_

Name Sherilyn Lombos, City Manager

Date \_\_\_\_\_

18880 SW Martinazzi Avenue  
Tualatin, OR 97062

APPROVED AS TO FORM:

\_\_\_\_\_  
Sean T. Brady  
City Attorney

**CITY OF LAKE OSWEGO**

By \_\_\_\_\_

Name Scott Lazenby, City Manager

Date \_\_\_\_\_

380 A Avenue  
P.O. Box 369  
Lake Oswego, OR 97034

APPROVED AS TO FORM:

\_\_\_\_\_  
Evan P. Boone  
Deputy City Attorney



*City of Tualatin*

## CITY OF TUALATIN Staff Report

**TO:** Honorable Mayor and Members of the City Council

**THROUGH:** Sherilyn Lombos, City Manager

**FROM:** Ross Hoover, Parks and Recreation Director  
Rich Mueller, Parks Planning and Development Manager

**DATE:** October 14, 2019

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**SUBJECT:**

Consideration of **Resolution No. 5472-19** Designating the City of Tualatin, Oregon as a BEE CITY USA® Affiliate

**RECOMMENDATION:**

Staff recommends adoption of Resolution No. 5472-19 designating the City of Tualatin as a BEE CITY USA® Affiliate.

**EXECUTIVE SUMMARY:**

Staff presented information about Bee City USA certification at the July 22, 2019 Council meeting and received direction to prepare a Bee City USA application. Bee City USA certification is a project of the Xerces Society for Invertebrate Conservation. As a science-based, international nonprofit, conservation organization their focus protects the natural world through the conservation of invertebrates and their habitats. The core program focus is on habitat conservation and restoration, species conservation, protecting pollinators, contributing to watershed health, and reducing harm to invertebrates.

**OUTCOMES OF DECISION:**

This initiative demonstrates a commitment to work toward achieving the Tualatin 2030 Vision of an “Environmental Active and Responsive Community that Values and Protects our Natural Resources”. Next steps include submitting the resolution to become a Bee City USA community, and continuing to implement Bee City goals and commitments. The implementation phase includes hosting an educational event or habitat planting, publicity and information, continued expansion of pollinator friendly habitat, work toward a pollinator friendly pest management plan, and review of policy and best practices.

**ALTERNATIVES TO RECOMMENDATION:**

Not move forward with the resolution to become a Bee City USA community.

**FINANCIAL IMPLICATIONS:**

The annual Bee City USA affiliate certification fee is \$300. Future policy decisions, modification of maintenance practices and creation of an integrated pest management plan may have additional costs, which are unknown at this time.

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**ATTACHMENTS:**

Resolution No. 5472-19  
Presentation

RESOLUTION NO. 5472-19

A RESOLUTION DESIGNATING TUALATIN, OREGON AS A BEE CITY USA® AFFILIATE

WHEREAS, the mission of BEE CITY USA® is to galvanize communities to sustain pollinators, responsible for the reproduction of almost 90% of the world's flowering plant species, by providing them with healthy habitat, rich in a variety of native plants and free to nearly free of pesticides; and

WHEREAS, thanks to the more than 3,600 species of native bees in the United States, along with introduced honey bees, we have very diverse dietary choices rich in fruits, nuts, and vegetables; and

WHEREAS, bees and other pollinators have experienced population declines due to a combination of habitat loss, poor nutrition, pesticides (including insecticides, fungicides, and herbicides), parasites, diseases, and climate change; and

WHEREAS, pollinator-friendly communities can benefit local and regional economies through healthier ecosystems, increased vegetable and fruit crop yields, and increased demand for pollinator-friendly plant materials from local growers; and

WHEREAS, ideal pollinator-friendly habitat:

- Provides diverse and abundant nectar and pollen from plants blooming in succession throughout the growing season;
- Provides undisturbed spaces (leaf and brush piles, unmown fields or field margins, fallen trees and other dead wood) for nesting and overwintering for wild pollinators;
- Provides water for drinking, nest-building, and butterfly puddling;
- Is free to nearly free of pesticides, as many pesticides can harm pollinators and/or their habitat;
- Is comprised of mostly native wildflowers, grasses, vines, shrubs, and trees, since many wild pollinators prefer or depend on the native plants with which they co-adapted;
- Provides connectivity between habitat areas to support pollinator movement and resilience; and

WHEREAS, Integrated Pest Management (IPM) is a long-term approach to maintaining healthy landscapes and facilities that minimizes risks to people and the environment by: identifying and removing the causes of pest problems rather than only attacking the symptoms (the pests); employing pests' natural enemies along with cultural, mechanical, and physical controls when prevention is not enough; and using pesticides only when no other method is feasible or effective; and

WHEREAS, supporting pollinators fosters broad-based community engagement in environmental awareness and sustainability; and

WHEREAS, Tualatin should be certified a BEE CITY USA® community because:

- Tualatin has demonstrated a commitment to pollinator species by establishing native pollinator gardens throughout the parks system. Hundreds of volunteer hours have gone into the planting and maintenance of these gardens.
- The Tualatin community will continue to develop and grow pollinator gardens in parks and public spaces throughout the City.
- City of Tualatin staff have committed to develop and formalize the practices, procedures, policies and products that are utilized across multiple departments, and consistent with and precedent for an IPM Plan.
- A Bee City designation is an important tool to help educate and inform our citizens of the value of creating similar pollinator habitat and reducing the use of harmful pesticides around their own yards.

WHEREAS, in order to enhance understanding among local government staff and the public about the vital role that pollinators play and what each of us can do to sustain them, the City Tualatin resolves to support and encourage healthy pollinator habitat creation and enhancement as a BEE CITY USA® Affiliate.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF TUALATIN, OREGON, that:

**Section 1.** The City of Tualatin is hereby designated as a BEE CITY USA® Affiliate.

**Section 2.** The Director of Parks and Recreation is designated as the BEE CITY USA® Liaison.

**Section 3.** Facilitation of the Tualatin BEE CITY USA® program is assigned to the Tualatin Parks and Recreation Advisory Committee.

**Section 4.** The Parks and Recreation Advisory Committee is authorized to and shall:

**A. Celebration:** Host at least one educational event or pollinator habitat planting or restoration each year to showcase Tualatin's commitment to raising awareness of pollinator conservation and expanding pollinator health and habitat.

**B. Publicity & Information:** Install and maintain at least one authorized BEE CITY USA® street sign in a prominent location, and create and maintain a webpage on the City of Tualatin website which includes, at minimum:

- a copy of this resolution and links to the national BEE CITY USA® website;
- contact information for your BEE CITY USA® Liaison and Committee;
- reports of the pollinator-friendly activities the community has accomplished; and

- a recommended native plant species list and the City's pesticide practices and policies.

**C. Habitat:** Continue to implement a program to create or expand pollinator-friendly habitat, which includes, but is not limited to, the following actions:

- Identify and inventory Tualatin's property that can be enhanced with pollinator-friendly plantings.
- Create a recommended locally native plant list to include wildflowers, grasses, vines, shrubs, and trees.
- Track (by number of plants annually) the quantity of pollinator habitat created or enhanced.

**D. Pollinator-Friendly Pest Management:** Create and implement policies, practices, procedures and products of an integrated pest management (IPM) plan that are designed to prevent pest problems, reduce pesticide use, and expand the use of non-chemical pest management methods.

**E. Policy:** Establish, through a policy in the Parks and Recreation Master Plan, a plan of the Tualatin Comprehensive Plan to acknowledge and commit to being a BEE CITY USA® affiliate.

**F. Plan Review:** Review the Parks and Recreation Master Plan and other relevant documents to consider improvements to pest management policies and practices as they relate to pollinator conservation, identify appropriate locations for pollinator-friendly plantings, and consider other appropriate measures.

**G. Renewal:** After completing the first calendar year as a BEE CITY USA® affiliate, each February, apply for renewal of Tualatin's BEE CITY USA® designation following the format provided by BEE CITY USA®, including a report of the previous year's BEE CITY USA® activities, and paying the renewal fee based on Tualatin's population.

**Section 5.** This resolution is effective upon adoption.

Adopted by the City Council this 14th day of October, 2019.

CITY OF TUALATIN, OREGON

BY \_\_\_\_\_  
Mayor

APPROVED AS TO FORM

ATTEST:

BY \_\_\_\_\_  
City Attorney

BY \_\_\_\_\_  
City Recorder





**Bee City USA<sup>®</sup>**  
**Xerces Society**



# Bee City USA Overview & Goals

- Works to raise awareness
  - Role pollinators play
  - How to create healthy habitats
- Program endorses a set of commitments
  - Defined in the resolution
  - Creating sustainable habitats for pollinators



# Process

- ✓ 1. Complete application & resolution template (Done)
  - TPARK Committee will facilitate Tualatin's pollinator conservation policy
- ✓ 2. Draft resolution & review with Bee City USA (Done)
- ✓ 3. Submit application (Done)
- ⬡ 4. Local Government resolution approval
- ⬡ 5. Submit
  - Final application
  - Adopted Resolution
  - Payment



# Commitments

- Celebration
  - Educational event & habitat planting
- Publicity & Information
- Community Committee
  - Tualatin Parks Advisory Committee
- Pollinator-Friendly Habitat
- Pollinator-Friendly Pest Management Plan
- Policy & best practice commitments Review
  - Consider improvements related to pollinator conservation
- Annual Renewal



# 2030 Vision Alignment

- An environmentally active and responsible community that values and protects our natural resources.
- Pollinator-friendly communities have
  - Healthier ecosystems
  - Increased crop yields



# Pollinator-Friendly Habitat

- Provides diverse pollen and nectar from native species
- Provides safe nesting spaces
- Provides water
- Nearly pesticide free
- Connected habitats to allow for movement
- Creates pollinator corridors



# Next Steps:

- Adopt the Resolution
- Application approval and payment
- Implementation





# Questions

