

CITY COUNCIL MONTHLY MEETING CALENDAR

November-11

| Sunday | Monday | Tuesday | Wednesday | Thursday | Friday | Saturday |
|---------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------|-------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------|------------------------------------|--------------------------------------------------------------------------------------------------|
| | | Nyuzen Student Delegation Welcome Dinner 6pm - Comm Aud Fire Bd 8pm | | | | |
| <i>Nyuzen Student Delegation Visit - Depart 2</i> | | | | EDC Noon | | |
| Daylight Savings | Planning Comm 7pm | Library 6:30pm | | PAC 5pm | CITY OFFICES CLOSED HOLIDAY | |
| | CITY COUNCIL 5:30 PM - EXECUTIVE SESSION (Litigation) 6:00 PM - WORK SESSION (Retirement Policy) 6:45 PM - TVCTV Council Holiday Greeting 7:00 PM - REGULAR MEETING COMMUNITY AUDITORIUM | CCI 5:30pm | Comm Action Breakfast 7am - Embassy Suites P&R 7am CFC 5:15pm | Sustainability Committee Work Session Meeting 6:00 pm - Comm Aud Fernhill Wetlands 5pm | | CFC - Tree Pruning Workshop 9am - Lincoln Pk Constituent Coffee Rep. Brewer 9am - BJ's Coffee |
| | Chamber Luncheon - Noon Comm Aud Senior Ctr Bd 6:30pm Planning Comm 7pm | Fire 9-11 Dedication 5:30pm - Library Rogers Rm | PSAC 7:30am | CITY OFFICES CLOSED HOLIDAY | | |
| | CITY COUNCIL 7:00 PM - REGULAR MEETING COMMUNITY AUDITORIUM | HLB 6pm | | | | |

December-11

| Sunday | Monday | Tuesday | Wednesday | Thursday | Friday | Saturday |
|--------|-------------------------------------------------------------------------------|----------------|---------------------------|--------------------------------------------------|------------|--------------------------------------------------|
| | | | | LOC Regional Mtg 11am-2pm - Portland EDC Noon | | Holiday Events In The Grove |
| | Planning Comm 7pm | Fire Bd 7pm | Water Providers-EC 5:30pm | Employee Holiday Luncheon - Comm Aud PAC 5pm | | |
| | CITY COUNCIL 7:00 PM - REGULAR MEETING COMMUNITY AUDITORIUM | Library 6:30pm | | Fernhill Wetlands 5pm | JWC-MC 9am | Constituent Coffee Rep. Brewer 9am - BJ's Coffee |
| | Chamber Luncheon - Noon Comm Aud Senior Ctr Bd 6:30pm Planning Comm 7pm | CCI 5:30pm | P&R 7am CFC 5:15pm | | | |
| | CITY OFFICES CLOSED HOLIDAY | | | | 30 | |
| | NO CITY COUNCIL MEETING | HLB 6pm | PSAC 7:30am | | | |

January-12

| Sunday | Monday | Tuesday | Wednesday | Thursday | Friday | Saturday |
|--------|--------------------------------------------------------------------------|----------------------------------|-----------------------|------------------------------------------------------------------------------|------------------------------------------|--------------------------------------------------|
| | CITY OFFICES CLOSED HOLIDAY | Planning Comm 7pm Fire Bd 7pm | | EDC Noon | | |
| | CITY COUNCIL 7:00 PM - REGULAR MEETING COMMUNITY AUDITORIUM | Library 6:30pm | | PAC 5pm | | |
| | CITY OFFICES CLOSED HOLIDAY Senior Ctr Bd 6:30pm | CCI 5:30pm Planning Comm 7pm | P&R 7am CFC 5:15pm | B&C Annual Recognition Reception 5:30 pm - Comm Aud Fernhill Wetlands 5pm | Ford Institute Leadership Classes | |
| | Chamber Luncheon - Noon Comm Aud | | | | | Constituent Coffee Rep. Brewer 9am - BJ's Coffee |
| | CITY COUNCIL 7:00 PM - REGULAR MEETING COMMUNITY AUDITORIUM | HLB 6pm | PSAC 7:30am | | | Annual Town Meeting 9am Comm Aud |
| | | | | | | |



FOREST GROVE CITY COUNCIL

Monday, November 14, 2011

Meeting Agenda

5:30 PM – Executive Session (Litigation)
6:00 PM – Work Session (Retirement Investment Policy)
6:45 PM – TVCTV Council Holiday Greeting
7:00 PM – Regular Meeting

Community Auditorium
1915 Main Street
Forest Grove, OR 97116

Forest Grove City Council Meetings are broadcast by Tualatin Valley Community Television (TVCTV) Government Access Programming. To obtain the monthly programming schedule, please contact TVCTV at 503.629.8534 or call the City Recorder at 503.992.3235.

PETER B. TRUAX, MAYOR

Thomas BeLusko, Jr.
Thomas L. Johnston, Council President
Victoria J. Lowe

Camille Miller
Ronald C. Thompson
Elena Uhing

All meetings of the City Council are open to the public and all persons are permitted to attend any meeting except as otherwise provided by ORS 192. The public may address the Council as follows:

→ **Public Hearings** – Public hearings are held on each matter required by state law or City policy. Anyone wishing to testify should sign in for any Public Hearing prior to the meeting. The presiding officer will review the complete hearing instructions prior to testimony. The presiding officer will call the individual or group by the name given on the sign in form. When addressing the Council, please use the witness table (center front of the room). Each person should speak clearly into the microphone and must state his or her name and give an address for the record. All testimony is electronically recorded. In the interest of time, Public Hearing testimony is limited to three minutes unless the presiding officer grants an extension. Written or oral testimony is heard prior to any Council action.

→ **Citizen Communications** – Anyone wishing to address the Council on an issue not on the agenda should sign in for Citizen Communications prior to the meeting. The presiding officer will call the individual or group by the name given on the sign in form. When addressing the Council, please use the witness table (center front of the room). Each person should speak clearly into the microphone and must state his or her name and give an address for the record. All testimony is electronically recorded. In the interest of time, Citizen Communications is limited to two minutes unless the presiding officer grants an extension.

The public may not address items on the agenda unless the item is a public hearing. Routinely, members of the public speak during Citizen Communications and Public Hearings. If you have questions about the agenda or have an issue that you would like to address to the Council, please contact the City Recorder at 503-992-3235.

City Council meetings are handicap accessible. Assistive Listening Devices (ALD) or qualified sign language interpreters are available for persons with impaired hearing or speech. For any special accommodations, please contact the City Recorder at 503-992-3235, at least 48 hours prior to the meeting.

Michael Sykes
City Manager

5:30

EXECUTIVE SESSIONS ARE CLOSED TO THE PUBLIC. Representatives of the news media and designated staff may attend Executive Sessions. Representatives of the news media are specifically directed not to report on any of the deliberations during the Executive Session, except to state the general subject of the session as previously announced. No Executive Session may be held for the purpose of taking final action or making any final decision.

The City Council will convene in the Community Auditorium – Conference Room at 5:30 p.m. to hold the following executive session:

In accordance with ORS 192.660(2)(h) to discuss Council’s legal rights and duties with regard to current litigation or litigation likely to be filed. ORS 192.660(2)(f) to consider records that are exempt by law from public inspection.

Paul Downey
Administrative Services Director
Susan Cole, Administrative
Services Assistant Director

6:00

WORK SESSION: RETIREMENT INVESTMENT POLICY

The City Council will convene in the Community Auditorium – Conference Room to conduct the above work session(s). The public is invited to attend and observe the work session(s); however, no public comment will be taken. The Council will take no formal action during the work session(s).

6:45

Council Holiday Greeting TVCTV Taping

7:00

1. **REGULAR MEETING:** Roll Call and Pledge of Allegiance
2. **CITIZEN COMMUNICATIONS:** Anyone wishing to speak to Council on an item not on the agenda may be heard at this time. *Please sign-in before the meeting on the Citizen Communications form posted in the foyer.* In the interest of time, please limit comments to two minutes. Thank you.
3. **CONSENT AGENDA:** See Page 4
4. **ADDITIONS/DELETIONS:**

5. **PRESENTATIONS:**

- | | | | |
|--------------------------------------------------------------------------------|------|-------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Colleen Winters Library Director | 7:10 | 5. A. | <ul style="list-style-type: none">• <i>Washington County Cooperative Library Services (WCCLS) Radio Frequency Identification (RFID) System Update, Michael Stephens, WCCLS</i> |
| | 7:30 | 5. B. | <ul style="list-style-type: none">• <i>Metro Quarterly Exchange Update, Kathryn Harrington, Metro Councilor District 4</i> |
| Brenda Camilli Human Resources Manager | 7:45 | 6. | <u>RESOLUTION NO. 2011-81 AUTHORIZING EXECUTION OF A LABOR AGREEMENT BETWEEN THE CITY OF FOREST GROVE AND THE FOREST GROVE PAID FIREFIGHTER'S ASSOCIATION (FGPFA), EFFECTIVE JULY 1, 2011, AND EXPIRING JUNE 30, 2013</u> |
| George Cress Light and Power Director Richard Matzke Engineer Manager | 8:00 | 7. | <u>RESOLUTION NO. 2011-82 AUTHORIZING CITY MANAGER TO ENDORSE AMENDMENT NO. 1 TO THE RESIDENTIAL EXCHANGE PROGRAM (REP) SETTLEMENT AGREEMENT BETWEEN CITY OF FOREST GROVE AND BONNEVILLE POWER ADMINISTRATION (BPA)</u> |
| Michael Sykes City Manager | 8:15 | 8. | <u>CITY MANAGER'S REPORT:</u> |
| | 8:30 | 9. | <u>COUNCIL COMMUNICATIONS:</u> |
| | 8:45 | 10. | <u>ADJOURNMENT</u> |

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3. **CONSENT AGENDA:** Items under the Consent Agenda are considered routine and will be adopted with a single motion, without separate discussion. Council members who wish to remove an item from the Consent Agenda may do so prior to the motion to approve the item(s). Any item(s) removed from the Consent Agenda will be discussed and acted upon following the approval of the Consent Agenda item(s).
- A. Approve City Council Executive Session (Labor Negotiations) Meeting Minutes of October 24, 2011.
 - B. Approve City Council Work Session (Emergency Cost Recovery Fees & Charges) Meeting Minutes of October 24, 2011.
 - C. Approve City Council Work Session (Forest Grove – Cornelius Natural Hazard Mitigation Action Plan Addendum) Meeting Minutes of October 24, 2011
 - D. Approve City Council Work Session (Watershed Management Plan Update) Meeting Minutes of October 24, 2011.
 - E. Approve City Council Regular Meeting Minutes of October 24, 2011.
 - F. Committee for Citizen Involvement Meeting Minutes of August 16, 2011 (September no meeting held).
 - G. Accept Community Forestry Commission Meeting Minutes of June 22 (July and August no meetings held) and September 21, 2011.
 - H. Historic Landmarks Board Meeting Minutes of September 27, 2011.
 - I. Accept Planning Commission Meeting Minutes of September 19 and October 3, 2011.
 - J. Accept Public Safety Advisory Commission Meeting Minutes of Septembers 28, 2011.
 - K. Community Development Department Monthly Building Activity Informational Report for October 2011.
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Date: November 14, 2011

RETIREMENT PLAN INVESTMENT POLICIES UPDATE

PROJECT TEAM: Susan Cole, Assistant Director, Administrative Services
Paul Downey, Director, Administrative Services
Michael Sykes, City Manager

ISSUE STATEMENT:

Review and update the City's investment policies that govern its defined contribution retirement plan portfolio.

BACKGROUND:

The City manages its own defined benefit retirement plan (the Plan). The Plan is funded through a combination of earnings and contributions. The assumed rate of return for earnings is 7.5%, and if the Plan does not earn that rate of return, the overall portfolio risks not being able to afford future retirement benefits. Therefore, the City makes up for lower rates of return by increasing its contributions, to ensure the Plan meets its Annual Required Contributions as determined by the actuary..

The City has formed a Fiduciary Committee that is charged with reviewing the retirement portfolio on a quarterly basis and is advised by a retirement consultant. This Committee reviews the investments of the portfolio and adjusts investment allocations periodically. To achieve the assumed rate of return, the Committee must carefully consider the investments of the portfolio, and manage it in such a way to minimize risk yet still strive to earn the assumed 7.5% return. The Committee has investment policies to guide investment decisions to ensure a balanced, diversified and responsible portfolio.

The recent economic upheaval has made meeting the assumed 7.5% return more challenging when using only the traditional investment vehicles. The traditional investment vehicles utilized by the City's retirement fund, as outlined in its Retirement Investment Policies, include U.S. Treasuries, U.S. Bonds, various small-, mid- and large-cap U.S. stock funds, and traditional foreign developed countries' stock and bond funds. If the actuary determines that the City cannot realistically earn the assumed 7.5% return over the long-term, he will recommend lowering that rate of return which will increase the City's contribution to the Plan.

Based upon the advice of the retirement consultant, the Committee feels it is time to update the Retirement Investment Policies in order to allow more flexibility in investment choices. It has become increasingly difficult to earn the assumed rate of return of 7.5% in traditional asset classes by following conventional strategies. Therefore, the Committee proposes to update the Retirement Investment Policies to either clarify or begin to allow investments in such things as emerging markets, commodity funds, precious metals, and real estate.

To guard against undue risk, the proposed policies also outline allowable ranges to guide the Fiduciary Committee's allocation of the fund's assets. Another recommended change is to adjust the percent allocations for the more traditional vehicles used, for example, broadening the percent range the Plan may hold in US stocks. These changes are illustrated in the following tables:

Table 1: Primary asset classes to be used*

In review of the available asset classes and investment types, the Fiduciary Committee, with input from their investment consultant, has decided to permit the following primary asset classes:

| September, 2009 | September, 2011 |
|------------------------------------------------------------------------|---------------------------------------------------------------------------------------|
| U.S. stocks | U.S. stocks |
| Foreign stocks | Foreign stocks, including emerging, developing and developed markets |
| Domestic corporate, government, asset backed and mortgage backed bonds | U.S. fixed income securities |
| Non-dollar bonds | Foreign fixed income securities, including emerging, developing and developed markets |
| | Real Assets, including real estate, precious metals and commodities |
| Cash equivalents | Cash equivalents |

**Mutual funds are expected to be the Trust's primary funding tool. The Fiduciary Committee expects that its fund managers will diversify broadly and that they may include in their fund portfolios types of assets and liabilities that lie beyond those found on the primary asset class list as given above.*

Table 2: Allowable Ranges

The Fiduciary Committee's allocation of assets to various fund managers may lie within the following ranges:

| September, 2009 | | September, 2011 | |
|--------------------------------------------------|-------------------|----------------------------------------------------------|------------------------------------------------|
| Asset Class | Target Allocation | Asset Class | Target Allocation |
| U.S. Stocks (all capitalizations and styles) | 25% to 60% | U.S. stocks (all capitalizations and styles) | 15% to 60% |
| Foreign Stocks (all capitalizations and styles) | 0% to 25% | Foreign Stocks (all markets, capitalizations and styles) | 0% to 50% |
| Domestic Corporate/ Government Bonds | 20% to 60% | U.S. fixed income securities | 20% to 60% |
| GIC, BIC and "synthetic" investment contracts | 0% | Foreign fixed income securities | 0% to 30% |
| | | Real Assets: commodities, real estate & precious metals | not to exceed 10% for each of three categories |
| Cash equivalents | 0% to 20% | Cash equivalents | 0% to 20% |

November 14, 2011

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The previous policies, from September of 2009, outlined long-term target allocations. These long-term target allocations were viewed to be unnecessary in light of the allowable ranges outlined above. Additionally, static long-term target allocations may have the unintended consequence of artificially locking the Plan into an investment allocation that may not be desirable in the long term, depending upon the economic and financial conditions over time.

This update to the retirement investment policies also makes clear that the Fiduciary Committee may, at times, be more active in managing funds and asset class allocations than in the past, given recent low returns and market upheavals. While the overall goal of long-term gains and portfolio diversification remain, the Committee may have to act more frequently in the short term to minimize risk and to capitalize on opportunities.

The last change to the previous policies involves an important investment strategy to hedge against market risk. Previously, the Retirement Investment Policies did not provide clear guidance as to the use of hedge tactics. Therefore, this update to the Policies includes language that allows the Fiduciary Committee to invest in funds that actively hedge risk using tactics such as short selling, leverage, derivatives, and managed futures. It is important to note that the use of these tactics are often embedded in the funds the City invests in, as a way for those fund managers to mitigate shareholder risk or contribute to return, and are not necessarily separate funds. This minimizes the use of these tactics, while still allowing the City the option to pursue fund managers that hedge in order to maintain risk diversification in the portfolio. The City does not intend to invest in "hedge funds", under the common meaning of the phrase, which are those private pools of capital that are lightly regulated and open to a limited number of accredited investors. Rather, the City will continue to use publicly available, no-load mutual funds, some of which may use "hedging" strategies to mitigate risk or contribute to return.

FISCAL IMPACT:

This fiscal impact of these changes are difficult to measure, and only come to light in hindsight depending upon the overall performance of the retirement portfolio. If the portfolio earnings fall short of the assumed rate of return over time, the City makes up for it through increased contributions to keep the retirement portfolio healthy and able to meet its obligations. Currently, the contribution rate is 20.30% of salary. If the portfolio's earnings fall short to the extent this contribution rate has to increase, it could affect future budgetary decisions and resource allocations. However, currently, the City feels its contribution rate is set at an amount that can remain constant over the next fiscal year, depending upon the market performance of the portfolio.

STAFF RECOMMENDATION:

This is an informational session to solicit feedback and questions. Staff will bring a resolution forward at the next Council meeting for Council consideration.

City of Forest Grove Statement of Pension Investment Policy

September 30, 2011

By the Fiduciary Committee
For the Retirement Plan

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POLICY HIGHLIGHTS

| | |
|-----------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Plan Sponsor | City of Forest Grove Retirement Plan |
| Fiduciary Committee | Michael Sykes, City Manager; Paul Downey, Director of Administrative Services; Susan Cole, Assistant Director of Administrative Services |
| Type of Plan | Defined Benefit |
| Investment Horizon | Perpetual |
| Key Service Providers | Union Bank of California, custodian of assets (503) 973-6326 Milliman, actuary and recordkeeper (503) 227-0634 Retirement Consulting Group, Inc., investment consultant (503) 225-1700 |
| Purpose of the Plan | The purpose of the City of Forest Grove Retirement Plan is to provide qualified City employees with a defined benefit retirement plan. For public safety employees, the Plan will meet or exceed the substantially equal to or better than Oregon PERS requirements. |

PROLOGUE

Trust Defined

This document refers to the City of Forest Grove Retirement Plan.

Fiduciary Committee Defined

In this investment policy document, references to the “Fiduciary Committee” mean all City officials empowered to make decisions on behalf of the plan, including but not limited to the City Manager and the Director and Assistant Director of Administrative Services, as well as other officials that may from time to time be added to the Fiduciary Committee.

Fiduciary Committee’s Authority and Responsibilities

The Fiduciary Committee is responsible for the following:

1. Selecting and hiring vendors.
2. Establishing and periodically reviewing the Trust's policy for participation in and commitment of funds to various asset classes and to investment managers within the Trust.
3. Preparing and recommending investment policy to City Council.
4. Hiring, monitoring and terminating investment managers according to the studies, evidence and advice provided by the Trust's investment consultant, or other evidence brought to the Fiduciary Committee.
5. Making available to duly elected City officials and the employees of the City of Forest Grove the following subjects as and when requested:
 - (a) fund investment performance summary, including comparisons to benchmarks,
 - (b) current and historical asset allocation in the fund,
 - (c) progress toward the stated performance objectives in the policy, and
 - (d) other pertinent matters.
6. Voting of proxies.

The Fiduciary Committee shall communicate all directions in writing and no service provider shall accept oral instructions.

History

In January of 1996, then City Manager, Ivan Burnett determined to hire a professional investment consultant to perform a variety of services, including, regular investment performance measurement and asset allocation assistance. For several decades previously, the City's pension plans were entirely invested in various group annuity contracts through the Principal Financial Group. Prior to 1996, representatives of the Principal met intermittently and infrequently with the City to discuss pension performance and asset diversification.

Upon hiring an investment consultant, in April of 1997 asset allocation policy was altered to improve diversification and gradually increase exposure to the stock market. An asset allocation policy of 50% equities, 50% fixed income was established by the investment consultant in collaboration with Burnett. Quarterly investment performance meetings proceeded thereafter.

During 1999, City management changed and quarterly performance meeting responsibilities shifted primarily to the City's Finance Manager. During 2001, the Principal Financial Group announced a demutualization plan, which resulted in a \$700,000 windfall to the benefit of the City's pension plans. This figure represented the pensions' conversion of ownership from participating group annuity policies to the new

common shares of The Principal Financial Group. The sum was taken in cash and diversified among other mutual fund-type assets.

In February of 2002 the City completed conversion of assets from The Principal Financial Group (in their entirety) to Copper Mountain Trust Company as Trustee and Custodian. Consistent with the particulars given in this Investment Policy, a new mutual fund-oriented investment platform was developed. In late 2002, Copper Mountain Trust Company was merged with the trust operations of Union Bank of California.

In early 2003, at the recommendation of Milliman USA, the separate investment platforms for Public Safety and General Employees were merged to a single platform to simplify accounting.

Between 2001 and 2003, the City's actuary and legal counsel examined various scenarios for possible pension conversion to PERS.

At the close of 2011, the City anticipates changing from Union Bank to Wells Fargo as custodian and benefit payment processing agent.

Also at the close of 2011, the City is forming a separate defined contribution plan for certain full-time employees. AFSCME and non-represented, non-public safety employees hired on or after July 1, 2011, will enter the defined contribution plan after meeting eligibility requirements. This investment policy will not apply to the defined contribution plan.

Since 1996, the City has met at least quarterly with its investment consultant to discuss both investment strategy and written performance evaluations provided by the consultant. These meetings will continue indefinitely.

PURPOSE OF THIS INVESTMENT POLICY

To Record Long Range Aims and Objectives

This document represents conclusions and decisions made after a deliberate and focused review of the Pension's expected budgets and funding resources over a long-range future period.

The Pension's investments represent an opportunity:

- Beyond the requirement of future employer contributions, to provide a funding resource for the City of Forest Grove's pension plan,
- To insulate the Pension's assets against the long-term deterioration of purchasing power caused by inflation.

The Fiduciary Committee recognizes that investment markets have repeatedly demonstrated broad performance cycles having two fundamental characteristics that bear heavily on the Trust's expectations toward its future.

- These cycles cannot be accurately predicted as to either their beginning points, ending points, or their magnitude, and
- There is little or no relationship between market cycles and the convenient calendar periods commonly used in business for measurement and evaluation.

To Promote Understanding Among Various Functional Roles

This document is intended to serve as a reference tool, an operating code and a communications link between the Fiduciary Committee and

- its own members,
- the City of Forest Grove as Plan Sponsor,
- its investment managers,
- the City's elected officials,
- its legal counsel and other service providers to the plan, and
- the employee beneficiaries of the Trust.

This Policy conveys not only the specific guidelines for action, but also the philosophical foundations for those guidelines.

ASSET ALLOCATION

Primary asset classes to be used

In considering asset classes the Fiduciary Committee has looked broadly at histories of the capital markets and has considered the possibility for future global macroeconomic and political crises. In review of the available asset classes and investment types, the Fiduciary Committee, with input from their investment consultant, has decided to pursue the following primary asset classes:

- (a) U.S. stocks
- (b) Foreign stocks, including emerging, developing and developed markets
- (c) U.S. fixed income securities
- (d) Foreign fixed income securities, including emerging, developing and developed markets
- (e) Real Assets, including real estate, precious metals and commodities
- (f) Cash equivalents

The Fiduciary Committee itself will set and periodically change the asset allocation targets for the Trust based on these primary asset classes.

Mutual funds are expected to be the Trust's primary funding tool. The Fiduciary Committee expects that its fund managers will diversify broadly and that they may include in their fund portfolios types of assets and liabilities that lie beyond those found on the primary asset class list (a-f) as given above.

Allocation Ranges

The Fiduciary Committee's allocation of assets to various fund managers may lie within the following ranges:

| | |
|----------------------------------------------------------|------------|
| U.S. stocks (all capitalizations and styles) | 15% to 60% |
| Foreign stocks (all markets, capitalizations and styles) | 0% to 50% |
| U.S. fixed income securities | 20% to 60% |
| Foreign fixed income securities | 0% to 30% |
| Real assets: commodities | 0% to 10% |
| Real assets: real estate | 0% to 10% |
| Real assets: precious metals | 0% to 10% |
| Cash equivalents | 0% to 20% |

Overlap by security

The allocation ranges described in the preceding section are by fund manager. Security selection by individual fund managers may cause the Trust to deviate from these ranges.

Examples:

The Fiduciary Committee may elect to allocate...

- 1) ...10% to a real estate fund. Elsewhere within the Trust a foreign stock fund having 15% of the Trust's money might invest 6% of its assets in REITS (real estate investment trusts).
- 2) ...20% to a money market fund, but the Trust's fund managers collectively might, within their respective funds, allocate additional assets to cash equivalents.
- 3) ...20% to U.S. fixed income managers, but short positions and other tactics employed by fund managers, might reduce the net long U.S. fixed income position to less than 20%.

Overlap or deviation caused by manager security selection is permissible. Overlap or deviation will be reviewed to the extent possible at the quarterly review meeting so the Fiduciary Committee is aware of the amount of overlap or deviation.

TACTICAL GUIDELINES

Fiduciary Committee Attitude Toward Market Timing and Tactical Allocation Shifts

In view of low returns, both historical and prospective, combined with comparatively high past and prospective systemic risk, the Fiduciary Committee may at times be tactically active in adjusting the Trust's exposure to asset class and fund manager selections. This is a departure from prior investment policy objectives.

The Committee intends to allow its fund managers opportunity to exercise their investment philosophy without undue interference from the Fiduciary Committee. An increasing number of the Trust's fund managers employ active strategies, both in attempt to control market volatility and to capitalize upon occasionally dislocated markets.

The Fiduciary Committee recognizes that the adherence to this policy will occasionally appear to be either too risky or too conservative for current market conditions. The Fiduciary Committee also recognizes that experts rarely agree about the near term direction of the capital markets, and that such opinions have generally proven to be a poor guide for action.

Managers that hedge

For the prior decade ending September 30, 2011, the S&P 500 Index averaged 2.82% annually and the Barclay's Aggregate Bond Index earned 5.66% annually, and during which time the Trust's actuary, Milliman, assumed a pre-retirement funding rate of 7.50% for purposes of calculating the City's required contributions. The Federal Reserve Bank of San Francisco recently published an economic letter forecasting that the bear market for stocks could last as much as another twenty years, with a significant intervening decline in equity valuations.

Pension plans nationally are under considerable pressure, made all the more intense by current Federal Reserve monetary policy to maintain artificially low interest rates. Low interest rates increase the present value of a pension's forecast liability, which increases annual funding pressure on employers offering pension benefits to employees.

The Fiduciary Committee believes that key transformations in the global economy are creating a New Normal. Flexibility is becoming more important where market correlations, risk and cause and effect are constantly shifting. The Trust may therefore select certain fund managers with the flexibility to employ hedging techniques that seek to protect the portfolio during market crises. Techniques may include dynamic asset allocation across a range of different asset classes, which can shift in and out of favor over time; short selling, which may help reduce volatility during adverse stock market climates; use of derivatives to shield the portfolio from market shocks during very adverse markets; and other techniques.

Generally fund managers will be selected which, when used together, broadly diversify risk, using multiple asset classes and market strategies, both long and short.

OPERATIONAL GUIDELINES

Number of Managers

In order to diversify portfolio performance and further reduce risk, the Fiduciary Committee will diversify globally across the capital markets to achieve a comprehensive, flexible asset allocation covering global stocks, global bonds, commodities and real estate.

Standards for Investment Managers

The Trust generally expects to utilize a mixture of pooled funds as the primary investment medium. The Fiduciary Committee believes the abilities and expertise of the chosen fund managers meaningfully exceeds their own in determining which specific securities, contracts or methods should be utilized and which should be avoided. Therefore, it is not the intention of the Fiduciary Committee to specify exact standards for securities, state prohibited categories of securities, etc. This Investment Policy is not intended to contradict or place limitations on investment management practices contrary to any mutual funds' written prospectus. In all cases the prospectus shall define the permissible investment activities of any mutual fund.

Unallocated Cash

The Fiduciary Committee will generally attempt to see that the Pension's assets include a cash reserve sufficient to the Trusts' near term spending and benefit obligations to minimize the need to liquidate long-term positions. Near term is defined as within six months.

Proxy Voting

Investment/fund Managers are solely responsible for voting proxies of shares of companies in the portfolios in the manner consistent with the best interests of the funds.

The Fiduciary Committee will vote any proxies presented by the funds in a manner consistent with the best interests of the Trust.

Frequency of Policy Review

The Fiduciary Committee will use each of its quarterly investment performance meetings as opportunities to consider whether any elements of existing policy require adjustment. Key environmental or operational occurrences, which could result in a policy modification, include:

- (a) significant changes in expected patterns of the Trust's cash flow stream,
- (b) impractical time horizons,

- (c) change in the Trust’s priorities, including risk-return tradeoff,
- (d) changes in global macro economics and politics,
- (e) convincing arguments for change presented by investment managers or consultants, and
- (f) areas found to be important, but not covered by policy.

INVESTMENT REVIEW AND SELECTION CRITERION

Expectations are set forth in four primary areas: time, return, risk and cost.

1. Time

The length of time an investment is held is a key factor influencing the success of any investment program. For purposes of measuring the quality of the Plan’s investments, the Fiduciary Committee’s policy is to take a long-term perspective. Performance will be evaluated over trailing measurement periods of one, three, five and ten years, focusing more closely on results over the trailing three to five year period. Sufficient time will be given to investment managers to observe performance over a full market cycle, if longer than three to five years. Aggressive investment options may in particular require longer time horizons due to their volatile nature.

2. Returns

Investment performance will be monitored quarterly on three levels:

2.1 Investment Returns Relative to the Market Index

Returns-versus-index comparisons will be made over trailing one, three, five, and ten-year periods, as they occur. Benchmarks are assigned by the Trust’s investment consultant:

| <u>Fund Manager</u> | <u>Ticker</u> | <u>Category</u> | <u>Custom Benchmark Index</u> |
|------------------------------------------|---------------|---------------------------|--------------------------------|
| BlackRock Equity Dividend Instl | RAFEX | Large Value | DJ US TSM Large Cap Value |
| Eaton Vance Emerging Markets Local Inc I | IUTIX | Emerging Markets Bond | JPM EMBI Global |
| JPMorgan Equity Income R5 | DODGX | Large Value | DJ US TSM Large Cap Value |
| Matthews Pacific Tiger Investor | GSMCX | Pacific/Asia ex-Japan Stk | MSCI AC Pacific Ex Japan NR |
| MFS Emerging Markets Debt I | NSTTX | Emerging Markets Bond | JPM EMBI Global |
| Oppenheimer Developing Markets Y | PTTDX | Diversified Emerging Mkts | MSCI EM NR |
| PIMCO All Asset All Authority Inst | PUBDX | World Allocation | 50% S&P 500, 50% BarCap US Agg |
| PIMCO Emerging Local Bond Instl | RPMGX | Emerging Markets Bond | JPM EMBI Global |
| PIMCO Low Duration Instl | PRSVX | Short-Term Bond | BarCap Govt/Credit 1-5 Yr |
| PIMCO Total Return Instl | VGENX | Intermediate-Term Bond | BarCap US Aggregate Bond |
| PIMCO Unconstrained Bond Inst | VIGSX | Multisector Bond | BarCap Multiverse |
| T. Rowe Price Mid-Cap Growth | VIPSX | Mid-Cap Growth | DJ US TSM Mid Cap Growth |

| | | | |
|---------------------------------------|-----------|--------------------------|----------------------------|
| T. Rowe Price Small-Cap Value | VIBSX | Small Blend | DJ US TSM Small Cap Value |
| Vanguard Energy Inv | VFIUX | Equity Energy | S&P Global 1200 Sec/Energy |
| Vanguard Inflation-Protected Secs Inv | VWNAX | Inflation-Protected Bond | BarCap US Treasury US TIPS |
| *US Treasury Note 4.8750% 6/30/2012 | 912828GW4 | US Treasury Note | BarCap Short Treasury |
| BlackRock Liquidity Treasury Instl | 09248U551 | Money Market Taxable | Citi Treasury Bill 3 Mon |

Fund performance should generally be comparable to the respective market index over time, adjusted for risk. Periods of future under-performance are inevitable and will not necessarily result in fund replacement, consistent with the guidelines of this investment policy. The funds in the Fund Manager column are the Plan's current investment funds and are subject to change at any time. The purpose of this table is to show the benchmarks that will be used.

2.2 Returns Relative to Peer Money Managers

The returns generated by each of the Trust's fund managers will be compared quarterly to the performance of other similar investment managers (peer group rankings). Evaluation will be made over trailing one, three, five, ten-year periods.

3. Risk

Risk is difficult to quantify without multiple measurement modalities. Risk can be measured by tangible methods including standard deviation, beta, MorningstarTM Risk Scores, etc., and also with less tangible methods which might incorporate consideration of derivatives exposure, leverage risk, currency risk, political risk, inflation risk, interest rate risk, credit risk, etc., many of which cannot necessarily be objectively quantified but nevertheless have the potential to profoundly impact Trust performance, potential for loss, asset allocation policy and tactics related thereto.

In considering the Trust assets, the Fiduciary Committee believes that the portfolio risk of all investment funds taken together should be the primary criteria for evaluating acceptable risk to the Trust. Individual investment funds are expected to have, in some cases, high risk by their nature. With high risk comes a greater probability of deviation from expected performance patterns. The portfolio of all funds taken together is diversified with an eye toward minimizing the correlation of asset classes (the tendency of funds of different types to want to move or cycle together) used by the Trust so as to produce greater risk offset for the total portfolio. The intention is to combine a variety of relatively uncorrelated asset classes and strategies each with different volatility, with the aim of reducing portfolio risk (to such extent various assets in the portfolio remain relatively uncorrelated to one another).

The Fiduciary Committee will take into consideration risk factors (when known) including asset allocation, issuer non-diversification risk, leveraging risk, interest rate risk, credit risk, market risk, liquidity risk, derivatives risk, commodity risk, equity risk, foreign currency risk, emerging markets risk, smaller company risk, management risk and short sale risk.

4. Cost

Keeping investment management expenses low is an important part of return maximization. The Trust will prepare quarterly a summary of investment management cost and benchmarking, including a summary of revenue sharing capture. Certain of the Trust's investment managers pay revenue sharing. Where paid, revenue sharing is part of each manager's annual expense. Whenever possible the Trust will use institutional share classes to minimize investment cost and eliminate revenue sharing, but in cases where institutional shares classes are not available the Trust will capture any available fund manager revenue sharing and use it to offset other billed expenses of the Trust.

Cost minimization is a consideration in selecting Trust investment managers, but is not primary. Myriad investment factors including risk and return are primary.

QUARTERLY PERFORMANCE MEASUREMENT

Coincident to and directly a result of this investment policy, the Fiduciary Committee shall cause the Trust's investment consultant to produce a compendium of quarterly performance measurement, a specimen of which is attached to this Investment Policy as Exhibit A. The quarterly performance report shall serve to capture tangible measurements of performance, risk, cost and asset allocation. The report will be delivered and discussed by the Trust's investment consultant each quarter, who shall discuss with the Fiduciary Committee both tangible and intangible factors pertaining to Trust performance.

REVISION HISTORY

January 1, 2001
March 31, 2007
October 31, 2007
March 15, 2009
September 30, 2011

ON BEHALF OF THE CITY OF FOREST GROVE:

Paul Downey, Director of Administrative Services

Date

**FOREST GROVE CITY COUNCIL EXECUTIVE SESSION
ORS 192.660(2)(D) LABOR
OCTOBER 24, 2011 – 5:30 P.M.
COMMUNITY AUDITORIUM – CONFERENCE ROOM
PAGE 1**

Minutes are unofficial until approved by Council.

1. ROLL CALL:

Mayor Peter Truax called the Executive Session to order at 5:36 p.m. **ROLL CALL: COUNCIL PRESENT:** Thomas BeLusko, Jr., Thomas Johnston, Council President, Victoria Lowe, Camille Miller, Ronald Thompson, and Mayor Peter Truax. **COUNCIL ABSENT:** Elena Uhing, excused. **STAFF PRESENT:** Michael Sykes, City Manager; Paul Downey, Administrative Services Director; Michael Kinkade, Fire Chief; Brenda Camilli, Human; and Anna Ruggles, City Recorder.

2. EXECUTIVE SESSION:

The City Council met in Executive Session in accordance with:

ORS 192.660(2)(D) to conduct deliberations with person designated by the governing body to carry on labor negotiations.

3. ADJOURNMENT

Mayor Truax adjourned the Executive Session at 5:52 p.m.

Respectfully submitted,

Anna D. Ruggles, CMC, City Recorder

3B

**FOREST GROVE CITY COUNCIL WORK SESSION
(EMERGENCY RESPONSE COST RECOVERY FEES)
OCTOBER 24, 2011 – 5:45 P.M.
COMMUNITY AUDITORIUM – CONFERENCE ROOM
PAGE 1**

Minutes are unofficial until approved by Council.

1. **ROLL CALL:**
Mayor Peter Truax called the Work Session to order at 5:53 p.m. **ROLL CALL:**
COUNCIL PRESENT: Thomas BeLusko, Jr., Thomas Johnston, Council President, Victoria Lowe, Camille Miller, Ronald Thompson, and Mayor Peter Truax. **COUNCIL ABSENT:** Elena Uhing, excused. **STAFF PRESENT:** Michael Sykes, City Manager; Michael Kinkade, Fire Chief; Paul Downey, Administrative Services Director; Susan Cole, Administrative Services Assistant Director; and Anna Ruggles, City Recorder.

2. **WORK SESSION: EMERGENCY RESPONSE COST RECOVERY FEES**
Fire Chief Kinkade and Sykes facilitated the work session, noting the purpose of the work session was to discuss and review the proposed resolution setting emergency response cost-recovery fees and charges for out-of-area users who at the time of emergency service incident reside outside of the jurisdictions of the City, Rural Fire Protection District, or mutual aid agencies (cities of Banks, Cornelius, and Gaston). Chief Kinkade reported pursuant to ORS 478.310 (Attachment 1 to the staff report) and OAR 837.130 (Attachment 2 to the staff report), the City is authorized to recover costs from persons or property receiving certain public safety or fire emergency service as a result of responding to incidents requiring equipment and personnel for fire, medical, and life safety that occur within the City or Rural Fire Protection District or unprotected areas and transportation routes where no taxes or assessments for fire protection or public safety are levied by the City or Fire District. Chief Kinkade reported staff met with Council on May 9, 2011, at which time, Council directed staff to bring back a proposal for Council consideration. Chief Kinkade affirmed that staff also met with the Rural Fire Protection District and Public Safety Advisory Commission to discuss and review the proposed fees, noting both boards supported the overall concept of assessing the emergency response cost-recovery fees to out-of-area users. Chief Kinkade reported the Fire Department is recommending assessing a minimum fee of \$250, for the first half-hour, plus 15 percent administrative fee and actual costs for supplies, specialized equipment, or apparatus used when responding to a motor vehicle incident. Staff is recommending assessing a minimum fee of \$400, for the first half-hour, plus 15 percent administrative fee and actual costs for supplies, specialized equipment, or apparatus used when responding to a fire or public

**FOREST GROVE CITY COUNCIL WORK SESSION
(EMERGENCY RESPONSE COST RECOVERY FEES)
OCTOBER 24, 2011 – 5:45 P.M.
COMMUNITY AUDITORIUM – CONFERENCE ROOM
PAGE 2**

safety incident. Chief Kinkade explained after the first half-hour, the fees would be collected equal to the current State Fire Marshal Standardized Costs Schedule (Attachment 3 to the staff report). Chief Kinkade noted the proposed fees would not adversely affect Forest Grove citizens or anyone residing within the City's current Fire District or mutual aid agencies (cities of Banks, Cornelius, and Gaston). In addition, Chief Kinkade explained the billing and collection terms as outlined in Exhibit A of the proposed resolution, noting the City would bill the charges to the person(s) insurance carrier in most cases. In conclusion, Chief Kinkade reported the proposed fees are not projected to generate significant revenue, noting the ability to assess fees will provide a significant cost-savings to the City by helping to offset some of the increasingly expensive and high costs of providing fire and public safety emergency response services to out-of-area users.

Council Discussion:

Mayor Truax opened the floor and roundtable discussion ensued pertaining to proposed resolution assessing emergency cost-recovery fees and charges for out-of-area users when responding to certain motor vehicle, fire and public safety incidents. Chief Kinkade addressed various scenarios posed by the Council and highlighted significant incidents Fire and Rescue have responded to in the past that could have resulted in cost recovery if the City had implemented fees as allowed pursuant to ORS. Kinkade added that when these types of significant incidents occur, the Fire Department has no way of recovering costs for providing these services, which have a substantial negative impact on the Department's operating budget as well as the Department must have the proper equipment and training required in order to provide these services.

In conclusion of the above-noted discussion, Council collectively supported staff's recommendation to bring the proposed resolution to the regular Council Meeting scheduled for Monday, October 24, 2011, for formal consideration.

Council took no formal action nor made any formal decisions during the work session.

**FOREST GROVE CITY COUNCIL WORK SESSION
(EMERGENCY RESPONSE COST RECOVERY FEES)
OCTOBER 24, 2011 – 5:45 P.M.
COMMUNITY AUDITORIUM – CONFERENCE ROOM
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3. ADJOURNMENT

Mayor Truax adjourned the work session at 6:00 p.m.

Respectfully submitted,

Anna D. Ruggles, CMC, City Recorder



**FOREST GROVE CITY COUNCIL WORK SESSION
 (NATURAL HAZARD MITIGATION PLAN ADDENDUM)
 OCTOBER 24, 2011 – 6:00 P.M.
 COMMUNITY AUDITORIUM – CONFERENCE ROOM
 PAGE 1**

Minutes are unofficial until approved by Council.

1. ROLL CALL:

Mayor Peter Truax called the Work Session to order at 6:15 p.m. **ROLL CALL:**
COUNCIL PRESENT: Thomas BeLusko, Jr., Thomas Johnston, Council President, Victoria Lowe, Camille Miller, Ronald Thompson, and Mayor Peter Truax. **COUNCIL ABSENT:** Elena Uhing, excused. **STAFF PRESENT:** Michael Sykes, City Manager; Michael Kinkade, Fire Chief; Paul Downey, Administrative Services Director; Susan Cole, Administrative Services Assistant Director; and Anna Ruggles, City Recorder.

2. WORK SESSION: FOREST GROVE – CORNELIUS MULTI-JURISDICTIONAL NATURAL HAZARD MITIGATION ACTION PLAN ADDENDUM

Fire Chief Kinkade and Sykes facilitated the work session, noting the purpose of the work session was to discuss and review the proposed resolution requesting to adopt the Forest Grove – Cornelius Multi-Jurisdictional Natural Hazard Mitigation Action Plan (NHMAP) Addendum (Exhibit A to the staff report), noting in order to receive formal approval from the Oregon Office of Emergency Management and Federal Emergency Management Agency each City must adopt the Addendum by Council Resolution; otherwise, without a federally and locally approved NHMAP, the Cities would be ineligible to receive federal disaster mitigation funds. Chief Kinkade reported the City of Forest Grove and Cornelius contracted with EcoNorthwest to develop a shared Addendum to the Washington County Natural Hazard Mitigation Action Plan that focuses on natural hazards that could affect both cities, including flood, severe weather, earthquake, wildfire, and landslide. In addition, Chief Kinkade advised a multi-jurisdictional steering committee was established to assist with the development of the Forest Grove – Cornelius NHMAP Addendum, noting the Plan requires the steering committee to be responsible for maintaining and updating the Plan every five years in conjunction with the County’s NHMAP. In conclusion, Chief Kinkade reported the steering committee included representatives from the Rural Fire Protection District, Public Safety Advisory Commission, Chamber of Commerce, and Pacific University as well as City and Cornelius pertinent departments.

Council Discussion:

**FOREST GROVE CITY COUNCIL WORK SESSION
(NATURAL HAZARD MITIGATION PLAN ADDENDUM)
OCTOBER 24, 2011 – 6:00 P.M.
COMMUNITY AUDITORIUM – CONFERENCE ROOM
PAGE 2**

Mayor Truax opened the floor and roundtable discussion ensued pertaining to the proposed resolution requesting to adopt the Forest Grove – Cornelius Multi-Jurisdictional Natural Hazard Mitigation Action Plan Addendum. Chief Kinkade addressed various scenarios posed by the Council and highlighted significant incidents that have occurred and affected both cities, noting without a federally and locally approved NHMAP, the cities will be ineligible to receive funding, such as pre-disaster mitigation grants, hazard mitigation grants, and flood mitigation assistance. Chief Kinkade gave a few examples of the type of mitigation actions included in the NHMAP, such as assessing the seismic stability of bridges surrounding both communities, utilizing park lands on the edges of town as wildfire buffers, and assessing the vulnerability to businesses when natural disasters occur.

In conclusion of the above-noted discussion, Council collectively supported staff's recommendation to bring the proposed resolution to the regular Council Meeting scheduled for Monday, October 24, 2011, for formal consideration.

Council took no formal action nor made any formal decisions during the work session.

3. ADJOURNMENT

Mayor Truax adjourned the work session at 6:24 p.m.

Respectfully submitted,

Anna D. Ruggles, CMC, City Recorder



**FOREST GROVE CITY COUNCIL WORK SESSION
 (2011 WATERSHED MANAGEMENT PLAN UPDATE)
 OCTOBER 24, 2011 – 6:25 P.M.
 COMMUNITY AUDITORIUM – CONFERENCE ROOM
 PAGE 1**

Minutes are unofficial until approved by Council.

1. ROLL CALL:

Mayor Peter Truax called the Work Session to order at 6:25 p.m. **ROLL CALL:**
COUNCIL PRESENT: Thomas BeLusko, Jr., Thomas Johnston, Council President, Victoria Lowe, Camille Miller, Ronald Thompson, and Mayor Peter Truax. **COUNCIL ABSENT:** Elena Uhing, excused. **STAFF PRESENT:** Michael Sykes, City Manager; Rob Foster, Public Works Director; Paul Downey, Administrative Services Director; Susan Cole, Administrative Services Assistant Director; and Anna Ruggles, City Recorder.

2. WORK SESSION: 2011 WATERSHED MANAGEMENT PLAN UPDATE

Foster, Downey, Cole, and Sykes facilitated the work session, noting the purpose of the work session was to discuss and review the status of the Watershed Stewardship Management Plan Update. Staff reported the City has awarded the Request for Proposal (RFP) to Trout Mountain, Scott Ferguson, City's current consultant, to conduct an update of the 2001 Watershed Stewardship Management Plan, noting as efforts get underway, the City plans to form a Watershed Ad-Hoc Committee to provide perspective and suggestions on the Plan Update. Staff advised as previously discussed at the April 25, 2011, Work Session with Council, the City advertised for an RFP as follows: 1) watershed services to update the Watershed Stewardship Management Plan; and 2) watershed management services for the 2012 timber harvest. Staff explained by combining the services into one RFP, the planning for the 2012 timber harvest can proceed upon completion of the Watershed Stewardship Management Plan Update, noting the update is scheduled to be completed in April, 2012. Staff advised the City is planning to advertise for the 2012 timber harvest bids as early as April or May, 2012. Staff explained after the 2012 timber harvest, the City intends to advertise for an RFP for Forester to manage the watershed according to the Watershed Stewardship Management Plan Update, noting the selected Forester will manage the timber harvests for next three to five years.

Council Discussion:

Mayor Truax opened the floor and roundtable discussion ensued pertaining to Watershed Stewardship Management Plan Update, forming the Ad-Hoc Committee, and conducting a current forest timber inventory of the City's watershed. Staff responded to various inquiries, concerns, and scenarios the Council presented, noting the Watershed Stewardship Management Plan

**FOREST GROVE CITY COUNCIL WORK SESSION
(2011 WATERSHED MANAGEMENT PLAN UPDATE)
OCTOBER 24, 2011 – 6:25 P.M.
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Update will focus on the seven goals expressed in the current Plan, which are to preserve water quality and manage the watershed in an environmentally sustainable way. In response to Lowe's inquiry pertaining to the update, staff explained the update is not a complete re-write but an evaluation on where the City needs to improve and an overall summary of the existing Plan. In response to Thompson's concern pertaining to the forest timber inventory, staff explained the update will incorporate a new inventory. BeLusko expressed the importance of auditing the new forest timber inventory in comparison to the existing inventory in the current Plan, to which staff explained the City is planning to conduct an independent audit. Thompson noted he was okay with Ferguson conducting the Plan update, as long as the inventory was conducted by someone else, to which staff concurred, noting Ferguson also preferred that the timber audit be conducted separately. In response to Mayor Truax's inquiry pertaining to the Ad-Hoc Committee, staff explained the past Ad-Hoc Committee members would be contacted and invited to participate in the update, noting the City would also announce the formation of the Ad-Hoc Committee so other interested citizens could apply. Mayor Truax asked staff to try to seek a wide range of participants, i.e., area farmers and business owners. In conclusion of the above-noted discussion, several Councilmembers provided names of persons who they wanted staff to send an invite as well.

Council took no formal action nor made any formal decisions during the work session.

3. ADJOURNMENT

Mayor Truax adjourned the work session at 6:45 p.m.

Respectfully submitted,

Anna D. Ruggles, CMC, City Recorder

3E

**FOREST GROVE CITY COUNCIL REGULAR MEETING
OCTOBER 24, 2011 – 7:00 P.M.
COMMUNITY AUDITORIUM
PAGE 1**

Minutes are unofficial until approved by Council.

1. ROLL CALL:

Mayor Peter Truax called the regular City Council meeting to order at 7:02 p.m. and led the Pledge of Allegiance. **ROLL CALL: COUNCIL PRESENT:** Thomas BeLusko, Jr., Thomas Johnston, Council President, Victoria Lowe, Camille Miller, Ronald Thompson, and Mayor Peter Truax. **COUNCIL ABSENT:** Elena Uhing, excused. **STAFF PRESENT:** Michael Sykes, City Manager; Paul Downey, Administrative Services Director; Michael Kinkade, Fire Chief; Kerry Aleshire, Police Chief; Mike Herb, Police Captain; George Cress, Light and Power Director (in the audience); and Anna Ruggles, City Recorder.

1. A. POLICE RESERVE OFFICER SWEARING-IN:

Ruggles administered the Oath of Office to Waael Hamad Jared who was sworn-in as Police Reserve Officer. Police Chief Aleshire read the biography and introduced, welcomed and presented Jared his official Police Reserve badge.

2. CITIZEN COMMUNICATIONS:

Aldie Howard, 1930 16th Avenue, Forest Grove, addressed Council and asked if Council had answers for the citizens about what specific actions the Council was planning to take regarding the David Hill Development \$6.5 million court judgment against the City. Howard posed several specific questions to the Council, to which Mayor Truax advised the Council is not commenting until all legal avenues have been exhausted, noting when it is deemed appropriate, the Council will publicly communicate either by letter or in open meeting session. In response to further questioning, Mayor Truax advised Howard the courtroom testimony is a matter of public record as well.

3. CONSENT AGENDA: Items under the Consent Agenda are considered routine and will be adopted with a single motion, without separate discussion. Council members who wish to remove an item from the Consent Agenda may do so prior to the motion to approve the item(s). Any item(s) removed from the Consent Agenda will be discussed and acted upon following the approval of the Consent Agenda item(s).

**FOREST GROVE CITY COUNCIL REGULAR MEETING
OCTOBER 24, 2011 – 7:00 P.M.
COMMUNITY AUDITORIUM
PAGE 2**

- A. Approve City Council Regular Meeting Minutes of October 10, 2011.
- B. Accept Economic Development Commission Meeting Minutes of April 7, May 5, June 2, July 14, and September 8, 2011.
- C. Community Development Department Monthly Building Activity Informational Report for September 2011.
- D. Library Department Monthly Circulation Statistic Report for October 2011.
- E. Endorse Liquor License Change of Ownership Application (Limited On-Premises Sales) for Forest Grove Sushi, located at 1905 Birch Street (Applicant: Chris Kim).
- F. Accept Resignation on Public Safety Advisory Commission (Bryan Luciani, Citizen At Large, Term Expiring December 31, 2013).
- G. **RESOLUTION NO. 2011-80 MAKING APPOINTMENT TO PUBLIC ARTS COMMISSION (APPOINT JAMES FRIEND, THEATRE IN THE GROVE, VOTING REPRESENTATIVE, TERM EXPIRING DECEMBER 31, 2014).**
- H. Endorse New Liquor License Application (Full-On Premises Sales) for Super Buffet, 2834-E Pacific Avenue (Applicant: Thomas Koshinz). **ADDED TO CONSENT AGENDA**

MOTION: Councilor Lowe moved, seconded by Councilor BeLusko, Jr., to approve the Consent Agenda as presented. ABSENT: Councilor Uhing. MOTION CARRIED 6-0 by voice vote.

4. ADDITIONS/DELETIONS:

Sykes added an Executive Session in accordance with **ORS 192.660(2)(D)** to conduct deliberations with person designated by the governing body to carry on labor negotiations, which was held prior to the regular meeting.

Ruggles added Agenda Item 3. H. to the Consent Agenda as noted above.

5. PRESENTATIONS: None.

6. PUBLIC HEARING AND RESOLUTION NO. 2011-78 SETTING EMERGENCY RESPONSE COST RECOVERY FEES AND CHARGES FOR

**FOREST GROVE CITY COUNCIL REGULAR MEETING
OCTOBER 24, 2011 – 7:00 P.M.
COMMUNITY AUDITORIUM
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**CERTAIN FIRE AND PUBLIC SAFETY EMERGENCY SERVICE INCIDENTS
AND AMENDING RESOLUTION NO. 2011-52, MASTER FEES AND
CHARGES SCHEDULE**

Staff Report:

Fire Chief Kinkade presented the above-proposed resolution requesting to approve setting emergency response cost-recovery fees and charges for out-of-area users who at the time of emergency service incident reside outside of the jurisdictions of the City, Rural Fire Protection District, or mutual aid agencies (cities of Banks, Cornelius, and Gaston). Chief Kinkade reported pursuant to ORS 478.310 (Attachment 1 to the staff report) and OAR 837.130 (Attachment 2 to the staff report), the City is authorized to recover costs from persons or property receiving certain public safety or fire emergency service as a result of responding to incidents requiring equipment and personnel for fire, medical, and life safety that occur within the City or Rural Fire Protection District or unprotected areas and transportation routes where no taxes or assessments for fire protection or public safety are levied by the City or Fire District. Chief Kinkade reported staff met with Council on May 9, 2011, at which time, Council directed staff to bring back a proposal for Council consideration. Chief Kinkade affirmed that staff also met with the Rural Fire Protection District and Public Safety Advisory Commission to discuss and review the proposed fees, noting both boards supported the overall concept of assessing the emergency response cost-recovery fees to out-of-area users. Chief Kinkade reported the Fire Department is recommending assessing a minimum fee of \$250, for the first half-hour, plus 15 percent administrative fee and actual costs for supplies, specialized equipment, or apparatus used when responding to a motor vehicle incident. Staff is recommending assessing a minimum fee of \$400, for the first half-hour, plus 15 percent administrative fee and actual costs for supplies, specialized equipment, or apparatus used when responding to a fire or public safety incident. Chief Kinkade explained after the first half-hour, the fees would be collected equal to the current State Fire Marshal Standardized Costs Schedule (Attachment 3 to the staff report). Chief Kinkade noted the proposed fees would not adversely affect Forest Grove citizens or anyone residing within the City's current Fire District or mutual aid agencies (cities of Banks, Cornelius, and Gaston). In addition, Chief Kinkade explained the billing and collection terms as outlined in Exhibit A of the proposed resolution, noting the City would bill the charges to the person(s) insurance carrier in most cases. In

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conclusion, Chief Kinkade reported the proposed fees are not projected to generate significant revenue, noting the ability to assess fees will provide a significant cost-savings to the City by helping to offset some of the increasingly expensive and high costs of providing fire and public safety emergency response services to out-of-area users. Chief Kinkade added that when these types of significant incidents occur, the Fire Department has no way of recovering costs for providing these services, which have a substantial negative impact on the Department's operating budget as well as the Department must have the proper equipment and training required in order to provide these services.

Before proceeding with Public Hearing and Council discussion, Mayor Truax asked for a motion to adopt Resolution No. 2011-78.

Sykes read Resolution No. 2011-78 by title.

MOTION: Councilor Johnston, moved, seconded by Councilor Miller, to adopt Resolution No. 2011-78 Setting Emergency Response Cost Recovery Fees and Charges for Certain Fire and Public Safety Emergency Service Incidents and Amending Resolution No. 2011-52, Master Fees and Charges Schedule.

Public Hearing Opened:

Mayor Truax opened the Public Hearing.

Proponents:

No one testified and no written comments were received.

Opponents:

No one testified and no written comments were received.

Others:

Sykes pointed out a citizen in the audience, who resides on Sunset Drive within Washington County jurisdiction, who Sykes stated he advised at the start of the meeting that the proposed fees and charges would not adversely affect her. Upon asked by Mayor Truax, the citizen declined testimony and stated that her concerns were addressed.

No one else testified and no written comments were received.

**FOREST GROVE CITY COUNCIL REGULAR MEETING
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Public Hearing Closed:

Mayor Truax closed the Public Hearing.

Council Discussion:

Council President Johnston affirmed both the Rural Fire Protection District and Public Safety Advisory Commission voiced support of assessing emergency response cost-recovery fees and charges to out-of-area users.

Mayor Truax advised the purpose of assessing the emergency response cost-recovery fees and charges to out-of-area users is to ensure monies paid by Forest Grove citizens are being used for local citizens' fire and public safety protection.

Hearing no further discussion from the Council, Mayor Truax asked for a roll call vote on the above motion.

ROLL CALL VOTE: AYES: Councilors BeLusko, Jr., Johnston, Lowe, Miller, Thompson, and Mayor Truax. NOES: None. ABSENT: Councilor Uhing. MOTION CARRIED 6-0.

7. PUBLIC HEARING AND RESOLUTION NO. 2011-79 ADOPTING THE FOREST GROVE – CORNELIUS MULTI-JURISDICTIONAL NATURAL HAZARD MITIGATION ACTION PLAN ADDENDUM, DATED SEPTEMBER 2011

Staff Report:

Fire Chief Kinkade presented the above-proposed resolution requesting to adopt the Forest Grove – Cornelius Multi-Jurisdictional Natural Hazard Mitigation Action Plan (NHMAP) Addendum (attached as Exhibit A), noting staff met earlier in Work Session with Council to discuss and review the NHMAP. Chief Kinkade advised in order to receive formal approval from the Oregon Office of Emergency Management and Federal Emergency Management Agency each City must adopt the Addendum by Council Resolution; otherwise, without a federally and locally approved NHMAP, the Cities would be ineligible to receive federal disaster mitigation funds. Chief Kinkade reported the City of Forest Grove and Cornelius contracted with EcoNorthwest to develop a shared Addendum to the Washington County Natural Hazard Mitigation Action Plan that focuses on natural hazards that could affect both cities, including flood, severe weather,

**FOREST GROVE CITY COUNCIL REGULAR MEETING
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earthquake, wildfire, and landslide. In addition, Chief Kinkade advised a multi-jurisdictional steering committee was established to assist with the development of the Forest Grove – Cornelius NHMAP Addendum, noting the Plan requires the steering committee to be responsible for maintaining and updating the Plan every five years in conjunction with the County's NHMAP. In conclusion, Chief Kinkade reported the steering committee included representatives from the Rural Fire Protection District, Public Safety Advisory Commission, Chamber of Commerce, and Pacific University as well as City and Cornelius pertinent departments.

Before proceeding with the Public Hearing and Council discussion, Mayor Truax asked for a motion to adopt Resolution No. 2011-79.

Sykes read Resolution No. 2011-79 by title.

MOTION: Councilor Lowe, moved, seconded by Councilor Thompson, to approve Resolution No. 2011-79 Adopting the Forest Grove – Cornelius Multi-Jurisdictional Natural Hazard Mitigation Action Plan Addendum, dated September 2011.

Public Hearing Opened:

Mayor Truax opened the Public Hearing.

Proponents:

No one testified and no written comments were received.

Opponents:

No one testified and no written comments were received.

Others:

No one testified and no written comments were received.

Public Hearing Closed:

Mayor Truax closed the Public Hearing.

Council Discussion:

Lowe commended Fire Chief Kinkade for his work, noting a major concern of hers is having in place a citizen/community emergency preparedness and protection plan.

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Mayor Truax advised having a plan in place is critical for both cities, noting the adoption of the NHMAP will allow the cities to apply for federal disaster grant funding should the need arise.

Hearing no further discussion from the Council, Mayor Truax asked for a roll call vote on the above motion.

ROLL CALL VOTE: AYES: Councilors BeLusko, Jr., Johnston, Lowe, Miller, Thompson, and Mayor Truax. NOES: None. ABSENT: Councilor Uhing. MOTION CARRIED 6-0.

8. **QUARTERLY FINANCIAL REPORT FOR PERIOD ENDING JUNE 30, 2011**
Downey presented the quarterly financial report for period ending June 30, 2011, noting the report outlines the revenues and expenditures for each department in the General Fund and revenue and expenditures for all other funds. Downey referenced his staff report, which showed a comparison of the Ending Fund Balances for selected funds and the un-audited Ending Fund Balance as of June 30, 2011. Downey advised the General Fund's Beginning Fund Balances is \$413,969 higher than the amount budgeted, noting the higher-than-anticipated fund balances will help the City protect its reserves as the City starts the process of reviewing what to do with the local option levy that expires June 30, 2013. Downey advised the increase in fund balances is due primarily to a higher than expected beginning fund balance in June 30, 2010, and departments not expending all budgeted funds and not filling vacancies. Downey reported on the Building Permits Fund Balance, noting building activity has continued at a steady pace. Downey reported on the Light and Power Fund Balance, noting the vehicle enclosure building is being delayed until Fiscal Year 2011-12. Downey reported in Fiscal Year 2011-12, the Light and Power Department (L&P) is planning to conduct a Master Plan Update for its distribution system followed by a cost-of-service and user rate study, noting the L&P Master Plan Update will provide necessary information for future capital outlay expenditures. In addition, Downey advised the Water Fund's Rate Study has been completed and rate increases necessary for the Water Fund for the next several years have been determined, noting staff is planning to schedule a work session with Council in November to discuss and review the results of the study. Downey reported on the Equipment Fund Balance, noting staff is working to reduce the operational deficit in the Equipment Fund, which was mostly

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due to money set aside for vehicle purchases. In conclusion, Downey addressed inquiries pertaining to the detailed analysis of specific line items, noting the audit report is scheduled to be delivered sometime in December or January, 2012, at which time, staff will have the audited numbers to present to Council.

Council Discussion:

In response to BeLusko's inquiry pertaining to the audit report, Downey advised once the auditor completes the audit report, staff will bring the report to Council. In response to BeLusko's inquiry pertaining scheduling a fall budget meeting, Downey indicated staff is working on setting the calendar dates for 2012 budget meetings; however, there are no plans to schedule a meeting in November/December.

In response to Council President Johnston's inquiries pertaining to the General Fund Balance and adding reserves rather than refilling police officer and firefighter positions, Downey advised there are no budgeted monies for refilling the positions that were eliminated as part of the budget process several years ago, noting the reason the General Fund is showing a higher than anticipated balance as of June 30, 2011, is due to underspending and vacancies within police and other departments. Downey affirmed that the General Fund balance would be hugely reduced now that vacancies have been filled.

In conclusion of the above-noted discussion, Mayor Truax advised the Annual Town Meeting, scheduled for Saturday, January 28, 2012, will focus on budgetary funding scenarios.

9. CITY MANAGER'S REPORT:

Sykes reported on upcoming events as noted in the Council calendar and reported on other various upcoming local meetings and community-wide events. Sykes added the Annual Town Meeting will be held Saturday, January 28, 2012; Boards, Committees, and Commissions Annual Recognition Dinner, Thursday, January 19; Council Retreat, Saturday, February 18; and Mayor's State of the City Address, Monday, February 27, 2012. Sykes briefed Council on the Ford Leadership Institute Nominators' Meeting, held October 18, 2011, noting the purpose of the meeting was to nominate and recruit members of the community to participate in the 2012 Ford Leadership Institute Development Program. Sykes reported the nominators named 120 nominees who will be asked to

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submit an application, noting the class program is free and is limited to 30 participants. Sykes explained the selected participants will be expected to attend five sessions and contribute time on a small community project after the class periods are finished. Sykes also provided an update on the Sustainability SWOT Analysis, held Saturday, October 22, 2011, noting approximately 16 people attended and the group scheduled a third session on November 17, 2011, 6:00 p.m. in the Community Auditorium, to continue discussions on a mission statement and action plans. In addition, Sykes voiced disheartening disappointment with Metro's Urban Growth Boundary Expansion decision and lack thereof of Metro Councilor District 4 representation, noting Metro excluded 115 acres of industrial expansion near Forest Grove and instead approved expansions in Hillsboro and Beaverton. In conclusion, Sykes distributed a copy of his written report, which outlined various meetings he attended and provided updates on various City department-related activities, projects, and upcoming city/community-wide events.

10. COUNCIL COMMUNICATIONS:

BeLusko reported on Economic Development Commission and Public Arts Commission-related activities. In response to BeLusko's inquiry pertaining to Water System Development Charges, Sykes indicated the analysis is completed and staff plans to present the results to Council in November or December. In addition, BeLusko reported he attended the Ford Leadership Institute Nominators' Meeting, held October 18, 2011, expressing what an honor it was for Forest Grove to be selected as a host city for the 2012 Ford Leadership Institute Development Program. In conclusion, BeLusko reported on various upcoming community-related events of interest and meetings he was planning to attend.

Council President Johnston voiced disappointment with the lack of representation from Metro Councilor District 4, stating there is no representation for our region or for the citizens of this region. Johnston stressed the fact that the City had the okay from the Core 4 (consortium of Metro and Washington, Clackamas, and Multnomah counties) and the Land Conservation and Development Commission (LCDC), which Johnston stated was ignored by Metro. In addition, Johnston stressed that it may be time for the City to explore other options with or without Metro. In conclusion, Johnston reported on various meetings he attended and upcoming meetings he was planning to attend.

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Lowe reported on Parks and Recreation Commission (P&R) meeting, noting P&R heard Boy Scouts presentations on proposals for volunteer projects. In response to Lowe's inquiry pertaining to tracking Boy Scout volunteer hours, Sykes indicated he would ask staff if they could tally the total number of volunteer hours. Lowe provided updates on Joint Water Commission and Fernhill Wetlands-related activities. In addition, Lowe reported she attended the Sustainability SWOT Analysis, noting a third session was scheduled to continue discussions on a mission statement and action plans. In conclusion, Lowe reported on various meetings she attended and upcoming meetings she was planning to attend.

Miller commended the Committee for Citizen Involvement (CCI), noting CCI will do an awesome job on the topic focus for the Annual Town Meeting. Miller provided an update on Chamber of Commerce-related activities, noting the Chamber painted its building and unveiled its new website. In addition, Miller reported the Chamber is seeking a volunteer to assist in the front office while their Office Assistant remains on medical leave. In conclusion, Miller reported on various community-related events of interest and upcoming meetings she was planning to attend.

Thompson reported on the Community Forestry Commission (CFC) meeting, noting CFC is diligently working to accomplish the criteria for Tree City USA Award. Thompson announced CFC is hosting a Tree Pruning Workshop on Saturday, November 19, 2011, 9:00 a.m. at Lincoln Park. In addition, Thompson provided updates on Ride Connection and Forest Grove Senior and Community Center-related activities and events. Thompson commended Jeff King, Economic Development Coordinator, for his participation and insight on the Senior Center's Community Development Block Grant application. In conclusion, Thompson reported on various upcoming community-related events of interest and meetings he was planning to attend.

Uhing was absent.

Mayor Truax reported on various local, regional, Metro, and Washington County meetings he attended and reported on various upcoming meetings and community-related events he was planning to attend. Mayor Truax echoed the comments heard about Metro's lack of commitment, noting this discussion is one that the Council can carry into the next legislative session. Mayor Truax reminded the public to vote, noting ballots for the

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Forest Grove School District Recall Election are due Tuesday, November 1st and ballots for the First Congressional District Primary Election are due Tuesday, November 8th. Mayor Truax reported the Nyuzen Student Delegation, consisting of 10 students and two adults, are scheduled to visit Forest Grove, arriving October 29th and departing November 2nd. Mayor Truax requested that a framed Mayoral Proclamation be prepared for formal presentation to a Russia Delegation who is visiting Forest Grove High School on November 4th. In addition, Mayor Truax reported on various upcoming community-related events of interest and meetings he was planning to attend. In conclusion, Mayor Truax expressed his deepest condolences to the family of Steve Kruse who died October 15, 2011, noting Kruse was a valued employee of the Parks and Recreation (P&R) Department for over eleven years. Mayor Truax announced there are several ceremonial events planned, noting P&R is accepting donations for planting a large Willamette Valley Ponderosa pine, Kruse's favorite tree, and installing a bench in Lincoln Park in Kruse's memory.

11. ADJOURNMENT:

Mayor Truax adjourned the meeting at 8:15 p.m.

Respectfully submitted,

Anna D. Ruggles, CMC, City Recorder

APPROVED

CITY OF FOREST GROVE
 COMMITTEE FOR CITIZEN INVOLVEMENT
 COMMUNITY AUDITORIUM CONFERENCE ROOM, 1915 MAIN STREET
 TUESDAY, AUGUST 16, 2011 - 5:30 P.M.

Councilor Camille Miller

Josiah Bartlett
 Mo Hanselman
 Deborah Greenfield
 Susan Aguilar

Michael Perrault
 Kristy Kottkey (Chair)
 Len Hua

All public meetings are open to the public and all persons are permitted to attend any meetings except as otherwise provided by ORS 192:

→ **Citizen Communications** – Anyone wishing to speak on an issue not on the agenda should sign in for Citizen Communications prior to the meeting. The presiding officer will call the individual or group by the name given on the sign in form. Each person must state his or her name and give an address for the record.

All public meetings are handicap accessible. Assistive Listening Devices (ALD) or qualified sign language interpreters are available for persons with impaired hearing or speech. For any special accommodations, please contact the City Recorder, at (503) 992-3235, at least 48 hours prior to the meeting.

Present: Kristy Kottkey, Mo Hanselman, Susan Aguilar, Len Hua, Mike Perrault

Absent: Deborah Greenfield, Josiah Bartlett

City Staff: Jon Holan Community Director

City Council: Camille Miller

Call to Order: Kristy Kottkey called the meeting to order at 5:30 pm at Community Auditorium. Minutes from the July 16th meeting were read and approved with minor modifications. Susan Aguilar made 1st motion to approve the minutes, and Mo Hanselman seconded. Minutes were approved.

Communication Box: None

Old Business:

1. Discussion on the purpose of CCI. Jon Holan shared with the committee on ‘purpose and past activities’ of CCI. ATM is the province of CCI. CCI develop the topics as a citizen perspective to bring to ATM. In addition, CCI had worked on various topics in the past including land use, side walk, policing, etc, so CCI related matters run wide. CCI has no agenda on politics and policy. CCI will not get involved with neighborhood watch, but facilitate communication and volunteering. The key is to encourage citizen involvement with local government.

Kristy Kottkey suggested that CCI should promote ideas and communication to the citizen. Mo Hanselman emphasized for more effective and aggressive citizen outreach to increase ATM attendance. Other ideas include get inputs from different boards and press release to the newspaper. The committee plans to attend other boards’ meetings to learn about issues of interests to citizens.

Action items for next meeting include: mission statement for CCI and objectives for next year. Also all committee members need to follow through as discussed and planned.

2. Update on Members’ projects

Kristy Kottkey has a list of liaisons and sent tasks for liaisons to take action

3. Discussion of Upcoming Year

Upcoming Events

- 1) Grant for sidewalk for Harvey Clark
- 2) Sustainability effort in Sept
- 3) Mo Hanselman's PR strategy
- 4) Don't forget about the ATM

Kristy Kottkey will try to get new volunteers next month. Mo Hanselman wants to aim for a double attendance for next ATM ~150.

Ideas to plan something fun connecting to ATM:

- Trivia on past ATM, and have 2 top winners.
- A Day of Service: senior center, or at rotary. Park and Rec can come up with a project.
- Senate Bill regarding use of home brew beer, home brew beer festival
- Insert into Facebook, one draw per family. Pound of coffee from Starbuck (Kristy Kottkey), free eye exam vouchers (Len Hua)
- Go door to door to businesses for a box of price, movie tickets (Susan volunteer, Prize PR person)

Next Meeting: The next meeting (Sept) will be at La Sierra 5:30PM. Mo Hanselman will be absent at next meeting.

Adjourn: Motion to adjourn by Len Hua and seconded by Susan Aguilar.

Respectfully submitted by Len Hua as a substitute for Deborah Greenfield

APPROVED

CITY OF FOREST GROVE
COMMITTEE FOR CITIZEN INVOLVEMENT
COMMUNITY AUDITORIUM CONFERENCE ROOM, 1915 MAIN STREET
TUESDAY, SEPTEMBER 20, 2011 - 5:30 P.M.

Councilor Camille Miller

Josiah Bartlett
Mo Hanselman

Deborah Greenfield
Susan Aguilar

Michael Perrault
Kristy Kottkey
(Chair)
Len Hua

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The September 20, 2011, meeting was cancelled due to lack of a quorum.

CITY OF FOREST GROVE COMMUNITY FORESTRY COMMISSION MEETING MINUTES – June 22, 2011

Members in Attendance:

Mindy Laird- Garcia, David Hunter, Mark Nakajima, Sebastian Bannister Lawler

Members Absent:

Stephanie Beall, Lance Schamberger, Nicole Smith, Dale Wiley

Staff and Councilors Present:

Dan Riordan, City Staff Liaison

Agenda Items

1. Call to Order and Approval of Minutes

- The meeting was called to order at 17:41 hours.
- Mindy Laird-Garcia, Chair, presided.
- The meeting minutes for April 20, 2011 were reviewed by the Commission members. David Hunter offered a motion, seconded by Sebastian Bannister Lawler, to approve the minutes. The motion passed unanimously.
- The meeting minutes for May 18, 2011 were reviewed by the Commission members. David Hunter offered a motion, seconded by Sebastian Bannister Lawler, to approve the minutes. The motion passed unanimously.

2. Citizen Communication

- a. There was no citizen communication.

3. New Business

a. Pick Photos for Calendar (All)

- The Commission reviewed possible photos to include in the calendar project. The Commission agreed that more photos are needed for the summer months. Mindy noted that she will work with Stephanie to publish the calendar.

b. Community Enhancement Grant (Dan)

- Dan provided an update on the status of the Community Enhancement Grant. The grant has been awarded and the final agreement should be available soon. The grant award is \$3,370.

4. Project Reports

a. Calendar Publication

- The Commission selected photos to include in the calendar project.

- b. Tree Inventory Update – Mindy / Dan**
 - The tree inventory project has been completed.
- c. Oak Wood Project – Dale**
 - No update.
- d. Commemorative Tree Project – Mark**
 - Mark indicated that he is working on brochure for the commemorative tree project. The brochure should be ready by the end of September.
- e. Revisions to City Tree List - David**
 - David provided a brief update on possible revisions to the City's recommended street tree list.
 - David will coordinate with Lance on possible revisions to the list.
 - Proposed revisions will likely focus on trees to plant under utility lines
- f. Tree Tour Brochure – Sebastian**
 - Sebastian distributed a revised version of the Tree Tour Brochure. The mock-up will provide the layout for publishing of the brochure. Through Mindy's and Stephanie's efforts, the City received a grant of from the Washington County Visitors Association in the amount of \$2,000 to professionally produce the brochure.

5. Other Business

- a. Oregon Community Trees Conference - Mindy**
 - Mindy attended the Oregon Community Trees Conference held at the Forestry Center in Portland. Mindy provided the Commission with an overview of the conference.

6. Adjourn

- Sebastian Bannister Lawler offered a motion to adjourn the meeting at 18:48 hours. The motion was seconded by Mark Nakajima and unanimously approved by the Commission.

APPROVED

CITY OF FOREST GROVE COMMUNITY FORESTRY COMMISSION MEETING MINUTES – September 21, 2011

Members in Attendance:

Mindy Laird- Garcia, David Hunter, Stephanie Beall Mark Nakajima, Lance Schamberger, Dale Wiley

Members Absent:

Sebastian Bannister Lawler, Nicole Smith

Staff and Councilors Present:

Ron Thompson, Council Liaison, Dan Riordan, City Staff Liaison, Steve Huffman

Agenda Items

1. Call to Order and Approval of Minutes

- The meeting was called to order at 17:30 hours.
- Mindy Laird-Garcia, Chair, presided.
- The meeting minutes for June 22, 2011 were reviewed by the Commission members. Mark Nakajima offered a motion, seconded by Lance Schamberger, to approve the minutes. The motion passed unanimously.

2. Citizen Communication

- a. No citizen communication.

3. New Business

a. Fruit Tree Pruning and Care Workshop

- Leda Glastonbury, Pacific University student, attended the Commission meeting to present an idea she is developing for her senior project. The project idea focuses on sustainability and emphasizes gleaning produce from urban fruit trees. Ms. Glastonbury discussed the possibility of working with the Commission to get information out to the public. Members of the Commission expressed support for focusing on fruit tree pruning as part of the tree pruning workshop scheduled on November 19th at 9:00 AM. The Commission agreed to approach the Fire Department about advertising the tree pruning workshop on the fire station reader board.

b. Request to Add Trees to Register of Significant Trees (2325 A Street)

- Dan mentioned that the property owner of 2325 A Street requested that an additional Oregon White Oak tree be added to the Register of Significant Trees. The Commission agreed to request an arborist report to evaluate the condition of the tree. The tree is located on the south side of the house. The property currently contains two Oregon White Oak trees listed on the Register.

4. Project Reports

a. Calendar Publication

- Stephanie provided an update to the Commission on the status of the calendar project. Stephanie reported that the cost of printing the calendar will be higher than anticipated. The estimated cost is \$14.00 to \$15.50 per calendar. Stephanie informed the Commission that there is price reduction for 500 or more copies. The cost would be reduced to \$8.00 per unit for the larger quantity. Stephanie mentioned that calendars could be printed at Kinko's for \$10.00 per calendar but the quality is sub-par. Approximately \$80.00 has been expended for costs associated with laying out the calendar. Options to complete the project will be discussed at the next Commission meeting.

b. Oak Wood Project – Dale

- Work will continue on the oak wood project.

c. Commemorative Tree Project – Mark

- Mark will bring copies of draft brochures to the next Commission meeting.

d. Revisions to City Tree List - David

- An update on possible revisions to the City's recommend street tree list will be discussed at a future Commission meeting.

e. Tree Tour Brochure/WCVA Grant Update - Dan

- Funding for publishing the Tour of Tree Brochure will be provided through the grant allocation from the Washington County Visitors Association (WCVA). \$2,000 is available for professional design and printing. Dan mentioned that the first quarterly grant report will be provided to the WCVA by the end of September.

5. Other Business

a. Tree Planting Specifications

- The City's Engineering Department provided the Commission with a draft drawing showing possible tree planting requirements. The Commission briefly discussed the drawing. Additional comments from the Commission will be forthcoming.

6. Adjourn

- Dale Wiley offered a motion, seconded by Mark Nakajima to adjourn the meeting at 18:20 hours. The motion passed unanimously.

3H
APPROVED

Members Present: George Cushing, Neil Poulsen, Holly Tsur, Larry Wade, Ernest Walston (one vacancy)
Members Absent: Kevin Kamberg
Staff Present: James Reitz
Council Liaison: Elena Uhing was excused
Citizens Present: -0-

1. **Call to Order:** Poulsen opened the meeting at 6:10 p.m. **The minutes of the August 23, 2011 meeting were approved as submitted.**

2. **Citizen Communication:** None.

3. **Action Items / Discussion:**

A. SHPO Grant – Work Program

- o Design Guidelines: Poulsen reported that he had some format changes to finish and he expected to be able start working on the document again in the near future.
- o Design and print brochures for Painter's Woods and Walker / Naylor districts. See *Newsletter / Brochures* below.
- o Design and build a display board: Poulsen reported that the display board was well received at the most recent Farmer's Market. He said that the materials came in about \$40 under budget and suggested that these funds be used to prepare a HLB banner to hang on the canopy. The Board decided to take no action until Spring 2012 since the Farmer's Market season was about over for the year.
- o Purchase and install Painter's Woods street signs: Wade noted that both "Painter's Woods" and "Walker / Naylor" were much longer (the total number of letters) than is "Clark District" and that to use the same sign style could result in a rather crowded appearance. He thought that the text would fit better on street sign toppers but that they could still have a similar design. Generally the Board agreed, although there was still a preference that all three districts share the same signage. However, it was also noted that because the Clark District was the oldest district and arguably more historically-significant, perhaps it should have something different. Utilizing the toppers would also allow both of the remaining districts to get signs now since extruded aluminum toppers are less expensive than the cast aluminum signs. Reitz will proceed with looking at options (materials, color and design) for the toppers. He mentioned that about \$500 had been spent to ship the Clark District cast aluminum signs from the east coast while the toppers are available locally which could result in additional savings.

B. Newsletter / Brochures: Wade reported that he had all past newsletter articles in PDF form and had given them to Reitz to have them added to the website. He said the Summer issue was ready for print but it wouldn't be distributed until the others were posted, as this issue was primarily about promoting their inclusion on the website. Reitz said he expected the city to shortly complete that task.

Wade then suggested revising the topics for the next few issues. He suggested that the next two issues be used to develop content for the Painter's Woods and Walker / Naylor district brochures. The Fall issue could be used to develop a possible mockup of the Painter's Woods brochure and the Winter issue of the Walker / Naylor brochure. The content could then be passed along to the brochure designer for the final layout. Wade reminded everyone that the designer would require print-ready content, including photos and maps. If all was prepared in conjunction with the newsletter it would be more likely that production deadlines could be met.

Wade asked if Walston and Cushing could devote their efforts to an analysis of properties in the Painter's Woods District. Ideally about twenty sites should be brought forth for the Board to review and winnow down to perhaps ten for inclusion in the brochure. A discussion of how to obtain descriptions of the homes revealed that there was a lot of information already available and that possibly the FHFG or the individual homeowners might be also able to contribute. Cushing and Walston agreed to pick some homes before the next meeting. Reitz will forward the available information on homes in the district.

The Board then discussed whether to have two new brochures designed or to try and replicate the format of the Clark District brochure. The Board concluded that ideally the same format should be followed, but perhaps in different colors. Wade also thought that the brochures should be available on the website as PDF files; that way they could be easily printed and / or viewed with handheld devices.

It was concluded that two brochure options would probably be needed in the request for proposals:

Plan A: Use the same designer, design and format as was used for the Clark District brochure, but utilize a different color for each brochure. With the designer's permission, this format could then be replicated for any future district brochures.

Plan B: A new brochure design for these and any future districts, done by a different designer.

4. **Mid-Year Strategic Plan Review:** The Board concluded that they were progressing well toward their goals with the possible exception of developing a sustainable funding program. Cushing thought that the Board had already done a lot towards that idea such as having a dialogue with Library staff about establishing a foundation (which did not appear to be a viable option). The Board also discussed fundraising options with the city attorney and city recorder, and Uhing had offered her expertise. Other ideas considered were selling postcards or calendars (Reitz interjected that he had received twelve decks of historic playing cards from SHPO that could be sold. The Board decided to offer them for sale at the Farmer's Market for \$10 each. If they sell well, Reitz will ask SHPO for more). The Board is also continuing to look at all kinds of other fundraising opportunities and grants, in addition to SHPO grants and City enhancement grants.

Wade noted that the infill issue was not in the task list but that it was a major issue in historic preservation. He thought that it was not necessary to add it to the goals this year but probably next year it should be added.

5. **Old Business / New Business**

- Council Liaison Report: No report as Uhing was excused.
- Historic District White Paper: Poulsen reported that he is continuing to work on it.

6. **Adjournment:** The September 27, 2011 meeting adjourned at 8:54 p.m.

These minutes respectfully submitted by George Cushing, Secretary

APPROVED

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1. **CALL TO ORDER:**

Chairman Beck called the meeting to order at 7:00 p.m.

Planning Commission Present: Tom Beck, Carolyn Hymes, Al Miller, Lisa Nakajima, Luann Arnott, Charles Kingston and Richard Kidd.

City Council Present: Tom BeLusko, Tom Johnston, Camille Miller, Victoria Lowe, Ron Thompson, Elena Uhing.

Absent: Mayor Pete Truax

Staff Present: Jon Holan, Community Development Director; Mike Sykes, City Manager; Dan Riordan, Senior Planner; Marcia Phillips, Assistant Recorder.

2. **PUBLIC MEETING:**

2.1 **PUBLIC COMMENT PERIOD FOR NON-AGENDA ITEMS:** None.

2.2 **PUBLIC HEARING:** None scheduled.

2.3 **ACTION ITEMS:** None scheduled.

2.4 **WORK SESSION ITEMS:**

A. Transit Oriented Development – Implementation Report

Chairman Beck: This is a joint work session on the Transit Oriented Development (TOD) Implementation Report.

Mr. Holan: Each of you has been given two letters from Metro to read. The City was able to get a TGM grant to do this study. The study gives a prototype of what could be done as far as station locations for light rail. The Corridor Working Group looked at several station locations besides the Laurel Street area.

Mr. Riordan: The TOD Working Group met six times, and through much discussion narrowed the information down to a Preferred Alternative which is more cost effective and gives better access to the area to the south. The consultant then did a traffic analysis. The question is whether TOD is feasible in Forest Grove. We will not really know until a Corridor Study is done.

Mr. Riordan: The City has begun a discussion with property owners about land use in the TOD study area. We found they were interested in other land use for the area. We wanted to bring your attention to the policy questions, and need your input to give us direction. This is Jason Franklin Consultant from Parametrix.

Mr. Franklin gave a brief overview of the process and how it all got started. He showed a picture of the focus study area.

**PLANNING COMMISSION MEETING MINUTES
FOREST GROVE COMMUNITY AUDITORIUM**

September 19, 2011 –7:00 P.M.

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Commissioner Hymes arrived at 7:22 p.m.

Mr. Franklin showed a picture of Alternative # 1 – PNWR alignment and constrained. He then showed a picture of Alternative # 2 – Northern alignment and unconstrained.

Mr. Franklin: The key evaluation issues were: Metro's requirements (System Expansion Policy), phasing, development uncertainty, and equity. From this we got the Draft Preferred Alternative (Martin Road extension, Laurel as the main street, and PNWR alignment). Transportation became a major issue as we moved along, because ODOT said the City might get one access to Hwy 47, and the City can fight for two.

Mr. Riordan: If we fold this into Periodic Review, we may have to revisit the Transportation System Plan.

Councilor Johnston: In previous studies it was stated a stop near Quince St. would be good because there is a trailer park and senior housing in that area.

Councilor Uhing: We need to be realistic and look at all high capacity transit systems, and not just light rail. We need to look at what is really feasible for Forest Grove.

Mr. Franklin: The point of this study was to say, if we move forward, what needs to happen to make it work and what would it look like.

Councilor Johnston: When light rail was first put in, Forest Grove was very serious about light rail coming out here.

Chairman Beck: In our world there is a five mile gap between Forest Grove and the rest of the Metro area. What we need to do is look at what we can get from Metro, instead of shooting sky high and getting shot down.

Mr. Franklin: It is a fact of life that Forest Grove is the end of the line. In California commuter rail is very popular in situations like this. Metro's expansion policy now has more structure, which is helpful.

Councilor Johnston: What we are realistically looking at is trying to get buses to go where we build.

Mr. Franklin showed a picture of the revised Preferred Alternative, and pointed out the various land uses including large retail along Hwy 47.

Mr. Holan: The Orenco Station area was feasible due to the large retail area to the east.

**PLANNING COMMISSION MEETING MINUTES
FOREST GROVE COMMUNITY AUDITORIUM**

September 19, 2011 –7:00 P.M.

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Chairman Beck: Metro hit the nail on the head when they commented - how can you put this in and not pull away from downtown.

Councilor Lowe: Several years ago we did a Commercial Corridor study (with pods). Are we scraping that?

Mr. Holan: We are trying to take this TOD study and other studies, such as the Commercial Corridor Study, and combine that knowledge to make decisions about the future of Forest Grove as part of Periodic Review.

Councilor BeLusko: This is a 25-year process. This type of study is what Metro needs before they will even look at us.

Chairman Beck: Most people live in northwest Forest Grove. That is where the new homes are being built. How do we connect these people to high capacity transit?

Councilor Johnston: We need to do studies to find out where people live. Many drive because they do not live on bus routes or light rail lines.

Commissioner Kidd: We need to ask what we can do to change zoning to increase density downtown to keep the businesses there, and change zoning in the study area to allow future density there.

Mr. Franklin: If the City decides to move forward with TOD there are issues to be resolved. These issues include: cost, industrial land conversion, partnerships up and down the corridor, development form, large format retail, transportation access, the substations, implementation, zoning issues, ODOT and Metro findings. The next step is really the Corridor Study.

Councilor Lowe: Regarding Policy Question # 7, dumping \$5-10 million into moving the substations is out of the question as far as I am concerned.

Mr. Holan: In response to a comment about industrial conversion, at the regional level, there is a bit of conflict because Metro wants to maintain industrial areas, but it also wants to develop TOD areas.

Chairman Beck: Can we really afford not to have this industrial area and the taxes it will provide?

Councilor Uhing: Can we agree that a Corridor Study is the next step?

Mr. Holan: We are in Periodic Review. What is the interim use for this area? Maybe we just continue as is until we get the results of the Corridor Study.

**PLANNING COMMISSION MEETING MINUTES
FOREST GROVE COMMUNITY AUDITORIUM**

September 19, 2011 –7:00 P.M.

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Councilor Lowe: What is the budgetary impact to do the Corridor Study?

Mr. Holan: Approximately \$85,000, but the cost should be shared by Cornelius, Hillsboro and Washington County.

Chairman Beck: We will go through the policy questions.

Policy Question # 1

Mr. Riordan: I am hearing we agree to move forward with the Corridor Study if we can fund it.

Policy Question # 2

Councilor Johnston: Industrial next to multi-family residential creates problems.

Mr. Riordan: Industrial in this area would be limited. Having industrial next to multi-family residential could potentially work here.

Mr. Holan: It would take some careful site planning.

Policy Question # 3

Mr. Riordan: The Economic Analysis Assessment suggests we have an over abundance of industrial land for the next twenty years, but not for the next fifty years.

Mr. Holan: It may be this policy question is premature.

Councilor Johnston and Councilor Lowe agreed it was premature.

Policy Questions # 4 & # 5

Mr. Riordan: I am sensing that these questions are also premature.

Policy Questions # 6

Councilor Uhing: Orenco Station has single-family detached.

Mr. Holan: We know there is a market for high density housing.

Commissioner Kidd: If this is going to be a TOD area, single-family detached should not be allowed.

**PLANNING COMMISSION MEETING MINUTES
FOREST GROVE COMMUNITY AUDITORIUM**

September 19, 2011 –7:00 P.M.

PAGE 5 of 5

Councilor Uhing: I do not think we should limit this.

Commissioner Kidd: We could build high density housing that looks like single-family.

Mr. Riordan: We have already address Policy Questions # 7 and # 8, so we will skip to # 9.

Policy Question # 9

Councilor Johnston: Yes, we should pursue other forms of high capacity transit.

Councilor Uhing: We should pursue all forms of high capacity transit.

Mr. Riordan: Policy Questions # 10-13 are TOD specific and premature at this time. What are the next steps? Is there anything you would like to send back to the TOD Working Group?

It was agreed that moving the substations is too expensive and unnecessary at this time. It was agreed the Corridor Study should be the next step.

Mr. Riordan: Mr. Franklin is charged with finalizing the report.

3.0 BUSINESS MEETING:

3.1 APPROVAL OF MINUTES: Commissioner Miller made a motion to approve the minutes from the July 5th and July 18th meetings. Commissioner Kingston seconded. Motion passed 7-0.

3.2 REPORTS FROM COMMISSIONERS/SUBCOMMITTEES: None.

3.3 DIRECTOR'S REPORT:

Mr. Holan said a public hearing before the Planning Commission on amendments to the sign code is scheduled for October 3, 2011. Holan said there may be a land use application coming in, and another Planned Residential Development is up for expiration.

3.4 ANNOUNCEMENT OF NEXT MEETING: The next meeting will be held on October 3, 2011.

3.5 ADJOURNMENT: The meeting was adjourned at 8:56 p.m.

Respectfully submitted by: Marcia Phillips, Assistant Recorder

APPROVED

1. **CALL TO ORDER:**

Chairman Beck called the meeting to order at 7:01 p.m.

Planning Commission Present: Tom Beck, Carolyn Hymes, Al Miller, Lisa Nakajima, Luann Arnott, Charles Kingston and Richard Kidd.

Staff Present: Jon Holan, Community Development Director; Dan Riordan, Senior Planner; Marcia Phillips, Assistant Recorder.

2. **PUBLIC MEETING:**

2.1 **PUBLIC COMMENT PERIOD FOR NON-AGENDA ITEMS:** None.

2.2 **PUBLIC HEARING:** None scheduled.

2.3 **ACTION ITEMS:**

A. Request for fourth one-year time extension for Maplewood Estates PRD.

The Commissioners were each given a copy of an email dated October 3, 2011, from Jon Reimann, Cardno Engineering, (Handout # 1) which stated that after reviewing the staff memo with the applicant, the applicant determined that the chance of another extension was very low. Therefore, the applicant was withdrawing the request for an extension.

2.4 **WORK SESSION ITEMS:**

A. Review work program for Periodic Review.

Mr. Holan: Staff thought it prudent to review with the Planning Commission what is coming up regarding the Periodic Review work program. Staff is at odds with the DLCD process. Under state law a jurisdiction looks at Periodic Review to make sure it is up to date, but the process is geared to look at one section, finish it, and to move on to the next. Staff feels the sections are interrelated. The state says each section is to be adopted by ordinance. We are going to adopt by resolution. By doing so, we are saying these sections are alright for now, but we reserve the right to change them as we progress through the update. The portion of the process we will be entering into next is Alternatives, which is probably the most important part.

Mr. Riordan: Periodic Review is supposed to be done every 5-7 years, but the state has been more lax due to budgetary constraints.

Mr. Holan: When doing Periodic Review you should be looking at a 20-year time frame, but every five years you should take a look at it.

**PLANNING COMMISSION MEETING MINUTES
FOREST GROVE COMMUNITY AUDITORIUM**

October 3, 2011 –7:00 P.M.

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Chairman Beck: I want a context – a framework. I want to see on a piece of paper what we want to happen in 5-years, 10-years and 20-years. Where do the action items we have done fit in (such as the Commercial Corridor Study)? Then we can make predictions about population growth and what kind of transportation system we should plan for. Is the extension of Evergreen Parkway a 5, 10 or 20 year goal, and will this affect where people shop? If Metro put MAX along Hwy 26, would people drive to a park and ride in Banks before they would go to a park and ride in Forest Grove? My question about alternatives is – what are they and who chooses them?

Mr. Riordan: We are still waiting to get population and employment data from Metro.

Mr. Holan: The Metro data is significant because by law we have to be consistent with their projections. Metro claims in past years they have been very close with their projections.

Chairman Beck: I have been pleasantly surprised with how accurate Metro has been in the past.

Mr. Riordan: The City has the ability to work with Metro on their assumptions. In your staff report is an overview of tasks we need to complete, a narrative of what these tasks are and a timeline. The Commission will next be looking at land use alternatives, such as ways to integrate more commercial activity and areas to down zone. We will be looking at prior studies such as the Commercial Corridor Study to see how we can implement them. We will be looking at policies to implement land use alternatives, and non-land use alternatives, that we want to incorporate into the Comprehensive Plan. Once we complete alternatives, we will look at the school district element. It has to be consistent with our population projections. We will look at school facilities to see if they meet future needs. This could be a lengthy task and will probably start after the first of the year.

Chairman Beck: How can we do this before we have the population predictions?

Mr. Holan: Hopefully we will have the population data by then, but we will be close enough that the changes will not be huge. The school district has never looked more than five years out, but now they will look twenty years out. We are hoping this whole process will get the school district to devise a master plan.

Chairman Beck: A “no growth policy” is not good. How do we put together what we want and still deal with reality? That is the challenge.

Mr. Holan: It gets back to the issue this needs to be aspirational. On one hand you do not want something so far out it will never happen, but on the other hand we are

**PLANNING COMMISSION MEETING MINUTES
FOREST GROVE COMMUNITY AUDITORIUM**

October 3, 2011 –7:00 P.M.

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pursuing urban renewal in downtown and this will affect Forest Grove. What we are looking at in downtown is multi-family, rentals, etc.

Chairman Beck: Pacific University is moving all of their graduate stuff to Hillsboro. This will affect the type of housing the undergraduates will need in Forest Grove. What would be helpful would be to get statistics that show where the thresholds are. Albertson's knows why they did not build their store here. WalMart knows why they did build their store.

Mr. Riordan: We can get those statistics for you.

Chairman Beck: People want one-stop shopping such as Fred Meyer and WalMart. This is what sucks business out of Forest Grove.

Commissioner Nakajima: I do not want to see us driven to multi-family high density housing. We already have a lot of low income housing. We need balance.

Mr. Holan: I would make the argument that Forest Grove is meeting the low-income housing needs, but what we need is to meet the higher income housing needs to meet housing requirements for the broad spectrum of the population. If we create high density where we want it (downtown), it means there are opportunities for higher income housing elsewhere. The Gales Creek area has amenities, could support high density housing, and is near downtown. Vancouver B.C. focuses on grocery stores for neighborhoods. This inspires other development.

Chairman Beck: I would like to see us have aspirations along with benchmark statistics. It would be very helpful. Then we would know how many people we need to reach a certain aspiration.

Mr. Riordan: This is the type of discussion we need.

Chairman Beck: We have our Commercial area, and further west we have our downtown area, but our growth is in the upper northwest corner and those people shop in Hillsboro.

Mr. Holan: This is leakage. We need to figure out how to make shopping more convenient.

Chairman Beck: Are we going to choose the alternatives? Who will decide what alternatives will be looked at?

Mr. Riordan: Staff has some initial ideas and wants the Planning Commission's input before taking it out for public comment.

**PLANNING COMMISSION MEETING MINUTES
FOREST GROVE COMMUNITY AUDITORIUM**

October 3, 2011 –7:00 P.M.

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Chairman Beck: A good place to start would be the land use alternative. One of our challenges is having our commercial land in the right place – not how much commercial land we have. I would like to see how many housing units surround these alternative commercial areas.

Mr. Riordan: What does commercial actually mean? Does it mean offices, mixed use?

Mr. Holan: We need to think about what services downtown provides – banks, restaurants. These close at 5 p.m. We have no one living downtown. We need to think of keeping downtown open eighteen hours a day.

3.0 BUSINESS MEETING:

3.1 APPROVAL OF MINUTES: None.

3.2 REPORTS FROM COMMISSIONERS/SUBCOMMITTEES:

3.3 DIRECTOR'S REPORT:

Mr. Holan gave each of the Commissioners a copy of the PowerPoint (Handout # 2) presented at the recent Ethics seminar in case anyone missed the event.

Mr. Holan said at the next meeting the Commission will look at work products ready to adopt (EOA, Buildable Lands Inventory, etc.)

3.4 ANNOUNCEMENT OF NEXT MEETING: The next meeting will be held on October 17, 2011. Commissioner Miller said he will be gone and unable to attend. The Commission decided not to have a meeting on November 21, 2011, due to the Thanksgiving holiday.

3.5 ADJOURNMENT: The meeting was adjourned at 8:46 p.m.

Respectfully submitted by:
Marcia Phillips
Assistant Recorder

35

APPROVED

1. **ROLL CALL:**

Chair Chere Sandusky called the meeting to order at 7:32 am

MEMBERS PRESENT: Bob Mills, Randall Roedl, Bryan Luciani, Chere Sandusky, and John Rinier

LIAISONS PRESENT: None

STAFF PRESENT: Police: Chief Aleshire, Captain Ashbaugh, and Carol Lorenz

MEMBERS NOT PRESENT: Tim Dierickx, Russell Redmond, and Susan Aguilar

LIAISONS NOT PRESENT: Byron Schmidkofer, Matt Pool, Brandon Hundley, Naomi Montelongo, City Councilor Tom Johnston, Rob Dahl, Drue Garrison, and Harold Roark

2. **CITIZEN COMMUNICATIONS:** None

3. **APPROVAL OF MINUTES:** September 28, 2011 minutes approved and seconded

4. **ADDITIONS/DELETIONS:** None

5. **ACTION ITEMS/DISCUSSION:** None

6. **SUBCOMMITTEE:** None

7. **STAFF REPORT:**

Police:

Monthly Department Report: See attached

Staffing: Police Officer position: The department is moving forward in hiring a new Police officer. It is the departments hope to have the new officer hired in the next 3 months.

Homicide: There was a homicide that took place last week in the City of Forest Grove.

Polling: City Council is set to have two separate polls regarding the levy: One to poll 300 random citizens regarding a dollar amount for 1.35 vs 1.85 the second to poll another random 300 citizens on a dollar amount of 1.85 vs 2.25. Under the 1.35 the general fund would lose positions, the 1.85 would allow the departments to remain the same, and 2.25 would allow the departments to recover lost positions. City Council hopes the survey will be conducted in October and present the results in November.

PSAC: There was a request by PSAC to have Chere Sandusky go through council member Tom Johnston to set up a work session with council.

Fire:

Monthly Department Report: None

8. **OLD BUSINESS:**
9. **ANNOUNCEMENT OF NEXT MEETING:** October 26, 2011
10. **ADJOURNMENT:**
Chere Sandusky adjourned the meeting at 0808 a.m.

Respectfully submitted by:
Carol Lorenz



Forest Grove Police Department Monthly Report - August 2011



Patrol Division Activities

| Homicide | Robbery | Rape | Sexual Assaults | Burglary | Theft | Agg. Assault | Domestic Assault | Simple Assault | DUII | Graffiti | Detox | Motor Vehicle Crash | Traffic Citations | Arrests (for listed charges) |
|----------|---------|------|-----------------|----------|-------|--------------|------------------|----------------|------|----------|-------|---------------------|-------------------|------------------------------|
| 0 | 0 | 0 | 5 | 5 | 26 | 1 | 7 | 8 | 8 | 1 | 2 | 7 | 185 | 61 |

Highlights:

- USRA Run coordination and traffic control
- EVOC Training
- National Night Out
- NIMS 300 and 400 certification
- Ongoing Homeland Grant application process
- Oregon Humane Society Training
- Coordinated return of service member killed in Afghanistan
- Participated in the Forest Grove Wine Festival
- Provided two officers for Hillsboro Air Show
- Unfortunately a successful suicide occurred after family members intervened on a first stated attempt and did not call the police. A reminder to be aware of mental health notifications and police intervention when appropriate.
- A runaway juvenile call turned into a sex abuse investigation. Patrol consulted with detectives who were already working a case against the suspect. A confession was obtained and the missing juvenile was returned to her guardian. The new sex abuse case was forwarded to detectives for additional follow up.
- Extensive extra patrol was conducted for the Gallinger-Long vigil showing not only security for the event but support for the family.
- Ofc. Wolf interrupted a theft in progress at FGHS, recovered the stolen property, and took three juveniles into custody.
- Ofc. Villaraldo took an initial report case of sexual abuse of a 10 year old female. A short time later the suspect returned and Det. Smith assist Ofc. Villaraldo with an extensive investigation and the suspect was taken into custody.
- Burglary in progress of an occupied home in the 1700 block of Ash St occurred on 08-28-11 No suspect was located.

Investigations Division Activities

| Assigned Cases | Cases Closed | Arrests | Charges | Reports | Follow-Up Reports | Hours on Patrol | Search Warrants | Patrol Search Warrant | Major Crimes Team Calls |
|----------------|--------------|---------|---------|---------|-------------------|-----------------|-----------------|-----------------------|-------------------------|
| 19 | 14 | 3 | 5 | 14 | 52 | 0 | 1 | 0 | 0 |

Highlights:

- Detectives completed four extensive reserve officer background investigations.
- Detectives completed a background investigation on the new Community Service Officer.
- Detectives completed a background investigation on the new Support Unit Supervisor
- Detective Matt Smith will give a presentation at the state capital on elder abuse legislation. He has been appointed by the governor to be law enforcement's representative on a task force with the job of coming up with the new legislation. Detective Smith's efforts in the Browning case led to this appointment.
- Detectives responded to an after hours call-out of a rape- still under investigation- and several sex abuse investigations.



Forest Grove Police Department Monthly Report – August 2011



- *Detectives assisted with National Night Out and flexed schedules to avoid overtime.*
- *Detectives worked the Uncorked event where proceeds went to a Child Abuse Enforcement Fund. Some equipment has already been purchased to begin undercover operations to find suspects who are downloading pictures and video of sexual assaults against children. The event raised \$700 towards our efforts.*
- *Detectives assisted with traffic control in the Gallinger-Long procession.*
- *Six new elder abuse investigations involving financial exploitation came in and have been assigned. All are being actively investigated. This is a growing problem.*

| Community Service Officer Activities | | | | | | | | | | | |
|--------------------------------------|-------------|--------|----------|-------------|------------------|------------------|-----------------------------|----------------------------|--------------------------|-------------------|------------------|
| Community Meetings | NW Contacts | Events | Contacts | Fingerprint | Graffiti Checked | Graffiti Removed | Observed Abandoned Vehicles | Removed Abandoned Vehicles | Towed Abandoned Vehicles | Parking Citations | Parking Warnings |
| 3 | 7 | 3 | 36 | 6 | 5 | 2 | 16 | 18 | 0 | 13 | 2 |

Highlights:

Highlights Community Service Officer:

Successful National Night Out at Pacific U campus with over 1800 attendees, 23 vendors and or public service participants, over 100 hours from evidence and CSO for planning.

Block parties (2) for children from distressed neighborhood with over 35 attending planned and implemented by CSO.

Planning session with Doherty Ford panel for fall safety event.

Recap of NNO for City Club. Additional planning for other events at meeting.

Visits to senior center and Wynnwood (4)

Lobby contacts (3) for private property issues, request for mediation, concern for child safety, parking, barking dog plus visits to homeowners regarding complaints from neighbors for variety of issues (3).

Extra Parking Patrol on foot for farmer's market.

Significant Department Training Accomplished

3K

Monthly Building Activity Report

October-11

2011-2012

| Category | Period: October-10 | | Period: October-11 | |
|---------------------------|--------------------|--------------------|--------------------|--------------------|
| | # of Permits | Value | # of Permits | Value |
| Man. Home Setup | | | | |
| Sing-Family New | 5 | \$1,139,027 | 8 | \$1,855,106 |
| SFR Addition & Alt/Repair | 1 | \$2,000 | 2 | \$26,543 |
| Mult. Fam. New/At | 1 | \$386,700 | | |
| Group Care Facility | | | | |
| Commercial New | | | | |
| Commerical Addition | | | | |
| Commercial Alt/Repair | 6 | \$87,929 | 2 | \$6,000 |
| Industrial New | | | | |
| Industrial Addition | | | | |
| Industrial Alt/Repair | | | | |
| Gov/Pub/Inst (new/add) | | | 1 | \$68,266 |
| Signs | 1 | \$3,700 | | |
| Grading | | | | |
| Demolitions | | | | |
| Total | 14 | \$1,619,356 | 13 | \$1,955,915 |

Fiscal Year-to-Date

| 2009-2010 | | 2010-2011 | |
|-----------|-------------|-----------|--------------|
| Permits | Value | Permits | Value |
| 78 | \$9,079,518 | 84 | \$20,834,562 |

Memorandum

TO: Mayor Truax and City Councilors

FROM: Colleen Winters, Library Director
Michael Sykes, City Manager

DATE: November 14, 2011

SUBJECT: WCCLS RFID Presentation

BACKGROUND: The purpose of the report/presentation is to provide an update on the Washington County Cooperative Library Services (WCCLS) Radio Frequency Identification (RFID) System. Michael Stephens, WCCLS, will be presenting the update to City Council.

STAFF RECOMMENDATION: This report/presentation is for informational purposes only.



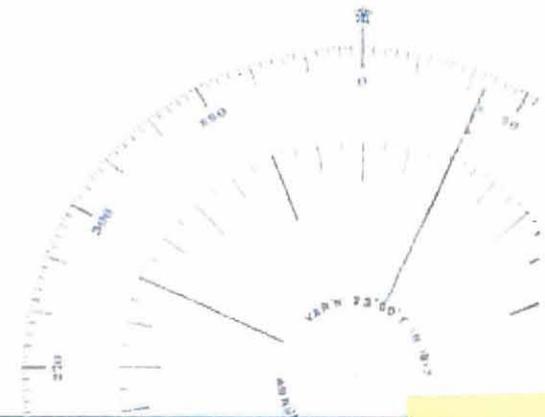
District 4 Metro update



Forest Grove City Council



Councilor Kathryn Harrington
November 14th, 2011



Metro | *Making a great place*

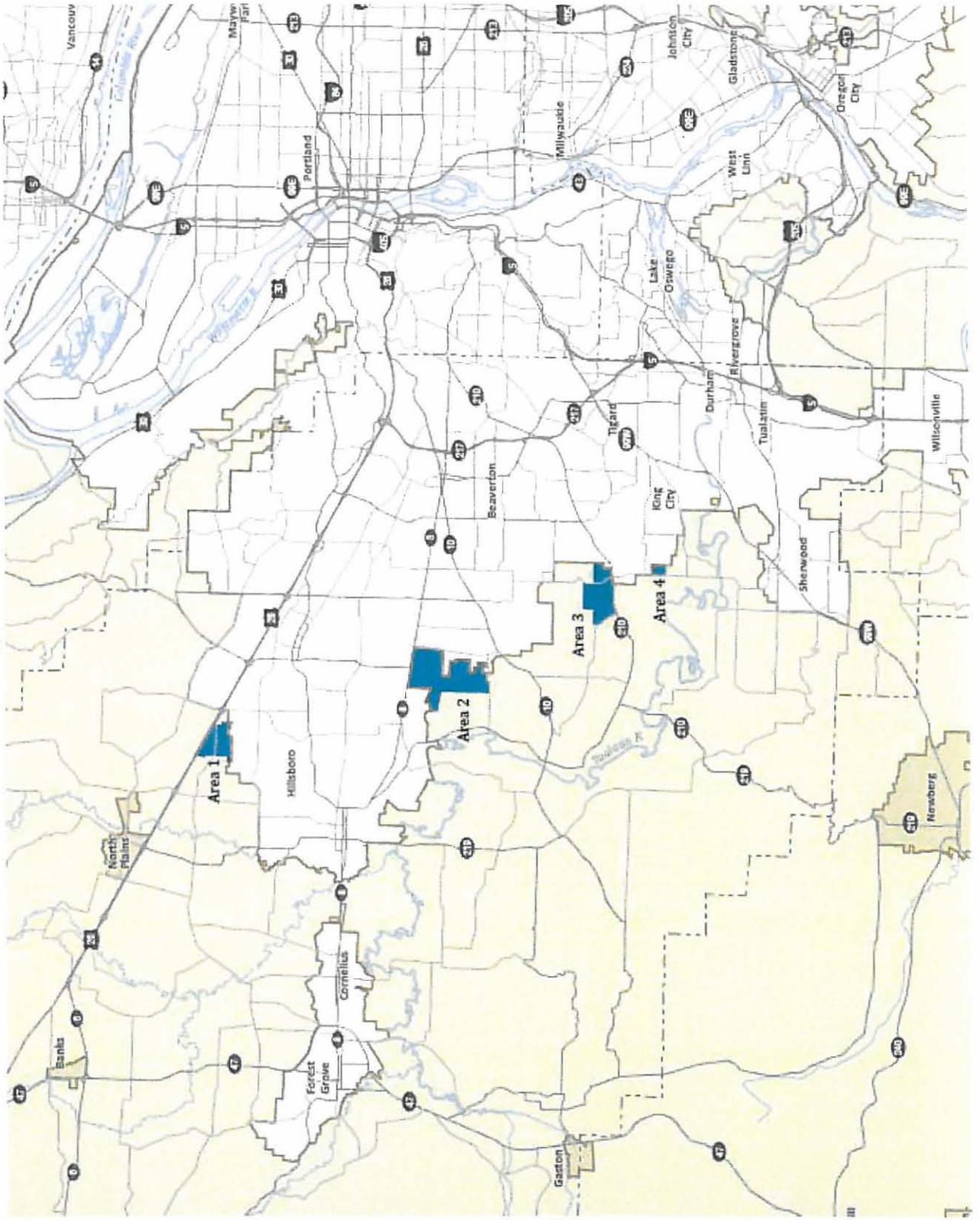
500



Overview

- Growth management decision
- New Metro Chief Operating Officer
- Integrated Corridor Planning
- Climate Smart Communities update
- Greater Portland Pulse
- Regional Sustainable Communities Planning Grant
- Natural areas updates
- Oregon Zoo update
- Visitor venues update

Growth management decision



New COO: Martha Bennett

- Started Oct. 31
- Brings strong public management skills, track record of collaboration
- Ashland city administrator since 2006
- Former director, Columbia River Gorge Commission
- Former assistant city manager in Milwaukie



Integrated corridor planning

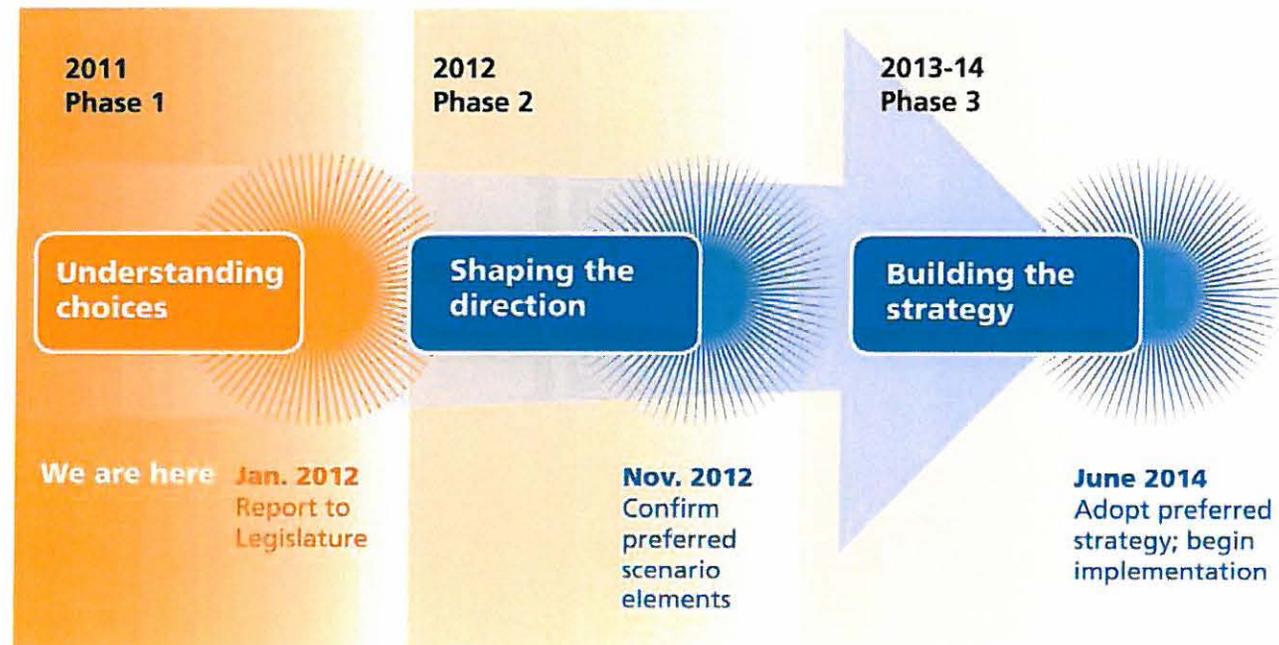
Community based transportation planning that will support local land use, community and economic development, and the environment

- East Metro Connections
 - www.oregonmetro.gov/eastmetro
- Southwest Corridor Plan
 - www.swcorridorplan.org
- Tualatin Valley HWY Corridor Plan
 - www.tvhighway.org



Climate Smart Communities

- Completing first phase: begin making choices in addressing climate change
- Phase 2 kicking off in 2012: Shaping the direction
- Joint sessions with MPAC, JPACT **December 2nd**
 - review results of first scenarios and discuss findings



Greater Portland Pulse

- New website: www.portlandpulse.org
- First report issued: *The Path to Economic Prosperity: Equity and the Education Imperative*



- Single source of indicators to evaluate how the region performs in nine topic areas
 - Over 200 people contributed
 - Some data presented at Census tract level for tracking community progress
- Project transitioning from PSU/Metro joint effort



partnership for

Sustainable Communities

an interagency partnership HUD • DOT • EPA

Regional Sustainable Communities

Planning Grant- HUD/DOT/EPA

- Purpose: develop and implement a housing equity and opportunity strategy that links housing with other public service investments

- 3 Program Areas

- Opportunity Mapping
- Capacity Building/Engagement
- Access to Housing

- 2 Pilot Programs + 1 underway

- Submitted in early October w/ hopeful award announcement in late December/January



Metro | *Making a great place*

Natural areas update



“Taking Measure”- Independent citizen oversight committee issued third report-

- Program is meeting objectives
- Suggestions included ways to evaluate purchases on region’s ecological health
- Read report on website:
- www.oregonmetro.gov search term: natural areas

Several community projects underway:

- Jackie Husen park in Cedar Mill
- Virginia Garcia’s new wellness center
- I-205 bike and pedestrian greenway
- Park improvements in West Linn
- Salmon habitat restoration in Johnson Creek

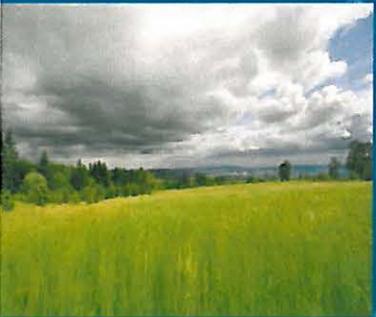
Canemah Bluff expansion



- Canemah Bluff Natural Area expanded to 270 acres
- New signage, updated trails, planning underway
- Canemah Neighborhood Park improvements planned

The Intertwine

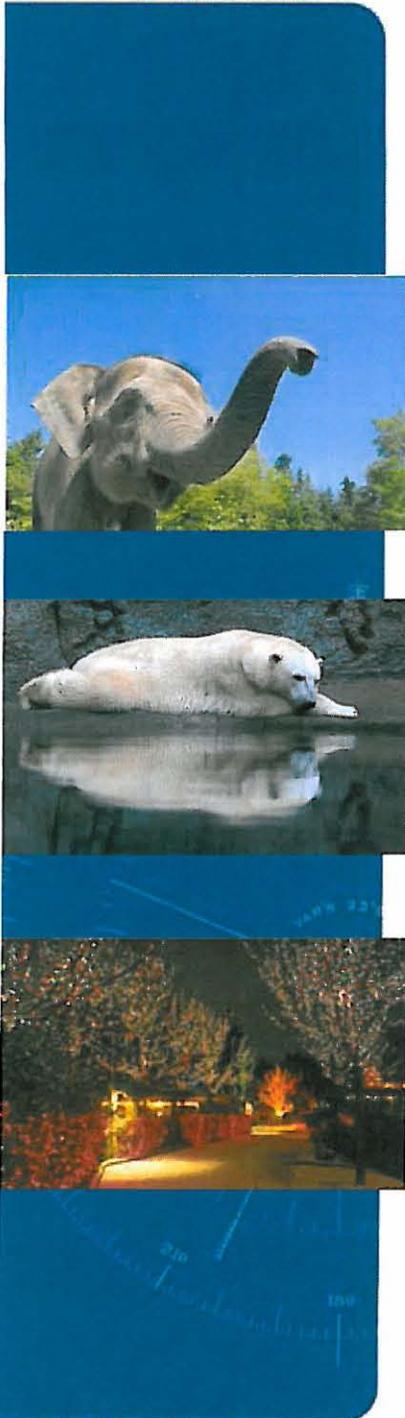
- Launched as stand-alone entity:
 - New 501c3 Status
 - Redesigned website soon:
www.theintertwine.org
- Conservation Strategy to be released in January at Intertwine Alliance Summit
- Conservation Education Task Force report available online
- Active Transportation regional planning project funded by ODOT



Oregon Zoo updates

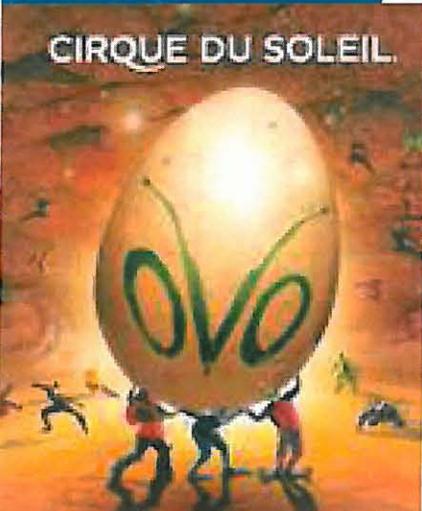
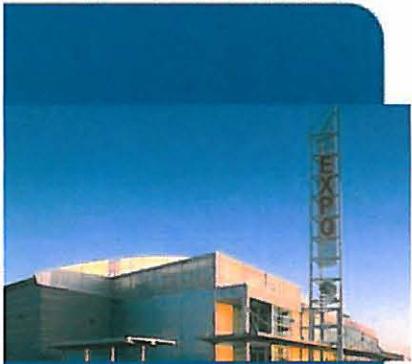
- Council approved schematic designs for several enhancements funded by 2008 bond measure
- Council to consider 20-year master plan in November
- New Veterinary center to open in January
- Zoo Lights: Nov. 25 through Jan.

www.oregonzoo.org



Visitor venues update

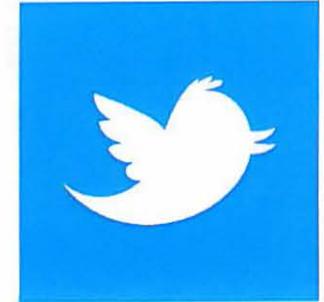
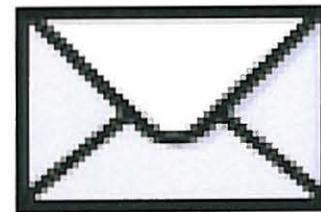
- Expo Center rebranding effort
- Oregon Convention Center had best financial year yet
- Electric vehicle charging stations to be installed at OCC, Expo and at Metro Regional Center
- Cirque du Soleil OVO at the Expo Center from April to May 2012



Connect with Metro

optin

PORTLAND-VANCOUVER AREA ONLINE PANEL



www.oregonmetro.gov/connect



Your questions...

Kathryn Harrington
Metro Councilor, District 4
600 NE Grand Avenue
Portland, OR 97232

503-797-1553

kathryn.harrington@oregonmetro.gov

www.oregonmetro.gov/harrington

November 14, 2011

**STAFF REPORT AND RESOLUTION AUTHORIZING EXECUTION
OF A LABOR AGREEMENT BETWEEN THE CITY OF FOREST GROVE
AND FOREST GROVE PAID FIREFIGHTER'S ASSOCIATION (FGPFA)
EFFECTIVE JULY 1, 2011, AND EXPIRING JUNE 30, 2013**

Project Team: Michael Sykes, City Manager
Brenda Camilli, Human Resources Manager

Issue Statement: The current labor agreement expired June 30, 2011. The new labor agreement has been modified, ratified by bargaining unit members, and needs to be approved by the Council.

Background: Representatives of the City of Forest Grove and the Forest Grove Paid Firefighter's Association met during recent months and have reached tentative agreement on certain modifications to the agreement, pending approval of the City Council. The substantive agreement modifications are as follows:

- **COLA:** For 2011, there will be no COLA, but a 3.0% market adjustment for the captain position only. For 2012, there will be a 1.0% COLA for all bargaining unit positions.
- **Health, Vision, and Dental Insurances:** No changes to these benefits were bargained.
- **Retirement:** No changes to the retirement benefit were bargained. The parties agreed to meet and confer away from the table for the purpose of exploring the option of moving future hires into a defined contribution retirement plan.
- **Temporary Firefighters:** Language clarifying the role of temporary firefighters to cover short term vacancies due to absences of career staff was agreed upon.
- **Insurance:** Long-term disability insurance cap was increased from \$2,667 per month to \$5,000 per month. Coverage remains at 66-2/3% of monthly salary.
- **Bereavement Leave:** "Parent" was added to list of immediate household for bereavement leave benefits.

- **Deferred Compensation Deductions:** The City agreed to allow union members the option of having deferred compensation deductions withheld from their paychecks as a percentage of gross wages in addition to the current lump sum option.
- **Seniority:** The seniority list was updated in accordance with language approved in the previous contract, which clarified tie break scenarios when multiple employees are hired on the same date.
- **Clothing:** Language specifying PPE (personal protective equipment) standards was agreed upon.
- **Safety / Wellness:** The parties agreed to a protocol in accordance with the NFPA establishing measurable and appropriate physical evaluation and performance standards.
- **Term:** Extends the term of the agreement for two years, expiring June 30, 2013.

Fiscal Impact: The costs to implement this agreement are within the parameters set by Council and funds have been identified in the 2011-2012 budget and within the 5-year fiscal plan.

Staff Recommendation: Staff recommends the City Council approve the attached resolution authorizing the City Manager to execute the labor agreement between the City and FGPPA attached as Exhibit A.



RESOLUTION NO. 2011-81

**RESOLUTION AUTHORIZING EXECUTION OF A LABOR AGREEMENT
BETWEEN THE CITY OF FOREST GROVE AND FOREST GROVE
PAID FIREFIGHTER'S ASSOCIATION (FGPFA)
EFFECTIVE JULY 1, 2011, AND EXPIRING JUNE 30, 2013**

WHEREAS, representatives of the City of Forest Grove and Forest Grove Paid Firefighter's Association (FGPFA) have met in good faith and negotiated a labor agreement between both parties effective July 1, 2011, through June 30, 2013; and

WHEREAS, the labor agreement provides for certain compensation and fringe benefit adjustments.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF FOREST GROVE AS FOLLOWS:

Section 1: That the City Manager is authorized to execute the attached labor agreement (Exhibit A) between the City of Forest Grove and FGPFA.

Section 2: That the compensation plan contained in this agreement is approved, effective July 1, 2011, and expiring June 30, 2013.

Section 3: That the fringe benefits contained in this agreement are approved, effective July 1, 2011, and expiring June 30, 2013.

Section 4: This resolution is effective immediately upon its enactment by the City Council.

PRESENTED AND PASSED this 14th day of November, 2011.

Anna D. Ruggles, City Recorder

APPROVED by the Mayor this 14th day of November, 2011.

Peter B. Truax, Mayor

AGREEMENT
BETWEEN THE
CITY OF FOREST GROVE, OREGON
AND
FOREST GROVE PAID FIREFIGHTER'S ASSOCIATION
JULY 1, 2011 TO JUNE 30, 2013

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AGREEMENT

The City of Forest Grove, Oregon, hereinafter referred to as "the City" and the Forest Grove Paid Firefighter's Association, hereinafter referred to as "the Association", agree to be bound by the following terms and conditions relating to wages, hours and general working conditions during the term of this Agreement.

ARTICLE 1 - RECOGNITION

- 1.1 The City recognizes the Association as the sole and exclusive collective bargaining agent for the purpose of establishing salaries, wages, hours and other conditions of employment for all regular full-time employees in the following classifications:

Firefighter
Apparatus Operator
Fire Inspector I
Fire Inspector II
Fire Lieutenant
Fire Captain

When personnel are assigned to drive fire apparatus, they shall assume the working title of "Apparatus Operator" for the shift.

The parties agree that the re-titling of classifications will not result in compensation changes and that future wage comparisons will be based on job responsibilities and not solely on classification titles.

All other classifications and categories of employees, including temporary, part-time, confidential and supervisory, shall be excluded from this Agreement.

- 1.2 The City shall notify the Association of its decision to change any of the bargaining unit classifications listed above. If the successor classification is not significantly altered or changed from the existing classification, the new classification shall be automatically recognized as part of this Agreement.
- 1.3 New classes may be developed within the Fire Department by the City and a wage scale assigned thereto. The City shall forward a new class and wage scale to the Association for review of the wage scale. Within ten (10) days, the Association may request to bargain on the wage scale; but in any event, the City shall not be barred from implementing the position or positions during the term of negotiations.

ARTICLE 2 - MANAGEMENT RIGHTS

- 2.1 The Association recognizes and agrees that responsibility for management of the City and direction of its work force is vested solely in the City and responsible department heads. The Association recognizes and agrees that in order to fulfill

this responsibility, the City shall retain the exclusive right to exercise the regular and customary functions of management, including, but not limited to, determining the financial, budgetary, accounting and organizational policies and procedures of the City; directing the activities of the Fire Department; determining standards and levels of service and methods of operation, including subcontracting, and staffing levels; increasing, diminishing or changing departmental equipment including the introduction of new equipment; hiring, disciplining and discharging for just cause, training, laying off, recalling, transferring and promoting, including determining the procedures and standards thereof; disciplining and discharging probationary employees; maintaining the efficiency of employees; determining work schedules and assigning work; determining job content; determining the need for and scheduling of volunteers; taking all necessary action to carry out its mission in emergencies; and exercising any other right not specifically abridged by this Agreement.

- 2.2 Nothing in this clause shall have the effect of nullifying agreements entered into under other sections of this Agreement, provided that management rights and prerogatives, except where abridged by a specific provision of this Agreement, are not subject to the grievance procedure specified in Article 19. It is further agreed that the City retains all rights, powers, and privileges not expressly limited by a provision of this Agreement. Aside from the management rights preserved above, nothing in this Agreement shall be construed as a waiver of the Association's right to bargain any mandatory issues or changes that may rise during the course of this Agreement.

ARTICLE 3 - EMPLOYEE RIGHTS

- 3.1 It is recognized that employees have the right to form, join and participate in the activities of employee organizations of their own choosing for the purpose of representation on matters of employee relations. Employees covered by this Agreement also shall have the right to refuse to join in the activities of the Association or any other employee organization. No employee shall be interfered with, intimidated, restrained, coerced or discriminated against by the City or by the Association because of their exercise of these rights.
- 3.2 The provisions of this Agreement shall be applied equally to all employees in the bargaining unit without discrimination as to race, color, religion, sex, pregnancy, national origin, ancestry, citizenship, age, marital status, physical disability, mental disability, veteran's status, medical condition, sexual orientation, Association affiliation or other status protected by state or federal law. The parties agree that nothing in this Agreement shall interfere with or restrict the City in its obligation to accommodate individuals with disabilities under federal and state law.
- 3.3 All references to employees in this Agreement designate both sexes and, whenever the male gender is used, it shall be construed to include male and female employees.

ARTICLE 4 - PEACEFUL PERFORMANCE OF CITY SERVICE

- 4.1 It is recognized that continuous and uninterrupted service by the City and its employees to the citizens, and orderly collective bargaining relations between the City and its employees being essential considerations of this Agreement, the Association agrees on behalf of itself and its members, individually and collectively, that there shall not be any strikes, picketing, boycotting, work stoppages, sit downs, or slow-down strikes, or a concerted refusal to render services or to work including overtime or any other curtailment or restriction of work at any time during the term of this Agreement.
- 4.2 In the event of a violation of this Article by the Association and/or the employees, the Employer may, in addition to other remedies, discipline such employees up to and including discharge.
- 4.3 There shall be no lockout of employees in the bargaining unit by the City as a consequence of any dispute arising during the period of this Agreement.

ARTICLE 5 - ASSOCIATION SECURITY

- 5.1 Membership or non-membership in the Association shall be the individual choice of the employees covered by this Agreement. Employees who are not members of the Association shall make payments in lieu of dues to the Association. Such payments shall be in an amount determined by the Association in accordance with constitutional and statutory requirements.
- 5.2 An employee who is a member of a church or religious body having bona fide religious tenets or teachings which prohibit association with a labor organization or the payment of dues to it shall pay an amount of money equivalent to the fair share amount described in Section 5.1. Such payment shall be made to a non-religious charity or another charitable organization mutually agreed upon by the employee affected and the Association. The employee shall furnish written proof to his employer that payment has been made.
- 5.3 The City agrees to deduct Association dues or "fair share" from the paycheck of each employee covered by this Agreement. The amounts to be deducted shall be certified to the City by the Association by the fifteenth (15th) day of the month for the succeeding month. The City shall not be held liable for check off error, but, upon written notification from the Association, shall make proper adjustments as soon as practicable. The Association agrees to indemnify and hold the City harmless from any action arising from this article.

ARTICLE 6 - HOURS OF WORK

- 6.1 The standard work period for twenty-four (24) hour shift employees covered by this Agreement shall be 27 days, consisting of 24 hours on-duty followed by 48 hours off-duty. Shift start time for these employee shall be 0730 hours. Forty

(40) hour employees shall be assigned a schedule normally consisting of five (5) eight (8) hour days.

6.2 In the event of budgetary or personnel shortages, the Chief or his designee may establish one of the following alternate schedules:

1. A 56-hour workweek made up of nine 24-hour shifts (starting at 0730 hours) in a 27-day FLSA cycle.
2. A 40-hour work week consisting of four (4) 10-hour days with four (4) consecutive days on and three (3) consecutive days off or five (5) 8-hour days with five (5) consecutive days on and two (2) consecutive days off.
3. Any other schedule mutually agreed upon by the Chief and the Association.

None of the foregoing shall be construed as to prohibit the establishment of an appropriate light-duty assignment for any employee temporarily debilitated by illness or injury.

New hires may be assigned a 40-hour week schedule as described in #2 above at the discretion of the Chief or his designee.

6.3 Temporary firefighters may cover short term needs to fill vacancies as the 4th career staff firefighter for long term disability of the same career staff firefighter for four or more consecutive shifts, and for educational coverage. Temporary firefighters may work a maximum of 1024 hrs in a 12 month period, and there will only be one temporary firefighter on duty per shift.

Temporary firefighters may also be used for duties such as (but not limited to):

- Building maintenance
- Hydrant maintenance
- Apparatus maintenance
- Department errands
- Community risk reduction programs /standby events

Temporary firefighters may drive:

- Rescue
- Type VI brush rigs
- Staff vehicles

Temporary firefighters may not drive on emergency response the following vehicles:

- Fire engines
- Ladder trucks
- Water tenders
- Heavy Brush (Type III) units

Hiring of a temporary firefighter for long term disability will be at the sole discretion of the Fire Chief. Hiring a temporary firefighter for educational coverage will be at the discretion of the shift officer.

- 6.4 Relief shifts shall be scheduled according to seniority in the following manner:
1. Starting from the most senior employee in a job class and through the least senior, the shift or hours of a shift needing coverage shall be offered.
 2. Relief shift or hours of a shift worked shall be tallied, and this tally will determine the employee's position on the relief shift rotation list.
 3. Subsequent relief shifts or hours needed to cover a shift shall be offered to the employee in the affected classification with the least total hours.
 4. The tally of hours worked on relief shall be zeroed out at the beginning of a ratified contract.
- 6.5 Employees shall be assigned to one of the preceding work schedules by the Fire Chief or designee, and may be reassigned consistent with operational requirements. Work schedules showing shift, work day, and hours assigned shall be posted.
- 6.6 Between the hours of 800 and 1200, all employees' work schedules shall provide for a fifteen (15) minute rest period. Between the hours of 1300 and 1700, all employees' work schedules shall provide for a fifteen (15) minute rest period. Rest periods shall be scheduled when feasible.
- 6.7 When fire suppression personnel are subjected to fire combat duty of at least two (2) hours, the Fire Chief or designee may authorize the provision of an appropriate meal for affected personnel.
- 6.8 The trading of shifts shall be permitted with prior notification to and approval of the Fire Chief or designee and provided that all trades must be completed within twelve (12) months. The Fire Chief or designee may approve exceptions to trade shifts on a case by case basis if operational requirements warrant. No trade shift shall result in any cost to the City where such cost would be controllable. The City reserves the right to limit trade shifts to no more than two sequential shifts. A minimum of one ALS (Paramedic) unit must be staffed on each shift for the purpose of trade shifts.

In the event that a shift will be working short one or more members for an extended amount of time, that open position will become available for other Association members on other shifts to trade into. Trades into that open shift will occur in accordance with current shift trading policies.

ARTICLE 7 - OVERTIME

- 7.1 The City shall have the right to assign overtime work as required in a manner consistent with the requirements of the Fire Department.
- 7.2 Employees assigned to work 24-48 shifts shall be compensated at a rate of one and one-half their rate of pay for hours worked in excess of 204 hours in a 27-day cycle. Forty (40) hour employees shall be compensated at a rate of one and one-half (1 1/2) their rate of pay for hours worked in excess of forty (40) in a one (1) week pay period. Time off for vacation, holiday or sick leave shall not be included as hours worked for purposes of computing overtime pay pursuant to the FLSA.
- 7.3 Employees assigned to a relief shift shall be compensated at one and one-half times their regular rate of pay when required to return to work, while off-duty, in response to an alarm.
- 7.4 Employees working 56 hours per week shall be paid at the overtime rate for hours worked or for a minimum of one (1) hour when called back to work on an off-duty day.
- 7.5 Overtime shall be computed to the nearest one-quarter (1/4) hour.
- 7.6 For the purpose of computing overtime to be paid in accordance with this Article, the effects of shift trading and regular shift reassignment shall not be included.
- 7.7 Off-duty employees required to report to court in connection with their official duties, as an employee of the City, shall receive a minimum of two (2) hours of compensation at their overtime rate or actual hours of work, whichever is greater. In order to be eligible for this compensation, employees shall be required to call the agency or person ordering the subpoena for an appropriate reporting time and report the information to their supervisor.
- 7.8 Any pay in excess of straight time for regularly scheduled work hours in excess of 204 hours in a 27-day FLSA cycle may be paid in the form of compensatory time. Compensatory time will be scheduled in accordance with current department practice.

ARTICLE 8 - SICK LEAVE

- 8.1 All regular fifty-six (56) hour week employees shall be entitled to sick leave benefits at the rate of eighteen (18) hours for each full month of service. The maximum accrual shall be 1,680 hours. Forty (40) hour employees shall be entitled to sick leave benefits at the rate of eight (8) hours per month for each full month of service. The maximum accrual shall be 1,200 hours.
- 8.2 When employees are terminated, all accrued sick leave credits shall be canceled.

- 8.3 The City may require acknowledgment from the employee's doctor with regard to time off due to illness or off the job injury. Employees falsifying their claim for sick leave shall be liable for disciplinary action by the City.
- 8.4 When an employee must be away from the job because of illness in the immediate family, such time off may be granted by the Fire Chief or designee on a day-to-day basis and charged against sick leave time on an hourly basis. If the absence becomes prolonged, such time off may be charged against accumulated vacation. Employees must keep their department head informed as to their status to qualify under this provision.
- 8.5 Under no circumstances shall the City grant an employee sick leave with pay for time off from City employment when injury resulted from employment with other than the City of Forest Grove.
- 8.6 Upon retirement of a twenty-four (24) hour employee, a dollar amount based on the following table shall be credited to the employee's retirement account:

| Sick Leave Hours at Retirement | Percent of Conversion | Hours Paid at Retirement |
|--------------------------------|-----------------------|--------------------------|
| up to 1,000 | 50% | up to 500 |
| 1,001 - 1,100 | 55% | 550 – 605 |
| 1,101 - 1,200 | 60% | 660 – 720 |
| 1,201 - 1,300 | 65% | 780 – 845 |
| 1,301 - 1,440 | 70% | 910 - 1,008 |

Upon retirement of a forty (40) hour employee, a dollar amount based on the following table shall be credited to the employees retirement account:

| Sick Leave Hours at Retirement | Percent of Conversion | Hours Paid at Retirement |
|--------------------------------|-----------------------|--------------------------|
| up to 700 | 50% | up to 350 |
| 701 - 775 | 55% | 386 – 426 |
| 776 - 850 | 60% | 466 – 510 |
| 851- 925 | 65% | 553 – 601 |
| 926- 1000 | 70% | 648 – 700 |

ARTICLE 9 - ON-THE-JOB INJURY

- 9.1 Association members who sustain an injury, illness, or accident compensable by Worker's Compensation and who are unable to perform their normal duties as a result of such injury, illness, or accident shall be compensated by the City's insurance carrier for the period of time loss.
- 9.2 The difference between the Worker's Compensation payments and the employee's regular, straight-time wages, less any payroll deductions, may be supplemented by the use of a pro-rated share of the employee's accrued leave

time until such leave time is exhausted. Whenever an employee receives a check from the City's insurance carrier, the Association member shall report the amount and the period which it represents to the City's payroll department.

- 9.3 It is in the mutual interest of the City and the Association to return an injured employee to work as soon as practicable. When possible, the City shall provide limited duty assignments within the department for injured employees. With the concurrence of the attending physician, an injured employee shall return to work in the limited duty assignment until such time as the Association member is released for normal duties. It is the intention of this sub-article 9.3 to provide a limited duty assignment for a reasonable period of time and not as an indefinite assignment.

ARTICLE 10 - LEAVE OF ABSENCE

- 10.1 In the event of the death of a member of an employee's immediate household, including wife, husband, same-sex domestic partner, parent, child or step child, child or step child of the same-sex domestic partner, the Fire Chief or designee shall grant leave with pay for shift employees not to exceed four (4) twenty-four hour (24) shifts and for Forty (40) hour employees not to exceed two (2) weeks.

In the event of the death of a sister, brother, grandchild, grandparent, and in-laws, the Fire Chief or designee shall grant leave with pay not to exceed two (2) twenty-four hour (24) shifts to provide sufficient time to make funeral arrangements if necessary and to attend the funeral. Forty (40) hour employees shall receive up to one (1) week of leave with pay.

Leave with pay up to four (4) hours may be granted when an employee serves as a pallbearer.

- 10.2 When an employee is called for jury duty or is subpoenaed as a witness as a result of his employment with the City, he shall not suffer any loss in regular pay from such absence. However, he shall remit to the City any compensation or fees received for such duties. Upon being excused from jury duty for any day, an employee shall immediately contact his supervisor for assignment for the remainder of his regular work day.
- 10.3 The City agrees to provide leaves of absence for military leave in accord with state and federal law.
- 10.4 The City agrees to provide leaves of absence for family and medical leave in accord with state and federal law.
- 10.5 The City shall consider a written application for leave of absence without pay not to exceed 180 calendar days if the City finds there is a reasonable justification to grant such a leave and that the work of the department shall not be seriously handicapped by the temporary absence of the employee. Such leaves shall not be approved for the purpose of accepting employment outside the service of the

City. The City may also deem a resignation in the event that the employee has accepted employment outside the service of the City, entered into a full-time business or occupation, or has not complied with the terms of his application for such leave.

- 10.6 Employees granted a leave without pay may maintain their medical insurance coverage through the City by remitting premium payments to the City for a time period specified by the insurance carrier.

ARTICLE 11 - OUTSIDE EMPLOYMENT

- 11.1 Employees shall notify the Fire Chief in writing at least seven (7) days prior to engaging in outside employment.
- 11.2 Outside employment shall not interfere with the employee's regularly scheduled work hours, present no conflict of interest with City affairs, and in no way discredit the City employment.

ARTICLE 12 - INSURANCE

- 12.1 The City shall provide health insurance benefits to the employee and their dependents comparable to Blue Cross Plan V-E, PPP, including Well-Baby care and Physical Examination riders, Blue Cross Plan II dental insurance, and the VSP Vision insurance through the EBS Trust. The City shall also offer Kaiser medical, prescription, dental, vision and alternate care insurance as an alternative to Blue Cross. The City's premium for full-time employees shall be set at ninety five percent (95%) of the full Blue Cross premium cost. The City's premium for part-time employees shall be fifty percent (50%) of the caps established for full-time employees.
- 12.2 Upon retirement from City service, employees with three years' continuous service may elect to continue their group medical insurance coverage at their own expense.
- 12.3 The City shall provide a life insurance policy on each employee in an amount equal to their annual salary rounded to the nearest thousand dollars.
- 12.4 The City shall provide long-term disability insurance. The coverage shall provide an employee, unable to work due to an accident or illness for 90 days, with a maximum of 66&2/3rds of the first \$7,500 of monthly salary up to a maximum of \$5,000 per month up to age 65 or until the employee is able to return to work.
- 12.5 The City and the Association agree to negotiate the impact of any changes in health insurance that may be mandated by Federal health care legislation during the life of this agreement.

12.6 Voluntary Employees' Beneficiary Association (VEBA)

Effective July 1, 2005, the City will establish a medical savings account Voluntary Employees' Beneficiary Association (hereinafter VEBA) plan, under Section 501 (c) (9) of the Internal Revenue Code for each employee of the Association who is eligible for, and enrolls in, one of the City's Health Insurance Plans as described in Article 12. The City shall make monthly contributions equal to one percent (1%) of the employee's base salary to said account

ARTICLE 13 - RETIREMENT

13.1 The City agrees to provide a retirement plan(s) to insure a retirement benefit equal to that provided by the Public Employees Retirement System (PERS). The City shall pay the employee's contribution to that plan.

ARTICLE 14 - VACATION

14.1 After having served continuously in the City service for twelve (12) full calendar months, all fifty-six (56) hour employees shall be credited with one hundred forty four (144) hours of vacation leave. Thereafter, vacation shall be credited at the following rates:

| <u>Length of Continuous Service</u> | <u>Hours Earned Each Month</u> | <u>Shifts Per Year</u> |
|-------------------------------------|------------------------------------|------------------------|
| 12 - 60 Months/ 1+ - 5 Years | 12 | 6 |
| 60+ - 120 Months/ 5+ - 10 Years | 16 | 8 |
| 120+ - 180 Months/ 10+ - 15 Years | 20 | 10 |
| 180+ - 240 Months/ 15+ - 20 Years | 24 | 12 |
| 240+ Months/ 20+ Years | 28 | 14 |

After serving twelve (12) full calendar months, all forty (40) hour employees shall be credited with eighty (80) hours of vacation leave. Thereafter, vacation shall be credited at the following rates:

| <u>Length of Continuous Service</u> | <u>Hours Per Month</u> | <u>Days Per Year</u> |
|-------------------------------------|------------------------|----------------------|
| 12 - 24 months/1+ - 2 years | 6.67 | 10 |
| 24+ - 60 months/2+ - 5 years | 8.00 | 12 |
| 60+ - 120 months/5+ - 10 years | 10.00 | 15 |
| 120+ - 180 months/10+ - 15 years | 13.34 | 20 |
| 180+ months / 15 years | 16.67 | 25 |

14.2 "Continuous Service" is defined as that service which is unbroken by separation from City service other than by the Military, Peace Corps, or any other paid leave allowed under this Agreement. Time spent on other types of authorized leave shall not count as time of continuous service unless otherwise required by law;

except that employees returning from such leave or employees who are laid off, shall be entitled to credit for service prior to the leave or layoff.

- 14.3 Whenever possible consistent with the needs of the department (as determined by the Fire Chief), employees shall have the right to determine vacation times, but in any case, vacation times shall be selected on the basis of seniority; however, each employee shall be permitted to exercise vacation selection only once each year, completed by February 1st.
- 14.4 A schedule of each employee's vacation time shall be posted and the roster board shall show that he is listed on vacation.
- 14.5 Upon termination of an employee for any reason, or in the event of his death, the employee or his estate shall be paid a lump sum of all earned but unused vacation credits.
- 14.6 An employee that is about to lose vacation credit due to maximum accrual, may petition to the City Manager or a designee to carry over additional hours. The decision of the City Manager or a designee shall not be subject to the grievance procedure.

ARTICLE 15 - HOLIDAYS

- 15.1 All fifty-six (56) hours shift personnel, in lieu of the recognized City holidays shall be granted five (5) shifts off per year to be scheduled with approval of the Fire Chief. Holiday time shall be accrued at the rate of ten (10) hours per month. Employees assigned to a 40-hour workweek shall receive the same holidays as the general employees plus one additional personal holiday.
- 15.2 Upon termination of an employee for any reason, or in the event of his death, the employee or his estate shall be paid a lump sum for all earned but unused accrued holiday time.

ARTICLE 16 - MAXIMUM LEAVE TIME ACCRUAL

- 16.1 A maximum of 140% of an employee's yearly accrual of vacation leave and holiday leave benefits, total for both benefits, may be carried over as of December 31st of each calendar year.

ARTICLE 17 - PROBATIONARY EMPLOYEES

- 17.1 All original and promotional appointments shall be made for a probationary period of one (1) year. The probationary period shall be deemed as part of the examining process for determining the qualification of the employee for regular employment status. A probationary employee may be dismissed or demoted, and shall not have recourse to the grievance procedure. Regular employee is defined as an employee who has successfully completed the probationary

period. During the original probationary period, an employee may be terminated without good cause or appeal.

- 17.2 If the City determines at any time in its sole judgment (meaning without good cause) during the promotional probationary period that a promoted employee is not suitable to attain regular status, the employee shall be returned to his/her former classification and rate of pay without loss of seniority in the former classification and without recourse to the grievance procedure.
- 17.3 If an employee is promoted during their original probationary period (initial 12 months of service with the City), the promoted employee will serve the remaining original probationary time concurrently with the probationary period of the promotion.

ARTICLE 18 - SENIORITY

- 18.1 For purpose of this article, seniority shall be defined as continuous time within a classification. For the purpose of establishing seniority for Association members hired on the same date and job classification, seniority shall be based on candidate overall ranking as established by Human Resources prior to the Chief's interview. The candidate ranking shall be kept on file and copies shall be made available to the employee.
- 18.2 The principle of seniority shall be observed with regard to all layoffs and recall of regular employees who have completed one year or more of employment with the City, provided the employee to be recalled is competent to perform the work assigned. Employees off work for one year or more for any reason shall be considered off the seniority list.
- 18.3 In the event it becomes necessary to lay off employees for any reason, employees shall be subject to layoff in the inverse order of their seniority in the affected classification. An employee subject to layoff shall be entitled to bump another employee in a lower classification previously occupied by the employee subject to layoff on the basis of seniority within the department provided the employee electing to bump is qualified to perform the work of the employee he seeks to bump. An employee who is able to bump an employee in a lower classification on the basis of classification seniority shall be entitled to a trial period of up to ninety (90) days to satisfy the current requirements of the job or to satisfy proficiency examination in lieu thereof.
- 18.4 The current seniority list is attached as Schedule B. This list is effective 7/1/2008. Changes to this list due to terminations or new hires will be compiled by the City as needed by the parties. Whenever a change to the list is made, a revised list will be forwarded to the Association upon request.

ARTICLE 19 - SUBSTANCE ABUSE POLICY

- 19.1 The City and the Association agree to abide by the provisions of the City's Substance Abuse Policy as amended.

ARTICLE 20 - DISCIPLINARY ACTION

- 20.1 Discipline shall include the following actions as well as additional actions as are appropriate to the circumstances of the violation. These include: oral reprimand, written reprimand, suspension, demotion, and dismissal, or any combination of the above, as warranted by the circumstances and the nature of the offense. Notice of disciplinary action shall be in writing and given to the employee prior to action taken on any contemplated disciplinary action above a written reprimand. No employee shall be issued a reprimand, demoted, suspended, or dismissed without just cause. Oral and written reprimands do not require prior written notice.

Due Process. Pre-disciplinary "due process" means written notice of the specific charges, notice of the maximum range of disciplinary action under consideration, and an opportunity to meet with the decision maker and his/her designee in order to refute, mitigate, or defend against the charges. The employee of the Union may submit a written rebuttal to an oral or written reprimand which shall be maintained with the record of reprimand.

ARTICLE 21 - GRIEVANCE AND ARBITRATION

- 21.1 For the purpose of this agreement, a grievance is defined as any one of the following:
- A. A claim by an affected employee covered by this agreement and that a specific provision or clause of this agreement has been violated.
 - B. A claim by the Union's Executive Committee that a specific provision of clause of this agreement has been violated.
- 21.2 Filing a grievance. Before filing a grievance concerning a non-disciplinary matter, the aggrieved employee and the Union will attempt to resolve the issue informally.

A grievance is filed when the grievant and his/her Union representative submits a written statement of the grievance at the appropriate step of the grievance procedure. The grievance must include the following information:

- A) Name of the grievant(s)
- B) Date of filing
- C) Relevant facts and explanation of the grievance
- D) A list of the articles of the agreement allegedly violated
- E) A description of the remedy sought

Grievances will be filed at Step 1 of the grievance procedure unless the City and the Union mutually agree to filing at a higher step.

Oral reprimands are not subject to the grievance procedure. Written reprimands may be grieved through Step 2 only.

21.3 An individual employee who does not wish the Union's Executive Committee to pursue a grievance (under Section 21.1(B) hereof) may notify the Union in writing at any time, and the Union must withdraw the grievance. A grievance which is resolved by an individual's exercise of the right to withdraw consent hereunder shall not constitute a precedent with regard to the substance of the grievance in question.

21.4 A grievance shall be processed as follows:

Step 1: Within fifteen (15) calendar days after the alleged violation, or the date the employee or Union knew or reasonably should have known of the violation, the employee will meet with the supervisor in charge and present the facts and the alleged contract articles(s) violated pursuant to 21.2. The employee may at his/her option be accompanied by a Union representative.

Notwithstanding the above, both Union and City shall not be liable for any contract violation remedy beyond ninety (90) days from the date of alleged violation.

Step 2: If unresolved by the parties within **ten (10)** calendar days of such meeting, the grievant and/or the Union representative will present to the Fire Chief, a written statement per 21.2 of the alleged violation and remedies sought dated and signed by employee and/or the Union's Executive Committee with a copy to the City's Human Resource Manager. Such submission must be made within **ten (10)** calendar days following inaction or rejection by the Step 1 supervisor.

Step 3: If a satisfactory settlement is not made at Step 2 the grievance may be referred to the City Manager within **ten (10)** calendar days following the date of rejection or expiration of the actions concluding Step 2, whichever occurs first.

Step 4:

If the grievance is unresolved at Step 3, the grievance may be submitted to arbitration at the mutual consent of the parties within **ten (10)** calendar days of the rejection or inaction at Step 3. If no mutual consent is achieved, the grievance is considered resolved at Step 3.

If the grievance is submitted to arbitration by mutual consent of the parties, within 10 days of such notice, a request will be made to the Oregon State Conciliation Service for a list of seven (7) qualified arbitrators residing in Oregon. The City and the Union will alternately strike six names from the list. The party to strike

first will be determined by coin flip. The last name remaining will be the arbitrator. The parties agree that, if possible, no less than five (5) days prior to any scheduled arbitration hearing, they will mutually exchange copies of all exhibits intended to be offered at the hearing, except the work product of any attorney or authorized representative involved. Expenses of the arbitrator and costs incident to the conduct of the hearing will be paid split equally between the parties.

The jurisdiction of the arbitrator shall be limited to interpretation of the specific provision or provisions of this agreement which have been placed in issue by the parties and the arbitrator shall have no authority to add to or detract from this agreement or any portion thereof. Any or all time limits specific in the grievance procedure may be waived by mutual consent. Failure to submit the grievance in accordance with the time limits without such waiver shall constitute abandonment of the grievance. City failure to comply with the time limits specified above will automatically move the grievance to the next step herein.

ARTICLE 22 - AGENTS OF THE ASSOCIATION

- 22.1 Whenever agents of the Association shall visit the place of employment, they shall make their presence known to the supervisor and shall not interfere with any employee in the performance of his work.

ARTICLE 23 - SCHEDULE "A" WAGES

- 23.1 Effective July 1, 2011, the Fire Captain range shall be increased by three percent (3.0%) as shown in Schedule A.

Effective July 1, 2012, all classification ranges shall be increased by one percent (1.0%).

- 23.2 Each employee shall be evaluated in writing on a form prescribed by the City Manager in conformance with time periods noted in the salary schedule. Eligibility for advancement in the salary range shall be based upon demonstration of satisfactory performance. A new employee or promoted employee is eligible for advancement to the next step of the salary range following completion of twelve (12) months of service. An employee is eligible for additional step increases at twelve (12) month intervals of continuous service until the employee reaches the top step of a salary range.
- 23.3 Whenever an employee is appointed to a position in a higher classification, he shall receive at least the next higher salary in the new salary range. This salary increase shall be effective the nearest pay period following notification of appointment.
- 23.4 Employees shall have the option of participating in a deferred compensation plan sponsored by the City. The deferred compensation plan shall not have a direct cost to the City and employee participation shall be voluntary. Effective January

1, 2012 employees shall have the option of having deferred compensation deductions withheld from their paycheck as a percentage of gross wages upon completion and submission of appropriate paperwork to the City.

- 23.5 Employees temporarily assigned the duties and responsibilities of a higher classification, excluding Lieutenants (see 23.6 below), for a minimum of 12 hours on a shift shall receive up to an additional five percent (5%) increase of their base salary for the total time of such assignment
- 23.6 Employees temporarily assigned the duties and responsibilities of Lieutenant for a minimum of 12 hours on a shift shall receive an additional two percent (2%) over their base salary. Temporary appointment to Lieutenant shall be an administrative appointment made solely at the discretion of the Chief or his designee.

ARTICLE 24 - INCENTIVE PAY

- 24.1 The City agrees to pay incentive awards to employees who have obtained certification as follows:

| | |
|--------------------------------|-----|
| Intermediate EMT certification | 4% |
| Paramedic EMT | 10% |

All incentives are calculated on the base pay for the 6th step of Firefighter. The employee must make application to receive incentive pay and there shall be no retroactivity. Incentive awards shall commence the first of the month following approval by the Fire Chief or his designee.

Employees hired with Paramedic EMT certification from 7/1/2005 forward shall maintain, in good standing, their Oregon Paramedic EMT certification as a condition of employment.

- 24.2 The City shall establish an incentive award of two percent (2%) for employees with an acceptable Associate's degree and four percent (4%) for an acceptable Bachelor's degree subject to the following conditions:
 - a. The 2% or 4% awards may not be combined.
 - b. The employee must have successfully completed their initial employment probation period.
 - c. The employee must have received a satisfactory (or better) rating on their last performance appraisal.
 - d. The employee must successfully complete at least two (2) department approved, job-related classes in each fiscal year. Classes must be taken on the employee's own time except with permission from the Chief.

- e. The employee must make written request prior to July 1 of each year to receive this incentive. Written requests should include a listing of classes taken towards earning the incentive.

24.3 Employees may be assigned the following duties by the Fire Chief. If both functions are assigned to the same employee, the maximum total incentive is 10%.

| | |
|-----------------------------|----|
| EMS Quality Improvement | 5% |
| EMS Training Administration | 5% |

ARTICLE 25 – CLOTHING

25.1 The city shall furnish clothing and uniforms required in the performance of city duties to include, but not limited to, the list in 25.4 to all employees before their first (1) day of employment. All badges, patches, and logos will be provided by the city. The clothing and uniform design shall be determined by the Fire Chief. The replacement of these items will be on an exchange program with new items.

25.2 Damage to uniforms due to unauthorized use will be repaired or replaced at the association member's expense. Uniforms are to be worn only on duty, or directly to and from work and other special occasions by permission of the Fire Chief or his/her designee. Personal protective equipment shall be used only for firefighter, rescue and EMS training and duties. Any other use requires permission of the Fire Chief or his/her designee.

25.3 All personal protective clothing required for the performance of firefighting duties and the safety of the fire personnel shall be provided to all employees. PPE shall meet or exceed NFPA, OR-OSHA, or ANSI (eyewear only) standards.

25.4 Clothing list

3 (or 4 for forty (40) hour employees) Class B blue Nomex uniform shirts.

3 (or 4 for forty (40) hour employees) Class B blue Nomex uniform trousers.

7 blue Forest Grove Fire & Rescue T-shirts.

2 Forest Grove Fire & Rescue cotton blue work sweatshirts.

1 all weather jacket

1 pair of uniform boots, up to \$200 bi-annually paid by the city. This amount shall be separate from the \$500 allowance as listed in 25.4.1

1 uniform belt.

Workout apparel to match duty T-shirts

1 pair of workout shorts

1 pair of workout sweatpants

25.4.1 Association members will be allowed uniforms and clothing as listed above upon employment. Association members shall be given an annual allowance of \$500 for the replacement of duty uniforms as described on the clothing list. This allowance does not apply to association members first year of employment.

Uniforms may be replaced on an as needed basis at the discretion of the fire chief or his/her designee.

- 25.5 All uniforms and personal protective clothing shall be kept clean at all times to maintain a positive and professional image to the public.
- 25.6 A full class A uniform will be provided to each member of the association once they have successfully passed their probation period with the city. These items shall include, hat, jacket, pants, shirt, badge, tie, belt, and shoes. The repair or alteration of these items will be at the association members' expense, once the uniform has been fitted.

ARTICLE 26 - BOOKS AND TUITION

- 26.1 Employees may request reimbursement for books and tuition for college level course work relevant to their position in the department. Requests for reimbursement must be approved by the Fire Chief prior to enrollment and shall be contingent upon completion of the course with a passing grade and available funding within the department.
- 26.2 Employees may request tuition reimbursement to attend training, which shall provide EMT certification. In the event such training shall exceed a three (3) month period, employees may request the City pay for the cost of training up front. The employee shall be required to sign an authorization providing for the amount paid to be deducted from their paycheck, in the event the employee terminates, or fails to satisfactorily complete the training.

ARTICLE 27 - WORKING RULES

- 27.1 The Association recognizes the right of the City to establish reasonable rules and regulations for the safe, sanitary, and efficient conduct of the City's business and reasonable penalties for the violation of such rules and regulations. All employees shall continue to comply with the presently published personnel manual, except those areas superseded by this Agreement. Changes or additions to such rules shall be furnished to the Association at time of issuance.

ARTICLE 28 - SAFETY PROGRAM

- 28.1 The City shall conform to the State and Federal requirements pertaining to safety of the employees in the performance of their work assignments.
- 28.2 Employees shall be given an opportunity to exercise a cumulative of 60 minutes per shift. The intent is to provide flexibility regarding scheduling the 60 minutes during the first 12 hours of the shift. The Fire Chief has the right to determine the workout time period.
- 28.3 NFPA 1582 Medical Evaluations: See Attachment A

ARTICLE 29 - PERSONNEL FILE

- 29.1 A personnel file shall be initiated and maintained for each employee. Personnel files shall be considered confidential and shall be accessible only to the employee, the City Manager, the Personnel Officer, the Fire Chief, and the supervisor, with the approval of the Fire Chief. An employee shall have the right to review and obtain copies of the contents of his personnel file.
- 29.2 No material shall be placed in an employee's personnel file without the knowledge of the employee. An employee may respond in writing to any item placed in his personnel file and said response shall become part of the personnel file.
- 29.3 Upon employee request, letters of reprimand shall be removed at the end of eighteen (18) months from the time the reprimand was dated, provided there are no subsequent letter(s) of reprimand or disciplinary action taken during the intervening period of time.

ARTICLE 30 - SAVINGS CLAUSE

- 30.1 Whenever it shall be found that any portion of this Agreement is contrary to any City, State, or Federal Law, such portion of the Agreement shall be excised, modified, or changed to conform thereto, as soon after notification as possible. The City and the Association agree to negotiate substitute provisions for those articles that may be in question.

ARTICLE 31 - TERMINATION

- 31.1 This agreement shall be effective July 1, 2011 and shall remain in effect until June 30, 2013. This agreement shall be automatically renewed from year to year thereafter unless either party notifies the other between January 1, and March 1, in the year of expiration that they wish to modify this agreement.

ARTICLE 32 - SCOPE OF AGREEMENT

- 32.1 The City and the Association shall not be bound by any requirement, which is not specifically stated in this Agreement. Specifically, but not exclusively, the City and the Association are not bound by any unwritten past practices of the City or the Association, unless such past practices or understandings are specifically stated or referred to in this Agreement.

The Association and the City agree that this Agreement is intended to cover all matters affecting wages, rates of pay, hours, grievance procedure, working conditions, and all other terms and conditions of employment and similar or related subjects, and that during the term of the Agreement neither the City nor the Association shall be required to negotiate on any further matter affecting these or any other subjects not specifically set forth in the Agreement.

ARTICLE 33 – UNION BUSINESS

- 33.1 Representatives. The Union will notify the Fire Chief, in writing, of the names of its representatives.
- 33.2 Visits. Union representatives, other than Agency employees, upon notification to the Fire Chief or his/her designee, may visit with employees during breaks, meal periods or after normal business hours (0800-1700) – employee representatives are not required to provide notification. Visits outside of those allowed for above, may be granted only with the expressed approval of the Fire Chief or a designee and shall not disrupt the workflow.
- 33.3 Internal Business. The internal business of the Union shall only be conducted outside normal working hours.
- 33.4 Bulletin Boards. Bulletin board space will be provided for the Union for the posting of meeting notices and other information of interest to its members.

ARTICLE 34 – CELL PHONE STIPEND

- 34.1 All employees who are assigned by the City to carry a cell phone for work shall have the option to receive a stipend of \$35 per month in lieu of receiving a City owned device. If the employee chooses to accept the cell phone stipend, the employee shall use the cell phone for work related calls and provide the cell phone number to the City. Employees required to use a Blackberry device shall receive an additional \$25 per month and receive a one-time maximum payment of up to \$99 for purchase or upgrade to a Blackberry device. Stipends received for this purpose shall be considered taxable compensation to the employee. If the employee receiving the stipend terminates employment, the City is not responsible for continued payments of any service the employee may have contracted for.

**FOREST GROVE PAID
FIREFIGHTER'S ASSOCIATION**

CITY OF FOREST GROVE

Ted Penge, Association Shop Steward

Michael Sykes, City Manager

Dated: _____

Dated: _____

Matthew Rawls, Association Shop Steward

Dated: _____

Tony Carter, Association Shop Steward

Dated: _____

FOREST GROVE PAID FIREFIGHTERS ASSOCIATION (IAFF)

SCHEDULE "A"

July 1, 2011 CLASSIFICATION & WAGES

| 1 - July 2011 | Step1 | Step 2 | Step 3 | Step 4 | Step 5 | Step 6 |
|----------------------|--------------|---------------|---------------|---------------|---------------|---------------|
| Firefighter | 4392 | 4604 | 4815 | 5025 | 5238 | 5449 |
| Lieutenant | 4568 | 4788 | 5008 | 5226 | 5446 | 5665 |
| Fire Inspector II | 5162 | 5409 | 5658 | 5906 | 6153 | 6402 |
| Captain | 5048 | 5291 | 5534 | 5774 | 6018 | 6259 |

July 1, 2012 CLASSIFICATION & WAGES

| 1 - July 2012 | Step1 | Step 2 | Step 3 | Step 4 | Step 5 | Step 6 |
|----------------------|--------------|---------------|---------------|---------------|---------------|---------------|
| Firefighter | 4436 | 4650 | 4863 | 5075 | 5290 | 5503 |
| Lieutenant | 4614 | 4836 | 5058 | 5278 | 5500 | 5722 |
| Fire Inspector II | 5214 | 5463 | 5715 | 5965 | 6215 | 6466 |
| Captain | 5098 | 5344 | 5589 | 5832 | 6078 | 6322 |

Schedule B

Seniority Listing

| Position | Name | Hire Date | Test Rank |
|----------|-----------------|------------|-----------|
| 1 | Dwight Lanter | 1/2/1985 | |
| 2 | Mike Lanter | 7/8/1996 | 1 |
| 3 | Chris Woodford | 7/8/1996 | 2 |
| 4 | Tad Buckingham | 7/8/1996 | 3 |
| 5 | Joe Smith | 12/2/1996 | |
| 6 | Karen Hendrix | 1/13/1997 | |
| 7 | Ted Penge | 4/5/2004 | |
| 8 | Tony Carter | 10/26/2005 | |
| 9 | Keith Baas | 1/5/2006 | |
| 10 | Rick Ilg | 2/27/2006 | 1 |
| 11 | Will Murphy | 2/27/2006 | 2 |
| 12 | Matt Rawls | 1/22/2008 | 1 |
| 13 | Geoff McFarland | 1/22/2008 | 2 |
| 14 | Ivan Bratchuk | 4/17/2008 | |
| 15 | Brad Shinpaugh | 1/13/2009 | |
| 16 | Vacant | | |

ATTACHMENT A

NFPA 1582 Medical Evaluations

Fire personnel assigned to fire suppression functions will receive a physical examination in accordance with NFPA 1582, current edition. All Category A medical conditions have been reclassified by the Fire Department as Category B, to allow for advances in medical technology and reasonable accommodation of medical conditions where possible. All of these conditions shall be linked to the ability to function as a Firefighter EMT.

The medical evaluations shall be conducted in accordance with the following schedule:

- a) Ages 29 and under - every 3 years
- b) Ages 30 to 39 - every 2 years
- c) Age 40 and above - every year

Medical evaluations shall be performed by the Department Physician at no cost to the employee. For purposes of the physical each employee who completes the physician visit while off duty will be paid for two hours of overtime at the time and one-half rate. This payment will cover both the office visit and travel time.

No employee medical information, except for vaccination and immunization status, will be released to the City or its representatives. The City will only be informed of the employee's ability or inability to perform the requirements of his/her job description.

Employees found with medical conditions that prevent them from performing duties are eligible to use sick leave, vacation leave, and leave without pay (at the discretion of the Department) until they can be cleared by the Department Physician or their attending physician to return to duty. If needed in addition to the job analysis worksheet, and recommended by the Department physician or attending physician for his/her determination, the employee may be required to successfully complete the physical fitness testing referenced below. If such testing is recommended by the Department physician or the attending physician, the employee shall not return to his/her regular assignment until s/he has successfully completed physical fitness testing.

Disagreements with the Department Physician will be handled in accordance with the guidelines of NFPA 1582, current edition.

The Fire Department Physician shall report the results of the medical evaluation to the candidate or current firefighter, including any medical condition/s disclosed during the medical evaluation, and the recommendation as to whether the candidate or current firefighter is medically certified to perform as a firefighter. The physician's criteria for determining whether a candidate or current firefighter is medically certified or not shall be NFPA 1582, Chapter 2-3.

The Fire Department Physician shall inform the Fire Department only as to whether or not the candidate or current firefighter is medically certified to perform as a firefighter. The specific written consent of the candidate or current firefighter shall be required prior to release of confidential medical information to the Fire Department. Candidates who do not successfully complete the medical examination will be ineligible for employment.

In the event that a firefighter is determined to be not medically certified to perform the duties of a firefighter, the firefighter has the option to seek another opinion from the physician of his/her choice at the Department's expense. If there is still disagreement about the condition or placement recommendation, a third physician (acceptable to both the Fire Department and the employee) will be consulted. The City's final decision will be determined by Human Resources. If the medical condition is deemed permanent and the firefighter cannot be rehabilitated to return to suppression duties, then the City Human Resources (in coordination with other pertinent agencies) will determine the next step, including but not limited to, termination, reassignment, or retirement.

If a firefighter is deemed not medically certified to perform these duties but the Department Physician determines that rehabilitation is possible, the Department will assist the individual in his/her rehabilitation efforts by allowing the use of sick/vacation leave and may allow options such as modified duty or reassignment, leave without pay, and shift trades (this does not represent an exclusive list of options).

Mandatory Physical Fitness Training. Bargaining Unit members assigned to fire suppression duties shall participate in daily physical fitness training as developed in collaboration with the Association and approved by the Fire Chief.

Physical Fitness Testing. Union members assigned to fire suppression duties will participate annually in physical fitness testing. Testing shall consist of successful completion of the Department's Physical Ability Test within the required time constraints. The test may be repeated once within 14 days.

If the employee fails to complete the test, s/he will be sent to the Department Physician for a medical evaluation. If medically cleared, they will be reassigned to a 40-hour week on a modified duty assignment for a period not to exceed three months. During this time, s/he will be allowed up to two hours per day of physical conditioning, in addition to other non-suppression duties. At any point during this three months, s/he may request to take the Physical Ability Test again. The test may be repeated once within 14 days.

This process may be repeated twice (not to exceed 9 months from the date s/he is medically cleared to participate in the process) prior to reassignment or termination.

November 14, 2011

**STAFF REPORT AND RESOLUTION AUTHORIZING CITY MANAGER
TO EXECUTE AMENDMENT NO. 1
RESIDENTIAL EXCHANGE PROGRAM SETTLEMENT AGREEMENT**

Project Team: George Cress, Light and Power Director
Richard Matzke, Engineering Manager
Paul Downey, Director of Administrative Services
Michael Sykes, City Manager

ISSUE STATEMENT: The original Residential Exchange Program (REP) Settlement Agreement was reviewed with City Council by our BPA Account Executive at a Council Work Session on March 28, 2011 and the Agreement was presented by staff at the City Council Meeting also on March 28th. The Agreement was approved by City Council on April 11, 2011 but did not receive the required support by consumer-owned utility (COU) customers of BPA before the signing deadline of April 15, 2011. A revised Settlement Agreement was approved by City Council on May 23, 2011. The revised Agreement had a reduced signing threshold of 75% of BPA COUs by load and a signing deadline of June 3, 2011. The revised Agreement did receive the required support of COUs and was ultimately signed by the BPA Administrator on July 26, 2011 and is now in effect. BPA has now offered Amendment No. 1 to this Agreement for consideration.

DISCUSSION: The REP was established by the Pacific Northwest Electric Power Planning and Conservation Act of 1980 to share benefits of the Federal Columbia River Power System with residential and small-farm customers of utilities with high cost of resources relative to BPA. The REP has in general benefitted customers of investor-owned utilities (IOUs) through higher rates to consumer-owned utilities (COUs) and Direct Service Industries (DSIs). The program has a long history of disagreement between participants and issues regarding proper implementation of the REP have been in litigation since May 2007.

The purpose of the REP Settlement Agreement is to resolve the challenges over BPA's implementation of the REP in return for a stream of REP benefits to the IOUs for a term of 17 years (end of the current BPA contract in 2028). The City's monthly REP credit during the 2012 – 2013 Rate Period is \$25,352.

Amendment No. 1 was created as a result of the BPA Administrator's decision in the REP-12 Final Record of Decision (ROD) to work with representatives of Existing Parties to the REP Settlement Agreement to draft an amendment that would allow additional entities to

become Parties to the Settlement. The terms of Amendment No. 1 were collectively Staff drafted by BPA, representatives of the IOU Group, the COU Group and a representative of a large contingent of non-settling COUs. In order for others to join the Settlement, all Existing Parties must execute Amendment No. 1. BPA has requested that signed Amendments be returned by November 30, 2011. The proposed Amendment No. 1 changes the definition of "party" to include any other entity that signs and delivers to BPA on or before January 31, 2012 the Settlement Agreement and Amendment No. 1.

FISCAL IMPACT: The proposed Amendment No. 1 has no fiscal impact to the City.

STAFF RECOMMENDATION: This Amendment would benefit at least one member of Northwest Requirements Utilities that did not sign originally but now wishes to participate in the Agreement. BPA has indicated that three utilities signed the agreement after the deadline and that other utilities are interested in signing. Staff believes that it is in the City's best interest that the Settlement Agreement includes all eligible parties who are willing to sign. Staff is requesting that the City Council approve the attached Resolution authorizing the City Manager to endorse Amendment No. 1 to the Residential Exchange Program Settlement Agreement (Attached as Exhibit A).



RESOLUTION NO. 2011-82

**RESOLUTION AUTHORIZING CITY MANAGER TO ENDORSE
AMENDMENT NO. 1 TO THE RESIDENTIAL EXCHANGE PROGRAM (REP)
SETTLEMENT AGREEMENT BETWEEN CITY OF FOREST GROVE
AND BONNEVILLE POWER ADMINISTRATION (BPA)**

WHEREAS, the City of Forest Grove owns and operates an electric utility for the benefit of its citizens and electric customers; and

WHEREAS, the City of Forest Grove has contracted with Bonneville Power Administration (BPA) to provide electric energy through the year 2028; and

WHEREAS, the BPA Power Contract provides for the Residential Exchange Program (REP); and

WHEREAS, the City Council approved the existing REP Settlement Agreement on May 23, 2011; and

WHEREAS, additional consumer-owned utilities now wish to sign the REP Settlement Agreement; and

WHEREAS, the City Council finds that inclusion of all interested utilities in the Settlement Agreement is a benefit to the City of Forest Grove and other Existing Parties to the Agreement.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF FOREST GROVE
AS FOLLOWS:**

Section 1. The City Council of the City of Forest Grove hereby approves Amendment No. 1 to the Residential Exchange Program (REP) Settlement Agreement, Contract No. 11PB-12322, between the City of Forest Grove and Bonneville Power Administration (BPA), payment period effective October 1, 2011, through September 30, 2028 (attached as Exhibit A).

Section 2. The City Manager is authorized to execute the Amendment No. 1 on behalf of the City of Forest Grove.

Section 3. This resolution is effective immediately upon its enactment by the City Council.

PRESENTED AND PASSED this 14th day of November, 2011.

Anna D. Ruggles, City Recorder

APPROVED by the Mayor this 14th day of November, 2011.

Peter B. Truax, Mayor

EXHIBIT A

Amendment No. 1
Contract No. 11PB-12322

AMENDMENT NO. 1
to the
REP SETTLEMENT AGREEMENT

This AMENDMENT NO. 1 ("Amendment"), dated as of _____, to the REP Settlement Agreement, Contract No. 11PB-12322, Conformed ("Settlement Agreement") is entered into by and among the investor-owned utilities, state public utility commissions, Citizens' Utility Board of Oregon, consumer-owned utilities, consumer-owned utility associations, and other BPA power customers, and the UNITED STATES OF AMERICA, Department of Energy, acting by and through the BONNEVILLE POWER ADMINISTRATION ("BPA") (collectively the "Existing Parties"), which as of July 26, 2011 comprise the Parties to the Settlement Agreement, and also such other entities that become Parties by executing and delivering to BPA the Settlement Agreement and this Amendment on or before January 31, 2012.

This Amendment, if it takes effect, allows additional entities to become Parties to the Settlement Agreement, consistent with the decision by the BPA Administrator in the Residential Exchange Program Settlement Agreement Proceeding (REP-12) Administrator's Final Record of Decision issued on July 26, 2011.

It is agreed as follows:

1. EFFECTIVENESS OF AMENDMENT

This Amendment will take effect on the date that it has been executed by all the Existing Parties and has been delivered to BPA; provided, that such execution and delivery by the Existing Parties occurs on or before January 31, 2012. In the event that any of the Existing Parties fails to execute and deliver this Amendment to BPA on or before January 31, 2012, this Amendment will not take effect.

2. AMENDMENT OF AGREEMENT

The Settlement Agreement is hereby amended as follows:

The definition of "Party" in Section 2 is deleted and replaced by the following:

"Party" means (i) any entity that signs this Settlement Agreement and delivers it to BPA on or before June 3, 2011; (ii) BPA as of the Effective Date; and (iii) if Amendment No. 1 to this Settlement Agreement becomes effective, any other entity that signs and delivers to BPA on or before January 31, 2012 this Settlement Agreement and Amendment No. 1.

3. **SIGNATURES; CONFORMED COPIES**

Each signatory represents that he or she is authorized to enter into this Amendment on behalf of the Party for whom he or she signs. For the convenience of the Parties, this Amendment may be executed in any number of counterparts, each such counterpart being deemed to be an original instrument, and all such counterparts together constituting the same agreement. If this Amendment becomes effective, BPA will promptly after January 31, 2012: (i) notify each Party that this Amendment has become effective; (ii) deliver to each Party a conformed copy of this Amendment; and (iii) notify each Party of any entity that was not an Existing Party and that becomes a Party in accordance with item (iii) of the definition of Party in this Amendment.

4. **INCORPORATION AND INTERPRETATION**

Unless expressly amended by this Amendment, the provisions of the Settlement Agreement remain in full force and effect. The Settlement Agreement as amended by this Amendment shall be and remain in full force and effect upon the effectiveness of this Amendment, and each Party confirms, ratifies and approves the Settlement Agreement as amended by this Amendment. All capitalized terms used herein and not otherwise defined in this Amendment shall have the respective meanings given to such terms in the Settlement Agreement. The invalidity or unenforceability of any provision of this Amendment shall not affect the validity or enforceability of any other provision of the Settlement Agreement, which shall remain in full force and effect.

FULL NAME OF PARTY

City of Forest Grove

(Print/Type Name of Party)

By _____

Title City Manager

Name Michael J. Sykes
(Print/Type)

Date November 14, 2011