



CITY OF GRANTS PASS  
COUNCIL AGENDA  
December 19, 2016  
11:45 a.m. City Council Workshop and  
Special Meeting in Executive Session  
Council Chambers - 101 N.W. "A" Street

MAYOR: Darin Fowler

CITY COUNCIL MEMBERS:

<b>Ward 1</b>	<b>Ward 2</b>	<b>Ward 3</b>	<b>Ward 4</b>
Dan DeYoung	Valerie Lovelace	Ken Hannum	Vacant
Roy Lindsay	Rick Riker	Dennis Roler	Vacant

1. COUNCIL WORKSHOP:
  - a. Annual financial report
  - b. Agenda review
2. ADJOURN WORKSHOP AND CONVENE SPECIAL MEETING:
3. COUNCIL ACTION
  - a. Resolution authorizing an intergovernmental agreement between the City of Grants Pass and the Grants Pass Irrigation District.
  - b. Resolution making an appropriation transfer for Fiscal Year 2017.
4. CONVENE THE SPECIAL COUNCIL MEETING IN EXECUTIVE SESSION:
  - a. Executive Session is held to discuss the following subject:
    - (e) Real property transactions-negotiations

*ACCOMMODATION OF PHYSICAL IMPAIRMENTS: In order to accommodate person with physical impairments, please notify the City Recorder's Office of any special physical or language accommodations at least 48 business hours prior to the meeting. To request these arrangements, please contact Karen Frerk, City Recorder at (541) 450.6000.*

Resolution authorizing an intergovernmental agreement between the City of Grants Pass and the Grants Pass Irrigation District.

Date: December 19, 2016

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**SUBJECT AND SUMMARY:**

This resolution authorizes the City Manager to enter into an Intergovernmental Agreement (IGA) between the City of Grants Pass and the Grants Pass Irrigation District (GPID).

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**RELATIONSHIP TO COUNCIL GOALS:**

This supports Council's goal of **LEADERSHIP** through the development of an IGA for shared services.

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**CALL TO ACTION SCHEDULE:**

Call to action schedule: December 19, 2016.

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**BACKGROUND:**

Council appointed three Councilors to negotiate an IGA between the City of Grants Pass and GPID. The purpose of this IGA is to establish guiding principles which provide for participation in cooperative storm water drainage and irrigation distribution projects and processes.

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**COST IMPLICATION:**

Revenue Source: To be determined by Council. Likely the funds will come from the General Fund or Storm Water Utility.

See Exhibit 'A' for methodology.

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**ALTERNATIVES:**

1. Council can approve the IGA as presented;
2. Council can approve with changes;
3. Council can take no action.

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ITEM: 3.a. RESOLUTION AUTHORIZING AN INTERGOVERNMENTAL AGREEMENT BETWEEN THE CITY OF GRANTS PASS AND THE GRANTS PASS IRRIGATION DISTRICT.

Staff Report (continued):

RECOMMENDED ACTION:

This action is at Council's discretion

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POTENTIAL MOTION:

I move to authorize the City Manager to enter into an IGA between the City of Grants Pass and the Grants Pass Irrigation District.

# EXHIBIT A

## METHODOLOGY

December 09, 2016

O & M- 4 year Average			<u>\$483,162.84</u>
Administration- 4 year Average:			<u>\$562,393.75</u>
		<b>% Allocated</b>	
O & M- Average =	\$483,162.84	x 27% =	\$130,453.97
ASC per year	\$130,453.97	x 58% =	\$ 75,663.30
Administration- Average	\$562,393.75	x 27% =	\$151,846.31
ASC per year	\$151,846.31	x 58% =	\$88,070.86
O & M - ASC			\$ 75,663.30
Administration- ASC			<u>\$ 88,070.86</u>
Total 2017 Starting Fee			<u>\$163,734.16</u>
Buy in Fee 4 Times starting Fee 2017 =			<u>\$654,936.64</u>
One time Buy Out Fee for GPID Drain Accounts =			<u>\$24,509.65</u>
		<b>TOTAL =</b>	<u>\$ 843,180.45</u>

ASC= Allocation to Shared Canals

O&M= Operation & Maintenance

% Allocated = 43.2 Miles of Canals in City Limits  
160 Miles = Total GPID Canals = 27%

58% determined usage for Storm Drainage during a 1 year period

\*The dollar amounts referenced above are the actual expenditures averaged from GPID accounting program for the year's 2012, 2013, 2014 and 2015.

**RESOLUTION NO.**

**A RESOLUTION OF THE COUNCIL OF THE CITY OF GRANTS PASS  
AUTHORIZING AN INTERGOVERNMENTAL AGREEMENT BETWEEN THE CITY OF  
GRANTS PASS AND THE GRANTS PASS IRRIGATION DISTRICT.**

**WHEREAS:**

1. The City of Grants Pass and the Grants Pass Irrigation District (GPID) desire to enter into an intergovernmental agreement (IGA); and
2. The IGA establishes guiding principles; and
3. The IGA established a methodology for shared canal maintenance costs.

**NOW, THEREFORE, BE IT RESOLVED** by the Council of the City of Grants Pass that the City Manager is authorized to execute the intergovernmental agreement between the City of Grants Pass and the Grants Pass Irrigation District, which is attached hereto as Exhibit 'A'.

**EFFECTIVE DATE** of this Resolution shall be immediate upon its passage by the City Council and approval by the Mayor.

**ADOPTED** by the Council of the City of Grants Pass, Oregon, in special session this 19<sup>th</sup> day of December 2016.

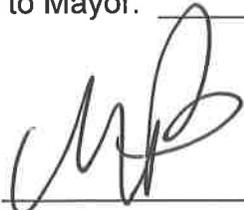
**SUBMITTED** to and \_\_\_\_\_ by the Mayor of the City of Grants Pass, Oregon, this \_\_\_\_ day of December 2016 to be effective on the date indicated as adopted by the City Council.

\_\_\_\_\_  
Darin Fowler, Mayor

**ATTEST:**

\_\_\_\_\_  
Karen Frerk, City Recorder

Date submitted to Mayor: \_\_\_\_\_

Approved as to Form, Mark Bartholomew, City Attorney \_\_\_\_\_  


CITY OF GRANTS PASS – GRANTS PASS IRRIGATION DISTRICT  
INTERGOVERNMENTAL STORMWATER MANAGEMENT AGREEMENT

THIS AGREEMENT is made by and between the City of Grants Pass, Oregon, a municipal corporation, herein referred to as “City”, and the Grants Pass irrigation District, a municipal corporation, herein referred to as “District”.

RECITALS:

- A. District is an Oregon irrigation district formed and operated pursuant to ORS Chapter 545. District was formed in 1919 for the purpose of diverting irrigation water, primarily from the Rogue River, and delivering it to 8,000 acres of land within the boundaries of District for irrigation of crops. The structures District owns and operates include the South Highline Canal, laterals, and other facilities within the boundaries of City. District operates and maintains those facilities for the delivery of irrigation water to its member landowners. Said facilities are collectively referred to as the “District’s facilities.”
- B. City was incorporated in 1887. The City’s population was 4,666 residents in 1930. Its current population is approximately 35,000 residents. City provides municipal services to the land within City. Land within City continues to be developed, and City is continually providing updates to the municipal services and utilities provided by it. Historically, City and development within City as relied in part on the District’s facilities to carry away storm water from City.
- C. District’s facilities were substantially completed by 1930, and were intended to deliver irrigation water to District’s member landowners and intended to remove naturally occurring surface drainage water from lands lying at an elevation above District’s facilities. District’s authority to control the use of the irrigation water delivered by it stops at the head gate, valve or other diversion structure on District’s rights-of-way, used to deliver irrigation water to individual members of District. Some members of District located within city allow their tail water, or water excess to their irrigation needs, to flow into city operated and maintained drainage structures. That drainage has also occurred over a period of time and is not subject to any written agreement between the landowner and City permitting the discharge of the tail water into City’s drainage system.
- D. The District uses the shared canals for irrigation from May 1 to October 1 and the City has use of the shared canals for storm drainage from October 1 to May 1 which results in a split of 42% and 58% of the annual use of the shared canals respectively. The financial obligation of the City is based on 58% of 27% of the average District expenditures (calculated for the years 2012-2015) for operations, maintenance, and administration its canals. City’s obligation of 58% of 27% of the foregoing costs is based on the fact that 27% of District canal miles are located in the City. The City’s use of the shared canals and a description of the shared canals is included in the Grants Pass Stormwater Master Plan adopted in September 2016 and incorporated herein by this reference.
- E. As land in District is converted from irrigated farm land to urban development, District suspends the irrigation charges to the developed land, but charges a drainage maintenance fee to land that has been improved and from which surface drainage water flows into

District's facilities. City's Stormwater Master Plan has identified and prioritized millions of dollars of infrastructure improvement and additions necessary to provide an appropriate functioning Stormwater system in City. The Stormwater Master Plan acknowledges a need for City to continue to use portions of District's facilities for storm water management while City improves its integrated storm water system.

- F. In recognition of their responsibilities to provide appropriate levels of service and to preserve and protect their abilities to provide those services to their patrons, the Parties desire to provide for the planning and implementation of a comprehensive storm water drainage system by City and to provide for the operation and maintenance of District's facilities while city completes and implements its Storm water Master Plan.

NOW, THEREFORE, in consideration of the premises and the agreements herein contained, the District and the City mutually agree as follows

## AGREEMENT

ARTICLE 1. The forgoing explanatory Recitals are an integral part of this Agreement and constitute a part of the consideration for this Agreement. They explain the reasons why this Agreement has been entered into by the District and the City, and the explanatory Recitals shall be considered in construing the agreements and provisions set forth in this Agreement.

ARTICLE 2. It is the intent of the District and the City by this Agreement to enter into an intergovernmental agreement pursuant to ORS Chapter 190.

ARTICLE 3. The District and the City have entered into this Agreement at this time because the City is completing a long term planning process for stormwater management and a Stormwater Master Plan written by Keller and Associates which calls for increased cooperation between the District and the City, the concerns pertaining to water quality and water quantity that have become more pressing as the development in and about the City has occurred, the City's responsibility for the management of stormwater within the City, and costs incurred by the District as a result of the City's use of its facilities for the management of stormwater entering the District's facilities from the developed land in the City.

ARTICLE 4. The City's Stormwater Master Plan provides for substantial improvements to the City stormwater system, which may result in the reduction of the quantity of discharges into the District's facilities. The reduction of discharges into the District's facilities is contingent on the construction of improvements to its stormwater drainage system that will take significant investment and time to complete. City shall attempt to implement its Stormwater Master Plan in part by the development and adoption of a comprehensive set of standards and requirements for storm water management by new development. The City shall include the District in the discussions leading to the formulation of these standards and specifications, and shall consider suggestions provided by the District.

The Stormwater Master Plan has a focus of meeting the needs for a 25 year storm event. The Parties recognize that there can be "Acts of God" events over which the Parties have no control and exceed the 25 year storm event goal of the Stormwater Master Plan. The Parties will cooperate in attempting to achieve the goals of the Stormwater Master Plan. The City shall

involve the District in the planning of capital improvements that impact the shared canal and will give due consideration to all suggestions provided by the District. The District will provide reasonable access to shared canals by the City and work with the City to facilitate its capital improvement outlined in the Stormwater Master Plan.

ARTICLE 5. The Parties shall coordinate on location of the improvements in the proximity of a Stormwater or irrigation conveyance facility in accordance with the City's development code, existing contractual obligations, federal, state, and local laws and regulations, and the Parties' own rules and polices. Permits for use of another Party's rights-of-way are required.

ARTICLE 6. The City may access the District's facilities as reasonably necessary to conduct engineering and surveying activities in conjunction with planning, operation, maintenance, construction or improvement of City facilities, and for conducting water quality monitoring and testing.

ARTICLE 7. The District shall discontinue the assessment of drainage fees to land located within the City. The City may implement fees and/or drainage service agreements with members of the District who discharge irrigation return water ("tailwater") into City drainage facilities. The City may also implement ordinances and rules prohibiting the discharge of tailwater into its drainage facilities.

ARTICLE 8. City agrees that it will pay to the District an annual fee for its use of the shared canals. The City shall pay a fee in the amount of \$163,734.16 ("Annual Fee") for the City's first Fiscal Year under this agreement of July 1, 2017 through June 30, 2018 as shown on Exhibit A for its stormwater use of the District's facilities during the term of this Agreement. The Annual Fee shall increase/decrease each City fiscal year, equal to the percentage increase/decrease for the CPI-U index between the then-current January and the prior January. The CPI-U index shall mean the CPI-U for Portland, Oregon. The index base period shall be 1982-1984=100. The foregoing index calculation is capped at a maximum annual increase of 3%. As permanent measurable decreases in the amount of stormwater entering the District's facilities occur, or as the number of miles of shared canals decrease, the Annual Fee shall be reduced proportionately. The City shall provide to the District evidence certified by a licensed engineer documenting each such reduction in total quantity of Stormwater removed from the District's facilities or evidence of the reduction of shared canals. The percentage fee payable by the City shall then be adjusted effective in the following fiscal year. If the District disagrees with the information provided by the City or the conclusion that the improvement will reduce the impact on the District's facilities, the parties shall enter into mediation, and if necessary, arbitration to resolve the dispute. The City shall cause to be charged, levied, and collected all necessary fees, assessments, and other charges and shall use all the authority and resources of the City to meet its obligations hereunder. The Annual Fee shall not be adjusted, except for adjustments due to CPI-U and/or as otherwise provided herein. The Annual Fee shall be paid on or before August 31 of each City fiscal year during the term of this Agreement. In addition to the first Annual Fee, the City shall pay a one-time "Buy In" fee of \$654,936.64 and a one-time "Buy Out" fee of \$24,509.65 on or before February 28, 2017.

ARTICLE 9. The District shall continue to operate, maintain, and improve its facilities in a reasonably prudent manner. The City shall continue to operate, maintain and improve its

stormwater drainage system in a reasonably prudent manner. Nevertheless, there may be times when discharges of drainage water from the area served by the City into the District's facilities when combined with the water already in the facilities may overload the system or result in the discharge of contaminants not common to the irrigation water delivered by the District. In such event, the parties shall work together to abate any such issues and to mitigate any damage resulting therefrom.

ARTICLE 10. The City agrees, in consideration of the execution of this Agreement by the District and the agreement of the District to allow the City's stormwater discharges to continue during the term of this Agreement, that the City, its successors, and assigns shall indemnify, defend, and hold the District, its successors, and assigns wholly harmless from any and all claims, suits, actions, proceedings, liabilities, injuries, or damages, including those that are presently not known or foreseeable, arising, resulting, occurring, or attributable directly to the discharge of drainage water from the City into the District system, including the quality of such waters. The foregoing shall not apply in the event of the District's negligence.

The District agrees, in consideration of the execution of this Agreement by the City, that the District, its successors, and assigns, shall indemnify, defend, and hold the City, its successors and assigns, wholly harmless from any and all claims, suits, actions, proceedings, liabilities, injuries, or damages, including those that are presently not known or foreseeable, arising, resulting, occurring, or attributable directly to the discharge of water from the District into the City's infrastructure, including the quality of such waters. The foregoing shall not apply in the event of the City's negligence.

ARTICLE 11. The City shall, during its land use approval process, solicit comments from the District as an affected agency. It shall be the goal of the City and the District to explore ways to address flow and water quality with a goal of no increase in stormwater flows for a 25 year storm event and to provide appropriate water quality to meet both State and Federal laws and regulations. If the City approves a land use application for new development on land that drains into District facilities or annexes land to the City that drains into District facilities, and such action results in an increase in shared canal miles, the Annual Fee shall be increased according to the new percentage of shared canal miles.

ARTICLE 12. The District and the City shall use reasonable efforts to consult, cooperate, and work together to prepare and adopt an Operations Manual by June 30, 2017, for the shared canals which will in general describe how tasks and assignments for the operation, maintenance and improvement of the shared canals will be performed, with an emphasis on team work and cooperation. The Parties shall also attempt to complete an intergovernmental urban drainage agreement or agreements with any other governmental entities in the general area of the City, including Josephine County, to provide a comprehensive surface drainage system for the land within City's urban growth boundary.

ARTICLE 13. The District Manager and the City's Public Works Director shall meet on a quarterly basis to consult, cooperate, and work together in resolving, to the mutual satisfaction of the parties, any questions or problems that may hereafter arise in connection with the performance of this Agreement.

ARTICLE 14. Any dispute, controversy, or claim arising out of or relating to this Agreement will be settled by arbitration. Judgment on the award rendered by the arbitrator may be entered in the circuit court for the County of Josephine, and the resolution of the disputed matter as determined by the arbitrator will be binding on the parties. There will be one arbitrator who will be a retired federal or state judge within a minimum of ten years of judicial experience or will have such alternate qualifications that are mutually agreeable to the parties. Any arbitration will be conducted in Grants Pass, Oregon, in accordance with the following provisions:

- (a) A party may, without inconsistency with this Agreement, seek from a court any interim or provisional relief that may be necessary to protect the rights or property of that party pending the establishment of the arbitration (or pending the arbitrator's determination of the merits of the dispute, controversy, or claim).
- (b) The arbitrator will have authority to issue preliminary and other equitable relief.
- (c) Discovery proceedings of the type provided by the Oregon Rules of Civil Procedure will be permitted both in advance of and during recesses of the arbitration hearings. Any dispute relating to such discovery will be resolved by the arbitrator.
- (d) The arbitrator will have the discretion to order a prehearing exchange of information by the parties and an exchange of summaries of testimony of proposed witnesses.
- (e) The arbitrator will have the authority to award any remedy or relief that an Oregon court could order or grants, including specific performance of any obligation created under this Agreement, the issuance of an injunction, or the imposition of sanctions for abuse or frustration of the arbitration process, except that the arbitrator will not have authority to award punitive damages or any other amount for the purpose of imposing a penalty as opposed to compensating for actual damage suffered or loss incurred.
- (f) The award will be in writing, will be signed by the arbitrator, and will include a statement regarding the disposition of any claim. The award will be kept confidential to the fullest extent permitted by law.

ARTICLE 15. The City shall not undertake any action that may voluntarily or involuntarily cause the dissolution or termination of the City, and the City shall vigorously oppose and defend any attempt or action to dissolve or terminate the City. In the event the City merges with any other city, then the resulting city entity shall be deemed to have assumed the City's obligations under the Agreement and shall timely and fully perform the City's obligations under this Agreement. In the event that the District desires to sell, transfer or discontinue use of the shared canals, the City shall have a first right of refusal to purchase the shared canals to protect the longevity of the stormwater system.

ARTICLE 16. This Agreement shall take effect upon the execution of the same by the District and the City.

ARTICLE 17. Any notice or other communication under this Agreement may be given to the District by delivering the same in writing to the President, Secretary, or the District Manager of the Grants Pass Irrigation District, in person. Any such notice or communication

may be given to the City by delivering the same in writing to the Mayor or the City Manager in person. Any such notice or communication may also be given by mailing the same by certified mail, return receipt requested, addressed to the party to be notified at its mailing address set forth below or at such later addresses that may be given in writing by the party to be notified to the other party. Such notice shall be deemed to have been received by the party to be notified upon the date the return receipt was signed. At the present time, the mailing address of each party for the purposes of receiving notice is as follows:

Grants Pass Irrigation District  
200 Fruitdale Drive  
Grants Pass, OR 97527

City of Grants Pass  
101 NW A Street  
Room 205  
Grants Pass, OR 97526

ARTICLE 18. If any provision of this Agreement is invalid or unenforceable in any respect for any reason, the validity and enforceability of such provision in any other respect and of the remaining provisions of this Agreement will not be in any way impaired.

ARTICLE 19. This Agreement constitutes the entire agreement and understanding of the parties with respect to the subject matter of this Agreement and supersedes all prior understandings and agreements, whether written or oral, among the parties with respect to such subject matter.

ARTICLE 20. The District shall be solely responsible for the maintenance, repair, relocation, and replacement of District’s facilities, including, but not limited to, any repair, relocation, or replacement necessitated by City capital projects. In the event that any City capital project requires the relocation of District’s facilities, and if such District facilities serve both the City and the District, District shall only be responsible for 42% of the cost of any relocation.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

GRANTS PASS IRRIGATION DISTRICT

CITY OF GRANTS PASS

By: \_\_\_\_\_  
Its Chairman of the Board

By: \_\_\_\_\_  
Its City Manager

By: \_\_\_\_\_  
Its Secretary/Manager

## METHODOLOGY

December 09, 2016

O & M- 4 year Average		<b>% Allocated</b>	<u>\$483,162.84</u>
Administration- 4 year Average:			<u>\$562,393.75</u>
O & M- Average =	\$483,162.84	x 27% =	\$130,453.97
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Buy in Fee 4 Times starting Fee 2017 =			\$654,936.64
One time Buy Out Fee for GPID Drain Accounts =			\$24,509.65
		<b>TOTAL =</b>	<u>\$ 843,180.45</u>

ASC= Allocation to Shared Canals  
O&M= Operation & Maintenance

% Allocated =  $\frac{43.2 \text{ Miles of Canals in City Limits}}{160 \text{ Miles} = \text{Total GPID Canals}} = 27\%$

58% determined usage for Storm Drainage during a 1 year period  
\*The dollar amounts referenced above are the actual expenditures averaged from GPID accounting program for the year's 2012, 2013, 2014 and 2015.



Item: Resolution making an appropriation transfer for  
Fiscal Year 2017.

Date: December 19, 2016

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SUBJECT AND SUMMARY:

This resolution would implement a budget adjustment in the form of an appropriation transfer that would allow the General Fund, General Program Operations Division to fulfill the financial obligation of the proposed Intergovernmental Agreement (IGA) with the Grants Pass Irrigation District (GPID).

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RELATIONSHIP TO COUNCIL GOALS:

This supports Council's goal **LEADERSHIP** by maintaining compliance with state budget law.

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CALL TO ACTION SCHEDULE:

Call to action schedule: December 19, 2016.

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BACKGROUND:

ORS 294.463(1) allows for budget appropriation transfers by resolution and states "Except as provided in subsection (2) of this section, transfers of appropriations may be made within a given fund when authorized by official resolution or ordinance of the governing body. The resolution or ordinance shall state the need for the transfer, the purpose for the authorized expenditure and the amount of appropriation transferred."

Over the last year the City and GPID have been in discussions on an IGA for the sharing of certain maintenance costs of GPID and City infrastructure that is used part of the year by the City and part of the year by GPID. This resolution adjusts the General Fund budget by transferring an appropriation from the General Fund contingency (a component of the General Fund's fund balance) to an increase in the contractual/professional spending authority in the General Fund, General Program Operations Division. The amount of the budget adjustment represents the proposed initial payment to GPID and includes the first year of cost sharing under the proposed IGA.

Starting July 1, 2018, the proposed annual fee of \$163,734.16 would be increased by the CPI index. Also beginning in the fiscal year starting July 1, 2018, this annual fee would be an expenditure coming from the City's Storm Water Utility Fund as the new Storm Water Utility is expected to be implemented by the end of Fiscal 2018.

The City Council should provide some direction as to whether this initial IGA payment should be recorded as an inter-fund loan that the Storm Water Utility Fund would pay back over time or whether to have the General Fund cover this initial obligation. The budget adjustment is the same adjustment whether this is recorded as a loan payment to the Storm Water Fund or a payment to GPID.

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ITEM: 3.b. RESOLUTION MAKING AN APPROPRIATION TRANSFER FOR FISCAL  
YEAR 2017.

Staff Report (continued):

The following is a summary of the budget adjustment by appropriation transfer:

<u>General Fund</u>	Existing	Changes	Adjusted
Mayor and Council	286,528	-0-	286,528
Public Safety Police Division	10,194,721	-0-	10,194,721
Public Safety Support Division	3,376,638	-0-	3,376,638
Public Safety Fire Rescue Division	5,857,131	-0-	5,857,131
Crisis Support Services	95,400	-0-	95,400
Sobering Center	130,000	-0-	130,000
Park Maintenance Services	1,882,117	-0-	1,882,117
Aquatic Services	122,359	-0-	122,359
Recreation Services	158,305	-0-	158,305
Planning Services	825,566	-0-	825,566
Building and Safety Services	585,299	-0-	585,299
Economic Development Services	220,250	-0-	220,250
Downtown Development Services	460,629	-0-	460,629
Tourism Promotion Services	394,348	-0-	394,348
General Program Operations	1,337,040	848,000	2,185,040
Inter-fund Transfers	2,110,500	-0-	2,110,500
Contingency	<u>2,914,971</u>	(848,000)	<u>2,066,971</u>
Total General Fund Appropriation	<u>\$30,951,802</u>	-0-	<u>\$30,951,802</u>

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COST IMPLICATION:

Revenue Source: General Fund discretionary resources

The initial cost of the GPID IGA is \$679,446.29 plus the first fiscal year fee of \$163,734.16 for a total of \$843,180.45.

The General Fund's discretionary contingency (the non-restricted contingency) is \$2,000,000 for this fiscal year and the discretionary contingency after this adjustment would be reduced to \$1,152,000 for this fiscal year.

Going forward the annual fee starting each July 1<sup>st</sup> would be adjusted by the changes to the CPI index and future annual payments (after this first payment from the General Fund) would be made by the Storm Water utility fund. The budget adjustment of \$848,000 would allow for a loan plus interest to the Storm Water Fund if the City Council chooses to make this a loan transaction. Currently the Storm Water Fund does not have any resources in it as the Storm Water Utility has not yet been formed so this loan amount would cover initial interest payments on the loan for the rest of this fiscal year.

Staff Report (continued):

ALTERNATIVES:

1. The payment can be recorded as a General Fund obligation; or
  2. The payment can be recorded as an inter-fund loan that the Storm Water Utility will repay.
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RECOMMENDED ACTION:

The action is at Council's discretion.

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POTENTIAL MOTION:

I move to approve the resolution to make appropriation transfers for the General Fund in Fiscal Year 2017.

**RESOLUTION NO.**

**A RESOLUTION OF THE COUNCIL OF THE CITY OF GRANTS PASS  
AUTHORIZING TRANSFERS OF APPROPRIATIONS FOR THE FISCAL YEAR  
ENDING JUNE 30, 2017.**

**WHEREAS:**

1. ORS 294.463 allows for the transfer of appropriations by resolution; and
2. A new Intergovernmental Agreement (IGA) with the Grants Pass Irrigation District (GPID) has been authorized by the City Council and additional resources need to be transferred from the General Fund's contingency to accommodate the initial first year payments under the IGA; and
3. The additional amount appropriated to the General Program Operation division will be used for the initial IGA cost plus the first fiscal year annual cost under the agreement.

**NOW, THEREFORE, BE IT RESOLVED** by the Council of the City of Grants Pass:

The following Appropriation Transfers are adopted for Fiscal 2017:

<u>General Fund</u>	Existing	Changes	Adjusted
Mayor and Council	286,528	-0-	286,528
Public Safety Police Division	10,194,721	-0-	10,194,721
Public Safety Support Division	3,376,638	-0-	3,376,638
Public Safety Fire Rescue Division	5,857,131	-0-	5,857,131
Crisis Support Services	95,400	-0-	95,400
Sobering Center	130,000	-0-	130,000
Park Maintenance Services	1,882,117	-0-	1,882,117
Aquatic Services	122,359	-0-	122,359
Recreation Services	158,305	-0-	158,305
Planning Services	825,566	-0-	825,566
Building and Safety Services	585,299	-0-	585,299
Economic Development Services	220,250	-0-	220,250
Downtown Development Services	460,629	-0-	460,629
Tourism Promotion Services	394,348	-0-	394,348
General Program Operations	1,337,040	848,000	2,185,040
Inter-fund Transfers	2,110,500	-0-	2,110,500
Contingency	<u>2,914,971</u>	(848,000)	<u>2,066,971</u>
Total General Fund Appropriation	<u>\$30,951,802</u>	-0-	<u>\$30,951,802</u>

**EFFECTIVE DATE** of this Resolution shall be immediate upon its passage by the City Council and approval by the Mayor.

**ADOPTED** by the Council of the City of Grants Pass, Oregon, in special session this 19<sup>th</sup> day of December, 2016.

**SUBMITTED** to and \_\_\_\_\_ by the Mayor of the City of Grants Pass, Oregon, this \_\_\_\_ day of December, 2016 to be effective on the date indicated as adopted by the City Council.

\_\_\_\_\_  
Darin Fowler, Mayor

**ATTEST:**

\_\_\_\_\_  
Karen Frerk, City Recorder

Date submitted to Mayor: \_\_\_\_\_

Approved as to Form, Mark Bartholomew, City Attorney



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