

MINUTES
Troutdale City Council – Work Session
Troutdale City Hall – Council Chambers
219 E. Historic Columbia River Hwy.
Troutdale, OR 97060-2078

Tuesday, September 9, 2014

1. Roll Call

Mayor Daoust called the meeting to order at 8:15pm.

PRESENT: Mayor Daoust, Councilor Ripma, Councilor Anderson, Councilor Thomas, Councilor White, Councilor Allen and Councilor Wilson.

ABSENT: None.

STAFF: Craig Ward, City Manager; Ed Trompke, City Attorney; Debbie Stickney, City Recorder; Steve Gaschler, Public Works Director; Erich Mueller, Finance Director; and Travis Hultin, Chief Engineer.

GUESTS: See attached.

2. Discussion: Street Funding Analysis Report from FCS

Steve Gaschler, Public Works Director, stated tonight we are going to look at the pavement funding analysis work we have done. We are going to do a quick review of our pavement preservation, which you have seen before. We will then look at a 10-year cost and revenue analysis, and finally we will show you what an estimated fuel tax could look like, followed by a discussion on where we go from here. If you want to continue this we would like to bring back to the Council a public outreach plan regarding street funding.

Doug Gabbard, FCS, showed the Council a PowerPoint Presentation (attached as Exhibit A).

Mayor Daoust asked why is it an assumption that gallons sold declined over time?

Doug Gabbard replied that is the historical experience in Oregon.

Steve Gaschler stated better fuel mileage and alternate sources of transportation contribute to that.

Mayor Daoust stated I appreciate the uncertainty in saying that between this and between that we are not quite sure how much it would be, but how much does that matter. If we are supplementing our street program, does that uncertainty in the amount of revenue that we will bring in really matter?

Doug Gabbard replied it matters only to the extent that you have a critical use for that money in the first year. If you are planning to do something with that revenue that absolutely has to be done in that year then you have a little bit of a risk. If it is money that will just be considered extra and you will be able to do some additional projects that you would not have otherwise been able to do, then there is very little risk.

Councilor Thomas stated you mentioned in your presentation that this didn't include any increases in the state gas tax. I think they are looking at trying to do that again.

Doug Gabbard replied yes Councilor.

Councilor Thomas stated there are some proposals coming through to do some type of a mileage tax. How would that fit in with this scenario? When you talk about mileage in most cases it is supposed to be the mileage driven within the state and once you cross the river technically you shouldn't be paying. If that is the case how would you calculate it in miles driven in Troutdale because that is really what you are talking about with a local tax?

Doug Gabbard replied that would be an interesting analysis. The analysis that we put before you tonight is based on the assumption that there are no changes in state policy, no changes in the state tax rates, no changes in the method of taxing, and therefore no real changes in the monies that you can expect from the state highway fund. If the state were to go in the direction of a road user fee, that would complicate the analysis considerably unless you were to wait until you had a few years of that under your belts and we knew what was going to happen. If you were thinking about a local gas tax at the same time as state policy was changing, now you have all kinds of variables in motion and who knows what the real numbers would be.

Councilor Thomas stated but you are projecting out to 2022.

Doug Gabbard stated yes, but with the clear assumption that state policy is not changing.

Councilor Thomas stated I would expect that before 2022 something will change. There are a larger number of electric vehicles using the roads now and the state will want to find a way to get some of that money. I don't think registration fees will resolve all of that. If we are trying to figure out a plan that is long-term it seems to me that some consideration has to be given to the fluctuations. If the state raises the gas tax \$0.05 per gallon and all things stay equal then we might be better off in 2022 then what you are showing.

Doug Gabbard replied yes, that is absolutely true. It would make your tax rate last longer in filling the gap in your street fund.

Councilor Anderson stated it is a core function of government to maintain infrastructure, and streets are part of that infrastructure. To that point you said a gas tax is an imperfect solution. What is the perfect one?

Doug Gabbard replied as a rate consultant my perspective of what is a perfect revenue source is one whose behavior matches the cost that you are trying to recover. If you have

costs that are raising on a gentle slope I would like to have a revenue stream that also raises on a gentle slope. What is particularly vexing about a gas tax is that if you have declining fuel sales but a cost in tax rate, that is a declining revenue source. It is for that reason that I call it imperfect.

Councilor Anderson asked Steve, can you talk about the administration portion of the street fund, the dollars that are allocated? In looking at that it seems to me that roughly the same amount, or even a little more money, is going towards administration than is actually going to pavement condition improvement. Is that accurate?

Steve Gaschler replied the numbers that Doug presented are accurate. Where those come from is that you take the total cost of the administration, which also includes city administration such as Craig, Erich, Ed, Debbie and everyone else, and that is spread over all of the funds – street fund, water fund, sewer fund, and is based roughly on the revenue of each of those funds and how big they are is how they are proportioned. So the street fund picks up what I would call its fair share, compared to my other funds, of that overhead piece which is the equivalent of myself, Travis, and a piece of everyone else. As a business it looks abnormally large to me also, but I think as a function of a government entity it takes a lot of overhead to run these. It is a little different than what you would see in a normal business.

Councilor Anderson stated apparently the League of Oregon Cities (LOC) is advancing, and Councilor Thomas touched on it a little bit; are you familiar with what is coming down the pike in terms of the, and Councilor White you could probably speak to this better than I because you were at the meeting last night, is it the elimination of the option. Would it eliminate our option?

Councilor White stated they are going to close that window where cities can impose their own.

Councilor Thomas stated they want to open it up and make sure that cities can impose their own gas taxes.

Councilor Anderson stated so we would have the ability to do this.

Craig Ward stated it is just an LOC position. It is their proposal through the Legislature. There is no guarantee. As we have learned in the past, if you rely upon a revenue stream and you are complacent, in a few years you may be seriously disappointed. There is certainly no guarantee that an LOC legislative proposal is going to be successful.

Councilor Anderson stated I think something is going to happen. This is volatile. I don't have anything against electric cars, but they put the weight on the pavement that helps deteriorate the pavement but yet they aren't paying anything towards the restoration of it. How that is solved I don't know. It is a problem and I think something is going to happen. I am glad we are having this discussion.

Councilor Ripma stated these 14 cities that impose a gas tax, did they all have to put it out to the voters? How do you sell something like this? \$0.04 a gallon in Troutdale, first of all our businesses along Frontage Road would have a fit. They draw a tremendous business marketing gas that is cheap and people know that. This would not be an easy sell. I don't think it would be an easy sell politically in Troutdale at all. Can you give me a clue how Astoria, Canby, Coburg and others did this? When were they imposed and how did they manage to sell it to the voters? Did the voters ever turn one down?

Ed Trompke replied not to my knowledge. I know in Tigard it was sold as being the traffic from Hwy. 99 would pick up the biggest amount, and most of that is commuter and through traffic. Five or six years ago the gas tax in Washington was, I think, \$0.14 a gallon higher than Oregon but the prices of gasoline in Vancouver were as much as \$0.08 to \$0.10 per gallon cheaper than they were in Portland. There is a lot of price setting that is driven by the companies that has nothing to do with the tax. To say that the prices here would go up at all is not something that you can anticipate. The gas companies can simply shift where they make their money to some other stations. It is a very complicated marketing structure.

Councilor Ripma stated basically all of these 14 cities had to put the gas tax to the voters.

John Ghilarducci, FCS, stated before this last state gas tax increase, which by the way took 18 years to get done, local gas tax did not require a public vote. As part of the deal to get the state gas tax raised first of all they suspended local gas taxes altogether and then allowed cities to impose them again but only if they passed a public vote. Not all of these cities have passed a public vote. Many of them were in place before the last increase so they were able to do it without a vote.

Councilor Ripma stated I would be interested in knowing which ones had to go to a public vote. I am also wondering if the public ever voted it down. It could be that it is not as unpopular as I am thinking.

Councilor Wilson stated I think most of these were implemented before they were required to go to the voters. Sandy has a gas tax but they are not on this list.

Doug Gabbard stated they might be one of the six cities who do have a gas tax but it is not administered by ODOT. ODOT offers a really good cost effective option for administering the gas tax and they are the source of data that we used to do the analysis. There is no law that says you have to have ODOT administer your gas tax.

Councilor Wilson stated the amount of gallons you have here is just based on population. There could be more because of the people passing through.

Doug Gabbard replied that is absolutely true. That is the risk of estimation. We know the gallons of the cities with a gas tax because that is reported so we used that to estimate for Troutdale.

Councilor Allen stated it is generally not the lighter vehicles that cause the damage to the roads, it is your larger vehicles like my pickup truck, and more to the point would be my dump truck which pays a mileage fee instead. I don't think we get any portion of that.

Doug Gabbard replied yes you do. That is part of the state highway fund. What we typically think of as state gas tax is really distributions from the state highway fund and that includes gas tax, weight mile tax and registrations.

Councilor Thomas stated if we impose a gas tax it is only on retail sales. Anybody that is buying fuel that pays a weight mileage tax wouldn't be paying that anyway.

Councilor Allen stated not through the local tax, but through the weight mileage tax they would.

Councilor Thomas stated they wouldn't be paying that \$0.02 per gallon because they pay everything to the state. I did some research on this when we were looking at it 5 years ago. The only thing that we would actually put a tax on is the retail sales piece. The stuff that goes into commercial vehicles, which is the big truck stops, is all exempt from what you pay local. When you look around these fuel stations you can't say there is 30 trucks going through here and that is revenue; that is not. What it really is is how many pass-through vehicles you have going through the different stations. When this came up prior to the moratorium saying that cities couldn't impose a gas tax, virtually every gas station owner in the City of Troutdale showed up and they weren't exactly thrilled and it was mainly because of the margins. They are like restaurants they have to sell by volume to make money. When you take away a certain amount of their margin it cuts into their profit and competitiveness with other sources.

Mayor Daoust stated you just blew my argument that his numbers were under estimated because I was going to bring up the truck traffic that we have. Is Councilor Thomas' statement true that any commercial vehicles would not pay a local gas tax?

Doug Gabbard stated I am a little puzzled by the question because in Oregon the tax on gas is not paid at the pump. The actual tax is paid by the first sale of the gas once it arrives in Oregon. It is not the consumer that is paying the tax, it is not even really the gas station that is paying the tax.

Councilor Thomas stated the trucker pays it.

Doug Gabbard asked are you speaking of the weight mile tax?

Councilor Thomas replied yes.

Doug Gabbard replied that is a separate tax. The fuel tax at the state level is paid on the first sale of fuel once it reaches Oregon. When you look at ODOT's list of licensed dealers, dealers does not mean gas station, dealer means people who are licensed to distribute gas that ultimately ends up at your gas station. I am not enthusiastic about getting on

board with the idea that the diesel that goes in trucks doesn't pay, I am not sure that is true.

Mayor Daoust stated so all of the trucks that go through Troutdale may increase our gallons sold. My argument is that your numbers may be under-represented for Troutdale because of the large truck traffic we have coming through Troutdale. Because of the way it is calculated the truck traffic would make a difference.

Doug Gabbard replied that is my belief. The tax is not just on gasoline. Most cities, except for Coburg, tax both motor fuel and use fuel, which is a way of saying motor fuel equals gasoline and use fuel equals diesel. The vast majority of cities tax both gas and diesel.

Councilor Ripma stated I think it would be valuable to have a breakdown of which of these 14 cities listed had to go to the voters, when they were imposed, and did any city attempt to adopt it and the voters voted it down. Basically some more facts.

Steve Gaschler replied we can get that information.

Councilor Anderson stated gas tax is only one option. I would like to see other options.

Councilor Wilson stated Oregon City has a fee of \$7.50 on every utility bill.

Councilor Ripma stated we already discussed a street fee and that went down. Are there any other options?

Councilor White asked is there any information on what actually occurred in the cities that imposed this gas tax? Did their sales drop dramatically? There was an internet black list; it is 14 cities and they kind of got targeted to not shop there. There was a big push to boycott those cities.

Steve Gaschler replied that would be a very difficult question to answer because there is no data before they imposed the tax to go back and compare it to.

Ed Trompke stated the Mayor of Tigard reported asking the station owners whether there had been any significant decrease in volume and he said no.

Mayor Daoust stated when we were discussing this before we were talking about a \$0.01 or \$0.02 per gallon tax. In FCS's professional opinion is our bottom amount a \$0.04 per gallon tax?

Doug Gabbard stated \$0.04 per gallon is the right amount given our current understanding of your costs. If you decide to be less aggressive with your pavement preservation then maybe a different number is appropriate. Given what the City wants to accomplish now \$0.04 is the right number.

Councilor Allen stated it is expensive to keep the roads in good condition but it is even more expensive not to.

Councilor White stated I notice that some cities are putting roads on a diet and doing rain gardens. Does Troutdale have any plans for any of that kind of work to occur? Or are we just basically looking at keeping what we have in good shape? I think you are going to have a backlash; there is already frustration that I am hearing. The claim is that there isn't enough money to take care of our roads and then they are seeing a whole lane being taken out for use by bicycles, or putting in rain gardens that are extremely expensive to construct and maintain.

Steve Gaschler stated this is pavement preservation; taking care of what we have, not building rain gardens or bike lanes.

Councilor White asked your numbers are assuming that there is no growth that will occur in Troutdale; are you using our current revenue as a baseline?

Doug Gabbard replied the assumption is that the growth in Troutdale is not different from growth statewide.

Councilor White stated so you are using an average.

Mayor Daoust stated one of the questions from staff is about a public outreach and education campaign. Do you need to know how we feel about that tonight?

Steve Gaschler replied I need to know if that is something you are interested in considering, which I would highly recommend if we are going to take this to the voters. I am prepared to bring you a plan in about six weeks to have you look at and discuss. I just want your approval to put that together and bring it back to you for your review. The gas tax is not the only option. I think you would want to educate and present the problem to the public and not go out to them telling them you already have this figured out and here is the deal. I think we need to take the problem out to the public and educate them, show them the options and get feedback and then come back and let you make your decision.

Councilor Ripma stated if we are going to go out with the two options that I have heard which is a road fee or a gas tax, I am not ready to do that.

Councilor Anderson asked would you be okay with educating the public on the issue itself?

Councilor Ripma asked that our roads are deteriorating and we need more taxes?

Councilor Anderson replied no, our roads are deteriorating and funding could become problematic, what would you the public consider. The options could be to use the general fund, impose a gas tax, or other options. We don't have to decide the answer, but I do agree with going out and educating the public that this is a problem that is not going away.

Councilor Allen stated people seem to understand when I tell them that it is more expensive to not maintain them. Educating them is going to help them to understand this

before they have that initial reaction of I am not paying that. They need to know why this is happening.

Mayor Daoust stated what I heard Steve say is that he would come back to us with a public outreach and education campaign plan before he goes out to the public. Is that what I heard?

Steve Gaschler replied that is correct.

Mayor Daoust stated all we would be telling him to do is come back to us with an outreach plan so we can discuss it at a work session.

Councilor Allen stated I would support that.

Councilor Thomas stated that makes sense, but I wouldn't go out with specifics as far as we are going to do this, type of scenario.

Councilor Anderson stated I want to hear from the public. There may be a solution out there that we are not even considering.

Councilor Ripma stated when you report back to us please include some more facts about the gas taxes that have been imposed by other cities, and any other ideas besides a gas tax and street fee. If there are other ideas out there please share them.

Steve Gaschler replied I would be happy to, unfortunately I am not aware of any.

Councilor White stated I think a good public outreach might be that poorly cared for roads are dangerous and they are hard on your vehicle so you will be spending money on tires, alignments, and breaks. And property values; it says a lot about a city that has nice looking streets.

Mayor Daoust stated Tigard probably had the right approach by saying that pass-through traffic will carry most of the weight. We have the same approach. Frontage Road will carry most of our weight but it is the citizens of Troutdale that will be voting on it. If we are going to sell it to Troutdale residents I would think one of the main points would be that there will be a lot of other people that will be paying the gas tax that will pay for our road maintenance.

Councilor Wilson stated one of the things that Charlie Warren (former Public Works Director) said at one of the meetings was that 80% of the tax could be paid by people passing through Troutdale. Is there access to how he came up with that?

Steve Gaschler replied I will look. I haven't seen anything like that. I am not sure where he would have come up with that number.

3. Discussion: Future use of old Police Station site.

Erich Mueller, Finance Director, stated this work session topic is at the request of the Council. On June 17th the Council asked to have an appraisal conducted on the old police station site and for staff to schedule a work session to discuss the options for that site. Our existing variance approval from the Planning Commission (PC) is coming to its expiration and staff will need direction from the Council as to what steps to take.

Erich Mueller reviewed the options for the Council to consider, which are outlined in the staff report (copy included in the packet).

Steve Gaschler, Public Works Director, stated going back and looking through the minutes of the last meeting, the material that is on this site was referred to as gravel. It is not gravel, it is ground up asphalt. We have had the material there for a year and I have been really pleased with the way that it has performed. There has been very little dust, and it hasn't unraveled. We haven't had to do anything to it. We are not getting a lot of wear and tear on it. It has been my experience with that material that it performs very well and is almost like laid down asphalt; it is just broken up pieces of asphalt that kind of melds back together on its own.

Councilor Anderson stated I have tried to make a case in my own mind for selling this property to expand retail downtown, but I kept coming back to the fact that we don't have any place to park now and with urban renewal coming and everything else that may happen in downtown in the next few years we need to address our parking problem. I am glad we have \$50,000 from the bond funds remaining. On item 4 on page 3 – Use as a long term parking lot, landscape slope bank, pave old building footprint and overlay old parking lot with lights \$60,700. How solid is that number?

Steve Gaschler replied it is a planning estimate. I am in the ballpark.

Mayor Daoust stated the temporary variance that is in place right now until October 16th says at the end of it, "Troutdale shall either pave it or barricade it". How tied are we to that language? Reading that it looks like those are the only two alternatives.

Erich Mueller stated those were the findings and the final order issued by the PC. That was part of their conditions.

Mayor Daoust asked where did all of the other alternatives come from then?

Erich Mueller stated those are the two choices that are in the variance from the PC order. Barricading the gravel area is obvious. If you were going to choose to pave then the obvious question of the Council would be what is it going to cost us to pave and what areas would that include. Those bullet points are the costs for making improvements to those different areas under the assumption that you are attempting to comply with that first choice from the PC of paving the area.

Mayor Daoust asked do we have the option of selling the property?

Erich Mueller replied certainly.

Mayor Daoust stated that doesn't match with the language in the temporary variance.

Councilor Thomas stated the variance has to do with how the property is being used.

Ed Trompke stated there is a provision in the code that would allow an application to extend the variance. Selling it would be allowed.

Councilor Thomas asked doesn't the variance only apply to the ten parking spaces that are in the gravel?

Steve Gaschler replied that is my understanding.

Mayor Daoust asked could we sell it for \$165,000 and require it to be a paved parking lot?

Ed Trompke replied you could try to put that condition on it but it limits the number of people who would buy it. There has to be some reasonable length of time after which the restraint on use expires.

Erich Mueller stated the \$165,000 from the appraiser is based on the assumption that the County is going to continue to allow the access from Buxton, which is not a given. And secondly, their assumption for the \$165,000 appraised value is based on the fact that the site would be developed. That value is based on somebody who would want to acquire the property and build something on it, not make it a parking lot. It might be possible to sell it to someone and require them to keep it as a parking lot, but I would not assume that you would get \$165,000 in that scenario.

Mayor Daoust stated Bremik did express an interest in purchasing this property. When we talked previously it sounded like they would use it for parking.

Councilor Ripma stated well it makes sense that we just try to continue the current status-quo longer. Ask for another variance for another couple of years and not pave it, not spend any money on it, and not put up lights.

Councilor Wilson asked could we landscape the bank of it and make it look nicer.

Councilor Ripma stated I have no opinion on that. I didn't see that easement mentioned in the appraisal. That could seriously affect the ability to develop the property if they have to provide ingress/egress to the property.

Erich Mueller stated I do know that the appraisers took it into account.

Craig Ward stated it is on page 1 of the appraisal in what I will call a footnote under Extraordinary Assumptions and Hypothetical Conditions, Item #1.

Councilor Ripma stated my feeling is to keep it the way it is for now and direct staff to apply for another variance. That way it stays a parking lot if it turns out that Bremik needs it that would be a good thing for everybody if they bought it for that purpose. If it turns out it is not needed we can always sell it then.

Mayor Daoust stated I agree with Councilor Wilson, I would at least like to landscape the surroundings.

Councilor Allen stated I would agree with that also.

Councilor White stated with the potential Sheriff merger we may find that we need that space ourselves. I like the idea of holding it as a temporary parking area. I am okay with cleaning it up a little. It is very visible to our downtown businesses. It is getting a lot of use. I think we should really make an effort to do this anywhere we can within the City. If there is city owned property just sitting there, if we could somehow temporarily make it parking I would like to see us work towards that goal.

Councilor Allen stated landscaping for \$3,500, if we are going to keep it around a couple more years it is probably worth it just because it sets the tone for the downtown area.

Councilor Thomas stated I have been a proponent of making this a parking lot for a long time. If you are going to use it for public parking it has to remain in public ownership. As soon as you sell it to a private person then you limit the ability for the public to park there. We already own the property. Doing the landscaping is great. I seem to recall there was some concern about the retaining wall along 2nd Street. There may be some other things with that property that may need to be addressed. It would be nice to get it restriped so you can actually see the parking spaces. I like the idea of keeping it as parking. What I would like to see at some point is a multi-level or a two-story parking structure there. How we pay for that is a different story. A two-story parking structure would allow you direct access off of 2nd Street so you wouldn't be taking up a lot of space with ramps. You may not need additional elevators because there would be ways for handicapped people to get out. I would like us to look at those types of things. I think if the parking lot was done right it could enhance Mayors Square.

Councilor Anderson stated the Sheriff's thing, yeah maybe, Bremik, yeah maybe, but it is heavily used. It is an investment in our City, it is an investment in our business community. People are already using it. I guess I don't understand why we would want to keep it as it is right now. I seem to recall it was a legal maneuver to get the PC to grant a variance and I am uncomfortable with the very idea of the City applying to the City's PC for a variance on City property and if the PC says no then it can be appealed back to us. I don't like that; I don't like the feel of that at all. I think the PC did the right thing by giving us a variance for a year and we have a parking lot. Councilor White has been talking about downtown parking for 3 years and it is being used and it is the right move. Lets go forward; lets just do it. We have the \$50,000 in the bond fund. Lets just invest; pave it and make it a parking lot. Put lights up, stripe it, and landscape it.

Councilor Allen stated it's not a bad idea. Are there any thoughts as to why we wouldn't do that?

Councilor Ripma stated for one thing Steve said that the surface on there is working perfectly well.

Steve Gaschler stated it is performing very well as is. People are parking on it and it is not causing public works any issues with erosion, dust, or anything like that. The biggest thing is probably just aesthetics; it doesn't look pretty or finished. It looks like a vacant building site similar to the vacant building site on Halsey and 257th. If you wanted to buy some time I wouldn't be opposed, from a public works standpoint, of leaving it there but that is your decision. We are more than happy to pave it also.

Craig Ward stated when I drive by or walk through that lot I am not proud of that. I do not see that as a finished parking lot. It may meet some technical standard. The reason we took it to the PC in the first place is because we did not consider that to comply with City standards at the time. I think Steve is showing some flexibility in that regard that I am uncomfortable with. All over the world parking lots are considered interim uses, but they are still paved. I realize that investing money in it to turn it into a parking lot and establishing the public expectation that it will be a parking lot forever sort of go hand and glove. Existing Council decisions do not bind future Council actions. 10 years from now if we decide that the parking lot that we paved is now something that we can declare surplus and sell to a private party for economic development purposes, that Council can make that decision at that time and that is perfectly fair. To me we ought to either step up and pave that parking lot and allow it to be used as an interim use until we find a better use for it down the road, or admit that we are not going to pave it. I don't consider the surface on that lot something that I would be comfortable with if a private company said that they are going to just crush up some asphalt and put it down. It may meet a functional standard, but it doesn't meet a design standard that I think we should expect in our downtown.

Councilor Wilson stated we are probably going to end up needing to keep it for a long period of time because if the Discovery Block gets developed we are going to need the spaces that they are going to provide plus additional spaces. The more events that we have downtown, the more that lot is going to be used. I think it needs to be finished.

Councilor Ripma asked can we use the \$50,000 that is leftover for that?

Mayor Daoust replied yes. How long do we have that \$50,000?

Craig Ward replied I don't think there is a timeline. At some point it is more of a political decision. If we don't spend this money on this site than it will be spent on additional finishing components for the police facility.

Councilor Thomas stated we have been talking about parking issues for 12 years and it has always been a concern of the Chambers, especially the businesses downtown. One of the concerns I have right now is that on certain days of the week there is no place to

park. I think finishing that parking lot and at least making it aesthetically pleasing is the right thing to do. I think we need to move forward and get this done.

Councilor Ripma stated okay, you have convinced me. I am willing to go along with finishing it.

Mayor Daoust asked is there anyone here that would like to speak to us on this issue?

Claude Cruz stated from the perspective of the downtown business community we know we are always shoehorned and it's the same thing I hear echoed in here from multiple people tonight. I love the idea of having some committed space because parking is one of the two problems downtown, the other one being restrooms. This is a great opportunity rather than trying to maintain the status-quo. That is better than selling the property and having it be allocated to something else and potentially eating up even more of the precious parking spaces. I think committing that space and finishing it properly and making it less of an eyesore will really beautify the downtown area.

Diane White stated another potential idea for this site would be a small visitors' center with restrooms. It is highly visible from the main street and there would be parking.

Councilor Wilson stated I would like to move forward with paving the lot with lights and landscaping.

Mayor Daoust stated basically Option #4.

Councilor Wilson replied yes.

Councilor Anderson stated that is where I am at, Option #4.

Councilor Allen stated I would agree.

Mayor Daoust stated me to.

Councilor Ripma stated okay.

Councilor Allen stated I just want to ask about the conditional approval from the County, what the timeline is on that and would we make it.

Erich Mueller stated the County has given their road approval (Exhibit D), and that is based on its existing use.

Councilor Allen stated I was reading the portion that says (Exhibit D, Page 2, Conditions of Approval), "Within 90 days of the end of the appeal period, acquire a driveway permit for the second access off S. Buxton Road." Have we done that?

Councilor Wilson stated that is only if it changes what it is that can be taken away.

Councilor Ripma stated we are continuing the same use.

Councilor Allen stated so you think we have acquired the driveway permit.

Mayor Daoust stated that is what I was assuming.

Councilor Thomas stated I would assume that we want to continue using the variance in order to get through the construction process.

Councilor Wilson stated I think as long as they know we are working on it we are okay.

Councilor Thomas stated it says that on October 16th it expires and you better get a new permit or you are out of compliance.

Mayor Daoust stated I don't know about that. We are proceeding with the paving option.

Councilor Allen stated I was talking about the County's approval.

Ed Trompke stated it does expire on October 16th but if the City is proceeding to pave the lot and it is simply waiting to get the scheduling done and the work completed, the Planning Department can give a temporary extension during the process of paving.

Councilor Thomas stated the reason I am concerned about it is because I hear all the time that all of the rules apply to everybody but the city.

Craig Ward stated we would typically be pretty considerate of a developer who is approaching that timeline but gives us a clear indication and commitment to proceed with complying with the code. We would issue a temporary extension on that as long as we have the assurance from them. I don't think that we would be providing any consideration to ourselves that we would not provide to a private developer. In response to Councilor Allen's point, I think we do need to go back through the conditions and check to make sure that we have complied with all of those and inform the affected property owner of the conditions and our intent to honor those. Our code does not require lighting. \$20,000 of that \$60,000 is for lighting. Steve's estimate was for upgrading the lighting that is there to comply with the decorative lighting that we have downtown. We can stay within that \$50,000 that we have from the bond measure if we don't upgrade the lighting. If we upgrade the lighting we will need to amend the budget and pull some money out of contingencies.

Councilor Wilson stated if we are doing it lets do it the right way and upgrade the lighting and make it new.

Councilor Anderson stated I am all for synergies and if we can match the downtown streets that is a strong message.

Mayor Daoust stated especially since it is a backdrop to Mayors Square.

Craig Ward stated I just want to make sure that was the Council's direction.

Mayor Daoust stated I hear agreement to that. We can talk about restrooms later because that location would actually be a good site for public restrooms. I know there is a concern about the maintenance of public restrooms. If we were going to put public restrooms anywhere in downtown this would be the location to put them.

Councilor Anderson stated we can't make a decision in a work session, we can only direct staff to come back with a resolution to do the parking lot. We certainly can ask them to give us the option of what public restrooms on the site would look like when they come back with the resolution for the parking lot.

Councilor Thomas stated I don't think we need a resolution for the parking lot.

Ed Trompke stated you can reach a consensus about how much to spend today, and then you do have to do it by resolution at a regular meeting.

Councilor Allen stated it does seem like a restroom would be cheaper to do before you pave it.

Councilor Thomas stated you are only paving part of it, you are not doing the whole thing.

Councilor Wilson stated I think we are doing the whole lot.

Councilor Anderson stated it is an investment in our downtown. We have a business community saying we want a parking lot, we need a restroom. We are investing in our city not only for today but for 2 or 3 years from now and that is where my head is at. What we see today is not what we are going to see in 2 or 3 years, we need to get ready. I think this is a strong statement to make. If a restroom is that desired, if the business community is telling us that a public restroom downtown is that desirable and we are talking about doing this, let's talk about doing that also. Let's just get it done.

Craig Ward stated a public restroom is a significant investment that could easily get to six figures. I heard an important caveat in Ms. White's proposal that it was associated with a visitors' center. I like that component because the supervision of a public restroom is serious business. You really want somebody to be there to watch it and to be paying attention to what is going on. A restroom in an isolated, I don't mean that it is isolated in a sense that Mayors Square is far away from other uses, but we don't have any city staff monitoring what is going on at that site. A visitors' center and a restroom associated with that is a great complimentary set of uses, but it is not just about building a bathroom it is about building a visitors' center and that comes with a variety of issues. The permitting, budgeting, and cooperation with the Chamber for running the visitors' center is a very complex proposal to make. I would really caution you about making a decision about locating a stand-alone public restroom at Mayors Square. If you want us to go down that path and evaluate the options for that we will be happy to do that. I just want you to be aware that what I heard Ms. White saying, and what seemed to emerge in your conversation, were somewhat different things. Parking lots are interim uses everywhere

around the world in cities. Just because we invest money in a parking lot does not mean that we can't come back later and build a visitors' center there with public restrooms, but we are probably years away, certainly many months from making a decision about building a visitors' center and public restrooms there. If you want to go down that path my recommendation would be to have us go ahead and prepare a resolution or a motion to authorize us to develop a parking lot concept there and then if you want to come back and put it on your goals for next year or this year to consider options for a visitors' center/public restroom at Mayors Square that is great.

Councilor Allen stated I would concede if there are ideas about doing a visitors' center talked about sometime in the future.

Councilor Anderson stated I fine with that.

Councilor Thomas stated that makes sense to me.

Mayor Daoust stated part of me just wants to build a restroom in downtown and get it over with. Take up four parking spots and build a restroom similar to what is in Columbia Park because we don't have anything downtown. What draws me back from that is that there are other options, not just the parking lot by Mayors Square. I think what the Council is saying is lets just do the parking lot.

Councilor Wilson stated with the upgraded lights.

4. Adjourn:

Meeting adjourned at 9:50pm.

Doug Daoust, Mayor

Approved October 14, 2014

ATTEST:

Debbie Stickney, City Recorder

Exhibit A can be viewed with the meeting packet or on microfilm.