

MINUTES
Troutdale City Council – Regular Meeting
Troutdale City Hall – Council Chambers
104 SE Kibling Avenue
Troutdale, OR 97060-2099

Tuesday, July 13, 2010

1. ROLL CALL, AGENDA UPDATE

Mayor Kight called the meeting to order at 7:00pm.

PRESENT: Mayor Kight, Councilor Wand, Councilor Thomas, Councilor Kyle, and Councilor Daoust.

ABSENT: Councilor White (excused).

STAFF: Ron Garzini, Interim City Administrator; Debbie Stickney, City Recorder; David Ross, City Attorney; Rich Faith, Community Development Director; Scott Anderson, Chief of Police, Charlie Warren, Public Works Director and Erich Mueller, Finance Director.

GUESTS: See Attached.

Mayor Kight asked is there an agenda update?

Debbie Stickney, City Recorder, stated we have provided you with a copy of a revised agenda with the following changes: **1.** There is a revised ballot title for Agenda Item #4. If you adopt the resolution the revised ballot title is what will appear on the November 2nd ballot. **2.** We have moved Consent Agenda Item #2.3 to Agenda Item #5 and provided you with a staff report and resolution regarding the city administrator recruitment and selection process which was completed last Friday. **3.** We have added Agenda Item #6 and provided you with a staff report and resolution regarding acquisition of GSA property.

2. CONSENT AGENDA:

2.1 ACCEPT MINUTES: May 11, 2010 Work Session.

2.2 RESOLUTION: A resolution amending the list of city building fee exemptions and reductions for certain public service and non-profit organizations.

MOTION: Councilor Kyle moved to adopt the consent agenda. Seconded by Councilor Daoust. Motion Passed Unanimously.

3. PUBLIC COMMENT: Please restrict comments to non-agenda items at this time.

None.

4. RESOLUTION: A resolution calling an election to submit to City voters the question of contracting General Obligation Bonded Indebtedness in an aggregate principal amount not to exceed \$7,540,000 to finance the costs of capital construction and capital improvements; declaring intent to reimburse expenditures; and related matters.

Chief Anderson stated in 1998 the Troutdale City Council had a vision for the future of public safety in this City. They purchased the property at 2nd and Kendall for the purpose of building a police station in the future. Today, twelve years later, we are taking steps to make that vision a reality. I want to remind you of the three goals we formulated for this project. First we told you that we wanted to listen to the members of our community on this issue. Second, we only want a functional police facility; we are not out to get an award for architectural design. Third, we want to be diligent to ensure that we are financially responsible. Tonight you will hear from our consultants, John Ralston and Leslie Hara Shick and when they conclude Mr. Mueller, our Finance Director, will discuss some of the financial issues. First I want to answer what I consider to be a very important question that seems to be on the minds of our citizens. That question is why now? First, we know that the need exists and you are well aware of the situation with our current facility. The need will not go away; it will only increase with the passage of time. Second, bond rates are at the lowest level that they have been in years, and the construction industry is very competitive. What that means is that a bond levy at this time will give our taxpayers more value for their money. I was in the existing police station when the engineer was working on the preliminary estimate for the demolition and he asked me if they allowed us to work out of this facility. I thought he was kidding, but he looked me in the eyes and said this is the worse police facility I have ever seen and I can't believe that they allow you to work out of this facility. Tonight is an opportunity to take a very important step forward and I am asking for your support to get there.

John Ralston, HSR Architecture LLC, stated two weeks ago I talked to you about the direct construction cost comparisons of a new facility on the Kendall site versus a remodel of the Saturn facility on Stark Street. You directed us to go to the next level at the Kendall site and asked us to do a detailed cost construction estimate to determine a total project cost by adding in all of the other anticipated costs. Scott was not the Chief at the time the previous study was done so the first thing we did was met with him to determine what his twenty year needs are for a police station. We revised the program and then we laid out building plans that would meet those needs. The estimated cost of the construction only based on the detailed plan came out to be \$5.57 million. That is up \$1.5 million from the figure we looked at last time for the Kendall site. The reason for that is this is a much more detailed estimate. The previous estimate was done on a floor plan that was based on a 17,700 square foot building. In actuality the plans associated with that estimate were about 19,500 square feet, which is about where we were also. What you are getting for the additional money is an additional 1,760 square feet, covered parking, 1.5% solar increase for the project by the State of Oregon, multimedia recording equipment, IT, security system, topographical surveys and soils tests. We have looked at what the additional project costs are which can be real significant (shown in the worksheet included in the packet). Some of those costs include: Planning, design and review fees, permit fees, system development charges,

removal of hazardous material from the existing facility, demolition of the existing facility, studies needed (topographical, soil, cost analysis), new furniture and bond measure expenses. In addition, we have added a 10% contingency to cover the unknowns. Although I think we have done a great due diligence there is always something that could have been missed. The additional cost, on top of the construction cost, is \$1.96 million. That is substantial. The total cost of \$7.54 million in my opinion is a very doable number that would get you a new station without cost overruns.

Leslie Hara Shick reviewed the site/floor plan maps (copies included in the packet). When we first started working on this the things that we thought about were employee safety, security of the employees, and the wellness for the public safety. We have a secure perimeter around the building, and the building meets the Americans with Disabilities Act requirements, which your existing facility is deficient in many areas. We also looked at the operational efficiency, the layout of the building, grouping the department together, and their access to the secure parking to make it easy for them to come into the building and safely get out without crossing over into the pedestrian traffic. We are looking to use durable material, material that would present a nice and pleasing look but nothing extravagant and material that would withstand public use and police use throughout the 50 years.

Erich Mueller, Finance Director, stated the dollar amount is certainly larger than what maybe many had anticipated earlier. I think it is important to realize that previous estimates are somewhat dated and they focused largely on the building versus looking at the entire project. Having gone through the cost worksheets that Mr. Ralston and his team put together, I feel more comfortable about the expenditures and being able to accomplish the project. This is a more accurate and realistic number for us to be looking at. One of the criticisms that this city has received is that we have a problem staying within a capital budget number. I think in the past there hadn't been this level of preliminary due diligence to look into all of the aspects of the project, but instead the focus was only on the construction. I think it is important to point out that this project/building will never cost less than it will right now. The need is not going to go away. As Mr. Bohlmann pointed out at the last meeting we are looking at \$350,000 in needed maintenance that we would have to spend on the existing facility that will just be money down the drain if we don't find a solution. The construction costs are not going to get lower than they are today. There is a lot more competition on the part of contractors these days for projects than there will be when the economy has recovered more significantly. As the Chief pointed out the bond rates are lower now. Our borrowing costs will only get greater in the future. I am confident we can do the project within this proposed budget and we are far better off attempting to finance it now rather than later. This amount includes the bond costs and demolition of the existing facility. Neither of these items were considered in the previous estimates. I know that bond levies in the past have been an issue for some in the community because I have heard from some of them directly about the sewer treatment plant bond levy. I want to stress that the number that is represented in the staff report and the resolution of \$0.42 per \$1,000 of assessed value is an estimate. I can all but guarantee you that it won't be that number simply because that is based on an estimate. There are essentially twenty-two factors that go into coming up with that number, one of those twenty-two numbers is a known number and the other twenty-one are estimates. This is a conservative estimate.

Councilor Thomas asked will the preliminary work on the cost estimate reduce the amount of change orders?

John Ralston replied change orders are based on several factors. They could be caused by something that is changed by the city during construction. Another reason is unforeseen conditions such as something found in the soils testing. Other change orders come from things in the drawings that are unforeseen, not complete, etc. With a 10% contingency in the budget I think you would be covered. We also have a 5% estimating contingency on top of the construction estimate as well, so you are well covered.

Councilor Kyle asked did you say the soils test was done?

John Ralston replied yes.

Councilor Kyle asked is that information included in our packet?

John Ralston replied because we only had two weeks to put this together we had a soils engineer look at the site and prepare a preliminary report on what he would expect to find and that is what is included in the packet. Yesterday I received the first preliminary draft of the final report. I asked him to let me know immediately if he found anything in his actual report that is going to significantly impact this project. He informed me that what they have found is what they expected. I think the final report will be available later this week.

Councilor Kyle stated I think that makes me feel a little more comfortable, I just don't want any surprises.

Mayor Kight stated one of the criticisms that comes up anytime a commercial building or a public government building is constructed is that the end users don't have any input. Have you talked to the officers about the space and have they seen the layout and do they like it?

Chief Anderson replied they are very excited about the prospects of having a very functional police facility. They have been consulted as far back as 2006-07, and I made sure they were consulted when we started this most recent project. They are well aware of what we are trying to accomplish and they would tell you this is a good thing. If we are able to build this facility there will be a couple of offices that are not utilized right away. I don't want future chiefs and current and future citizens to think that we didn't have the foresight to build something that is going to last longer than 10-15 years. That would be irresponsible.

Councilor Daoust asked does the total cost cover the demolition of the existing facility plus the construction of a parking lot on the site of the existing facility?

John Ralston replied yes.

Councilor Daoust stated there was a mention of hazardous materials in the existing building. Is there a potential for cost overrun with that?

John Ralston replied we had a hazardous materials specialist go through the building and based on what he saw he estimated that the hazmat study would be about \$3,000. He estimated the cost of removal, based on his experience in the field, would be about \$30,000. That could fluctuate up or down a little but we have to rely on what the experts in this field have told us.

Chief Anderson stated I need to clarify that the resolution doesn't call for building a parking lot on the site of our currently facility. At the time that we were developing the plans there was a lot of discussion about a parking lot but that is not in the resolution because you have not made that final determination. The cost is included, so we have that additional buffer but you might decide to sell the property.

Erich Mueller stated to clarify what is in the resolution is to demolish the existing facility and we made it more generic in terms of site improvements. The resolution allows for flexibility, we didn't want to prejudge what you would ultimately do with that site other than we were convinced that there was no value in retaining the existing building in any form.

Councilor Wand asked at what point in the process would the City, either at the staff or council level, decide what to do if the bid comes in substantially under what the citizens have allowed for the bond amount? What assurances do the citizens of Troutdale have that if there are savings that the money won't go to goldbricking the building rather than keeping their taxes lower?

Erich Mueller replied the resolution tonight authorizes us to send the question to the voters. Assuming the resolution passes tonight and the voters approve it, then we float the bond in January. My obligation from the bond financing standpoint is that I have to spend 85% of the proceeds within three years on the stated purpose that is in the ballot title. We can only spend money from the bond proceeds for what is in the ballot title. If we had \$120,000 left over we could not use that money to purchase 3 new vehicles because we don't have that flexibility. If we float the bond and we get a bid in for less we are not going to do anything immediately, we are going to wait until the project is completed. Management and appropriate construction supervision is what is going to maintain us within the contract amount. At the end of this if we have money left over what I would do at that point is lower the amount that we would be levying and we would essentially be returning a portion of what we borrowed so the taxpayers won't be paying for that.

Councilor Wand asked is there any language that we can, should or need to have at this point in the process to ensure that if there is unspent money that it is in fact used to decrease the amount of the levy, or is that just assumed in the process that we have and with the state law?

Erich Mueller replied that is a requirement of the statute under which we are able to borrow.

Ron Garzini stated today at the conclusion of our meeting with John and Leslie we talked about ways to construct this building going forward and how to put that good management

in place. I believe at this point you have a proper budget, a very responsible design, and a high likelihood of a positive outcome if the voters choose to go forward with this building. I think you have done the due diligence that frequently is not done by cities and governments. Today we talked about how to properly manage the project. My suggestion is that staff, between now and November, prepare themselves so that soon thereafter they can come to you with a game plan going forward that is well thought out and that will deliver the project under budget and produce a high quality project. A lot of projects get lost in the management, the execution. You are set up for a good project, now you have to spend this time to make sure you execute well. The reason why John and Leslie are here in part is because I knew of them and the good work that they have done in delivering projects on-time, on-budget, and that are generally loved by the community that they are built in. These are practical people who build real projects of this type. I would urge you that if this is approved that the Council make sure that the management process is given just as much due diligence as the preparatory work.

Mayor Kight asked is there anyone here to speak to us on this issue?

Robert Canfield, resident, stated we live in an age of great financial uncertainty, and this police station will cost us a great deal of money. It is not surprising that some would say times are uncertain let's wait. I would like to remind you that the people who built this town were not ones who waited; the people who built our town are the ones who moved forward. I am a member of the committee to get this bond measure passed. The challenge to win this election for a bond measure is one that all of us on the committee are willing to accept. We are unwilling to postpone it any longer and I know you are too. This is a bond election that we intend to win. I am confident that we are going to win. Just about every Troutdale resident I have talked to knows that there is a price to be paid but they are willing to pay the price because they know that the replacement of our police station must be done. I ask you to vote yes to refer this police station bond measure to the voters as an act of good faith to our citizens and also as an act of vision towards our City's future.

Carl Tebbens, resident, stated I would like to echo Mr. Garzini's comments about the project management. Based on what I have heard tonight it sounds like a lot of due diligence has been done on the preliminary aspects. It sounds like all of the various types of things associated with this project have been thought out. I have been a civil engineer and I have 42 years of experience in managing projects. The most important thing on managing these projects is going into it with a very solid plan on managing the time, budget and change. If this does pass you will need to diligently consider a very strong project manager and a project management team with experience.

Mike Goss, resident, stated tonight is a very crucial evening. Tonight you will either make the police building go forward or you will choose not to act in which case it is dead. We can't afford for it to be dead. This is the best possible opportunity we have. We have a conservative estimate that has a little under \$700,000 in contingency. We have the lowest cost of money that we will have for a long time. We will have the lowest construction cost due to the competition because of the economy. We are only going to have most of these conditions tonight. You have to pass this but it requires courage. Courage is not the

absence of fear, but it is rather the judgment that something else is more important than fear. I believe you have the courage to pull this off tonight.

Ali Peret, resident, stated I love Troutdale. I remember when I first moved into this area and opened up a retail business. I remember sitting on my bench at night I would have these lights flashing through the front window and I realized that it was police officers checking me out because I would be working until 2am and they would wonder what I was doing at that time. That, as a new comer, gave me a comfortable feeling. I live in downtown Troutdale and the police have always been in downtown and I would hate to see them move anywhere else. I do realize that most of the time they are cruising the neighborhoods. When I moved here the population was about 7,000 and it has more than doubled since then. We have grown in population and in our police department. They cover a lot of area, not just downtown. I would love to see this construction go forward.

MOTION: Councilor Thomas moved to adopt a resolution calling for an election to submit to the City voters the question of contracting General Obligation Bonded Indebtedness in an aggregate principal amount not to exceed \$7,540,000 to finance the costs of capital construction and capital improvements; declaring intent to reimburse expenditures; and related matters. Seconded by Councilor Kyle.

VOTE: Councilor Kyle – Yes; Councilor Daoust – Yes; Councilor Wand – Yes; Councilor Thomas – Yes; Mayor Kight – Yes.

Motion Passed 5 – 0.

5. RESOLUTION: A resolution to authorize the Mayor to extend an offer to appoint Craig Ward as Troutdale City Administrator, to approve pay and relocation parameters and to authorize the Mayor to subsequently sign an Employment Agreement establishing the terms and conditions of his employment.

David Ross, City Attorney, stated you have just completed a 4-month process to select a new city administrator and there are some things you are formally obligated to do in a public setting. One of them is to formally identify your selected candidate and make that authorization to extend an offer to that candidate. There has been some talk about relocation reimbursement; that amount has to be formally approved. There is also a temporary housing allowance since your selected candidate will be moving here from another area and that amount needs to be approved. Salary has to be set in a public meeting. Under normal circumstances all of this would be done and then we would come back two weeks later with an employment contract for you to approve. However, since we are entering the summer meeting schedule there is not another council meeting scheduled until August 24th. We have attached a specimen contract and we would ask that the Mayor be given authority to enter into that contract using the parameters that you are going to discuss tonight and as long as everything is in substantial conformity to what you decide tonight we would be authorized to prepare the contract and have it executed, otherwise we would need to have another meeting at the end of July or early August.

Councilor Daoust stated the details that we are looking for your approval to move forward with are in the staff report and include: moving expense of up to \$12,000, temporary housing cost up to \$3,000 and the salary of \$120,000 annually.

Councilor Wand asked is the authority granted in the resolution sufficient for minor amendments in the contract that may be needed?

David Ross stated if it something that isn't minor we will have to bring it back to you, that is why I included language of "substantial conformity" in the resolution.

MOTION: Councilor Daoust moved to adopt the resolution to authorize the Mayor to extend an offer to appoint Craig Ward as Troutdale City Administrator, to approve pay and relocation parameters and to authorize the Mayor to subsequently sign an Employment Agreement establishing the terms and conditions of his employment. Seconded by Councilor Kyle.

VOTE: Councilor Kyle – Yes; Councilor Daoust – Yes; Councilor Wand – Yes; Councilor Thomas – Yes; Mayor Kight – Yes.

Motion Passed 5 – 0.

6. RESOLUTION: A resolution to acquire GSA property.

Charlie Warren, Public Works Director, stated before you is a resolution based upon a sample resolution that has been provided to us by the Health and Human Services Division of the Federal Government. One provision has been removed which was a provision that stated if we didn't utilize it within a 3-year period there would be a penalty, so we will be in negotiations regarding that. There is 2.3 acres north of NW Graham Road that is owned by the Federal Government and a large warehouse on a 4 acre parcel south of NW Graham Road. GSA is willing to give us the 2.3 acres that is immediately adjacent to our treatment plant and the 4 acre parcel, including the warehouse for \$1. That is a good deal but there are strings. The 2.3 acres is north of the road and it has had a Level 1 assessment done and has a "No Further Action" clause. It was a site that was used to dump material, so it had some significant clean-up that had to be done. The warehouse to the south was used by the Corp of Army Engineers and they tested a lot of materials there. There are issues within that warehouse and our Building Official has looked at those issues and is working with a firm that has shown an interest in both parcels of property – Summit Biofuels. They have been looking at an issue that has been troubling the City of Troutdale for some time and that is our biosolids from our lagoon. We have \$100,000 in our current budget to remove some of the biosolids because we can't process them. The proposal from Summit Biofuels will take care of a portion, maybe up to 25% of those biosolids in an energy producing digester building that would be placed on the 2.3 acre parcel, which will also be utilizing additional food waste from around the Metro area. The City would gain the 2.3 acres and 4 acres, but we are not allowed by law to make a profit on it. However, we can lease the property for use. So we would lease a portion, approximately half of the 2.3 acres, to Summit Biofuels and they would

construct two digesters in a building and they would have an energy byproduct that they would sell to our treatment plant and they would utilize some of our biosolids. Composting is already in existence in the building across the street, which is the 4 acre parcel and that would be utilized by Summit Biofuels and the excess area within that building would be utilized by us in the future as we begin to develop an ability to compost more of our biosolids. That is the vision. What is before you is a resolution which says it is to acquire property but all it really does is begins a process. It authorizes me and Erich Mueller to sign an application to GSA that says we have until August 9th to complete the application. Before we actually take ownership of the property this will come back to you again. If we find that there are problems with the 4 acre parcel, particularly the warehouse, we will be coming back to you saying that we are only proceeding with the 2.3 acres.

Councilor Thomas stated the Economic Development Subcommittee looked at this earlier today and we are recommending that the Council approve this.

Mayor Kight asked what level did EPA do to look at the soils for contamination?

Charlie Warren stated there are different levels. There is a Level I, Level II and then there is the Brownfield after that. Level I was completed and they didn't find any basis for going to the Level II, so it has a No Further Action status for the property.

Mayor Kight stated so it is a separate issue as far as what is inside the building.

Charlie Warren stated I have toured the building and there are probably 20 barrels that are not identified. We are working with Summit Biofuels to get rid of some of that material. Other items in the building could be put with our surplus property sale that we have going on with the old sewer treatment plant.

Mayor Kight stated this is just the first step in looking at acquiring the property and the efficacy of having this company come in and handle food waste is yet to be another discussion.

Charlie Warren replied yes, there will be a complete discussion before we enter into any lease agreement.

Mayor Kight stated worst case scenario is that we end up with a piece of vacant property that is immediately to the west of our Treatment Plant for \$1; that would be a win-win situation for us.

Charlie Warren stated it really is a no lose situation. We have also met with the Port of Portland concerning the same property. They have offered some options if we get possession of the property.

Mayor Kight asked why didn't the Port do this?

Charlie Warren stated they started into it some time ago when the price was substantial. When we first started it was nearly \$1 million for the 4 acres and about \$500,000 for the 2.3 acres and it is now \$1.

Councilor Thomas stated I think it is important to note that there are options for escape clauses that can be built into the process, especially with the 4 acre parcel. The Subcommittee will be following this project.

Mayor Kight stated \$1 may seem like a great deal, but we don't want to accept any financial liability on the part of the City if there is some major contamination.

Charlie Warren stated there was a provision within their resolution that our City Attorney was very uncomfortable with that we have removed and that may pose a problem with the Department of Health and Human Services.

Councilor Daoust asked are there any strings attached by the Federal Government other than the fact that we can't sell the property?

Charlie Warren stated you can't make a profit; we can sell it for \$1. GSA attempted some time ago, which has caused a problem for many years with the City of Troutdale, to partition the property. Their method of partitioning doesn't comply with state law. We are probably going to have to pay to partition the property.

Councilor Daoust asked to separate the 4 acres from the rest of the Federal Government property to the west?

Charlie Warren replied that is correct.

Councilor Daoust stated that is where the old Forest Service Air Tanker Base is.

Charlie Warren stated according to their paperwork it is separated. According to the County and the City it is not.

Ron Garzini stated the fact that we are prohibited from making a profit doesn't forego such things as a private company coming in and investing \$4 million and that would be on the tax rolls. So we would be converting a piece of property which currently is not on the tax rolls and of no real benefit to a taxpaying entity. The additional thing is that there would be a handful of new jobs created in the area. Also, our sewer sludge is one of our biggest problems. This proposal would make use of 25% of our sewer sludge. Lastly, among the benefits the process that is being contemplated would generate power that would be dedicated to our treatment plant so it would be a new renewable source onsite. If this works, besides that fact that there is no out of pocket cost to the City, or very little, there are a number of additional small components of benefit.

Mayor Kight asked is there anyone here to speak to this issue?

None.

MOTION: Councilor Daoust moved to adopt a resolution to acquire GSA property. Seconded by Councilor Kyle. Motion Passed Unanimously.

7. STAFF COMMUNICATIONS

David Ross, City Attorney, stated we have distributed to you the proposed draft explanatory statement for the Charter amendment ballot measure. If you have any comments please let me know by the end of the week.

Ron Garzini stated the Council may recall that we are going to try to do something with the Davis property that the City acquired behind City Hall. As part of the demolition we also have some site stabilization and flooding problems with City Hall as a result of those driveways. I have asked Charlie Warren to brief the Council on what we are going to be doing and when.

Charlie Warren stated the one-story house on the Davis property that the City acquired would have been very easy to knock down had it not been for the fact that it has asbestos and lead. We hired a professional to do an assessment and they have provided us with an estimate to do the asbestos and lead abatement, and then the demolition of the building at approximately \$23,000. The timeline that I have provided to you (copy in the packet) shows that there are quite a few things that we need to do in order to accommodate that. The 10' accessway that we have adjacent to City Hall has a very sharp corner where we have a small retaining wall that is slightly failing. A portion of that wall has to be removed. The Public Works crew is going to do that work and we will create a ramp going down to the house as a staging area for the demolition. Phase I is signing a contract with Green Tree, Public Works doing some preliminary work and preparing an erosion control plan with the proper permitting. The next part of Phase I is to have the demolition work done, which is planned for July 19th – 30th. The second phase is substantially larger because we have a significant problem adjacent to City Hall. The existing asphalt is 1 to 2 feet higher than the foundation of the building. That needs to be taken down if we are ever going to utilize the space in the back (where the Davis house is now sitting) for City Hall parking. We have to improve the drainage and because of that we will also be looking at the stairway in front of City Hall, the non-compliant ADA parking stall in front of City Hall and the small amount of landscaping between City Hall and the adjacent building and a new retaining wall there. After those issues are taken care of we will need to look at leveling the area where the house is now sitting so that we can park cars back there. However, we are not going to be able to park cars there until we come up with a comprehensive plan for paving that is required by city ordinances. This will not be a public parking lot; it will only be for staff and city vehicles because of the narrow access. We will be working on the estimates for this work, but this gives you an approximate timeline.

Mayor Kight asked how much have we budgeted for this project?

Charlie Warren replied the \$23,000 is not in the current budget.

Ron Garzini, Interim City Administrator, stated the building as it currently stands is an attractive nuisance. It is a problem and something needs to be done with that building. On the south side of City Hall there is a water leak and erosion problem that also needs to be fixed. The box that I am in is that there is a building behind City Hall that can't be left because eventually you are going to have a problem; it is going to attract a problem. Secondly, at the time we do something with that house is the perfect time to fix the water leaking and erosion problem with City Hall. That is why I had staff start working on this. You are correct, we didn't budget for this. The reality is at some point we need to spend the money to fix these two problems.

Mayor Kight asked are you trying to do this project this summer?

Charlie Warren replied the timeline shows the \$23,000 being spent by the end of this month. Phase II is somewhat vague. We will proceed with the design and estimate for that and we will bring it back to you.

Mayor Kight asked is it your intent that we give you the green light to go ahead and complete the project?

Charlie Warren replied in phases. Phase I is all I am asking for at this point.

Erich Mueller, Finance Director, stated there was some provision for us to address this in the last budget year which is why we didn't include it in the Proposed 2010-11 Budget. It was after that time that we were made aware of the hazardous material (asbestos and lead) problem which delayed the project. There is some money on a capital line related to the drainage issues which is part of Phase II. This item, along with others such as the expenditures associated with economic development and the cost above the budget for the new city administrator's salary, will require a supplement budget at some point to address these items that were not anticipated and planned for. From a liability standpoint we have a much greater exposure than \$23,000.

Mayor Kight stated there is a bank that fronts the street out in front of City Hall, are you looking at putting in a retaining wall there?

Charlie Warren replied not at this point and time. I have looked at that bank before and it is a safe bank.

Erich Mueller stated all of that will need to be looked at more extensively when it gets to the parking lot planning phase.

Ron Garzini stated I don't believe that we actually need the Council to approve what we have proposed, but rather we are making sure there are no objections. The fear that I had when we talked about all of this is it is going to be very visible. As the house goes down and the improvements occur we need to keep the Council and public informed. I think I have previously been told by this Council to do all of these actions. Unless you object, we will keep moving forward.

Council had no objections.

8. COUNCIL COMMUNICATIONS

Councilor Daoust stated with our summer meeting schedule it doesn't look like we are going to have a meeting in the next 30 days so I just want to recognize Ron Garzini. I have been very impressed with what Ron has put us through in the time that he has been here. I think of the things that he has accomplished for this City in such a short time. The progression he has made with our Urban Renewal Area and dealing with the railroad. We didn't think we were going to be able to deal with the railroad but yet Ron and his staff have dealt with the railroad. He has also dealt with ODOT and Yoshida successfully. Formation of the subcommittees so that we could deal with specific issues was a new approach for us that I believe is working. The Charter amendments needed to take place and he took that on. And he tackled redevelopment issues. I get the impression that there is incredible support to his staff just knowing Ron and how much he supports folks. He helped us with our recruitment for a permanent city administrator. He assertively took on this job even though he knew he was only going to be here for a short period of time. I think that gave him the freedom to do what he felt was right for the City. His only purpose that he stated to me when he first came was that he just wanted to make it easier for the permanent city administrator to take over. That was his goal and he stuck with that.

Councilor Kyle stated I appreciate the way that Ron has streamlined our city council meeting process.

Ron Garzini stated as Doug was going over his list I was going over the list of the other people who were involved. For example the meetings with the railroad the Mayor was very helpful. The meetings with Mr. Yoshida, Charlie was present at all of them. The critical path document for urban renewal was created by Erich Mueller. The work that we have been doing on the police bond issue, the Chief took that on with the greatest sincerity and commitment. The teamwork, in spite of some of the criticism, has been a lot better than people realize at every level whether it be the department heads or the council. I am happy to say that even though the Mayor and I tangled a few times, we also worked effectively together on a number of occasions. Hopefully I have been helpful.

Councilor Wand stated Mayor Kight and I attended the East Multnomah County Transportation Committee (EMCTC) meeting and we received an update on the East Metro Connections Study, which is the new name for our corridor study between I-84 and Hwy. 26. This has been a priority and a need for a very long time. It appears that about 90% of the funding for that will come from various funding sources through Metro, which I believe includes some federal money and grants. In the coming weeks our Mayor will be meeting with the other East County cities to put together some plan or proposal to come back to the four City Councils, and the County, to come forward with the remaining 10% cost.

Councilor Thomas asked will Damascus be involved?

Councilor Wand replied no, not at this point. The way that Metro and the Joint Policy Advisory Committee on Transportation has put this together the corridor study does not extend far enough south to actually include any portion of Damascus. As the staff is revising that scope there may be opportunities later for other surrounding cities that want to opt in to help expand the scope to do so, but at this point the EMCTC really was singularly focused on making sure that the original Memorandum of Understanding (MOU) was respected and in order for us to do that we need to make it the original four cities that signed the MOU plus the County. That is the current strategy but it is all in flux because the Mayors haven't discussed this and the City Councils haven't approved it yet and there are several steps between now and then.

Councilor Wand stated I had the opportunity to visit the USS Ranger on June 30th. It was recently announced that the USS Ranger Foundation, which is the only entity that is allowed to take possession of the ship from the Navy, has selected Fairview as its exclusive site. A significant amount of credit goes to Joe Gall and Mayor Weatherby from the City of Fairview who have worked tirelessly to try and move this through the process at Metro. As with everything in East County it is a group effort and all of us are on board and have been for quite some time.

Councilor Wand stated the dedication for the Troutdale Library is to take place on July 24, 2010. It will be an all day affair but the ribbon cutting program begins at 2pm. We are looking forward to that.

Councilor Thomas stated I want to echo Councilor Daoust's comments and thank Mr. Garzini for everything that he has done. I think one of the critical things happening when Ron first arrived was the budget process. Ron and Erich put together one of the best budget processes that I have seen.

Councilor Thomas stated Saturday is the Annual SummerFest with the parade starting in downtown Troutdale. There will be entertainment and vendors at Glenn Otto Park.

Mayor Kight encouraged the Council to register for the League of Oregon Cities Conference.

Mayor Kight stated at the end of this month I will be attending the Oregon Mayor's Association Conference.

Mayor Kight stated on July 24th I have asked Councilor Wand to speak on behalf of the City at the Library Dedication.

Mayor Kight stated I went and visited the USS Ranger last week. There is a lot of publicity and interest right now about this project. I am very exciting about the possibility of the USS Ranger coming to East County. I will do everything within my power to make sure that this happens.

Mayor Kight stated Mr. Garzini, you and I have cross swords on more than one occasion but I have to take my hat off to you. You are the ultimate deal maker. You like making deals and

getting things accomplished, so that we share in common. You have done a lot in a very short time for the City of Troutdale and for that we appreciate all of your efforts. Troutdale will never be the same as a result of you being here and I mean that in a good way.

9. ADJOURNMENT:

MOTION: Councilor Wand moved to adjourn. Seconded by Councilor Thomas. Motion passed unanimously.

Meeting adjourned at 8:44pm.

Jim Kight, Mayor

Approved August 24, 2010

ATTEST:

Debbie Stickney, City Recorder