

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

Tuesday, January 13, 2009

1. PLEDGE OF ALLEGIANCE, ROLL CALL, AGENDA UPDATE

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

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

ABSENT: None.

STAFF: Dave Nelson, City Administrator; Rich Faith, Community Development Director; Jim Galloway, Public Works Director; Debbie Stickney, City Recorder; and David Ross, City Attorney.

GUESTS: See Attached.

2. ELECTION: Election of the 2009 Council President.

MOTION: Councilor Thomas moved to nominate Councilor Daoust for Council President for the year 2009. Seconded by Councilor Kyle.

Mayor Kight asked are there any other nominations?

None.

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

Motion Passed 6 – 0.

3. CONSENT AGENDA:

3.1 ACCEPT MINUTES: December 9, 2009 Regular Meeting.

3.2 RESOLUTION: A resolution appointing the Troutdale City Administrator, or the Administrator's designee, as the co-manager of the Columbia Cascade Enterprise Zone.

3.3 RESOLUTION: A resolution authorizing the Mayor to sign an agreement with the Oregon Department of Land Conservation and Development accepting a grant to prepare a citizen involvement plan for the City's periodic review tasks.

MOTION: Councilor Daoust moved to adopt the Consent Agenda. Seconded by Councilor Thomas. Motion Passed Unanimously.

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

None.

5. MPAC NOMINATIONS: A vote on the nominations for the MPAC Member and Alternate to represent Troutdale, Fairview, Wood Village and Maywood Park. Term is 2-years.

Mayor Kight stated that MPAC is the Metro Policy Advisory Committee and they are tasked with the regional framework plan. This body looks at land use and is now incorporating transportation issues and they make recommendations to the Metro Board. They meet twice a month, on the second and fourth Wednesday.

MOTION: Councilor Daoust moved to approve the nominations for MPAC, Fairview Mayor Mike Weatherby as the Member and Troutdale Mayor Jim Kight as the Alternate. Seconded by Matt Wand. Motion Passed Unanimously.

6. RESOLUTION: A resolution approving Amendment No. 1 to the Memorandum of Understanding between the City of Troutdale and the Troutdale Historical Society for the Troutdale Centennial Monument.

Jim Galloway, Public Works Director, stated in the summer of 2006 the Council approved a concept for a Centennial Monument of an arch and directed staff to prepare a memorandum of understanding between the City and the Troutdale Historical Society (THS). The MOU was prepared and signed by the parties in July of 2006. The key elements of that included a city contribution of \$45,000, the remainder to be from the THS and the THS was going to take on the role of getting the arch designed and constructed. Since that time there have been a number of changes and the Council at its December 9th meeting moved and approved two things: 1) additional city funding for the project; and 2) that the city assume control of the project. We have put together an amendment to the original MOU trying to outline the Council action and to bring the MOU current with things as they have transpired over the last two and a half years. Major changes since the original MOU was put into place include: 1) a change to the purpose of the original \$45,000 contributed by the City; 2) transfer of the responsibility for funding and construction of the monument from the THS to the City; 3) making the City responsible for the acquisition of the easements and the County permits; 4) requiring the THS to continue to raise funds for ongoing maintenance; and 5) requiring the THS to transfer all of the matching funds they have raised to the City. A full redlined copy of the original MOU showing the changes was included in your packet.

Mayor Kight asked do we know what the THS has in the bank as far as funds they have collected?

Jim Galloway replied I don't, but I think there are folks here from the THS that can answer that for you. I have no reason to believe that it has changed much from the report you received in December.

Mayor Kight asked is there any immediacy for building this arch at this particular time?

Jim Galloway replied other than to comply with the Council's desire to have it built, the only thing specific that I have heard mentioned was that if Bremik Construction were to be the firm that would do the construction work it would be advantageous to them to do it in conjunction with some work that they have planned at the Caswell Gallery location, which would be near the site of the arch.

Mayor Kight asked Mr. Ross, are you ready to comment on the issue of sole sourcing this work?

David Ross, City Attorney, replied we are not at that point yet.

Councilor Kyle stated in the discussions we had, the feasibility of this project was determined by the cost of metal, which I understand is down right now so there may be some cost issues involved at this time.

Jim Galloway stated I do believe that one of the folks that testified at the December 9th meeting did indicate that there was a subcontractor or a supplier that had provided a quote to Bremik Construction for the metal, which was only good for a certain period of time. I don't recall what that duration was.

Councilor Kyle stated it seems to me that the cost of metal is down right now more than what it has been.

Jim Galloway replied that is my recollection from the testimony.

Councilor Daoust asked when we receive the money from the THS, what fund will that be put in?

Jim Galloway replied I don't know the answer to that question for certain. My assumption would be that it would have to be in a separate fund and be designated so that it would not lose its identity and we could track it.

Councilor Daoust stated like a special development fund or a parks development fund, or something where we could accept money from a non-profit organization.

David Nelson, City Administrator, stated we would probably develop an arch monument fund where the money would be tracked.

Councilor Wand asked if we accept this MOU revision, how soon will we know whether or not this has to be put out for public bid and what the requirements are for that?

David Ross replied there is a process that is outlined in ORS 279 in order to be exempt from the public bidding process. We would follow that process to see if that would work for us.

Councilor Thomas stated in the MOU it talks about the THS continuing to raise money for the maintenance, but I didn't see anything in the MOU that allowed them to continue to raise money to offset the initial construction cost. Is that still available to us?

Jim Galloway replied it does call for any funds that they have accumulated to date for that purpose to be transferred to the City. If they are willing to continue raising money for the construction versus maintenance I don't think there is any language in the MOU that prohibits that, but it doesn't specifically state it.

Councilor Thomas stated I seem to recall from our discussions at the last meeting that we didn't really come to a clear consensus on the sole source. We did realize that we needed to follow the procedures in ORS 279. There is an advantage of doing the sole source because we have a builder that is willing to do the project at cost. I think that was the driving force for the sole source.

Jim Galloway stated I think we need to fully understand exactly what the intent is. I think there are two ultimate conclusions that the Council would have to come to following a public hearing. One, that there is a cost savings to the city and secondly that we are not doing something that would limit or diminish the potential for competition in the future. The estimate that was prepared and provided to the Council previously had a strange arrangement in which they laid out certain prices and then showed giving some kind of a donation back. I think one of the things we are doing is trying to figure out exactly how that enters into being able to make a recommendation to Council to make a determination of whether or not that is a cost savings. That is one of several things that we need to sort out. Knowing that there was some disagreement on the process to take forward from the last council meeting, I think we wanted to see if there was any further direction from tonight before having some discussions with Bremik and others to provide a recommendation back to you, and for us to meet the public hearing requirement and provide the 14-day notice prior to the public hearing.

Councilor Daoust asked can we designate this as a park? Mayors Square is made of concrete, steel, brick, and fish statues, the arch will be made from concrete, steel, stone and fish statues. It is vertical rather than horizontal, but can we designate it as a park?

Jim Galloway replied I don't know the answer to that. We could look into that. It would be helpful for us to know for what purpose one might want to designate it as a park. Is it an issue of how it would be funded?

Councilor Daoust replied yes.

Jim Galloway replied funding for any ongoing maintenance/repair or liability issues that are associated with the arch will be a general fund responsibility. Whether that is put in the parks piece of the general fund budget or some other section, I am not sure that it would make much difference since it would all come out of the general fund.

Councilor Daoust stated I am wondering if it was designated as a park if the parks system development charges could contribute to part of the construction. It is certainly something that people would enjoy in the city and they would stop and look at it and enjoy it just like a park.

Councilor Thomas stated when I started looking into this project that was one of the things I looked into and it really didn't seem to fit; it really isn't a capacity enhancing project.

Mayor Kight stated you bring up a good point Councilor Daoust. It may not be capacity enhancing but it would be an asset for the city and I think a case could be made for that. I think that merits looking into.

Dave Nelson stated we will research this; however I don't think it meets the test of the system development charges or meets the definition of a park. We will research the definition of a park and do some more research on system development charges.

Councilor Wand asked would this level of contribution from the City subject this to prevailing wages?

David Ross replied it would.

Robert Canfield stated I fully support that this arch would eventually come, however it would have been my wish to do it with private funding rather than public funding. My concern at this point with the city taking over the funding of the arch is a matter of city priorities with other budgetary issues. Last year the Budget Committee and the City Council approved a budget which cut many important capital improvement projects. If you approve this MOU it would put this project ahead of all of those other important capital improvement projects. In addition, in todays uncertain economic times it is unknown what the negative financial impact will be to the city regarding tax revenues, system development charges, building permit revenue, PERS contributions and those types of things. I think it would be more responsible for the City Council to delay making this decision until the budget process can be completed to see if the city has the money to do this. At the December meeting I stated, how can you look a city employee in the face and say sorry we have to lay you off because we decided to fund an arch instead.

Dave Ripma stated the purpose of tonight's vote as I understand it, is to decide whether or not to adopt this revised MOU. There was a Centennial party back in 2007 with a balloon arch to symbolize that this arch was going to get built. The THS definitely needs the City to adopt this MOU in revised form if you are going to carry out the decision of the City Council to

take over the project. This arch was a promise to the citizens of our city. The THS has raised a total of \$116,000 in cash contributions including \$45,000 from the city. That also includes donations from large businesses, the Port of Portland, Comcast, Rip Caswell, ALCOA, FedEx, and donations from local businesses including the Handys, Bremik Construction, and our local rotary club as well as many local donors. There was also over \$1,000 raised from each of the two elementary schools here in Troutdale. I hope that you are planning on going forward with the arch and I urge you to go forward at this time. If it qualifies for sole source, and even if it doesn't, we have an opportunity for a local business to manage the construction. They have donated their services to the THS because we don't know how to build an arch. They are still willing to do it. We have all of the subcontractors lined up ready to donate most of their work. In order to kick off the process and in order to qualify for that kind of bidding structure, you need to approve this MOU. It would be many years before the THS could raise enough money to build the arch. I urge you to think in terms of a promise that was made. We did try and we did raise a lot of money but we need some help. This arch is just what Troutdale needs. Our downtown will be enhanced greatly by the arch; it will be the draw that it needs. The money that was going to be used for the library project that fell apart is a perfect substitute use for that money. If we put this off even into the next budget year the confluence of all of the donors, the builders, and the subcontractors, I think you all realize that will not hold forever.

Councilor Wand asked what is the current status of the design; is it completed?

Dave Ripma replied yes it is completed. We have submitted engineering drawings to the city and the county. The arch is designed to stand up to our winters and our winds and any ice for one-hundred years plus.

Councilor Wand asked does the THS intend to continue making efforts to raise money? Even after this MOU is revised, can we count on the THS to continue to partner with us in that regard?

Dave Ripma replied yes. We support the commitments in the MOU to raise money for ongoing maintenance. If you feel that a couple more words need to be added to say that should we raise more money for construction between now and the time it is constructed that it be turned over to the city, we would certainly support that and that is our intent. We are currently still trying to raise more money.

Mayor Kight asked can you tell us how the sign will be illuminated so that it can be seen at night?

Dave Ripma replied I don't think there are spotlights. We did look into including electricity but we were thinking more in the terms of holiday lights, but we elected not to do it.

Mayor Kight stated if we go ahead with this project and spend close to \$300,000 we might want a sign that you can read at night along with electrical outlets for holiday decorations or if there is something that we want to illuminate below the arch we might want to incorporate that at the time of construction.

Dave Ripma stated once the city takes over they can do what they want. I can assure you that there is no impediment to illuminating it or to including electrical outlets.

Councilor Thomas stated I appreciate that you are willing to continue the fundraising until the construction is done. I would like to add that language to the MOU.

Paul Thalhoffer stated I would like to plea with you to pass this MOU. The money that the THS and the schools raised, if we don't go ahead with the project what are we going to do with that money? Are we going to start trying to give it back to the kids that contributed at the school, FedEx, ALCOA, Port of Portland? We are at the point where we are ready to go and we need to go forward with this and build it. I know that times are tough but sometimes when times are tough we have to do things that will show the world that Troutdale is still alive and well and this arch proves it. I think the arch should be illuminated. There is an appropriation in the budget now for \$212,000 that was going to the library in the Discovery Block which fell through so now the money that we need for the arch can be taken from that.

Rip Caswell stated the style of this arch is reminiscent of the period when we were in a severe depression and the government put people back to work and that is what stimulated the economy to create jobs, to create money coming through the government, to create a whole new economy. If you think about this project it will offer jobs to a lot of people who are really struggling, from the electricians to the masons, to the steel workers, to the builders. This project impacts a lot of people in a positive way, not only the people who contributed to it but the craftsman that will get to work on this and feel proud of it. How many projects have you had an opportunity to build since you have been on this council that will be around for one-hundred years? This is a major project. This is something that your great grandchildren will see. I implore you to invest in your city. This is good business. This project will bring business into Troutdale which will create new building permits, which will drive revenues into your coffers that will keep people employed. If we bring in a developer right now and we had empty businesses on the street, are they going to invest in this town? If they see an arch built and they see an icon of success and a seed planted of quality of longevity that we are here for a hundred years and we have planted our stakes in the ground and we are not leaving. This will make an impact on a potential developer coming to this town thinking about investing. I believe that this arch sets an image as you go out there and court new developers and new housing permits, whatever it is that generates the income that keeps your employees. This is good for business; it makes sense. Not only have we made a commitment to the community, it is a grassroots effort that people from all walks of life have come and contributed to and we are living up to our word to make sure that this comes to fruition. It is like sailing and the winds just die. There is a momentum and once that boat stops it is really hard to get it moving again. We have momentum and if we drop the sails we are going to lose momentum. All of these contractors are struggling right now and they committed to this before the economy dropped and we are fortunate that we have men of honor that will stay through this but there is a good chance that they may not be in business in six months and those offers may not be here in six months or a year. I think it is good for business to take advantage of the donations that have come forward, the in-kind donations from all the different artisans and contractors and builders and while steel prices are down,

while people are out of work looking for jobs. They also see this, they are willing to contribute and donate because they know that their name will be associated with it and they can say that they helped build that arch and they know it will help them in business. I encourage you to see this through and finish it.

Greg Handy stated this is a tribute to being a small successful town for one-hundred years. It is a tribute to the people that are displayed on the wall (photos of past mayors). It is also a tribute to what a little bit of imagination, ingenuity and sweat equity on the side can do. I encourage all of you to remember that this is also a tribute to what we can do in the future with cooperation and collaboration. I encourage you to think about the tribute to all of those individuals who are no longer with us that have made this town what it is today and what it can be in the future.

Donna Endicott, downtown business owner, stated I will probably receive a bigger impact out of all of this than most of you because Troutdale is my business. Not a day goes by that I don't hear somebody come in and ask how long have you been here. I just live up the street and I have never been in here before. I get people who say this is the coolest little town ever and if it was in any other part of the world it would be such a neat place. Why isn't it going anywhere. I think an arch might identify us. There is this thing that if you build it they will come. If you build something that is unique and interesting, not only do you get the attention of everybody, but the people that are down here will have a reason to stay. I have watched two businesses on either side of me start and fail. Part of that is I just don't think that there are a lot of people who believe in our businesses. I had a woman in yesterday that said she was going to wait for the closeout sale. The impression that I get all of the time is that you are not going to stay here; you won't make it. Let's figure out a way to make something permanent so that people will have a different opinion that we are here to stay. This place has huge potential. Help us so we can be your little city; your little village.

Mayor Kight stated it was eluded to that we have a set-aside that was for the parking lot on the Discovery Block and that project has now come and gone. That set-aside was \$212,000. Out of that \$212,000 how much of that is left given the \$100,000 commitment to buy the property behind us, the flooding we have experienced in City Hall and the fire we had in the Community Development Director's office?

Dave Nelson replied there wasn't an actual fire; there was smoking and some damage to the electrical panel which was repaired. I don't know the actual cost of that. The money to purchase the property adjacent to city hall was to come out of our contingency. If you are looking at just the \$212,000 that would be depleted by the arch and the purchase of the property, then we would still need some cash reserves from our ending fund balance and contingency to finish paying for the Davis property, the flooding in City Hall, and the repair in the Community Development Director's office. We are looking at some budgetary issues coming up for the replacement of the electrical panel which will be proposed for next year at approximately \$10,000.

Mayor Kight asked of the \$212,000 how much of it is left over excluding the arch project?

Dave Nelson replied there are other resources besides the \$212,000. If you are only looking at the \$212,000 there is approximately \$100,000 left.

Mayor Kight asked and the commitment on the part of the city at least at this point, if it isn't electrified, is \$141,857, is that correct?

Dave Nelson replied yes.

Sheryl Maydew stated you should have received a handout with our financial information tonight. At the bottom it says that we have \$15,000 coming from FedEx which has not been factored in. Also, Comcast committed \$2,000 and we just received a \$1,000 donation while you were discussing this tonight.

Mayor Kight stated that the FedEx is in the form of a pledge. When we were there for their groundbreaking ceremony they made a presentation of the "big check". Have we received the actual check yet?

Sheryl Maydew replied no, so I can't show it in the bank total.

MOTION: Councilor Thomas moved to approve the Memorandum of Understanding between the City and the Troutdale Historical Society for the Troutdale Centennial Monument with the additional language added to Section 1.b.v to read, "Continue to raise funds to be provided to the City for construction and the ongoing maintenance of the Monument". Seconded by Councilor Daoust.

Councilor Thomas stated I think the arch is a promise that has been made to the people. People are very excited; I have had a number of people ask me about it. I think that Rip Caswell summarized it very well. I like his analogy. The City had to be involved to handle the permits and other necessary steps to get the construction done. We have an expectation out there to those who have contributed money. I know as time goes people get cold to ideas and they look at it and say that you talked to me about this five years ago why isn't it done yet. I don't want to be sitting here in five years trying to answer that question. We have the opportunity to finish the project now and have an icon for the City. It will be great for advertising. I think it is important to move this forward and get it done, then we can go to the people and say that you asked for this and we did it.

Councilor Daoust stated I always enjoy a good discussion but we must remember that the decision was already made to fund this and for the city to take over back in December. This has to do with the final step of changing the MOU so that we can implement that decision. The funding of this, we did make a promise to the community. I am looking at the funding discussion and hearing all of the sides and it appears that the funding is there. We have a line item that was going to be used for the parking lot and we still have \$100,000 left and we still have a contingency fund where an extra \$40,000 isn't going to break the city. It appears that we can do it. I

think that we are going to have to look at the budget to make sure that we are not cutting anything that we don't want to cut. I do agree that it appears that we do have the funding and I really agree that we have to do this as soon as possible. There are just too many things lined up that are ready to go right now. We need to get this going in conjunction with the Caswell Gallery construction. The cost of steel, we don't know what that is going to do but it is low now and the donors are lined up. I think it is important to consider those types of things when you are talking about maintaining the cost as low as you can. Donations in lieu of cash are just as important as cash. When you have somebody that says they are going to donate their time or material and they are willing to do it now, that is important. It is time to move forward.

Councilor Wand stated I have thought long and hard about this issue. I have a little bit of experience with the THS. It is a group that has been of enormous value to our community over the last 20 to 30 years. They have done so as a conglomeration of our citizens; some of our most prominent families are members. I don't believe that Troutdale would be Troutdale without the THS to help shape our youngsters minds about where we come from. Some of our best more historic buildings have been protected by the THS. I am not aware that the THS makes a habit of coming to the City to ask for money to get that done. That is not to say that the budget concerns are irrelevant. We have serious budget issues that have to be resolved in the next budgetary cycle. The notion that this project is the choice between laying off city staff or not laying off city staff is hyperbole. I think in reality we can have this arch and we will make the decision as to whether or not to lay off staff based upon whether it is in the best interest of the city and whether the staff is absolutely necessary. If I believed that it was a true choice between the arch and a police officer, then my decision would be different but I don't believe that we are making that choice today. I think that it would be certainly inconsiderate if not outright hostile to come in at the very first city council meeting of the year and consider strongly overturning a decision that the prior city council already made. I view this decision here today as ministerial in nature in facilitating a decision that our prior city council and mayor made. For those reasons I will be voting to approving the MOU.

Councilor White stated I appreciate all of the testimony this evening. I feel that the Columbia Gorge is nationally recognized and I feel that it is time that we recognize it locally. I am supporting the arch.

Councilor Kyle stated I have been volunteering at the Chamber since November. It is wonderful to have visitors come in that just happen to stumble upon downtown Troutdale and they are so impressed with the beauty here. They are looking for the Columbia Gorge Scenic Highway and they stop and say what a beautiful place. I am just thinking that this arch is not only going to be regionally significant but it is going to be so significant to Troutdale. I have family that comes to Troutdale all of the time and they look at us as the Outlet Mall and the truck stops. How wonderful it would be to have a piece of artwork that we could be known for. I am absolutely going to support this.

Mayor Kight stated I have given this quite a bit of thought and I have spent some time talking to our City Administrator. Where I am coming from is budgetary issues. We have had some intended and some unintended expenses relative to the flooding downstairs. This is a very old building. I am not going to argue the efficacy of having this arch. I think it would be a major capital asset to the city. I am actually going to support it. My last vote I opposed it but not because I am opposed to the arch but I am thinking we need to look at the budget, which we will do on February 3rd. I think after that meeting we will have a better budgetary picture of where we are. At that time we might make some adjustments as to the construction time and the process, and whether or not we want to have the additional cost of adding lighting (either interior or exterior) so you can see it at night. Overall I think it would be a major plus in the downtown.

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

Motion Passed 6 – 0.

7. STAFF COMMUNICATIONS

Dave Nelson stated we have provided you with a packet that includes the council candidate applications and the draft interview questions. Please take a look at the draft questions and provide any additions, corrections or deletions to Debbie Stickney by January 15th by 1pm. We have ten candidates, so we will be conducting the interviews on two evenings, Tuesday the 20th and Thursday the 22nd.

8. COUNCIL COMMUNICATIONS

Councilor Daoust reminded the council that the quarterly public disclosure reports need to be postmarked by January 15th.

Councilor Thomas asked for the following items to be placed on an upcoming agenda: 1) discussion regarding getting rid of the trail between CP Park and Albertsons; 2) look at changing the committee appointments so that we do not allow for spouses or significant others to serve on the same committee.

Councilor Thomas stated last night the Mt. Hood Regulatory Commission started the proceeding for a franchise violation against Verizon because they did not provide the local access channels that they are required to.

Mayor Kight thanked the city employees that worked 12-hour days to keep the city roads, as well as the county roads, plowed during the recent snow storm. Those employees include: David Schaffer, Ken Smelser, Eric Johnson, Lee VanSpeybrock, Barry Arnold, Corey Vodden, Harold Fishback, Aaron Williams and Aaron McNally.

9. ADJOURNMENT:

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

Meeting adjourned at 8:15pm.

Jim Kight, Mayor

Approved February 10, 2009

ATTEST:

Debbie Stickney, City Recorder