

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

**Tuesday, August 25, 2009**

**1. PLEDGE OF ALLEGIANCE, ROLL CALL, AGENDA UPDATE**

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

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

**ABSENT:** Councilor Daoust (excused).

**STAFF:** Dave Nelson, City Administrator; Charlie Warren, Public Works Director; Rich Faith, Community Development Director; Erich Mueller, Finance Director; Travis Hultin, Chief Engineer; Debbie Stickney, City Recorder; and David Ross, City Attorney.

**GUESTS:** See Attached.

**2. CONSENT AGENDA:**

- 2.1 MINUTES:** May 26, 2009 Regular Meeting, June 9, 2009 Regular Meeting and June 23, 2009 Work Session.
- 2.2 RESOLUTION:** A resolution approving Amendment #1 to the Intergovernmental Agreement among the Tri-County Metropolitan Transportation District of Oregon, the City of Troutdale, and the City of Portland for Transit Police Services.
- 2.3 RESOLUTION:** A resolution declaring all property on the former STP site as "surplus" City property.
- 2.4 MOTION:** A motion to approve the Annual Performance Evaluation of the City Attorney as evaluated by the City Council on July 14, 2009.

Councilor Kyle read the consent agenda.

**MOTION:** Councilor Kyle moved to accept the consent agenda. Seconded by Councilor Wand. Motion Passed Unanimously.

- 3. AWARD:** Award presentation to Sofia Kahler-Quesada, a student at Troutdale Elementary School, winner of the statewide "If I Were Mayor" contest in the 4<sup>th</sup> – 6<sup>th</sup> Grade category.

Mayor Kight stated Sofia Kahler-Quesada of Troutdale captured the top prize for the Oregon Mayors Association (OMA) Annual statewide civic awareness video, essay and poster contest. The awards were presented during the closing banquet at the OMA Annual Conference in July. The contest recognizes youth in Oregon communities and their awareness of civic responsibility. Participating 4<sup>th</sup> – 6<sup>th</sup> elementary students submitted a poster, middle school students submitted essays and high school and college students submitted a video around the theme “If I Were Mayor I Would...”.

Mayor Kight introduced Sofia Kahler-Quesada, winner of the “If I Were Mayor” contest in the 4<sup>th</sup> to 6<sup>th</sup> Grade category and presented her with a brand new lap top computer and a certificate.

Mayor Kight asked Sofia to explain what she included in her poster.

Sofia Kahler-Quesada stated I just thought about what people had said about the city and what I thought personally. I thought about what I would want to do if I really were the mayor and tried to put that into words.

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

None.

**5. MOTION:** A motion to authorize City staff to prepare a Supplemental Budget for FY 2009-10 for the Centennial Arch Project.

Dave Nelson, City Administrator, stated since we just concluded a work session on this topic tonight I am not going to go into detail. The figure that we were discussing regarding the estimate from Bremik Construction was \$301,648 for the construction and all the lighting. That would raise the estimated net cost for the City from \$235,500 to \$261,648; so it is an additional \$26,648. We discussed the different options for the lighting and the related costs, which are shown on page 2 of Bremik’s estimate (copy included in the packet). Tonight you need to determine how you want to light the arch, if you want to light the arch and how you want to fund the project.

Councilor Hartmann asked what was our projected total project cost back in April during the budget committee meetings?

Erich Mueller, Finance Director, replied in April we had a conversation that goes back to a discussion that took place at the December 9<sup>th</sup> Council meeting regarding a Bremik Construction estimate for \$236,000 (dated October 28, 2008). There was the deduction of \$15,000 for the expected FedEx pledge, and a deduction of \$80,000 that was raised by the Historical Society. That gave us the \$141,583 figure that was talked about early in the year and during the budget meetings.

Councilor Hartmann asked if you add back in the \$80,000 and the \$15,000 to the \$142,000 we are looking at approximately \$240,000 even at that time.

Erich Mueller replied yes.

Councilor Wand stated I remember when we were having discussions during the budget meetings about the fact that there were expenditures in the prior fiscal year (2008-09) budget and that those expenditures that were expected had not been made so those funds were going to be turned back. What I don't recall is whether the adopted budget had accounted for (on the revenue side, in the beginning fund balance) us not building the arch in the prior fiscal year.

Erich Mueller stated the beginning fund balance that was in the Adopted Budget was based on the proposed budget and the adjustments that we made during the budget meetings. I don't know that we made a specific adjustment to the proposed or projected beginning fund balance as a result of not spending the money that was planned to be spent. The money that we didn't spend, by default remains there and will become part of the actual beginning fund balance once we go through the remainder of the reconciliation and the audit process.

Councilor Wand asked did your projected beginning fund balance for 2009-10 assume that we had spent money in our prior fiscal year budget on the arch?

Erich Mueller replied I believe that is a correct way of stating it.

Councilor Wand asked did your beginning fund balance for the 2009-10 budget include or exclude the expenditures that were budgeted to be made in 2008-09 but in fact were not made in 2008-09?

Erich Mueller asked isn't that the same question you just asked?

Councilor Wand replied no. My first question asked you about the arch and my second question was more general because the 2008-09 adopted budget did not include any money to be spent on the arch and yet when we were having our budget meetings we learned that there were two or three categories of expenditures specifically in the 2008-09 budget that were not made that could have been reallocated without a new budget process.

Dave Nelson stated we had money in the 2008-09 budget for the Discovery Block and when that project did not occur we had targeted that money for the construction of the arch.

Erich Mueller replied we had also budgeted to make a loan to the Urban Renewal Agency to assist with the development process, that expenditure also did not occur.

Councilor Wand stated specifically my concern is with the Discovery Block line item from the 08-09 budget that was not actually expended.

Erich Mueller stated Council approved to spend part of those funds to purchase the property adjacent to City Hall.

Councilor Wand asked but that did not use the entire line item that was for the Discovery Block?

Erich Mueller replied it was a little over \$100,000. \$212,000 was budgeted for the Discovery Block.

Councilor Wand asked was the remaining unspent Discovery Block allocation of approximately \$112,000 included in your projected beginning fund balance for the 2009-10 budget?

Erich Mueller replied no.

Councilor Wand asked now that we are going through the audit, is it the case that when you reconcile the expenditures with the projected budget, there will be approximately \$112,000 more in the beginning fund balance for the 2009-10 budget than what we had projected at the time we adopted the budget?

Erich Mueller replied that would be true for that one particular line item. Overall revenues last year were down substantially from what was budgeted as well as the expenditure reductions that occurred in all departments.

Councilor Wand asked were those already accounted for in your projected beginning fund balance for 2009-10?

Erich Mueller replied to a degree things were projected. Certainly they were projected starting back in March, but what occurred for the rest of the year from an actual standpoint would have affected those and I have not gone back and analyzed what the variances between the March projections might have been when we developed the proposed budget and what the actual is projected to be.

Councilor Wand asked how quickly will we have the audit done so that we will know the answer to that?

Erich Mueller replied the goal is to have the audit completed and to Council at your first meeting in December.

Mayor Kight asked Councilor Wand, is it your intention to look for found money, or money that was not spent?

Councilor Wand stated I wouldn't call it found money, but I was trying to identify any potential understatements of the beginning fund balance that may have occurred legitimately and honestly, not through any fault of staff.

Councilor Hartmann stated as a matter of public record and our budget, that was something that we anticipated could occur. If we were not able to make the June deadline for the

construction of the arch those funds would roll into the beginning fund balance for the next budget cycle and we would have to address that at that time, which seems to be today.

Mayor Kight stated if my memory serves me correct, we had some unintended expenses; we had an electrical fire on the first floor of City Hall and we had some flooding.

Dave Nelson stated it wasn't an actual fire, just smoke.

Mayor Kight asked were there expenditures to replace the electrical panel?

Dave Nelson replied yes.

Councilor Hartmann asked did it cost \$112,000?

Dave Nelson replied no, it was around \$10,000.

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

Max Maydew, resident, stated I have been working on this project for a number of years. I attended the work session earlier tonight and the issue was brought up about the north side easement language. I wanted to let you know some of the background about that. The legal description was written by a survey company who was doing work for Rip Caswell at that time and they did it for free. Rip very quickly signed that easement. He is very much in favor of doing this project. He believed that everything was exactly right. If there is a typo in it I am sure it can be resolved very quickly. Regarding the lighting; I was part of the design committee that worked on designing the arch, as was Rip Caswell who was instrumental in the whole idea of the arch. Troutdale being an old railroad town we wanted a structure that looked very firm. One of our design criteria was that it would last one hundred years and wouldn't really have any maintenance to speak of during that time. We talked about lighting it and my job was to find out what was involved with that. I found out that it was a lot harder than what any of us had thought. We thought that we could tap into the street lights there and that just isn't true. That lighting district is different from who will end up supplying the power. We went to PGE and found out that it would cost \$50,000 to do a good job of lighting the arch. Because we are raising money we decided we were going to sacrifice the lighting, although the architect did recommend at the time that we should have lights to light the fish but we sacrificed that because we just didn't feel like we could raise the money. One of the things that we wanted was to make sure that there was minimal maintenance required on the part of the city. The idea of having to change the LED lights at the top of the arch is not a good idea in my opinion. There will be ambient lighting that will light it up, especially if you provide lights for the fish; that will be adequate in my opinion. I talked to Mike Greenslade and he is telling me that there is enough plugs there that if we wanted to string lights for the holidays we could. I am hoping that you will see clear to go ahead with this project and do everything except the LED lights.

Mayor Kight stated the question about whether or not we should do the LED lights has come up. Mike Greenslade, if we find out that there is not enough ambient light will there be a conduit, or whatever, that could be used to add the LED lights at a later date?

Mike Greenslade replied yes. If you don't do the uplights now it would be much more difficult to add them later and you would probably lose that option forever. If you did the uplighting now and you didn't elect to do the LED lights at this time, they could be added in the future.

Mayor Kight asked what option would that be?

Mike Greenslade replied on the bottom of page two of our estimate you will see three options. Option 1 is if you eliminate the LED lights on the arch.

Mayor Kight stated but it would still be roughed in with that option so they could be added later.

Mike Greenslade replied yes.

Mayor Kight asked does Option 1 also include the lighting at the base?

Mike Greenslade replied yes.

Terry Houston, Executive Director of the Troutdale Historical Society, showed the Council a copy of the photo which shows the fish that Rip Caswell has finished and they now need a home (copy included in the packet). I agree with what Max Maydew said about the lighting.

Paul Thalhofer, former Mayor, stated the option I like includes the uplighting and not the LED lights, those can be done later.

Dave Nelson and Travis Hultin explained to the Council what the cost would be for each of the lighting options as shown on the Bremik estimate provided to us tonight. Option 1 - \$236,744 (includes the uplights and removes the LED lights but will still include the rough-in so the LED lights could be added later); Option 2 - \$249,620 (removes the uplights and includes the LED lights); and Option 3 - \$224,216 (removes both the LED and uplights). If you decide not to do any lighting at all, and no electrical work, than the cost would be \$199,446.

Charlie Warren stated just to clarify all of the lights are LED, both the uplights and the arch lights. They are different types of LED lights, but they are all LED lights.

Mayor Kight asked on the uplights will there be enough ambient lighting to light the rest of the sign?

Charlie Warren replied I would defer to the architect.

Mayor Kight stated and he indicated he thought there was.

**MOTION:** Councilor Thomas moved to continue with the construction of the Arch keeping the uplighting, removing the LED lighting from the arch span. Seconded by Councilor Kyle.

Councilor Thomas stated I hope that this gets built soon. I would have liked to have seen it built five years ago when Max and I started this project along with Rip Caswell. I think it will be of value to the City because it has something to commemorate the 100 years that we have already been in existence, and it will be something that is an earmark for the City that shows we have pride in our City and in our downtown. It will also be something for people to look at and say that they helped build this. We have a lot of kids that have donated towards this arch and I really feel that they will be able to come back in 50 or 60 years and say that my class helped build this arch. To me that has a lot of value; personal pride in the City. I really believe that spending the money on this project, minus what the Troutdale Historical Society has already collected which reduces the cost to the City, is well worth it.

Councilor Kyle stated let's get this done and let's add some lights.

Councilor White stated it didn't sound like anybody was interested in the LED lights that light up the wording on the Arch. I am in favor of keeping the uplighting but I am wondering if we shouldn't spend the money to rough-in the electrical for the LED lights to be added at a later time. I think there will be enough ambient lighting. Can we amend the motion slightly to remove that infrastructure for the LED lighting, which nobody here seemed to be in favor of?

Dave Ridel stated that wouldn't impact the cost a lot because you are still doing the uplighting; you still have to bring the infrastructure over to the base. There may be a slight savings in the conduit that would get it from the base up to where the arch starts.

Councilor White stated it sounds like it is logical to leave it then.

**VOTE:** Councilor Kyle – Yes; Councilor Hartmann – Yes; Councilor Wand – Yes, Councilor Thomas – Yes; Mayor Kight – Yes; Councilor White – Yes.

**Motion Passed 6 – 0.**

Mayor Kight stated there has been some discussion about whether or not we want to fund this out of the General Fund or use Parks System Development Charges via a loan with the payback in ten years.

Erich Mueller stated if I understand the previous motion it was decided to move forward and construct the Arch with the outlets, without any reference to any specific dollar amounts. Staff would like to make it clear tonight that Council is expecting staff to bring forward a Supplemental Budget at the next meeting in order to create a lawful appropriation so we can

enter into a contract with Bremik. Based on my understanding of the motion that you just passed, I want to be clear that there will be a notice in the paper when Ms. Stickney publishes the next meeting indicating that there will be a supplemental budget resolution and budget transfer for the Troutdale Centennial Monument Arch project increasing the General Fund expenditures by \$365,000 for a new fund total of \$11,963,739. The number that you talked about in terms of the net cost to the City is just that as far as the calculation. In order for us to actually build the arch we have to appropriate the full cost, which includes the \$102,026 received from the Historical Society.

Mayor Kight stated we are clear on that.

**MOTION: Councilor Thomas moved that we instruct staff to come back with a financing option to borrow the residual amount needed from the Parks SDC's to be paid back using a ten year plan. Seconded by Councilor Kyle.**

**Councilor Hartmann asked is there any way to identify the beginning fund balance, or any additional appropriate monies that we could use so that we could limit the amount that we borrow from the Parks SDC funds?**

**Councilor Thomas asked do you mean to cap it?**

**Councilor Hartmann replied no, to limit it. In other words we would not borrow as much from Parks SDC by using what we had originally planned to use from last years budget.**

**Erich Mueller stated part of what I was trying to look for in response to Councilor Wand's earlier question was some of that, but I don't have all of that information here with me. It is not going to change what would happen to the source of cash, or the appropriation piece of what we were just discussing in that previous clarification. It ends up being a question of are we going to show a reduction of cash in one fund versus another. I am happy to try and pull that number for the next meeting but I am not able to give that to you tonight. Also, if I could clarify the intent for it to be a 10 year loan, how I would interpret that currently would be that I would then come back to you in January with action on that motion. I can't bring you a 10-year payback until after January 1<sup>st</sup> when the new legislation is in effect that allows for the 10 year payback.**

**Councilor Wand stated I support the motion and the idea of borrowing the full amount with the understanding that we can repay it early without a penalty.**

**Councilor Thomas stated in my motion I was referring to the residual amount.**

**Erich Mueller stated we are talking about borrowing the amount that the project costs less the \$102,000 that we received from the Historical Society in donations.**



David Ross asked would the Finance Director prefer a motion to authorize an appropriation and we would come back at a later date with the supplemental budget on how it would be funded.

Erich Mueller stated the supplemental budget is what we are going to bring back as a result of passing the previous motion and that will give us our appropriation. Whether we borrow money or spend it out of the General Fund is what is related to this motion.

David Ross asked is that necessary to be decided tonight?

Erich Mueller replied no, and under the terms of the 10-year payback I can't bring that to Council until January.

**VOTE: Councilor Kyle – Yes; Councilor Hartmann – Yes; Councilor Wand – Yes; Councilor Thomas – Yes; Mayor Kight – Yes; and Councilor White – Yes.**

**Motion Passed 6 – 0.**

## **6. STAFF COMMUNICATIONS**

Erich Mueller informed the Council that he will be bringing forward two additional supplemental budgets. One is to bring forth the adjustments to the budget necessary with the adoption of the AFSCME agreement and the second is to address re-establishing the Building Code Specialties function in its own separate fund rather than having it included in the General Fund.

## **7. COUNCIL COMMUNICATIONS**

Councilor Wand stated we received the quarterly reports from the departments and I noticed that we still have very few building permits and very little new construction activity going on in our planning department. I would like for us to have a work session to find out if there are some creative cost saving measures that we can utilize in those departments. Secondly, I would like for us to have a discussion about a concept or a program to spur some additional development in our city by making us more attractive by offering some form of a reduction, on a temporary basis (six to twelve months), of system development charges, permit fees or maybe they can even hire their own inspectors.

The majority of the Council agreed to schedule a work session on both topics.

Councilor Thomas stated I had one request that came to me and that is regarding RV parking and possibly changing it to allow parking for 7 days during the months of May to September and leave the rest of the year at the 3 days.

The majority of the Council had no interest in discussing this topic again.

Mayor Kight stated I have circulated a letter asking for support from our neighboring Mayors in support of Troutdale expanding our urban reserves.

Mayor Kight stated our volunteers are working very hard; they have cleaned up all of the bushes, removed weeds and pressure washed all of the curbs and sidewalks on the River Trail property to the west of City Hall. They also continue to work on painting the buildings on the Marino block.

Councilor Hartmann asked do we have support for the dates for our retreat and are we planning on inviting staff to the retreat?

Dave Nelson replied at some point and time yes. There will be some individual work, then some group work with the council and then at some point after that the department heads will come in.

Councilor Hartmann asked is there support from the Council to use laptops for paperless packets? It takes quite a bit of time and effort to produce the packets; we are still working on getting estimates on what that cost is. The cost of the technology is fairly cheap these days. The infrastructure to use a wireless device is present so it wouldn't require additional costs for that infrastructure. I think for us to have that type of resource during work sessions and council meetings would be a nice advantage.

Dave Nelson stated the laptops run about \$500 each. We do not have money appropriated for that in this current fiscal year; we would need to put it in the proposed budget next year.

## **8. ADJOURNMENT:**

**MOTION: Councilor Hartman moved to adjourn. Seconded by Councilor White. Motion passed unanimously.**

Meeting adjourned at 8:12pm.

**Jim Kight, Mayor**

**Approved October 13, 2009**

**ATTEST:**

**Debbie Stickney, City Recorder**