AGENDA TROUTDALE CITY COUNCIL - REGULAR MEETING COUNCIL CHAMBERS TROUTDALE CITY HALL 104 SE KIBLING AVENUE TROUTDALE, OR 97060-2099

7:00 P.M. -- SEPTEMBER 27, 1994

(A) 1. PLEDGE OF ALLEGIANCE, ROLL CALL, AGENDA UPDATE

(A) 2. CONSENT AGENDA:

GATEWAY

1907

- 2.1 Accept Minutes Regular Sessions, July 26, August 9, & 23, 1994
- 2.2 Liquor License Renewal Fortuna Chinese Restaurant, LTD.
- 2.3 RESOLUTION: A Resolution Relinquishing All Rights to a Utility Easement Across Property Commonly Known as Tract D of the Old Sweetbriar Farm Granted to the City of Troutdale.
- 2.4 RESOLUTION: A Resolution Accepting a Public Utility and Access Easement from the Old Sweetbriar Farm Home Owners Association.
- 2.5 RESOLUTION: A Resolution Recognizing the Completion of the Public Facilities (Water and Sanitary Sewer Mains Only) to Serve the Swift Transportation Development and Accepting them into the City's System as a Fixed Asset.
- 2.6 Authorizing Participation in an Intergovernmental Agreement with Metro for the Edgefield Station Project.
- (I) 3. PUBLIC COMMENT: Please restrict comments to non-agenda items at this time.

(I) 4. COMMENDATIONS, AWARDS, AND PROCLAMATIONS:

- 4.1 Mark Hunzinger
- (A) 5. RESOLUTION: A Resolution Recognizing the Completion of the Imagination Station and accepting it into the city's system as a fixed asset.
- (A) 6. PUBLIC HEARING: Grant Homes Business License.

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(A) 7. PUBLIC HEARING/ORDINANCE: An Ordinance Providing for Towing and or Impoundment for Certain Vehicle Code Violations.

FIRST READING

- (A) 8. REQUEST: Request for the City to Initiate Right-of-Way Vacation.
- (I) 9. COUNCIL CONCERNS AND INITIATIVES
- (A) 10. ADJOURNMENT.

Paul Thalhofer, Mayor Dated:

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Minutes Troutdale City Council Regular Meeting Troutdale City Hall Council Chambers 104 SE Kibling Avenue Troutdale, Oregon 97060-2099

September 27, 1994

1. PLEDGE OF ALLEGIANCE, ROLL CALL, AGENDA UPDATE

Mayor Thalhofer called the meeting to order at 7:00 p.m. and called on Councilor Ripma to lead the Pledge of Allegiance.

City Recorder Martinez called the roll.

PRESENT: Thalhofer, Schmunk, Ripma, Kight, Lloyd, Burger-Kimber

ABSENT: Thompson

STAFF: Berrest, Christian, Faith, Galloway, Gazewood, Martinez, Sercombe

GUESTS: Tom Pohl, Steve Ando, Scott & Brenda Stepan, Jim & Kim Lucas, Mary Wendt, Rob Anderson, Ed Ashley, David Traxler, Tom Sheirbon, Dan Hatch, Miranda Goldsby, Wendy Tibbetts, Dennis Lynch, Allen West, Shawn McGee, Gary Pettigrew, M. Troy Jenleins, Brad Pursinger, Penie Sipe, Anna Chamberlen, Valentina Colibaslem, Camelia Lupas, Giegea Muntean, Maria Pop, P.A. Johnsen, R.C. Parken, Nathan Nordstrom, Jessica L. Moon, Becky Moon, Michele Lisorosia, Kari Thompson, Ed Lopes, Shelly Vandergrift, Kevin Kirchem, Jason Jones, Greg E. McIntire, Gena Williams

Christian stated the minutes are not ready at this time, and Doug and Lesile Daoust are out of town and we would like to set over item # 5 the resolution accepting Imagination Station. We will need to address additional funding for Imagination Station, we can do this before council concerns if you like.

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23, 1994, 2.2 Liquor License Renewal - Fortuna Chinese Restaurant, LTD, 2.3
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Access Easement from the Old Sweetbriar Farm Home Owners Association, 2.5
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(Water and Sanitary Sewer Mains Only) to Serve the Swift Transportation
Development and Accepting them into the City's System as a Fixed Asset, 2.6
Authorizing Participation in an Intergovernmental Agreement with Metro for the
Edgefield Station Project.

Mayor Thalhofer Called this item.

Councilor Lloyd stated that he is going to abstain from voting on the Consent Agenda since Item 2.6 is related to Edgefield Station which he is president of.

MOTION: Councilor Ripma Moved to Accept the Consent Agenda Minus Item 2.1. Councilor Schmunk Seconded the Motion.

YEAS: 4 NAYS: 0 ABSTAINED: 1

3. PUBLIC COMMENT: Please Restrict Comments to Non-Agenda Items at this time.

There was no Public Comment.

 COMMENDATIONS, AWARDS, AND PROCLAMATIONS: 4.1 MARK HUNZINGER

Mayor Thalhofer called this item and stated that Mr. Hunzinger would not be able to attend.

Mayor Thalhofer read the commendation to Mr. Hunzinger for life saving efforts on the Sandy River.

6. PUBLIC HEARING: Grant Homes Business License.

Mayor Thalhofer called this item and outlined the procedure for the hearing. The Council Meeting was recessed and the Public Hearing was opened at 7:18 P. M.

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Councilor Burger-Kimber stated that she was contacted by Brenda Stepan but advised her to make any comments she had at this meeting tonight.

Mayor Thalhofer stated that he to was contacted by Stepan but the conversation was in regards to procedural matters only.

Faith stated the list of charges that have been filed against Grant Homes are as follows, there are seven. 1, A number of Building Code Violations, 2, Unlawful Trade Practices, 3, Depositing dirt and soli on public streets in violation of the TDC and TMC, 4. Placement of construction materials and debris on a public street in violation of the TMC, 5, Placement of a construction trailer within the clear vision area in violation of the TDC and the development permits, 6, Placement of a sign without a permit, 7, Storage of equipment and vehicles on a public street in violation of the TMC. For the record I have presented council with the staff report of August 23, 1994 regarding the Home Owners concerns regarding the construction of their homes and the Inspection Reports from S&B Inspection Service that were done on three of the dwellings 1103, 1203, and 1207 SE Althaus Dr. Previously I informed you that there were 12 violations of the building code, we have since made a more detailed and complete inspection of the sites and have now determined that only one of the twelve are actual violations. You previously heard that the homes that were purchased were not of the same quality as the homes that we shown to the buyers and that there have been some unfair and deceptive conduct on the part of grant homes, although the city has no evidence of that, we are relying on the testimony of the Home Owners to substantiate the charge of Unlawful Trade Practices. In response to the notification of violation regarding the depositing dirt, soil, construction material and other debris, Grant Homes removed the materials and debris in a time specified. Upon notification of the violation regarding the placement of the construction trailer Grant Homes moved the trailer with in the time period specified. Grant Homes installed a sign advertising homes for sale in the sub-division, there had been no permit for this sign, again upon notification they took the sign down and it no longer is a violation of the code. The vehicles and equipment have been moved and at this present time there is no violation. In conclusion I would like to point out to you that obviously the matter before you is a very serious, emotionally charged one and the council must decide if the is sufficient cause to revoke the business license, please weigh all of the information given to you in your consideration of this issue.

Councilor Lloyd asked if any of the inspectors were present on the first inspection of the homes?

Faith stated that Sheirbon was Mr. Bean of S&B.

Councilor Lloyd asked if Mr. Bean of S&B was present at the second meeting?

Faith stated he was not, Grant Homes initiated the meeting and the city had no part in the invitations to the meeting, unlike the first meeting.

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Councilor Lloyd asked why there was a different conclusion after the second meeting?

Faith stated that he spoke prematurely, the first meeting was just cursory, we did not do a thorough inspection.

Councilor Ripma asked how many building code violations are real?

Faith stated that there is only one that is confirmed, a lite fixture in the closet.

Councilor Ripma asked if all of the other charges except the Unlawful Practices are real violations that are not in dispute but have been taken care of?

Faith stated that is correct, they were violations and have since been corrected.

Councilor Ripma asked if the light fixture has been fixed?

Faith stated that Grant Homes has assured us that it would be fixed, but I do not know if it has been yet.

Councilor Burger-Kimber asked who was present at the last inspection?

Faith stated from the city it was myself, Sheirbon, Traxler, Ashly, and Hefner, a number of people from Grant Homes and a roofing contractor.

Councilor Burger-Kimber asked if there was anyone else there qualified to inspect?

Faith stated not that he new of.

Councilor Burger-Kimber asked if the state has been involved?

Faith stated not at the inspections, but they have or will be meeting with one of the residents.

Councilor Kight asked what position does the city take in regards to the inspection of the roofs?

Traxler stated that roofing is a warranty item, we do not inspect them, it is the manufacturer and installers liability.

Sheirbon stated he apologized for any misunderstanding on this, the first inspection was just cursory.

Councilor Ripma asked about the allegations about the workmanship of the roofing, the shingles are covered by the warranty but what about the attachment to the roof?

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Traxler stated that it is not the city's responsibility to inspect roofs but that does not excuse it from being up to code.

Councilor Ripma asked about the truss work?

Traxler stated that they were all mfg. trusses and they only inspect the attachment.

Councilor Burger-Kimber asked about the floor, is it a warranty item?

Traxler stated that it depends on the system.

Councilor Burger-Kimber asked if it is common for the floor to shake?

Traxler stated that it is common in the industry anymore, it has to do with the quality of the lumber.

Sheirbon stated that we may not like it but our job is to inspect certain things, no more, no less, as long as it meets the code we have there is nothing we can do.

Councilor Kight asked if the warping of the roofs is a code violation?

Traxler stated that it is not a code violation, it is unsitely, but it meets the requirements of the code.

Council discussed the responsibility of the roofing mfg. warranty in relation to the code.

Councilor Lloyd asked about the light fixture, everyone agree that it is a code violation, do we still issue a certificate of occupancy?

Ashly stated that when a code violation is found in the final inspection the degree of seriousness is judged. We can approve it with condition of correction. There were a couple in that particular house, the others were corrected.

Councilor Lloyd stated that you rely on the integrity of the inspector.

Ashly stated that is correct, in some areas they don't even make a final inspection, we do here, I feel they are very important.

Councilor Lloyd asked what is the distinction of the seriousness of the violation?

Ashly stated on the serious end would be an open conductor that is energized, at the other side would be like this particular instance.

Mayor Thalhofer asked how many inspections are done in Troutdale per year?

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Traxler stated about 12,000. per year.

Mayor Thalhofer asked how many complaints have we had.

Faith stated very very few.

Schmunk asked if that is just in Troutdale?

Faith stated that is also in Fairview and Would village, all of the area we inspect.

Councilor Burger-Kimber asked how through are the inspections that the lending institutes make.

Sheirbon stated that they exceed our requirements, they also look at the estethics.

Councilor Burger-Kimber asked if these were your own homes what would you do?

Traxler stated that he would go to the state builders board.

Mayor Thalhofer asked if anyone from Grant Homes would like to address questions to staff.

Dennis Lynch, Grant Homes Representative, thanked Faith and his staff for working with them to resolve this matter. Stated that the building inspectors said that if these roofs do not meet code than most of the roofs in the state do not meet code, is that still there feeling?

Traxler stated that he went back out there and re-inspected and the statement is probably correct.

Lynch asked if it is true that when you protrude through the sheeting you have a tendency to blow out part of it and lose more of the holding power of the staple?

Traxler stated that is an accurate statement.

Councilor Burger-Kimber stated that it sounds like the code is behind on this issue, it sounds like with this type of material it would be better not to go through it with the staple.

Sheirbon stated that is correct and based on this issue we may be making recommendations to the state.

Mayor Thalhofer called for a recess at 8:40 and reconvened the meeting at 8:52.

Jim & Kim Lucas, 1200 SE Althaus, stated that they have been given several promises by Grant Homes that were not followed up on. They say 48 hrs. it takes two weeks minimum. There have been several liens put on our home. The houses that we originally looked at were

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much better quality than the house we bought. We just want our house fixed, do not revoke their license so that they can not fix the houses, stop them from working on new houses until everything is fixed.

Councilor Kight asked if their license is revoked can they make the repairs?

Sercombe stated that they could not.

Brenda Stepan, 1207 SE Althaus Dr., stated I don't feel that revoking the license is the right thing to do, maybe a special bond, we need some way to guarantee the repairs will be done. Scott Stepan, stated that S&B was recommended by Jim Jennings. Mr. Bean was unable to attend to night to support his report, but he did say he will back everything in his report.

Mayor Thalhofer asked if Mr. Bean could attend another meeting?

Scott Stepan stated that could be possible. We have several problems with our house now. Water heater strap, roofing problems, the roofing mfg. association disagrees with what your inspectors say about if you staple through the sheeting that you lose holding power. The house across the street from us, which is built by another contractor, you can see every staple protruding through the sheeting.

Councilor Burger-Kimber stated that what she heard earlier there was an acknowledgement that the roofs were not to code, but it is an issue between the installer and the home owner.

Scott Stepan stated that they also made the statement that there was only one item that was not to code, and that is not correct.

Councilor Burger-Kimber stated that it is items that they inspect, they do not inspect roofs.

Scott Stepan stated, this winter when my roof blows off I don't feel very comfortable knowing that I have to call Grant Homes. They have not cooperated with us at all so far why would it be any different then. When they came to my house for the meeting they said they would respond to everything on our list within 48hrs. and nothing has happened.

Councilor Kight stated that we should be looking into a completion bond rather than revoking the license.

Councilor Ripma asked if they have any concerns in regards to charge #2?

Brenda Stepan, stated that we purchased a molding package, when we moved in the doors and frames did not match. We were told at the time that they would give us our money back if we did not like it. They did try to get us the right wood but they switched suppliers and it could not be matched unless we moved to a motel and they stripped all of the molding out of the house, and we were not going to do that.

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Scott Stepan stated, In the model homes they presented a molding package. When we complained during our walk through they said Grant Homes will give your money back before we will do anything about this. After a lot of fighting they finally did change our doors to something that is a better match, but it is still not satisfactory. They said to get an exact match they would have to send us to a motel for two days and tear every thing out, they would have to repaint, caulk, and everything, that just wasn't worth it to us, but that doesn't mean that we are satisfied. We never saw what kind of garage door we would get, and when we finally did it was the cheapest door I have ever seen, we expected something of fair quality. They did most of this project without a valid contractors license. We have had two liens on our house since we moved in, they have been paid since, but we still had to deal with them. They had to replace our vinyl floors so we had to stay at a motel. The next day we went back and they hadn't even started on it, the subs said Grant Homes wouldn't release the materials, we called them and they never called us back. The carpeting was done poorly, all of the seems showed. There was a hole in the floor that they carpeted over, they just stuffed some padding in it, the project manager assured us that it would be fixed.

Councilor Burger-Kimber asked who referred them to S&B?

Stepan sated that Jennings did.

Councilor Lloyd stated that he referred them to Jennings.

Councilor Ripma asked what did the Contractors Board do about them not have a valid license?

Stepan stated that they had complaints from the subs and it had already been turned over to their enforcement division.

Brenda Stepan stated that they have been at the home 76 times in a 3 month period.

Lisa Pohl, 1105 SE Althaus Dr., stated that they do shabby sloppy work and when we call them to complain we always get the run around, they never get back to us. We also have liens and they deny it. When we bought the home they gave us this welcome letter and it advises us to review our homeowners warranty package, we didn't receive a warranty package, I have requested but have received one thing from them. I challenge Mr. Grant to come to my home and let me show him what is wrong with my home, If I owned the business with my name on it I would want to make sure I was selling a quality product.

Tom Pohl stated that they may not have violated a lot of codes but that doesn't mean that they are not doing anything wrong. We are here to get them to do the right thing for the good of all of us. I don't think we should shut them down, so they can fix what is wrong, even though they may not do a lot, lets not let them build any more homes until they fix these, or better yet let's get them out of town when they are done.

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Troutdale City Council Minutes September 27, 1994 Mayor Thalhofer asked what the lenders' inspectors had to say about the homes?

Mary Went 1002 SE Althaus Dr., stated that when it is a conventional loan an inspection is not required, an FHA requires three. Our home wasn't done so FHA said if you give them a 10 year warranty we will approve the loan, so they did.

Lisa Pohl stated that if you go directly to the project manager things can get done but when you have to go through Grant Homes it just doesn't happen.

Tom Pohl stated that is in the case only on small jobs, not on things like the roof.

Councilor Kight asked if they have given any type of time line for fixing the repairs? Lisa Pohl stated that they started to work on our list little by little. I would again like to challenge Mr. Grant to come to my home.

Grant stated that he would be there tomorrow.

Mary Wendt asked if the license was revoked would that void the warranty? We don't want it revoked if that is the case.

Sercombe stated that they would not be able to do the repairs, but not sure what it would do to the warranty.

Councilor Ripma stated that the City Attorney should look into it.

Councilor Burger-Kimber sated that she did not feel that the city should be giving advise to the homeowners.

Councilor Ripma stated that he asked for the advise for the city.

Wendt stated that they have only a few problems and they were taken care of but the problems were such that they required immediate attention. We have not had the types of problems all of these other people have had. We would not want the license revoked if it would stop these people from getting their homes fixed.

Rob Anderson, 1003 SE Althaus, I have a million things wrong with my house but I don't want to get into that. This is idiotic to revoke their license if it is going to stop anyone in the neighborhood from getting their problems fixed no matter what it is.

Sean McGee, President of H&M Roofing, stated I have roof a lot of the homes in this subdivision and all over Troutdale and all over the tri-county area and up in Vancouver. What I use 3/4 inch staple, it is a roofing staple, they come in 3/4, 7/8, and 1 inch, the reason is for recovering, so each time you recover you go to the next staple. Everybody in the business does it the same way because they don't want to blow through. I wouldn't use a

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longer staple on my home and I wouldn't use one on their homes. I have assured every single homeowner that I will warranty each of the roofs that I have done. There have been no problems with any of these roofs.

Mayor Thalhofer asked how do these people get the warranty from the mfg., do you give it to them?

McGee stated that he has never seen one, I think the warranties are on the package.

Mayor Thalhofer asked have any of the roofs you installed gone through a winter?

McGee stated that they have, last Thanks Giving there was 75 mile an hour winds and he did have some problems but even the mfg. only guarantees the material up to 60 miles an hour, it wouldn't matter how long the staples were. I went our the next day and fixed every problem on any of the roofs that I installed. There was somebody on every roof in town fixing it. The main reason it happened is that they did not have a good hot summer to seal them. After that I have hand sealed every roof I have done in Troutdale, but now the mfg. says they won't warranty a roof that is hand sealed because they would stay on in more than a 60 mile an hour wind. I have tried different staples in the wafer board and the longer one blew through, if I would have used the longer ones I would have really heard it from all of the home owners. S&B inspection was on the roof when it was 95 degrees, he was tearing it up, I don't know why he was up there you can't see anything from the top.

Councilor Ripma asked why are you no longer working for Grant Homes?

McGee stated that it was a business decision.

Dennis Lynch, Representative of Grant Homes, stated on the 14th they received a letter stating there were 25 building code violations were found to exist in three homes on SE Althaus Dr., it stated that the violations were found by S&B Inspections. We immediately contacted the city to meet with Faith and the inspectors on the 20th, we also contacted the homeowners by phone and by letter. On the evening of the 16th we received a letter from the city attorney giving notice of this hearing and the councils intent to revoke Grant Homes' Business License. On the 19th I contacted the attorney to request additional time to investigate these allegations, the request was denied. On the 20th we met with city staff at the residence of Mr. & Mrs. Bunch, the home was covered with no less than 85 lemons the size of your average beach ball, proclaiming dissatisfaction with Grant Homes and our construction techniques, the Bunches denied us access to their home. We were told to return the next day when a rep. from the state would be there. We were surprised that no one from the city was present the next day, we learned that Mrs. Bunch had phoned them and told them they were not welcome. After inspecting the homes we found the one minor violation as the staff report now correctly states. The contractor has tried several times to access the home to fix the one violation but has not been able arrange access to the home. When we met with the mediator from the Contractors Board we were told that the Bunches' list had

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grown to 81 items, after reinspection the mediator asked Grant Homes to repair 5 minor cosmetic items, we agreed to do this. We do admit to the violations regarding the materials, vehicles and sign that were in the public right-of-way, as soon as we were given notice of the violations we took action to correct the violations immediately and we regret that these violations occurred and in the future will do everything possible to assure that this does not happen again. The remaining charge alleges that Grant Homes committed various unlawful trade practices in connection with the sale of real estate, this charge in false and unfactual and in our opinion this particular forum does not have the power to adjudicate the validity of these charges. We will honor all warranties given at the time of sale and we will make every effort to accommodate the homeowners. We have been the subject of newspaper articles that imply that we have built homes in flagrant disregard of the cities codes, this is not true. There is insufficient evidence that the license be revoked and we request that these proceeding conclude.

Mayor Thalhofer asked about the allegations of the poor treatment by Grant Homes to the homeowners?

Lynch stated that this is the first time he has heard these allegations, but when you have been to a home 76 times your patience could wear thin, but in no means is this the way Grant Homes should act nor is it the way the homeowners should act. We are certainly willing to resolve this.

Councilor Kight asked, have you come to an agreement with these people as to what you will do as far as deficiencies in the homes?

Lynch stated, we have been in full retreat since Mr. Bean has been inspecting the homes. This hearing has consumed most of our time for the better part of the last two weeks. We are trying to find out if the problems are here and who is responsible. There is going to come a time when we have to say enough is enough. We are definitely not happy with these proceedings and having these issues addressed in this forum.

Allen Grant, Owner, Grant Homes, I have been in business for over 25 years and am very proud of my business and what I have heard here tonight has made me sick. This has gotten out of control, I am very perplexed as to how there could be two public hearings with out our company being notified, I just learned tonight that there was a meeting on the 9th and the 13th.

Mayor Thalhofer stated that the homeowners came to the meetings and brought up the problems, we did not initiate the topic. We did notify Grant Homes of the last meeting, we asked Mr. Pettigrew to have someone at the last meeting when we learned that the homeowners were going to be in attendance. Pettigrew said that there was no one available.

Grant stated that this is very serious, we have made some mistakes in this thing. We will make it right, I personally will walk through those houses. But this is the wrong forum, you

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people are gluttons for punishment. You could pay anyone to come up here and say what ever you want them to say and then you people have to figure out who is right. That is what the Contractors Board is for. Our policy is to exceed the buyers expectations and we have not done that in this case, but I am here to tell you that we will, but you are not in the position to handle this. I guarantee that if we drove around tomorrow you would find the exact same circumstances in every other project in town, dirt in the road, signs that don't have permits. We can't make sure that every contractor we hire is going to do everything by the rules no matter how hard we try. I recommend that this council put this thing on hold and let us go to work. I am sure that you have had complaints about your employees and we have had some employees out there that have caused us a lot of grief, but I am here to tell you that we are going to try to make things right, we will make things right.

Mayor Thalhofer asked if this is put on hold will Grant Homes fix the problems that these people have?

Grant stated yes.

Lynch stated that we are not going to fix things that we should not have to.

Grant stated it depends on what it is, like the roofs, we are convinced that the roofs meet all standards.

Mayor Thalhofer asked are you going to fix the things that are wrong with the houses?

Grant stated yes.

Mayor Thalhofer asked what are you going to do to convince these people?

Grant stated the only thing we can do now is to produce, there has been to much rhetoric at this point.

Mayor Thalhofer stated that most of the homeowners don't want the license revoked, but they do want the problems fixed.

Lynch stated, if they are problems, most of the alleged violations in the S&B report are not actually violations and are incapable of being fixed. The attic opening for instance, it is as wide as it can be given the fact that the home is constructed with trusses on two foot centers. So you have asked him to commit to making changes on item on things that he really has not had an opportunity to see. Cindy Bunch had 81 items, we say those for the first time at the Contractors Board meeting, and to tell you that we will fix those list would be foolish. I will tell you if we have a responsibility to fix the items and they are under our warranty they will be fixed.

Grant stated, we will go above and beyond what we have to fix. we will look at that list of

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\$1 items and even though the Contractors Board said we only had to fix five I can guarantee we will fix some of the other things.

Councilor Burger-Kimber stated, I would like to clarify what I see my role in this, under normal circumstances I would think that if a citizen was having a complaint, when they first came to us it was a non-agenda item and we did not have an opportunity to prepare but we listened to a lot of people that we very frustrated and angry. I am not in a position to make judgements on building code violations or even how to hammer a nail let alone what size staples should be used. I saw that the council was being put in a mediation set, and our goal through this hole thing was to allow people to vent, to say what was on their mind in a public forum where it could be on the record, and bring everybody to the table and I think we have done that. There are a lot of emotions involved. What I want to see happen at this point in time is resolution of this issue and the only way I see to do that, short of going to the Contractors Board, is to set a time line for you folks to sit down with a mediator and setting up a date to review the letters of requests from the home owners, then you could set up a date for resolution of this. This could drag on for ever and if we had a reasonable time line that everyone was comfortable with then we could all just kind of get past all of this.

Grant stated, if we could just get the lists and agree to things I think what you would have left would be very small.

Councilor Ripma voiced concerns regarding comments by Lynch that the council doesn't have the power to adjudicate this matter.

Lynch stated that the more appropriate forum would be the judicial forum where the rules of evidence would apply and a decision would be rendered by a judge. What we have here is a he said she said type of argument.

Sercombe stated that the council does have the legal power to decide the issue of revocation of the license.

Grant stated, this is the wrong forum and I am convinced that there is no justification for revocation of the license. What I started to say a few minutes ago is that you get some complaints about something and all of the sudden you have to become judge and jury. If we were taken to court and proven to be wrong than that would be a different story, but you are setting yourselves up as judge and jury to determine if we are building our homes exactly like the models than you have to get into all of the legal documents, you have to look at all of our literature, all of our advertising, and all of the other things, you would open yourselves up to a lot of exposure. Never in my life have I even heard of a thing like this.

Lynch stated that if you revoke the license and later it is determined by a court of law that there were no unlawful trade practices committed, I suggest you think long and hard on what you jurisdiction in this matter is.

Councilor Burger-Kimber asked, do you have someone in mind that you would be interested

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in providing mediation?

Mayor Thalhofer stated that he is going to rule that question out of order because we are trying to get through the hearing process. We can bring that up after we close the hearing.

Kim Lucas stated that Grant Homes employees we at the very first meeting and new what our complaints were in the beginning of August, how can you say you didn't know about it?

Grant stated he was informed of the meeting, but at the time the report I got said that things were under control. We have operations in 4 states and I can't be involved in everything. In this situation now I am committed to seeing it through.

Lucas said that it didn't seem to be an issue until it was in the papers and your license was going to be revoked, then all of the sudden things start to happen, trailers get moved, dirt gets cleaned up. Why did it take so long for you to get involved?

Grant stated that he was not aware of the seriousness of the problems, some of these things could have been worked out in other ways, we can not control where our contractors park their vehicles all of the time. The police did issue citations.

Allen West, Grant Homes, stated that he did attend the previous meeting and would have addressed some of the concerns at that time but the meeting seemed out of hand and felt that any comments by him would not have made a bit of difference to the council. Subsequent to that meeting I discussed this with Gary Pettigrew and based on the conversation with the mayor I decided not to attend the last meeting. I thought that we agreed that the wisest course of action was to go to the Contractors Board, we discussed that at length, I thought we had a firm understanding of the best course of action. This is not the right forum, we are sitting here playing to the cameras and that is what is going on. I have been in this business my entire life and I have never seen something like this.

Mayor Thalhofer stated, we did talk about having the Contractors Board come in and mediate the situation, but they don't do it that way so that is why we went ahead with this.

Grant stated that he would like to get together with the homeowners and see what could be worked out.

Mayor Thalhofer suggested continuing the hearing until the next council meeting.

Councilor Burger-Kimber stated, I object to continuance, this is an issue for mediation and we could have someone meet with both parties and have them come back at the next meeting with a proposal for a time line and procedure for processing this. I don't see the purpose of dragging the hearing on. I think we should make a recommendation for mediation.

Mayor Thalhofer stated that is not relevant at this point in the hearing.

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Councilor Ripma stated, this is a hearing a hearing to determine if we are going to revoke their license or not. There is obviously some evidence of a willingness to mediate but that is a side issue to what we need to do tonight. My thought is that we can continue this to two meetings from tonight and in that time I hope things can get better.

Grant stated that would be agreeable to him.

MOTION: Councilor Ripma moved to continue the hearing to the meeting of October 25th. Councilor Kight seconded the motion.

YEAS: 5 NAYS: 0 ABSTAINED: 0

Sercombe stated that the hearing would pick-up at the point where we left off, and warned the council of exparte contact.

Mayor Thalhofer reconvened the city council meeting at 12:10 P.M.

The council discussed additional funding for imagination station and decided to have the matter on the next agenda.

Council discussed the remaining items on the agenda and determined that they would be carried over to the next agenda.

Mayor Thalhofer stated that the Lucas and Pohl families had inspections done by S&B and were under the immpretion that the city would reimburse them the \$300.00 fee. I Recommend that we do that but make this the last reimbursement

Councilor Burger-Kimber felt that would not be appropriate to use tax payer money to reimburse these people when they could probably recover it from the builder, they should attempt to get it out of Grant Homes first.

MOTION: Councilor Lloyd moved to reimburse the inspection fees to the Lucas and Pohl Families and that this would be the last reimbursements made. Councilor Schmunk seconded the motion.

Council discussed the motion.

YEAS: 5 NAYS: 0 ABSTAINED: 0

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Council discussed sending a letter to homeowners stating that no more reimbursements would be made and who it would be sent to.

The council decided no letter would be sent out.

10. ADIOURNMENT:

MOTION: Councilor Kight moved to adjourn. Councilor Schmunk seconded the motion.

YEAS: 5 NAYS: 0 ABSTAINED: 0

Mayor Thalhofer adjourned the meeting at 12:20 P.M.

Paul Thalhofer, Mayor

ATTEST:

George Martinez, City Recorder

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PUBLIC ATTENDANCE RECORD MEETING DATE <u>9/27/94</u> TYPE <u>Regular Council</u>

PLEASE COMPLETE THE FOLLOWING

| | PRINT NAME | ADDRESS | PHONE# |
|---|-------------------------|-------------------------|-----------|
| | Jim Galloway | City Hall | 665-5175 |
| | TOM POLL | 1105 ALTHAUS DR. | 665-1927 |
| | Snere Ando | 1104 SC ALTLANS Dr | 492-1074 |
| | Scott & Prends Steps | 1207 SE Althous Dr. | 665-9329 |
| - | Jimekim | 1200, GE Althous Dr | 665-4945 |
| | Wendt | 1002 SE Altiques Dr. | 666- |
| r | Robanderson | 1003 SE Althous Dr. | 6666-6573 |
| | Ed Ashley | 2042 SE Reaven CKLD | 667.4692 |
| | DAVID TRAXLER | CITY HALL | 665-5175 |
| | -Tom Shrivbon | Cry Nau | 665-5175 |

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| Can Hatch | 3513 NE 5272 5+ Variation, VA 99661 | (206) 695-0232 |
| mirenda Goldiky | Carton and an and | THE LASS SHIP |
| Useridy Tibbetts | BERNELAD CHERE | 2507-7022 |
| Dennis Lynch Grant Homes | 3601 SE COLUMBIC WA | 836434767 |
| ALLEN WEST | 14706 NE 16THST. VANCONVER, WA | 201 260-3635 |
| Shawu MeGhee | Mallabaro DE 97123 | 570 E 697-5789 |
| GARY PETTICALU | 3601 SE COLUMBIA NY | - |
| Ma TROUNDERMARK | 337 CHERGY FREN | 665-5773 |
| Brad Pursinger | . 4203 27 Face-27 | 667-3971 |
| Puñs 64 | BIT DE JOH KUDS | 6:1-1-175 |

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| Anna Cham berl | - 404 M, E 199 Portland OR, 97230 | 667- 9264 |
| Valendina Salana | 9911 SE TACGERT Electrons or 97245 | 762-07-21 |
| jonalia Lupas | PERSENTE ENSOR | 02 3 - 94 97 , |
| giugea muntean | Brtland On and | 6613637 |
| Maria Pop | Portiund CROTESO | 257-1 |
| P.D. Townson | کت ماری می کند ایج می اسی می کندسی در ایس ایر ایر می ایر می ایر می کندسی ایر می کندسی ایر می کندسی ایر می کند می در می کند ایر می کند | |
| R.C. PARKEN | SET SE YERD DR Talle DR | 667.5964 |
| Northan Nordstrom | 116 SE, 8th #8 tolle On | 46-65/5 |
| Assica L. Martin | HULE CA 1242 DE HELE AVE HELE HAM OR GAUES | 665-7366 |
| Cally Laborat | 1242 NE 1924 ²⁰ Setteman 21 571,320 | Constant La Cal |

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|-----------------------|----------------------------------------------------|---------------------|
| Michele Librosia | RED OR REPORT | 1010 ST- 15-1210 |
| KHEL | MASSING THE DE CHESTOWN OR OTOBO | 0203 |
| ED LOPES | 2232 LARSSON | |
| Shelly Voundrand f | Troutdale, Dr. 97000 | 666-5926 |
| Kevin kirchem | Tranifale, Or. 97060 | 667-4147 |
| JASONJones | 263 S.E. 15472 Solflard Or 97233 | |
| Greg E McIntise | 4201 SE TOPAZCT Troutdale OR 97060 | 667-9575 |
| GENA WILLIAMS | 40 Box 191 648 E Colimbia Ros Lucy Shart And | 797-2990 |
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