



City of Oregon City

625 Center Street
Oregon City, OR 97045
503-657-0891

Meeting Minutes City Commission

Doug Neeley, Mayor
Betty Mumm, Commission President
Kathy Roth, Carol Pauli, Rocky Smith, Jr.

Wednesday, June 4, 2014

7:00 PM

Commission Chambers

1. Convene Regular Meeting and take Roll Call

Mayor Neeley called the meeting to order at 7:00 PM.

Present: 5 - Mayor Doug Neeley, Commissioner Rocky Smith, Commissioner Betty Mumm, Commissioner Carol Pauli and Commissioner Kathy Roth

Staffers: 11 - City Manager David Frasher, City Attorney Ed Sullivan, Police Chief and Public Safety Director James Band, Public Works Director John Lewis, Community Development Director Tony Konkol, Community Services Director Scott Archer, City Recorder Nancy Ide, Human Resources Director Jim Loeffler, Finance Director Wyatt Parno, Library Director Maureen Cole and Economic Development Manager Eric Underwood

2. Flag Salute

3. Ceremonies, Proclamations, Presentations

- 3a. 14-329** Presentation from the National Parks Service - Tracy Fortmann, Superintendent of Fort Vancouver National Historic Site

Tracy Fortmann, Superintendent of Fort Vancouver National Historic Site, and Heidi Pierson, Park Ranger and Museum Specialist for the McLoughlin House, shared information with the Commission about the history of the McLoughlin House and Barclay House, partners and consulting tribes, and projects completed since 2004. Approximately \$795,000 had been expended to date on the McLoughlin House excluding the original purchase and ongoing staffing. They described the planned actions for 2014-2018 which would be over a million dollars in projects. They were committed to the McLoughlin site. Ms. Fortmann read a letter of thanks to Mayor Neeley and the Commission. She suggested coming back annually to report to the Commission.

There was discussion regarding the options for getting more funds for operating the heritage houses.

Richard Matthews, new president of the McLoughlin Memorial Association, said they were working hard to bridge the McLoughlin Memorial Association and National Parks Association to find grants, fund raisers, and donations to continue to repair the McLoughlin House. He encouraged everyone to support the house through donations and coming to visit the site.

- 3b. 14-326** Transportation Advisory Committee Annual Report for 2013

Steve Johnson, Transportation Advisory Committee Chair, presented the annual report. He listed the accomplishments of the Committee for the year.

There was discussion regarding the need for safety improvements on Washington and 12th Streets.

John Lewis, Public Works Director, acknowledged the work the Committee had done especially in being a sounding board for citizens with transportation issues. He agreed Washington and 12th was a priority.

3c. 14-281

Second Annual Tree City USA Award for the City of Oregon City

Tony Konkol, Community Development Director, said the City was awarded a second annual Tree City USA Award for 2013 as well as the Growth Award for the improvements made from the first and second awards. He described the tree plantings, prunings, and removals that had taken place in 2013 and how \$341,000 for trees had been spent by both public and private investment. He explained some projects and education that had been done regarding street trees, sidewalks, and planter strips. He presented the Growth Award to Mayor Neeley.

4. Citizen Comments

Dan White from Boy Scout Troop 189 said members of the troop were in attendance for their Citizenship in the Community merit badge.

Tom Geil, resident of Oregon City, invited the Commission to the Grand Floral Parade this Saturday. He would be announcing for the parade and often added Oregon City trivia into his comments. He announced he would soon be a business owner on Main Street.

Ken Baysinger, resident of Oregon City, thanked the Mayor and Commissioners for their service.

Damon Mabee, resident of Oregon City, gave a report on the Tri-City Service District Budget Committee on which he served. The sewer bills would be increasing to fund construction projects and Oregon City would be handled differently from all the others due to the Right of Way Ordinance. He did not think the County Commissioners listened to the citizens during this process. He also did not think it was right that citizens had to pay extra due to the City's Right of Way Ordinance. He disagreed with charging the fee to essential services as citizens did not have the option to opt out and the services had no way to opt out of serving the City. There needed to be a bond passed for parks maintenance.

Mayor Neeley said staff would look into the Right of Way Ordinance equity issue.

5. Adoption of the Agenda

The agenda was adopted as presented.

6. Public Hearings

6a. 14-325

Resolution No. 14-13, Adopting Findings in Support of Alternative Contracting Method for the Renovation and Expansion of the Oregon City

Library Project at the Historic Carnegie Library

Maureen Cole, Library Director, introduced Charles Bahlman, Project Manager. She explained the alternative construction method the City was using through a Construction Manager/General Contractor. This public hearing was part of that process where findings for the reasons to use this process were presented. The complexity of the project and lower costs were the main reasons.

Mr. Bahlman said every major subcontract for this project would be bid. The General Contractor would be hired to assist during the design and would do the cost assessment for the project. If the design came back above budget, the General Contractor would look for ways to reduce costs. The General Contractor would be paid for the cost of the work plus a fee with a guaranteed maximum price contract. Also in the contract was a provision for savings if the project did not hit the maximum price, the extra would be split between the City and General Contractor. The greatest benefit to this method was when construction started there would be a project within budget.

Commissioner Mumm wanted to make sure the money was spent wisely and not on unnecessary and fancy items.

Mayor Neeley opened the public hearing. There was no public testimony.

Mayor Neeley closed the public hearing.

A motion was made by Commissioner Mumm, seconded by Commissioner Smith, to approve Resolution No. 14-13, adopting findings in support of alternative contracting method for the renovation and expansion of the Oregon City Library Project at the Historic Carnegie Library. The motion carried by the following vote:

Aye: 5 - Mayor Doug Neeley, Commissioner Rocky Smith, Commissioner Betty Mumm, Commissioner Carol Pauli and Commissioner Kathy Roth

6b. PC 14-047

Continuance of Proposed Zone Change from R-10 Single-Family Dwelling District to R-8 Single-Family Dwelling District and a 29-Lot Subdivision located between Ames Street and Holcomb Boulevard (Planning Files ZC 14-01 and TP 14-01)

Ed Sullivan, City Attorney, said the public hearing was recommended to be continued. He read the public hearing format and asked if the Commission had any ex parte contacts to declare. There was none.

Mayor Neeley opened the public hearing.

Debbie Fuller, resident of Oregon City and Land Use Chair of the Park Place Neighborhood Association, stated the majority of the neighborhood was opposed to the zone change. The applicant initially proposed changing the zone from R-10 to R-6 and after attending a Neighborhood Association meeting where that was opposed, it was changed to a portion of R-10 and a portion of R-8. The majority of the houses had large lots and if it was changed to R-8 they would eventually want to change to R-6. It was on the outskirts of the City and had a country feel. She submitted a three and a half page petition of those who wanted to retain the R-10. She reviewed the new layout the applicant proposed. There were 27 lots and in all but one of them the calculations were incorrect in the actual size of the lot.

Shirley Patton, resident of Oregon City, had severe property erosion and flooding from a retention pond that drained into the ditch that ran along her property line. A

subdivision had been put in behind her and the water issues got so bad that they had to dig a ditch across her pasture so her basement didn't flood. Her concern was more houses being built in the area and having more drainage into the retention pond. The ditch already ran full during the rainy season and they wanted to put in another subdivision three times the size of the other subdivision and drain it into the ditch.

Mr. Sullivan clarified the Planning Commission record was still open, and this testimony could be given there and added to the record.

Bob La Salle, resident of Oregon City and Chair of the Park Place Neighborhood Association, asked that the Commission watch the video of the Planning Commission meeting of May 12 which included testimony of the neighbors and his comments. He was not anti-development. The first maps the applicant submitted did not include retaining the Barlow Trail, but the Planning Commission had alerted the applicant to that fact and those plans had been revised.

Michael Shaw, resident of Oregon City, wanted to retain the R-10 zoning so there would be fewer houses and less traffic. This was a narrow street that already had a lot of traffic and there was a blind corner that was unsafe. He thought the Barlow Trail should be marked so it was not lost.

Steven Brower, resident of Oregon City, said his backyard would become this development. He asked what power the Commission had to block or change this development.

Mayor Neeley said the Commission could deny the application, but that decision could be appealed.

Mr. Brower was for the R-10 development, not R-8. He spent a lot of time looking for his home and just closed on his house in January. He did not want to live on a small parcel and thought he had moved to a neighborhood that was R-10. Changing it to R-8 would destroy the neighborhood he had specifically looked for. He thought the development should be blocked due to the lack of safety of getting in and out of the property, the water issues, and getting on to Ames off of Swan. This development would not add to the neighborhood, but would exacerbate the problems already existing.

Mr. Konkol said the applicant had discussed making improvements to Ames. The proposed connections between Ames and the drive to Holcomb School were in the TSP but did not warrant changing the blind spot on Holcomb. The transportation analysis and water retention issues would be discussed further by the Planning Commission.

A motion was made by Commissioner Mumm, seconded by Commissioner Pauli, to continue the proposed Zone Change from R-10 Single-Family Dwelling District to R-8 Single-Family Dwelling District and a 29-lot subdivision located between Ames Street and Holcomb Boulevard (Planning Files ZC 14-01 and TP 14-01) to June 18, 2014 and refer the testimony the City Commission received to the Planning Commission. The motion carried by the following vote:

Aye: 5 - Mayor Doug Neeley, Commissioner Rocky Smith, Commissioner Betty Mumm, Commissioner Carol Pauli and Commissioner Kathy Roth

6c. 14-332

Continuance of an Appeal of the Public Works Director's Decision to Deny a Request for a System Development Charge Reduction for the Redevelopment of 512/514 7th Street

Mr. Lewis asked that this hearing be continued and to allow more public comment that night. At the last meeting the Commission discussed payment options for the applicant. State law set 9% as the minimum interest rate for Bancrofting, but he found out the City could reduce that rate.

David Frasher, City Manager, stated the solution the City was working on extended the period of the loan and made it equitable for the City and the applicant and all future applicants. The details had not been worked out yet, which was the reason for the request to continue. It would be discussed at the next Commission Work Session and depending on the feedback from the Commission, an ordinance would be ready for adoption at the next Commission meeting that would be applicable to this development.

Mayor Neeley opened the public hearing.

Todd Iselin, representing the applicant, appreciated the fact staff was looking into a solution. He had looked into what other cities in the region did. Most did not have an expiration for when redevelopment could take place on a site and two said they would go with the most intense prior use that could be proven on the site's history. He also discussed the SDC estimates. He thought the City was headed in the right direction to encourage development.

Mr. Lewis said the applicant still needed to provide prior use evidence to the City.

A motion was made by Commissioner Pauli, seconded by Commissioner Mumm, to continue an appeal of the Public Works Director's decision to deny a request for a System Development Charge reduction for the redevelopment of 512/514 7th Street to June 18, 2014. The motion carried by the following vote:

Aye: 5 - Mayor Doug Neeley, Commissioner Rocky Smith, Commissioner Betty Mumm, Commissioner Carol Pauli and Commissioner Kathy Roth

7. General Business

7a. 14-309

Amendment to Intergovernmental Agreement to Extend the Term of the \$1,934,821 City Hall Remodel Loan for an Additional Five Years

Wyatt Parno, Finance Director, said the amendment to the Intergovernmental Agreement the City entered into with the Urban Renewal Commission would extend the terms of the loan the City made to the Urban Renewal Commission for an additional five-year period. He gave a background on the funds which were loaned to remodel the City Hall building. Annual payments would be one-fifth of the amount over the next five years with a total payoff at the end of the five years. Staff recommended approval.

A motion was made by Commissioner Pauli, seconded by Commissioner Mumm, to approve the amendment to the Intergovernmental Agreement to extend the term of the \$1,934,821 City Hall Remodel Loan for an additional five years. The motion carried by the following vote:

Aye: 5 - Mayor Doug Neeley, Commissioner Rocky Smith, Commissioner Betty Mumm, Commissioner Carol Pauli and Commissioner Kathy Roth

8. Consent Agenda

A motion was made by Commissioner Roth, seconded by Commissioner Mumm, to approve the consent agenda. The motion carried by the following

vote:

Aye: 5 - Mayor Doug Neeley, Commissioner Rocky Smith, Commissioner Betty Mumm, Commissioner Carol Pauli and Commissioner Kathy Roth

- 8a. 14-252** OLCC: Liquor License Application - Full On-Premises Sales for a Commercial Establishment; Applying as a Corporation, TBYS Corporation, Coney Island, 1413 Washington St., Oregon City, OR 97045
- 8b. 14-316** Amendment No. 1 to Mackenzie Personal Service Agreement for Needs Assessment for Consulting Services Regarding the Mt. Pleasant Property
- 8c. 14-331** Minutes of the May 7, 2014 Regular Meeting
- 8d. 14-333** Jughandle Natural Resource Overlay District (NROD) Site Landscape Maintenance
- 8e. 14-334** Minutes of the April 24, 2014 Special Meeting

9. Communications**a. City Manager**

Mr. Frasher said regarding the rate differential that Tri-City/Clackamas County wanted to impose on the City, the City Attorney researched it and they would have to show in their methodology that it was not a district wide benefit. He thought it did benefit the entire district, and it appeared they did this without a methodology. The City Attorney was working on a letter to send to the County demanding the methodology to meet the legal requirements for the special rates imposed. If the methodology was not there, the increase was subject to challenge. There had been publicity about mismanagement of funds and the losses appeared to be transferred onto the districts rather than to the County. Many of the right of way users were not public entities. The Right of Way Ordinance had leveled the playing field and saved a lot of staff time and attorney fees to administer it in this way as opposed to the franchise negotiations that they used to do. He announced within two weeks the crosswalk on Singer Hill would be lighted and functional.

Mr. Lewis gave an update on how the City handled development on geologic hazard areas. More recent work had been done on the Lidar data and the City was using that data and would adopt it once the State adopted it. The City had reassessed the implementation of the Geologic Hazards Code and internal policies had been created to deal with smaller properties that were lots of record. One of the requirements would be hiring a geologist and/or geotech.

Commissioner Roth was concerned about the differences between the Lidar and Slidar data. She would talk with Mr. Lewis about it further.

Mr. Frasher announced Concerts in the Park would start on July 10.

b. Mayor

Mayor Neeley reported that he and the City Manager met with Senator Olson to discuss funding for the Willamette Falls Legacy Project. Mr. Frasher said he had

talked with Representative Brent Barton who was also interested in the project. He thought there would be bi-partisan support.

Mayor Neeley had passed out certificates to the High School Construction Class for their work over the past year. He had invited Mr. Tucker who ran the class to speak to the Commission about the program. He also met with Representative Kennemer regarding the Willamette Falls Legacy Project and to discuss concern regarding the next Congressional session where political entities might want to alter the City's Right of Way Ordinance.

c. Commission

Commissioner Pauli discussed the meeting with Representative Kennemer who was in support of the Willamette Falls Legacy Project and how they had explained the reasons for the Right of Way Ordinance. Representative Kennemer suggested the League of Oregon Cities and Association of Oregon Counties discuss the issue together.

Commissioner Roth asked about alternatives for quieting the train whistles in town. Mayor Neeley said the Urban Renewal Commission was looking into ways to make downtown a quiet zone. Mr. Frasher said they were waiting for a viable development for vertical housing before spending the money.

Commissioner Roth would be going to Tateshina, Japan, Oregon City's Sister City in Japan, to represent the City.

Commissioner Mumm would be going to Boston for a conference for South Fork Water Board. The Mayor would be attending the C4 meetings in her place.

Commissioner Smith attended the High School graduation. School would be out for everyone next week.

10. Adjournment

Mayor Neeley adjourned the meeting at 9:26 PM.

Respectfully submitted,



Nancy Ide, City Recorder