

**MEETING OF THE
WOOD VILLAGE CITY COUNCIL
July 30, 2015
MINUTES**

PRESENT: Mayor Patricia Smith, Council President Tim Clark, Councilors Scott Harden, and Bruce Nissen, City Attorney Jeff Condit, City Manager Bill Peterson, Finance Director Peggy Minter, Public Works Director Mark Gunter, and interested parties.

ABSENT: Councilor Jimmy Frank.

MAYOR SMITH CALLED THE MEETING TO ORDER AT 6:00 PM.

CITIZEN COMMENTS

There were none.

PRESENTATION: 12TH CONSECUTIVE COMPREHENSIVE ANNUAL FINANCIAL REPORT AWARD

Peterson presented the award, and stated that this is the twelfth consecutive award to the City for financial reporting. Peterson explained that this is the highest level of award for the completion and reporting of the financial statements. It shows not only the Council, but the residents as well that the financial information of the community is sound and accurate. This award is decided by a panel of financial reviewers who look over the City's audit, and is a major recognition for the finance team and City.

Smith provided the formal certificate to Minter, and the Council thanked Minter and the finance team for all their work.

RESOLUTION 25-2015 WASTE WATER MASTERPLAN ADOPTION

Gunter presented the resolution and stated that it is regarding the adoption of the City's Waste Water Masterplan. Gunter stated that the overall project took longer than anticipated, but there is now a version ready for adoption by the Council. Gunter explained that this plan is an update from the last plan which was done in 2003. The plan covers the buildout of the City including the needed capital improvements, and evaluation of the current sewer system.

Gunter stated that updating the plan is part of the Comprehensive Plan requirement, and a review or update should be done about every ten years. Gunter explained that the draft of the plan was presented to the Council in March of this year. There were still a few items that were in discussion with Fairview regarding some shared facilities, but those items have now been resolved. Gunter stated that the plan is acceptable by the state, and is ready for Council adoption. Gunter explained that the Council could request a new plan or additional information, but the staff recommendation is to adopt the plan. Gunter stated that the financial impact of the plan is over \$6,740,000 in projects over the next 20 years.

Harden asked about the 207th lift station, and how Fairview does not recognize that facility and would rather replace the Sandy sewer line altogether. Gunter stated that the current lift station adds capacity, but does not get used much at this point. Based on the modeling used in the Masterplan, the lift station can be used at buildout, but requires surcharging sections of Fairview's sewer system for temporary storage capacity of sewer. Gunter stated that generally that is not an optimal plan, but it does work. Gunter explained that Fairview would rather not use that approach, and would like to replace the Sandy sewer line. Peterson stated that this plan recognizes

the City's lift station as well as the potential future expense of replacing the Sandy sewer line. Those costs will be in the System Development Charges.

Upon motion by Harden, seconded by Nissen and passing 4-0, Resolution 25-2015 adoption the City's Waste Water Masterplan was approved.

RESOLUTION 26-2015: AUTHORIZATION TO LIST CITY HALL SITE FOR SALE, AND CONDUCT AND RFP FOR REAL ESTATE PROFESSIONALS

Peterson presented the resolution and stated that this process has been attempted before. One of the last times was in 2003 and ten alternatives for development were presented. The consulting firm also developed a cost estimate for the replacement of the City Hall building which would be about 7,500 square feet. Peterson stated that a Class A office structure builds for about \$225 a square foot. With site work and other expenses, it would be about \$1.8 million to \$2 million to replace City Hall.

Peterson stated that he had a meeting with the firm Keller Williams yesterday, and commercial land is selling for about \$600,000 an acre, and light manufacturing is selling for about \$240,000 an acre. Peterson stated that Keller Williams stated that they thought it would be a good time to enter into the marketplace, and their estimate for sale is around \$2.2 to \$2.3 million. Peterson explained that their largest concern was where City Hall would relocate in the meantime. Peterson stated that there is vacant office space at the Pressure Safe location that could be leased.

Smith asked about the property value, and if that was because of the location. Peterson stated that is correct, and why the commercial sale rate is at \$600,000 an acre. Peterson stated that half of the site is zoned light manufacturing, but the land value would almost double if the zone were changed to neighborhood commercial. Condit stated that the City can initiate its own zone change because the City would receive the benefit. The normal process still has to occur, but it is possible to do with reasonable findings. Smith asked how soon that can occur. Peterson stated that the RFP should be completed first, as there is time to go through a zone change.

Harden stated that he is concerned about doing the zone change after the land is on the open market. Harden explained that he is concerned that someone may want the land for light manufacturing, and they will challenge the zone change. Harden stated that it could also look self-serving. Peterson stated that the land up take for industrial land is about a 16 – 18 year land supply in the market with low absorption. Smith stated that it would still be good to get the process going.

Peterson stated that the City Hall property is also in the Urban Renewal Zone. The Urban Renewal Plan includes the replacement of the City Hall building. Peterson explained that if there is an investment of \$20-\$25 million in commercial development, and another \$20 million in residential development there would be enough increment financing to pay for all the costs to replace the City Hall building. Peterson stated that the land sale does not necessarily have to clear the replacement of the City Hall building. The real value in the land sale is in the quality of development and increase in property tax revenues. Peterson stated that there is only one square mile, and long term assessed value has to be developed.

Peterson stated that an RFP was let out for appraisal services, and there were two responses. The Council elected to not proceed with that option, and decided to move forward with obtaining a realtor. Peterson stated that is what this RFP would authorize, and there are a few real estate firms that have already expressed interest. Peterson explained that those firms would only have their fees collected after the sale of the property except in the case of having to do specialty analysis of the property. Nissen asked if the cost would be a flat fee or percentage. Peterson stated that it would be a percentage of the sale.

Peterson stated that the alternatives include to not take any action at this time, the RFP could be modified, or the Council can elect to move forward with the RFP process as presented. Peterson stated that there are a number of statutory provisions that have to be met before the property can actually be sold. Some of those items include the

methodology of sale, and a declaration of the sale of the property. Staff recommends going out with the RFP to get a real estate professional onboard, and then moving ahead with the statutory provisions.

Clark asked if the RFP includes the set percentage of their fee, or would that be part of their proposal. Peterson stated that the RFP asks for sets fees that would not be part of the percentage of sale. Peterson explained that he anticipates a fee of around 5%.

Upon motion by Nissen, seconded by Harden and passing 4-0, Resolution 26-2015 to authorize an RFP to secure a real estate firm to list the City Hall property for sale was approved.

Clark asked about the potential issues and constraints of the property, and how that could affect the sale. Peterson stated that some of the real estate firms liked the topography of the site especially if mixed use developments were allowed. Peterson explained that there could also be several interested developers for the site, and there could be a shift from the most money for the site to the best development for the site.

RESOLUTION 27-2015: ODOT EMERGENCY MANAGEMENT AGREEMENT

Gunter presented the resolution, and stated that this is another agreement for emergency services that is not unlike the others that have been presented this year. This agreement is with the Oregon Department of Transportation. Gunter stated that it is basically a mutual aid agreement.

Upon motion by Clark, seconded by Nissen and passing 4-0, Resolution 27-2015 authorizing the City Manager to sign an IGA with ODOT for an emergency management agreement was approved.

RESOLUTION 28-2015: CONTRACT AWARD FOR THE HALSEY STREET SEWER DESIGN AND CONSTRUCTION OVERSIGHT CONTRACT

Gunter presented the resolution and stated that the Halsey Street bursting project is on this year's Annual Performance Plan, and in the Sewer Capital Improvement Plan. Gunter stated that the estimated cost for this project is \$790,000, and it will build capacity and reduce the last major section of I&I. Gunter stated that this section of pipe has a lot of I&I at each pipe joint.

Gunter explained that an RFP was sent out, and the City received five proposals. Gunter stated that there was an evaluation process, and Century West Engineering was selected as being the most qualified for the project. Gunter explained that the contract about is about \$68,000 for their services. Gunter explained that this firm will work closely with the City for the design and contraction of the project.

Clark asked if the \$68,000 included any contingencies. Gunter stated that it is for engineering design services. Peterson stated that change orders are rare for this type of service, but they can occur. Peterson stated that the budget for the entire project is \$595,000 because it is believed to be a bursting project. The design consultant is concerned about what is called controlled fill which is concrete stabilized fill. Peterson stated that the roadway would have to be dug up if that is the case. That would also increase the cost of the project close to the estimated \$790,000 price. Peterson explained that if that is the case, then additional resource will be needed for the project.

Smith asked when that would be known. Peterson stated that the firm will bore some holes to examine the subsurface.

Upon motion by Harden, seconded by Clark and passing 4-0, Resolution 28-2015 authorizing the City Manager to enter into a contract with Century West Engineering for design and construction oversight of the Halsey Street sewer line project was approved.

DISCUSSION: 16TH ANNUAL NITE OUT DEBRIEF

Peterson presented the discussion and stated that the 16th annual Nite Out took place on July 17th. Smith stated that there needs to be more candy for the parade route. Peterson stated that can be accomplished. Peterson stated

that he was unable to attend the event, but heard that it went really well. Peterson explained that the City spent about \$5,300, and there was about \$2,000 worth of cash donations. Peterson stated that there was good financial participation, and Fred Meyer donated all the food and beverages. Waste Management also provided all the waste removal services.

Peterson explained that there were over 2,000 hot dogs, 3,200 beverages, cotton candy, popcorn and ice cream available for free. There was also the pony rides and activities for older kids as well. Peterson stated that there was also a brief write-up in the Outlook that called the area's largest night out event. Clark stated that there were less people watching the parade this year, and asked if more signage could be put up. Harden asked how much it would cost to have an actual parade for the event. Peterson stated that it could be possible to turn it into an actual parade, but it would take additional action. Clark asked research could be done to see what it would take to have a formal parade. Peterson stated that can occur.

Clark stated that the sound system seemed bad this year. It was hard to hear some of the people speaking unless in front of the speakers. Clark stated that there were also issues with the field speakers as well. Clark stated that overall he thought it was a good event. Peterson stated that his largest concern was spending over \$1,000 on sports balls, and they were all gone within 20 minutes. Smith stated that some other method could be utilized to give out a ball. Clark agreed. Harden stated that some of the issue was around the same family would receive a ball for each kid instead of one per family. Smith stated that we may just need more of the giveaway item.

The Council stated that overall it was a great event.

DISCUSSION: CONSIDERATION OF NUISANCE VEGETATION REGULATIONS

Peterson presented the discussion and stated that this item is being brought forward on behalf of a resident who is concerned about overgrown vegetation. Peterson explained that the resident would like additional and more stringent regulations. Peterson stated that the resident made a point that there are not separate and more stringent regulations for areas that have a higher risk of fire. Specifically along major roadways where there can be a lot of discarded cigarettes. Peterson explained that the resident feels that there is a higher level of fire risk in those area, and there should be additional regulations. Peterson stated that it could also lead to better looking thoroughfares in the City.

Peterson stated that the flipside to that claim is that there have been about 38 fires in the last two years, and none of them were a result of that kind of action. Peterson explained that there is a potential fuel and ignition source, so there is the potential for a fire to be started in that matter. Peterson stated that the City has one person who spends about half their time doing code enforcement, and any additional patrols will result in more time being needed for that activity. Peterson explained that while there could be different regulations for higher risk areas, the staff could not make that recommendation. Peterson stated that is mainly because the code enforcement process is usually a battle with property owners.

Harden stated that you could make the argument that the City is doing a good job in monitoring the overgrown vegetation because there have not been any fires caused in that manner. Peterson stated that is the position that staff is taking, but it does not mean that there is not a potential for a fire. Harden asked if there is a way to add a code provision that would allow the City to clean up any hazards and charge the owner of the property. Peterson explained that code provision already exists, but there are five steps staff has to take before getting to that action.

The Council stated that they feel that no additional code provisions are needed.

PUBLIC WORKS DIRECTORS REPORT

Gunter presented the report and stated that the Parks Master Plan is in the final stages of completion, and one final stakeholder meeting will be held before the plan is brought to Council for adoption. Gunter stated that the

Shea lift station is also in the final stages of completion. The remaining work will be done by City staff, and the new pumps are working very well.

Gunter stated that the new basketball court at the park is being used extensively, and new park toys will be added to the playground within the next few years. Gunter stated that there will also be a couple of work crews scheduled to clear out the wooded section near Treehill. New trees will also be planted this coming fall.

Gunter stated that staff has started a new program to develop core values for employees. Every month three employees will go out to breakfast to develop a core values plan that will complement the City's mission and goals.

Gunter stated that the Affordable Truck Repair business has come into full compliance. Gunter explained that it has taken almost four years, but the business is in compliance. Gunter stated that staff is still working on resolving some issues at the former dog track property. Gunter explained that the grand opening of the Fred Meyer fueling station will be at 9am tomorrow morning. Gunter stated that staff is also working on resolving a large list of municipal code violations, and that report is in the packet.

CITY COUNCIL SELECTION OF NEW CHAIRS

Peterson stated that there are funds this year to purchase new chairs for the Council Chambers, and staff has selected four different chairs for the Council to choose from. Peterson stated that he would request that the Council select a replacement chair. The Council selected a new chair for the Council chambers.

FINANCE DIRECTORS REPORT

Minter presented the report and stated that staff is wrapping up the yearend. The budget for the end of the year looks great, and revenues were up 6% from last year. Minter stated that there was a .04% increase in the investment interest rate, but the overall rate is still pretty low. Minter explained that there was a change at Wells Fargo, which was a change in the interest rate values for the City's accounts. Minter stated that the rate went from 1.06% to .71%, which means that more funds will be needed in the City's accounts to cover the account costs. Minter explained that it resulted in an extra \$200,000 in the account to cover expenses.

Minter asked if any members of the Council wanted a hard copy of the new budget. The Council indicated that they were okay with the electronic version. Minter explained that there is about six weeks until the audit, and staff is working to prepare for that as well. Minter asked if there were any additional questions on the financial statements. The Council did not have any additional questions on the financial statements.

CITY MANAGER'S REPORT

Peterson presented the report and stated that APP is in the packet. All of the items are on track or ahead of schedule at this point. Peterson asked if there were any questions. There were none.

CITY COUNCIL REPORTS

Clark stated that there was an EMCTC meeting, and the main focus has been on Urban Growth Management. Metro is indicating that they will be recommending that no changes to the Urban Growth Boundary. Clark stated that the issue has a lot of legal aspects, and that is a good approach at this time. Clark stated that the Regional Transportation Plan for 2018 is also being reviewed.

Clark stated that there is a new budget item at MPAC this year, and it is to have professional speakers at their meetings. The first one was at a meeting in Milwaukie, and it was really good. Clark explained that the presentation was regarding economic development, and looking at lands in the City as what brings the best overall investment. Clark stated that the speaker used the analogy of a farmer and planting the land for the best crops. That is what a city should do. Different land uses should be looked at for property taxes compared to

other uses for the best overall return to the city. Peterson stated that there are other factors to take into account, including buffering zones and other relative uses and costs.

Peterson stated that is what the City will try to accomplish with the Town Center Master Plan update. The City will be able to identify what kind of housing types could be located there, and other amenities and styles. Smith asked when that update will be completed. Peterson stated the City will be deeply involved in the plan by December, and it should be completed by the end of June. Smith asks what would occur if the land sells before June. Peterson stated that the property will probably be sold before the plan is updated, but the property could not be redeveloped until the update is finished. Peterson explained that there probably will be between 400 to 500 multi-family units on that property in some form. There is a difference between affordable housing by design and affordable by accident. Harden stated that there needs to be affordable housing by design.

Smith stated that there is concern about the future of EMEA, and there was recently some financial concerns about the group as well. Smith explained that there is a new executive director, but the future is still up in the air with the decline of membership. Smith stated that the last neighborhood watch meeting did not have a deputy attend, so the meeting was not as successful as it could be.

Clark asked if there has been any updates on the street light project. Gunter stated that the project is between PGE and the contractor now, and we are waiting for a pre-construction meeting to occur. Peterson stated that there will also be another street light request next month.

ADJOURN

With no further business coming before the Council, and upon motion by Harden, seconded by Clark and passing 4-0, the Council adjourned at 7:54pm.

Patricia Smith
Mayor

Date

ATTEST:

Greg Dirks