

**COTTAGE GROVE CITY COUNCIL
WORK SESSION MINUTES
March 15, 2010**

CALL TO ORDER

Mayor Gary Williams called the meeting to order at 6:00 p.m. in the Council Chambers at City Hall.

ROLL CALL

COUNCIL PRESENT: Mayor Gary Williams, City Councilors Jeff Gowing, Thomas Munroe, Heather Murphy, Wayne Clark and Diane Conrad

COUNCIL ABSENT: Mike Fleck (Excused)

STAFF PRESENT: City Manager Richard Meyers, Finance Director Bert McClintock, Public Works Director Jan Wellman, Community Development Director Howard Schesser, City Planner Amanda Ferguson, City Engineer Ron Bradsby, City Attorney Sean Kelly and City Recorder Trudy Borrevik

MEDIA PRESENT: None

Community Development Director Howard Schesser and City Planner Amanda Ferguson presented the information on the City parks to Council. They provided Council with a Memo regarding the house at 1414 East Washington, a copy of the Parks Master Plan - Water to Woods: 2003 Cottage Grove Parks Plan, and a Summary of Growth Costs and Preliminary SDC Rates developed by the consultant in conjunction with staff that listed the different types of parks as identified in the Master Plan with the costs related to it on each park. The consultant had a planning period of forty-two years from 2008 through 2050 which is not fixed and could be longer if it needed to be. The SDC is currently \$238.60 per single family dwelling. In order to do everything the park plan called for, both in acquisition and development, there was over \$10M of growth costs.

City Engineer Ron Bradsby said the consultant originally had a twenty year growth rate which would have been around \$8,000 per single family dwelling so a separate meeting was held to discuss various options of how to reduce the cost.

City Planner Amanda Ferguson said one of the changes that was made to reduce the costs to a reasonable threshold included zeroing out the costs for acquisition of neighborhood park lands. The first version from the consultant included the City purchasing the neighborhood park land and under the current Development Code, master plans and subdivisions were required to

dedicate a certain amount of land towards park development within their own development. The neighborhood parks were going to be purchased and developed by subdivision developers as part of master plans for subdivisions just like Riverwalk and Sunrise Ridge did. The City was not projecting at this point any cost to purchase neighborhood parks. Taking these dedications into account reduced the SDC.

Councilor Munroe asked what constituted a development, were we talking something that had six or more dwellings, two or more dwellings?

Amanda said the Development Code was specific stating that a development had to be over five acres and there were certain thresholds of acreage that was required for the size of the development and if it was over five acres there was a minimum of thirty lots. There was also a couple of other thresholds that might trigger a master plan, it was anytime a master plan was developed. The other thresholds on a master plan were on slopes that were greater than fifteen percent on properties that were over three acres or on any property that was developed that was over five acres.

Councilor Munroe said he asked the question because the subdivision by the Jehovah Witness Church was a development within itself but it was way undersized so how much were they going to have to give up for a park for that area or did that include the whole area.

Howard said all they had to do was pay for the SDC, they weren't required to give up any park land.

Amanda said the developments weren't actually required to give the City the land for the neighborhood parks, they could maintain them as part of their own development. Hayden Homes had given two lots to the City and Sunrise Ridge, Todd Alberts, would eventually donate three acres.

Councilor Conrad said in the appendix handout there were acquisition monies listed and asked what the difference of some areas having acquisition money and some did not.

Amanda said the Parks Plan was fairly specific in that it had definitions for neighborhood parks, community parks, natural resources areas and green way nodal parks. Each park land resource had not just a definition as to what the City was proposing to use it for, what kind of lands those might be, but also the amount of acreage that we should have per person. A natural resource area was considered different than a neighborhood park because they had different uses and the Parks Plan already said that there was to be so many acres per person of natural resource areas and so many acres per person of neighborhood parks so it was only the neighborhood parks that were zeroed off for acquisition, presuming that they would come in through subdivision development. The natural resource areas, the community parks and the nodal parks along the green way was presumed that the City would have to purchase those lands in order to develop those properties. Councilor Conrad asked if the SDC monies for parks only came from residential fee, that it did not come from commercial or industrial fees.

Amanda said that was correct, that it was only charged against residential, not commercial

development.

Councilor Conrad asked what the reasoning for that was.

Howard said when the system was originally set up, the benefit of parks was seen as just for residential properties and not commercial or industrial because they weren't living on those properties. Some commercial can have residential and there were cities that charged on all but it was a different scale for commercial and industrial because uses were different. When the city originally set up the SDC charges, parks were related strictly to residential use.

Councilor Conrad said at one of the LOC conferences she toured a beautiful park system, she thought Hillsboro, and the attitude was if you were going to come into the community and do business or build you had to contribute to the community. She saw great value in that kind of attitude and she hoped Cottage Grove could examine having SDC parks fees charged for more than just residential properties.

Mayor Williams said often times the business community thought they were singled out for certain assessments and targeted and this was one example where business weren't charged or singled out and some might think they should be charged park SDCs.

Councilor Munroe said the other side was wages and benefits. The biggest concern now and should be in the future to get a decent wage paying job for the citizens who lived here and made sure that if the City did go through a process of charging commercial businesses that it not override what the residential would put forth. If the cost was minimal and would benefit the business it was better for employee moral.

Mayor Williams asked if the current total acreage of parks and open space in the community was 265. He also asked if there was any kind of statistical information on how that number compared to other communities the same size as Cottage Grove.

Amanda said yes, that 265 was the total acreage of parks and open space in Cottage Grove. She said there was an analysis done as part of the original Parks Plan Development, however she didn't think the figures had been updated since 2003. At that time the State average for certain types was exceeded and below for other types such as community parks. At the time the plan was developed, the City was low for neighborhood parks, you couldn't include the school district as part of the park system. The City was higher on the natural resources due to the North and East Regional Parks.

Councilor Munroe said the City had 265 acres but it was not spread out enough.

Amanda said that was correct, the distribution was part of the problem, it was something the Parks Plan addressed, the other was the type of parks that the City provided.

Ron said the last page of the handout, Column F, addressed where the City had surplus and deficiencies in the parks.

Amanda said the original Parks Plan was written in 2003 before some of the current parks were acquired and the numbers in the handout were 2008 numbers.

Jan asked if the Parks Master Plan included the golf course.

Amanda said it did not, although the numbers on the chart provided in the handout did as it was acquired after the Parks Plan was adopted.

Councilor Conrad asked what category the golf course would be included in and which category the community center would be included in.

Amanda said the community center was not included, it was not considered a park.

Richard said for purposes of the Municipal Code and enforcement of rules it was included but not as a park.

Councilor Conrad said it was zoned as a park though.

Amanda said no, it was zoned commercial. The golf course was split, part of it was under natural resource areas and part of it was under the green way.

Jan said the golf course was approximately 78 acres.

Councilor Munroe asked of the current developments or parks that the City had, how many were maintained by others, not the City.

Howard said Prospector's Park was maintained by the Prospectors and Gold Diggers organization, part of the North Regional Park the Speedway maintained by cutting the grass, a small part of the East Regional Park was maintained by the BMX Club, Kelly Field was maintained by the School District and Whiteman Park was maintained by the Genealogy Society.

Councilor Munroe said the City needed more adopt a park programs if there was going to be any expansion.

Amanda said adopt a park programs were excellent for maintenance, they weren't good for acquisition or initial development, which SDCs covered.

Howard provided a Memorandum to the Council which listed items that the Building Inspector had identified as areas that needed to be upgraded if Bohemia Mining Days were to use the house as an office/public facility but it did include any costs.

Richard said the Parks Master Plan was extended from 20 years to 50 years. The plan did not have a date included when the City would meet all the requirements. It did list the level of service the City wanted to keep. The SDCs for parks could be extended when the City wanted to complete all the things listed in the Parks Master Plan.

Councilor Conrad said the State said the City should have a twenty year plan for water, sewer, and stormwater, and asked if that could be extended beyond the twenty years.

Richard said that would be difficult because of the life expectancy of the plants and because of the State requirements for the regulatory agencies. When dealing with the wastewater or water treatment plant or even stormwater, the regulatory agencies set standards on when things needed to be completed. It was different for parks because there was no regulatory agency for parks.

The Council left at 6:22pm to tour the house located at 1414 E. Washington.

Council reconvened at 6:43 in the Council Chambers.

City Engineer, Ron Bradsby, presented the street SDCs. He said the street fund did not have a utility rate. The consultant used a sub-contractor that prepared the Transportation System Master Plan which was 2 years old. They looked at a variety of improvements, what capacity the existing streets could handle and based on that in the model they came up with increasing the SDC charges approximately 100% from what they were.

Ron provided a slide show on the background of the existing streets and their conditions. It showed the expected life of a street and how it was downgraded. He explained the seven categories of streets: excellent; good; fair; poor; very poor; substandard which included paved and grave; and private streets. In each category he explained the characteristics, such as smooth, cracking, pot holes, alligating, etc. He also showed pictures of streets in Cottage Grove which depicted the characteristics at each level.

Councilor Murphy asked what alligating was and he showed a picture which showed an example.

Richard asked on poor and very poor streets and the alligating, what the process to repair it was.

Ron said the most common would be to crack seal, sealing the cracks with an asphaltic mix, rubberized asphalt which would smooth it out and seal the surface. Another thing would be a slurry seal which would fill in the ruts and basically add life to bring the street up to a fair condition.

Richard asked if it was different than chip seal.

Ron said yes and explained. He explained the options staff had to select from to repair and/or replace streets.

Discussion was held on repairs and conditions of the streets.

Mayor Williams said the downtown area streets were at one time marsh and swamp land to begin with and constructing a road under good conditions was difficult. It probably wasn't built to today's standards.

Discussion was held on privately built and maintained streets.

Councilor Murphy asked if a private road was starting to fail if the City did anything to inform the homeowners association that they were responsible for repairs and if the City had any enforcement for them to repair the street.

Richard said they were aware of it and Ron said he hadn't had to enforce anything since he had been working the City. They notified the homeowner's association which was probably the most difficult if they didn't have an active association.

Richard said some homeowners weren't aware that they lived on a private street and they contacted the City for repairs and would find out that the City wasn't responsible.

Councilor Murphy asked if homeowners were notified when they purchased a home in the area that the streets were owned by the homeowner's association.

Richard said yes most of the time they were when they went through the closing process.

Councilor Munroe asked who was responsible for Kalapuya Way down to River Road.

Ron said the City was responsible for that street.

Mayor Williams asked about rolled curbs and why they weren't an accepted curb.

Ron said it was the development of Cottage Grove's standards. Basically a rolled curb did not have the storm drainage capacity that a standard curb had. When you had a high density rain, you could place catch basins sooner to handle the water, you had driving over the sidewalk and breaking it and those kind of things.

Mayor Williams encouraged staff to take a look at Taylor Street from 10th Street east, the curbs and sidewalks were installed in the late 40s and none of the sidewalks had ever broken up and the curbs had never deteriorated. He said he couldn't think of too many pieces of infrastructure that were built right after World War II that were still holding up.

Ron said there was a difference of opinion in the field, some towns say no and some towns allowed them. He talked about other streets that didn't meet City standards that the homeowner association maintained.

Rod said in 2002 the National Average for additional expenses due to bad roads was \$320 per year. In a 2007 report the National Average was \$335 per driver, per year. The 2007 study showed that based on the different grading in Oregon, that Oregon's road were better than the Nation's average, only \$166 per year, per driver. Some states were as high as the \$700 range.

Councilor Munroe asked if the City only received gas tax.

Richard said the City received the State Gas Tax, City Gas Tax as well as the Federal Highway Funds that could only be used on specific roads unless the City converted with ODOT,

approximately about \$90,000 a year.

Councilor Munroe asked if the City received any road tax money from trucks.

Richard said the City did receive some through the Motor Vehicle Fuel Tax. The Cottage Grove Motor Vehicle Fuel Tax was applied to all motor vehicle fuels as well as the State's tax which the City received a share of and the State portion that the City received there was some of that road mile or truck fuel tax.

Councilor Munroe said that it was two separate things. If the mileage was calibrated as far as delivery trucks, log trucks, gravel trucks and all the City was receiving was fuel, the City was getting short changed.

Mayor Williams said also if the City received federal money and had to wash it so they could use it for other uses than what the feds allowed, it was costing you 10% right off the top, you lost that.

Richard said there were other opportunities for funding, the transportation utility fee and everyone based on the amount of traffic that they generated paid a fee and Eugene had tried it several times, it had never stayed in place. It was usually around \$1-\$2 per vehicle and so the more vehicles there would be a higher fee.

Councilor Conrad asked if there was a plan that streets had to be repaired or the plan had to be finalized in the twenty years or could it be extended out.

Richard said the Street Master Plan had been adopted and prepared and it spelled out what projects would be done. Staff said there were time frames, however it was contingent upon funding and other issues.

Richard said it was like parks, there wasn't a regulatory agency telling you to fix your streets, however citizens contact the City to fix potholes or their streets, etc.

Mayor Williams said fifteen years ago the City had a rock-chip program which had held up pretty good, some streets were still in good condition.

Ron said it depended on the usage of the streets. On average a slurry seal would add 5 years of life to a street.

Richard said if you upgraded when the streets were in the fair to good range, you had protected the subsurface and surface and that was the key.

Discussion was held regarding the conditions of the streets and sidewalks and different practices.

Councilor Conrad asked about the cost of some of the repairs and if they were using conventional repair methods because she knew there were newer methods, some of which were less expensive and more durable.

Ron said he guessed they were but didn't remember that specifically. He said the AASHTO Report talked about cheaper, different methods such as using a warm mix asphalt instead of a hot mix asphalt. He had been asked in the last year if the City used a warm mix asphalt. He also said that the City used ODOT's standard specifications and he didn't think there was one yet that ODOT had approved.

Councilor Munroe asked if they did a lot of recycle with the material in town.

Ron said the City allowed up to sixteen percent recycle of asphalt in the mix design.

Richard said the other thing to think about was the City had a lot of residential streets and those neighborhoods had paid for the street to go in the first time. They had everything, sidewalks, curbs, gutters and street surface, which was paid for as part of the construction; the developer developed the street and built the homes. Did we want to go back to those neighborhoods and look at LIDs to start forming and taking care of the streets again. A local improvement district would figure what the cost would be to upgrade the streets and everyone who lived on that street would be assessed based on the square footage or linear footage or other methods to pay for the construction to redo the road in front of their property. These were options that Council needed to make a decision on. SDCs were only for expanded capacity or roads that were a certain width so there a lot of residential streets that SDCs didn't pay for.

Lane Street was discussed as it had never been finished, it was gravel and if the homes that were adjacent to that had ever paid for the true cost of a road. Streets that had been paved and had sidewalks, curbs and gutters had been paid for somewhere in the original construction.

Ron said what Richard was talking about was there were different options that Council needed to consider. There were some areas that were originally developed with a local improvement district (LID) and did the City want to go back and assess them again with another LID to reconstruct the street. There were also streets that the homeowners had never paid for improvements. There were yearly complaints about several of the residential streets and the City needed to start thinking about fixing some of the streets.

Councilor Conrad asked if Richard could provide any stories from other cities as to what scenarios worked better under different conditions.

Richard said they had used a lot of the options mentioned. Cottage Grove did not have a lot of the substandard paved, where there was a paved road and then a ditch with no sidewalks or curbs. A lot of the rural communities the size of Cottage Grove had significant amount of roads that had ditches on the side, however that was something we didn't have. If they wanted to put in sidewalks or curbs and gutters, that was done through LIDs.

Councilor Conrad asked what scenarios worked better.

Richard said they all worked, it depended on what they wanted to do.

Councilor Clark said the issue was there was nothing to tell the citizens that they would want to hear. They want to be told that the roads needed repair and they didn't have to pay for it. The City was going to have to present citizens with options to pay for the upkeep of the roads that

they could weigh in on and campaign for. The Council needed to come up with a couple of options to provide to the citizens.

Councilor Conrad said she agreed with just about everything that Councilor Clark said. She said one of her factors was timing and currently there was such high unemployment and people were struggling to be able to pay for food, and she wondered if it had to be done now, could it wait a year or two.

Councilor Clark said there would never be a good time to go to the citizens for money.

Councilor Conrad said there were better times and worse times, it was a factor to be considered.

Mayor Williams said he has sat on Council through boom times and some of the best economy the Country had ever seen and through several recessions, and it didn't matter how good of times, people would still not be in agreement. He talked about LIDs and the ramifications.

Councilor Murphy said she was looking at some of the black areas and she wondered if an LID would be somewhat regressive because some of the areas were poorly built, some were older and very poorly maintained and it would be putting an extra burden on the citizens. She said she didn't know enough about LIDs to know if that was a consideration.

Richard explained that when a LID was formed, the assessment was put as a lien on the property and it could stay there until the property was sold when the LID would be due. One thing that did happen in cities all over, was there were some areas that were run down and the road was fixed and it changed the property values. Another thing it did was even when in a recession, the cost of improving the streets was lower because companies were more competitive when bidding on the projects which brought down the cost, sometimes as much as fifty percent.

Councilor Gowing said he was looking at the same thing as Councilor Murphy and a lot of them could be rentals, so the owner could pass that onto their tenant which they couldn't afford which created a burden.

Mayor Williams said he wasn't sure how often that happened. He said most people who had income property and were hanging on to it for long term, when they sold the property they would have to pay for the LID assessment so they weren't getting a break.

Councilor Munroe asked if it was easier to do an LID than to try and do a bond measure that was paid back through the gas tax each year.

Richard said yes because there wasn't enough money in the gas tax fund to make a monthly or yearly payment. The gas tax was barely covering the maintenance and operation of the streets such as sweeping, painting, etc. The motor vehicle fuel usage wasn't going up at the same rate as the inflation rate. He discussed how LIDs would work.

Councilor Murphy asked about the pieces of commercial streets that needed repair.

Richard said if you looked at Whitaker and some of the arterial streets, they were not good LID

streets because everyone used them.

Councilor Clark asked if staff could bring Council a menu of some tax issues such as a utility tax, LIDs, etc. Also what kind of base number was the City looking at, what needed to be generated yearly in make an impact.

Ron said in the budget there was a \$6M figure which was the best estimate at the time. Staff looked at substandard streets that needed to be brought up to current City standards. He said most of the gas dollars since he had been employed with the City, received from the State and federally had been focused on the arterial and collector streets, not residential streets.

Richard said an idea would be to do part of the street from gas tax funds and part from an LID.

Ron said 16th Street could be done with SDCs because it met the requirements. There were other options the City could look at.

Councilor Clark said he didn't think commercial businesses should be taken off the table.

Discussion was held on commercial businesses helping pay for the streets.

ADJOURNMENT

There being no further business, Mayor Williams adjourned the work session of the City Council at 7:35pm.

Trudy Borrevik, City Recorder

Gary Williams, Mayor