

## GLADSTONE CITY COUNCIL MINUTES OF REGULAR MEETING – February 12, 2013

### ROLL CALL

The following city officials answered the roll call: Mayor Wade Byers and Councilors Hal Busch, Thomas Mersereau, Lendon Nelson, and Neal Reisner.

**ABSENT:** Councilors Ray Jaren and Kari Martinez

### STAFF

Pete Boyce, City Administrator; Rhonda Bremmeyer, Senior Center Director; David Doughman, City Attorney; Jolene Morishita, Assistant City Administrator; Jim Pryde, Police Chief; Mike Funk, Fire Marshall; Stan Monte, Fire Chief; and Scott Tabor, Public Works Director.

Mayor Byers led the flag salute.

### BUSINESS FROM THE AUDIENCE

Tammy Stempel, 6960 Winfield Court relayed to council she received many people asking her why there was only a two-week notice between committee notification and applications due. She asked that the appointments are not made until next month's meeting to allow more candidates to get in their applications in.

Ms. Stempel is concerned about the possibility of the Portland Avenue Historic Trolley Bridge asset being demolished. During a meeting she mentioned the established trolley trail ended at Portland Avenue. With the Portland Avenue Redevelopment Plan pedestrian/bike improvements, the bridge would be the perfect continuation of the established trails network. Union Pacific contacted Metro stating they were intending to move the bridge asked if Metro had any interest in preserving it. Since then she has had conversations regarding the merit of this project with Brock Nelson, P.R. Director, Union Pacific; Mary Ann Cason, Parks and Trails, Metro; Carlotta Collette, Metro Councilor; Shirley Craddock, Metro Councilor; Robert Spurlock, Metro Regional Trails Plan; Katie Dunham, North Clackamas Parks and Recreation District, Brock Nelson and the Mayor City Manager for Oregon City and Gladstone. Union Pacific now has momentum to now do something with this bridge. They are pursuing demolition but are willing to discuss donation, money and liability associated with the bridge crossing. Union Pacific has offered to sell the bridge for \$1. This is a good place to start, but there will be costs associated with removing it. If it could be donated and less money than the demolition it would be a win/win for everyone. She asked Council to come to the table with stakeholders and discuss options. There is potentially money available through Union Pacific, Metro has offered to help find grants, and everyone she spoke with feels it is worthwhile. Funding options can be Clackamas County and Oregon Department of Transportation (ODOT). She is willing to nominate the bridge as an endangered place with Historic Preservation League of Oregon which will allow for technical assistance and assistance in finding funding.

Liability is an issue. It seems the City is hiding behind the liability insurance companies creating a homogenized bubbled wrapped city that has no connection with the city and doesn't feed or sustain the community. Things need to be done that are the best for the citizens, not what is best for insurance

companies. At Gladstone's town hall meeting it was obvious that redevelopment of Portland Avenue was a priority. It was stated that the City may not be able to do the street repairs because of the trolley tracks that are buried underneath the asphalt. The tracks cannot be dug up because they are historic; however the trolley bridge next to it can be demolished. This bridge would encourage people to visit and invigorate the town. The concern of traffic downtown can be compromised by connecting the trolley trail down Portland Avenue and across the bridge. There will not be any increased vehicle traffic; instead there will be slow-paced pedestrians and bicyclists that would be able to experience the City in a way that encourages interaction and promotes health and environmental viability. She is asking that Council come to the table with other stakeholders and discuss this as a possibility. She is willing to put this together because she is passionate about it.

Councilor Nelson noted this issue has come up in the past. It was found that the bridge has lead paint on it. To keep it in place the lead would have to be removed. Ms. Stempel stated the bridge has been inspected by a geo-technical engineer. It is structurally sound, the Oregon City footing needs to be pin-piled, and the lead paint will need to be removed or encapsulated.

Jerry Babb, 740 E. Gloucester Street stated he has a bad sewer line and was told he would have to pay for repairs to the street. He asked if he has the responsibility for street repairs, how much say does he have over the people who travel over the road. City Attorney Doughman explained the street is public right of way and open for public travel.

Mr. Babb asked what the procedure is to get rid of the ordinance. He feels the cost should be split between the homeowner and the City from the curb to the main. Council asked the City Attorney to prepare a survey of other city ordinances regarding fees for repair of sewer lines.

Craig Seghers, 1700 Webster Road strongly objects to postponing the votes for committees and boards. He is the only person on the list and since he followed the procedures and got his application in on time, he does not feel the vote should be postponed.

Toni Cruminoker, 6450 Chessington Lane explained she was speaking on behalf of herself, her husband George Cruminoker, MaryLou and Dave Simmerling, and neighbor Florence Bradley. They feel the library measures in the last election were misleading. Since the vote she has found that many people felt they voted in favor of the library when they actually voted against it. Ballot measures should be clear as to what happens if you vote yes you are in favor of the issue. Large sums of money were invested in defeating the measures and she found there were funds from Lake Oswego. \$10,000 came from one citizen who know appears will profit from the defeat of the library measure. City Attorney Doughman stated he disagrees with the statements made and asked that the person who submitted the information talk to him.

Ms. Cruminoker asked the library be connected to the LINCC System, use local people as employees, handicapped access, ample parking, room for community activities (reading groups, IT classes, etc.). More people visit the library than any other building in the City and they should be served first.

They understand there is a need to upgrade other City buildings and it is their understanding that anything over \$1 million must be voted on. They disagree with the City selling the property to a developer to rebuild and renting the new structures to the City or selling the property back to the City.

She recently read a proposal to improve Portland Avenue at the cost of \$5-12 million. It would be nice to have Portland Avenue look nicer, however, it should be a low priority over the new library and upgrading the other City buildings. Any money for road improvements should go to the street badly in need of repair. They suggest that citizen involvement be requested in the next city newsletter and in addition the citizens of Gladstone can be aware of the proposals through individual mailings. They hope the wellbeing of the citizens is put over self-serving interests of a few. She submitted a memo from Florence Bradley for Council review.

Mayor Byers explained both of the ballot measures were properly worded. The first one in May was to put a \$1 million spending limit without a vote of the people. The second ballot measure in November was straight-forward. They conformed to election laws.

Lisa Halcom, 465 Portland Avenue stated that the information of who donated to the Save Gladstone campaign is the [oregonsecretaryofstate.gov](http://oregonsecretaryofstate.gov) website. She is the owner and coffee roaster of Happy Rock Coffee Roasting Company. She has won two awards at a state level and also been recognized recently in a national competition. Her shop has been a fixture in Gladstone since 1999. Her shop brings in customers from West Lyn, Lake Oswego, Oregon City, and Milwaukie. She loves Gladstone and being a part of the historic downtown.

It was brought to her attention that Kevin Johnson, Save Gladstone, brought information to Pete Boyce which listed market and assessed values of the properties on the 400 block of East Portland Avenue. On February 9, 2013 at her coffee shop she overheard Councilor Neal Reisner declare the best spot for new library would be on the existing lot and the parking should be where he is sitting now (her shop). Both councilors are also part of the group Save Gladstone. The buildings on the 400 block are some of the oldest if not the oldest in town. The properties listed on the property value paper work were 415, 439, 455, 465 Portland Avenue and 115 E. Dartmouth. The businesses in those spaces are Two Girls Catering, Alcoholics Anonymous, The Hen House, Safe and Sound Insurance, Napoleon's Deli and Happy Rock Coffee. She does not understand how turning retail spaces into a parking lot would help downtown in any way and would not save Gladstone. She looks forward to seeing new things that encourage foot traffic that would help retail out. She posed several questions:

1. Is the City of Gladstone staff recommending turning the 400 block of east Portland Avenue into a parking lot?
2. Are any council people seriously suggesting that the 400 block of east Portland Avenue should be turned into a parking lot and if so who?
3. Has Dennis Marsh proposed redeveloping the current city hall site into a 3-4 story building which would include the City Hall above and retail spaces below?
4. If a 4-story building is put on the lot of the current city hall, where would the parking structure go? Would it be on the 400 block of east Portland Avenue?

Mayor Byers asked that Ms. Halcom submit her written statement to the Assistant City Administrator.

James Miller, 355 E. Kenmore submitted a packet for staff review regarding Meldrum Bar Park. He is asking the City to stop dumping in Meldrum Bar Park. He showed twelve pictures that have been dated and time-stamped. The pictures showed:

- A sign "no dumping any material of any kind." The maximum fine is \$500
- A city staff vehicle in the area
- An active track hoe moving leaves in the area of the City's leaf dump
- A blue sign by restrooms showing flooding level
- Ducks at Meldrum Bar Park (native wildlife)
- Dumpsite with barrier meant to prevent soils from moving off-site
- Pile with catch basin nearby with no protection to keep the water from the dumpsite getting into the catch basin and into the water
- Agency/citizen trying to encourage bird population in the area
- Track hoe done for the day with erosion control fencing...get an idea of the size of the piles that are down at Meldrum Bar
- Silt fencing and water run-off from the leaf area in which the track hoe had been working to pile up the leaves that are saturated with water...the preventative measure of the silt fence is not working
- Water on both sides of the silt fence that is not being managed very well
- Dirt pile and a giant water pile

Mr. Miller asked the City to stop dumping and operating a recycling/solid waste facility in a flood plain not permitted by the Department of Environmental Quality (DEQ) and probably in violation of the endangered species act. The City is dumping in the wrong spot. It affects wildlife, plants and eco systems and it is not being managed. The pollution run-off from the leaves is hurting things more than the free service being provided.

It was explained that if the City did not pick up the leaves for free there will be a charge for the pick-up. There will be a fee for picking up the leaves and hauling them off to a pay-to-dump site.

#### **CONSENT AGENDA**

Item(s) Removed from the agenda:

1. Approval of October 23, 2012, December 11, 2012 and January 8, 2013 Minutes
4. Proclamation Shen Yun Performing Arts Day
2. Approval of Gaffer's Pub Liquor License Full On Premises Sales
3. Appointment to Advisory Boards Committees and Commissions
5. Payment of Claims

*Councilor Nelson moved and Councilor Reisner seconded a motion to approve the Consent Agenda consisting of Items 2, 3 and 5 as presented.*

*Motion carried unanimously.*

Item 1, Approval of October 23, 2012, December 11, 2012 and January 8, 2013 Minutes. A correction was made to the minutes of the January 8<sup>th</sup> meeting on page 11-9: change "Stan Monte, Interim Fire Chief" to "Stan Monte, Fire Chief."

*Councilor Nelson moved and Councilor Reisner seconded motion to approve Consent Agenda Item 1, Minutes of January 8, 2013 as revised.  
Motion carried unanimously.*

Item 4, Proclamation Shen Yun Performing Arts Day. Staff reported there was a request by this group to be heard in March.

#### **CORRESPONDENCE**

6. Letters/e-mails from Rose Johnson
7. Letters Regarding City Council Minutes
8. DEQ Pre-Enforcement Notice Regarding Sewer Overflow (dated April 26<sup>th</sup>; received February 8<sup>th</sup>)
9. Letter from Kevin Johnson Regarding LSSI

Mayor Byers acknowledged receipt of emails and letters from Rose Johnson. Copies will be included in the City Website. He also acknowledged letters regarding City Council minutes, DEQ-Pre-Enforcement Notice regarding sewer overflow and a letter from Kevin Johnson Regarding LSSI (contracting for outside management of the library).

#### **REGULAR AGENDA**

10. Exit Audit Fiscal Year 2012-13 Merina sand Company. Lyn Pope, Manager, Marina and Company presented the results of their June 30, 2012 Audit. A summary of previous communications and a letter of full communication have been submitted. The audit has been completed for the City of Gladstone and the Urban Renewal District in December and the reports were issued in January 2013. They had complete access to all accounting records, accounting files, and employees. There were no disagreements with management or significant difficulties occurred during the course of their audit. There were no new significant policies adopted or no changes from previous policies adopted. There was one prior period adjustment that was included in the City's financial statements: Revenue – during the year, it was discovered that revenue in the State Revenue Sharing Fund was under-stated due to an error. A prior period adjustment of \$21,543 was recorded to correct this error and increase net assets.

Management judgments and accounting estimates were found to be appropriate under the circumstances (depreciation, compensated absences, OPEB liability). There were no transactions entered into by the City Agency during the year that lacked authoritative guidance. There were uncorrected misstatements with a total financial effect of \$43,141 that management has determined the effect is immaterial (due to component units that have cash-on-hand—Senior Center and Library Center).

Management may decide to consult with other accountants about accounting and auditing matters during the year. This year the City hired a consultant to draft the financial statements and approve the adjustments. This eliminated the material weakness reported from year to year. The consultant reviewed all the work papers, trial balances, approved adjustments, and drafted the financial statements.

They also reviewed the operational affairs of the City and the Agency and determined they have been carried out in accordance with the Oregon Minimum of Standards (collateral, bank accounts with approved depositories, budget preparation, adoption and execution, insurance, programs funded from outside sources, highway funds, investments, public contracts and purchasing). There were some matters that do not rise to the level of a significant deficiency or material weakness but recommendations. These have been communicated to management during the course of the audit.

Ms. Pope explained their audit process (internal control processes of the city, walk through of transaction cycles, and internal controls at other departments).

**Questions from the Council:**

- Councilor Mersereau asked why the \$43,141 based on the two checking accounts was in the audit report when it was not in the system originally. Ms. Pope stated that every year it is decided by them whether to include the component units in the City's financial statements. If it is not material enough they pass on including it in the financials. Councilor Mersereau asked that staff put this issue on the agenda for the March meeting for discussion.
- Why did the Councilors not receive a copy of the audit recommendations? Ms. Pope stated there are recommendations are not required to be passed on to Council. City Administrator Boyce stated he would make sure the Councilors get a copy.
- Why is the water fund amount on page 10-20 (11) not the same throughout the document while the sewer fund amount is always the same? Ms. Pope stated the difference in the water amount includes the interest expense.

*Councilor Nelson moved and Councilor Busch seconded a motion to accept the audit report. Motion carried unanimously.*

Mayor Byers recessed the Council meeting to the Gladstone Urban Renewal District meeting at 7:55 p.m. and reconvened the Council meeting at 8:00 p.m.

11. Appointment to Budget Committee (four applications received for two vacant positions). There was discussion on whether to increase the timing between the notice of committees and deadlines for applications. In the future it was suggested in the future there should be a 30-day timeline for the notice to application deadline. Advertisement of the positions should be in the City Newsletter, City Website, Oregonian, and Clackamas Review.

Applications were received from Rose Johnson, Ryan Saban, Craig Seghers, and Colette Umbras to serve on the Budget Committee.

Three-year term expiring 12/31/13

Roll: **Busch:** Saban; **Mersereau:** Seghers; **Nelson:** Seghers; **Reisner:** Umbras; **Byers:** Seghers.

Alternate -- term expires 12/31/15

Roll: **Busch:** Umbras; **Mersereau:** Umbras; **Nelson:** Umbras; **Reisner:** Umbras; **Byers:** Umbras.

Mayor Byers announced the two positions for the Budget Committee will be held by Craig Seghers for the three-year term which expires December 31, 2013 and Colette Umbras as the alternate, term expiring December 31, 2015.

12. Appointment to Traffic Safety Commission (two applications received for one vacant position). Applications were received from Dea Boldt and Kenneth Moore.

Roll: **Busch:** Moore; **Mersereau:** Moore; **Nelson:** Moore; **Reisner:** Boldt; **Byers:** Moore.

Mayor Byers announced the position for the Traffic Safety Commission will be held by Kenneth Moore.

13. City Hall/Police Station Update. City Administrator Boyce reported Group McKenzie has come up with a total for the project. They were asked to look at the current site and the Oberson property. For the current site the cost would range was between \$6.5 million and \$7.9 million. For the Oberson property the cost would be from \$1.5 million to \$6.4 million. These are ballpark figures (estimates).

Mr. Marsh proposes to help build a facility and have the City lease to own that facility long term. Because the project is being built for the City the prevailing wage would have to be paid. If a developer built for the City they would have to follow the City bidding requirements and the lowest bidder would have to be selected. City Attorney Doughman reported that the City could get an exemption process which the law allows.

Options for funding include:

- Amend the Urban Renewal Boundary to cover the City Hall/Police Station site and the project can be funded by Urban Renewal; \$800,000 of revenue goes into the Urban Renewal Fund.
- There is about \$600,000 in the State Revenue Fund that was to be used to take care of the roof and other maintenance on the building.
- The sale of an asset could also be a source of funding (Oberson property, \$3.3 million).
- Go for a vote of the people to see if they would support a bond for the structure.
- A combination of all above items combined.

Staff will continue conversations with Mr. Marsh to see if there is a more cost feasible way to go and report back to Council.

There is a town hall meeting scheduled for February 28<sup>th</sup> at 7:00 p.m. at the Senior Center to discuss the City Hall/Police station update.

**Public Comment:**

Kevin Johnson, 6970 Winfield Court stated as a public citizen he would like the City to review all of their options. He submitted a summary of all of the Oberson tax lots with the values and amount of tax revenue that was levied. He suggested the City sell the 11 acres of property to bring revenue back to the City along with a considerable amount of money to go towards a new City Hall/Police Station, library, etc.

Mr. Johnson stated he did make a list of assessed values and market values for the properties on Portland Avenue. At the last town hall meeting, it was almost unanimous conclusion that the biggest priority in Gladstone was the revitalization of Portland Avenue. If there were more commercial/retail properties that some of the Portland Avenue businesses could move into they would be more than happy to do that. Not enough parking on Portland Avenue will be the main roadblock to any improvements. The parking code should change.

Craig Seghers, 1700 Webster Road stated that if the library is going to be included in these improvements, there should be a plan. He feels the citizens need to know what is going on every step of the way. City Administrator Boyce suggested that a timeframe be put on the City Hall/Police Station project. Discussion followed on the library site property and what alternatives are left for that site.

14. Discussion Regarding Options Related to Library Capital Contributions. City Administrator Boyce reported he asked the County for an 18-month period to allow time for the City to consider their options and determine if there is any way they can meet the terms of the Inter Governmental Agreement (IGA) between Gladstone and the County. The County will be meeting on this issue February 12<sup>th</sup> and will let the City know their decision. Consideration will be given to what square footage amount can serve the citizens of Gladstone and the Oak Lodge service area. He will keep the Council informed on the County's decision.

15. Appointment of City Council Liaisons for 2013 (Appointments Made by the Mayor). Mayor Byers reported he talked to Council members and Department heads and the following 2012 appointments have been made:

Volunteer Fire Department (meets first Wednesday each month)	<b>Councilor Hal Busch</b>
	<b>Councilor Tom Mersereau</b>
Senior Center Advisory Board (meets quarterly, in the afternoon)	<b>Mayor Byers</b>
Park and Recreation Board (meets infrequently)	<b>Councilor Neal Reisner</b>
Traffic Safety Commission (meets infrequently)	<b>Councilor Neal Reisner</b>
Library Board (meets first Tuesday each month)	<b>Councilor Kari Martinez</b>
Business and Civic Liaison	<b>Mayor Wade Byers</b>
Public Works Regional Issues	<b>Councilor Ray Jaren</b>
C-4 Clackamas County Coordinating Committee	<b>Councilor Hal Busch</b>
	<b>Mayor Wade Byers</b>
Emergency Management Committee	<b>Councilor Len Nelson</b>
Police	<b>Councilor Len Nelson</b>
	<b>Councilor Hal Busch</b>

16. Chautauqua – City Participation. City Administrator Boyce reported Council requested staff work out a formal agreement with the Chautauqua Committee. The proposed estimate of City support for the festival for 2012 is \$11,366.51. He asked Council if they wanted to continue support at the current level.

**Public Comments:**

Kim Sieckmann, 145 W. Dartmouth supports the City being behind the Chautauqua Festival. It is a good program and a good service to the residents. They have had to do some serious fund raisers in order to continue the event. He asked the Council to do due diligence as they would do with any contract.

Martha Woolridge, Chair/Chautauqua Festival admitted they had financial problems; however, they have cut as much as possible. She has the funds to pay back the money that was loaned to them. They have started fundraising for next year. She asked that the City continue to support their event. The Council thanked Ms. Woolridge for all the years of work she had donated her time and effort to put this event on.

17. Dog Park Update – Scott Tabor (no attachments). Public Works Director Scott Tabor reported the off-leash dog park is available for public use on Valley View Road. It is becoming quite popular and there have been no complaints so far. They did it with minimal expense and are on track. Eventually they will have a drinking and doggy fountain on the premises. Mayor Byers explained this was initiated by people in the community that wanted a dog park. They came to a Council meeting and made the request; Scott Tabor made it happen.
18. City Council Guide Book. Mayor Byers noted that Councilor Martinez has input on this issue and she is not present tonight. Councilor Reisner also has information on the Guide Book. Mayor Byers suggested postponing this issue until the March meeting.

**Public Comments**

Kim Sieckmann, 145 W. Dartmouth stated he has read the City Council Guide Book and feels it is good for the Council and the community. It tells the community what the Council does and he thinks it should be available to the residents. He would like to see the document adopted as soon as possible.

19. Discussion Regarding a City Council Retreat (no attachments). City Administrator Boyce asked Council for guidance on whether or not to have a Council retreat. Mayor Byers stated they have had several Council retreats and the key to a good beneficial retreat is a facilitator. Councilors were asked to give dates to City Administrator Boyce as to when they will not be available.
20. City Day at the Capital. Mayor Byers reported the City Day at the Capital will be held on Wednesday, February 27, 2013. City Administrator Boyce asked those who would like to participate let him know so he can make the reservations.
21. Ordinance No. 1440. Approving an Amendment to the Comprehensive Plan and Zoning Map, Zoning Designation from R-5 to C-3, North Side of Arlington Street between Columbia Avenue

and 82<sup>nd</sup> Drive. Mayor Byers reported at the last meeting they approved the Comprehensive Plan Change and Zone Change. He asked Assistant City Administrator Morishita to read the Ordinance by title only. The Ordinance was read.

*Councilor Nelson moved and Councilor Busch seconded a motion to approve Ordinance No. 1440, An Ordinance Approving An Amendment To The City's Comprehensive Plan And Zoning Maps.*

Roll: **Busch: Aye; Mersereau: Aye; Nelson: Aye; Reisner: Abstain; Byers: Aye**  
*The motion carried 4-0 with one abstention*

Mayor Byers asked that the Assistant City Administrator Morishita to read the Ordinance by title only for the second time. The Ordinance was read.

*Councilor Nelson moved and Councilor Busch seconded a motion to approve Ordinance No. 1440, An Ordinance Approving An Amendment To The City's Comprehensive Plan And Zoning Maps.*

Roll: **Busch: Aye; Mersereau: Aye; Nelson: Aye; Reisner: Abstain; Byers: Aye**  
*The motion carried 4-0 with one abstention*

22. Appointment to Library District Advisory Board (No attachment). Mayor Byers reported the County has requested an appointment to the Library District Advisory Board. Councilor Kari Martinez has expressed interest in filling this position.

*Councilor Busch moved and Councilor Reisner seconded a motion to approve the appointment of Councilor Kari Martinez to the Library District Advisory Board.*  
*Motion carried unanimously.*

## **BUSINESS FROM THE COUNCIL**

- Councilor Busch mentioned the issue about the trolley bridge is worth pursuing. He is in favor of the City pursuing it until they find a roadblock they cannot get through.
- Councilor Busch asked if the Meldrum Bar Park recycling issue had been brought up before. City Administrator Boyce reported Brown and Caldwell advised the City on stormwater and surface water related issues. There has been correspondence from Mr. Miller in the past and the City has checked it out and believes they are in compliance with all DEQ regulations. DEQ is aware of the issue Mr. Miller brought forward. Mayor Byers asked staff to prepare a document detailing the people who have been contacted regarding this issue so it can be reported to Mr. Miller.
- Councilor Reisner reported he met with Carlotta Colette, Metro at a JPAC meeting. He reported last week he went to the Fire Department meeting.
- Mayor Byers reported he attended the Police Department meeting and felt they did a nice job. There was an interesting speaker. The Police Department stood tall.
- There were meetings for both Congressman Schrader and Senator Merkley. Every other week they will return to the district to allow opportunity for discussions.

- Mayor Byers asked for a date for a joint meeting with the School Board. City Administrator Boyce stated he would call Mr. Bob Stewart tomorrow to get a date.

**Adjourn**

Mayor Byers adjourned the February 12, 2013 Council meeting at 10:55 p.m. into Executive Session ORS 192.660(2) to consider information or records that are exempt by law for public inspection. He announced they would not be coming back into public session.

Approved by the Mayor this 9 day of April, 2013.

Attest:

Wade Byers  
Mayor

Jammin  
Assistant City Administrator