



City of Tigard

Tigard Workshop/Business Meeting – Minutes

TIGARD CITY COUNCIL

MEETING DATE/TIME: September 15, 2009/6:30 p.m. Study Session and 7:30 p.m. Business Meeting

MEETING LOCATION: City of Tigard – Town Hall, 13125 SW Hall Blvd., Tigard, OR 97223

1. WORKSHOP/BUSINESS MEETING

1.1 Mayor Dirksen called the meeting to order at [6:32:36 PM](#)

1.2 Roll Call:

<u>Name</u>	<u>Present</u>	<u>Absent</u>
Mayor Dirksen	✓	
Council President Wilson	✓	
Councilor Buehner	✓	
Councilor Henderson	✓	
Councilor Webb	✓	

1.3 Pledge of Allegiance

1.4 Council Communications & Liaison Reports: None

1.5 Call to Council and Staff for Non-Agenda Items:

Assistant City Manager Newton noted the following items were added to the Agenda:

- Burnham Street Bid Review added to the Agenda (Item No. 6)
- *Revised Aquatic District Petition (Item No. 7)
- Tualatin’s Proposal to Consider Utility Fee to Fund Pool Maintenance and Operations (Item No. 8)

Administrative Items:

- September 29: Strategic Planning Meeting, 6:30 p.m., Fanno Creek House
- October 13 –
 - 5:30 p.m. -- Thank You Dinner with Senator Burdick and former Representative Galizio
 - 7:00 p.m. – Tigard Town Hall

*Emergency Business Meeting notice published on 9/15/09

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2. TIGARD PAVEMENT MANAGEMENT PROGRAM AND STREET MAINTENANCE FEE

Finance and Information Services Department Director LaFrance presented the staff report. A copy of the slide presentation is on file in the City Recorder's office.

Finance and Information Services Department Director LaFrance reviewed the slide outlining the main topics in the presentation as well as the key points where City Council direction is needed.

Finance and Information Services Department Director LaFrance reviewed the slide outlining the public comment efforts (see presentation slide No. 4).

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Finance and Information Services Department Director LaFrance introduced the Transportation Financing Strategies Task Force (TFSTF) Chair, Mr. Tony Rivano. A copy of a letter dated September 3, 2009, reviewed by Mr. Rivano for the City Council is on file in the City Recorder's office. This letter was signed and submitted to the City Council from the TFSTF regarding their recommendation on the proposed street maintenance fee increase. In summary, the TFSTF recommended the City Council adopt the proposed Street Maintenance Fee increases with a phase-in period as submitted to the Council on October 21, 2008.

Mr. Rivano referred to a previous meeting with the Task Force and noted the letter was prepared subsequent to that meeting. Mayor Dirksen noted that 8 out of the 11 members signed the letter and asked if there was a minority opinion. Mr. Rivano noted members were sympathetic towards business interests. In addition, there were members absent from the last several meetings; there were several meetings where there was no quorum. He affirmed Councilor Buehner's inquiry that most of the members who did not sign the letter were members who rarely attended a meeting.

Councilor Henderson advised that TFSTF member Rick Parker talked to him. Mr. Parker said he was not supportive of the street maintenance fee increase. Councilor Henderson advised that Mr. Parker decided to resign from "not only that group, but any other group." Councilor Henderson said he felt the City has lost a "good member..." Mr. Parker told Councilor Henderson that he did not feel that he was heard and that he did not agree with the direction taken. Councilor Buehner responded that she attended all of the Task Force meetings and that Mr. Parker only attended two meetings of about eight that were held. She said that was one of the issues, that for whatever reason Mr. Parker was unable to attend the meetings. Councilor Henderson commented that he found Mr. Parker to be very concerned.

Assistant Planner Daniels reviewed the outreach program for the street maintenance fee increase proposals. Venues included outreach meetings, Farmer's Market, online survey, email and letters.

Finance and Information Services Department Director LaFrance advised that 26,000 households were contacted and 45 written comments were received back; therefore, .2% responded.

Assistant Planner Daniels reviewed the categories of the feedback received from the public:

- Absolutely no – 13 people
- Concerned about the fee: 7 people (tough economic times, the fee is being tripled)
- Saw the need, but offered different funding mechanisms – 11 people
- Supported – 7 people
- Supported right-of-way maintenance – 1 person

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- Concerned about their specific street – 3 people
- Off-topic comments – 3 people

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Finance and Information Services Department Director LaFrance proceeded to the next phase of the presentation to the City Council: Guidance on Pavement Condition (Slide 5 of the presentation). He introduced John Floyd and Mike McCarthy from Community Development Department and Public Works Department who were present to answer questions.

Finance and Information Services Department Director LaFrance then proceeded to facilitate the discussion and sought guidance on the City Council's preferences at decision points, showing the calculations and impacts of each of the decisions. A copy of the presentation is on file in the City Recorder's office. After working through all of the slides and receiving input from the City Council, Finance and Information Services Department Director LaFrance summarized City Council direction:

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- We will establish a goal of a Pavement Condition Index between 70 and 75.
- The street maintenance fee is the preferred means for funding the Pavement Management Program.
- We will spend the modeled amounts on asphalt and right of way; the amount between residential and non-residential is unchanged
- The way we will split the fees for residential and the non-residential users is unchanged with the exception of a higher cap in trading a discount for smaller businesses.
- We will not directly fund a rainy day fund; however, we will look at ways that we can take some cost savings to create a reserve.
- We will retain the discount for religious institutions.
- Other non-profit institutions will not be allowed a discount.
- The cost will be indexed similar to Washington County's transportation development tax.
- We will have a phasing in over a three-year period. The last two of those years will include the right-of-way maintenance.
- We will have an evaluation of the program after one full year of implementation.

Note: Agenda Item 4 was discussed before Item 3.

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3. REGIONAL TRANSPORTATION PLANNING UPDATE

Streets and Transportation Senior Project Engineer McCarthy announced that the high-capacity transit plan, which includes a designation of light rail from downtown Portland roughly parallel to the Barbur Boulevard through Tigard, has completed the adoption process. This fits some of our goals of continuing to lobby for light rail along the 99W corridor in that designation. It was the highest scoring line.

Streets and Transportation Senior Project Engineer McCarthy also announced that good news was received in that the state's draft Transportation Improvement Program included a Region 1 recommendation of \$3 million in state funds for improvement of the 99W/Gaarde/McDonald intersection. This is still preliminary as there are more steps to go through before adoption.

Many other cities are encountering the same issue cited by Council President Wilson regarding the application of the state's Transportation Planning Rule (TPR), which sometimes limits development. As other cities are reporting this issue, it is being heard through our regional staff and other agencies, in particular, people from the

Land Conservation and Development Department who do not like this unintended consequence of the TPR. They hope to find ways to allow the Tigard Triangle to build out as planned and to deal with the capacity issues. There are also technical ways that capacity from light rail, bicycle, pedestrian travel and other modes can account for some of the trips generated by development – there are different ways of measuring how the TPR is applied.

Streets and Transportation Senior Project Engineer McCarthy advised that a study of Highway 217 is just now getting underway. The Oregon Department of Transportation (ODOT) has been looking at that for awhile. They figure the cost to address Highway 217 to state standards would be about \$1 billion. In the absence of a full fix, ODOT is looking for alternative low-cost ways of improvement. Early on, the study looked at the possibility of closing some interchanges, to which staff was not in favor. Those closures did not indicate to be much benefit. ODOT is looking at potential uses of technology to keep traffic working better. The study is also examining potential low-cost solutions. The major pinch-point is between Beaverton-Hillsdale and Allen Boulevard on Highway 217. One idea is to construct a third lane under the Allen overpass as a lower cost way to address the bottleneck.

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Streets and Transportation Senior Project Engineer McCarthy referred to a spreadsheet that was contained the City Council's meeting packet. He said this is part of Metro's Regional Transportation Plan Update listing projects where each city, county and other jurisdiction was asked to include the projects they are recommending in their area and how they would anticipate using the funding they would have over the next 20 years. Streets and Transportation Senior Project Engineer McCarthy reviewed the projects on the list. The main change is that the Highway 99W project was a placeholder project for implementing our 99W vision. Previously this project had been listed for \$10 million, but as we look at the totality of the scope of the vision for completion, he thought \$50 million would be a much more appropriate number.

Streets and Transportation Senior Project Engineer McCarthy reviewed the projects the City of Tigard is looking to add to the RTP updated list. These projects are those that have already been set as City priorities, including key projects such as Walnut Street, a contribution towards high-capacity transit planning, some regional bikeway and pedestrian improvements, implementing the downtown circulation plan, and some key intersection reconfiguration projects. Many of the projects on the list are placeholders for 20 years out.

Discussion followed on the status of the projects.

Streets and Transportation Senior Project Engineer McCarthy reviewed the list of lower priority projects. The Plan has two levels. One level is the financially constrained tier, which indicates there is likely the chance the City will be able to pay for these projects within the next 20 years. The other level is the non-financially constrained list. Some projects moved from the first level to the second to make room for projects believed to be higher City priorities.

Streets and Transportation Senior Project Engineer McCarthy asked the City Council to review the project list, compare it to what each member believes to be a priority and note desired projects for the list that are not on it, to let him know and staff will get them on the list.

Discussion followed on how changes could be made; now is the time to readdress priorities.

Mayor Dirksen confirmed for Councilor Buehner that this list is the planning list for the state and for JPACT. Councilor Buehner noted that many of the projects are also on Tigard's Transportation Planning plan. Streets and Transportation Senior Project Engineer McCarthy agreed that, in theory, the projects on each of the lists

could be funded from a number of different sources. To qualify for grant opportunities, projects need to be on the RTP list. The list is updated every few years.

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Streets and Transportation Senior Project Engineer McCarthy, in response to a comment by Councilor Buehner, advised that the projects we are attempting to get on this list are the projects we are hoping will receive some regional or state grant funding.

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4. DRAFT METRO 20- AND 50-YEAR HOUSING-EMPLOYMENT PROJECTIONS AND 2009-2030 URBAN GROWTH REPORT

Community Development Director Bunch introduced Metro Councilor Carl Hosticka. Accompanying Councilor Hosticka was Ken Ray, Metro Senior Public Affairs Coordinator.

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Councilor Hosticka advised this is a first-test case of the Chief Operating Officer's recommendation on a number of issues, which include regional transportation, the urban growth report, urban reserves and investment issues that the City Council discussed earlier this evening (Agenda Item No. 2).

The Chief Operating Officer released the 2009-2030 Urban Growth Report today. (A compact disc copy of the report is on file in the City Recorder's office.) The recommendations contained in the report touch upon a comprehensive set of issues.

One of the goals is, to the extent possible, develop and grow within our existing urban growth boundary. If necessary, we will contemplate expansion of the urban growth boundary in 2010. At the end of this year, we will talk about the needs and the capacity within the existing boundary.

Another goal is to establish a priority of investment including the repair, maintenance, and use of things we already have before we spend money on new development.

The third goal is an employment goal.

The Chief Operating Officer is making these recommendations; however, the Metro Council has not weighed in on the recommendations at this point. The purpose of these meetings, of which this is the first, is to have the staff explain what the Chief Operating Officer's recommendations are and discuss. Councilor Hosticka said he would give his personal perspective as a representative of this area, but also primarily, to hear what the City Council's concerns might be with the recommendations.

Mr. Ray distributed a handout, which was a summary of the recommendations. The report along with the regional transportation plan are included in the compact disc that Mr. Ray distributed. This information is also on the Metro's website.

Mr. Ray referred to recommendations on Pages 14 and 15 of the summary he handed out. He pointed out the three primary categories of the Chief Operating Officer's recommendations:

1. Make the most of what we have.
 - Make the most of what we have in terms of financial and land/development resources.
 - Focus more growth in the existing centers, corridors and employment areas.

- Finding ways to revitalize underutilized properties to get more residential units and employment development.
 - Metro would like to develop across the region an integrated regional investment strategy that links local investments by local governments with regional investments so we can obtain the returns we want in terms of community development, housing, and multi-modal transportation options. This would also leverage other private development and investments.
 - Utilize the regional transportation plan and make sure that the transportation investments we make increase the number of safe, affordable and convenient travel options for everyone in the region. Also, make sure that our transportation planning efforts serve the type of community outcomes we want that support a sustainable and prosperous business and economic environment across the region.
2. Protect our urban growth boundary.
- Protect farm, forest land and natural areas for future generations and ourselves.
 - Provide rural recreational opportunities that define the quality of life in this region.
 - Focus resources to get more out of our existing centers – revitalize communities.
 - Look at the urban and rural reserves process to determine how those reserves serve development inside the urban growth boundary.
 - Designate urban reserves in such a manner that the development in those urban reserves compliments the housing and employment base within the region.
 - Support better private investment in our communities through greater use of existing zoning strategies and financial incentives.
3. Walk our talk.
- Performance measures are in place not only to meet state land use goals, but to provide a means to evaluate (in five – ten years) whether we attained what we said we wanted and provide guidance on how to retool the strategies if they are not working.

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Councilor Buehner noted Tigard has done a detailed study of trying to make the best use of the property we have in the Downtown, the Triangle, and Washington Square (although residents have been hesitant to allow development to occur). She said she was concerned that the interest about rebuilding inside the existing urban growth area will be emphasized to the detriment of communities in Washington County where so much growth is occurring. For example, Tigard came up with a conservative amount of expansion area it thinks it will need – less than 900 acres. She said, “Frankly, I’m very concerned that in this process, that’s going to get lost.”

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Councilor Hosticka said the recommendation (referring to the section on Urban & Rural Reserves) of the Chief Operating Officer cites numbers somewhere between 15,000 acres of reserve region-wide for employment and residential. This is considerably lower than what the Washington County Coordinating Committee is recommending. Councilor Hosticka advised that the Chief Operating Officer also mentioned the areas surrounding Tigard. He said the area Councilor Buehner referred to is adjacent to areas in unincorporated land in Washington County and any future development would probably require that they be contiguous; therefore, urbanization would be far into the future. [8:35:02 PM](#) Mayor Dirksen said this is a point that cannot be made too often as we enter into this period of review and comment by the general populous. The urban reserves under current discussion is a 50-year reserve.

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Councilor Hosticka referred to investments Tigard is already making in high-capacity transit. The report addresses Tigard specifically as the model of the types of investments under discussion. Investments are not only in

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developed areas, but in the natural areas that complement and add to livability of the developed areas accompanied with higher utilization of land with more people living on the same amount of land. The high-capacity transit plan is part of the regional transportation plan and it cites the corridor from Barbur Boulevard to King City and to Sherwood (the end of this line is still undefined) as one of two top priorities. The trigger to build this transit corridor is first money and then what kind of demand would be anticipated. He said he believes Tigard is well on the way to taking the steps to assure that the demand would be there.

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Councilor Wilson said one of the things that is not working well since the 2040 process began is that the very nature of having a tight urban growth boundary means that there is pressure on the remaining greenfields located primarily on the fringes. These greenfields are much more valuable and we are seeing very dense development compared to that of inner-southeast Portland where the average might 5,000 square foot lots. We are seeing 2,000 square foot lots. Council President Wilson said he is concerned that we are building “future slums on the fringes” that are not like the neighborhoods of Irvington and Eastmoreland of lasting quality. The inner areas we would like to develop such as the Pearl District and North Macadam are rare and are not capturing a large percentage of people. In other places where we would like to develop more density such as the Tigard Triangle, we are unable because of the Transportation Planning Rule limitations. What is happening is that trips are being generated from the fringes, where we do not have the infrastructure to support them and we are unable to develop where we would like to and where it would make sense to develop. The policies are not working. The vision that 2040 established, while it is a good one, it is not happening “on the ground.”

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Mr. Ray advised that the Report contains some implementation strategies for 2040. Some these will require policy changes at the local and regional level and some will require changes at the state level through the Transportation Planning Rule. The Metro Council is open to looking at ways to work with the state agencies to modify rules to enable areas such as the Tigard Triangle to develop. Metro’s focus regarding small lots and shoddy development at the edges region is to make sure the centers are everything that they can be in terms of creating vibrant employment areas and places where people want to live and spend their free time (restaurants, shops, etc.).

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Council President Wilson pointed out that Tigard does not have control of areas 63 and 64. Washington County will be planning those areas. We are concerned about these areas because they are so close to Tigard. If we had our preferences, we would probably have the tendency to zone most of these areas to allow larger lots (i.e., 5,000 square feet) for single-family, detached homes/neighborhoods. At the same time, we would increase the density of the inner areas within our jurisdiction. Councilor Hosticka said that this a more realistic view of what we are trying to achieve. We recognize that what has been described as the “urban crust” at the outer edges of the urban growth areas was not the desired outcome. We all recognize that this is a problem and will only get worse in the short term if we cannot afford transportation investments along with options for neighborhood centers to meet daily needs so they do not need to travel by car. This will be one of the continual challenges over the next 20 to 30 years; that is, how do you deal with those places that are already built and how do you avoid building more of them.

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Councilor Buehner advised that in 2000-2001, she sat on the Long-Term Transportation Planning Committee for Washington County at which time Metro was working on the Regional Transportation Plan. One of the continuing issues that was not effectively addressed by the Metro Council is the difference of the topography of the east side compared to the west. The west has all types of issues that preclude having an effective grid system. Most of the Transportation Plan developed by Metro was focused on providing transportation options that fit in a grid, but not fit in an area where you have topographical limitations. She hopes the update will work more efficiently in Washington County. The west side has been at a disadvantage in being able to develop affordable transportation.

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Councilor Hosticka commented that the grid system on the east side was accomplished by flattening everything. We have moved beyond that. He agreed with Councilor Buehner that the RTP needs to take into account the different character of the landscape in the western area of the region.

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Mayor Dirksen observed that a lot of comment tonight might be premature. The City of Tigard will have more opportunities to air our views as time goes by. He noted that as a member of JPACT, he intends to attend the majority of the open houses to hear the different views around the region. He said he would be interested to hear the views from all the areas to determine if other views are, in fact, different – or, as he suspects, there is much commonality.

Mr. Ray reviewed a handout distributed to the Council outlining the schedule for the comment period and the schedule of the decision points for the Metro Council. A copy of this handout is on file in the City Recorder's office.

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Councilor Hosticka said some people might think the Chief Operating Officer's recommendation is the Metro position – it is not the position of the Metro Council. What was needed, after about a year of discussion, was some basis to start from. He said he would be very surprised if the final decision is what is recommended in the Report presented tonight. People's opinions matter and the Metro Council would like to hear from them.

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Councilor Webb asked if there were any strategies in the Report for affordable housing? The economy slowdown has affected the absolute need for affordable housing; but, as we go forward and we start to have more dense housing, affordability will become a huge issue. Mr. Ray advised that in the housing needs analysis, affordable housing was reviewed and there are some strategies contained there. Housing affordability was looked at not only in terms of the cost of housing but also in looking at transportation costs. Strategies were considered to reduce the cost burden on renters who are paying more than 50 percent of their income on housing and transportation; that is, how can we invest in certain types of development and transportation options in selected areas to help those residents afford both housing and transportation costs. Mr. Ray said he would look to determine if there was more information on addressing affordability contained in the Report and Councilor Webb advised she would appreciate that.

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Councilor Henderson noted he liked the way the Report was set up and called attention to his appreciation of making the most of what you have. He asked for an example of what is meant when the Report indicates the need to walk the talk and be accountable. Mr. Ray said part of how they hold themselves accountable is through regional discussion at the MPAC table, where they talk about the results realized throughout the region; i.e., where regional money is being invested, what types of results are achieved for the investments made and evaluate whether it might make sense to make other types of investments. Local leaders will hold each other and Metro accountable as we check regularly about where we are investing public money and whether we are getting the returns we want as a region.

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Councilor Hosticka commented that, to a certain extent, the entire process now underway "is holding us accountable for the mistakes of the past, which is...we have made expansions of the urban growth boundary without any idea of whether or not the investment was there in order to build the community...I think if you look around the region you can see instances of places where people expected things that haven't happened. This time we're trying, through the reserves process, get a handle on what kind of community would be built in a new area,

who would govern it, and how you would pay for the infrastructure costs. To a certain extent, this process is an example of how we're trying to change the way we do things based upon our experience."

Councilor Hosticka concluded by thanking the City Council for their time. He said he did not think anyone disagrees with the general goals. "But, as we all know, the devil is in the details, and so there will be plenty of chances to talk about this in the future."

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5. POTENTIAL REPEAL OF TITLE 18 MINIMUM DENSITY REQUIREMENTS

Associate Planner Floyd presented the staff report. The Tigard Development Code establishes minimum densities within the City's zoning districts to ensure that new residential development meets or exceeds 80 percent of the designated density for an area. This section of the Code is a legacy of old requirements in the Metro Urban Growth Management Functional Plan. This requirement was repealed in 2002 and is no longer necessary. Housing targets are now identified by Metro. Tigard's Title 1 housing target is 6,308 additional units to be achieved by 2017 within the 1996 boundaries of the City.

As of January 1, 2009, Tigard had absorbed 3,700 of those units within the 1996 City limits, which is about 60 percent of our target capacity. This leaves the City with an obligation to absorb about 2,600 more units over the next ten years.

In terms of capacity, the last time staff analyzed this was in 2007. That study looked at a five-year average of the densities being achieved in the study area. It found that the developments were coming in well over the 80 percent minimum density. About 16 percent of new development occurred on lands that were not part of the buildable lands inventory so it was construction we did not anticipate. Bottom line is that the market forces from 2002-2007 were pushing densities well above our minimum.

The advantage of removing this requirement is that developers would be granted more design flexibility within Tigard when desired or appropriate.

Looking forward, the great majority of residential projects will be smaller infill projects within existing residential neighborhoods. Tigard is basically built out; there are not many large parcels remaining. By providing flexibility to developers with reduction in the density, the City and developers will be able to better preserve the existing character of neighborhoods within the City and also protect natural areas and other desirable features. Associate Planner Floyd reviewed statistics to support these statements.

Several things will have to occur before the minimum density requirements can be removed:

1. Staff will have to perform additional analysis on the buildable lands inventory and capacity projections to determine how close we are to meeting our Title 1 Housing Targets.
2. Any changes made must be in compliance with Title 1 of the Functional Plan; that is, we want to make sure that Metro has no objections to what we are doing. He noted that last year the City of Tualatin repealed the minimum density requirements and they are now responding to an appeal filed with LUBA. Associate Planner Floyd advised he has spoken to both the Metro and City of Tualatin staff members about this and he understands that Metro felt the numbers that Tualatin used were too old. Associate Planner Floyd advised that Metro staff has given us a path to follow and we will be working with Metro to ensure that their requirements are met.

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Associate Planner Floyd advised that staff recommends that we go forward to determine how close the City is to meeting its Metro Housing Target, which will determine the timing of when to proceed with such an amendment. If it appears feasible that we are able to meet our housing targets with our existing zoning, staff would recommend moving forward with the repeal of the minimum density requirements. If we are “cutting it close” or if we cannot absorb our required housing given the existing conditions, Metro recommended that we wait until such a time we have up zoned or increased the residential densities in certain parts of the City; i.e., downtown, Tigard Triangle, and Highway 99W. This could mean an increase in densities in downtown and decrease the densities in the neighborhoods.

Councilor Buehner referred to the annexation of the Walnut Island in 1999/2000. She asked if the housing located in that area has been analyzed to determine if it is meeting our target. Associate Planner Floyd responded that he understands that the Title 1 rules only apply to the City boundaries as of 1996. Community Development Director Bunch added that during the period of time that Metro and the cities were developing their capacity targets, the cities, Metro, and the counties came to agreement on areas within each city’s area of interest (urban planning area). Therefore, lands such as the Walnut Island were areas that were considered to be part of the city for the purposes of determining overall density.

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Mayor Dirksen asked if we would be anticipating removing any minimum requirement or reducing the requirement. He said that now it is 80 percent and asked if we would consider reducing it to 50 percent or would be able to do away with any minimum requirement at all. Associate Planner Floyd advised this would be the City Council’s discretion; it could lower the requirement or remove it. Mayor Dirksen said he assumed the Council would make this decision based on the analysis and our ability to meet the Title 1 requirement.

Community Development Director Bunch said this review originated from a Council discussion about the need to preserve the integrity of the City’s single-family residential neighborhoods. One of the City’s important characteristics are its single-family residential neighborhoods and the opportunities that those provide. As we get close to build-out, the concern was that infill projects would be detrimental. Design flexibility is an objective.

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Mayor Dirksen asked if any City Council member had concern with staff going forward with this concept. No concerns were expressed.

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6. BURNHAM STREET BID REVIEW

Finance and Information Services Department Director LaFrance introduced this agenda item. During the Budget hearings and the Budget Committee meetings, Council expressed a desire to have the Burnham Street project put into three segments:

- A base project for the Ash to Main segment, with an overlay from Ash to Hall Blvd.
- A second option for the undergrounding from Ash to Hall.
- A third option for the full project.

Based upon the bids that were submitted, the City Council could then determine how much of the project to construct. Once the City Council decides how much of the project should be done, staff can issue a notice of intent to award the bid tomorrow morning. This would start the seven-day time period, so the bid

can be awarded next week. If we miss that window, then we do not have another City Council meeting until October 27.

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Public Works Director Koellemeier referred to information distributed to the City Council representing raw data from bids received and tabulated today. Additional cross-checking will be required. Given the information before them, Public Works Director Koellemeier asked the City Council for direction regarding at what level did they want to pursue the Burnham Street project. He noted staff was pleased with the bids received.

The Budget allocation for the total Burnham Street project was \$5.1 million. The bids received today do not include about \$.5 million for construction management and internal expenses; however, with this added to the bid numbers, we are still well within what we had anticipated to fund.

Public Works Director Koellemeier confirmed Councilor Buehner's observation that the bids for the whole project came in under the estimate for just the base bid. Council President Wilson and the City Council members commented that the bids received were comparable with regard to the numbers.

Council members commented on the good news for the financial situation that has come with the low bid numbers.

Finance and Information Services Department Director LaFrance reviewed data with the City Council showing the impact that these favorable bid numbers would have on the City's financial picture into the future (five-year period and ten-year period). Finance and Information Services Department Director LaFrance noted the state passed a transportation bill, which will give us additional revenue from an increased state gas tax and registration fees, and we have solidified the City's gas tax situation so we no longer have an offset situation. This has made the City's gas tax fund balance stable into the future. The low bids mean that the money we had planned to borrow can be paid back over a shorter period. This translates to a stable fund balance with the possibility in later years to have some capacity for additional capital improvements funded by the gas tax. In the adopted Capital Improvement Plan, beginning in Fiscal Year 2011/12, there were no capital improvements to be paid for out of the gas tax, because we had no capacity. What the data now indicates is that in future years there might be the option to use gas tax for some capital improvements.

After receiving comments from the City Council, Public Works Director Koellemeier advised staff would proceed with the bid award process.

- Mayor Dirksen announced that at this time the Tigard City Council would enter into a business meeting to consider Agenda Item No. 7.

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7. CONSIDER RESOLUTION NO. 09-55 APPROVING A REVISED PETITION PROPOSING THE FORMATION OF A SPECIAL AQUATIC DISTRICT, TIGARD-TUALATIN AQUATIC DISTRICT

Mayor Dirksen advised this Council consideration was necessitated by additional requirements by Washington County regarding the need to include several special interest districts to be mentioned and listed as part of the petition.

Assistant City Manager Newton advised this is the same petition with the required districts added. On the advice of City Attorney Ramis, he recommended the City Council adopt a revised petition by resolution, since

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the Council adopted the first petition by resolution (Resolution No. 09-55). Assistant City Manager Newton advised that special districts added in the resolution include Clean Water Services and several districts that are also affected. Mayor Dirksen pointed out that the City of Portland, Port of Portland, Clackamas County Library District, etc., were included since it was determined that all of those were slightly impacted.

Motion by Councilor Buehner, seconded by Council President Wilson, to approve the revised resolution, Resolution No. 09-62.

RESOLUTION NO. 09-62 – A RESOLUTION OF THE CITY COUNCIL APPROVING THE PETITION PROPOSING THE FORMATION OF A SPECIAL AQUATIC DISTRICT (Tigard-Tualatin Aquatic District)

The motion was approved by a unanimous vote of Council present.

Mayor Dirksen	Yes
Council President Wilson	Yes
Councilor Buehner	Yes
Councilor Henderson	Yes
Councilor Webb	Yes

Mayor Dirksen advised the City Council meeting was now resuming its workshop meeting.

8. DISCUSS CITY OF TUALATIN'S PROPOSAL TO CONSIDER A UTILITY FEE FOR FUNDING POOL MAINTENANCE AND OPERATIONS

Assistant City Manager Newton said City Manager Prosser is at the ICMA Conference and contacted her by email with information on this agenda item. She reported that City Manager Prosser has a meeting with the City of Tualatin on September 30 and he has some questions regarding the utility fee concept proposed by Tualatin Mayor Ogden. She reviewed the questions that City Manager Prosser would like the City Council to give him feedback prior to meeting with Tualatin:

- Councilor Webb commented that at last Thursday's Community Development Block Grant meeting, the City of King City was represented and Dick Schouten was representing Washington County. There was discussion about how to fund the pools other than forming an aquatic district. Councilor Webb said she thinks the County has given its' approval for this to go forward to the ballot; however, they are hoping that Tigard and Tualatin will take the lead to offer some kind of an answer to fund the pools without forming an aquatic district. No ideas were offered at the meeting. She said King City is very interested in talking to the City of Tigard about this, as they are concerned about a fee proposal. King City has been unable to pass a street maintenance fee in their jurisdiction and they do not think a utility fee would be a viable option for them. Their Charter might require a vote on any fee proposal. King City would be willing to work with others to find another option to fund the pools.
- Kathy Stallkamp, representing the supporters of the aquatic district, outlined the process currently underway to take steps to get this matter on the ballot for voters to consider formation of a special district. The County still has to give its final approvals, including a Planning Commission hearing on the Comprehensive Plan amendment and a Board of Commissioners hearing.
- Mayor Dirksen said he thought it was a good idea for the City to continue to look for options and to discuss this with our other partners in the School District, including the County. He referred to the questions posed by City Manager Prosser and he said he thought the City Council should be open to whatever is worked out. He noted earlier the Council had indicated an unwillingness to move toward a fee

