

MINUTES
FAIRVIEW CITY COUNCIL REGULAR MEETING
FAIRVIEW CITY HALL
300 HARRISON
FAIRVIEW, OREGON 97024

SEPTEMBER 2, 1998 -- 7:30pm

**I. CALL TO ORDER/
ROLL CALL**

Mayor Vonderharr called the meeting to order at 7:30pm.

PRESENT: Mayor Roger Vonderharr
Councilor Ken Quinby
Councilor Dave McCutcheon
Councilor Len Edwards
Councilor James Raze
Councilor Steve Owen

ABSENT: Councilor Sherry Lillard

STAFF PRESENT: Marilyn Holstrom, City Administrator
Caren Huson, City Recorder
Susie Wylder, Administrative Assistant

II. CONSENT AGENDA

Councilor McCutcheon moved and Councilor Edwards seconded the motion to approve the Consent Agenda, consisting of the Minutes of August 19, 1998 .

AYES: 6
NOES: 0
ABSTAINED: 0

**III. CITIZENS WISHING TO
SPEAK ON NON-AGENDA
ITEMS**

Mayor Vonderharr called for persons wishing to speak on non-agenda items. As there was no response, the session continued.

IV. COUNCIL BUSINESS

**A.BRIEFING -
Consolidation
Threshold Task Force**

Marilyn Holstrom, City Administrator, stated that Council had received a document from the Consolidation Threshold Task Force regarding the consolidation of the City of Portland and Multnomah County. The City of Fairview was represented, in the past, on the Task Force by a Troutdale City Councilor and now was represented by a Wood Village Planning Commissioner. Administrator Holstrom introduced Kathleen Dotten who would present the Task Force's Draft Recommendations for Public Comment document.

Ms. Dotten distributed copies of the Draft Recommendations document to the Council and briefly reviewed the report, which is attached and incorporated into these minutes. Ms. Dotten stated that she appreciated the work which Dennis Quail and Administrator Holstrom contributed to the study. Ms. Dotten explained that the Task Force was created to make a decision on whether consolidation would show a cost savings and improve

services provided, and also to make a recommendation on whether or not to move forward and form a Charter Review Committee for Portland/Multnomah County consolidation. Ms. Dotten commented that three options were reviewed, and the discussion seems to be narrowing down to Option Number 3. Ms. Dotten explained that Option Number 1 proposed that all cities in Multnomah County would merge together and operate under one government entity, meaning the City of Fairview would no longer exist. Option 2 proposed that Portland and Multnomah County merge together, with Fairview and the remaining East County cities remaining intact and still receiving services from Multnomah County, but this option posed logistical problems. Option 3 proposed that a new county be formed by the East County cities, with Portland and Multnomah County merging into one entity. Ms. Dotten reported that since the three options were discussed, a new option has arisen in which Portland would form its own City and County, and the East County cities would remain in existing Multnomah County, which would allow the Business Income Tax (BIT) received by the cities to stay intact. Ms. Dotten explained that the fold-out sheet contained in the distributed Draft Recommendations document lists the pros and cons for each option. Ms. Dotten reported that the City of Gresham had passed a resolution the previous night which basically said that they support Portland's efforts to pursue seceding into their own County and City, leaving the rest of Multnomah County intact. Ms. Dotten mentioned that the Task Force would meet the following day for one final meeting, and will consider all the information received to date, and consider whether they want to modify their report.

Councilor McCutcheon commented that he felt that all three original options basically seem to bail out the Portland Fire and Police Disability and Retirement Fund (FPD&R), and the \$820 million was a heavy debt-load to take on. Ms. Dotten stated that the FPD&R issue would need to be clarified further, and reviewed as to whether it would provide its own funding source or whether those public employees would move over to a PERS system. Ms. Dotten added that the FPD&R issue was one of the reasons why the Task Force thought Option 3 was best as it leaves FPD&R with Portland, and the remaining East County cities and Multnomah County would not absorb that responsibility. Councilor McCutcheon questioned where cost savings appear. Ms. Dotten responded that the deciding factor was not only cost savings, but also improved delivery of services.

Councilor Raze questioned whether Ms. Dotten felt there would be cost savings with consolidation. Ms. Dotten responded that the consulting firm came up with a cost model, and they decided that the only way to determine cost savings was to take an indicator by merging the jurisdictions, eliminating any duplications, and they did come up with cost savings, with Option 3 showing \$4 million in savings; however, the methodology used for Options 1 and 2 was different than for Option 3. Mayor Vonderharr commented that he could see no cost savings with any of the Options.

Councilor Quinby asked where Ms. Dotten lived. Ms. Dotten responded that she lived in Northwest Portland. Councilor Quinby asked Ms. Dotten how she would feel about the consolidation issue if she lived in Fairview. Ms. Dotten responded that Fairview has a strength between their elected officials and citizens, and knows that the City would like to keep that intact. Councilor Quinby commented that Fairview residents were concerned about paying for Portland's debt and the potential property tax increases.

Ms. Dotten stated that it was too premature, with not enough facts available, to make a statement such as that.

Councilor Raze commented that the Task Force may feel they have support of Gresham's suggested "Option 4", but it could end up that the East County cities would look at merging with Clackamas County. Ms. Dotten stated that the majority of the Task Force members felt that their recommendation was to move forward and form a Charter Review Committee, in which they would look at information on cities merging with Clackamas County.

Councilor Owen stated that in regards to staff positions and cost savings, he had a concern that if you eliminate a lot of management positions with a merger, that you might have to add more supervisors and laborers to replace those managers, thus eliminating any cost savings. Ms. Dotten commented that that point was made during the process, and the model developed was more applicable when you looked at Gresham and Portland, rather than smaller cities. Councilor Owen questioned if the cities were to agree on any of the options, would the issue still require a vote by the citizens of each jurisdiction. Ms. Dotten responded yes, adding that first the State laws would have to be changed that deal with consolidation and size of a county, which would be a statewide vote, and then a vote of local jurisdictions would be held.

Councilor McCutcheon questioned how Ms. Dotten felt about the fifth option of not moving forward at all concerning consolidation, and leaving everything status quo. Ms. Dotten responded that that was the minority recommendation of the Task Force, to not take any action, and she felt it was a viable option as she was concerned between the rift which could result between citizens and elected officials, but dialogue could bring the two sides closer together.

Councilor Edwards asked if Portland and Multnomah County should merge, who would be the governing body. Ms. Dotten responded that she did not know, but felt that was why Option 1 was eliminated. Councilor Edwards suggested that if the East County cities were to form their own County, that we would not have to shift any of our taxes to Portland. Administrator Holstrom stated that there were some financial implications that arise with that option, as the Business Income Tax would remain, but that the majority of businesses are in Portland, and the loss to Fairview revenue would be extreme. Also, gas tax dollars would decrease significantly.

Councilor Owen asked if Ms. Dotten had any idea as to what the consolidation study has cost so far. Ms. Dotten responded that about \$120,000 total was spent for the Task Force report, along with another \$50,000 which paid for East County's report on seceding to Clackamas County.

Mayor Vonderharr commented that consolidation has moved away from the economical benefit, and has now turned into a political issue. Every time Portland goes into compression, the remaining cities in Multnomah County have to make up the difference. Mayor Vonderharr stated that Portland urban renewal programs take properties off of the tax rolls which the remaining Multnomah County cities having to make up the difference. Mayor Vonderharr commented that no one had considered the option of studying why Portland was so inefficient, as other cities must function with

lower tax rates. Ms. Dotten mentioned that the efficiency question is what led to consolidation discussions, due to duplication of services; however, Ms. Dotten stated that she would communicate the Council's comments to the Task Force. Mayor Vonderharr stated that Fairview does not have bottomless resources like Portland and Multnomah County, that staff is stretched to the limits, and that he was tired of the discussions regarding consolidation, as Fairview and the smaller cities in East County would be hurt the worst.

Ms. Dotten thanked the Council for allowing her to make a presentation.

**B.RESOLUTION -
Year Nine Recycling**

Councilor Owen reported that he was Council liaison to the Solid Waste Citizens Advisory Committee (SWCAC), and that each local government is to submit a plan to Metro, on an annual basis, regarding recycling. Councilor Owen stated that Fairview contracts with Gresham to provide recycling services and a report to Metro, and that Fairview would receive \$2,350 from Metro's Waste Reduction Grant to implement waste reduction programs. Councilor Owen added that SWCAC's accomplishments were listed in the Council's packet, and that he wished to recognize two Fairview citizens who serve on SWCAC, Dennis Caudle and Bob Southern.

Councilor Owen moved and Councilor McCutcheon seconded the motion to approve Resolution 20-1998, A RESOLUTION ADOPTING AN ANNUAL WASTE REDUCTION PLAN - YEAR NINE - FOR THE CITY OF FAIRVIEW.

AYES: 6
NOES: 0
ABSTAINED: 0

**C.CONTRACT -
City Hall Architect**

Administrator Holstrom reported that the City hired a Project Manager, Heery International, for the new City Hall project. The Project Manager has been moving forward on the sale of the new City Hall land, along with soliciting proposals for architects. Administrator Holstrom stated that ten proposals were received, which were screened down to four firms. The City Hall Interview Committee interviewed three of the architectural firms, as one had withdrawn their proposal. The Interview Committee has recommended Group Mackenzie to perform the architectural services for the new City Hall and that contract is before Council for approval.

Councilor Raze mentioned that it seems as if the approval would be like signing a blank check, as negotiations on cost had not yet occurred. Councilor McCutcheon stated that when the Interview Committee reviewed the three firms, they did not look at the amount quoted for the job, they only reviewed the firms and their qualifications. Councilor Edwards commented that, in his opinion, the Council should award the contract to Group Mackenzie. Councilor McCutcheon added that the Interview Committee had judged Group Mackenzie to be the best, and it is hoped that they will negotiate their costs to meet the City's budget. Councilor Raze asked if the City Hall Committee was under a time crunch to award the contract. Councilor McCutcheon responded that the architects would like to go out for bids in the fall and winter when costs are lower.

Councilor Owen asked if the City Hall Committee actually believed that the costs were negotiable. Administrator Holstrom responded yes, as the

concept plan for the new City Hall has already been completed and the architect would not have to start at the beginning as stated in their proposal.

Councilor Edwards stated that the City Hall Committee felt that Group Mackenzie was the best company to design the new City Hall, and there was the added benefit of negotiations and the possibility of lowering costs.

Councilor Raze commented that he was not against the choice of architect, but questioned why the contract couldn't be awarded at the City's budgeted amount with any cost negotiations to occur at a later date. Councilor McCutcheon stated that that would be a good compromise.

Councilor Quinby moved and Councilor McCutcheon seconded the motion to authorize the City Administrator to award a contract with Group Mackenzie in the amount budgeted by the City, with cost negotiations to occur at a later date.

AYES: 6
NOES: 0
ABSTAINED: 0

V. CITY ADMINISTRATOR REPORT

Administrator Holstrom reported that the City would have a tax levy on the November 1998 ballot, so the Tax Supervisory and Conservation Committee was required to hold a public hearing per State law. The public hearing will be held with Council on September 16, 1998, at 7:15pm, in the Fairview Council Chamber.

Administrator Holstrom mentioned that she had also been notified that a Citizens Committee was formed to promote the parks tax levy.

Administrator Holstrom stated that the freeway soundwall issue was again coming to light, and she had contacted Jef Kaiser from the Department of Transportation (ODOT), who will be before the Council on September 16th; public hearing notices would be sent to residents in the Bridge Street area. Administrator Holstrom added that Mr. Kaiser had stated that the soundwall being placed on the north side of the freeway would be protecting the Wood Village Mobile Manor. Administrator Holstrom commented that the remainder of the Council's agenda on September 16th would be in Executive Session regarding potential litigation on the Fairview/Wood Village sewer situation.

Administrator Holstrom commented that Wood Village does not seem to understand the necessity of sitting down with neighboring jurisdictions and working out problems prior to public hearings concerning the Multnomah Greyhound Park proposal. Administrator Holstrom stated that the Wood Village Planning Commission hearing has been scheduled for September 28th, and a representative from the Council was needed to testify at the hearing. Administrator Holstrom reported that Gresham would participate with Fairview in requesting that Wood Village sit down and discuss the proposal with staff before the public hearing; Wood Village agreed, and all cities will meet on September 8th. Administrator Holstrom mentioned that there were many problems with the proposal, and that conditions of the mediation agreement were not being met.

Administrator Holstrom reported that she had spent the afternoon talking with Holt & Haugh regarding sewer; they have made some proposals and she felt an agreement would be reached without the issue going into court.

Administrator Holstrom stated that the City brought all the developers of south Fairview Lake properties together to discuss the building of bridges, with the meeting being semi-successful; two developers were shaking hands and would be discussing a financial arrangement.

Administrator Holstrom mentioned that the Planning Commission had heard a zone change request from Twelve Mile Disposal for a piece of property on the east side of NE 223rd Avenue, north of Sandy Boulevard. Twelve Mile would like to place an office and truck facility at that location; however, there was an uproar over the location proposal, and The Oregonian will be running an article on the issue. Administrator Holstrom commented that the applicant has been told that the chances of his Conditional Use Permit request passing the Planning Commission were very slim.

Administrator Holstrom explained that the Salish Ponds, located near Glisan Street, will be given over to the City and would be the third leg of the City's Wetlands Plan. The developer of the site has been working with the City, and is proposing to place 25 housing units on the site; the City would like a storm detention system in the ponds, and an open space area. Discussions were intense and it was a difficult process.

Administrator Holstrom reported that the Fairview Lake Dam issue had been resolved; the Drainage District will receive a new permit to allow the dam, with the entire process taking over a year of negotiations and compromises. A property owner had worked out an agreement with the Drainage District to construct a dock, and other homeowners would negotiate a similar agreement.

Administrator Holstrom stated that Public Works Director Jeffrey Sarvis had met with residents of Fairview Lake Estates regarding the wetland pond in their development; a walk-through was performed, determining what was wetlands and what could and could not be mowed. Staff and residents have entered into some beginning agreements of who would do what in maintaining the pond site.

Administrator Holstrom reported that City Planner John Pettis' last day with the City would be October 2, 1998. The application period has closed for filling his position, and she thought at this point she would be placing someone as Planning Director on an interim basis under a Personal Service Agreement and still continue to look for someone to hire on a permanent basis.

**VI.MAYOR/COMMITTEE
REPORTS AND COUNCIL
CONCERNS**

Councilor Owen stated that Street Faires were a good opportunity to meet people, and that citizen concerns come out of those talks. The biggest issue on Bridge Street was automobiles speeding, so perhaps the City's new speed test device could be placed in that area.

Councilor Raze commented that he hoped the Fairview/Wood Village meeting would not have to go into mediation as it is costly and not binding.

Councilor Quinby stated that he had read a letter about the Salish Ponds in the Sound-Off section of The Gresham Outlook, and thought maybe he

would like to address that issue in a letter to the editor as he would like the citizens to know the facts. Councilor McCutcheon commented that Councilor Quinby would have to state that he was just speaking for himself and not representing the Council. Mayor Vonderharr stated that his opinion was that Council should respond to individual letters they receive, but not to Sound-Off articles in The Outlook. Mayor Vonderharr added that Councilor Quinby had the option of doing anything he wanted as an individual, but as a Council, it's better to ignore those particular newspaper articles.

Councilor McCutcheon reported that he had attended a visionary meeting for the Fire Department, looking into the next 20 years. Councilor McCutcheon stated that the Fire Department had responded to 403 fires last year, and 5600 medical emergencies, and that he was very impressed with the process.

Councilor McCutcheon stated that he was formally submitting notification that he would be resigning from the City Council as soon as his house sold in Fairview. Councilor McCutcheon stated that it had been a pleasure over the years to serve on the Council, and that it had been an education.

Councilor Edwards had no reports, but he did state that he would miss Councilor McCutcheon as he had always provided a balance on the Council.

Mayor Vonderharr reported that he had attended a ribbon-cutting ceremony at NACCO for their new office building; NACCO currently has 140 employees on the site with a potential of 170. Mayor Vonderharr stated that he had several meetings coming up: Lynn McNamara of the League of Oregon Cities in which he would discuss Fairview's interpretation of Measure 50; a meeting with Multnomah County Transportation regarding the railroad bridges in order to provide information he received on funding; and, a meeting with the Port of Portland to lay out how they would be setting up the new Noise Advisory Committee. Mayor Vonderharr stated that he had met with the Mayors of the four East County cities regarding the consolidation issue, and that the main discussion was removing ourselves from Portland's compression and urban renewal.

VII. ADJOURNMENT

Councilor McCutcheon moved and Councilor Edwards seconded the motion to adjourn. Mayor Vonderharr adjourned the meeting at 9:42pm.

AYES: 6
NOES: 0
ABSTAINED: 0

Mayor Roger Vonderharr

Dated:

Caren C. Huson Quiniones
City Recorder