

City of Springfield
Regular Meeting

MINUTES OF THE REGULAR MEETING OF
THE SPRINGFIELD CITY COUNCIL HELD
MONDAY, NOVEMBER 2, 2009

The City of Springfield Council met in regular session in the Council Meeting Room, 225 Fifth Street, Springfield, Oregon, on Monday, November 2, 2009 at 7:00 p.m., with Mayor Leiken presiding.

ATTENDANCE

Present were Mayor Leiken and Councilors Ralston, Lundberg, Wylie, Simmons and Pishioneri. Also present were City Manager Gino Grimaldi, Assistant City Manager Jeff Towery, City Attorney Joe Leahy, City Recorder Amy Sowa, and members of the staff.

Councilor Leezer was absent (excused).

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Mayor Leiken.

Mayor Leiken welcomed Troop 51 members from the Thurston area who were in the audience earning points toward a merit badge.

SPRINGFIELD UPBEAT

CONSENT CALENDAR

IT WAS MOVED BY COUNCILOR RALSTON WITH A SECOND BY COUNCILOR LUNDBERG TO APPROVE THE CONSENT CALENDAR. THE MOTION PASSED WITH A VOTE OF 5 FOR AND 0 AGAINST (1 ABSENT – LEEZER).

1. Claims
2. Minutes
 - a. September 22, 2009 – JEO Meeting
 - b. October 19, 2009 – Work Session
 - c. October 19, 2009 – Regular Meeting
 - d. October 26, 2009 – Work Session
3. Resolutions
 - a. RESOLUTION NO. 09-45 – A RESOLUTION TO ACCEPT PROJECT P20459; SANITARY SEWER REPLACEMENT 2006 FROM H&J CONSTRUCTION, INC. IN THE AMOUNT OF \$615,843.82.
 - b. RESOLUTION NO. 09-46 – A RESOLUTION TO ACCEPT PERMIT PROJECT P30431, PUBLIC IMPROVEMENTS FOR ROYAL CARIBBEAN CRUISES, LTD.

4. Ordinances

5. Other Routine Matters

- a. Acceptance of the Financial Reports for September 30, 2009.
- b. Approve the Purchase of Police Vehicles for Fiscal Year 2010.
- c. Allow Construction Activities Outside of the Hours of 7 a.m. and 6 p.m. with Conditions as Described in Attachment 1 Gateway/Beltline Intersection (P20474) for Work on this Joint Springfield/Oregon Department of Transportation (ODOT) Project.

ITEMS REMOVED

PUBLIC HEARINGS - Please limit comments to 3 minutes. Request to speak cards are available at both entrances. Please present cards to City Recorder. Speakers may not yield their time to others.

1. Annexation of Territory to the City of Springfield (4851, 4857 & 5001 Franklin Boulevard; Map 18-03-02-20, Tax Lots 3000, 3100, 3200 & 3300; and Map 18-03-02-32, Tax Lot 3800) Case Number C SP 2009 - LRP2009-00009.

ORDINANCE NO. 1 – AN ORDINANCE APPROVING THE ANNEXATION OF CERTAIN TERRITORY TO THE CITY OF SPRINGFIELD, LANE COUNTY METROPOLITAN WASTEWATER SERVICE DISTRICT, AND WILLAMALANE PARK AND RECREATION DISTRICT; AND WITHDRAWING THE SAME TERRITORY FROM THE GLENWOOD WATER DISTRICT (FIRST READING).

City Planner Andy Limbird presented the staff report on this item. The annexation request was submitted on August 14, 2009 (Attachment 4, Exhibit C of the agenda packet). The subject annexation area was mostly vacant industrial land located between McVay Highway and the west bank of the Willamette River. The site contained a two-story office and maintenance shop building that faced McVay Highway. The requested annexation area was about 38.28 acres in size and was contiguous with the Springfield City limits as defined in ORS 222.111(1). The current City limits were on the west side of the McVay Highway right-of-way, but annexation of the intervening right-of-way was not required or recommended at this time.

An annexation agreement that addressed urban service provision and financing responsibility between the City and the property owners was attached (Attachment 4, Exhibit B of the agenda packet). The Staff Report (Attachment 1 of the agenda packet) included an analysis of the annexation request and recommended Council action. Maps of the annexation area were included as Attachment 2. The requirements in Springfield Development Code (SDC) Article 5.7-100 were addressed in the attached staff report. The annexation area could be served with the minimum level of key urban facilities and services as required in the *Eugene-Springfield Metropolitan Area General Plan* and as detailed in the attached Annexation Agreement. Services were immediately available or could be provided in a timely manner.

The City Council was authorized by ORS Chapter 222 and SDC Article 5.7-100 to accept, process, and act on annexation requests. If approved, the annexation would become effective 30 days after signature by the Mayor consistent with SDC 5.7-155 and ORS 222.040, 222.180, and

222.465. The annexation area was currently zoned Light Medium Industrial (LMI) and was located inside the Springfield urban growth boundary (UGB). Urban services were available at or near the west boundary of the subject site, or could be extended to serve the property. The total assessed value of the requested annexation area was listed as \$1,242,796 according to Lane County Assessment and Taxation records and would be expected to increase over time following annexation.

The Director's recommendation to the City Council was to (a) approve the annexation of territory to the City of Springfield, Willamalane Park and Recreation District, and Lane County Metropolitan Wastewater Service District; and (b) withdraw the same annexation territory from the Glenwood Water District.

Mr. Limbird noted that the staff report incorrectly noted that there were other solid waste providers that could provide services for commercial properties in Springfield, but the City of Springfield did have an exclusive franchise agreement with Sanipac for residential, industrial, and commercial properties. He also noted that the annexation area did not follow the tax lot boundary on the south end. It was not unusual to have an annexation area that did not follow a surveyed boundary, but was an item of interest in this annexation.

Mayor Leiken opened the public hearing.

No one appeared to speak.

Mayor Leiken closed the public hearing.

Mayor Leiken confirmed this would be the Council's decision, not just a recommendation, to annex this property when it came back for a second reading. Yes.

NO ACTION REQUESTED. FIRST READING ONLY.

2. Text Amendments to the Springfield Development Code: Case Number LRP2009-00010.

ORDINANCE NO. 2 – AN ORDINANCE AMENDING SECTIONS 4.1-110.B, 4.3-110.A, 4.3-110.B, AND 6.1-110 OF THE SPRINGFIELD DEVELOPMENT CODE TO INCORPORATE THE ADOPTED STORMWATER MANAGEMENT PLAN, BY REFERENCE, AND DEFINING THE TERM STORMWATER MANAGEMENT PLAN, AND SETTING AN EFFECTIVE DATE (FIRST READING).

City Planner Andy Limbird presented the staff report on this item. On July 22, 2009, the elected officials of the City of Springfield and Lane County met jointly and conducted a public hearing on proposed amendments to the *Metro Plan* and the *Public Facilities and Services Plan* (PFSP). At that hearing, testimony was provided raising concerns regarding the potential downstream impacts to rural properties outside the Urban Growth Boundary (UGB) and requesting that the City take additional steps to ensure that future urban development and stormwater conveyance facilities did not negatively impact lands and property owners in the County outside the City's jurisdiction for stormwater management.

Since that meeting, City staff had engaged in a collaborative process with affected downstream property owners and their representatives in response to their concerns raised by the Board at the joint meeting. The purpose of the meeting was to clarify their concerns and to develop additional

stormwater policy guidance that would give property owners greater assurances that increased stormwater runoff from future in-city development would not adversely affect downstream rural properties. To address these concerns, staff recommended text amendments to the adopted *Stormwater Management Plan* and the *Springfield Development Code (SDC)*. The *Stormwater Management Plan* amendments were adopted by City Council on September 21, 2009. City Council also adopted the *Metro Plan* and PFSP amendments that same night. The Planning Commission reviewed the proposed SDC text amendments at a public hearing on October 6, 2009 and adopted a recommendation of support for the amendments. Staff was now presenting the proposed SDC text amendments for consideration by the City Council.

The proposed SDC text amendments introduced a definition of the City's adopted *Stormwater Management Plan* and provided explicit references to the Management Plan in various sections that addressed stormwater management regulations. The proposed SDC text amendments did not change the adopted policies and practices currently in place for the management of stormwater in Springfield. Therefore, this proposed ordinance would not change the way the City conducted business, and should have no quantifiable financial impact. The Planning commission voted unanimously to make the suggested changes. Staff would bring this back to the LCBC for a 6th and 7th reading in the near future.

Mayor Leiken opened the public hearing.

No one appeared to speak.

Mayor Leiken closed the public hearing.

NO ACTION REQUESTED. FIRST READING ONLY.

3. Local Improvement District (LID) Request for Local Wastewater Service for S. 38th Street and Cherokee Drive.

RESOLUTION NO. 09-47 – A RESOLUTION OF INTENT TO INITIATE
CONSTRUCTION OF WASTEWATER IMPROVEMENTS FOR SOUTH 38TH STREET
AND CHEROKEE DRIVE FROM SOUTH 34TH PLACE TO SOUTH 38TH STREET AND
VICINITY.

City Engineer Ken Vogeney presented the staff report on this item. City staff received a LID petition from the property owners at 3810 Cherokee Dr. to extend public wastewater service in Cherokee Dr. in response to their septic system failure. Oregon Administrative Rules (OARs) required properties within 300 feet of a public wastewater system to connect to the public system if their septic system failed. The proposed district (Attachment 3 of the agenda packet) contained 40 properties along Cherokee Drive between S 34th Street and S 38th Street, and 4 properties along S. 38th St. between Cherokee Drive and S. Redwood Drive. The responses in favor of the proposed LID were primarily in the vicinity of the sponsoring property owner, at the easterly end of the proposed district, with less support further west between S. 37th Street and S.34th Place. A property roster showing the addresses in the district was attached (Attachment 5 of the agenda packet). Lane County tax assessor records indicated the average real market value of homes in the proposed district was approximately \$172,000, while the average assessed taxable value was approximately \$115,000.

At Council's request, staff prepared four conceptual *estimates* to provide public wastewater service to the district or to an individual property in the district. A table summarizing these costs was contained in the Council Briefing Memo (Attachment 1 of the agenda packet).

Implementation of a full LID (for 44 lots) yielded an average cost of \$15,100 per property. This estimate included costs for construction & engineering of the public system, Local Wastewater and MWMC System Development Charges (SDCs), septic tank decommissioning, and private onsite plumbing work to connect the house lateral to the service point provided by the LID. Cost estimates for a smaller LID and costs to extend service to an individual property owner were contained in Attachment 1.

Should Council decide not to proceed with the LID, the sponsoring property owner would be obligated to construct the wastewater main across their frontage fully at their cost. If Council did initiate the LID, the City Engineer would prepare a report of the project, including project cost and description, and give proper notification to affected property owners prior to scheduling a public hearing for adoption of the project by ordinance.

Mr. Vogeney noted that Council met on October 12 during their work session to review this topic. At that meeting, staff introduced this petition, but no action was taken. The council briefing memorandum in the agenda packet included responses to Council questions following that meeting. He noted that agenda packets were sent to each of the property owners in the proposed district and staff had received several phone calls based on the materials in the packet; some with questions, some confirming their support, and some confirming their opposition. Two emails had been sent to staff today from property owners who had previously opposed the district, who were now asking to be counted in favor. Staff met with the City Attorney and determined that the petition could remain open during the public hearing to allow citizens to make any changes regarding support or opposition after hearing the testimony. Staff could track any changes during the meeting and provide a final number at the end of the hearing. Currently, those in favor were at about 56%.

Mr. Vogeney referred to Page 3 of Attachment 1 of the agenda packet which listed various cost estimates that may apply for different options. He explained each option. He highlighted that initiating the district did not obligate anyone to a particular cost. Council's action to initiate provided the city staff with direction to prepare the specifications, plans, cost assessment method, and a more refined assessment of what the cost may be per property owner. That information would come back to Council in the future during a public hearing. At that time, Council could determine whether or not to move forward with the project. If so, they would adopt an ordinance to establish that district.

Mr. Vogeney referred to the resolution which was Attachment 7 of the agenda packet. The 2nd resolve referenced debt financing. That was included in the event we needed debt financing, but they were not expecting that at this time.

Councilor Simmons asked if leaving the petition open until the conclusion of the public hearing would open the property owners list to the current date or the date of the submission of the petition. He was concerned that property ownership may have changed since the original date.

Mr. Leahy said there was no specific date at which the petition became concrete. In considering the purpose of the public hearing, it made sense to allow people the chance to hear the facts and then decide if their original stand was the same. The City had the technology to determine the ownership issue following the public hearing. The statute in the Code specified that either by

petition or by Council's own motion, this could move forward (Section 3.002). To give participatory democracy, the hallmark of this Council, some effect, they needed to give people the ability to make their decision after they heard everything.

Councilor Simmons said the effective date of the petition would be at a point certain.

Mr. Leahy said it would be when the hearing was over.

Councilor Pishioneri noted two emails from one email address.

Mr. Vogoney said the emails were from residents at two addresses who used one email account to send their email.

Councilor Lundberg referred to page 3 of Attachment 1 of the agenda packet that listed the costs for different options. She asked if they were just estimates and if residents were considering an average cost, not an actual cost.

Mr. Vogoney said that was correct. They had not prepared a precise set of plans to know exact costs. Each property had different width of frontage along the roadway, giving them different costs. These estimates were based on construction estimates over the past year. As staff prepared the actual construction plans and estimates, they could refine those estimates. They would still be estimates until bids had been received from a contractor.

Mayor Leiken opened the public hearing.

1. Jon Ellington, 3585 Cherokee Drive, Springfield, OR. Mr. Ellington thanked the Mayor and Council for the opportunity to speak. Mr. Ellington said he lived on the west end of Cherokee Drive. Originally, he was opposed to the sewer because of lack of information and misinformation he had received. He recently received new information regarding this project, which had changed his vote to a 'yes and he supported this project fully. He was not aware they had the option of hooking up to the sewer at a later date, which would allow them to break up the cost. He had also learned that he would not lose ten feet of his property for sidewalks and streetlights. Finding out this new information allowed him to support this project. The sewer was something the neighbors had wanted since Hayden Homes developed fifteen years ago. At that time, they were told there would be no development for their neighborhood to go onto the sewer. The original amount he had heard was about \$30,000. With the value of the neighborhood, those costs seemed impossible for the property owners to take on. With the lower projected costs coming in and the option to hook up at a later date, he saw this as a window of opportunity to take advantage of this development offered by the City and go forward. He hoped Council did not decide to reduce the size of the LID and proceed on a smaller scale. In doing that, they would eliminate neighbors who had been asking for the sewer for many years and would miss out on the lower costs to hook up.
2. Roxann Fierling, 3570 Cherokee Drive, Springfield, OR. Ms. Fierling said she lived ten feet from the sewer. She had asked to go on the sewer when it was available and was told 'no'. During a meeting last year, they were told the City's proposal would run \$13,500 to \$17,000 for the City's obligation and then the property owners would have their private obligations on top of that. That was not a good time financially for those high costs. Now that this has been brought forward, she would like to see if she could afford it, but would need some sort of

confirmation that this new bid was closer to accurate than the first bid. She wanted to keep her home. She was not sure why the neighborhood was left off of the sewer.

Mayor Leiken said the Mayor and Council would listen to the rest of the public hearing and then ask staff to answer her question and other questions that came up.

3. Ardis Smith, 5090 Forsythia Drive, Springfield, OR. Mr. Smith said he owned a duplex on the corner of Cherokee and 37th Street. He was the builder of 35 of the 40 homes on Cherokee Drive. When Mr. Elmo Aldridge and his wife wanted to subdivide, they requested sewer and water from the City. The City allowed them to go on to 37th or 38th Street underneath Weyerhaeuser Road to bring water to Cherokee, 37th Street and 38th Street, but they refused to allow the sewer system to go in. Mr. Aldridge put septic tanks in on the properties. Mr. Aldridge had wanted to subdivide the rest of the property, but was told by the City that he would have to bring the sewer line from Main Street down 32nd Street which was cost prohibitive. When the school went in on 32nd Street, the school district paid the price to bring the sewer line in allowing the rest of the subdivision to be completed. Mr. Smith would like the City to try to help the people in this neighborhood with some type of funds to lower the cost because many were of limited income.
4. Ed Christofferson, 3572 Cherokee Drive, Springfield, OR. Mr. Christofferson thanked the Mayor and Council for the opportunity to speak. He lived at the west end of Cherokee Drive and was originally not in favor of the LID with the information he had received. With the costs lowered, he changed his vote to yes on this project. He hoped the city planners would look further into lowering the costs during these unstable times. He was o.k. with the individual cost estimate of \$15,141, but would ask that this cost be lowered if at all possible making it more affordable for homeowners on a tight budget. Most of the homeowners were at or near retirement age.
5. R. F. Peterson, 3624 Cherokee Drive, Springfield, OR. Mr. Peterson said the previous speakers touched on some of the points he also wanted to note. As a thirty year resident on Cherokee Drive, which was in the LID petition area, he would be remiss if didn't note past City missteps concerning the main sewer line that should have been in place many years ago. The City acquired this area over thirty years ago and had collected fees and taxes for that period. The City was aware of the potential of septic tank failures and nothing was being prepared for that problem. The City, in recent years, had been approached many times for sewer mainlines from west to east, 38th or 39th Street. This was done during Planning Commission meetings which he attended, and the planners told the residents it could not be done because the subdivision had to use pumps that wouldn't have the capacity. Several months later those pumps were taken out, and the east and west line was lost again. When other subdivisions were built, residents approached the Planning Commission, but still received no permission to move forward. Now, during the greatest recession that he had witnessed with unemployment and foreclosures in the area, a great amount of stress was being put on existing homeowners. The \$10,000, to \$15,000 loss in home values would make the banks uneasy with additional liens on the properties. This was difficult on the homeowners. Many people couldn't understand the importance of the Mill Race project and the amount of funding it was taking. Many people didn't know we had a Mill Race. It was wrong for citizens to be charged for the Natron extension, when his neighbors were just asking for sewer services.

6. Rob Thomas, 3810 Cherokee Drive, Springfield, OR. Mr. Thomas said he started the petition. He agreed with Mr. Peterson on many points. Because of the proximity of his property, there was an inlet to the sewer near his home. Shortly after he moved in six or seven years ago, he came to the City and asked if he could hook into the sewer. He was told it would not happen, and if so, it would be costly to him. He came back a few years later, but was again told it would not happen. When their septic failed, they were told they had to hook up to the City sewer. He was then told he could try for an LID. He learned during tonight's presentation that an LID had not been done in a long time, which explained some of the confusion with the information. He would like to see this go forward.
7. Karen Brower, 3636 Cherokee Drive, Springfield, OR. Ms. Brower said the cost information received at the meeting at Agnes Stewart Middle School was about \$38,000, so her original vote was a no vote. Since then, the information had continually changed, which was very stressful. With the current information, she would like to change her vote to a yes vote and to keep the options open at this time to see if could be affordable to the neighborhood.
8. Larry McMullen, owner of 3584 Cherokee Drive, Springfield, OR. Mr. McMullen said he purchased this property as an investment property about 18 months ago. He had put a lot of money into the house getting it into good shape, which the neighbors were glad to see. He noted the large cost of hooking up, which would be in addition to money already spent. He was not in favor of this project. He felt that the failure of one septic system was impacting another forty-three members of the community. To his knowledge, none of the other forty-three had experience failure. He didn't feel it was reasonable to cause everybody to go to a new system when forty-three septic systems were working fine. This was a large amount of money for these people to spend over ten years, and it made no sense to do this during this economy. A better solution would be to allow the owners of the house that had the septic failure to have their septic system fixed, maybe by the City. Part of the issue was that the policy put into place many years ago was not a great policy. He suggested looking at this during a better economy. He also noted that if homes were hooked up to the sewer their assessed value would increase slightly, which would cause their taxes to increase.

Mayor Leiken closed the public hearing.

Councilor Simmons asked how many owners of the LLC.

Mr. Leahy said there were five.

Mr. Vogoney responded to the questions presented by the speakers. The first speaker asked about hooking up to the system at a later date. That was an option that was offered. The LID would be to construct the public portion of the wastewater system, and then individual property owners would connect at whatever time they chose, or if their septic system failed. The costs associated with the LID were approximately \$7,800 per property owner. The other costs addressed permit fees and onsite construction. One of the speakers had interpreted that to mean the City would pay for the first \$7,800, but that was inaccurate. The \$15,100 was the total estimated cost for property owners to pay. Mr. Vogoney said the estimated costs were associated with today's fees and charges for the onsite work. Over time, fees and construction costs could increase. He had no way to project what future costs could be.

Mr. Vogoney said one of the speakers noted the fees and taxes paid by these residents over the last thirty plus years. None of the property owners within this district had paid the City's

wastewater user fees, but had paid property taxes only. They would pay the wastewater user fees after they were hooked up to the system. He said there were several comments from property owners who had requested to hook up to the system in the past, but were told they couldn't. He was unable to address the specifics of those situations as he wasn't involved, but said staff may have told people that they needed to pay to connect to the main sewer line along the frontage of their property without a City cost share. That may have been cost prohibitive for a property owner to extend the sewer.

Mr. Vogeney referred to the testimony regarding pumping the sewer under the railroad tracks. The City did not have a gravity sewer that came south of the railroad tracks to this vicinity until the mid-1990's. There was a subdivision that was allowed to go in west of this area and they provided a small pump station just for that subdivision, with a small pressure line that ran under the railroad tracks that connected with South 33rd or 34th. When the gravity line was put in at South 32nd, the pump station was decommissioned.

Councilor Lundberg asked how the LID would be reflected on the property owners' tax statement. She asked if the \$7,800 was imposed over a period of time.

Mr. Vogeney said the \$7,800 was the estimated amount for the LID. Council could establish the district at a future public hearing, allowing the property owners one more chance to provide input. That would include the actual assessment of their costs. Those costs could be paid in a lump sum or through a financing agreement with our Finance Department. If they chose the financing agreement, there would be a lien against their property.

Councilor Lundberg asked if that would be in a Bancroft style loan.

Mr. Vogeney said that was correct. It would be over a ten year period, with payments due each six months.

Councilor Lundberg asked if the City would set the interest rate.

Mr. Duey said the interest rate was a Council policy, which was normally based on the previous project that had been completed. It had been so long since the City had completed a previous project, the current policy was out of date for this situation. Council could determine how to address the interest rate. He suggested tying it into something based on the market. With the current market, they could look at something between three and five percent.

Councilor Ralston asked for an explanation of the legal requirement of septic decommissioning.

Mr. Vogeney said septic decommissioning was done through the Lane County Sanitarian's Office. His general understanding was that the tank needed to be pumped dry. Depending on the type of tank, it may require someone going into the tank to punch holes, and then filling the tank with sand. This was a requirement through the Department of Environmental Quality (DEQ). The tank didn't need to be removed, but needed to be taken out of service.

Councilor Wylie asked if the property owner could Bancroft the full amount.

Mr. Vogeney said the homeowners could Bancroft the portion listed under construction and engineering of Page 3, Attachment 1 of the agenda packet, which was estimated at about \$7800. In addition, the City was obligated under Oregon Revised Statute to provide financing for SDCs

for single family homeowners. The other charges were not something the City would be involved in, but would be between the homeowners and the contractors.

Councilor Pishioneri said he had asked about the possibility for other funds to help some of the property owners. He felt all the pieces for this to occur were here and he felt everyone would come out well once completed. He thought that removal of failed septic would be more expensive than decommissioning. He would like to look at the SDCs to see if those could be postponed or frozen so they would not increase when the others throughout the City increased.

Mr. Vogney said the neighborhood overall may not qualify for Community Development Block Grant (CDBG) funding.

Housing Assistant Jodi Peterson said they had taken a further look at one of the addresses in this neighborhood and it was in an eligible area. She could double check to see if this could be an eligible block group.

Mr. Vogney said if that was the case, there could be other financing available.

Councilor Pishioneri said a comment had been made about the tough economic times. He did note, however, that during these times, construction costs would be at their lowest.

Councilor Simmons said a similar project was done on his street using a different process. Some of the homeowners were given a differential in the rate per front foot. That was a City project where there was some assistance based on the property owner's prior year's income. It was obvious the sewer line would be nice to have, but the information made available when the petition was first submitted seemed inconsistent with the current facts. He felt the five owners for the one LLC affected the numbers in this process.

Mr. Leahy said the LLC was one legal entity and had only one vote.

Councilor Simmons asked questions regarding the number of parties on the deed and limited partnerships.

Mr. Leahy said he would need to look into that further, but the LLC was one owner.

Councilor Simmons said if this project went forward with the approval of the people in the LID, it needed to be done at the most moderate cost possible. It was in the best interest of the community. He made note that the entire area east of 28th Street became part of Springfield in part because of a health emergency due to septic failure. A good point was brought up about affecting forty-three when only one system failed. They needed to determine how to proceed in a way that was equitable to all the parties and all the citizens who would be sharing in this process. He continued to have concerns about the date of the petition and the ability for everyone in the neighborhood to be heard. Those affected by the LID needed to know how much it would cost and how it would be paid for. If the petition was closed, this fell back on the remonstrance provision of the Code. He felt it was unfair to close that date on a date specific then reopen with new information.

Councilor Lundberg said having access to the sewer was important. Her mother had a small house and was very low income. When the sewer came through, she had a Bancroft loan to pay for the improvements over ten years. Councilor Lundberg lived there now and was happy to have the

sewer. If Council approved the LID, she wanted to make sure they had good interest rates and looked into whether or not this neighborhood qualified to receive CDBG funds. There was also the Senior Program that could be of assistance. There were ways to work with this to make it affordable. There wasn't an obligation to hook up to the system immediately, but only the LID. If this was out of reach at this time, the property owners could possibly afford it later. There were enough variables to make this work. In the long run, this is what we would want to see in as many areas as possible. She wanted to make sure they had as many options as possible.

Mr. Leahy said Councilor Simmons was correct regarding a remonstrance which could defeat this project. In accordance with the Springfield Municipal Code Section 3.012, "the Council shall have full power and authority to abandon and rescind proceedings for projects under the provisions of sections 3.000 to 3.016 at any time prior to the final consummation of such proceedings, and if liens have been assessed upon any property under sections 3.000 to 3.156, they shall be canceled, and any payments made thereon shall be refunded to the payer, their assigns, or legal representatives.". Council could stop this process at any time if they were not happy with how the department was working things out with the neighbors and property owners, or if the property owners came back and were unhappy.

Councilor Ralston agreed with Councilor Lundberg that it was in the best interest of everyone for the sewer to go through. If this would have happened when the subdivision was built, it would have been much cheaper. He was not sure he agreed with the statement that the other 43 property owners shouldn't have to pay because one system failed. Sooner or later those septic systems would fail and the additional cost would be very high. He would support a number of issues: low interest rates, even as low as one to two percent; reducing SDC charges by \$1,000; allowing the homeowners to hook up at a later date, even though it could cost more later; and looking into CDBG funds as an option. He wanted to make it work for everyone.

Councilor Wylie said she was concerned that if one septic system failed, with the age of the development, others would soon fail. This piece of development should have had sewers a long time ago, and she would like to do whatever possible to make it easier on the citizens to get on the sewer and hook up when they could.

Councilor Simmons asked for the current percentage of neighbors in favor.

Civil Engineer Clayton McEachern said he had kept a rough tally throughout the hearing. He did not know the exact figure because he wasn't sure which of the speakers were changing their vote tonight and which had already changed their vote earlier today. Based on information just prior to the meeting, they were at about 56%, so it may now be closer to 60%.

Mr. Peterson from the audience said that figure was contingent on the figure of about \$7,000 for the trunk line. It was now up to \$8,000. He wanted to make sure they were treated fairly.

IT WAS MOVED BY COUNCILOR RALSTON WITH A SECOND BY COUNCILOR PISHIONERI TO ADOPT/NOT ADOPT RESOLUTION NO. 3.

Mayor Leiken asked if this was an emergency clause.

Mr. Vogoney said that was correct. Resolutions do not have emergency clauses.

Mayor Leiken referred to his first Council meeting as a councilor when LID's were discussed. He did not care for them.

Mr. Leahy said it was a resolution and had an effective date of tonight. This did not commit Council to do this project, but rather allowed staff to move forward. Council could stop this at any time and a remonstrance could also stop this process. The citizens should know that Council gave staff direction tonight regarding costs and options.

THE MOTION PASSED WITH A VOTE OF 5 FOR AND 0 AGAINST (1 ABSENT – LEEZER).

4. Temporary EmX Route, RiverBend Drive to International Way.

This item was pulled from the agenda because of a change from PeaceHealth.

BUSINESS FROM THE AUDIENCE

COUNCIL RESPONSE

CORRESPONDENCE AND PETITIONS

1. Correspondence from Nick Shevchynski, Springfield, Oregon Regarding a Broken Driveway at 2315 and 2347 Marcola Road.

IT WAS MOVED BY COUNCILOR RALSTON WITH A SECOND BY COUNCILOR LUNDBERG TO ACCEPT THE CORRESPONDENCE FOR FILING. THE MOTION PASSED WITH A VOTE OF 5 FOR AND 0 AGAINST (1 ABSENT – LEEZER).

BIDS

ORDINANCES

BUSINESS FROM THE CITY COUNCIL

1. Committee Appointments
 - a. Police Planning Task Force (PPTF) Appointments.

Police Chief Jerry Smith presented the staff report on this item. The Police Planning Task Force had one Business Representative position open from the resignation of Mark Molina, and one At-Large position open from the reassignment of Fred Simmons to the Council Liaison.

The Task Force received two applications and interviewed both on October 8, 2009. The subcommittee consisted of Fred Simmons, Stacey Doll and Dave Jacobson. The group recommended appointing Wendy Polen as the Business Representative and Michelle Clough as the At-Large Representative. Each of these would be four year terms.

IT WAS MOVED BY COUNCILOR RALSTON WITH A SECOND BY COUNCILOR LUNDBERG TO APPOINT WENDY POLEN TO THE POLICE PLANNING TASK

FORCE (PPTF) AS THE BUSINESS REPRESENTATIVE WITH A TERM EXPIRING NOVEMBER 2, 2013. THE MOTION PASSED WITH A VOTE OF 5 FOR AND 0 AGAINST (1 ABSENT – LEEZER).

IT WAS MOVED BY COUNCILOR RALSTON WITH A SECOND BY COUNCILOR LUNDBERG TO APPOINT MICHELLE CLOUGH TO THE POLICE PLANNING TASK FORCE (PPTF) AS THE AT-LARGE REPRESENTATIVE WITH A TERM EXPIRING NOVEMBER 2, 2013. THE MOTION PASSED WITH A VOTE OF 5 FOR AND 0 AGAINST (1 ABSENT – LEEZER).

Councilor Simmons asked if the new members would be invited to attend Thursday's PPTF meeting. Yes.

Ms. Polen was in the audience and was acknowledged by the Council.

2. Business from Council

a. Committee Reports

1. Councilor Wylie reported on the League of Oregon (LOC) Conference in October. The conference was very valuable and the workshops were great. She took the tour of downtown city parks which included a ride on the tram to Oregon Health and Sciences University (OHSU). Next year the LOC Conference was going to be held in Eugene and she hoped that many of the councilors could attend. It was a great opportunity to network and get acquainted with others from other cities.

Councilor Wylie also reported on the Metropolitan Policy Committee (MPC). She had been appointed as an alternate for Eugene City Councilor Alan Zelenka to the Governor's Task Force on the Reduction of Green House Gases for transportation for small vehicles. They had a large support staff for this group. The group would have a report at the next MPC meeting. She and Councilor Lundberg would bring back information on that report. She had interest in this committee and was learning a lot. She was relaying all of the wonderful things Springfield was doing in this effort.

2. Mayor Leiken spoke regarding the formation of an Area Commission on Transportation (ACT). He noted that Lane County chose to hire Rob Zako as the consultant to put an ACT together although he did not rank the highest. Most Lane County Mayors were quite upset with this choice and Mayor Williams (Cottage Grove) was taking the lead. The Mayors felt that because there were successful ACTs in the State, it would be beneficial to bring a representative from one of the ACTs to a meeting to explain how it could be successful. The contract was for \$15,000 for the first portion, but could go up to \$75,000.

BUSINESS FROM THE CITY MANAGER

1. Approval to Lease/Purchase Three (3) Fire Pumpers with Funds from the Vehicle Replacement Fund.

Fire Chief Dennis Murphy presented the staff report on this item. Fire & Life Safety apparatus fleet centered on the fire pumper. Based on past experience, pumpers normally had a useful life of

approximately 10 years. Useful life was determined considering the cost-per-mile to operate and reliability. Prevention of "catastrophic" failure (breakdown that delayed response to an emergency call) was a primary consideration. A longer and safer life cycle for older, higher-mile vehicles was achieved by rotating their higher operating cost-per-mile and less reliable service to a reserve (back up) status. Used vehicles that had run their lifecycle were salvaged by resale to low call volume departments. Money from resale was returned to the Vehicle Replacement Fund.

After careful analysis of the history of each pumper, repair costs, and long term reliability, SFLS sought approval to replace three (3) fire pumpers with new, leased apparatus. Two old pumpers would be sold, and one placed in reserve (backup) status for an additional year.

A Request for Proposals (RFP) process was used to select Hughes Fire Equipment of Springfield, OR to deliver three (3) new Pierce Velocity fire pumpers. The amount set aside in the Vehicle Replacement Fund was recently increased and the fund had sufficient reserves to replace these pumpers on a 5-year lease-to-purchase basis. Purchase price for one (1) pumper was \$458,955. Purchasing three (3) costs \$1,360,555, saving an additional \$16,310. Annual lease payments for three (3) pumpers were \$306,766. By leasing three (3) pumpers under the same RFP, expenses required to prepare specifications and RFP documents, advertise, evaluate proposals, and award a contract had been minimized.

Two firms submitted proposals: Hughes Fire Equipment & KME Fire Apparatus. Both proposals reflected somewhat lower prices than expected due to the effects of the economy on price competition. The selected proposal was the lowest priced and also scored higher in matching specifications. It represented a good value for the investment, maintained interoperability with Eugene Fire & EMS current/future apparatus plans and facilitated joint response in the Three Battalion System.

Chief Murphy said it was not uncommon for jurisdictions to lease public equipment. The lease was through a local business which was good for the economy. Fire and Life Safety was working with the Finance Director to work towards building their reserves in order to be able to purchase replacement equipment in future years. The strategy for doing that was included in the agenda packet as Attachment 3. The Budget Committee would make the final decision on the amount set aside in years to come during their Budget Committee meetings.

IT WAS MOVED BY COUNCILOR RALSTON WITH A SECOND BY COUNCILOR LUNDBERG TO AUTHORIZE THE CITY MANAGER TO SIGN A CONTRACT TO LEASE/PURCHASE THREE (3) FIRE PUMPERS FROM HUGHES FIRE EQUIPMENT, INC. OF SPRINGFIELD FOR AN AMOUNT NOT TO EXCEED \$307,000 ANNUALLY FOR A 5-YEAR LEASE TERM. THE MOTION PASSED WITH A VOTE OF 5 FOR AND 0 AGAINST (1 ABSENT – LEEZER).

2. Request to Convert Funds Awarded to Mainstream Housing in 2000 for the Provision of Affordable Accessible Rental Housing from a Loan to a Grant.

Housing Assistant Jodi Peterson presented the staff report on this item. In funding year 2000 the City of Springfield awarded \$80,000 in HOME Investment Partnership (HOME) funds to Mainstream Housing to purchase and make fully accessible one rental unit. Mainstream Housing is a non-profit organization that assists people with physical and developmental disabilities. In the HOME Contract, staff structured the award as an \$80,000 loan. The loan was interest free

with the first payment commencing 10 years from the date the property was put in to service. The first payment was due January 5th, 2010.

The purchase of the home at 5512 E Street came out of a partnership with City staff to help a disabled Springfield couple, Tony and Nicole Worley. The Worley's had been clients of the City housing programs staff for several years and were on the verge of losing their home to a predatory lender. The search for alternative housing was hampered by the need for a lift system to transfer the husband from bed to his wheelchair and other parts of the house. Mainstream Housing stepped up and worked with staff to locate a suitable home to purchase. Mainstream then used their own program funds to make accessibility modifications and agreed to grant the Worley's a "lifetime lease" on the rental unit. In February of 2000 the Worley's moved into their new home.

Due to the low income of the occupants, the property had always been subsidized by Mainstream Housing. All income from the property had been used to pay insurance, property management expenses, association dues and minor maintenance on the unit.

Mainstream Housing had subsidized operating shortfalls for the life of the project (see Attachment 5 of the agenda packet). Subsidizing this project limited Mainstream's ability to pursue other affordable housing activities. Council discussed this during their October 26 Work Session and asked for additional information before making a final decision.

As a recipient of the HOME funds the City's primary purpose was to respond to the need for affordable housing through capacity building and creating opportunities for furthering affordable housing. This was primarily accomplished through partnerships with our non-profit affordable housing providers. It was very difficult for non-profits, like Mainstream Housing, that provided affordable housing to very low-income clients to make projects viable when there was debt service on the project. The rents received were very low and many of the projects were service enriched making operations more costly. In the ten years since this project was completed staff had become more aware of this and elected to grant funds to projects that served a very low-income clientele. More recent examples of HOME grants were Habitat for Humanity Meyer Park, and the St. Vincent de Paul's Royal Building and Aster Apartments.

Mainstream Housing was dedicated to creating affordable rental housing in Springfield for this frail and underserved population. In addition to this project, in 2003, they purchased and rehabilitated a crime ridden and distressed apartment complex, the Aquarius Apartments, on 5th Street. The apartment complex was now well maintained and managed and the clients served there were thriving. If the funds were to remain a loan, the City would collect \$2,667 in payments each year for the next 30 years. The Council may elect to 1) convert the loan to a grant as requested, 2) defer repayment for another ten years or other set period of time, 3) review the terms of the loan after the current tenants no longer occupy the unit, or 4) leave the loan in place as it is recorded. Staff believed that the funds would be better used to support the activities and services currently provided by Mainstream Housing thus enabling them to continue to create affordable housing opportunities for their special needs clients. Staff supported converting the HOME loan to a grant.

Ms. Peterson referred to page 2 of the Declaration of Restrictive Covenants (Attachment 4 of the agenda packet). The term of affordability was based on Housing and Urban Development (HUD) requirement of 15 years. Between the years 15 and 30 if the property was sold, the City would be paid in full.

Councilor Simmons thanked staff for responding to his questions and said he concurred with their recommendation.

Councilor Ralston said he looked at this as public money and couldn't support advancing public money for this. It was a worthy program, but he was standing on principal.

IT WAS MOVED BY COUNCILOR PISHIONERI WITH A SECOND BY COUNCILOR LUNDBERG TO ALLOW ADMINISTRATIVE APPROVAL OF A CONTRACT AMENDMENT THAT CONVERTS AN \$80,000 LOAN OF HOME FUNDS TO A GRANT. THE MOTION PASSED WITH A VOTE OF 4 FOR AND 1 AGAINST (RALSTON) (1 ABSENT - LEEZER).

BUSINESS FROM THE CITY ATTORNEY

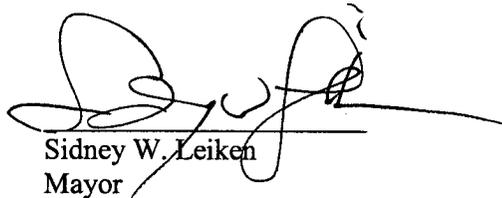
Mr. Leahy said the City Manager had executed an agreement with Lane County for part of the jail operations exchanging five beds for five beds to provide space for Springfield female inmates to be housed at Lane County, and five male inmates to be housed in Springfield. He distributed a copy of that agreement and acknowledged Chief Smith's work in negotiating with Lane County on this issue.

Mayor Leiken thanked Chief Smith.

ADJOURNMENT

The meeting was adjourned at approximately 8:30 p.m.

Minutes Recorder Amy Sowa


Sidney W. Leiken
Mayor

Attest:


City Recorder