MINUTES

Eugene City Council
McNutt Room—City Hall
777 Pearl Street—Eugene, Oregon

January 19, 2011
Noon

COUNCILORS PRESENT: George Brown, George Poling, Mike Clark, George Brown, Pat Farr.

COUNCILORS ABSENT: Betty Taylor, Andrea Ortiz, Alan Zelenka.

Her Honor Mayor Kitty Piercy called the January 19, 2011, work session of the Eugene City Council to order. She noted that councilors Taylor, Ortiz, and Zelenka were unable to be present.

A. WORK SESSION: Review of 2010 Implementation of Bond Measure to Fix Streets

Public Works Director Kurt Corey joined the council for the item. He reminded the council of the criteria established in regard to the 2008 bond measure: 1) a specific project list was identified for funding; 2) an outside auditor was contracted with to verify the bond proceeds were used appropriately; and 3) a street repair review panel was formed to document the use of the bond proceeds and determine if they were used in accordance with the terms of the resolution that placed the measure on the ballot.

Mr. Corey provided an update on the implementation of the bond. He first reviewed the list of completed projects and then called attention to the findings of the independent auditor, Isler CPA, which were included in the meeting packet. He noted the findings' conclusion that the City complied with the limits of Resolution 4953. No exceptions were identified.

Mr. Corey introduced members of the street repair review panel present: Janet Calvert, Howard Bonnett, and John Barofsky. He reported that the panel had confirmed the auditor's findings. The panel also acknowledged the City's leadership in sustainable construction practices, the number of jobs created by the projects, and the fact the City had taken its advice and accelerated the construction schedule to take advantage of the favorable bidding climate. The panel expressed interest in developing an expanded project list and in taking an advocacy role for transportation funding in general.

Mr. Corey reviewed the bond-funded street projects to be constructed in 2011 as well as several street projects that were being funded from other sources and anticipated a busy construction season.

Mr. Corey acknowledged that while the City was making progress and the bond was doing what it was intended to do, the current rate of investment was not sufficient to keep the backlog from growing. He suggested the City needed to think to the future because of the pending expiration of the bond measure.

In regard to operations and maintenance, Mr. Corey reported that the Road Fund was balanced through the six-year forecast period, although it would still be below the reserve target. There was still a considerable backlog of deferred maintenance projects to address.

Mayor Piercy solicited comments from members of the panel. Mr. Bonnett, Mr. Barofsky, and Ms. Calvert commended the work of staff and the panel. Mr. Barofsky said the panel members were all advocates for better roads and he recommended the council keep the panel in place to identify projects for a future bond. He said the backlog of projects was down this year for the first time in ten years but would go back up next year. That needed to be addressed, and Mr. Barofsky thought it important to keep in mind that there was still work to be done. He said the panel was also open to other charges.

Ms. Calvert thought the emphasis on alternative modes in the measure was also important and hoped that focus and modal split was maintained in future bonds.

Mayor Piercy expressed appreciation for the work of the panel. She asked that a letter of appreciation be sent to the panel on behalf of the council. She said it was heartening to hear about the jobs that resulted from the bond measure and the fact projects were reducing the community's environmental impact while saving money. She heard continual positive feedback about the projects from the public. Mayor Piercy acknowledged there was still work to be done.

Mr. Clark congratulated Mr. Corey and thanked him and his staff for a job well-done. He also thanked the panel members. He thought the council should consider other ways the panel could serve as the council contemplated future bond measures.

Mr. Clark asked Mr. Corey when he believed another bond would be needed. Mr. Corey suggested the City first needed to consider the status of the budget after the first 32 projects were completed. He did not know what other competing needs might exist following expiration of the bond in 2013. He said the council would need to discuss the ramifications of another bond and the potential of other funding sources, such as a transportation maintenance system fee and fees assessed to garbage haulers.

Mr. Clark asked about the department's capacity to address the condition of unimproved roads. He noted the department's use of thin overlays, which many in his ward were satisfied with and others wanted. Mr. Corey acknowledged the City received many inquiries about the overlays. A considerable amount of such work had occurred through transfers from the General Fund. He said through full implementation of House Bill 2001, the City anticipated a continuation of such work through the Road Fund over the six-year forecast period at a cost of $200,000 annually.

Mr. Clark wanted the City to have a long-term plan of action to deal with its unimproved streets, which were not included in the maintenance backlog. He asked if that required a council work session. Mr. Corey thought the City was heading in that direction as a result of previous council discussions. He anticipated that staff would return with ideas about how to address those streets.

Mr. Pryor expressed appreciation for all the work that had been done by everyone. He had joined the council because of the poor condition of City streets, and at that time there seemed to be no resolution in sight. There had been considerable need but little money. He said the bond moved the community forward and helped stabilize the situation, but he agreed with Mr. Corey that more work was needed. He believed that the projects that had been accomplished represented a significant victory for the community. He was pleased the council kept the promises it made to voters.

Mr. Poling agreed with the remarks of Mr. Clark and Mr. Pryor. He reported that he had also received inquiries about the overlays mentioned by Mr. Clark and hoped to see more such overlays done.

Mr. Poling thanked Public Works and EWEB staff for coordinating the Coburg Road water main replacement project, which would start the following month. He thought such coordination was a good idea and anticipated it would result in cost savings.

Mr. Poling recalled that the council had agreed to revisit the local gas tax if the State gas tax was increased, and indicated he would poll the council for its willingness to hold a work session on that topic.

Mr. Poling thanked Mr. Corey for his efforts.

Mr. Farr also congratulated Mr. Corey for the success of the bond. He said the change in tone of the discussion was remarkable compared to past years. He noted that Ward 6 had only two projects in 2010, less than any other ward, although he acknowledged there had been more projects the year before. He suggested that made a new bond a difficult sell for residents living on the streets around Willamette High School. He also thanked the panel.

Mayor Piercy recalled that the council had discussed extensively how to reestablish faith with the community and with that goal in mind had adopted the lower cost, shorter term, and more accountable approach reflected in the bond measure. She suggested the bond was a model for other funding proposals. She applauded the community's value of having residents and staff work together on behalf of Eugene.

Mayor Piercy suggested that portions of 5th Avenue needed work.

Mr. Brown thanked Public Works staff and the advisory panel. He believed the measure had worked as intended. He was frequently thanked by residents for the road improvements.

Mr. Corey said when the City embarked on the bond it had not been difficult to find projects throughout the community, meaning there was something for everyone. Responding to Mr. Farr's remarks, Mr. Corey recalled that the City had assembled other funding sources to repair Roosevelt, Royal, Barger, and Elmira roads in Ward 8.

Mr. Corey emphasized the fact the City had only the local gas tax and the 2008 bond measure as dedicated sources to maintain its streets. He said the City had developed a complicated funding approach over time, and adjustments to one funding source would require adjustments to the entire approach.

Mayor Piercy thanked Mr. Corey and adjourned the work session at 12:43 p.m.

Respectfully submitted,

Beth Forrest

Beth Forrest
City Recorder

(Recorded by Kimberly Young)