

MINUTES

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

May 23, 2012
Noon

COUNCILORS PRESENT: George Brown, Pat Farr, Betty Taylor, Andrea Ortiz, George Poling, Mike Clark, Chris Pryor, Alan Zelenka.

Her Honor Mayor Kitty Piercy called the May 23, 2012, work session of the Eugene City Council to order.

A. WORK SESSION:

Street Repair Review Panel Recommendation of 2012 Bond Measure to Fix Streets

Public Works Director Kurt Corey led the council through a PowerPoint presentation entitled *Street Repair Review Panel Recommendation of 2012 Bond Measure to Fix Streets*. The presentation included an update on the City's progress on the street repair maintenance backlog and an outline of the Street Repair Review Panel's recommendation for a 2012 bond measure and recommended modifications to the 2008 approach. Councilors asked questions clarifying the information presented.

At the request of Mayor Piercy, Finance Director Sue Cutsogeorge reviewed Attachment A in the meeting packet, which laid out the cost estimate for the proposed measure.

Councilors thanked the members of the Street Repair Review Panel: John Barofsky, Howard Bonnett, Janet Calvert, Mel Damewood, Paul Holbo, Bob Kline, Steve Lee, Ollie Snowden, Clayton Walker, Gary Wildish, and Sue Wolling.

Mayor Piercy referred to the criteria for prioritization and asked how local roads in severe failure, such as North Seneca Road, were addressed by the measure. Mr. Corey said unimproved local streets such as North Seneca Road were not included in the bond measure. The City was working to address the condition of such roads on a somewhat minimal level through existing maintenance funds. Mayor Piercy believed it was incumbent on the City to be clear about what was funded through the bond measure and why.

Ms. Taylor noted the popularity of the current bond and anticipated it would be easy to pass another. She believed people appreciated that they got to vote on the measure and what was repaired. She asked if people could suggest other streets to be repaired. Mr. Corey said yes. Ms. Taylor was pleased to see the panel's proposal to fund alternative modes because people wanted such facilities.

Ms. Ortiz recommended the bond be street-specific so that voters knew what they were voting for.

Mr. Zelenka believed the City had made progress on the maintenance backlog with the last bond measure but he found it insufficient progress. He recalled the work of the Council Committee on Transportation Funding, which had developed a recommendation that included a street utility fee. He supported a street

utility fee due to its direct tie to transportation and how much residents used the street. In addition, it was paid by all users of the streets. A bond measure had no relationship to how much one used the street, and it only captured revenues from those inside the city. He said that 50 percent of the people who use Eugene streets were nonresidents. He termed such individuals “free riders” who did not pay for the cost of streets. He found that inequitable, and would not support another bond measure unless the council moved forward with a street utility fee.

Mr. Poling agree with Mayor Piercy’s remarks. He supported the increase in funding dedicated to alternative modes.

Mr. Farr believed that people would question the fact that assessed rates and their tax bills continued to rise while real home values were lower and he thought the City needed to be prepared for such questions. He supported moving forward with the bond because he believed the City could convince the voters they were getting real value.

Mr. Pryor also supported the proposed measure. He believed the voters would judge the measure on whether the City was asking for what it needed or for what it could get. He said the need was greater than what the bond asked for, but the bond would address the streets most in need. He invited input from residents and councilors in identifying the streets to be repaired but wanted that input to be balanced with staff’s professional advice.

Speaking to Mr. Zelenka’s remarks, Mr. Pryor recalled his own support for a street utility fee but pointed out that since that time, other needs arose that could be funded through a similar fee. He thought the council needed to discuss how to proceed with those options but thought it was important to recognize the changed context.

Mr. Clark favored moving forward with a new bond. He believed voters would recognize the City did what it said it would do with the proceeds of the past bond. He advocated for a more comprehensive plan to address the condition of unimproved local streets.

Mayor Piercy believed the City’s geographically balanced approach toward the 2008 bond measure had led to its success and hoped that the council took a similar approach.

Mr. Zelenka agreed with Mayor Piercy. He appreciated that the rate would stay about the same. He also appreciated the additional funding for alternative modes and hoped the council would see a priority list of alternative mode projects. Mr. Zelenka reiterated his previous remarks about the remaining backlog and said the City still lacked a plan to address the backlog. He believed the council should discuss a street utility tax before it voted to forward the bond measure to the voters.

Mr. Poling said the distinction between reconstruction projects and street overlays and why streets that appeared to be in good shape were reconstructed rather than overlaid should be made clear to the public.

Mr. Brown supported the panel’s proposal but expressed concern about the cumulative impact of increased fees on residents. He suggested the potential of limiting the bond measure to \$35 million, acknowledged the reduced revenues but pointing out that people would be paying about the same rate as they were now. Mayor Piercy pointed out the council would have another opportunity to change the amount.

Mr. Brown, seconded by Mr. Farr, moved to direct the City Manager to bring a resolution placing a \$43 million general obligation bond measure to fix streets on the November 2012 resolution, consistent with the proposed project list included as Attachment B.

Mr. Farr observed that the proposed amount was approximately \$1.50 a month, which had different ramifications for different residents. It was equivalent to the cost of a cup of coffee. He commended the work of Mr. Corey.

The motion passed, 7:1; Mr. Zelenka voting no.

B. WORK SESSION:

Capital Project Funding for Washington-Jefferson Park

Parks Planner Neil Björklund joined the council and provided some background on the proposed City Center Skate Park. Councilors asked questions clarifying the costs involved and the nature of the park proposed.

There was general support for further exploration of the proposed skate park project, although several councilors expressed concerns about the timing of the expenditure, the source of funding, and the costs of ongoing maintenance. Councilors generally agreed about the benefit of such a facility for youth.

Speaking to the issue of timing, Mayor Piercy pointed out the City was taking advantage of public-private partnerships and an opportunity for ongoing maintenance funding as well as the current high level of public interest. In addition, Mayor Piercy believed there was a compelling need for the parkland to be used in a positive way in the area for entire community, for the nearby Whiteaker neighborhood, and in particular for youth. Speaking to the source of funding, Mr. Clark sought assurance that the funding would not come from the money set aside for the Santa Clara Community Park.

In response to councilors' concerns, City Manager Jon Ruiz said staff was seeking to gauge the council's interest in moving forward with the project. Staff was not seeking direction on a specific funding source. City Manager Ruiz noted that City Attorney Glenn Klein had had raised concerns about using the revenues from the 2006 Park and Open Space bond measure to build the park because the bond appeared to be limited to acquisition. If the council approved the staff-recommended motion, staff would return with more information about the project, including its ongoing maintenance costs.

Ms. Ortiz asked for information about the funding that remained from the 2006 bond and was specifically interested in knowing if the funding allocated for the West Eugene Education Center had been used.

Mr. Brown determined that City Manager Ruiz interpreted the staff-proposed motion as meaning that no potential funding source was eliminated from initial consideration.

Mr. Brown, seconded by Mr. Farr, moved to direct staff to bring information on alternative funding options back to the council for discussion and consideration, including:

- Description of the process needed to utilize each funding source addressed;
- Timing implications for utilizing each funding source;

- Funding implications for other projects resulting from utilizing each funding source;
- Other impacts and considerations resulting from utilizing each funding source;
- Strategy for operating the facility following construction;
- Strategy for funding maintenance of the facility following construction.

The motion passed unanimously, 8:0.

Mayor Piercy adjourned the meeting at 1:22 p.m.

Respectfully submitted,

A handwritten signature in cursive script that reads "Beth Forrest".

Beth Forrest
City Recorder

(Recorded by Kimberly Young)