

**Bend Metro Park & Recreation District  
Board of Directors  
Work Session, Executive Session & Regular Meeting  
January 5, 2010**

**BOARD PRESENT:** Scott Wallace, George Thayer, Scott Asla, Ted Schoenborn and Ruth Williamson.

**STAFF PRESENT:** Don Horton, Bruce Ronning, Lindsey Lombard, Wayne Smith, Theresa Albert, Dave Crowther, Greg Barker, Norm Ziesmer, Paul Stell, Steve Jorgensen and Paula Lowery.

**LEGAL COUNSEL:** Neil Bryant.

**MEDIA:** KOHD and KTVZ.

**VISITORS:** See attached list.

**WORK SESSION**

Chair Scott Wallace convened the work session at 5:30 pm.

**2010-11 System Development Charges Fee Schedule**

Bruce Ronning briefly reviewed the background process leading up to the board's adoption of Resolution No. 312 that includes a mechanism for imposing incremental increases to the SDC fee annually until the fee reaches 100%. He added that the resolution includes a requirement that the SDC fee schedule be reviewed as of January 1 of each year and consideration be given to population growth and other factors to determine if the fee should be immediately imposed at 100%. Bruce explained that in order to prepare next year's budget staff needs direction from the board as to what the fee may be set at in order to revise the Capital Improvement Program (CIP). Lindsey Lombard provided information regarding the revenue the district would have realized if the fee had been imposed at the full amount in 2009-10, noting that \$350,000 was not collected based on the direction of Resolution No. 312. She stated that it is anticipated that approximately \$280,000 will not be collected in 2010-11, and over the remaining three years of the CIP, \$400,000 will not be collected. Don Horton asked the board to consider whether this is the appropriate time to raise the SDC fee and if this is not the appropriate time to raise the fee, how do we intend to fill the gap to avoid losing ground on the level of service or quality of parks that we are building. Scott Wallace noted that if the full fee were implemented right now, it wouldn't amount to much revenue given the current building activity. Ted Schoenborn stated the point of the SDCs is to ask newcomers to the community to pay to maintain the existing level of service. He urged the board to continue to consider a nine month deferral of payment of the SDC fee in addition to other possible solutions to bridging the revenue reduction. Don explained that a bond issue would be asking those residents who moved to the community previous to the implementation of the current SDC fee, and paid the full fee at that time, to pay twice to fund parks, trails, etc. He added he does not know what other funding source could fill the gap. Ruth Williamson stated that it concerns her that the building community bears the burden of jump starting our economy and that it isn't right that individual homebuilders should have to front these kinds of fees. She noted that in the state of Oregon the district has no other way to collect revenue other than tax revenues and SDC fees, so

the real question is whether we believe in the contribution of parks and trails to our community and if we do, this is the cost of doing business. George Thayer stated everybody has to help out to get the economy going and suggested, as an option, reducing the level of service for a year or two or make some other kind of reductions. Ruth stated our organization has taken a number of steps to cut costs and save money and we should continue to strive for that. Scott Asla stated that continuing with Resolution No. 312 gives us a 25% increase this year and allows us to make an adjustment next year if we want to change. He asked if the board is considering backing away from Resolution No. 312 all together. Don stated that although Resolution No. 312 calls for the 25% increase, the board can determine not to do that. He also explained the population growth trigger mechanism that is built into the resolution and noted that didn't happen. Bruce added that other factors can be considered and staff is seeking direction from the board in order to calculate revenue predictions to create the CIP. Following additional discussion the board determined to follow Resolution No. 312 and requested that staff re-evaluate deferral options.

### **CIP Improvement Plan**

Lindsey Lombard referred to information provided in the board report based on the board's prioritization in March of Capital Improvement Projects into three tiers. She explained this discussion is an opportunity for the board to more fully evaluate and revise the tiered CIP to ensure the district's top priorities receive the greatest chance of funding. Bruce reviewed and briefly explained projects included in tier one, including \$500,000 to replace the indoor tank at JSFC scheduled for 2013-14, existing park and facility rehabilitation in the amount of \$500,000 in each year for the next five years, totaling \$2.5 million. He cited Columbia Park and Hillside Park design projects that staff is currently working on. He stated there are approximately 25 to 30 older parks in the system and each one has need for rehabilitation that will include accessibility improvements. He added that staff will be providing a list of those parks and facilities that need rehabilitation. Bruce also reviewed trail construction and improvement projects including sections of the Deschutes River Trail, at a cost of \$100,000 per year for five years, totaling \$500,000. He referred to the neighborhood park acquisition program and explained that staff will provide additional information for board consideration at the next work session. He referred to community park acquisition noting that the comprehensive plan calls for community park acquisition in the southeast quadrant, and the district has an agreement to acquire the Discovery Park in North West Crossing. Bruce clarified that none of the community park acquisition is an SDC element, although community park development is an element of SDC funding. He also referred to the Ponderosa Park master plan improvements at an estimated \$3 million that was adopted in the summer of 2008, and the completion of Pine Nursery Phase 1 at \$4.5 million. Bruce explained the potential for receiving federal funding for the Pine Nursery through the earmark process. He also referred to indoor recreation space and explained that staff is working with the school district to develop the idea of paying for some space within new elementary schools as they are developed. Bruce then referred to the Colorado Street Dam improvements and explained the \$850,000 is not the estimate in the recommendation the board will receive later in the meeting, but it is the number in the adopted CIP. Bruce stated that there is a projected \$9.5 million in SDC revenue over the next five years, and we have over \$14.5 in SDC projects currently on the adopted CIP. He stated the same is true of other revenues as well, which will require shifting some projects and adjustments made to the 5-year CIP. The board reviewed projects and discussed the importance of focusing on taking care of what we have as directed by the community and SDC/CIP Advisory Committee. Don Horton recommended that the board continue the discussion at future meetings to allow more time for consideration as well as develop a process for prioritization.

The work session was concluded at 7:03 pm.

## **REGULAR MEETING**

Chair Scott Wallace called the regular meeting to order at 7:10 pm.

### **Visitors**

Mike Lovely addressed the board regarding the SDC fee, budget and level of service. He stated he would prefer not to do anything with the methodology and see if there is enough flexibility to implement the fee increase, with an evaluation every six months. He stated he liked the idea of deferral of payment of the fee. He urged the board to consider lowering the level of service until the economy improves and cautioned against going out for a bond. He suggested cutting back and doing an education piece for the public as to why cutbacks are being made.

## **CONSENT AGENDA**

**Minutes – December 1, & 15, 2009**

**Pine Nursery electrical contract**

**Pine Nursery ball field soil removal and replacement contract**

Ted Schoenborn moved to approve the consent agenda. Ruth Williamson seconded the motion. Ted Schoenborn, Ruth Williamson, George Thayer, Scott Asla and Scott Wallace all voted aye. Motion passed.

### **Financial Audit**

Lindsey Lombard introduced Candace Fronk and Michelle Rich, representing Harrigan Price, Fronk & Co., LLP, who presented the district's 2008-09 audited financial statement. Candace reported the district received a clean audit opinion for the year and reviewed components of the audit document. She stated the district has internal control practices and record keeping processes in place. She stated they did not find any material weaknesses in the district's internal control which is very commendable. She noted that they look at the uses of the various funds and the projects that are supported by those funds. She stated that with the implementation of the new registration system the revenue collected in May and June for programs that don't take place until July and August will now be shown as a liability rather than cash as in past years which allows the revenue to match the expense in the same period. Candace complimented the staff for providing all of the documents they needed and maintaining good record keeping systems. Lindsey explained the impact of the change to the process of accounting for recreation revenue that is collected in May and June for programs provided in July and August. She stated the new system will provide information specific to programs that are paid for in the current fiscal year for next fiscal year. She stated that a \$400,000 adjustment to the budget will be required. She explained this will show in the ending fund balance as less carryover. Lindsey also explained that she and Don have determined that in fiscal year 2010- 2011, an additional transfer from the general fund will be made into the recreation services fund in the amount of \$400,000. Ruth Williamson moved to accept the 2008-09 audited financial statements. Scott Asla seconded the motion. Ruth Williamson, Scott Asla, Ted Schoenborn, George Thayer and Scott Wallace all voted aye. Motion passed.

### **Colorado Street Dam Report**

Bruce Ronning provided background on the project and thanked the Bend Paddle Trails Alliance (BPTA), the Upper Deschutes Watershed Council and all those who have followed and commented on the project over the past three and one-half years. He referred to the Paddle Trail Feasibility Study prepared by Recreation Engineering and Planning (REP) in June 2007 that assessed opportunities and impediments along the river. He noted that improvements to the Colorado Street Dam came out as the top priority in that

listing. He noted that REP was re-engaged in 2008 to do a conceptual study and preliminary engineering work on Colorado Street Dam paddle trail improvements. He noted the report has been provided for the board under separate cover and staff is asking the board to accept recommendation for Option 1 A. Robin Laughlin conducted a presentation of five potential options for the Colorado Street Dam as prepared by REP. Don Horton noted this report has been shared with Bill Smith, owner of the dam and Option 1 A is his preferred option, however, he has not agreed to make the improvements. Neil Bryant explained the district's liability with regard to the dam noting that the district does not own the dam and therefore does not have rights to make improvements. He explained that any changes to the dam will require the consent of Bill Smith and personal liability belongs to the river user.

Doug Knight, Vice-Chair of the Bend Paddle Trail Alliance, addressed the board. He shared a letter of support for Option 1 A from Larry Huhn, City of Bend Fire Chief. He stated that BPTA is asking the board to accept Option 1 A. He cited economic benefits to a whitewater play area located near downtown. He added that the Deschutes River Paddle Trail is prioritized in the Vision 2030 action plan and prioritized to be completed within the next two years. He stated that whitewater and safety improvements of the Colorado Dam would be met with resounding approval from the community. He urged the board to find the Tier 1 CIP funding to build these white water improvements at the Colorado Dam as quickly and fiscally prudent as possible. He stated BPTA is anxious to partner with the district and urged the board not to cut funding for the Colorado Dam improvements.

Doug LaPlaca, representing Visit Bend, addressed the board. He commended staff for the public process used to develop the Colorado Dam proposal. He stated Visit Bend and its board of directors supports Option 1 A. He stated that tourism represents a \$571 million industry in our region and in Central Oregon tourism is synonymous with outdoor recreation. He stated that investment in recreational infrastructure in our region goes hand in hand with investment in our economic infrastructure in our region. He encouraged the board to view this project as a priority for the community in the upcoming budget discussions.

Ryan Houston, Executive Director of Upper Deschutes Watershed Council, addressed the board. He stated that based on his personal involvement in this project Option 1 A represents the best option in trying to achieve the balance of river safety, river recreation and river health. He encouraged the board to work on integrating those three elements into one complete package with a concept known as reconciliation ecology. He explained the design of the project should reconcile all of the various uses across the entire site. He urged the board to build a team that can take this concept and work on the fine details of a three-way balance. He added he hopes to take the final concept to the board of directors of the Watershed Council to obtain a formal endorsement and if there are true environmental benefits he would hope that they would be able to do some fund raising and actually support the implementation of the project similar to other projects at Farewell Bend and River Bend.

Scott Wallace clarified that the project is specific to the pedestrian bridge and no changes will be made to the Colorado road bridge. Don stated that the old vehicular bridge that is now a pedestrian bridge is the site being considered for the project. Bruce stated the estimate for completion of Option 1 A is \$1.7 million. Bruce clarified that figure does not include the cost of a 50,000 pound capacity pedestrian bridge. Don added that these estimates are in current day dollars and as time passes the estimates may change based on costs at the time of the estimates. He stated that there are no other funds budgeted for this project to date and that staff will begin looking at funds to budget the engineering and environmental studies in the coming year's budget. He added the district will have to work with the community to find the money to build

the project. Ruth Williamson asked if we, as a community, can come up with this funding. She stated she doesn't see the district having resources that could foot most of the bill. She questioned whether we could get there in a reasonable amount of time to make this work. Doug Knight stated it is a challenge and an effort he thinks is worthy. He stated a significant portion of the construction budget is the pedestrian bridge, and he understands there is a possibility for ODOT grant money, and BPTA has discussed fund raising for the whitewater improvements. He stated that if this becomes a designated project that is placed in the Tier 1 of the CIP, BPTA can start a capital fund campaign. He added they received a significant grant in the amount of \$70,000 from the Oregon Department of Parks and Recreation for their mapping project. Ryan Houston stated the Watershed Council could participate in funding the environmental piece of the project depending upon the design and impact of the project. Ruth stated this project has the opportunity to model a public/private partnership and it has all of the elements of the best of Bend. She stated if it is to remain in our conversations in terms of devoting any money to it, it means that other important projects might not get funded. She stated there is a lot of economic benefit to this that cannot be overlooked and she wanted to make sure that it is understood by BPTA and the Watershed Council the district will have to take incremental steps and needs real effort from partners. George Thayer stated that while it offers new recreational opportunities, the bigger thing for him is the safety issue. Don stated he believes this type of project is very grantable from a lot of different sources. Ted Schoenborn stated that he thinks we need to approve Option 1 A and look to find ways to fund the project. He stated this particular project has the advantage of recreation for the community, tourism for the community and probably the best model of partnership that we have ever worked with. Ted Schoenborn moved to accept the January 2010 Colorado Avenue Dam Proposed Paddle Trail Improvements Preliminary Design Report, including the preferred Option 1 A. Ruth Williamson seconded the motion. Ted Schoenborn, Ruth Williamson, Scott Asla, George Thayer and Scott Wallace all voted aye. Motion passed.

#### **Approve Pioneer Park to Revere Trail Contract Cost Revision**

Bruce Ronning explained this contract was previously awarded to Pat Hodge Construction and Excavation by the board on December 1. He stated that as a result of required engineering and construction changes it was discovered that some additional concrete and retaining walls and steel handrails would be needed in order to provide trail user safety and maintain an ADA-accessible grade at both ends of the cantilevered structures. He added that several areas along the river bank were found to be unstable and will require additional concrete footings to support the trail. Steve Jorgensen presented photographs of the project identifying the necessary changes. Bruce noted that a 20% not-to-exceed contingency was included in the original contract and now appears low based on the design changes. He stated the change order will potentially add up to \$37,174 to the original bid which is well within the original estimates and grant funding. George Thayer moved to approve the change order for the Pat Hodge Construction contract for an amount not to exceed \$37,174. Ruth Williamson seconded the motion. George Thayer, Ruth Williamson, Ted Schoenborn, Scott Asla and Scott Wallace all voted aye. Motion passed.

#### **EXECUTIVE DIRECTOR'S REPORT**

Don Horton reminded the board of the joint meeting with the City Council, County Commission and School Board scheduled for January 21.

Don Horton announced the new registration software will debut on Thursday, January 7.

Don Horton shared a BPTA promotional video with the board.

As there was no further business the meeting was adjourned at 8:55 pm.

**EXECUTIVE SESSION**

Chair Scott Wallace convened an executive session at 9:00 pm pursuant to ORS 192.660 (2) (h) for the purpose of consulting with legal counsel concerning legal rights and duties regarding current litigation or litigation likely to be filed. The executive session concluded at 9:15 pm.

Prepared by,

Paula Lowery  
Executive Assistant

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Scott Wallace, Chair

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George Thayer, Vice-Chair

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Ted Schoenborn

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Ruth Williamson

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Scott Asla