

**CITY OF SCAPPOOSE
DECEMBER 27, 2007**

HAVLIK HIGHWAY 30 RAIL CROSSING WORKSHOP 7:00 P.M.

Mayor Burge opened the workshop at 7:00 p.m.

In attendance: Mayor Burge, Council President Ingham, Councilor Gedlich, Councilor Bernhard, Councilor Meres, City Manager Hanken, City Attorney Jordan, City Recorder Pentecost, Harvey Rogers with K & L Gates, Len Waggoner, Budget Committee Member Teresa Keller, Cecelia Haack with The Chronicle, and 8 citizens in the audience.

City Manager Hanken explained this workshop is to discuss the Havlik Highway 30 Rail Crossing. He explained the City started the Rail Corridor Study back in 2002. He explained at that time the City was talking with the Railroad, Oregon State Highway and Rail Division related to getting east/west connectivity to Scappoose. He explained at the time the City starting talking about the Rail Corridor Study Portland Western provided the City with a little bit of heads up that there would be the possibility of unit trains coming through Columbia County sometime down the road. He explained a unit train is a train that is 110 cars long, basically it is a mile and a half long. He explained as it comes through a community such as Scappoose it has the potential to block off every intersection at the same time for anywhere to 3 to 5 minutes. He stated knowing that information as the City goes forward with the Rail Corridor Study and look at what alternatives might we have to keep at least one crossing open at all times. He explained one of the concepts that came up was the creation of the Havlik Highway 30 Crossing. He explained as the City starts looking at alternatives. He explained one of them is going out for a conventional loan and realistically with the transportation funds that the City receives from the State and SDC dollars that we collect from the development we don't have what he is going to call a consistent source of revenue to be able to make loan payments on a project of this size and still do the other things are need to do, such as road maintenance He explained so the other option is looking at a GO Bond.

Council President Ingham asked City Manager Hanken wasn't ODOT Rail going to do some upgrades to the rail lines to accommodate these long trains. City Manager Hanken replied yes there is going be accommodations that are going to need to be made to the rail but Portland Western will be paying for it. He stated the railroad needs to update the tracks for the train flow and ODOT needs to improve the highway, also look at installing a turn lane. The City needs to raise the railroad tracks and create the crossing and the road to connect to 2nd Street. He explained we are trying to coordinate all these things as much as possible. He explained ODOT Highway and the City of Scappoose would like to do a construction project simultaneously in 2010. He explained the railroad will be working for the next 8 years redoing tracks. He explained if the City of Scappoose does not get this crossing done by the time the railroad replaces the tracks with the heavier grade tracks, they are not coming back until they do the rest of the line.

Councilor Gedlich asked regarding talking about these bonds happening right now and starting the project are also going to be working in 2010 with the highway project? She asked what happens in those three years with those bonds. City Manager Hanken explained nothing has been approved yet, nothing has gone through but his understanding is in terms of if a bond gets passed by the voter's revenue is not collected until it would be the soonest November or December 2008. He explained in the mean time the City would

still be working on engineering, we still have those costs associated with the development of the project so we are still moving forward. He explained right now the City is spending money on designing this crossing.

Some one in the audience asked about under pass or over pass. City Manager Hanken explained when you start looking at under passes due to the soil conditions, the water that is there and making grade that are deep enough for trucks to go through that would put the underpass under water about 5 to 6 months of the year. He explained to do an over pass thought would take up a lot of land and they are very expensive. He explained there is a condition with the rail road, when a municipality opens a crossing they have to close one. He explained if Havlik Highway 30 Crossing is opened, Santosh will need to be closed.

Councilor Gedlich explained during the process of the Rail Corridor Study the different agencies worked together.

City Manager Hanken explained the City knows how we need to get this done; the question is where is the funding coming from. He explained the City has approx \$200,000 in the Havlik~ Highway 30 Fund and approx \$500,000.00 in the SDC fund.

What are some of the impacts? City Manager Hanken replied we are looking at the trains taking about 9 minutes to come through if you need Police, ambulance or a fire truck 9 minutes is a long time. He said if you are start looking at schools that could be an issue also.

Councilor Gedlich asked if there is some way the engineer of the train could contact the Local jurisdiction to let them know what time the should be coming through Scappoose. City Manager Hanken replied he doesn't know if that is possible, but working with Portland Western they could possibly give us a heads up of when they train might be coming through.

Councilor Gedlich asked about a satellite fire station on the east side. She would like to Fire District and the City to work together on this issue. City Manager Hanken explained as the growth happens he feels one of the most logical sites for a satellite fire station would be out at the Airport. He reminded Councilor Gedlich that the Fire Station is a District, separate from the City.

Councilor Bernhard stated he was under the impression that the safety discussions have already been in play and a little further then what City Manager Hanken just explained. He thought the rail would be contacting the City ahead of time, that we will have notification, that we will have the opportunity to move police and fire services on the east side of the highway. He thought that those conversations have already been discussed. City Manager Hanken replied we have those conversations but he will be the first to say he is a pessimist. He explained until he sees it happening at a regular point and time he is not going to bank on it. He stated he can hope it will happen but nothing is guaranteed.

Mayor Burge asked if by chance the City doesn't have the funding do we know how much it costs to raise the tracks? City Manager Hanken replied to raise the track it is about 1.6 million.

Harvey Rogers, K & L Gates, Municipal Bond Lawyer, explained he will tell everyone what he thinks he would like to know if he was in their position. He explained a general obligation bond is a very special kind of bond. He explained it is the only one where if the voters approve it you are authorized to levy property taxes to pay it in addition to the property taxes you already have. He explained because taxes are raised

there are special election requirements for general obligation bonds and they affect your strategy in deciding to go forward with a project like this. He explained Oregon Constitution says that general obligation bonds can only be approved either at a General Election in an even numbered year or at another election in which a majority of voters casts ballots. He explained the City could put the bond measure on in November 2008 and that would mean you wouldn't have money until the end of calendar 2008 or the beginning of calendar 2009. He explained if the majority of people who vote on the measure approved it the City would be authorized to issue the bonds. He explained Oregon Law only allows four election dates: March, May, September and November. He explained there are a lot of places that do not reliably get more than half their voters to turn out except for many General Elections and Presidential years. He stated when you are deciding when to present something like this to the voters you need to think about whether or not you are going to get a turn out of at least half the voters or you need to decide to wait until November. He explained the General Obligation Bond Ballot itself needs to specify the maximum principal amount of the bonds. He explained you need to be careful with this. He explained you really want to have the voters approve the highest amount of authority that you might reasonably use. He explained the reason is if they don't then the City would either have to abandon the project or pay for the extra project out of other money or scale back the project in a way that may be infeasible. He explained the better thing to do if you citizens will trust you is to institute a process to make sure that you are not squandering the excess authority. He explained if the voters were to approve a hundred million dollar bond issue for this project you could easily issue three million dollars and leave the rest untouched. He explained it typically takes two to three months to get the money in hand after the voters approve.

There was discussion on getting the statistics from the past voting periods.

The Ballot measure would be called by Resolution, not Ordinance.

Councilor Bernhard asked what is the cost to go forward with the GO Bond. Harvey Rogers explained his company would not charge the City if the levy fails. City Attorney Jordan explained when you are talking about marketing costs you can spend public money only for the purpose of informing the public about what the bond issue is about, monies can not be used to advertise towards the bond, only to inform the citizens of the bond.

Councilor Bernhard explained historically speaking this City will not pass a GO Bond. He stated the citizens of the community do not want to see their taxes increase. He explained there is a distrust of City Government and there is a distrust of how the school system spends their money. He doesn't think the citizens are going to look at this and say this is what I am getting out of it. He feels it is going to turn in to an issue of eastside westside, he truly believes that. He feels the people of the eastside will defiantly see this as a positive impact in their life. He feels the people of the westside will be asking what are they getting out of this. He feels all they see if they are spending additional 60-80 dollars a year for the next 20 years. He honestly believes if the City doesn't have to put a whole bunch of money toward this to go forward with it then he says go for it, but if there is a substantial amount of money that we have to place forward, knowing historically what our community does with bond measures, he doesn't know if this is a smart move for us to do. He explained he just doesn't want the City to spend a bunch of money to get a no vote.

Len Waggoner explained the marketing that will need to be done will be done by the landowner. He explained everybody is going to have an effect due to the long unit trains.

Councilor Gedlich feels this is important to the whole community.

Councilor Meres explained there use to be a time when Scappoose didn't have officers during the night. He explained if you read the Intergovernmental Agreement it allows Scappoose to assist St. Helens, so they could be completely out of the area. He stated there is the option of West Lane for law enforcement to get to the east side. He stated regarding a possible satellite fire station out by the airport that is still quit a distance. He understands this is very important but if somebody hires a marketing firm for developers that right there turns off people because there are a lot of people against the development of that particular area.

Council President Ingham feels Council should move forward on the time line and go for the May election. Harvey Rogers explained for the May election the City would need to file by March 15 and file notice of ballot title the first of March.

Teresa Keller asked if there is a maximum number of units these trains can be. City Manager Hanken replied realistically they could be longer then 110 units but most rail sighting and bypasses are set up to handle about 110 units and that is pretty much want a standard unit train is.

Council President Ingham stated she is disappointed that the Spotlight is not here.

Mayor Burge explained at the February 4, 2008 Council meeting the Council will have a resolution before them. Mayor Burge, Council President Ingham, Councilor Gedlich and Councilor Meres; yes, Councilor Bernhard, no.

Adjournment

Mayor Burge adjourned the workshop at 8:47 p.m.

City of Scappoose, Oregon

Scott Burge, Mayor

Attest: _____
Susan M Pentecost, City Recorder