

TILLAMOOK COUNTY ROAD ADVISORY COMMITTEE

June 7, 2010

MEMBERS PRESENT: Vice Chair Gary Hanenkrat, John Gettman, Gus Meyer, Jerry Dove, Darcy Jones and Paul Carbaugh.

TCCSR MEMBERS PRESENT: Doug Olson, Kathleen Newton and Sandy Bell.

STAFF: Liane Welch and Amber Crews

PUBLIC: Dora Norwood, Alene Allen, Steve Shiels, Glen Benson, Norm Myers, Bill Goodman, Jerry Lyslo, Mary Jones and John Tarnasky.

Item 1. Meeting called to order at 3:00 pm by Vice Chair Gary Hanenkrat.

Item 2. Minutes Approval: April 5th, 2010 minutes reviewed and approved as written with discussion. Gus Meyer wanted clarification from Liane on Boulder Creek minutes. Liane stated that they extended the time, they are coming in the fall to build the bridge and will do the paving next spring. Good and competitive bids were received.

Item 3. Paving List: Minor changes have been made to the paving list. It was developed into a spring and summer paving list, but because of the weather spring paving has been integrated into summer paving. Starting with what we added in the summer area: Twin Rocks, Sam Kem development area. The Commissioners have supported Liane's recommendation to go in and fix that Local Access Road, only one time. Liane has added that to the paving budget. To make that budget work Liane cut off Front Street from the list. The other addition is Foss Road MP 4.1. Liane has cut part of Anderson Road to make room in the budget for Foss Road. Liane stated that if she made any changes to the paving list she would bring it back to the CRAC. John Gettman asked where all the traffic on Foss comes from. Liane said that Mohler Sand and Gravel have their rock quarry up there, logging trucks use that road, a state park is located up there, Crook Creek is there and a lot of residents live on that road. Liane was complimented for the work on Johnson Bridge. Liane mentioned that a lot of criticism has been made about the paving on Long Prairie Rd. The defects already existed on that road; the work done wasn't a rebuilding. Liane took a coring machine and did cores in each district to help her determine how they were going to fix the roads. Liane passed out the NWACT (Northwest Oregon Area Commission on Transportation) newsletter to the CRAC.

Item 4. Tillamook County Citizens for Sustainable Roads Joint Meeting – Next Step for Funding County Roads: Since the last meeting the group has been looking at a General Obligation (GO) Bond. Kathleen stated that they have done research with the Bond Counsel and the County Council and have looked into what are the opportunities and limitations. Doug Olson handed out the Tillamook County GO Bond for Roads May 2011. The plan is to head towards a May 2011 Primary Election to fund our roads. It does not require the 50% turnout.

There are three options to go before the voters: One way is the county can decide to do it on its own. A second way is you can gather petitions, you have to have 6% of the last governor's election and they have to be validated, so you have to collect 30 or 40% more

because of that. It's not a difficult process but it is very time consuming. A third option, which TCCSR is recommending, is to we simply go out a gather signatures of not just registered voters, but also land owners and or citizens who have an interest in our roads. The list would then be taken to the County to do it, with the hopes that 500-700 people will state they want another opportunity to consider funding for our road problems.

The County would be hard pressed not to take it forward and present it in the May 2011 Primary election, stating that they are doing this in response to overwhelming amount of citizens who are interested in seeing this get done. With respect to the Bond issue, there are attorneys that specialize in Municipal Bonds. They write the ballot title and know all the election laws, and they are the ones you consult – which has been done. They have no problem with the process as it has been outlined. It's simply a political process, convincing the Commissioners to put it on the ballot. It could or may occur at the May 2011 election.

The ballot title would be prepared by the Bond Counsel. The County will have about 36 months to expend the funds. The cost and amortization comes in later when it is discussed with the underwriting people. The County probably cannot share the bond proceeds with cities or other municipal corporation within the county because if shared with the cities the question then becomes how much and under what conditions. This could prompt an inter-governmental agreement and entering the legal, political and economic arena.

They are heading towards doing it county wide, at 15 million dollars at current market rates, paid back over 10 years and levied against all the taxable property in Tillamook County. Everybody who is a registered voter gets to vote. County can offer certain In-Kind services, but it can not take a position for or against it. It can provide all the information they care to provide as long as it is factual. The arbitrage earnings question has to do with how it is spent and the investment earnings. That is more of a technical question. How specific are we with what's done? There can be engineering work, and it can extend to guardrail, culverts and drainage systems that pertain to the safety of the roads.

Doug stated that we have to put a group together that will go forward. There are no impediments with the Bond Counsel, other than getting enough money to do this properly. The next thing they intend to do is meet with the mayors of the seven cities, stating that direction and find out if they support the Bond. It will be necessary to do some preparation and political work with the mayors. After that a flyer will be prepared to distribute at the County Fair. Kathleen also suggested gathering signatures at the Fair. A Political Action Committee would then be formed and fund raising needs would be somewhere in the range of \$25 – \$30 thousand. The plan is to start as quickly as we can because A) We have already spent 2 years looking at options, B) The County Fair is coming up, and C) We wouldn't enjoy as much success if we waited until after the first of the year, there is just too much to do. All the options with respect to funding this, there are only a couple that generates sufficient funds.

Our group favored the GO Bond because it would accomplish this. The plan is to go out and say we have a problem and that problem is our roads. Our roads are the single largest asset Tillamook County owns. Today's current rate is 54 cents per thousand on the \$15 million. It then drops 13 cents a thousand once the hospital and jail drop off. Kathleen said that Liane has put together some priority lists and cost estimates so we have some understanding of the issues.

Doug opened up the meeting for discussion. Norm Myers asked if each of the options to place the measure on the ballot have the same cost. Kathleen said yes it's about \$1500 which the County pays for. Norm said he was initially against the Bond because of the interest, but when he realized how much the roads were deteriorating and that it exceeds the interest therefore making the Bond economical. Darcy Jones suggested that they also come down South and meet with the Chamber, even though there are no actual cities in South County. Doug and Kathleen affirmed that they would meet with the Chamber, Kiwanis, and the Rotary and that it is essential to meet with everyone. It was asked if it was an option for the city to share in the revenue. Kathleen stated no, the Bond Counsel said that is not an option. Everyone living in the city limits would vote and be taxed. It is similar to the Library, jail and hospital. Kathleen stated there is no opt in or opt out with the cities. Kathleen mentioned that a good presentation is important in order to explain what it all means.

Mr. Shiels asked about prioritization issues arising because only half the list would be able to be completed with the money. Doug and Kathleen both agreed that it would arise. Norm Myers brought out Traffic Safety being considered when deciding priority list of roads. Jerry had a question about #11 regarding culverts and drainage, are they not allowed? In the Bond they are allowed if they are directly related and or essentially tied to the paving. John Gettman asked if LAR's are listed. Liane said no they are not on her list. A question was asked if the commissioners supported this Bond. Doug said as of right now they are 3-0. Kathleen said there is always a chance for fall out because of political upheaval, but as of right now it looks like 3-0. Doug stressed having the County Commissioners, the CRAC and the citizen's support the bond is imperative before being able to move forward. It was asked if there is a possibility that the County's budget be restructured for the Road Dept to get any property tax money. Oregon State law does not allow for that. It was suggested that a booth be obtained at the County Fair that is specifically dedicated to explaining the facts and focusing on this issue, vernacular is critical.

Item 5. Other Business, Preliminary/Draft Paving List Review: There is \$31 million worth of projects on the list. Liane prioritized this list by Life safety routes, alternative routes around Highway 101, the Economic Development and Roads that have completely failed. North is District 1 and the sum is \$3.75 million dollars there. Liane also has back-up roads listed for all three districts. Total for North County is \$7.5 million. Central is District 2, it has \$6.4 million dollars worth of work there and with the backup roads it is \$12.2 million altogether for Central District. District 3 is South County and it has \$4.3 million assigned. With the back up roads the total is near \$9 million for the South District. Grand Total for all priority projects in the County is 16.1 million.

Liane added 3% for engineering administration, construction engineering at 3%, \$500,000 for culvert replacements and \$200,000 for a contract to crush rock. Mr. Goodman asked after the priority roads are completed, a year or two later can the County pull money out of its on going budget to fix the other roads listed. Liane is continuing to look for grant money to fund other projects. Norm asked if the National Guard is willing to help with projects as they have in the past. Liane mentioned that the Marines are currently at Bay Ocean Dike. Doug concluded that this list is close to being it, but understands that it is subject to refinement. Doug asked if the CRAC thought they were heading in the right direction. No one disagreed.

Doug brought out that they will begin meeting with the Mayors at the end of the month. If that goes forward they will then form a Political Action Committee (PAC). Kathleen asked if there is a consensus to go forward with this. Jerry Lyslo was the only one opposed because he had concerns that the problem is so large, he wondered about a County sales tax and whether it was legal. Doug said he thought that it was a good point, but expressed that it may muddy the waters. Kathleen expressed that it may drive shoppers away from Tillamook County. It was expressed that the public may have a problem with the Sustainable Roads Committee presenting the GO Bond as a solution because it isn't sustainable, it expires after a period of time. Doug brought up the issue of marketing. Kathleen is a previous newspaper owner and editor. She now has firm that does marketing. Kathleen is slightly uncomfortable with being considered for the marketing part of the GO Bond. Doug wanted to discuss what the two committees thought about using her firm to do the marketing. Kathleen volunteered to leave the room during the discussion so that it could not be perceived that she swayed anyone's decision on the matter.

There are several ways to market the GO Bond. The college was cited as an example of a project that used a professional marketer. Kathleen has put together a preliminary budget; it is roughly \$27,000 – \$35,000 for TV, radio, mailers, county fairs etc. The question was raised of who would pay for the marketing. Doug said that they would go out and raise the money. A contingency plan to raise money would be a good idea. Some concerns are: Does Kathleen and her firm have too many projects going on, would she be stretched too thin? What would public perception be if we hired someone from the committee? To send out a Request for Proposal is a process that would take 4-6 weeks longer, and then the committee's would have to meet again. Liane asked if there were any plans to lead a campaign against or no vote for this measure. No one stated that they would campaign against the measure.

Kathleen returned to the room, some of the committee had questions. Kathleen was asked about some type of a plan and some of her ideas. A rough preliminary plan is to create flyers/handouts for the fair and possibly get a booth with posters, press releases on a regular basis and materials for community meetings, weekly ads, and letters to the editors. She plans to use the County video also.

Item 6. Public Comment: Gus Meyer made an announcement about an email he received from Jeanette about construction work on Oregon 202 Nehalem Road, Tillamook Clatsop County. He wanted to know where Fish Hawk Road was located.

Item 7. Next Meeting: July 19th, 2010 3-5pm at the Courthouse Conf. Room B, this will be a dual meeting.

Item 8. Adjourn: Meeting adjourned at 4:45 pm.

Minutes transcribed by: Amber Crews