

SPECIAL CITY COUNCIL MEETING OF THE CITY OF REDMOND WAS HELD JUNE 7, 2022, IN COUNCIL CHAMBERS.

COUNCIL MEMBERS PRESENT: George Endicott – Clifford Evelyn – Ed Fitch – Jay Patrick – Shannon Wedding (virtually) – Cat Zwicker

COUNCIL MEMBERS EXCUSED: Krisanna Clark-Endicott

STAFF PRESENT: City Manager Keith Witcosky – City Attorney Keith Leitz – Police Captain Aaron Wells – Deputy City Manager John Roberts – IT Specialist Nam Ly – Chief Financial Officer Jason Neff – Accounting and Financial Reporting Director Brooks Slyter – Director of Communications Heather Cassaro – City Engineer Mike Caccavano – City Recorder Kelly Morse – City Engineer Jessica MacClanahan

MEDIA PRESENT: None

CALL TO ORDER / ESTABLISH A QUORUM

Mayor Endicott called the meeting to order at 6:06 p.m. A quorum was established.

CONSENT AGENDA

- A. Minutes of January 11, 2022, Council Meeting**
- B. Minutes of April 12, 2022, Council Meeting**
- C. Minutes of May 17, 2022, Council Meeting**
- D. Resolution #2022-12 – A Resolution of the City of Redmond Declaring Four Vehicles to be Surplused**

Councilor Zwicker moved, seconded by Councilor Patrick, to approve the Consent Agenda, motion passed. (Clark-Endicott-absent, Endicott-yes, Evelyn-yes, Fitch-yes, Patrick-yes, Wedding-yes, Zwicker-yes)

PRESENTATIONS

A. House Bill 2001: Central Oregon Builders Association Comments Regarding Density Table

Deputy City Manager John Roberts introduced the topic, provided a brief background and discussed next steps. He noted the density table has significant implications to how development moves forward in the community then introduced Central Oregon Builders Association (COBA) Board President Deb Flagen, COBA's Vice President of Government Affairs Morgan Greenwood, and Mike Robinson from Pahlisch Homes.

Ms. Greenwood indicated COBA is supportive of the vast majority of staff's recommendations as outlined in the proposed text amendment but noted their concern with approving only those amendments associated with House Bill (HB) 2001 and making additional amendments at a later date. She opined that not only would it have impacts on staff's workplan for the upcoming year and require the Council dedicate additional time to redo the work that has already been done, but it may create missed opportunities for new developments. COBA requested the Council approve the metrics in the density table that have been highlighted in green as they appear in Exhibit A of this meeting's packet.

Ms. Flagen reviewed COBA's recommended amendments the density table:

R-3 Zone

- Adjust the minimum lot size to 6,000 square feet (sf)

R-4 Zone

- Adjust the minimum lot size to 5,000 sf
- Change interior setbacks from 5/10 feet to 5/5 feet
- Change rear setbacks from 20 feet to 10 feet

R-5 Zone

- Adjust minimum lot size to 4,000 sf
- Adjust minimum street frontage from 40 linear feet
- Keep current rear setbacks at 5 feet

Ms. Flagen reiterated the following concerns from the Council's joint worksession with the Urban Area Planning Commission on April 5, 2022, as they relate to the state mandate and the requirements of duplexes, triplexes, and quadplexes in single-family zones:

- an increase in traffic
- stress on infrastructure
- lack of street parking
- lack of storage options due to the smaller residences
- limited options for the aging population for single-level homes
- limiting home ownership options due to attached products resulting in rental properties

Ms. Flagen provided visual scenarios to show the comparison of what is currently allowed under the development code and what could be allowed with COBA's recommendations and the HB 2001 code amendments. In response to questions from Mayor Endicott regarding five-foot side setbacks, Ms. Flagen explained that by reducing the minimum lot size, it allows a 30-foot wide product versus a 25-foot wide product.

Councilor Fitch stated he is not supportive of changing the density at this time due to the amount of detail that needs to be addressed before the July 1 deadline. He suggested leaving the density table as is and approving staff's recommendation. He concurred that sections do need clarification, but they can be done in a more deliberative way after July 1.

City Attorney Keith Leitz confirmed the Council would still have an opportunity after July 1 to make changes as proposed by COBA but noted that only meeting the minimums required by HB 2001 affects other items listed in the code. Mr. Roberts explained the Urban Area Planning Commission voted 4-2 to recommend adoption of the bare minimums as required by House Bill 2001; however, he clarified the bare minimums are not Staff's suggestions. If the Council were to approve the minimums, it would extend timelines for Staff, present a strain on capacity, and make it difficult to separate things clearly.

Councilor Patrick expressed his aversion to the State telling the City what it needs to do in terms of density. Mayor Endicott concurred but noted the City must comply with state law.

With the consensus of the Council, Mayor Endicott directed staff to proceed with what they proposed. At a later date, the Council will revisit some of the additional proposed changes.

B. Review and Discussion of Draft Updates to City Blasting Regulations. Section 18.8.00 in Public Works Standards and Specifications: Worksession #1.

Mr. Witcosky introduced the item and provided an overview of events that have taken place. City Engineer Caccavano and Fire Marshall Tom Mooney gave a presentation on the roles of the City and Redmond Fire & Rescue in the existing approval process. The purpose of the revisions are to modernize the blasting language for earthwork, pipe, manhole and drywell construction within the Public Works Standards and Specifications. Many of the details are included in state standards and the Fire Marshal permit, but there is need for more detailed language regarding the notification of nearby homes and businesses and pre- and post-inspection for nearby structures. Staff proposed using the Oregon Department of Transportation's (ODOT) standards, which are comprehensive and used statewide, then adapt them for City facilities rather than highways. Mr. Caccavano compared the draft requirements with the existing standards and the RF&R permit.

Mr. Caccavano addressed questions from the Council regarding the number of charges/explosives for a 300-foot radius, industry standards, and notifications methods for residents who are away from home for extended periods of time.

Construction and Real Estate Attorney Kevin Eike, who represents seven individual homeowners in the Dry Canyon subdivision, addressed the Council regarding alleged damage to homes on Teak Avenue after blasting

occurred. He noted that potential claims may result from the investigation. Mr. Eike opined the new regulations are a step in the right direction in terms of having requirements for inspections. He also spoke to the limited number of pre-blasting inspections performed prior to the blasting. In response to questions from Mayor Endicott, Mr. Eike estimated findings from the damage investigation should be available soon.

Redmond resident Nick Porta inquired if the proposed regulations would incorporate any requirements for the City to monitor or supervise blasting as part of the overall process of obtaining a permit. He explained that under Oregon law, and that of various other states as well, blasting is viewed as an ultra-hazardous activity which should be considered when proposing regulations. Mayor Endicott replied it has not been determined if there will be a specific role for the City with regard to supervising blasting.

Ms. Greenwood requested the Council lean on the knowledge of industry experts when it considers the blasting ordinance and consider establishing a stakeholder workgroup to include these experts.

At this point in the meeting, Martha Hicks addressed the Council on safety measures for pedestrians and vehicle operators on Canal Boulevard near Yew Avenue. She explained that oftentimes traffic waiting to enter the Yew Avenue roundabout is backed up to The Greens subdivision making it difficult for vehicles to turn into the subdivision and dangerous for pedestrians due to the lack of crosswalks in that area.

Redmond residents Mark and Jackie Noble reported that on January 3 and January 4 their home sustained severe damage due to blasting from Quality Blasting. She provided the Council with pictures of the damage. Ms. Noble opined that when the blasting occurred, it felt like the entire home lifted off the foundation and slammed back down. The professional who assessed the damage said the fact he could put the square insert under the wall means the wall had moved. Ms. Noble stated Quality Blasting had no permits and no one overseeing the blasting. Mr. Noble shared that he has 34 years of experience as a civil engineer. After reviewing the proposed blasting requirements, he opined analyzing the boring soil at specific points to determine geologic formations and rock substrata consistency are critical steps that could prevent the type of damage his home sustained. He asked who will be responsible for conducting the analyses for future blasting permits and noted that if becomes a requirement of the proposed blasting procedures, the person should be a competent, reliable structural and/or geotechnical engineer. Mr. Noble provided an account of his communications with Hayden Homes and Quality Blasting claiming the Hayden Homes representative who toured his home after the damage told him none of the damage would need to be reported if he sold the house. Additionally, Mr. Noble claimed the home inspector hired by Quality Blasting to perform pre-blast inspections of the homes on Teak Avenue only took one picture of the outside of the home from the street.

Pahlisch Homes Attorney Michael Robinson shared his background in land use and indicated he would like to participate in developing a good process. He spoke to his detailed letter submitted on May 24 emphasizing the home-building community would like to collaborate on new standards.

Robert Cummings, a Geological Engineer and ODOT-approved blasting consultant with 40 years of experience, reviewed the proposed blasting standards and highlighted some of the comments he submitted in his letter for the Council's packet. He noted that refinements to the standards should be based on scientific and engineering principles and not as a reaction to one specific event that occurred. Mr. Cummings explained that houses will shake and pictures will move, but that does not mean damage has occurred because of blasting. He opined it is important to remember that human perception cannot be used as the rational basis for judging the extent or susceptibility of a structure subject to blasting. He stated pre-blast surveys are valuable and necessary but need to be done correctly, adding that the basis for the surveys, notifications, and the scope of monitoring should be completed with respect to the blasting plan or the type of blasting being done. Mr. Cummings was supportive of ODOT's standards and specifications because they tie notifications to charge weight and indirectly to the scaled distance.

Hayden Homes Regional Land Development Manager Jacob Clark stated he could address any questions from the Council regarding the letter he submitted for the packet and would like to be part of the workgroup for revisions to the blasting standards. Mr. Clark was also in support of allowing time to implement any provisions to insure they work.

Rickabaugh Construction Project Manager Brian Brown explained that drilling and blasting are one of the many necessary excavation methods used on their projects. He expressed concern that unnecessary guidelines will

increase construction costs in Redmond, lengthen construction schedules, and overall have a higher impact on the community as a whole. He emphasized the importance of consulting with local construction professionals, who can provide education on the subject, before enacting any guidelines. He concurred a workgroup would serve as a great method of get everyone on the same page prior to making the regulations.

Jacob Hanning, the co-president of Jack Robinson & Sons, stated the company has been excavating in Central Oregon since 1947, and he has been with the company for 20 years. Drilling and blasting is a key component of the work they do to build new public infrastructure such as roads, sewer lines, water lines, dry utilities, and draining facilities, which would have substandard performance without blasting. He has reviewed the proposed blasting regulations and is confident that drilling and blasting would no longer be economically viable for most projects in Redmond.

Quality Drilling and Blasting representative Caleb Higgins read a statement from company owner Matt Higgins, which stated the safety and well-being of the residents and the growth of the community are very important to him. Mr. Higgins described the company's process for notification which includes going door-to-door every day that they plan to blast so the closest neighbors are aware. In addition, the company has trained experts who design blasts to control vibrations below the level where damage can occur. Quality Drilling and Blasting would also like to participate in the workgroup.

Quality Drilling and Blasting Foreman and Blaster Ben Rowlett explained that on a daily basis the safety of his crew and the public who are close enough to be affected by blasting, is a priority. He opined that blasting in Central Oregon is necessary due to unique rock variations. Speaking from his experience, Mr. Rowlett commented the majority of the proposed regulations would do little to make blasting safer and concurred that they would instead make infrastructure and home prices increase. He also would like to participate in a workgroup.

Ms. Flagan shared her concerns that the proposed blasting standards conflict with existing federal and state guidelines and add an arduous process that would delay construction.

Pahlisch Homes Land Acquisition and Development Director Chad Bettsworth's family has been a part of the Redmond community for 50 years, and he has worked in the development community in the area for 20 years. He expressed concerned that the proposed regulations could put homebuilders in a position where building homes in Redmond would increase costs so much that the average homebuyers could no longer afford them. He requested that Pahlisch Homes be involved in the workgroup.

Questions were addressed regarding the relativeness of distance versus the type of blasting, additional blasting options for Redmond's geological makeup, estimated increase to costs, bore hole drilling and seismograph placement.

Redmond resident Rachel Sewell opined that receiving a door hanger or a knock on the door the day of blasting does not qualify as ample notification and does not satisfy industry standards. She also disagreed that Quality Drilling and Blasting is doing everything safely for their employees and surrounding individuals. She shared an example of when she was directly below 2918 Northwest Way, hiking along the rimrock during one of the blast days. When she came out of the rimrock she noticed Quality Drilling and Blasting staff were preparing to blast and had not checked to see if anyone was right below the rimrock area.

Councilor Zwicker only received one notification at her office on June 3, the day of the blast. She concurred that receiving notification the day-of blasting is not ample time for the residents to react. Mr. Higgins explained he is usually the person to notify neighborhoods and there were issues with the last batch of notifications they received from the print shop. He assured the Council this particular limited notification process is not the norm, and they are getting the notifications fixed.

Mr. Robinson also encouraged homeowners who receive blasting notifications to take pre-blast videos and pictures of their homes themselves.

Councilor Fitch opined that the Teak Avenue situation is unusual, and he did not want to overreact to one incident over a 40-year timeframe, but added there seems to be a need for a logical sequence of regulation, like incorporating some of the ODOT standards. He was unsure why the proposed regulations would price Redmond out of the market and requested more information. Mr. Robinson clarified that ODOT's specifications are not the

reason for the increased costs but rather some of the proposed Public Works standards and specifications and cited seismograph requirements as an example.

Mr. Caccavano recapped the discussion adding that if the Council has additional questions, a panel discussion can occur at the next work session. Mayor Endicott invited attendees to provide additional input to the Council.

PUBLIC HEARINGS

A. Resolution No. 2022-16 - A resolution setting fees and charges imposed by the City of Redmond.

Mayor Endicott opened the public hearing.

Chief Financial Officer Neff requested approval of Resolution #2022-16 which modifies the City's fee schedule. He explained the proposed fees were considered and incorporated into the budget that was approved by the Budget Committee on May 4, 2022. Mr. Neff reviewed the reasons for the proposed rate increases noting the City needs to keep up with its System Development Charges revenue to support growth in its infrastructure.

In response to questions from Mayor Endicott, Mr. Neff stated that some departments have done reimbursement cost studies within the last five years. Councilor Patrick expressed concern for citizens who may have difficulties paying an existing fee, let alone an increased fee. The fee increases take effect July 1, 2022.

Mayor Endicott directed Staff to continue doing rate studies so charges are reasonable. Seeing no further comments, Mayor Endicott closed the public hearing.

Councilor Patrick explained that despite concerns with rate increases, he will vote yes on the resolution but concurred with Mayor Endicott on continuing the rate studies.

Councilor Fitch moved, seconded by Councilor Evelyn, to adopt Resolution #2022-16 setting fees and charges imposed by the City of Redmond, motion passed. (Clark-Endicott-absent, Endicott-yes, Evelyn-yes, Fitch-yes, Patrick-yes, Wedding-yes, Zwicker-yes)

B. Public Hearing and Adoption of the City of Redmond Fiscal Year 2022/23 Budget: \$159,132,623.

Mayor Endicott opened the public hearing.

Mr. Neff requested approval of Resolution #2022-13, which certifies the City's eligibility and election to receive state shared revenues, and Resolution #2022-14 which adopt the Fiscal Year budget as approved by the Budget Committee on May 4, 2022. He provided a brief overview of the budget process and the proposed budget. The City receives approximately \$4 million in state-shared revenues from gas tax and liquor tax.

Councilor Wedding declared an actual conflict of interest because her spouse works for the City of Redmond. She recused herself from deliberations and voting.

There being no further testimony, Mayor Endicott closed the public hearing.

Councilor Fitch stated he previously recommended three items for inclusion in the budget: 1) put \$300,000 into reserves for homelessness projects; 2) allocate monies for an appropriate history of Redmond; and 3) allocate monies for updating the interior of City Hall to reflect the current makeup of Redmond. He stated he does not intend to make those recommendations again tonight, because the City has an ample reserve and the Council could do a supplemental budget in the future.

Councilor Zwicker moved, seconded by Councilor Evelyn, to approve Resolution #2022-13, a resolution certifying the City's eligibility to receive state revenues and declaring the City's election to receive state revenues and funds, motion passed. (Clark-Endicott-absent, Endicott-yes, Evelyn-yes, Fitch-yes, Patrick-yes, Wedding-recused, Zwicker-yes)

Councilor Zwicker moved, seconded by Councilor Fitch, to approve Resolution #2022-14, the resolution adopting the budget, motion passed. (Clark-Endicott-absent, Endicott-yes, Evelyn-yes, Fitch-yes, Patrick-yes, Wedding-recused, Zwicker-yes)

ACTION ITEMS

A. Resolution #2022-17 – A resolution of the City of Redmond to make Budget Adjustments. (in Fiscal Year 2021/22 for Golf Course Operating Expenses & Debt Refunding)

Mr. Neff requested approval of Resolution #2022-17 which authorizes a budget adjustment for the refinancing the debt associated with the 2012 bonds. Portions of the debt were paid off resulting in a savings of \$400,000 over the life of the debt and must be recognized in the budget. Mr. Neff addressed questions from the Council regarding the Kingwood Local Improvement District and Juniper Golf Course.

Councilor Fitch moved, seconded by Councilor Zwicker, to approve Resolution #2022-17 a resolution of the City of Redmond to make Budget Adjustments, motion passed. (Clark-Endicott-absent, Endicott-yes, Evelyn-yes, Fitch-yes, Patrick-yes, Wedding-yes, Zwicker-yes)

EXECUTIVE SESSION

Mayor Endicott convened the Council into Executive Session at 8:23 p.m. in accordance with ORS 192.660(2)(d) which authorizes executive sessions "to conduct deliberations with persons designated by the governing body to carry on labor negotiations" and ORS 192.660(2)(h) which authorizes executive sessions "to consult with counsel concerning the legal rights and duties of a public body with regard to current litigation or litigation likely to be filed."

Mayor Endicott closed the Executive Session portion of the meeting at 8:51 p.m.

MOTIONS AS A RESULT OF EXECUTIVE SESSION

Councilor Zwicker moved, seconded by Councilor Fitch, to authorize the City Attorney to complete the Opioid litigation settlement election and approval, and divert the City's settlement distribution to Deschutes County, motion passed. (Clark-Endicott-absent, Endicott-yes, Evelyn-yes, Fitch-yes, Patrick-yes, Wedding-yes, Zwicker-yes)

ADJOURN

There being no further business, the meeting was adjourned at 8:53 p.m.

Prepared by ABC Transcription Services and reviewed by Kelly Morse, City Recorder

APPROVED by the City Council and SIGNED by the Council President this 16th day of August 2022.

/s/ Robert J. Patrick
Robert J. Patrick, Council President

ATTEST:

/s/ Kelly Morse
Kelly Morse, City Recorder