CITY OF WILSONVILLE
BUDGET COMMITTEE MEETING MINUTES

A meeting of the Wilsonville Budget Committee was held at Wilsonville City Hall beginning at 6:00 p.m. on Wednesday, May 19, 2021. Mayor Fitzgerald called the meeting to order at 6:02 p.m., followed by roll call and the Pledge of Allegiance.

Budget Committee members present:

Julie Fitzgerald, Mayor	Andrew Karr, Committee Member
Kristin Akervall, Council President	Paul Bunn, Committee Member
Charlotte Lehan, Councilor	Katie Hamm, Committee Member
Joann Linville, Councilor	Daphnee Legarza, Committee Member
Ben West, Councilor	Shawn O'Neil, Committee Member

Staff present included:

Cathy Rodocker, Finance Director	Bryan Cosgrove, City Manager
Keith Katko, Assistant Finance Director	Beth Wolf, Senior Systems Analyst
Andy Stone, IT Director	Kimberly Veliz, City Recorder
Jeanna Troha, Assistant City Manager	Eric Loomis, Transit Operations Manager
Dwight Brashear, Transit Director	Delora Kerber, Public Works Director
Scott Simonton, Fleet Services Manager	Zach Weigel, Capital Projects Eng. Manager
Chris Neamtzu, Community Development Director	

Motion to approve the order of the agenda.

Motion: Councilor West moved to approve the order of the agenda. Member Karr moved seconded the motion.

Vote: Motion carried 10-0.

SUMMARY OF VOTES

Mayor Fitzgerald	Yes	Member Karr	Yes
Council President Akervall	Yes	Member Bunn	Yes
Councilor Lehan	Yes	Member Hamm	Yes
Councilor West	Yes	Member Legarza	Yes
Councilor Linville	Yes	Member O'Neil	Yes

ELECT BUDGET COMMITTEE CHAIR

Member O'Neil nominated Member Karr as the Chair of the Budget Committee for 2021.

Motion: Member O'Neil moved to elect Member Karr as Chair. Councilor Linville moved seconded the motion.

Vote: Motion carried 10-0.

SUMMARY OF VOTES

Mayor Fitzgerald	Yes	Member Karr	Yes
Council President Akervall	Yes	Member Bunn	Yes
Councilor Lehan	Yes	Member Hamm	Yes
Councilor West	Yes	Member Legarza	Yes
Councilor Linville	Yes	Member O'Neil	Yes

MOTION TO APPROVE FY 2020-21 BUDGET COMMITTEE MINUTES

A. March 11, 2020; May 20, 2020; May 21, 2020; and January 26, 2021 Budget Committee Minutes

Motion: Chair Karr moved to approve the FY 2020-21 Budget Committee Minutes. Member Hamm seconded the motion.

Vote: Motion carried 9-0-1

SUMMARY OF VOTES

Mayor Fitzgerald	Yes	Chair Karr	Yes
Council President Akervall	Yes	Member Bunn	Yes
Councilor Lehan	Yes	Member Hamm	Yes
Councilor West	Yes	Member Legarza	Yes
Councilor Linville	Yes	Member O'Neil	Abstain

STATE SHARED REVENUE

A. Public Hearing for the Proposed Fiscal Year 2021-22 City of Wilsonville Budget

Chair Karr called to order the City of Wilsonville Budget Committee public hearing on State Shared Revenue as reflected in the City of Wilsonville's FY 2021-22 proposed budget at 6:07 p.m. He read the conduct of public hearing format into the record.

B. Citizen Input

Chair Karr confirmed there was no public testimony and called for the Staff report.

Finance Director Rodocker presented the Staff report on the proposed State Shared Revenues via PowerPoint, reviewing how the City met the State requirements and the revenues received. (Slide 3) She clarified that no property taxes were included in State Shared Revenues. The County collects property taxes.

Chair Karr closed the public hearing on State Shared Revenue at 6:13 p.m.

PUBLIC HEARINGS/CITIZEN INPUT

A. Public Hearing for the Proposed Fiscal Year 2021-22 City of Wilsonville Budget

Chair Karr called to order the City of Wilsonville Budget Committee public hearing on the proposed Fiscal Year (FY) 2021-22 City of Wilsonville Budget and possible uses of State Shared Revenues as reflected in the City of Wilsonville's FY 2021-22 proposed budget at 6:13 p.m. He read the conduct of public hearing format into the record.

B. Citizen Input

Chair Karr confirmed there was no public testimony and called for the Staff report.

Chair Karr testified that he had been a citizen for 18 years. He believed the work the Budget Committee and Staff had done on the budget, as well as the fiscal responsibility Staff provided the citizens, while also making Wilsonville a livable, vibrant, sustainable, and economically viable city, could not be commended enough; especially with what the community had survived this last year and how Staff has responded. He believed the urban renewal agencies had been fabulous for Wilsonville and he hoped the State would not take that away.

BUDGET MESSAGE

Mr. Cosgrove provided a brief overview the Budget message, which reflected what the City had gone through over the last 15 months, and he commended Mr. Katko for his work in developing it. He announced that the Oregon Health Authority (OHA) and Occupation Safety and Health Administration (OSHA) recently provided new guidance about how the City could have board and commission meetings back at City Hall. The Budget Committee should expect an email from Staff regarding the requirements for in person meetings. He noted this was Ms. Rodocker's last budget presentation, as she would retire in June. He commended Ms. Rodocker for her dedication for nearly 20 years as a key member of the City's finance team, thanking her for her commitment and contributions to Wilsonville and wishing all the best. (Slide 5)

Member Bunn said he echoed comments by Chair Karr and Mr. Cosgrove on the great job the Finance team had done, and he congratulated Ms. Rodocker on her retirement. However, he was concerned that about 44 percent of the Operating budget was not in the budget for the Budget Committee to review. The budget stated, "At the time that the budget was developed, labor negotiations were underway after being postponed due to the state of emergency declared in response to COVID-19. Therefore, there are no changes to the salary wage scale." He understood there were valid reasons for that, but it was repeated time and time again throughout the budget. He was concerned that as a citizen representative on the Budget Committee, he was being asked to approve this budget without all of the information. Ms. Rodocker had told him no supplemental meetings would be held for the Budget Committee to review and approve the finalized wages and benefits as that would be approved by a City Council resolution. That was fine, but he wanted to be sure to voice his concerns and to state that once the Personnel Services information was known, he was willing to attend meetings so he could provide his input on what that would do to the overall budget. He had raised this concern in his questions to Staff and he did not believe it had been adequately addressed.

Assistant Finance Director Katko responded he would go over the Operating Budget in the presentation. He noted the Personnel Services budget is included in the Operating Budget, but only at a status quo level; therefore, any changes would be incremental and subject to a budget supplemental, which would go through a public hearing process before City Council likely in July or August depending on when the labor negotiations are completed.

Councilor Linville understood the 43-plus percent of the budget Mr. Bunn referenced current personnel costs was currently in the budget right now.

- Mr. Cosgrove replied that was correct, adding the only thing missing was the unknown of what would happen with the negotiations. The situation was not uncommon. The City negotiates three-year contracts with two bargaining units. The City did a one-year extension because of COVID-19, so this was just a timing issue. When negotiating these collective bargaining agreements, Staff is mindful of the City's limited resources and what the City could give to its employees because the City must be able to sustain the employees' salary and benefits long-term. Once Staff had the information and Council signed off on the collective bargaining agreement, Staff would return to Council with that agreement. He understood Mr. Bunn's concerns and he wished there was more he could say, but Staff just did not know until Council ratified the agreements.

Chair Karr reminded that the Budget Committee did not approve the budget, but just made a recommendation to City Council, who approved the budget.

- Mr. Cosgrove agreed, adding City Council had sole discretion over class and compensation for all City employees.

Mr. Bunn said he understood the mechanics of all that and that the ultimate authority rested with the City Council. He was not faulting anyone, but he had been asked to serve on this Committee to give his input and approval. He understood there were circumstances that forced this issue to go beyond these meetings. All he was saying was that he was uncomfortable with the fact that as a Budget Committee member he was not given an opportunity to provide his input on those costs when they do represent a large part of the budget. He was not questioning Staff's commitment to make sure to make sound fiscal judgment, but no one could guarantee that there would not be some big changes that no one was anticipating. He had been on the Budget Committee for two tenures, and he believed the Budget Committee should have an opportunity to formally review the changes and then provide input.

Assistant Finance Director Katko continued the PowerPoint presentation, noting that as required, the City uses fund accounting, which focuses on accountability and tracking to ensure the resources of each fund was being used for the intended use. He provided a high-level overview of the City's \$241.8 million budget, highlighting how the budget operates, illuminating the major changes and trends in the City's budget 24 budgeted Funds, and describing changes to Resources year-over-year, as discussed on Page 23 in the Budget Book. He concluded by noting that the Ending Fund Balances of the Building Inspection, Community Development (CD), and Stormwater Funds were on Staff's watch list, adding that the Transit Fund, which had been on the watch list previously, included \$2.2 million of STIF funding that involved specific earmarks.
(Slides 6–26)

Chair Karr asked how the Local Government Investment Pool (LGIP) got 0.6 percent interest and if the LGIP was riskier. (Slide 17)

- Mr. Katko explained that the LGIP has professional advisors and a longer investment term they could invest in. LGIP was a more aggressive type of investment but was safe. He did not know exactly what was in the investment pool, but with professional management, access to greater, longer-term investments, and more flexibility with corporate notes, they were able to do well at 0.6 percent. The City was limited to AAA rated corporate notes. In the abstract, LGIP was a bit riskier, but that was why the cap for municipalities was $50 million. He understood the cap required by ORS was an attempt to mitigate or limit risk of investments for cities.
- Ms. Rodocker added the LGIP also had a much larger balance to invest than the City did. All cities are able to use LGIP as a savings account.

FY 2021-22 CAPITAL IMPROVEMENT PROGRAM

A. Overview

Ms. Rodocker provided a brief overview of the proposed FY 2021-22 budget for the Capital Improvement Program (CIP) via PowerPoint, highlighting the CIP funds and CIP funding sources, and describing how projects were identified to be added to the CIP list. She noted the $60.5 million budget was higher than normal and that four projects totaled $40.1 million: the Water Treatment Project to expand capacity to 20 million gallons per day (mg/d) ($25.1M), and three street projects, extending 5th St to Kinsman Rd ($6.4M), the Boeckman Bridge ($3.4M) and the grant match set aside for the I-5 Pedestrian bridge ($5.0M). (Slides 28–31)

B. Capital Projects

Ms. Rodocker reviewed via PowerPoint the key 2021-22 CIP projects planned within each quadrant of the city, as well as the Street Maintenance Program, current Master Plans and Studies and Information Technology projects. (Slides 32–37)

Mayor Fitzgerald asked for a recap of the large project with the City of Sherwood.

- Ms. Rodocker explained the project would expand the water treatment plant from 15 mg/d to 20 mg/d. The project also included upgrading electrical systems and some seismic retrofitting. Sherwood was paying approximately one-third of the project cost with the Operating Fund covering one-third and system development charges (SDCs) covering one-third of the project cost. The City would have to borrow some money for the SDC portion.

Councilor Akervall said the maps in the PowerPoint showing the CIP projects in each city quadrant was a very helpful visual representation of the work being done throughout the city. While the Budget Book included maps of the water projects and parks, she suggested including the quadrant maps from the PowerPoint in the budget binder as well because it helpful to view projects all together and understands their locations.

- Ms. Rodocker added she also liked the slides because they showed where the City took advantage of synergy. For example, when the City is going to open up a road, any sewer and water projects scheduled in that location would be done at the same time. She would pass the suggestion on to her staff.

Ms. Legarza noted the Capital Project Summary discussed several tree mitigation projects, one in Facilities, one in Parks, and two that tied back to the ice storm. She asked if any outside funding was included in those projects, such as from the emergency declaration from the State, or if the City was looking to obtain any funding outside of City funds.

- Mr. Cosgrove answered yes; Staff has pursued other funding sources. The City currently has a request in to the Federal Emergency Management Administration (FEMA) for the ice storm, and he believed the City would get close to 100 percent of what it committed in resources to respond to the emergency. The City also had some American Recovery and Reinvestment Act (ARRA) funds that replaced some of the other things the City did. A Metro Enhancement Committee program also pays the City $1.00 per ton of wet waste because of Wilsonville's transfer station operated by Republic Services. The City uses that revenue for community beautification projects. Councilors Linville and West serve on the Committee and Staff recently made a presentation to the Committee requesting funds moving forward for things like stump grinding, tree replacement, and some safety related items needed in the city's parks and homeowner association common areas.

Ms. Rodocker noted a question in the chat and explained that ERP stood for the City's Enterprise Resource Planning Program, the new software system for the City's financials and building permits.

Mayor Fitzgerald believed the Budget Committee could benefit from having acronyms spelled out.

- Ms. Rodocker said she would make sure Staff did that next year.

FY 2021-22 OPERATING BUDGET

A. Department Presentations

Ms. Rodocker highlighted the format Staff would use during each department's budget presentations which would start with FY 2020-21 Ending Budget, followed by an explanation of any changes made to arrive at the FY 2021-22 budget being presented this evening.

Chair Karr stated he like the presentation format because it provided a clearer picture than just looking at the overall numbers.

1. Transportation

Dwight Brashear, SMART Transit Director, updated on the progress and achievements SMART experienced during the pandemic over the last fiscal year, as well as the return and anticipation of programs returning to pre-pandemic levels. He also reviewed the Transit/Fleet funds, describing their purpose, key details, and funding sources. (Slide 42—43)

Mr. Bunn asked if SMART was allowed to sell used buses and keep the profit. What was done with any vehicle that reached the end of its service life?

- Mr. Brashear replied that Fleet Services Manager Scott Simonton had a very aggressive program for auctioning off surplus vehicles. The federal government required that SMART put that money back into buying down the grant. For example, with an 80/20 grant, the next time SMART purchased a bus; SMART might pay 22 percent instead of 20 percent because the proceeds from the sale of surplus vehicles must be used toward the next bus purchase. It worked out well and SMART was audited on that regularly.

Mr. Katko briefly described the challenges involved with the Transportation budget, which had to align with the budgetary grant requirements of both federal and STIF funding and accommodate timing issues like those involved with ordering buses so far in advance. These requirements resulted in some variances.

<u>SMART</u>

Mr. Katko presented the SMART Transportation budget, noting the key items in the proposed Baseline Changes and Add-Packages. (Slide 44)

Mr. Brashear explained that the new Transit Program Coordinator was a STIF funded position and was necessary due to the onerous recording requirements by TriMet and state and federal governments. Many agencies were adding this position, which would require a finance background. If SMART passed audits by the federal government would mean the state and TriMet requirements were met as well.

- He confirmed it was a full-time position with benefits.
- He clarified that TriMet was involved because it was the qualified entity for the tri-county area, so all of SMART's funding collected in Wilsonville was sent to the State. The State sends the money to TriMet and TriMet sends it back to SMART, which was a subrecipient.

Ms. Legarza said she was excited about the Master Plan update and asked how SMART would acquire data about ridership rates post-COVID. She rode the bus to Salem pre-COVID and had not been riding since COVID.

- Mr. Brashear responded SMART had done outreach the traditional way three or four years ago with open houses and a transit advisory committee. He hoped that, things would have quieted down with the pandemic, and with most everybody being vaccinated, SMART could do a traditional outreach. If not, then the outreach would be done virtually, which was not as effective in his opinion; either way, the outreach would be extensive, and an outreach consultant would be hired. He expected to have at least a year of public outreach before Staff started to formulate the plan.

<u>Fleet</u>

Mr. Katko presented the Fleet Transportation budget, noting that not many changes were proposed and briefly describing the department's operations and how that related to the budget. Mr. Brashear clarified that Fleet regarded all vehicles except buses.

Five-Year Forecast

Ms. Rodocker recalled the financial challenges with the Transit Fund in years past, and substantial improvement in the last three or four years. SMART would likely spend any grant money received and not spend money if no grant funding was received, thus expenses and revenues were shown close together with a slight increase in the Ending Fund Balance over the next five years. The Transit Fund was no longer on the watch list. (Slide 46)

Councilor Linville commended Mr. Brashear, adding there was a time when the transit tax revenue comprised pretty much the majority of the funding for SMART, and now it was about 60/40 or even better. She believed there was also a misconception in the public that the transit tax revenue paid for all of SMART, but business paid for Wilsonville's bus service. While that is significant and not something to be disparaged in any way because those resources were important and appreciated, she really wanted the public to know that the work Mr. Brashear has done had actually balanced that out over time.

- Mr. Brashear responded that ultimately, SMART's goal was to become less dependent on that particular resource because other resources were available. Staff had done an incredible job tapping into state and federal money and continues to pursue funding wherever it can be found. He shared that Congressman Schrader had commented that for a small agency, SMART fights well above its weight class. SMART has a seat at the table, which was getting larger and larger to TriMet's dismay. SMART had a good product and a good team, and it was hard to knock them when SMART was putting such a good product out on the street, and it would only get better as SMART brought more technological advances and amenities to its customers. He was proud of his team.

Ms. Rodocker clarified that the blue revenue line was slightly above the orange-brown expenditure line, reiterating that SMART would spend the revenues from grants and the transit tax as it came in. If no grant were received, SMART would not spend the money.

Mr. Bunn said he definitely remembered when things were looking bad three years ago and how he had made the mistake of suggesting that the City talk to TriMet. Obviously, City Manager Cosgrove saw the great potential that Mr. Brashear has brought. Things definitely looked bleak three years ago when the Budget Committee was reviewing the budget. He had said that if it was that bad, the City needed to do something. Everyone said they would take care of it and sure enough, in a year, Mr. Brashear put his money where his mouth is and had been doing well ever since. He commended Mr. Brashear and thanked him for his work.

- Mr. Brashear said thank you and acknowledged Jeanna Troha, his immediate supervisor, who keeps him in line, makes sure he focuses on the things he needs to focus on, and gives him the support he needs.

Mayor Fitzgerald added that the fleet has become efficient with the technology Mr. Brashear talked about, and the employers were paying; they have gotten SMART started and given the City something to work with. Wilsonville has a transit system that could be managed within the city instead of just seeing what an outside provider might decide to do as far as routes. She recently visited the Coca-Cola plant, which pointed out that like all employers, they had trouble hiring right now, but they really appreciated the transit service, because it was an amenity they could offer to their current and future employees. She believed that the more the City did with transit, the more it would be used.

2. Public Works

Delora Kerber, Public Works Director, provided an update of Public Works' responsiveness to the COVID-19 pandemic, wildfire, and ice storm emergencies, all of which occurred in addition to the division's normal operations, implementing protocols to keep citizens and City staff safe and ensuring the protection of the City's assets. She announced that National Public Works Week is being celebrated this week, May 16-22, noting the theme "Stronger Together" was very fitting in light of the challenges of this last year. (Slides 48–51)

Ms. Rodocker presented the Public Works budget, Current Year-End 2020-2021 Estimate and Proposed 2021-22 Budget, describing the proposed Baseline Changes and Add-Packages for each of the seven program areas. (Slides 47–61) Comments and questions regarding the following program areas were as follows:

<u>Water – Treatment</u>
Chair Karr asked what percentage of granulated activated carbon (GAC) filters is replaced every year. (Slide 57)

- Ms. Kerber said the GAC filters are replaced every other year. Two of the four filters are replaced alternatively every two years, so each filter is replaced on a four-year cycle.

<u>Wastewater - Treatment</u>
Mayor Fitzgerald asked why electricity costs increased so much.

- Ms. Rodocker stated Staff was seeing that increase across the board. The cost was higher this year than anticipated. Electricity costs were increasing on all of the City's programs.
- Ms. Kerber added the wastewater treatment plant contract limited Jacobs to a set kilowatt-hour usage per year, and if that kilowatt-hour usage per year were exceeded, then Jacobs would rebate back to the City. However, in the budget, the City had to accommodate for what they might potentially use.

<u>Wastewater - Collection</u>
Ms. Legarza:

- Asked if the reduction of a vactor operator this was tied to the type of vehicle. Looking at the full time equivalent (FTE) and personnel numbers, it appeared the City would no longer have a vacuum operator.
  - Ms. Kerber explained that was a title change. The City had a vactor operator, but was now using a utility technician. The positions were swapped because the City was looking for somebody with a higher skill level.
- Asked what the Regional Water Consortium, if the membership was new for the City and what the membership entailed. (Slide 56)
  - Ms. Kerber replied the Regional Water Providers Consortium was made up of various water providers within the Portland metro area, including the City of Portland, Tualatin Valley Water District, Tigard, Sherwood, Hillsboro, and Beaverton. The City was a Consortium member for many years and then there was a period when its goals were not aligning with Wilsonville's, so the City resigned its membership. Now, the Consortium is changing. They still did water conservation, which was very important because there were certain tasks that every city needed to meet to show the State they were doing water

conservation, and, the consortium was really starting to focus more on emergency preparedness, which was huge. Therefore, Staff believed it was the right time to rejoin the group. The consortium has conservation and emergency preparedness discussions, and anything and everything related to water in the Portland metro area. The member agencies met to share knowledge and expertise. The Consortium also had training the City could participate in and she believed being part of the group was a very good investment for the City.

Chair Karr added that Ms. Kerber's professional recognition as the Top 10 Public Works Director of the Year showed everyone in the city that Wilsonville's Staff is focused on what is best for the City. He shared with everyone that Wilsonville was the best run city he had ever lived in and that he loved living here. He applauded Ms. Kerber's efforts.

- Ms. Kerber replied that she could not do it without the support of her staff and the rest of the City Staff.

Mr. O'Neil stated that during COVID-19 and the ice storm when many things that were considered abnormal, like homeschooling, being stuck at home, learning Zoom, and appreciating wearing sweatpants, he came to appreciate the extent of normalcy the City tried to communicate during the crisis. He, his wife, and his son were walking down the street and saw SMART and Public Works out during the ice storm when trees had fallen, and he saw normalcy. He could turn to his child who was concerned about what was going on in the world and say the City was still operating. They saw the City functioning and the support that should be there during this time. That goes to the great leadership of Mr. Cosgrove, Ms. Kerber, and Mr. Brashear. Of all the things he could complain about, normalcy was key and a key win and Staff should be proud of that.

B. Questions and Comments from the Budget Committee

City Manager Cosgrove thanked the elected officials and Budget Committee members for sending in questions, which allowed Staff to do a deep dive and provide a thoughtful response. He encouraged Committee members to continue sending in questions, noting all of the responses were shared with the entire Budget Committee. He thanked the Committee members for their kind comments about Staff.

RECESS MEETING UNTIL MAY 20, 2021

The meeting was recessed at 8:14 p.m. for continuation tomorrow, May 20, 2021, at 6:00 p.m. with the public record left open.

Respectfully submitted,

DocuSigned by:
Kimberly Veliz
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Paula Pinyerd, ABC Transcription Services, LLC.
for Kimberly Veliz, City Recorder

CITY OF WILSONVILLE
BUDGET COMMITTEE MEETING MINUTES

A meeting of the Wilsonville Budget Committee was reconvened at Wilsonville City Hall beginning at 6:00 p.m. on Wednesday, May 20, 2021. Chair Karr called the meeting to order at 6:01 p.m., followed by roll call and the Pledge of Allegiance.

Budget Committee members present:

Julie Fitzgerald, Mayor	Andrew Karr, Chair
Kristin Akervall, Council President	Paul Bunn, Committee Member
Charlotte Lehan, Councilor	Katie Hamm, Committee Member
Joann Linville, Councilor	Daphnee Legarza, Committee Member
Ben West, Councilor	Shawn O'Neil, Committee Member

Staff present included:

Cathy Rodocker, Finance Director	Bryan Cosgrove, City Manager
Keith Katko, Assistant Finance Director	Beth Wolf, Senior Systems Analyst
Andy Stone, IT Director	Kimberly Veliz, City Recorder
Jeanna Troha, Assistant City Manager	Dan Pauly, Planning Manager
Zoe Monahan, Assistant to the City Manager	Dustin Schull, Parks Maint. Supervisor
Rob Wurpes, Chief of Police	Pat Duke, Library Director
Miranda Bateschell, Planning Director	Zach Weigel, Capital Projects Eng. Mgr. Dan
Carlson, Building Official	Brian Stevenson, Program Manager
Kerry Rappold, Natural Resources Manager	Khoi Le, Development Eng. Manager
Chris Neamtzu, Community Development Dir.	

PUBLIC HEARINGS/CITIZEN INPUT

A. Public Hearing for the Proposed Fiscal Year 2021-22 City of Wilsonville Budget

Chair Karr reconvened the Public Hearing at 6:02 p.m.

B. Citizen Input

There were no comments from the public.

FY 2021-22 OPERATING BUDGET

A. Department Presentations

Cathy Rodocker, Finance Director, announced that the Budget Committee would now receive the staff reports and supporting documents related to any budget supplementals submitted to City Council throughout the year.

1. Policy and Administration

Zoe Monahan, Assistant to the City Manager, provided an overview of the department's mission, and function, as well as the engagement and accomplishments achieved over the last fiscal year. (Slides 5–10)

Ms. Rodocker presented the Policy and Administration Department budget, Current Year-End 2020-2021 Estimate and Proposed 2021-22 Budget, describing the proposed Baseline Changes and Add-Packages for each of the five program areas. (Slides 11–15) Comments regarding the following program area were as follows:

Finance
Councilor Lehan noted a question was asked yesterday about why utilities had increased so much and she believed the increase might be related to the Green Tariff Program the City signed up for within the last year, which was noted as a Baseline change. (Slide 12)

2. Community Development

Chris Neamtzu, Community Development Director, provided an overview of functions of the department's four divisions, including the Building Fund, and reviewed the goals and key adjustments Staff made throughout the pandemic. He also noted key factors at play in the department's proposed budget. (Slides 16–19)

Councilor Linville noted the budget book indicated the Economic Development Manager position was reduced to half time during the current fiscal year, but she had not seen any comments about the position for the next fiscal year.

- Mr. Neamtzu explained he had tried to keep Jordan Vance onboard after he had announced his resignation due to the number of projects in process, including the Wilsonville Investment Now Zones. Mr. Vance was currently employed part-time with the City on a contract basis and that contract would expire next fiscal year. Mr. Vance would not be returning to the City and he anticipated recruiting a full-time Economic Development Manager replacement by the middle of summer.

Member Bunn commended City Staff for going beyond in response to the ice storm.

Chair Karr noted that several Significant Resource Overlay Zones (SROZ) were drastically affected by the storm and asked what could be done to reduce the fire danger in those areas in the future.

- Kerry Rappold, Natural Resources Manager, explained that SROZ lands were primarily privately owned, but some were located in City parks and City-owned open spaces. He had been working with the Planning Division and members of the community, looking at sites where trees were an issue due to the storm. Some of the wood laying on the ground needed to be removed, but some would have a positive impact on habitats and was critical to the needs of the species that use it. Wood that remains would be placed where it would not have as much of an impact on fire danger.

Member O'Neil said there had been some communication suggesting the trees that the City planned to plant were not the right trees. He asked if an evaluation was done on the trees being planted and if a change was anticipated in the type of trees the City plants.

- Mr. Neamtzu stated Staff was in the midst of creating the first Urban Forestry Management Plan for Wilsonville when the ice storm occurred. Urban foresters hired to develop the master plan would present the findings to the Planning Commission and City Council in a couple months, as well as survey results from Let's Talk Wilsonville.
    - A citywide tree inventory had been completed and was added to the Cartograph asset management system. The inventory database included size, DBH, height, and general species, for City trees in the entire city. Additionally, two interns were recently hired to collect more inventory data this summer to determine which tree species failed the most. Largely, flowering trees had failed most, and the shape of a tree was a factor. Staff would continually consider which tree species to recommend in light of climate change, and no longer plant species that were known to fail.

Keith Katko, Assistant Finance Director, presented the Community Department (CD) budget, Current Year-End 2020-2021 Estimate and Proposed 2021-22 Budget, describing the proposed Baseline Changes and Add-Packages for each of the four program areas. (Slides 20–22, 26)

Ms. Rodocker reviewed the department's Five-Year Forecast, noting similar shocking graphs had been seen in other departments over the years. The General Fund currently subsidized CD to cover future planning costs, which did not involve a fee-based service. She noted all revenues, expenses, and ideas would need to be considered to determine what changes could be made to change the trajectory; however, the numbers were beginning to move in the right direction, and she expected next year to look much different. (Slide 23)

Dan Carlson, Building Official, reviewed the number of building permits by calendar year, noting the increases in the number of new single-family dwellings and the upward trend seen in valuation. Understanding permit trends was important because building permit revenue was primarily based on project value. The Building Fund had started to become more stable than last year due to the 30 percent fee increase passed by City Council for building permits as well as implementing an annual cost of living adjustment, which would be 1.9 percent in July. (Slides 24–25)

Ms. Rodocker reviewed the Building Fund's Five-Year Forecast, noting the positive changes resulting from the permit fee rate increases.

Mayor Fitzgerald commented on the significant activity in the Building and Planning Departments in response to House Bill 2001. Keeping up with the additional work without increasing Staff had been a big challenge and she thanked Staff for making it work.

3. Parks & Recreation

Jeanna Troha, Assistant City Manager, noted Parks and Recreation Director, Mike McCarty had retired, and a new director was being recruited. She provided an overview of the department's function and highlighted the recreation, community center, and parks maintenance activities, as well as several new park amenities. She noted the two, full-time janitorial positions were requested to handle the significant hours now required to clean restrooms and free Parks Maintenance employees to perform more park maintenance work. (Slides 29–32)

Chair Karr congratulated everyone involved with preparing and the sports fields in Memorial Park, which looked spectacular.

Chair Karr appreciated staff for their work on and maintaining the sports fields at Memorial Park

Mr. Katko presented the Parks & Recreation budget, Current Year-End 2020-2021 Estimate and Proposed 2021-22 Budget, describing the proposed Baseline Changes and Add-Packages for the two program areas. (Slides 33–34)

4. Library

Pat Duke, Library Director, highlighted the Library's activities over the last fiscal year, noting the significant differences in the level of library statistics and the changes made to operations due to the pandemic. He also reported on the services provided once the library building reopened in June 2021. (Slides 36)

Member Bunn asked when children's programs would start again and whether any programming could occur outside.

- Mr. Duke responded he did not know when the children's programs could begin again because that would depend on the State's guidelines. He would work with the City's EOC and Administration to determine what was safe, but programs with 100 to 120 parents and children together would be the last to return. Some summer reading programs would be outside, starting in June; however, the Library was in a transition and some programs could not be held outside at this time.

President Akervall asked if the Library of Things and other activities had been used more during the pandemic, and if Staff planned to permanently implement any new programs or services found to be successful during the pandemic. She believed figuring out how to provide both in-person and online services, which required more effort and resources was a new challenge for Staff.

- Mr. Duke responded the Library of Things was just as popular, if not more that it was before and more titles would continue to be added to the collection. Story time and toddler time resources allow people to connect with the Library's online programs, which have been successful as well. Online programs developed during the pandemic would become a permanent part of the Library's services, and Staff was working to find ways to do both in-person and online programs. Over next several months, Staff would be filming in-person programs, so people could enjoy them from home on their own schedule. Other things would also be permanent, such as the children's book bundles, which had become a great benefit for busy parents.

Member O'Neil asked for an update on how the bilingual outreach librarian position had been impacted.

- Mr. Duke replied the position was ongoing. It had been more difficult to reach out to people face-to-face, but the librarian had continued to connect with people throughout the community. He expected her to be able to expand her abilities for outreach as the pandemic wound down.

Mr. Katko presented the Library budget, Current Year-End 2020-2021 Estimate and Proposed 2021-22 Budget, noting the proposed Baseline Changes and no Add-Packages. (Slides 37)

5. Public Safety Law Enforcement

Public Safety

Rob Wurpes, Chief of Police, stated the last year was full of challenges for law enforcement with the pandemic, wildfires, and ice storms and he reminded that Public Safety/Law Enforcement Staff continued working in person all year. He updated on the activities and services that were returning more to normal and highlighted the department's partnerships with other City departments, which included Parks & Recreation, Public Works, Planning, as well as community health facilities, State agencies, local businesses and hotel and apartment management teams. He also described the key functions and priorities of the department and described a staffing study currently underway. He highlighted the background and need to add one full-time officer, describing the extended process required for bringing a new, fully functioning, self-sustaining officer and the advantages provided to the City from a cost and program perspective. (Slides 39–42)

Councilor Lehan asked if City or County law enforcement officers kept in regular contact with staff at the supportive mental health housing facilities in Villebois in order to proactively address any issues. The Villebois neighborhood had been supportive of that population, so having support from Public Safety is important.

- Chief Wurpes confirmed such contact was part of his department's relationship with community partnerships, noting he regularly met with Rain Garden personnel to discuss issues, case reviews of actions taken, communication, etc. Staff also met with other facilities with more controlled environments.

Councilor West asked if the department was experiencing any difficulty retaining Staff during the current unrest and climate with law enforcement in the metro area and if the budget would be impacted in any way.

- Chief Wurpes responded he had never seen so many resignations, adding people were going into other professions. Recruiting was much slower as the number of applicants was lower. Despite all the challenges, the applicants have been good with a recent applicant having completed the Citizens Academy. A lot of good work was happening, which was often overshadowed by the bad things. Another challenge was that the department's employment model was based on overtime backfill, so vacations, comp time, military leave, etc. were all staffed with overtime, creating some burnout amongst the Staff.

Mayor Fitzgerald said she appreciated her conversations with Chief Wurpes and Public Safety Staff on walks around Wilsonville, which provided a good opportunity to develop relationships between people in the community and those in Public Safety working on their behalf. Everyone had an opportunity to help develop those community relationships with the City's law enforcement. She looked forward to being able to get out more in the community to that and welcomed other ideas about how to do facilitate those relationships.

Ms. Rodocker apologized for displaying the Public Safety PowerPoint slides from last year's meeting.

Member Hamm asked for details about any interaction between the schools and law enforcement.

- Chief Wurpes said his department had participated in some diversity, equity, and inclusion forums sponsored by the school, and it was interesting to hear from the high schoolers' perspective. The school district was excited about having a school resource officer and he was very approachable and has positive energy. The department also participates in quarterly meetings with other government officials and school board members about school safety.

Ms. Rodocker presented the Public Safety budget, Current Year-End 2020-2021 Estimate and Proposed 2021-22 Budget, describing the proposed Baseline Changes and Add-Package. (Slides 43)

Municipal Court

Ms. Rodocker updated that in person court nights had resumed in May, noting that during the essential shutdown due to the pandemic, all the municipal court and utility forms had been updated, as well as the court's signage, which was now in both English and Spanish.

Ms. Rodocker highlighted the Municipal Court budget, Current Year-End 2020-2021 Estimate, Proposed 2021-22 Budget, and proposed Baseline Changes. No Add-Packages were proposed. (Slides 44)

General Fund 5-Year Forecast

Ms. Rodocker reviewed the General Fund 5-Year Forecast and explained how she reviewed each of the nine programs and considered the background and circumstances involved, which was a different approach than running it through a forecasting program, and how proper planning created reserves for known upcoming expenses. Some creative would be needed regarding subsidies to Community Development and CIP projects, namely on Parks projects. (Slide 45)

Chair Karr confirmed there was no public testimony.

B. Questions and Comments from the Budget Committee

Chair Karr confirmed there were no additional questions or comments.

QUESTIONS FROM THE BUDGET COMMITTEE AND STAFF RESPONSES

There was none.

CONTINUED DELIBERATIONS BY BUDGET COMMITTEE

A. Motion to approve the FY 2021-22 Proposed Budget

Motion: Member Legarza moved for approval of the FY2021-22 proposed budget, in the total amount of $241,832,266; and levying the full amount of the city general tax rate of $2.5206. Member O'Neil moved seconded the motion.

B. Discussion

Member Bunn explained he would abstain from voting given his concerns expressed at the prior meeting about the salary information not being included.

Mayor Fitzgerald:

- Stated an effort had been made to address the situation as best as possible. The Committee needed to honor the situation and the need to negotiate the salaries. The information that was lacking was the incremental change in the salaries.
  - Mr. Cosgrove added that the City has dealt with this timing issue in previous budgets before. Theoretically, a placeholder could be put in the budget, but that was not something one would want to do from a negotiating standpoint. He noted Staff would update the Budget Committee with the information and Committee members could testify during the public hearing.
- Reminded the negotiation was necessary and she was committed to getting all of the information to the Budget Committee. City Council would address any changes that might be necessary and respond appropriately to the negotiations in service to the citizens.

Mr. O'Neil noted it would be against the City's interest to disclose a placeholder in the budget during negotiations. The labor negotiator would pick the top number, as a starting point, and then the budget would be off the charts. He respected Mr. Bunn's position and believed having the information from Staff in the future would be helpful, but he did not see any reason to refrain from voting on the budget.

Councilor Linville asked if there were any statutory requirements for approving the budget by a certain time.

- Mr. Cosgrove replied the budget must be approved by June 30.

Chair Karr asked when labor negotiations would begin.

- Mr. Cosgrove said there were too many variables to answer that question. It was not uncommon for negotiations to extend into August or September. There were two bargaining units, and both were independent. Staff's goal was to complete the negotiations by the end of the current fiscal year.

Member O'Neil noted it would also be against the City's interest to publish timing and a deadline because labor could hold the City hostage during the negotiations. Staff and the labor organizations would negotiate in good faith, and it made sense to approve the budget as it was and Council could address the incremental change when it had the information.

Mr. Cosgrove added that Staff examines the City's resources and ability to pay during the negotiations. The increases must be sustained over time, as both contracts had three-year terms. Some ARA funds might also come into play as well. He agreed Member Bunn's concerns were legitimate, but there was no other way to address the matter at this time.

C. Final motion to approve the FY 2021-22 Proposed Budget

Vote: Motion carried 9-0-1.

SUMMARY OF VOTES

Mayor Fitzgerald	Yes	Member Karr	Yes
Council President Akervall	Yes	Member Bunn	Abstain
Councilor Lehan	Yes	Member Hamm	Yes
Councilor West	Yes	Member Legarza	Yes
Councilor Linville	Yes	Member O'Neil	Yes

ADJOURNMENT OR RECESS MEETING UNTIL MAY 25, 2021

The meeting was adjourned at 8:05 p.m.

Respectfully submitted,

DocuSigned by:
Kimberly Veliz
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Paula Pinyerd, ABC Transcription Services, LLC.
for Kimberly Veliz, City Recorder