

**CITY OF WILSONVILLE  
BUDGET COMMITTEE MEETING MINUTES**

**WILSONVILLE CITY HALL  
29799 SW TOWN CENTER LP E**

**June 1, 2016 – 6:00 PM**

A regular meeting of the Wilsonville Budget Committee was held at Wilsonville City Hall beginning at 6:00 PM on Wednesday, June 1, 2016. Chair Alan Steiger called the meeting to order at 6:02 PM.

Budget Committee members present:

Susie Stevens, Councilor

Julie Fitzgerald, Councilor

Alan Steiger, Committee Member

Paul Bunn, Committee Member (Arrived at 6:09 pm)

Tim Knapp, Mayor - Excused

Scott Starr, Council President - Excused

Charlotte Lehan, Councilor - absent

Tony Holt, Committee Member

Arthur Park, Committee Member

Andrew Karr, Committee Member

Staff present included:

Bryan Cosgrove, City Manager

Jeanna Troha, Assistant City Manager

Susan Cole, Finance Director

Brian Stevenson, Recreation Coordinator

Sandra King, City Recorder

Pat Duke, Library Director

Scott Simonton, SMART Fleet Services Manager

Holly Miller, IS Manager

Andy Stone, IS

Cathy Rodocker, Asst. Finance Director

Martin Brown, Building Inspector

Stephan Lashbrook, Transit Director

Delora Kerber, Public Works Director

Mark Ottenad, Public Affairs Director

Arnie Gray, Public Works Supervisor

Matt Baker, Public Works Supervisor

Keith Katko, Finance Operations Manager

Stan Sherer, Parks and Recreation Director

Jeff Smith, Police Chief

Eric Mende, Capital Projects Engineering Manager

**RECONVENE BUDGET COMMITTEE MEETING FROM MAY 18, 2016**

Chair Steiger reconvened the public hearing for the proposed Fiscal Year 2016-17 City of Wilsonville Budget.

**FY 2016-17 OPERATING BUDGET**

A. Department Presentations

Chair Steiger called for the remaining Department Presentations, which were presented via PowerPoint.

### Community Development

Finance Director Cole reviewed the Current Year-End Estimate and Proposed 2016-17 Budget, along with the proposed Add-Packages, for the six Community Development program areas via PowerPoint. She described key changes related to personnel changes and noted no Add-Packages were proposed for the Administration Division. She explained that the \$71,000 did not represent the FTE that had been reduced because the decision to reduce FTEs came after the balancing of the Community Development Fund. Roughly \$75,000 was for the position reduction; however, the workload and realignment was still in flux so the proposed 2016-17 Budget for Community Development was a snap shot in time. The \$71,000 represented the salary and cost of living associated with that position if it were filled as of July 1<sup>st</sup> and not reduced, as well as cost of living adjustments and plan changes for all the remaining FTE in Community Development.

### Public Works

Public Works Director Kerber described the proposed changes in FTE positions in the Public Works program areas which accounted for the proposed Add-Packages within the Public Works budget. Most changes involved converting FTE positions previously split between two different program areas into FTE positions within the same program area. A temporary position, Special Projects Attorney, was proposed in Water as the City moved forward with discussions regarding the new treatment plant and pipeline.

Finance Director Cole reviewed the Current Year-End Estimate and Proposed 2016-17 Budget for the seven Public Works program areas, along with the proposed Add-Packages, within each division's budget via PowerPoint. Public Works Director Kerber provided additional details regarding the Add-Packages regarding proposed FTE changes and capital improvements at the Water Treatment Plant.

Public Works Director Kerber explained that about \$10,000 was allocated funding within the Public Works Administration Department for items related to emergency management, including training, supplies, Map Your Neighborhood brochures, etc. Money was allocated in this current budget year for doing a Disaster/Debris Management Plan with Clackamas County. Updates to the City's Emergency Operation Plan were done by herself and Public Works staff with money allocated in the Administration budget.

- Today, the Public Works and Parks Departments participated in a tabletop exercise to discuss how the City would respond and what measures would be taken should a major earthquake occur. Next week, Staff would conduct an exercise with City Council on doing a disaster declaration and the City of Wilsonville would be participating in the Cascadia Rising Exercise, which would involve the states of Oregon, Washington, and Idaho.
  - If a disaster were to occur, Staff would activate the Emergency Operations Center (EOC) in City Hall and begin to assess what was happening.
  - The declaration of disaster would take effect at the startup of the EOC to give power and authority to the incident commanders so they could do things outside of their normal responsibilities.

### Parks & Recreation

Finance Director Cole reviewed the Current Year-End Estimate and Proposed 2016-17 Budget for the two Parks & Recreation program areas, along with the proposed Add-Packages, within each division's budget via PowerPoint.

Key comments from the Committee and responses to Committee questions by Staff were as follows:

- Councilor Stevens appreciated that the Information Referral Specialist would now be a full-time position, noting that as a Wilsonville Community Seniors Liaison, she saw the great demand for that work.

- No election costs would be incurred by the City for the advisory vote on the recreation and aquatic center because it was on a general election ballot. The City could provide factual information in the *Boones Ferry Messenger*, but no budget was proposed for doing so as existing resources would be used. Publishing information in the *Boones Ferry Messenger* and distributing information at community barbeques did not cost the City anything extra.
- About 3 to 4 percent of Wilsonville's overall economy was related to tourism, but no actual dollar figure was available. The Tourism Strategic Plan, which could be provided, included more specific data and discussed the metrics involved.
- A recent analysis confirmed that four of the City's seven existing wells could supply the average winter day demand for the entire city. In an emergency situation, an emergency order would prohibit irrigation to ensure water was available for drinking and business use. The three remaining wells included two lower producing wells and one artesian well that was very low quality. These three wells were not included in the analysis, but the City still needed to maintain and continue upgrading all the wells, which was part of the capital program.
- With regard to concerns about lead levels, Staff reported that lead was not detected, or was below the detection limit of the monitoring instruments, in the finished water quality from the City's water treatment plant, which was fairly typical for water treatment plants. The main source of lead in drinking water was from older fixtures in the home or building, not the city's water distribution system.
  - The City conducts lead and copper testing every three years. In August 2015, lead was detected in only about 4 of the 34 older homes tested in the city, but the levels were well below the EPA's action level.
- The revenue for Tourism was \$250,000 and the \$125,000 expenditure went to the General Fund for the services offered.

### Library

Finance Director Cole reviewed the Current Year-End Estimate and Proposed 2016-17 Budget, along with the proposed Add-Packages for the Library programs. She clarified that the \$1 million in the Capital Program was a separate Clackamas County source than the \$149,000 in the Library budget from the Clackamas County Library District.

Library Director Duke addressed concerns about people's perception of maintaining such a large balance in the Capital Program over several years. He explained the funds came from Clackamas County as part of the creation of the library district. The original intent was that each district member City in the County would receive \$1 million for capital improvement and some libraries did renovations or were currently under construction.

- Wilsonville's Library was renovated in 2002 and therefore had no significant building issues. Since the money became available in 2014, Staff has been developing ideas to work on the building to improve services and accommodate how people would use libraries differently in the future.
- Public Works also performed a recent energy analysis that prompted a list of building items to address. In addition, Wilsonville and all Clackamas County libraries must upgrade to RFID by the end of this year. He described RFID and its technology, which made it easier for patrons to check out books and also increased efficiencies for library staff. Although the Library had been waiting for several things to come together in order to use the Capital Program funds, now several projects would dovetail and the library would be able to move forward with both building and technological improvements.

### Transportation

Finance Director Cole reviewed the Current Year-End Estimate and Proposed 2016-17 Budget, along with the proposed Add-Packages, for the Transportation Department's SMART and Fleet divisions.

City Manager Cosgrove noted the City was budgeting for the full replacement of the vector truck, but Staff was also considering a lease because the technology changes. The worst case scenario was being budgeted to provide the flexibility to choose the best option.

Transit Director Lashbrook explained the reimbursement to TriMet for WES in the SMART budget was the result of a contract between the City and TriMet several years ago. The contract specified that for the first five years after WES started operating in 2009 the City would pay TriMet \$300,000 per year for that service and the amount would increase each year thereafter by the CBIU. Two years ago, TriMet requested that the City pay more, but the City politely declined and continues paying only the minimum allowed by the contract. Other cities along WES do not have to pay because they are within the TriMet service area.

#### Public Safety

Finance Director Cole reviewed the Current Year-End Estimate and Proposed 2016-17 Budget for Public Safety and its two program areas, as well as the proposed Add-Package for Law Enforcement.

Assistant City Manager Troha explained that each year the Clackamas County Sheriff's Department looks at several factors, including their CPI, wages, and union contracts with officers, to set contract increases for the following year. The City's increases have been quite low for many years.

City Manager Cosgrove noted no specific increases were stated in the contract. The City gets a true number from the Sheriff's Department for the contract according to the level of service the City wants. The City includes a bit extra in the budget to allow for items outside the City's control. At the end of the fiscal year, the County trues up the cost paid versus the cost of the service received, and typically, the City received a credit from the County.

Councilor Stevens noted the City was growing and although the quarterly crime reports received by City Council have been stable, Council and the Budget Committee should be aware that these costs would have to increase given the increasing population and number of businesses as well as having I-5 through the middle of town. Having a safe community was a result of being diligent and paying attention to safety, and she never wanted to see that undermined in any way. She commended the Sheriff's Department for doing such a good job.

Councilor Fitzgerald stated the City was seeing the results of adding a sergeant last year. She hoped officers would continue going out into the community and meeting with homeowners and community groups to get feedback about how response is managed.

Assistant City Manager Troha added one benefit of a contract was it allowed the City to choose from a menu of services to determine the level of service that was important to the community. The City had the flexibility to add a position and get the position filled quickly, eliminating the time required for a typical recruitment and hiring process.

City Manager Cosgrove added the City also had access to specialized units at no additional costs, enabling them to realize economies of scale without the size of a full department.

#### **B. Questions and Comments from the Budget Committee**

Councilor Fitzgerald requested a status update about the analysis regarding the Community Development Department fee structure.

Finance Director Cole replied the Financial Sustainability Review for the Community Development Department Fund was more detailed than anticipated, so the schedule had been delayed. Currently, the

cost recovery was about 44 percent, so the consultant modeled different scenarios up to 100 percent to see what the fees would look like. Staff was reviewing that information and would bring a more comprehensive report on the Community Development Fund in early July, as well as other changes that might make the Fund more sustainable over time.

Tony Holt believed the format being used to present the changes in the budget was critical to understanding what was happening. He understood the State's rules and regulations about what the budget should look like, but it was important to understand why the Add-Packages and changes were being added. He asked that the Budget Committee get the presentation of proposed changes beforehand in order to see all the elements because it was difficult to take it all in when being presented during the meeting.

Finance Director Cole replied Staff would be undergoing a review of the entire budget process in July and August to revamp how the material is presented to ensure the City was meeting the State's requirements and best practices, as well as the needs of the community by being transparent with the City's finances. She would be surveying the Budget Committee and gathering feedback to determine what was needed and desired. A more in-depth analysis of the City's finances could be built into the body of the budget document in the narratives; a separate appendix would not be needed.

## **CITIZEN INPUT**

Chair Steiger read the conduct of public hearing format and called for citizen input on the 2016-17 Budget. There was none

## **QUESTIONS FROM THE BUDGET COMMITTEE AND STAFF RESPONSES**

There was none.

## **CONTINUED DELIBERATIONS BY BUDGET COMMITTEE**

### **A. Motion to approve the FY 2016-17 Proposed Budget**

**Motion: Andrew Karr moved for Approval of the FY 2016-17 budget as proposed in the total amount of \$155,716,265 and levying the full amount of the City general tax rate of \$2.5206. The motion was seconded by Paul Bunn.**

### **B. Discussion**

Chair Steiger called for discussion.

Councilor Stevens said she was pleased with the entire budget. It was good to see such good fiscal management from Staff and she agreed looking more closely at the sustainability of the Community Development Department was central to that. She had anticipated more discussion about raising franchise fees, noting SMART was struggling working on the Transit Master Plan and was considering reconfiguring dial-a-ride and other services. All-in-all, the City did a fantastic job of providing services to its citizens.

Finance Director Cole reminded the budget was a snap shot in time and that the Transit Master Plan and Community Development review were both ongoing projects not completed in time for the budget, so further changes would occur in the future.

Andrew Karr agreed the budget was very well prepared, adding he was comfortable that Staff was a good steward of the money as seen in the language used and numbers presented. He agreed Staff's presentation

before the Committee did an excellent job breaking down the numbers, though they were more challenging to digest in written as opposed to numeric form.

Councilor Fitzgerald agreed with the prior comments, adding she had observed a good level of fiscal prudence in making sure the City was pretty conservative in determining when to add personnel and technical personnel, using consultants when needed. This discipline and level of moderate growth would continue to be needed when considering other issues like transportation, stormwater, increased public safety, etc.

Mr. Holt commended Staff for the tremendous work done over the years, adding Finance Director Cole also did a great job and had a great team.

Chair Steiger agreed Staff did an excellent job developing the budget, which was designed to provide a certain level of service. He asked the City's department managers to include their department goals and objectives in the budget, as well as the progress made, to provide the public with greater awareness that the City was measuring what was done.

Chair Steiger restated the motion was to approve the FY 2016-17 budget as proposed in the total amount of \$155,716,265 and levying the full amount of the City general tax rate of \$2.5206.

Chair Steiger called for a roll call vote.

<b>Chair Alan Steiger</b>	<b>Yes</b>	<b>Andrew Karr</b>	<b>Yes</b>
<b>Arthur Park</b>	<b>Yes</b>	<b>Tony Holt</b>	<b>Yes</b>
<b>Councilor Stevens</b>	<b>Yes</b>	<b>Paul Bunn</b>	<b>Yes</b>
<b>Councilor Fitzgerald</b>	<b>Yes</b>		

**Vote:** Motion carried 7 to 0.

#### **RECESS MEETING UNTIL JUNE 8, 2016 OR ADJOURN**

Chair Steiger noted the Urban Renewal Agency meeting would immediately follow and adjourned the Budget Committee meeting at 7:20 pm.

Respectfully submitted,

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Paula Pinyerd, ABC Transcription Services, Inc. for  
Sandra C. King, City Recorder