

**CITY OF WILSONVILLE**  
**CITY COUNCIL MEETING MINUTES**

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A regular meeting of the Wilsonville City Council was held at the Wilsonville City Hall beginning at 7:00 p.m. on Monday, April 4, 2016. Mayor Knapp called the meeting to order at 7:17 p.m., followed by roll call and the Pledge of Allegiance.

The following City Council members were present:

Mayor Knapp  
Councilor Starr  
Councilor Fitzgerald  
Councilor Stevens  
Councilor Lehan

Staff present included:

Bryan Cosgrove, City Manager  
Jeanna Troha, Assistant City Manager  
Barbara Jacobson, City Attorney  
Sandra King, City Recorder  
Susan Cole, Finance Director  
Mark Ottenad, Government Affairs Director  
Jon Gail, Community Relations Coordinator  
Jennifer Scola, Associate Planner  
Chris Neamtzu, Planning Director

Motion to approve the order of the agenda.

**Motion:** Councilor Starr moved to approve the order of the agenda with the removal of Resolution No. 2579 from the Consent Agenda and placed under New Business. Councilor Fitzgerald seconded the motion.

**Vote:** Motion carried 5-0.

**MAYOR'S BUSINESS**

A. Wilsonville High School State Champion Basket Ball

Mayor Knapp welcomed the Wilsonville High School State Championship Basket Ball team.

Councilor Starr read a letter of congratulations to the team. A Proclamation declaring April 3-9, 2016 as Wilsonville Wildcats Week was read into the record by the Mayor and a copy was presented to each of the team members and coaches.

B. Parkinson's Awareness Month Proclamation

Mayor Knapp read the proclamation into the record.

Kevin Mansfield, Oregon State Director for Parkinson's Action Network thanked the Mayor for attending an informational event about Parkinson's disease. Mr. Mansfield spoke briefly about the disease and the work for a cure.

C. Arbor Day Proclamation

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Jennifer Scola, Assistant Planner announced the City has been recognized for the 18<sup>th</sup> consecutive year as a Tree City USA, and has received its 8<sup>th</sup> Growth Award by the National Arbor Day Foundation. This recognition reflects Wilsonville's continual commitment to maintaining and promoting the urban forest, one of the community's greatest assets. The urban forest contains all trees in the City, whether they are located in parks, landscape islands, natural areas, or along your street.

The Tree City USA designation requires a comprehensive urban forestry program which consists of a tree ordinance, tree department, an annual community forestry budget of at least \$2 per capita, and annual Arbor Day observance and proclamation.

The Mayor read the Arbor Day Proclamation for the record.

D. Volunteer Appreciation Proclamation

The proclamation declaring the month of April 2016 as Volunteer Appreciation Month was read by the Mayor.

Councilor Lehan commented Wilsonville residents have a history of volunteering throughout the community.

Mr. Cosgrove reported the annual Volunteer Appreciation Dinner is scheduled for April 14<sup>th</sup> at the Wilsonville High School with Soul'd Out performing.

E. Upcoming Meetings

The Mayor reported on the meetings he attended on behalf of the City.

**COMMUNICATIONS**

A. Wood Middle School 7th Grade Class Announcement "Shred Day"

Jon Gail, Community Relations Coordinator, announced the annual document shredding day, sponsored by US Bank, Wood Middle School and the City of Wilsonville, scheduled for April 16<sup>th</sup> at the US Bank parking lot from 9 a.m. to 12 noon.

B. John Hartsock, Clackamas 800 Radio Group, May 17 Ballot Measure for Emergency Radio System Upgrade

John Hartsock, Clackamas800 Radio Group and Sheriff Rhodes of Clackamas County Sheriff's Department spoke about the local bond measure to be decided by the voters at the May 2016 election. The ballot measure proposes a 15-year general obligation bond to replace Clackamas County's outdated emergency radio system with a reliable efficient, dependable radio system that works in all parts of the County.

Mayor Knapp mentioned the information distributed indicated the current system did not work in side buildings leaving first responders without communications.

Councilor Lehan asked if the new system would work with the counties abutting Wilsonville and Clackamas County.

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Mr. Hartsock explained the new system is a joint venture between Washington and Clackamas counties and coverage will reach south to Salem. After 9/11 the goal was “interoperability” for first responders to stay in touch with their dispatcher. The average cost will be \$26.00 per year over the life of the 15-year bond. Information about the ballot measure is being shared with service organizations, chambers of commerce, at council meetings, and through direct mailings.

C. Recreation Aquatic Center Presentation – Council President Starr

Councilor Starr shared the informational power point he has been presenting to community groups across the city about the proposed Recreation Aquatic Center. The presentation provided the background leading to the proposal, the amenities, costs, operations and location for an Aquatic Recreation Center.

In 2014 the City contracted with the Sports Facilities Advisory Group to produce an economic feasibility study. The study was in response to two city-wide surveys which indicated a strong desire to have an aquatic recreation center.

A Task Force was created to guide the process, review the study and made a recommendation to Council. Council approved the Task Force’s recommendation and made the decision to put a bond measure on the ballot in November 2016.

The benefits of such a facility are both personal and community wide in that swim teams and residents no longer need to travel to another community to practice or enjoy aquatic recreation. An 80,000 square foot multi-use recreation facility will be designed for youth, teens, families and seniors. The new recreation center will help to alleviate the shortage of gym space in Wilsonville. Both Wilsonville Youth Sports and Wilsonville Basket Ball provided their input and strongly supported the concept of a recreation center.

The center will have amenities for all ages and include:

- An 82 degree warm water pool
- A 25-yard six-lane lap pool
- 6,000 square foot leisure pool
- 2 multi-purpose rooms for parties and meeting space
- 2 multi-purpose courts, full sized hardwood courts, basketball, volleyball, futsal, pickle ball, and a walking track overlooking the courts
- fitness center
- fitness class rooms
- rock climbing wall
- child care
- concessions

A concept plan was shown to provide the scope and different features, and include amenities that will help the facility to pay for itself. Although a location has not been determined the desire is for a central location.

It is estimated the cost for the recreation aquatic center would be \$30 million at the high end. If the measure is approved, the property taxes on homes with an assessed value of \$300,000 would increase about \$19.00 per month. The assumption is that the assessment would decrease as more homes are built. The feasibility analysis indicates the center would be self-sustaining between years four and five. This would require a payment of \$1.5 million from the City’s General Fund for the first five years.

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A request for proposal (RFP) has been issued for the operation of the center, and four bids have been received. The submittals will be reviewed April 14 to determine the most efficient management model. The City would retain ownership of the facility while the management team ran the operation with the goal of breaking even or a little better to allow setting aside funds for future maintenance.

Users would pay based on residency with non-residents paying a higher rate; however membership rates have not been determined. There are plans to have reduced program rates for families with needs within the City.

The bond measure would span 20 years, and be voted on in the 2016 November election. If the measure is successful, the next steps would be land acquisition, design and construction. The Councilor indicated sponsorships, and donations to the center would also be considered.

Councilor Fitzgerald asked if fundraising, donations, etc. would be used to offset the \$1.5 million from the City's General Fund.

Councilor Starr indicated a decision had not been made on whether donations would be used to offset the City's contribution.

Mr. Cosgrove explained there was the operational side that could be offset by donations or selling of advertisements; the capital side considerations could be a land donation, or underwriting certain aspects of the facility. In terms of communication to the public the City must be careful about good intentions versus reality and he thought the Councilor was phrasing his information as "the worst case" assumption that the facility will cost \$30 million, and there will be an operational loss over a five year period of up to \$1.5 million. His review of the RFPs show the loss during the first five years may be less than \$1.5 million, but staying with the talking points is the right thing to do.

Councilor Starr suggested, as an example, businesses may want to donate funds or advertise on items such as score boards, and seating, or the possibility of a hospital wishing to donate to have a physical therapy office in the recreation center.

Councilor Lehan asked if consideration will be given to naming a gym, building or center.

Mr. Cosgrove stated all possibilities will be considered in terms of what is possible. The bond will need to be passed first, and then the location will be identified; at that point looking for donations on the capital side and then on the operational side will take place.

Councilor Stevens wanted to know how Councilor Starr was responding to neighborhoods that have pools, and asked if the City's center would compete with local businesses.

Councilor Starr commented neighborhood pools are full during the summer making lap swimming difficult and they can be used for few months due to Oregon's weather. The City's facility would not be designed to compete with private business since it is a different customer base and product.

Mayor Knapp wanted to know who was reviewing the RFPs, and what kinds of criteria were being used to evaluate the submittals. He felt the selection of the management company was crucial to the success or failure of the operation citing significant management problems in neighboring communities where the management company did not live up to what they promised. He did not want Wilsonville to make the same kinds of mistakes.

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Mr. Cosgrove indicated negotiations would take place with the operator and the operational model needed to be known before the measure went to the ballot. The building elements were prepared by the Sports Facility Advisory Group based on a pro-forma that the pool will not pay for itself, so there needed to be programmable space to offset the aquatic losses. While the location of the elements may be adjusted, the elements themselves were locked in.

The evaluation team consists of Stan Sherer, Parks and Recreation Director; Susan Cole, Finance Director; Councilor Starr; Tony Holt, Budget Committee member and Charbonneau resident; Jeanna Troha, Assistant City Manager; Barbara Jacobson, City Attorney; and Bryan Cosgrove, City Manager. There are criteria that will need to be fully fleshed out before the interviews are conducted. The financial aspects of the operational side will be highly scrutinized. Part of any review is looking at the proposer's ability to perform, evaluating whether they have operated pools, what kind of customer service history they have, have they been able to live up to the submittals provided to other communities in terms of operating the facilities, and calling to ask questions will be a part of the vetting process. All of the information will be supplied to the Council, who will be making the final decision on the language in the ballot measure and selecting the operator.

**CITIZEN INPUT & COMMUNITY ANNOUNCEMENTS**

This is an opportunity for visitors to address the City Council on items not on the agenda. It is also the time to address items that are on the agenda but not scheduled for a public hearing. Staff and the City Council will make every effort to respond to questions raised during citizens input before tonight's meeting ends or as quickly as possible thereafter. Please limit your comments to three minutes.

Ron Owens representing Wilsonville Community Sharing (WCS) thanked Council for their support which helped to provide assistance to 1,385 individuals last year. WCS is working to identify additional needs such as clothing, and addressing teen homelessness.

**COUNCILOR COMMENTS, LIAISON REPORTS & MEETING ANNOUNCEMENTS**

Council President Starr – (Park & Recreation Advisory Board Liaison) noted the date of the next Parks and Recreation Advisory Board meeting as well as the next meeting date of the Transit Master Plan Task Force.

Councilor Fitzgerald – (Development Review Panels A & B Liaison) reported last month she attended the Leadership Academy and the Clackamas County Candidates Forum. DRB Panel B continued their public hearing on a 14-lot subdivision to April 25<sup>th</sup>; and Panel A would be conducting a hearing for an expansion of the Cocoa-Cola Warehouse. She invited the public to attend Spa Saturday at the Community Center.

Councilor Stevens – (Library Board and Wilsonville Seniors Liaison) announced the next meeting date of the Wilsonville Seniors, and noted the Library collected 1900 lb. of food during their Food for Fines event. The Board is in the process of reviewing their policy and procedures.

Bulky waste day is May 7<sup>th</sup> at Republic Services 10 a.m. to 2 p.m.

Councilor Lehan– (Planning Commission and CCI Liaison) reported the next meeting date of the Commission where they will conduct a public hearing on the 2013 Transportation Systems Plan update.

**CONSENT AGENDA**

A. **Resolution No. 2579** – this item was moved to New Business.

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A Resolution Authorizing An Intergovernmental Agreement With The Urban Renewal Agency Of The City Of Wilsonville Pertaining To Short Term Subordinate Urban Renewal Debt For The Year 2000 Plan District. (Staff – Cole)

B. Minutes of the March 21, 2016 Council Meetings. (Staff – King)

**Motion:** Councilor Fitzgerald moved to approve the consent agenda. Councilor Lehan seconded the motion.

**Vote:** Motion carried 5-0

**NEW BUSINESS**

A. **Resolution No. 2579**

A Resolution Authorizing An Intergovernmental Agreement With The Urban Renewal Agency Of The City Of Wilsonville Pertaining To Short Term Subordinate Urban Renewal Debt For The Year 2000 Plan District. (Staff – Cole)

Susan Cole, Finance Director, presented the staff report. The matter before Council is an intergovernmental agreement to enter into an inter-fund loan. The Urban Renewal Agency (URA) of Wilsonville needs cash resources to complete or start capital projects. There are two main projects underway, the Old Town Escape, and the Town Center Concept Planning.

The way URAs are set up is they receive their cash resources through a debt instrument and that debt is then paid back through tax increment of the district. The district is formed, a tax increment is collected and then that increment is used to pay debt. The proceeds of the debt are deposited into a capital fund which pays for the projects. What is happening is the capital projects fund needs \$2 million to complete these two projects through a loan from the General Fund and then tax increment will repay the loan.

The Year 2000 Plan has been successful and it has saved tax increment, so rather than getting an installment loan to be repaid over time, there is enough increment allowing for one big loan overnight with the General Fund.

A technicality within Oregon law requires that urban renewal districts have a debt instrument, so the increment is not technically allowed to go straight into the capital projects fund to “pay as you go”; the URA must do it through debt. To accommodate this nuance, the URA is getting an interfund loan from the General Fund to pay for the capital projects, and then the tax increment will be used to immediately repay the loan.

Resolution No. 2579 allows the City Manager to enter into an IGA with the URA to complete the loan. The terms of the loan are one day, with an interest rate of 1.5%, or \$82.00 in interest. The URA will adopt a mirror resolution to complete the URA side of the transaction. Both entities must agree to the interagency agreement.

Mayor Knapp verified the statute requires the borrowing of money to complete the projects, so funds are being borrowed from the General Fund.

Ms. Cole stated in Oregon urban renewal agencies enter into debt, to collect increment to repay the debt with tax increment.

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Mayor Knapp pointed out there has been enough funds saved in the URA that the loan can be repaid the next day, which is a factor of how successful the URA district has been in creating additional value within the district.

Councilor Starr asked how much interest would be saved with the overnight loan rather than an installment loan.

Ms. Cole replied by borrowing from City funds the Agency is able to avoid loan origination fees and legal costs associated with borrowing from a financial institution.

**Motion:** Councilor Fitzgerald moved to approve Resolution No. 2579. Councilor Starr seconded the motion

**Vote:** Motion carried 5-0.

**CITY MANAGER'S BUSINESS** – No report given.

**LEGAL BUSINESS** – No report given.

**ADJOURN**

Mayor Knapp adjourned the meeting at 8:53 p.m.

Respectfully submitted,

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Sandra C. King, MMC, City Recorder

ATTEST:

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Tim Knapp, Mayor