

CITY OF WILSONVILLE
CITY COUNCIL MEETING MINUTES

A regular meeting of the Wilsonville City Council was held at the Wilsonville City Hall beginning at 7:30 p.m. on Monday, February 1, 2016. Mayor Knapp called the meeting to order at 7:32 p.m., followed by roll call and the Pledge of Allegiance.

The following City Council members were present:

Mayor Knapp
Councilor Starr - excused
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
Jon Gail, Community
Stephan Lashbrook, SMART Director
Nancy Kraushaar, Community Development Director
Delora Kerber, Public Works Director

Motion to approve the order of the agenda.

Motion: Councilor Fitzgerald moved to approve the order of the agenda. Councilor Lehan seconded the motion.

Vote: Motion carried 4-0.

MAYOR'S BUSINESS

Mayor Knapp provided an update on the meetings he attended on behalf of the City and announced the date of the next Council meeting. The Mayor announced mayors from the country of Albania will be visiting Wilsonville to learn about municipal government.

After interviewing the applicants for vacancies on the standing City Boards and Commissions, Mayor Knapp recommended the following appointments and Council ratified the appointments.

Appointments to Boards and Commissions

Budget Committee

Motion: Councilor Stevens move to reappoint Andrew Karr to the Budget Committee for a 3-year term beginning 2/1/16 and ending 12/31/18. Councilor Lehan seconded the motion.

Vote: Motion carried 4-0.

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Motion: Councilor Fitzgerald move to appoint Paul Bunn to the Budget Committee for a 3-year term beginning 2/1/16 and ending 12/31/18. Councilor Lehan seconded the motion.

Vote: Motion carried 4-0.

Development Review Board

Motion: Councilor Lehan moved to appoint Samy Nada, Fred Ruby, and Samuel Scull to the DRB boards, the assignment to Panel A or Panel B to be determined by staff, for first a 2-year term beginning 2/1/16 and ending 12/31/17. Councilor Fitzgerald seconded the motion.

Vote: Motion carried 4-0.

Planning Commission

Motion: Councilor Fitzgerald moved to reappoint Eric Postma and Peter Hurley to a second 4-year term on the Planning Commission beginning 2/1/16 and ending 12/31/19, and to appoint Kamran Mesbah to a first 4-year term beginning 2/1/16 and ending 12/31/19. Councilor Lehan seconded the motion.

Vote: Motion carried 4-0

Parks and Recreation Board

Motion: Councilor Stevens moved to reappoint Elaine Swyt and Steve Benson to a second 4 year term on the Parks and Recreation Board beginning 2/1/16 and ending 12/31/19. Councilor Fitzgerald seconded.

Councilor Lehan noted Mr. Benson is a former City Councilor.

Vote: Motion carried 4-0.

Wilsonville-Metro Community Enhancement Committee

Motion: Councilor Fitzgerald moved to appoint Larry Beck, Katherine Johnson, Jimmy Lee, and Roseann O’Laughlin to the Wilsonville Metro Community Enhancement Committee for a one year term beginning 2/1/16. Councilor Stevens seconded the motion.

Vote: Motion carried 4-0.

Councilor Stevens volunteered to fill the Councilor position on the Committee.

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Mr. Cosgrove indicated letters will be sent to those the newly appointed members welcoming them to their service, and to those applicants who were not selected thanking them for their interest and advising their applications will be retained for future consideration.

Mayor Knapp asked that the applications be maintained for consideration to any new task force that may be formed.

COMMUNICATIONS

A. Energy Trust Results (staff – Kerber)

Delora Kerber, Public Works Director, stated the City participated in a Strategic Energy Management Program sponsored by Energy Trust of Oregon. This was an opportunity to engage in strategic energy management practices that could help with immediate and ongoing energy savings through energy mapping, scanning, and monitoring the energy used in both the City's Water Treatment Plant and the Wastewater Treatment Plant. Staff from both plants participated and implemented management practices over the past year, and found additional ways to conserve energy. Through that program the City will receive a one-time incentive in the amount of \$16,025 for participating in the program, and anticipates saving about \$26,000 per year in energy costs due to conservation practices put into practice in both plants.

CITIZEN INPUT & COMMUNITY ANNOUNCEMENTS – There was none.

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.

COUNCILOR COMMENTS, LIAISON REPORTS & MEETING ANNOUNCEMENTS

Councilor Fitzgerald – (Development Review Panels A & B Liaison) noted the decisions made by the DRB Panel B regarding the Universal Health Services and the next meeting dates of the two DRB Panels. The Councilor invited the community to attend a benefit for Wilsonville Community Sharing and announced the WilsonvilleSTAGE will be presenting “A View From a Bridge” by Arthur Miller in February at a variety of venues in town.

Councilor Stevens – (Library Board and Wilsonville Seniors Liaison) reported on the next meeting date of the Wilsonville Seniors. The Library Board participated in Library Family Night for their last meeting. The Library Director spoke about the fundraising efforts being made by the Library Foundation and the Friends of the Library that make the programs possible at the Library. The Councilor announced the Daddy Daughter Dance scheduled for February 26th.

Councilor Lehan – (Planning Commission and CCI Liaison) announced the Planning Commission will be conducting a work session on the Transit Master Plan Public Involvement Strategy and will receive a presentation on the Bicycle Wayfinding and Signage Plan. A number of Development Review Board members and Commission members will be attending the Smart Growth Conference scheduled in Portland this month.

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CONSENT AGENDA

Ms. Jacobson read the Consent Agenda items into the record.

A. **Resolution No. 2563**

A Resolution Of The City Council Of The City Of Wilsonville Acting As The Local Contract Review Board, Authorizing The South Metro Area Regional Transit Department (SMART) To Enter A Contract For The Expansion And Replacement Of Compressed Natural Gas Fueling Equipment Through A Congestion Management-Air Quality Grant. (Staff – Simonton)

B. Minutes of the January 4, 2016 Council Meeting. (Staff – King)

Motion: Councilor Stevens moved to approve the Consent Agenda. Councilor Fitzgerald seconded the motion.

Vote: Motion carried 4-0.

CONTINUING BUSINESS

Ms. Jacobson read the title of Ordinance No. 783 into the record for second reading.

A. **Ordinance No. 783** – 2nd Reading

An Ordinance Of The City Of Wilsonville Making Certain Determinations And Findings Relating To And Approving A Substantial Amendment To The City Of Wilsonville’s West Side Urban Renewal Plan (Second Amendment) And Directing That Notice Of Approval Be Published. (Staff – Kraushaar)

Motion: Councilor Lehan moved to approve Ordinance No. 783 on second reading. Councilor Fitzgerald seconded the motion.

Vote: Motion carried 4-0.
Councilor Starr – Excused
Councilor Fitzgerald - Yes
Councilor Stevens - Yes
Councilor Lehan - Yes
Mayor Knapp - Yes

NEW BUSINESS

Ms. Jacobson read the title of Resolution No. 2562 into the record.

A. **Resolution No. 2562**

A Resolution Of The Wilsonville City Council Declaring Its Intent To Have Its Service Boundaries Of South Metro Area Regional Transit (SMART) As Co-terminous With The Wilsonville City Limits. (Staff – Lashbrook)

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The staff report was prepared and presented by Stephan Lashbrook, SMART Director.

The City has annexed properties this past year bringing additional acreage into the city limits. The subject properties include land that is expected to be primarily residential (Frog Pond planning area) and other properties that will be designated as employment land (Coffee Creek and Basalt Creek planning areas). Concept planning is now nearing completion for much of that land and SMART staff has played an active part in that planning, with a clear intention to be the ultimate transit provider to those areas upon annexation and development. Some of the recently annexed land is within TriMet's district boundaries and some is not.

South Metro Area Regional Transit (SMART) staff members have, for some years, opined that SMART can more efficiently provide transit service to lands brought into the City of Wilsonville than TriMet and that those lands should receive transit service from SMART, rather than from TriMet. Large transit agencies are often not really geared to providing services to suburban areas, while SMART was created specifically for that purpose.

Logically, the owners of any businesses located in areas that are brought into the City should pay City payroll taxes to help fund SMART, rather than paying to fund TriMet, if SMART is their transit service provider. Historically, this has only been an issue where annexed properties have remained within TriMet's district boundaries. A case in point is the Coffee Creek Correctional Facility (CCCF), which was annexed into the City to allow for the development of the prison, but which was never removed from the TriMet district. As a result, the Oregon Department of Corrections is believed to have paid a total of more than \$1,000,000 of fees in lieu of payroll taxes since CCCF opened approximately 15 years ago, in spite of the fact that the nearest TriMet fixed bus route (Route 96) remains roughly ½ mile from the prison. For some time, SMART has routed an early-morning bus to the prison to take released prisoners, and anyone else seeking a ride, to connect with WES and other transit systems at the Wilsonville Transit Center.

In discussing the future of the Basalt Creek area, Tualatin Mayor Lou Ogden recently summarized a commonly held view when he said that he did not care what color the bus is, or what name is written on the side of it; what he cares about is receiving quality transit service. How should we determine which transit agency is better prepared to serve new growth areas? Mayor Ogden's statement is a reasonable place to start, and could lead to the following three primary criteria:

- A) Which transit agency can provide better service to passengers?
- B) Which transit agency can provide less expensive service for taxpayers?
- C) Which transit agency can provide less expensive service for passengers?

Each of the following scenarios (described in greater detail below) has received at least some public discussion in recent years:

1. Expand SMART's service territory as far north as property owners want our service;
2. Expand SMART's service territory every time land is annexed into the City, making SMART's service territory coterminous with the Wilsonville City limits;

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3. Expand into land that is currently within the TriMet District only where SMART service has been requested by a majority of contiguous property owners; or
4. Expand SMART's service territory only into areas that are outside of TriMet's boundaries.

Scenario 1.

What if the City of Tualatin wanted to receive SMART transit service rather than TriMet service? Realistically, TriMet could be expected to strenuously object to having land inside Tualatin removed from the TriMet District. Tualatin, like Wilsonville, is a job-rich community that provides considerable payroll tax revenue to the transit agency. If the Tualatin City Council formally requested the City of Wilsonville to provide transit service within our neighboring city, SMART could conceivably provide service within the TriMet boundary via inter-governmental agreement (IGA) between the two transit agencies. It is not known how the TriMet Board of Directors might react to such a request, but it seems doubtful that TriMet's unionized employees would favor it. If the two cities were to approach the TriMet Board of Directors about actually changing the district's boundaries (rather than just providing service through an IGA), we should expect a contentious process with a low likelihood of success.

Scenario 2.

One might think that expanding SMART's service territory would be simply a matter of having the City Council declare its intention to have the City's transit agency provide service to all land within the City limits. However, past experience with the Coffee Creek Correctional Facility makes it clear that TriMet will oppose efforts to withdraw territory that generates payroll tax revenues, or fees paid in lieu of taxes. (Had the prison been removed from TriMet and made a part of the SMART service territory upon annexation, the Oregon Department of Corrections would have paid a much smaller amount to the City, as provided in an inter-governmental agreement between the DOC and the City.) Scenario 2 conveys the policy direction recommended by staff.

Scenario 3.

At this point, the staff has only anecdotal information about which transit agency would be preferred by property owners in areas that are within Wilsonville's growth plans. Obviously, neither transit agency can function efficiently without logical and consistent boundaries. Attempting to provide transit service to an area where some properties are within one transit system and some are in another could be inherently inefficient. Therefore, it makes sense that transit system boundaries be based on serviceability rather than on some sort of popularity contest.

That said, SMART remains committed to providing transit service to annexed properties, whether residential or employment lands. If residents or property owners beyond the future Wilsonville City limits want to receive service from SMART that will create a situation akin to Scenario 1, above. TriMet could be expected to object to losing employment land from its service territory, but would probably be less concerned about residential land that is never likely to generate a significant amount of payroll tax revenue.

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State law (ORS 267) gives the TriMet Board of Directors a tremendous amount of discretion in making boundary decisions for their district. However, there appears to be no clear path for citizens to seek the removal of land from the district in cases such as this, unless the TriMet Board chooses to authorize it.

ORS 267.250 (1) includes the following definition of an affected area which can petition for withdrawal from the TriMet District: *“Affected area” means a contiguous area of not less than one square mile in which 200 or more district electors reside and which is within the boundaries of a district, but is outside the boundaries of any city with a population exceeding 10,000. However, the term does not include an area if the withdrawal of that area from the district results in the district having two or more noncontiguous parts.*

Note that the portion of the Basalt Creek planning area that is now planned for eventual inclusion within Wilsonville may total one square mile, but may not have 200 or more electors residing there.

Scenario 4.

TriMet is not expected to object to the City’s plans to provide transit service outside of the District’s boundaries, as the City continues to grow. A pending land development application at the corner of Day Road and Boones Ferry Road could confirm this as the City Council will have the opportunity to clearly state its intention to bring the property into SMART’s service territory and provide transit service to the site.

Summary of Scenarios.

In all of the scenarios listed above, the suggested criteria would break out as follows:

Criteria A (better service): Favors SMART. Because of local proximity, SMART is able to adjust routes and provide service as needed within the community.

Criteria B (costs to taxpayers): Favors SMART, staff does not believe that Wilsonville’s payroll tax rate will ever reach TriMet’s rate. Wilsonville’s rate is currently .5%, while TriMet’s rate is now .7337%, and rising annually to a pre-approved level of .8237%.

Criteria C (costs to passengers): Favors TriMet where service includes transfers between systems or longer trips. Favors SMART for service within the community, where no fares are charged.

In conclusion, there are obviously ample justifications for SMART to be the transit service provider for all properties with the Wilsonville City limits. Whether SMART should also provide transit service outside the City is a larger issue, best left to a future time when such service is formally requested by the City of Tualatin or some large group of private property owners. For those reasons, staff is recommending the adoption of Resolution No. 2562, which will implement Scenario 2, above.

Staff is already beginning a public outreach effort in connection with the on-going update of the City’s Transit Master Plan. Upon approval of Resolution No. 2562, staff and consultants will

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include the owners and occupants of planned growth areas in that effort, inviting them to help plan for future transit service.

It should be noted that, if the statutorily provided system of petitioning for removal of land from the TriMet District by registered voters is followed, there is a deadline that petitions be filed by the end of August, 2016. The next opportunity comes five years later.

Mr. Lashbrook noted language to include the TVF&R station on Elligsen Road into the SMART service area should be included in the resolution.

Councilor Stevens asked what the fee is the Coffee Creek Correctional Facility (CCCF) pays to Tri-Met.

Mr. Lashbrook said because Coffee Creek Correctional Facility is a State facility with state employees the funds are paid to the state who then distributes funds back to Tri-Met at a rate of .6%.

Councilor Stevens commented on the lack of service provided by Tri-Met to CCCF impacting employees and families visiting inmates versus the services provided by SMART for newly released inmates.

Mr. Lashbrook indicated an agreement had been negotiated with the Department of Corrections before the prison was built, that they would pay the city a fee in lieu of payroll taxes if SMART was successful in including CCCF into the SMART service area. SMART's Operations Manager informed Mr. Lashbrook that had that money been coming to SMART these past years SMART would have been providing a high level of service.

Mayor Knapp agreed with the comments of Councilor Stevens and Mr. Lashbrook. As development occurs in the Coffee Creek and Basalt Creek areas transit services will need to be provided to the north end of town, which means SMART will be literally driving by CCCF on a regular basis, and it seemed there was no logic for the program as it is structured. He was concerned that Tri-Met has the unilateral authority to decide what will happen in Wilsonville. The Mayor was hopeful Tri-Met will be collaborative should the City approach them.

Motion: Councilor Lehan moved to approve Resolution No. 2562 and incorporate language to include the Elligsen Road Fire Station into the SMART service area. Councilor Fitzgerald seconded the motion.

Vote: Motion carried 4-0.

CITY MANAGER'S BUSINESS

No report.

LEGAL BUSINESS

No report.

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ADJOURN

Mayor Knapp adjourned the meeting at 8:30 p.m.

Respectfully submitted,

Sandra C. King, MMC, City Recorder

ATTEST:

Tim Knapp, Mayor