

**CITY OF COTTAGE GROVE  
BUDGET COMMITTEE MEETING  
MINUTES  
May 9, 2017**

Mayor Gowing called the meeting to order at 5:59 p.m. in the Council Chambers at City Hall.

**ROLL CALL**

City Recorder Trudy Borrevik called the roll. The following were

Present:	Council:	Mayor Jeff Gowing, City Councilors Jake Boone, Mike Fleck, Garland Burbach, Amy Slay and Bob Ehler
	Members:	Greg Ervin, Gary Manley, Mike Grover (6:04pm), Amanda Gilbert, Rhonda Worley and Duane Taddei
Absent:	Council:	Kenneth Michael Roberts
	Members:	Brad Borigo
Staff Present:		City Manager Richard Meyers, City Recorder Trudy Borrevik, Finance Director Bert Likens, Public Works & Development Director Faye Stewart, City Engineer Ron Bradsby, Police Chief Scott Shepherd, Police Captain Doug Skaggs, and Community Services Director Pete Barrell
Media:		Caitlyn May, The Sentinel; Cameron Reiten, KNND Radio

**ELECTION OF BUDGET COMMITTEE OFFICERS**

Mayor Gowing said he was the Chair last year and Gary Williams was the Vice-Chair and since he had resigned, a new Chair and Vice-Chair needed to be elected. He said the Chair should be a non-Council member.

**IT WAS MOVED BY COUNCILOR BOONE AND SECONDED BY COUNCILOR SLAY THAT GREG ERVIN BE NOMINATED AS CHAIR.**

**Motion passed 11-0.**

**IT WAS MOVED BY COUNCILOR BOONE AND SECONDED BY MEMBER WORLEY THAT AMY SLAY BE NOMINATED AS VICE-CHAIR.**

**Motion passed 11-0.**

**IT WAS MOVED BY COUNCILOR BOONE AND SECONDED BY COUNCILOR SLAY THAT RHONDA WORLEY BE NOMINATED AS SECRETARY.**

**Motion passed 11-0.**

Mayor Gowing turned the meeting over to the Chair, Greg Ervin.

**APPROVE MINUTES - May 10, 2016 and May 12, 2016**

**IT WAS MOVED BY COUNCILOR BOONE AND SECONDED BY COUNCILOR FLECK TO APPROVE THE MINUTES OF MAY 10, 2016 AND MAY 12, 2016.**

**The motion passed 11-0.**

**BUDGET MESSAGE AND BUDGET PRESENTATION**

City Manager, Richard Meyers, read the Budget Message for the 2017-2018 Fiscal Year.  
*(Attached as Exhibit A)*

**PUBLIC HEARING FOR PUBLIC INPUT ON POSSIBLE USES OF  
STATE REVENUE SHARING MONIES**

Chair Ervin opened the public hearing.

Richard explained what State Revenue Sharing funds were and what they were used for.

Len Blackstone, 2051 Bennett Creek Rd., Cottage Grove, said he was a commercial real estate broker and was interested in improving the downtown area. He talked about grant money that was included in the budget for businesses on Main Street to improve the front of their businesses and said it was a really good idea. He talked about how providing the grant funds showed outside investors the commitment the City had to improving the downtown area.

Lloyd Williams – 1490 Jason Lee, Cottage Grove, said he was on the Historic Landmark Commission and talked about how it came to be formed. He talked about the Main Street Program and the Historic Downtown Program and what projects had been funded through the grant program.

Carrie McCasline, 2270 Ibsen Avenue, Cottage Grove, talked about the swimming pool. She said the pool offered over 50 hours a week of public programming which meant they were able to teach swim lessons to 335 children in Cottage Grove, with an additional 25 kids taking private lessons, which was in addition to the 1400 kids who had lessons through the school program. She said 988 hours were offered for senior and adult programs, 1000 hours for the Aqua Lions Swim Team and over 400 hours for family and children open swimming. She said if the City didn't contribute any funds to the pool, they would have to raise their rates by 67%. She talked about the benefits of having the swimming pool and the community programs.

Member Taddei clarified the number of students that took public swim lessons.  
Member Worley asked about the time schedule for spending the bond money.

Carrie said she understood it was \$5.3M that was set aside for pool improvements which would begin after the school was completed in 2018.

Councilor Boone asked if the renovations included a bulk head to change the length of the pool to a standard length to allow for swim meets, etc.

Carrie said the planning phase for the pool hadn't occurred yet and the bulk head would be something that would go through the planning process.

Mayor Gowing clarified that the bond funds wouldn't be used for operations; it would only be used for renovations.

Carrie said that was correct. She said the \$50,000 the City contributed went just towards operating costs which were more than what the City contributed.

Mollie Patterson, 1140 S. 10<sup>th</sup> Street, Cottage Grove, read a letter from her mother in support of the pool and talked about how important the pool was to her and to their family.

Pat Patterson, 1140 S. 10<sup>th</sup> Street, Cottage Grove, said he supported the pool. He thanked the committee for keeping the integrity of the City and for doing what they did. He spoke about their service to the community and said they didn't get any compensation for being on the committee.

Mollie Patterson commented about how beneficial the pool had been to her dad and other elderly patrons.

Travis Palmer, 700 E. Gibbs, Cottage Grove, talked about what the Chamber did and said they could do a lot more if they had more. He talked about what organizations the Chamber partnered with on different events and programs. He said the Chamber appreciated the support they received from the City.

Councilor Fleck said he was the Community Sharing Executive Director and recused himself from any discussion regarding Community Sharing and from voting on the budget.

Richard said the committee had been provided with a letter from the Coast Fork Watershed Council requesting funds, which he suggested the committee talk about when they discussed the wastewater fund.

Richard said the committee also received a letter from South Lane Wheels, which had a line item in the budget.

Richard said the other letters the committee received were regarding support for the pool.

Chair Ervin closed the public hearing.

Richard discussed the meeting process.

The meeting was recessed at 7:08 pm.

Chair Ervin called the Work Session to order at 7:15 pm.

Richard went over the information, graphs and charts provided in the budget document and talked about each of the different funds.

Richard started with the General Fund and went over each of the department budgets.

He briefly talked about franchise fees and issues associated with them.

Chair Ervin asked about dog impound fees.

Richard said the City had its own dog kennel now at the City Shops and were saving money for both the City and the dog owners.

Richard said the City Council travel and subsistence budget had been increased to allow additional Councilors to attend the National League of Cities City Summit Conference.

Richard said the City Manager's budget had been increased in contractual for legal services. He said the vehicle/cell phone allowance was included in the City Manager salary for FY17/18.

Chair Ervin asked about state revenue shared monies.

Richard said state revenue shared funds went into the General Fund to be used wherever needed.

Richard talked about the Finance Department budget.

Councilor Fleck asked about the increase in the contractual line item.

Bert said they were looking to purchase an HR computer program.

Richard said the Audit Expense had been increased to allow the City to do an Request for Proposal (RFP).

Richard said in the Police Operations Department, line item 72121 in the amount of \$70,000 would be removed because all the vehicle leases had been paid off. He said the \$70,000 would go into the contingency fund.

Bert said the Police Department wouldn't be leasing vehicles beginning with the proposed budget, they would be purchasing them.

Member Taddei asked if it were possible to use the \$70,000 for the storage building out at the City Shop.

Richard said it would be in the contingency fund and could be used for that if the committee chose. He said the building would be half Police evidence and half Public Works for welding and storage. He said the Police Department had to rent storage units to house the evidence until the building was built. He said there wasn't enough money budgeted to build the entire building in FY17/18 and any additional money would help get it completed sooner.

Richard said the Police had changed some staff positions. He said Police Commanders had been changed to Captains and Corporals had been changed to Sergeants.

Member Manley asked about decreases in some medical insurance line items.

Richard said the City changed insurance plans in January and all employees were on the same plan now which contributed to some of the change. He said that premiums were budgeted at the highest rate for a family and if someone were hired that was single or only a two person family, the rates were lower. He said the City also added a deferred compensation line item and employees with ten or more years of service, the City contributed 1% of the employee's salary to a deferred compensation account. He said the City also contributed money to an HRA account for employees to offset higher deductibles and out of pocket expenses.

Richard talked about the Municipal Court and Municipal Court Support Services Departments. He commented that the Court had direction from the Council to move forward on collecting old fines. He talked about the change in duties of the Court Clerk and how it affected the collection of old fines.

Richard talked about the Peer Court and said it was the longest running youth Peer Court in Lane County.

Richard talked about the Public Works & Development Department and said the Parks Department and Building Maintenance Departments had been combined into one Maintenance Department.

Richard said the Engineering Department had two full-time positions budgeted for Engineering Technicians which was going to be changed to one full-time Civil Engineer position which would save some money in all the personnel services line items.

Chair Ervin asked when employees were eligible for PERS.

Bert said employees had to work 600 hours before they were eligible for PERS.

Richard said if an employee had worked in a PERS position with another entity, they would start on PERS the date they were hired. He said it was budgeted as if someone would be eligible for PERS when hired which would save money for the City if they had to wait the 600 hours.

Richard talked about the Broadband Department and said it didn't just cover WiFi, it also paid for

the entire IT services for the City. He said the City contracted with LCOG for an IT employee two days a week but had coverage for an emergency on the other days when needed. He said the department also took care of bandwidth for the fiber and that the City had 4 private businesses on the fiber system currently. He talked about the replacement of equipment and keeping up with newer equipment.

Richard went over the Public Works & Development Department budget, which was the old Community Development Department budget. He said there was a reduction in personnel services for the Public Works & Development Director line item. He also pointed out the line item for the Main Street Façade in the amount of \$5,000 that Len Blackstone and Lloyd Williams had talked about. He said the CDBG Unfound Worker line item was finally 0 as the City didn't have to track it any further. He said there was \$4,000 budgeted to codify the Development Code in the same format as the Municipal Code and make it easier for the public to search the Code.

Member Taddei asked about the Nuisance Abatement line item in the amount of \$10,000 and asked if it was for the zombie homes. He asked if it was complaint based.

Richard said it was to expand the program to allow the City to do more. He said it was complaint based but might expand with the hiring of a Planning Technician.

Discussion was held on nuisance abatement, zombie homes and programs that were being used in other cities.

Richard went over the Community Services Library budget and said it was basically staying the same. He said the City was recruiting for a Children's Library Assistant.

Richard said the City had a number of positions currently open which were posted on the City's webpage.

Councilor Boone asked how many citizen computers were currently available at the Library.

Richard said there were six to eight computers available for citizens. He said Dan had brought some refurbished computers from LCOG. He said there were also two new children's computers with just children's programs. He said there were some issues with the WiFi but they had been resolved.

Richard talked about the Community Services Community Center budget. He said the therapy pool, Senior Center, Chamber of Commerce and Genealogical Society library were all located in the Community Center. He said the City was in the process of repairing the roof and there was a line item in the General Reserve for Buildings and Improvements for the roof if needed.

Richard said the Community Promotions budget was where contributions to non-profit organizations were located. He talked about the transient room tax and said there had been an increase in the room tax revenues.

Member Taddei asked about Airbnb room tax.

Richard said the City had a contract through the City of Eugene who negotiated with Airbnb and they were now paying transient room tax.

Richard talked about the rural tourism grant projects. He said \$8,000 was earmarked for the Chamber of Commerce and the rest was for the Cottage Grove Museum building roof.

Member Worley asked if the Council voted to financially support the Animal House 40<sup>th</sup> Anniversary, if it would come from the rural tourism grant line item.

Richard said yes, it would come from that line item.

Councilor Fleck expressed his support for the Chamber of Commerce and said he would be in support of increasing their contribution.

Member Worley asked if there was any thought about increasing the donation for the pool to \$65,000.

Councilor Boone said he wasn't advocating for decreasing the funding of the pool, but the original request was for a one-time donation. He said he wanted to see how the construction went and changes made and strongly recommended the pool staff consider increasing the user fees and work on getting self-sufficient without the City's contribution.

Discussion was held on the funding of the pool and the City's contribution.

Carrie McCasline talked about the pool fees, the renovation and their reserve funds.

Richard talked about the Non-Departmental budget and said there had been an increase to the contractual line item to allow for the 10 year review of 2037 Vision. He said the \$70,000 savings from the Police Department vehicles could go in this fund.

Discussion was held on the \$70,000 savings for Police vehicles and where it could go.

Mayor Gowing said it should be up to the Chief as to what the funds were used for.

Member Worley asked how much was set aside for the storage building at the City Shop.

Richard said \$160,000 was currently budgeted in the General Reserve Fund in the Buildings and Improvements line item.

Councilor Fleck asked Richard to talk about the increases in the contractual line items.

Richard said the contractual line items throughout the water and wastewater funds had been increased due to numerous plans for the City having to be updated such as the Water Master Plan, Wastewater Master Plan, etc.

Richard said there was a significant amount of expenditures on Capital Improvements in the Street Fund. He said the City was actually pulling \$400,000 from ODOT for the Federal Aid money and using for street improvements.

Discussion was held on the conditions of the streets and the pothole spotter program.

Richard asked if there were any questions of the funds that hadn't been discussed.

Richard said in the Park SDC Fund the City was going to be negotiating to purchase property for a larger dog park. He said the current dog park was being heavily used.

Richard said the Trust Fund had a line item for the swinging bridge. He said the Special Trust narrative was changed to describe each item that is in trust. He said the policy was changed to only allow things that were over multi years, not one-time items.

Member Grover asked what the estimated cost was for repairing the swinging bridge.

Richard said it was between \$300,000 and \$400,000 and the City had applied for a \$135,000 grant.

Chair Ervin adjourned the Work Session @ 8:52 pm.

Chair Ervin reconvened the Regular Meeting @ 8:53 pm.

**IT WAS MOVED BY COUNCILOR BOONE AND SECONDED BY COUNCILOR SLAY TO MOVE \$70,000 FROM POLICE OPERATIONS VEHICLE LEASE 001-020-72121-000 TO 731-000-55001-000 GENERAL RESERVE FUND REVENUE AND MOVE \$1500 FROM WATER FUND NON-DEPARTMENTAL CONTINGENCY 202-295-99000-000 AND ADD TO WATERSHED COUNCIL 202-295-76133-000 AND MOVE \$1500 FROM WASTEWATER DEPARTMENT CONTINGENCY 302-395-99000-000 AND ADD TO WATERSHED COUNCIL 302-295-76133-000. ALSO IN THE GENERAL RESERVE FUND 731 CHANGE TRANSFER FROM GENERAL FUND 731-000-55001-000 TO BE \$190,000 AND ADD \$70,000 TO GENERAL RESERVE FUND BUILDINGS & IMPROVEMENTS 731-731-83000-000.**

**Motion passed 10-0 with Councilor Fleck and Member Gilbert recusing themselves.**

**IT WAS MOVED BY MEMBER GROVER AND SECONDED BY COUNCILOR BURBACK THAT THE BUDGET BE APPROVED AS AMENDED.**

**Motion passed 10-0 with Councilor Fleck and Member Gilbert recusing themselves.**

Chair Ervin adjourned the meeting at 8:55 pm.

Chair Ervin reopened the meeting at 8:56 pm.



**IT WAS MOVED BY COUNCILOR BOONE AND SECONDED BY MEMBER WORLEY TO ADOPT RESOLUTION NO. BC3.**

**Motion passed 10-0 with Councilor Fleck and Member Gilbert recusing themselves.**

Chair Ervin adjourned the meeting at 8:57 pm.

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Chair

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City Recorder