

City of Springfield
Regular Meeting

MINUTES OF THE REGULAR MEETING OF
THE SPRINGFIELD CITY COUNCIL HELD
MONDAY, JUNE 1, 2009

The City of Springfield Council met in regular session in the Council Meeting Room, 225 Fifth Street, Springfield, Oregon, on Monday, June 1, 2009 at 7:05 p.m., with Mayor Leiken presiding.

ATTENDANCE

Present were Mayor Leiken and Councilors Ralston, Lundberg, Wylie, Leezer, and Pishioneri. Also present were City Manager Gino Grimaldi, Assistant City Manager Jeff Towery, City Attorney Matt Cox, City Recorder Amy Sowa and members of the staff.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Mayor Leiken.

SPRINGFIELD UPBEAT

1. Springfield School District Gift of Literacy Proclamation.

Mayor Leiken proclaimed June 1 as Gift of Literacy Day and thanked the Springfield School District for this great event. He read the proclamation and presented it to Springfield School District Public Information Officer Jeff DeFranco.

2. HomeOwnership Month Proclamation.

Mayor Leiken proclaimed June as National HomeOwnership Month. He read the proclamation and presented it to John Lively, chair of the Springfield Housing Summit Committee. He thanked Mr. Lively for his service to our community and stepping up in this leadership role. He also thanked the group in the summit and the housing industry.

Mr. Lively thanked the Council on behalf of the summit. He said when they started with this endeavor, they thought they would meet for a short time and come to conclusions and disband. They had a lot of conclusions and ideas, but had learned there were a lot more opportunities and ideas out there. The group had agreed to keep meeting. Their most recent endeavor was the Homebuyer Tour and education opportunity on June 27. There were opportunities in Springfield and they believed that getting information to the people in the community would help overall. When people could start buying homes again, other opportunities were created throughout the community. They appreciated the support of the Council and would be back with more ideas and suggestions.

CONSENT CALENDAR

IT WAS MOVED BY COUNCILOR RALSTON WITH A SECOND BY COUNCILOR LUNDBERG TO APPROVE THE CONSENT CALENDAR. THE MOTION PASSED WITH A VOTE OF 5 FOR AND 0 AGAINST.

1. Claims

2. Minutes

- a. May 11, 2009 – Work Session
- b. May 18, 2009 – Work Session
- c. May 18, 2009 – Regular Meeting

3. Resolutions

- a. RESOLUTION NO. 09-18 – A RESOLUTION TO ACCEPT PROJECT P20545; 5TH STREET OVERLAY, MAIN STREET TO “G” STREET FROM EUGENE SAND AND GRAVEL CONSTRUCTION COMPANY IN THE AMOUNT OF \$371,642.56.

4. Ordinances

- a. ORDINANCE NO. 6241 – AN ORDINANCE AMENDING THE EUGENE-SPRINGFIELD METROPOLITAN AREA GENERAL PLAN (METRO PLAN) DIAGRAM BY ADOPTING A NODAL DEVELOPMENT OVERLAY DESIGNATION FOR APPROXIMATELY 168 ACRES OF LAND WITHIN THE MCKENZIE-GATEWAY MDR SITE.

5. Other Routine Matters

- a. Approval of Amendments No. 1 to Agreement No. 23,409 with ODOT for the Addition of \$1,400,000 American Recovery and Reinvestment Act of 2009 Funds to the City’s Pioneer Parkway Overlay (P20438) and Authorize the City Manager to Execute the Agreement on Behalf of the City.
- b. Approval of the Proposed Designation Agreement between the Governments of Lane County and the Cities of Eugene and Springfield Designating the Lane County Board of Commissioners as the Chief Elected Official for the Purpose of the Implementation of the Work Force Investment Act of 1998.

ITEMS REMOVED

PUBLIC HEARINGS - Please limit comments to 3 minutes. Request to speak cards are available at both entrances. Please present cards to City Recorder. Speakers may not yield their time to others.

1. Supplemental Budget Resolution.

[Bob Brew]

(10 Minutes)

RESOLUTION NO. 09-19 - A RESOLUTION ADJUSTING RESOURCES AND REQUIREMENTS IN THE FOLLOWING FUNDS: GENERAL, SPECIAL REVENUE, RIVERBEND DEVELOPMENT, BUILDING CODE, FIRE LOCAL OPTION LEVY, BOND SINKING, SEWER CAPITAL PROJECTS, DEVELOPMENT PROJECTS, DRAINAGE CAPITAL PROJECTS, STREET CAPITAL, SDC LOCAL STORM IMPROVEMENT, SDC LOCAL WASTEWATER IMPROVEMENT, SDC

TRANSPORTATION IMPROVEMENT, LOCAL WASTEWATER OPERATIONS,
AMBULANCE, DRAINAGE OPERATING, REGIONAL FIBER CONSORTIUM,
INSURANCE, AND VEHICLE & EQUIPMENT.

At various times during the fiscal year the Council is requested to make adjustments to the annual budget to reflect needed changes in planned activities, to recognize new revenues, or to make other required adjustments. These adjustments to resources and requirements change the current budget and are processed through supplemental budget requests scheduled by the Finance Department on an annual basis.

This is the fourth and final FY09 supplemental budget request to come before Council. The supplemental budget being presented includes adjusting resources and requirements in the General Fund, Special Revenue Fund, Riverbend Development Fund, Building Code Fund, Fire Local Option Levy Fund, Bond Sinking Fund, Sewer Capital Projects Fund, Development Projects Fund, Drainage Capital Projects Fund, Street Capital Fund, SDC Local Storm Improvement Fund, SDC Local Wastewater Improvement Fund, SDC Transportation Improvement Fund, Local Wastewater Operations Fund, Ambulance Fund, Drainage Operating Fund, Regional Fiber Consortium Fund, Insurance Fund, and Vehicle & Equipment Fund.

The City Council is asked to approve the attached Supplemental Budget Resolution.

The overall financial impact of the Supplemental Budget Resolution is to increase total appropriations by \$2,750,223 and Departmental expenditure appropriations by \$1,311,093.

Mr. Brew said this supplemental budget included mostly housekeeping items to clean up the budget before the end of the fiscal year. He referred to page 2 in Attachment A, the second item which was Sanitary Sewer Capital. This involved some reallocation to two capital projects. Although this had been left out of the attached resolution, there was no longer a need for the money because the bids came in significantly lower than expected. The 4th and 5th items, General and Special Revenue, involved some Police forfeiture reserves that were restricted reserves. Rather than keep those in the General Fund, they would be moved to a Special Revenue Fund. Whenever there were restricted revenues for general purposes, those funds were moved to the Special Revenue Fund. In the middle of page 3, there were new appropriations of \$2.3M to be funded with existing reserves. There were only three items in this section that would affect General Fund reserves. Most were relatively minor, and the significant one was for the Ambulance service. He referred to the middle item on page 4, Vehicle & Equipment Reserve. Each department put money away each year to fund replacement of their equipment. Periodically the departments needed to appropriate funds from those reserves to buy the equipment and that was included in that item. Two items that were not listed in the memo, but were in the resolution were a \$3000 scanner for MWMC, and an \$800 laptop for Public Works.

Mayor Leiken referred to the New Appropriations on Attachment A, page 3, Street Capital. He asked if the Pioneer Parkway overlay was a project that may have been identified for stimulus funds. He asked if we had received those funds.

Assistant Public Works Director Len Goodwin said the City had not received those funds at this time. All of the funds flowed through the Oregon Department of Transportation (ODOT). The City was in the process of negotiating contracts with ODOT. The funds were removed from this fund for that reason.

Mayor Leiken said he would like to know when we could expect the stimulus funds.

Civil Engineer Jeff Paschall said the Pioneer Parkway with the intergovernmental agreement (IGA) action would put in place the \$1.4M, and the City still had the \$400,000 STIP-U funding. The project was to have complete design by November and ready to bid in February 2010.

Mayor Leiken asked staff to provide a memo to the Council when the City actually received the stimulus funds for that project.

Councilor Ralston clarified that this supplemental budget was for FY08/09 and didn't affect FY09/10.

Mr. Brew said that was correct. The Budget Committee approved the FY09/10 budget and the Council would consider it for adoption on June 15.

Councilor Ralston said during the Budget Committee meeting, other savings were found that would keep us from using reserves. He thought the Ambulance Fund was taken out of the reserves for next year, but this showed it coming out of this year.

Mr. Brew said the Ambulance Fund was for FY09. Finance Director Bob Duey talked about doing that during this fiscal year. In FY09/10 that amount would be about \$300,000.

Mayor Leiken opened the public hearing.

No one appeared to speak

Mayor Leiken closed the public hearing.

IT WAS MOVED BY COUNCILOR RALSTON WITH A SECOND BY COUNCILOR LUNDBERG TO ADOPT RESOLUTION NO. 09-19. THE MOTION PASSED WITH A VOTE OF 5 FOR AND 0 AGAINST.

2. Adoption of Local Wastewater Systems Development Charge Methodology, Project List, and Charges.

RESOLUTION NO. 09-20 – A RESOLUTION OF THE CITY OF SPRINGFIELD COMMON COUNCIL MODIFYING A METHODOLOGY FOR THE CALCULATION OF LOCAL WASTEWATER SYSTEMS DEVELOPMENT CHARGES AND SETTING AN EFFECTIVE DATE

RESOLUTION NO. 09-21 – A RESOLUTION OF THE CITY OF SPRINGFIELD COMMON COUNCIL ADOPTING A LIST OF CAPITAL IMPROVEMENTS TO BE FUNDED BY SYSTEMS DEVELOPMENT CHARGES, AND SETTING AN EFFECTIVE DATE

RESOLUTION NO. 09-22 – A RESOLUTION OF THE CITY OF SPRINGFIELD COMMON COUNCIL ADOPTING A SYSTEMS DEVELOPMENT CHARGE AND SETTING AN EFFECTIVE DATE

Assistant Public Works Director Len Goodwin presented the staff report on this item. Staff has completed the process, which commenced in 2007, of reviewing and updating Local Wastewater SDCs. With the input of a Citizen Advisory Committee, and contractual assistance from Galardi and Associates, a new proposed Methodology was developed and forwarded to the City Council for review at a Work Session on March 9, 2009. The Council directed staff at that time to schedule required public hearings for consideration of resolutions enacting the new Methodology, project list and actual charges. As proposed in the draft fee resolution (Attachment 6 in the agenda packet), SDCs for all uses other than single family or duplex residential construction will have an effective date of July 1, 2009. For single family and duplex residential, the fees will go into effect on October 16, 2009.

Mr. Goodwin said he had not prepared a menu and program of where we were with the SDCs. In January and February, Transportation SDCs were increased by updating the project list. In March, a work session was held to discuss the Wastewater SDCs, which was the topic of tonight's meeting. Council directed staff to put the methodology out to public review and bring it back to Council for consideration of action. On May 19, a similar work session was held regarding Stormwater SDCs. Council directed staff to put that methodology out for public review. Staff would be back to Council with a resolution and rates on those on July 20.

Mr. Goodwin said the Wastewater SDCs were part of an integrated system of trying to find the resources to provide infrastructure for growth. There were two sources of revenue: user rates and SDCs. He explained each. The City had a long standing policy that growth should pay, through SDCs, for its own needs for wastewater and stormwater. The reality had been that since the Wastewater SDCs had not been reviewed since 2000, the project list was out of date, the costs of projects had increased tremendously, and the SDCs collected had been inadequate to fund growth, there had been an increased reliance on user revenues to fund our capital infrastructure needs. The City had reached the point where even the user revenues were inadequate and the City turned to debt financing to fund the local wastewater infrastructure. The Council recently approved the sale of \$22.8M of wastewater revenue bonds. The City must pay the debt service on those bonds over the next twenty years, and only the user rates would be counted as to our ability to repay those bonds. As a result, the City had been put in the place where substantial increases in user rates were required to guarantee to the financial community adequate resources. If the City increased the SDC revenues to the point where they generated the maximum amount, those funds could be used to pay off the bonds. At some point, the City may be able to decrease or maintain the same user rates. Those factors were why Council saw the proposed methodology which resulted in a substantial increase in SDC fees. He explained further. Staff followed the recommendation of the citizens advisory committee (CAC), including an increase over what Council reviewed in March. The CAC incorporated the cost of debt service and financing into the cost of the project. About eighty-one percent of the resulting debt service on the Jasper Trunk project of \$7.8M could be covered by the SDC rate. As a result the SDC rate in tonight's resolution had built in the appropriate portion of the debt service on the revenue bonds.

Mr. Goodwin noted that Deb Galardi, consultant on this project, was in attendance as well as other public works staff if Council had questions.

Mayor Leiken opened the public hearing.

1. Mike Dotson, 3005 Calla Street, Eugene, OR. Mr. Dotson said he worked in Eugene and Springfield. He thanked Council for the opportunity to speak. He said he was the project manager for Gansen Construction, and 2009 Lane County HomeBuilders Association (HBA) president. In the past year, he had laid off 6 of 8 employees, which he considered family. He said this to illustrate that times were tough. He didn't think much could be done at the local level to help with the economic situation, but the Springfield Council had proved him wrong. The steps they had taken by not increasing SDCs, postponing payment of fees until occupancy and allowing application extensions, were real steps to help through this tough time. On behalf of the HBA, he would ask Council to delay the Wastewater SDC increase until October along with the other SDCs that were delayed. The Council was showing the community that they valued the building industry and he thanked them for their support and open-minded approach to the issues.
2. Ed McMahon, HBA, 2053 Laura Street, Springfield, OR. Mr. McMahon said they were again between a rock and a hard place knowing we needed infrastructure for development, yet facing a rough economic time when an increase would be detrimental to the building industry. He suggested looking at the current system which he felt was broken. The City should be able to finance the infrastructure and prove that housing was paying its way. There were alternatives and his commitment was to bring solutions to the City. Within the next 30 days, he would submit a white paper to the Council with some options on how to proceed to work out of this situation. He thanked the Council for their leadership and said he appreciated Springfield, Oregon.
3. Brian McBeth, McBeth Builders, 33938 Martin Road, Creswell, OR. Mr. McBeth said he worked throughout Lane County as a small contractor. He said builders were doing all they could to hang on during these tough times. He urged Council to postpone the Wastewater SDC increase until at least October along with the other recommendations. It was a small step in the right direction, but hoped it could help turn the economy around.
4. Daniel Hill, Arbor South Architecture/Arbor South Construction, 863 Mint Meadow, Springfield, OR. Mr. Hill said he was also requesting Council to take time to think about any increases that would affect homebuilding now. It was a very difficult time. He explained some of the many issues that were making it difficult. He urged Council to postpone the Wastewater SDCs.
5. Jim Welsh, 90050 Killian Lane, Elmira, OR. Mr. Welsh said he wanted to provide some additional information about other fees and tax increases. He said several pieces of legislation were ready to pass that included a number of increases: the Governor's Transportation and Jobs Package would increase several automobile costs; another gas tax increase was possible Statewide; and a possible increase in premiums on insurance. Those increases hit independent contractors hard. They liked to carry medical insurance, but the premium tax would add another cost. Two of those proposals were at the State level. There was the possibility of being charged more by those that provided trucking or transportation of services, to reduce green house emissions. When looking at all of those increases, it was very difficult. He would urge Council to look at delaying these increases on the SDCs.
6. Fred Simmons, 312 South 52nd Place, Springfield, OR. Mr. Simmons said he agreed with the deferral until October. He served on the committee and felt that delay might be

beneficial in the current economic times. He didn't feel the accrual of the value needed for public infrastructure projects in the community could be deferred. He did agree with the short term deferral to get through. Over the long term, the City needed to accumulate those dollars for the future growth of the community.

Mayor Leiken closed the public hearing.

Councilor Ralston said a number of people had asked to delay the increase. He asked staff if there was a timing issue in doing that.

Mr. Goodwin said the resolution delayed imposition of SDCs on one and two family homes until October 16, the same as the Transportation SDCs.

Councilor Ralston said he wished there was another way to do this. He heard Mr. McMahon say he would bring back other ideas because the system was broken, but he didn't agree it was broken. If it was an easy fix, the City would have already figured that out. Someone had to pay for things that needed to be done. He had no problem postponing some of these until October as noted in the resolution.

Councilor Lundberg said she was struggling with any charges. She was in the construction industry and found it hard to justify right now. She discussed the project list and how it had not been updated in ten years. During those ten years, the City was caught up in great economic times and didn't pay attention to these types of things. She felt bad they had put off what should have been done years ago. She was on the committee as a liaison. The committee worked very hard and struggled and she commended the committee for their work. She said she couldn't be supportive unless it could be put off longer than October. She was interested in Mr. McMahon's white paper.

Mayor Leiken clarified that this was for the local wastewater SDCs. That was correct. He asked if the local wastewater was part of the Clean Water Act (CWA).

Mr. Goodwin said many of the projects funded were in response to the CWA, many of which could not be paid for with SDCs, which needed to be dedicated to capacity increase projects. Reimbursement SDCs could be used.

Mayor Leiken asked if the stimulus package included projects like this.

Mr. Goodwin said the stimulus package under the CWA was funneled through the State's Department of Environmental Quality. They were working through a long existing list throughout the State. The City and MWMC would benefit from some of those projects, but it was not realistic to add new projects to the list and have them rank high enough to receive those funds.

Mayor Leiken asked if this was overseen by the Army Corps of Engineers.

Mr. Goodwin said the Environmental Protection Agency (EPA) through the Department of Environmental Quality (DEQ) was working with the cities.

Mayor Leiken said local governments had to look at SDCs to deal with this issue.

Mr. Goodwin said some of the rehab work could be done with SDCs, but much of it was not eligible for SDC funding because of statutory restrictions.

Councilor Leezer asked if Council could wait for 30 days to see what Mr. McMahon could come up with regarding options.

Mr. Goodwin said the resolution didn't defer implementation of SDCs for commercial and industrial construction. That was a larger source of revenue to the City than the homebuilders construction projects. He would expect that even a brief delay regarding commercial and industrial could have an adverse impact on this year's capital budget. They were making assumptions about revenue increases needed to meet our budgetary targets, and revenue from residential construction was not needed to meet those targets.

Councilor Lundberg asked about the Jasper Natron Trunk Sewer. She asked if that was one of the projects that the City increased user rates to build.

Mr. Goodwin said that was one of the projects that was eligible for SDC funding.

Councilor Lundberg said it didn't seem that area would be developed in the near future.

Mr. Goodwin said predicting growth was difficult. The City had already sold the bonds for the project and there were existing development pressures in Jasper Natron for large developments. There were permits in Development Services for review. The construction for the sewer would allow the City to be ready when the economy rebounded.

Mayor Leiken said he was fine with Mr. McMahon submitting the white paper, but noted some of the State legislation the City must work with. He said it would be prudent for staff to provide Council with an opportunity to look at this prior to the effective date for residential of October 16. At that time, they could extend the effective date if needed. As elected officials, they had a responsibility to gauge the situation. It was prudent for Council to look at it again in September, and if things had not changed, they may need to extend implementation. There may be projects that would be delayed, except for those required by the EPA.

Mr. Goodwin said that would be consistent with direction Council gave staff regarding the Transportation SDCs.

Mayor Leiken said it was important to make that statement strongly so the public understood.

Councilor Pishioneri said he concurred and said it did show consistency. He would also like to look at this again before October 16.

Councilor Wylie asked if the delay was only on residential. Yes.

Councilor Ralston asked for clarification on the last resolution.

City Attorney Matt Cox said the resolution as written, had October 16 as the effective date for residential. Council could instruct staff to bring this back to Council in September.

IT WAS MOVED BY COUNCILOR RALSTON WITH A SECOND BY COUNCILOR WYLIE TO ADOPT RESOLUTION NO. 09-20. THE MOTION PASSED WITH A VOTE OF 5 FOR AND 0 AGAINST.

IT WAS MOVED BY COUNCILOR RALSTON WITH A SECOND BY COUNCILOR WYLIE TO ADOPT RESOLUTION NO. 09-21. THE MOTION PASSED WITH A VOTE OF 4 FOR AND 1 AGAINST (LUNDBERG).

IT WAS MOVED BY COUNCILOR RALSTON WITH A SECOND BY COUNCILOR WYLIE TO ADOPT RESOLUTION NO. 09-22. THE MOTION PASSED WITH A VOTE OF 4 FOR AND 1 AGAINST (LUNDBERG).

Mayor Leiken asked staff to come back to Council in September to look at this further. He thanked all those that came out to testify.

3. Substantial Amendment to FY08-09 One-Year Action Plan, Springfield Section, to Include CDBG-R Allocations as Authorized under the American Recovery and Reinvestment Act of 2009.

Housing Manager Kevin Ko presented the staff report on this item. On May 5, 2009 the Notice of Funding for the Community Development Block Grant (CDBG) under the American Recovery and Reinvestment Act of 2009 (ARRA) was released. As a CDBG entitlement community, the City of Springfield is entitled to \$164,302 of supplementary CDBG funds under ARRA. Called CDBG-R, the funds are to be used to further the purposes of ARRA. In order to receive the funds, the City must submit a Substantial Amendment to its FY08-09 One-Year Action Plan to HUD on or before June 5, 2009. The short response time made a formal Request for Proposal process impossible and inquiries were made to Springfield Public Schools and Willamalane for project ideas that met the requirements of the CDBG-R program.

The CDBG-R funds have the same eligibility requirements as regular CDBG funds. In addition, HUD is strongly urging jurisdictions to use the funds for "shovel ready" capital and infrastructure activities that provide basic services and economic opportunities for residents, promote stable communities by investing in neighborhoods hardest hit by the economic downturn, and that promote energy efficiency and conservation through rehabilitation or retrofitting of existing buildings. Like regular CDBG funds, CDBG-R funds must be used primarily to benefit low and moderate-income persons. The Community Development Advisory Committee was convened on May 14, 2009 to review and discuss four potential CDBG-R projects, three from Springfield Public Schools and one from Willamalane. The CDAC is recommending that \$50,000 of CDBG-R funds go to support the Gateways-A3 parking lot reconstruction, \$50,000 go to support renovation of the Brattain House, and \$23,227 be used to assist the purchase and installation of a new playground at Maple Elementary School. The Meadow Park restroom and lighting project from Willamalane was not recommended for CDBG-R funding, but the CDAC recommended that it be brought back at a later date for consideration for regular CDBG funds.

In addition to the three project recommendations, the CDAC is also recommending that \$24,645 of CDBG-R funds be allocated to the Human Services Commission (HSC) for public services. The HSC informed city staff that it will be investing \$312,000 of federal Homeless Prevention and Rapid Re-housing Program (HPRP) funds over two years to assist Springfield residents. The HPRP will provide assistance to residents most impacted by the current economic crisis through

programs such as emergency rental and security deposit assistance. The CDAC also recommends that \$16,430 of CDBG-R funds be allocated for grant administration. The CDBG-R funding recommendations are being forwarded to Council for approval and inclusion in the Substantial Amendment to the FY08-09 One-Year Action Plan.

Councilor Lundberg asked if they had received a letter from the Springfield School District.

Mr. Ko said they had and he had a copy.

School District Public Information Officer Jeff DeFranco said he had copies of the letter for Council.

Mr. Ko said the letter showed that the school district was committed to provide a match for some of the funds that would be provided to the Maple Elementary Playground.

Mayor Leiken opened the public hearing.

1. Jeff DeFranco, Springfield School District, 525 Mill Street, Springfield, OR. Mr. DeFranco thanked Council for the opportunity to partner with the City on these funds. The school district was in very tight budget times. A number of projects that had been a high priority had to be stopped. If approved, these CDBG-R funds would allow the school district to move forward on some of these projects, having a positive economic impact on our community as they employed local architects, contractors, etc. He asked for Council's support. He distributed the letter regarding the match funds the school district would bring forward.

Mayor Leiken closed the public hearing.

Councilor Lundberg said she sat with the CDAC when they looked at this proposal. She asked Mr. DeFranco for the amount from the school district.

Mr. DeFranco said the original match was nearly \$40,000 for the playground surface and installation. There were \$23,000 CDBG-R funds and the school district was committing an additional \$27,000 match to ensure a full build out of the playground.

Councilor Lundberg said there were three school district projects, one of which was a parking lot. She felt the playground would be a community asset and it was important to give kids in low income neighborhoods a nice playground. She was thankful to the school district and Mr. DeFranco for finding the funding for the match.

Councilor Ralston said he appreciated the playground as it was so near his home.

IT WAS MOVED BY COUNCILOR RALSTON WITH A SECOND BY COUNCILOR LUNDBERG TO APPROVE THE PROPOSED SUBSTANTIAL AMENDMENT TO THE FY08-09 ONE-YEAR ACTION PLAN. THE MOTION PASSED WITH A VOTE OF 5 FOR AND 0 AGAINST.

COUNCIL RESPONSE

BUSINESS FROM THE AUDIENCE

1. Sarai Johnson, 783 Grant Street, Eugene, OR. Ms. Johnson said she was asked by the NEDCO Executive Director to say a few words about June as Homeownership month. In particular, they were very excited to be part of the June 27 Homebuyers' Fair, providing potential homebuyers with education and opportunities to learn more about the homebuying process. They also wanted to thank the Council and the City for their consistent and steadfast support of homeownership as a great community development tool. They were excited to be a part of homeownership in Springfield.
2. Fred Simmons, 312 South 52nd Place, Springfield, OR. Mr. Simmons said the statement from ODOT during the work session regarding the traffic light at 48th Street was not true, but was rather a requirement for ODOT to put that light in at that location. The east Main corridor needed to have traffic lights to interrupt traffic. He was emotionally attached to that area because he lived in that area. A positive course of action needed to be taken to activate the light at 48th Street. The staff of the City, the staff of ODOT, and this Council needed to get together to find a way to get that light activated. The idea of taking the lighting structure out was not acceptable. He felt that if this type of thing kept coming up, he may get more involved in City business. The Council and staff needed to work collectively to get that light activated. The cost would be about \$300,000 and he felt there was an opportunity to find the money. There was another fatality at that intersection less than three weeks ago. The light was required as part of the access. He asked Council to try to do something in the affirmative way.
3. Lori Palermo, 1602 Linden Avenue, Springfield, OR. Ms. Palermo said she was here on behalf of the Springfield Board of Realtors. She thanked the Council for their continued support of their industry and homeownership in Springfield. She thanked them for signing the proclamation. She would like the Council to continue that good work when Housing Assistant Jodi Peterson brought forward an item regarding housing. Ms. Palermo said she worked predominantly with first time homebuyers. The last homebuyer she worked with was a single mom with two kids that was able to utilize the SHOP program funds to purchase a house she could afford. Without funds like that, they would have more problems in this economy. She thanked them for their continued support.

CORRESPONDENCE AND PETITIONS

1. Correspondence from Ivan Koehn, Eugene, Oregon, Regarding the Sustainable Development Project of Agenda 21, United Nations of 1992.

IT WAS MOVED BY COUNCILOR RALSTON WITH A SECOND BY COUNCILOR LUNDBERG TO ACCEPT THE CORRESPONDENCE FOR FILING. THE MOTION PASSED WITH A VOTE OF 5 FOR AND 0 AGAINST.

BIDS

ORDINANCES

BUSINESS FROM THE CITY COUNCIL

1. Committee Appointments

a. Mayor/Council Committee Assignments.

Mayor Leiken said due to the death of Councilor John Woodrow, several of the Council Committee assignments were being re-assigned. The Mayor confirmed the new appointments as listed in the agenda packet with the correction to add the Mayor as an alternate to the Metropolitan Policy Committee (MPC).

The City Recorder said she would make that correction on the final list.

2. Business from Council

a. Committee Reports

1. Councilor Ralston reported on several of the joint elected officials (JEO) subcommittees and said he felt they had been very productive. The Metro Plan subcommittee had some initial difficulties, but had moved forward. They quickly found that HB3337 and Springfield's autonomy, and the viability of the Metro Plan were the main issues. Many on the committee felt the Metro Plan should be done away with, but they came to a reasonable conclusion to keep the good parts, work on autonomy and other areas.

He felt that during the Ambulance Transport subcommittees, there were ways identified to save some money. One of the main questions was whether or not ambulance transportation was a core service, and if so, how it could be funded. The other question was whether or not fire districts were a good idea. Eugene Councilor Betty Taylor said she thought the Eugene Council was totally opposed to districts, and he wasn't fond of them. If the Ambulance Transport System was a core service; however, spreading it over all of Lane County seemed like a reasonable way to do it. The rates wouldn't be raised much and the benefits would be great. He felt the subcommittee would come to some resolution.

Councilor Wylie said she believed the JEO meetings were more productive than before and relationships were going well. She referred to the committee assignments and asked that the MPC be removed from the Ward 5 position. Yes.

2. Mayor Leiken said he had asked Assistant Public Works Len Goodwin for input on possible revenues for the City from the Oregon Transportation Bill. The City's fuel tax did not pass. There was language in the Transportation bill that would cause a temporary pre-emption until 2014 for cities to raise their fuel tax. There were some dollars that could come to the City.

Mr. Goodwin said the legislature did approve HB2001 and the Governor would most likely be signing it sometime this week. The bill did a number of things, including increasing registration fees, weight mile fees, and drivers' license fees by a variety of amounts. It was estimated those fees would produce about \$120M in annual revenue. Those provisions went into effect around October 1. At this time, it was estimated that Springfield would receive about \$400,000-\$500,000 in revenue.

There was a six cent increase in the gas tax, which would go into effect after there had been two consecutive calendar quarters of employment growth of greater than two percent. Data suggested those two quarters would occur in the second and third quarter of calendar year 2010. If that were the case, the fuel tax would go into effect December 1, 2010. It was likely that may be pushed off until a later date if those increases did not occur. The City could probably expect on an annual basis, to receive about \$700,000 from that fuel increase. As the Mayor had said, there was a limited moratorium exemption on local fuel taxes, but the fuel taxes in effect today would remain, except in the case of Eugene, as theirs has a sunset provision that went into effect in 2011. If the City of Eugene didn't act to eliminate that sunset provision before HB2001 became effective, they would lose that two cent increase. After 2014, further increases would require a vote of the people.

Mr. Goodwin said there was a provision in the current law that authorized counties to impose an additional registration fee with the vote of the people. That had become much more complicated. He explained. The legislature had directed Portland Metro to come up with modeling in land use planning to reduce greenhouse gas emissions by reducing vehicles miles traveled. That was something they had already been doing. The Metropolitan Planning Organization (MPO) for Eugene and Springfield, but not the other MPO's in the state, had been directed to come up with similar modeling to reduce vehicle miles traveled and cooperatively come up with a solution and put it in place by 2013. The MPO was then to report to the legislature in 2014. There were no enforcement provisions, so it was improbable there would be any legal obligation on the part of Eugene and Springfield to come up with this plan, however when submitting our Regional Transportation Plan to the Department of Land and Conservation Development (DLCD), they would ask for those plans, and without those plans, further delays could occur. There was also pressure from the environmental community to put this burden on Eugene and Springfield. Representative Beyer spent a lot of time doing battle on this provision so it was not mandatory. There were many other provisions in the bill, but also a nice list of projects that could be funded through highway use tax bonds, including \$80M for I-5/Beltline. The challenge was that the bonding authority was still limited to \$1.6B and because they were already close to that, those funds would not be issued in the immediate future.

Mayor Leiken thanked Mr. Goodwin and Transportation Manager Tom Boyatt for bringing out the truth that not all MPO's were in favor of the proposed legislation, and for their hard work on behalf of the City. He also thanked Craig Honeyman from the League of Oregon Cities (LOC) for his help. The LOC was looking at the dollars and cents and listened to Mr. Goodwin and Mr. Boyatt. Representative Beyer came through to make this a better package as there could have been some very negative consequences. The Mayor had asked Mr. Goodwin and Mr. Boyatt to intervene on his behalf as Chair of the Oregon Transportation Committee and they had done well. The overall package was pretty good. The increases didn't come at a great time, but wouldn't be in effect until later. He noted the amount of funds the City could receive from this package.

BUSINESS FROM THE CITY MANAGER

1. Recommended Funding Allocations – Additional FY2009 Funding for the Springfield Home Ownership Program (SHOP) and Additional Incentive for the Purchase of Homes that have been Foreclosed Upon.

Assistant Housing Manager Jodi Peterson presented the staff report on this item. The demand for the SHOP is very high. The funding allocated for the program in FY09 will not carry us through to the fiscal year end.

On May 14th staff met with the Community Development Advisory Committee (CDAC) and requested authorization to increase the SHOP FY09 allocation by \$200,000 (through a transfer from the interim financing fund line item).

In addition, in response to the Mayor's Housing Summit discussions staff proposed providing an incentive to those qualifying buyers purchasing homes that have been foreclosed upon. The incentive proposed would be a \$4,000 grant in addition to the \$10,000 SHOP loan. The reasoning behind structuring the \$4,000 incentive as a grant rather than a loan is that in underwriting the primary loan a grant would not increase the required loan to value ratios. The amount of SHOP loans paid off in the fiscal year would offset the additional grant investment and limit the ability to fund other projects or activities. The incentive would be in place until June 30, 2009 or until the City received the Neighborhood Stabilization Program (NSP) funding from the State. As you may recall, the NSP funds are specifically to assist low-income home buyers purchase foreclosure properties in targeted, distressed, areas. The CDAC agreed to forward both recommendations to the City Council.

The SHOP has been helping low and moderate-income first time homebuyers purchase homes in Springfield since 1993. Over time the SHOP assistance, which started at \$2,000, has increased to \$10,000 in response to the growing gap between income and home prices.

In FY07 and FY08 combined, the SHOP assisted only 36 households (total). In previous years that number, 36 loans, has been met or exceeded in a single year. Staff attributed this drop not only to the increasing cost of homes but also the number of home buyers opting to purchase homes using primary mortgage loans that could not be combined with the Federal funds used to fund the SHOP (e.g.- 80/20, jumbo loans, stated income, and other non-prime loan types).

The current economic situation has created opportunities for first time homebuyers through decreased interest rates, changes in lending practices and stabilization or drop in home prices. The demand for the SHOP has increased. In FY09 staff has assisted 30 first time home buyers and has ten loans pending. Of the 30 completed loans, 20 were done in the first 8 ½ months of the fiscal year. Staff estimates that with the 10 already complete and 10 pending, that 20 loans will be completed by the end of May. Based upon current activity, June could bring 10 to 15 additional loans.

The SHOP was created in response to the high priority the City Council placed on home ownership in Springfield. Transferring an additional \$200,000, as requested, will allow the City to meet the current demand in FY09.

Ms. Peterson said she has been very busy with providing loans for SHOP applicants and was asking for additional allocations to get through this fiscal year. There was funding available that could be moved to this program for first time homebuyer loans.

Councilor Pishioneri asked if there was a downside.

Ms. Peterson said they would be taking funds from the loan pool. She explained.

Councilor Lundberg said Ms. Peterson did a fine job of getting money in the right place. This was a great program, and homeownership was what we needed and wanted. The money always came back into the pool. She was always supportive of ways to get those funds used.

Ms. Peterson spoke regarding the second action requested of \$4000 grant funds to create incentives for homes foreclosed upon. The NSP funds could be used, but there were some neighborhoods where NSP funds could not be used.

Councilor Ralston said both were great projects. This was a good time for people to get into homes as housing costs had gone down. Council's primary focus was on home ownership.

Ms. Peterson said last year the average home price for their funding was \$157,000 and this year it was \$143,000.

IT WAS MOVED BY COUNCILOR RALSTON WITH A SECOND BY COUNCILOR LUNDBERG TO APPROVE AN ADDITIONAL \$200,000 FOR THE FY2009 SHOP. THE MOTION PASSED WITH A VOTE OF 5 FOR AND 0 AGAINST.

IT WAS MOVED BY COUNCILOR RALSTON WITH A SECOND BY COUNCILOR LUNDBERG TO APPROVE AN INCENTIVE OF A \$4,000 GRANT IN ADDITION TO THE SHOP ASSISTANCE LOAN TO LOW AND MODERATE-INCOME FIRST TIME HOMEBUYERS WHO PURCHASE A HOME THAT HAS BEEN FORECLOSED UPON. THE MOTION PASSED WITH A VOTE OF 5 FOR AND 0 AGAINST.

2. Amended Annexation Agreement between Daniel Jackson and the City of Springfield and Annexation of a Portion of 19th Street Right-of-Way.

RESOLUTION NO. 09-23 – A RESOLUTION INITIATING ANNEXATION OF CERTAIN TERRITORY TO THE CITY OF SPRINGFIELD PURSUANT TO SECTION 5.7 OF THE SPRINGFIELD DEVELOPMENT CODE.

Civil Engineer Matt Stouder presented the staff report on this item. The existing annexation agreement between the Applicant and the City contains provisions requiring modification to ensure orderly and efficient development of the property. After the property was annexed, meetings between the City, County and Applicant revealed a 1 foot reserve strip along the property frontage of 19th Street, owned in fee by Lane County. This created complications to improve 19th Street beyond the Applicant's control under the provisions of the existing agreement, due in part to policy differences between the City and County. The proposed amended agreement and annexation of additional 19th Street right-of-way by the City, will allow the Applicant to proceed with development of the property.

The City's policy for annexing streets, as directed by Council, requires streets be improved to full urban standards before the City annexes and accepts jurisdiction. 19th Street along the Applicant's frontage is an unimproved asphalt mat. County staff has indicated they will not

release the 1 foot reserve strip along the property frontage unless the City takes jurisdiction of the street. To address the situation, City staff has met with the Applicant several times over the past year to find a way to move forward that satisfies the Applicant, City and County. The attached amended annexation agreement is a compilation of these efforts. Pertinent changes to the agreement are summarized below.

Recital H has been changed such that the Applicant will fully improve 19th Street along their property frontage, and be allowed to utilize the City's Reimbursement District Process. County staff has confirmed they will relinquish the reserve strip if the City accepts jurisdiction. This Recital has also been amended to remove provisions for construction of a secondary access road. The Applicant plans to develop with 30 or fewer lots. More than 30 lots require construction of a secondary access, and this general provision is retained in Recital H. The Applicant will be responsible for obtaining County permits for secondary access in the event they change their plans and develop more than 30 lots.

Section 2 has been modified such that the City will initiate annexation and jurisdictional transfer of the un-annexed portion of 19th Street fronting the property at no cost to the Applicant, in consideration of the value of the substantial amount of right-of-way the Applicant will dedicate to the City.

With the exception of public staff time dedicated to the annexation process, there are no other significant financial impacts associated with the initiation by Council Resolution.

Mr. Stouder said the original agreement was signed in December 2008. He discussed the meetings held with City staff and the applicant in an effort to resolve the issue regarding improvements to 19th Street. He explained three of the changes from the original amendment.

Councilor Pishioneri asked if this was the property that the owner had proposed oversized lots for about 60 homes.

Mr. Stouder said they had not yet given an official submittal, but the tentative plan was for larger lots. There was a remainder piece that was not annexed and was outside the UGB. The Vera Street lift station was on this property.

Councilor Pishioneri asked if this property hit the Hayden Bridge stub road on the north.

Mr. Stouder said that was correct.

Councilor Pishioneri asked if they would be improving the stub road.

Mr. Stouder said they would only improve 19th Street unless they needed the Hayden Bridge stub for secondary access if they proposed more than 30 lots. If that was the case, they would need to improve Hayden Bridge or 19th Street to the south. At this time, the owner wanted to keep to 30 lots or less so they would not be required to have a second access.

IT WAS MOVED BY COUNCILOR RALSTON WITH A SECOND BY COUNCILOR LUNDBERG TO ADOPT A MOTION TO APPROVE THE AMENDED ANNEXATION AGREEMENT BETWEEN DANIEL JACKSON (APPLICANT) AND THE CITY. THE MOTION PASSED WITH A VOTE OF 5 FOR AND 0 AGAINST.

Councilor Pishioneri asked about trafficking issues on 19th and Delrose.

Mr. Stouder said the provisions in the original annexation agreement were for construction of the secondary access road, which would either be the Hayden Bridget stub road or 19th Street on the south end. Both of those would go away unless they proposed more than 30 lots. Either of those would require permitting from Lane County.

Councilor Pishioneri asked if it would negatively impact the Springfield side regarding traffic.

Mr. Stouder said he didn't know if it would cause a problem with the traffic generation. That had not come up as an issue.

IT WAS MOVED BY COUNCILOR RALSTON WITH A SECOND BY COUNCILOR LUNDBERG TO ADOPT RESOLUTION NO. 09-23. THE MOTION PASSED WITH A VOTE OF 5 FOR AND 0 AGAINST.

3. Ratification of the Metropolitan Wastewater Management Commission (MWMC) FY09-10 Regional Wastewater Program Budget and Capital Improvements Program (CIP).

Public Works Director Susie Smith presented the staff report on this item on behalf of Environmental Services Manager Ron Bittler who was in Portland working with the Department of Environmental Quality (DEQ). The FY 09-10 Regional Wastewater Program (RWP) Budget and CIP document was approved by the MWMC on April 10, 2009. In preparing and reviewing the Budget and CIP, the MWMC convened three budget work sessions and a public hearing prior to taking action to adopt it. The FY 09-10 Budget funds all operations, administrative services, and capital projects planned for the Regional Wastewater Facilities. The approved budget includes a 1.24% decrease in administrative costs and a 7% increase in operations and maintenance (O & M) expenses. The decrease in administrative costs is due to staffing reductions. The increase in O & M is due primarily to an increase in chemical costs, vegetation control at the Poplar Farm, and fleet operating charge adjustments. The CIP outlines and describes the capital projects planned for the next five years. The FY 09-10 RWP Budget and CIP document reflects continued focus on the completion of facilities upgrades and expansion, and operation and maintenance activities to provide wastewater treatment for a growing community through 2025 in a manner that protects the public's health and safety, and the environment. The Commission took a corresponding action to adopt an 18% increase in regional wastewater user charges in order to fully fund the Budget and CIP.

In accordance with the IGA, the MWMC contracts with the City of Eugene for operations and maintenance services, and with the City of Springfield for administrative services. The attached budget document provides regional program and budget summaries as well as detailed budgets for the services provided by Eugene and Springfield. The budget document also provides information about how the RWP activities are driven by MWMC established goals and performance measures.

The FY 09-10 RWP Budget and CIP must be approved by the MWMC and ratified by Lane County, Eugene and Springfield, and then finally adopted by the MWMC, prior to the beginning of the next fiscal year (July 1, 2008). The Eugene City Council ratified the Budget and CIP on May 11th and the Board of County Commissioners ratified the Budget and CIP on May 20th.

Ms. Smith described the MWMC budget. She said the MWMC was the high ranked entity in the area to get the stimulus funding under the Clean Water revolving fund. They were lined up and hoped to receive \$5M. The process had been very arduous and she didn't know the outcome. Staff could send a memo to the Mayor and Council once they knew if those funds had been secured.

Mayor Leiken said he recently saw a report that noted how arduous the application process had been for stimulus funds. Many cities had given up and he appreciated Springfield staff sticking with it.

IT WAS MOVED BY COUNCILOR RALSTON WITH A SECOND BY COUNCILOR LUNDBERG TO RATIFY THE FY09-10 REGIONAL WASTEWATER PROGRAM BUDGET AND CAPITAL IMPROVEMENT PROGRAM (CIP). THE MOTION PASSED WITH A VOTE OF 5 FOR AND 0 AGAINST.

4. Request for Permit to Work Outside Hours of 7 a.m. and 6 p.m., LTD EmX Construction – P50288.

Civil Engineer Kristi Krueger presented the staff report on this item. Wildish Construction Company, as the general contractor for LTD on the Pioneer Parkway EmX Project, has been working closely with Oregon Department of Transportation (ODOT) to sequence the work activities of the project to minimize traffic issues. The excavation, base rock, and concrete paving required to complete this project will have a major impact on the traffic on Pioneer Parkway and surrounding areas. If approved Wildish would begin work at 7 pm and stop work at approximately 3:30 am each day. This will allow for traffic flow during daylight hours, especially peak times.

The letter received from Wildish Construction Company (Attachment 2 in the agenda packet) requests the allowance of working outside of the allowable hours for excavation, base rock, and concrete paving at two locations; the Centennial Boulevard/Pioneer Parkway intersection, including construction on Pioneer Parkway immediately north and south of the intersection occurring between project stations LE 40+00 to LE 60+00 and project work between Centennial Boulevard and "Q" Street under the I-105 overpass, including adjacent areas to the north and south of the overpass. The letter also includes maps and photos outlining the areas to be considered for this request. Prior to commencement of the construction work outside of allowable hours, adjacent property owners shall be notified of the need and the approximate duration.

Staff has reviewed the request and does not recommend night work at the intersection of Centennial Boulevard/Pioneer Parkway including areas immediately north and south due to the large number of residential properties and nursing home adjacent to the construction zone. Staff does recommend approval of night work between Centennial Boulevard and "Q" Street under the I-105 overpass with the conditions in Attachment 1 in the agenda packet.

Councilor Pishioneri asked how late they could work by Code.

Ms. Krueger said it was 6:00pm. She explained the time periods the extended hours were requested.

Discussion was held regarding other possible times when the contractor could work at Centennial and Pioneer Parkway.

Councilor Lundberg asked again about the intersections and the time period they are requesting the extended hours.

Ms. Krueger explained.

Councilor Lundberg said she had concerns about the area near the nursing home. She liked the idea of having construction during the day in that area because children used that intersection and someone would be directing traffic during construction.

Ms. Krueger said they may not have flaggers if just one lane was closed. They would rely only on traffic signals.

Councilor Lundberg said she did not support allowing them to work after hours in the neighborhood area. She was supportive of staff's recommendation. She recalled the noise of the workers getting in and out of their trucks during construction in her area.

Councilor Ralston said if they didn't do it in the evening, they would be tying up traffic during the day, which was still inconvenient. He felt if they could accomplish something between 6:00-9:00pm, that was a small sacrifice if it was beneficial.

Councilor Lundberg asked about shift cycles.

Ms. Krueger said they had not discussed shifts.

Councilor Pishioneri said they had asked for the extended hours because of traffic, and 9:00pm was not too late at night to be a severe inconvenience. He felt it was a small sacrifice to permit them to work into the evening until about 9:00pm. In the middle of the night was too much.

Mr. Towery said the request was from 7:00pm to 3:30am. They were not asking to extend the work hours from the day into evening, but rather all the work at both locations during the requested time.

Councilor Lundberg said if they extended, it would cause issues with the shifts.

Mr. Towery said if Council wanted staff to go back and ask about an extended shift in the evening for the Centennial location, they could.

Councilor Pishioneri said he would like to accommodate.

Mayor Leiken said he liked staff's recommendation. He had received more negative email on this (EmX) project than any other since he had been on Council. It was mostly because of public relations for the project. He was not supportive of extending their hours in the Centennial location.

IT WAS MOVED BY COUNCILOR RALSTON WITH A SECOND BY COUNCILOR LUNDBERG TO ALLOW CONSTRUCTION ACTIVITIES OUTSIDE OF THE HOURS

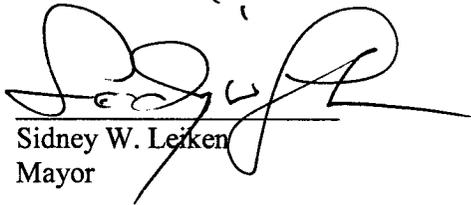
OF 7 AM AND 6 PM WITH CONDITIONS AS DESCRIBED IN ATTACHMENT 1 FOR THE EMX CONSTRUCTION PROJECT P50288 IN THE AREAS OF PIONEER PARKWAY AS DESCRIBED IN ATTACHMENT 2. THE MOTION PASSED WITH A VOTE OF 5 FOR AND 0 AGAINST.

BUSINESS FROM THE CITY ATTORNEY

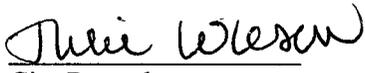
ADJOURNMENT

The meeting was adjourned at approximately 8:54 p.m.

Minutes Recorder Amy Sowa


Sidney W. Leiken
Mayor

Attest:


Julie Wilson
City Recorder