

**CITY OF SILVERTON  
CITY COUNCIL WORK SESSION MINUTES**

**Silverton Community Center – Council Chambers – 421 South Water St.**

**October 28, 2019, 6:00 PM**

**I. OPENING CEREMONIES – Call to Order, Pledge of Allegiance & Roll Call**

Mayor Kyle Palmer called the Work Session to order at 6:00 p.m.

<b>Present</b>	<b>Absent</b>	
X	_____	Mayor Kyle Palmer
X	_____	Council President Jason Freilinger
X	_____	Jim Sears
X	_____	Matt Plummer
X	_____	Dana Smith
X	_____	Laurie Carter
X	_____	Crystal Neideigh

**Staff Present:** City Manager, Christy Wurster; Community Development Director, Jason Gottgetreu; Public Works Director, Petra Schuetz; Assistant Finance Director, Sheena Kroker; Assistant to the City Manager/HR Coordinator, Elizabeth Gray; and Assistant to the City Manager/City Clerk, Angela Speier

**II. DISCUSSION ITEMS**

**2.1 Priorities for Strategic Planning, Community Survey Project, and SCYP Direction**

Assistant to the City Manager/HR Coordinator, Elizabeth Gray and Megan Banks with the University of Oregon (U of O) led a discussion on what City Council would like to see from the Sustainable Cities Program moving forward. Ms. Banks distributed a list of questions that were emailed to City Council last week. Ms. Gray reviewed the materials from Envision Silverton 2035 and the most recent community survey that will serve as background information for the discussion. She also sent City Council examples of other community plans prior to the meeting. She said there is a professor interested in reviewing the Silverton Energy Plan and crafting a Climate Strategic Plan during the winter term.

Ms. Gray asked City Council what information should be gathered from the Envision Silverton 2035 and the most recent community survey? Mayor Palmer said he would like to see data mining from the Envision Silverton 2035 process that can identify trends from the answers given. Councilor Carter liked the community demographics in the examples from the other cities and would like to see that incorporated into the process. City Council expressed their desire to have the public engaged in the process, the Silverton Chamber of Commerce, Marion County, service providers, utility companies, and the bike community. Council stressed the need to reengage and continue to engage the stakeholders even after the process, because there was a lack of follow through after Envision Silverton 2035. Councilor Freilinger said the McMinnville Community Plan was appealing to him, because it was easy to recognize their vision in two minutes. Councilor Plummer asked if a version of the Envision Silverton Plan could be distributed in the schools in order to hear the young student perspective. Ms. Banks explained U of O has a journalism class in the spring that could focus on promoting the Climate Strategic Plan produced during the winter term and engage the youth in that work. Councilor Smith reminded Council

there is a high school student on the Environmental Management Committee (EMC) and there is also an Environmental Club at the High School. She presented to a robotics class whose work this year is around sustainable communities and coming up with suggestions to create a more walkable and bike friendly city.

Ms. Gray asked when Council would like to revisit the Envision Silverton 2035 and the timeline moving forward. Councilor Carter said she does not think the plan should go beyond ten years. Councilor Plummer said the sooner the better and the City should not wait until 2025. He said it would be great to get something going next year, even if it is just a component of the survey. He would like to see movement on the Energy Plan in 2020. Councilor Carter asked how the final report was shared with the community and the need to share the results outside of the website. Council discussed ways to better engage the public and how to reach individuals who might not have filled out past surveys. Councilor Sears said he is not a strong proponent of written surveys, because the feedback he has received is they are too long and repeat the same questions. He urged coming up with a different format and then actually using the information. He said between the Envision Silverton 2035 and the recent survey there is a lot of information already gathered and it needs to be gone through instead of just loading additional information on top of it. Council indicated they would be interested in receiving proposals for other kinds of public engagement projects.

Ms. Gray summarized Council's desired outcomes; including, learning how to expand the City's outreach and engagement process and data mining the information from the most recent community survey and the information from Envision Silverton 2035. Council is also interested in pursuing a Climate Action Plan by building on the Silverton Energy Plan. Mayor Palmer suggested an updated planning model and how to address traffic and congestion issues. Councilor Carter would like to study the City's responsibility in a disaster situation similar to California where residents are without power for days and how the City ensures citizens are prepared. City Manager Wurster explained the City has an Emergency Operations Plan and the Map Your Neighborhood Program that encourages citizens to have enough water and food for their family for two weeks.

Ms. Gray invited City Council to attend the Pettit Property Visioning Open House on Wednesday, November 6, 2019 at 6:30 p.m. at the Silverton Senior Center.

## **2.2 Republic Services Rate Proposals**

KJ Lewis, Municipal Manager; Jay Lawson, Operations Manager; and Will Mathias, Finance Manager with Republic Services introduced themselves and provided an overview of Republic Services. Mr. Mathias explained how Silverton rates compare to neighboring cities. Ms. Lewis explained the rate proposal was presented to the EMC and the EMC asked for Republic Services to present three different rates to City Council. Mr. Mathias reviewed the number of carts by size and year for recycling and garbage. He said the distribution in cart sizes has changed slightly over a four-year period. He explained the number of subscribers is a snapshot in time, so it doesn't catch people moving in or out. It does align with the number of utility customers. Councilor Sears would like to see the total tons collected each year. Republic Services said they would follow-up with those numbers.

Mr. Mathias reviewed the following three rate options and said they are looking for City Council feedback on which option to proceed with.

### Rate Option 1: Historic Structure

Mr. Mathias reviewed the current rates under this structure compared to what the new rates would be with a 12.3 percent increase across the board. He explained this structure will allow the City to compare rates with previous years and it is easy to understand and explain. Under this structure the commercial customers are subsidizing the residential customers. Republic Services drives by a residential customer's house two times per week and they only have to drive by commercial property one time per week. Councilor Smith said the last time there was a rate increase the City Council did not go with the historic structure and looked at several options at the time. Council consciously added the food waste into the yard debris bin and tried to encourage residents to make better use of the yard and recycling carts which in turn would allow them to decrease the size of their garbage cart. Council also reduced the percent

increase on the smaller carts, so it was not an across the board increase the last time. She provided reasons why she doesn't feel commercial customers are subsidizing residential customers. Councilor Sears said there seems to be a logical progression in the commercial rate structure until you hit 5 yards where there is a disproportional increase. Mr. Lawson said that rate structure was eliminated eight months ago and should have been removed from the rate sheet.

Rate Option 2: Volume Based Structure

Mr. Mathias explained this rate structure would charge the customers based on the amount of waste and waste recycling they can set on the curb each week depending on the size of their carts. Staff converted each cart size to an equivalent yardage and factored in the number of pick-ups the customer receives each week. Then they had to get to the same revenue point as of today. He said the residential carts ended up being lower and the commercial rates stayed about the same. The big increase was on the commercial customers with multiple pick-ups per week, because they are sending out more volume. This is not a weight based model. This would allow for more equitable distribution. Mr. Mathias said it would provide incentive for a customer to get into a lower sized cart, but that could also lead to more contamination in the recycling cart. Councilor Smith said the EMC is trying to get people to be more conscious of what they are disposing of and where it should go, because the county is running out of space at the incinerator. She said the current version is a hybrid model where a base charge was likely considered. The base charge, similar to the City's water rates, acknowledges the fixed costs of the service and then beyond that, the volume is what is actually used. The Council compared the proposed historic rates and the proposed volume based rates. The 20 gallon cart would cost more under the volume based structure. After further review it was determined the rates provided in the PowerPoint for the volume based structure were inaccurate and the residential rates should be corrected to read:

	<b>Current</b>	<b>Proposed</b>	<b>Increase</b>
<b>20 gallons</b>	23.42	24.21	3.4%
<b>35 gallons</b>	29.10	30.21	3.8%
<b>65 gallons</b>	36.09	37.79	4.7%
<b>90 gallons</b>	38.61	40.76	5.6%

Mr. Mathias said the model shows smaller carts would see less of an increase. The commercial rates will also need to be corrected and sent to City Council. Councilor Sears said he is struggling with the volume based structure, because it is not really volume based. The price difference between the 20 gallon carts and the 90 gallon carts would not be equal to what it costs per pound for disposal. Thus the rates are not really reflective of the cost for that volume. This methodology is based on the amount the customer can set out on the curb. Councilor Sears would like to see the rates more reflective of the actual cost of disposal based on the average weight of the carts. It should be taken into account the 90 gallon cart is not going to have as much of a difference in its weight to justify the cost difference between it and a 20 gallon cart. The cost difference should be based on the average weight difference between the two carts. The current price difference would indicate a 300 pound weight increase from the 20 gallon cart to the 90 gallon cart, which is not the case. Councilor Freilinger said Council needs to get solid numbers before they can make a viable decision on which rate structure should be recommended. Councilor Smith said she is not seeing in the propose rate scenarios what the EMC asked for which was a hybrid similar to the current structure where there is base fee plus the fee based on the volume of the material taken to the incinerator. She said the volume should not be based on the size of the 90 gallon recycling cart, because the recyclable material is very limited now. Councilor Sears said it would be nice to have options for the customers and allow them to mix and match their cart sizes. If a household cannot fill up a 90 gallon recycling cart, why should they have to pay for the 90 gallon cart? He further explained not having a recycling cart would not be an option. This would allow people to feel like they have more control over their waste. Republic Services said there would be some administrative challenges, but they will explore the idea further.

Councilor Plummer said he would like to know the actual cost to pick up the containers, i.e. it costs \$5 to pick-up the garbage and \$5 to pick up the yard debris, etc. Then an additional fee would be applied based on the customer cart size, for example the 90 gallon cart should be 450 percent of the base fee. This would be applied to garbage only and the recycling and yard debris cart sizes would be the same for

everyone. City Manager Wurster asked about Republic Services profitability. In the 2019 Rate Proposal packet the profit margin was outlined back to 2017. She asked for Republic Services to include the desired profit margins for each of the classifications. She said there has been a history of 8 percent and the rate increase proposed under the current rate structure shows a 10 percent profit margin. Mr. Mathias said the acceptable profitability is 8-12 percent. Republic Services has been consistently on the low end of that and the requested rate increase would place them at the midpoint of the range.

### Rate Option 3: Commodity Based Structure

This structure considered each service type and the cost to service that type of container. In addition, Republic Services also considered the base cost for service and then on top of that the average pound per yard for commercial or the average pound per drive-by for residential. They did factor the difference between a 35 and 90 gallon cart, because the disposal volume will be less for the 35 gallon cart. They also considered the difference between waste pounds per drive-by and recycle pounds per drive-by. Mr. Mathias explained both the garbage and the recycling are based on tonnage and the cost to recycle. Councilor Sears said this structure is getting closer, but it goes up \$43 per yard which would not equate to the cost of disposal based on the weight. He requested the fees be laid out to clearly show the cost of service and the base weight used.

### **2.3 Participation in PERS Employer Incentive Fund**

Assistant Finance Director Sheena Kroker explained in 2018 SB 1566 established the Employer Incentive Fund (EIF). This fund allows participants to receive a 25 percent match for a lump sum payment towards their unfunded actuarial liability (UAL). City Council was agreeable to the City submitting an application and allowing staff to determine the funding level recommendation. Staff will present Council with a transfer resolution to appropriate funds into the PERS Side Account at the November Regular meeting.

### **2.4 Transient Occupancy Tax Grant Criteria**

Council decided to schedule this agenda item for a future Work Session.

### **2.5 Transportation System Plan Project Prioritization Update**

Community Development Director Jason Gottgetreu provided an update on the Transportation System Plan (TSP) project prioritization. He explained the latest task of the TSP update was the prioritization of the 147 projects that were identified in the Solutions Memo. He explained the process used to rank and weigh the projects. He said some of the priority projects are already being worked on and not every one of the 147 projects will be able to be constructed over the 20 year planning horizon of the TSP. Looking at the next five years of what projects could be funded based on the current fiscal year funding level for safe routes to school and pedestrian projects of \$100,000 annually, if the \$100,000 is continued on an annual basis that would allow \$500,000 to be spent on bike and pedestrian projects over the next 5 years. Some of the high priority projects cost in excess \$500,000, which would necessitate other funding. He reviewed the potential projects and where they would be located on the map. The second map in the packet shows the top five projects and the last map takes into account the projects that could be funded over the five year period. These projects are not the top five ranked projects, but they are feasible and would provide connectivity between downtown and some neighborhoods that are lacking any connectivity. The Western Avenue project is also included in the map of potential projects over the next five years. Mayor Palmer asked for a numerical list of all the 147 projects.

Councilor Sears said Western and Jefferson are both county roads so City Council will need to make a policy decision on if they want to invest City money to upgrade a county road or should the City pressure the county to make those improvements. He said it was hard to rank the bike and pedestrian projects, because the City does not have a bike plan. He thinks there needs to be more work done on the prioritization before he is comfortable moving forward with the proposed projects on the final map. Council discussed the proposed projects and how the two red connections on the map solve a need, because those two neighborhoods are not safely connected to the rest of community. Councilor Plummer said this would help accomplish the Council goal to connect the island neighborhoods. Mayor Palmer said he is committed to doing a pedestrian project on Western, Grant and Jefferson before any other pedestrian project. Council discussed the need to do a project in that area even if it means taking jurisdiction over the street from the county. Councilor Sears voiced his concern with the limited number of people the

proposed bike lanes would serve. He said there are far more people who ride bikes downtown and the money would be better spent creating a safer environment for them. He would only feel comfortable spending city money on Western and Jefferson if the City takes over the roads rather than set a precedent that the City would pay for improvements on a road that isn't under Silverton's jurisdiction. Director Gottgetreu said the next step in the process is to review the proposed projects with the Transportation Advisory Committee and pull together the TSP for adoption.

### **III. CITY MANAGER UPDATE**

City Manager Wurster reminded Council the Pettit Visioning Open House is taking place on November 6, 2019 at the Senior Center and the second meeting is scheduled for December 4, 2019. Staff is working to finalize the format of the joint Town Hall with the School District and the Library District. The draft RFP for architectural services for Eugene Field Commons is almost complete and will be sent to the City Attorney for review.

### **IV. COUNCIL COMMUNICATIONS**

Councilor Sears asked if there will be an opportunity for City Council to comment on the draft RFP. City Manager Wurster will send the draft to City Council for feedback. He voiced his appreciation for how the Councilors work together and said it is a pleasure to work through these issues as a body.

Councilor Plummer announced Oregon OSHA is holding their first all-Spanish conference on November 19, 2019. He asked if the City could look into expunging criminal records related to cannabis violations for people who might be carrying a penalty related to something that is legal now. Staff will schedule a work session on the matter in order to discuss it further.

Councilor Smith reported on the quarterly breakfast meeting with Marion County. Nick Harville spoke about the increase in hemp production and the lack of processing facilities. She asked if City Council would be interested in touring a facility. Council indicated they would be interested and staff will work to get something scheduled.

Councilor Neideigh said a neighbor inquired why the street sweeper comes on the same day as the garbage cans are on the curb. Public Works Director Schuetz explained the schedule and the Tuesday route is switched every other week with another route so they can get to the areas they were not able to with the cans being out.

### **V. ADJOURNMENT**

Councilor Smith made a motion to adjourn and Mayor Palmer adjourned the meeting at 9:21 p.m.

Respectfully submitted by:

*/s/Angela Speier, Assistant to the City Manager/City Clerk*