



August 19, 2021
City Council Regular/Work Session (Via Zoom)
Willamette Activity Center Room 8
47674 School Street
7:00 p.m.

MINUTES

1. CALL MEETING TO ORDER- 7:00 pm

Council Present: Mayor Holston, Councilors Bobbie Whitney, Michele Coker, Melissa Bjarnson, Audy Spliethof, Dawn Kinyon and Chrissy Hollett

Staff Present: City Administrator Bryan Cutchen, Finance Director Eric Kytola, Police Chief Kevin Martin and City Recorder Jackie Sims

2. Pledge of Allegiance

3. **Roll Call**-Councilor Spliethof joined the meeting at 7:23 pm

4. Additions, corrections or adjustments to the agenda

Mayor Holston-added Public Comment, Mayor Comments and City Council Comments before the work session.

5. Public Comment

Dan Barclay 47487 Hwy 58- talked about the budget shortfalls over the years.

6. Mayors Comments

Mayor Holston-asked if any of the council plans to be out of town for the holiday weekend in September in case we need to change the meeting date to the 9th.

Bryan-he will be out of the town on the 9th.

Mayor Holston-we will keep it for the 2nd of September.

Mayor Holston- asked if anyone was ready to resume live meetings?

Councilor Kinyon-she is not ready to resume live meetings with the new COVID Variant going around.

The consensus of the council was to continue doing zoom meetings at this time.

There will be an Executive Session on August 24th.

7. Council Comments-None

8. Consent Agenda

- 8.1 Approval of minutes from July 15 & August 5.
- 8.2 Financial Report for July 2021

Motion: Councilor Whitney moved to approve the consent agenda. Councilor Coker seconded the motion.

Bjarnson (aye), Mayor Holston (aye), Coker (aye), Hollett (aye), Whitney (aye), Kinyon (aye). Motion passed 6-0

9. Items removed from the consent agenda-None

10. Appointments

- 7.1 Planning Commission Volunteer Application

Bryan-read the issue.

Donald Grant-introduced himself and talked about what he can bring to the planning commission. He wants to contribute to the community.

Councilor Hollett-thanked Mr. Grant, he seems to have some really great assets to bring to the planning commission. Do you have any agendas and what sparked your interest?

Donald- at this point he is not familiar with the agenda.

Motion: Councilor Kinyon moved that we appoint Donald Grant to serve on the Planning Commission to fill a vacancy for a term of 3 years. Councilor Hollett seconded the motion.

Kinyon (aye), Whitney (aye), Coker (aye), Spliethof (aye), Bjarnson (aye), Hollett (aye), Mayor Holston (aye). Motion passed 7-0.

11. *Begin Work Session*****

7:28 pm

Review and comment on Public Safety Fee Implementing Exhibit

Mayor Holston-introduced the Public Safety Fee discussion.

Councilor Hollett-she will not be discussing or voting on this, she has an actual conflict of interest, her husband works for the City of Oakridge under the collective bargaining unit at the fire department.

Councilor Bjarnson-she declared a potential conflict of interest, she is on the volunteer roster at the fire department.

Mayor Holston-how does everyone feel about the language or anything else about this?

Councilor Kinyon-she would like to see this fee be on a separate bill, not the water bill.

Bryan-many cities do the same thing and add other services to their water bills.

Councilor Spliethof-he can't swallow any public safety fees, we need to do some hard cuts. There are other places to make cuts.

Councilor Coker-she likes Bryan's idea of it being a City Services Fee.

Councilor Bjarnson-she likes the idea, her problem is attaching the fee, if you don't pay the fee you get your water turned off.

Mayor Holston-that is a good thing to bring up, how do we enforce this so the fee gets paid?

Councilor Kinyon-she wants a separate bill, she doesn't want people's water to get turned off for not paying the fee.

Mayor Holston-asked Bryan his thoughts, the budget is assumed that people will pay their bills, what if they don't pay?

Councilor Kinyon-she is concerned that this is in the same year that the levy was in.

Bryan-the attorney said this is perfectly legal, other cities do this.

Councilor Whitney-when Rick was working for public works he had them show where their hours were spent and how much time they spent in each department. She would really like to see the Fire and EMS show how much each department is spending and how much they are costing us and how much revenue we are collecting from the services. This would make things so much more transparent for next year's budget.

Councilor Coker-with the low income exemption's how are we going to make sure we are figuring enough to cover what we need?

Bryan-he used the census data and saw how many fall below the poverty level.

Mayor Holston-this is self-identified, we won't go out and find them, and it's on their shoulders to apply for the exemption.

Councilor Spliethof-we have a lot of people coming through our town using our services, we are paying for everybody outside of the city. The Fire Department and Ambulance are ok with their money and the Police Department are above their budget and the city hall employees are above their budget, Oakridge does not want this.

Mayor Holston-we can negotiate Westfir and Hazeldell's contracts, her concern is we need good services and that is across the board.

Councilor Spliethof-Fire and ambulance pay their own way.

Councilor Whitney-she agrees with renegotiating the contracts for Hazeldell and Westfir and she is against slashing the police department even more. She is opposed to a \$30 fee, \$16 or \$17 is easier to swallow.

Councilor Coker-asked Councilor Spliethof to elaborate on how the police department is over budget, why are we looking at them and not where we should be looking?

Councilor Spliethof-police should be looking at bringing in more income, how many tickets are written per day or per month? How many calls do they get?

Councilor Coker-the police are so short staffed.

Mayor Holston-it is illegal for us to direct our police department to write more tickets.

Councilor Kinyon-She has tried to explain this multiple times and is not sure why it keeps coming up, it was proposed to us to pass a budget that showed no transfer to the ESF and instead to propose the fee. We are required by our own polices to transfer tax dollars to our fire services. The ambulance services do pay for themselves. For the first time ever, last year we started out with a negative \$26,000 deficit and we ended the year with a \$67,000 to the good, we are out of the hole in the ESF fund, it is clear, it is in our budget documents, that department came out of the hole.

Bryan-you are completely incorrect on your statement.

Eric-as far as the ESF fund goes the expenditures outstrip the revenue that is brought in by \$560,000 so, that is not coming out of the hole, it costs more than it is bringing in and that is also true with the police department and the admin department. The only departments that is not true is in the water, wastewater and stormwater.

Mayor Holston-she knows Eric has explained this before and Councilor Kinyon disagrees with you, but the numbers don't lie.

Eric-this is not him making a statement or his opinion this is just math, it's a fact.

Councilor Coker-thanked Eric.

Mayor Holston-the community can afford this, the numbers in our budget are accurate. If we decide not to do a public safety fee we place not only our community at risk, we place the future of Oakridge at risk. Already we have seen the result of being over diligent on this. This has been noted by outside arenas that give us money, that are hesitating now to give us money to help with our Wells, because of not being confident of what this city is doing. If we do not do governance in a manner that is forward moving our community is going to pay for it now and in years to come. We have not addressed the elephant in the room, because we have money coming from the American Rescue Program Act and she truly believes that we have councilors who want that money to take care of our shortfalls. If indeed that is the case she'd like to hear that now.

Councilor Whitney-she would like to see some of that money go to some of our shortfalls only this year. Like she said before, she would like to see more transparency on how hours are used at the fire department, how that money is spent on wages and services and what money is coming in so we can separate out what is where.

Mayor Holston-how is that going to help you now?

Councilor Whitney- it's going to make it more clearly to her if we have to make cuts, she is not willing to make cuts at the police department, we have already cut there, one place we haven't made cuts is the fire department. She would like to get a clearer picture of what is going on at the fire department.

Mayor Holston-she appreciates what you have to say, but she does not know how we can make cuts at the fire department right now and make it safe.

Councilor Whitney-that's why she is willing to agree with a fee, but she is not comfortable with a \$30 fee even with the exemption. She probably wouldn't qualify for an exemption but she still has a lot of expenses so \$30 is a huge deal to her and she believes that is the same for other working families.

Councilor Kinyon-if we increase our contract with Westfir for police service and we were to implement a fee to Oakridge residents and essentially add the same fee to their contract it would reduce our need. She has talked to someone that there is an option to have an outside company come in and look at our budgeting and services and offer us some solutions and she really thinks we should look into that. She would like to know how much we would be saving by closing city hall one day a week and how that would reduce our need.

Councilor Kinyon- There is no reason to tell our citizens that we will increase our public safety if all we are doing to do is not increase it.

Mayor Holston- are you talking about the public safety fee because we did not say we were going to increase services. If we do a public safety fee all of those dollars will go into public safety.

Eric-asked Dawn when it says in the budget that you are transferring say, pretend \$550,000 from the general fund to the ESF fund how much of that money is from property tax money?

Councilor Kinyon-she has no idea.

Eric-well you just told me and you told everybody in the city that the \$120,000 was not included because that was all property tax money.

Councilor Kinyon-what she is meaning is that when we set the budget that year we said we would be transferring (made up a number) \$565,000 from the general fund into the ESF fund which is what we do every year and it is not all tax revenue, she calls it all tax revenue because it's a requirement. When we say we are going to increase our public safety and by increasing peoples base rate on water bills and then we don't increase the amount we are transferring to public safety that is fraudulent against our community.

Eric-well then you are pointing the finger at yourself because you are the one who approved the budget that transferred the \$565,000 and you should have known that \$565,000 included the \$120,000 that came from the water fund. It was approved by the budget committee and the city council and that is exactly what happened and now you are saying it was something different

which is completely inaccurate. It's impossible, by the way that Dawn has put these incorrect facts out there, that this is going to happen next time we put the public safety fee out there.

Mayor Holston-she agrees with Eric and understands what he is saying. What Councilor Kinyon is asking us to do is impossible. Rather than talk about this, this is a matter of trust if we do a public safety fee we will have a solid number that says this is how much money was collected from the public safety fee and it will go to public safety. If you don't trust that this will happen then we have a much, much bigger problem.

Eric-you are dead right.

Councilor Kinyon-the last ten years let's pretend we have always transferred \$500,000 from the general fund to the ESF fund, every year and probably every year in the future. Except this year, we are going to ask our public to pay a fee for public safety.

Mayor Holston-we are asking them to pay for what we already have, we know we will have a shortfall. We are not taking money away that used to go to the fire department and saying ok now refund it. We are saying we have a shortfall and we need the money to continue with the services that you have. That's pretty clear.

Eric-when Dawn says that the money wasn't transferred she is creating the distrust in the community, the money was transferred, \$565,000 to the ESF fund came from savings accounts, those savings accounts are zero. The problem started last year when the \$120,000 was added as a public safety fee to the water bill because there was no more savings to pull from. The \$565,000 included the \$120,000 that was collected from the citizens, the problem is even bigger now and there needs to be more money taken from the citizens in order to continue the services at the level that they are at right now.

Councilor Kinyon-the \$565,000 that was transferred was a consistent number in prior years and we raised their base rate to increase the amount of money that was going to go cover public safety.

Eric-that's right because there was only \$300,000 in savings to use instead of \$565,000 like the ten years beforehand.

Mayor Holston-these are all conversations that we have had in budget ad nauseam, she's sorry Councilor Kinyon if you are not in agreement because she values your opinion, but, we have this issue in front of us as to what we are going to do, we can't keep pushing this down. Four months later we are still arguing about the budget even though it was passed. It is now 8:46, we normally adjourn at 9:00 and we are going to adjourn at 9:00 and no one has addressed the if the language in the ordinance is reflective of how we would do a public safety fee and now she has Councilor Kinyon and Councilor Spliethof who are now not in favor of a public safety fee. We need to decide do we want to pursue this, if we are not she is not going to waste her city administrator's time and have him change this and do that if this isn't where we are going and what we really need to do is draw out the blade and start slashing the budget and you will see the results of that at the next council meeting, now is that the direction we want to go?

Councilor Kinyon-she still has two more things to toss out there, next year we won't owe \$350,000 to our water department so we won't have as much of a deficit especially if our deficit is only \$287,000 and she'd like to know why if our deficit is \$287,000 why are we are trying to collect \$565,000?

Mayor Holston-we have talked about that, we can go after the small number or we can after the big number. Eric explained that to us the last time we got together. We could use all the money from the American Rescue Act and plug this hole right now.

Eric-no we can't do that, that's not true.

Mayor Holston-you are right, there are certain criteria that prevents us from doing that.

Eric-even if all of that money was available to spend how we want it is still \$287,000 deficit.

Mayor Holston-asked Councilor Kinyon if she has gotten with Eric and asked him her questions and got answers yet?

Councilor Kinyon-I don't feel like I need to, it's a fact that we aren't borrowing money this year so we won't owe money next year.

Councilor Bjarnson-she wanted to come back to some of ordinance issues, a lot of them still have issues with the public safety fee being attached to the water bill and people's water being turned off. She doesn't want a fee either, she hates that we are even talking about this, but this needs to be addressed before we can move forward even discussing it.

Mayor Holston-she agrees, but if council is not even willing to vote for it she needs to know it now. If this hinges on does the public safety fee go out on another piece of paper in the same envelope or do we call it a city utility fee and put in the same envelope and then combined with do we shut someone's water off because they didn't pay the bill and then combined with the exemption isn't high enough or low enough. Are you willing to negotiate those details and do a public safety fee, that is what the question is.

Councilor Kinyon-if the changes that we have talked about in this document don't get changed then she won't vote in favor.

Mayor Holston-clarified what the changes are: don't put the fee on a city utilities bill, but it can be put in the same envelope, no effect on them losing their water if it doesn't get paid, send them to collections instead, we should establish what a late fee would look like. So unless these things don't happen you aren't willing to do it.

Councilor Kinyon-correct.

Eric-he wants to assure and guarantee every citizen that is listening right now that the money that was taken from the water bill, the \$120,000 was spent on public safety, anybody is welcome to come into his office and he will show them all the journal entries, he doesn't do tricky accounting, it's all vanilla across the board, your money was spent on public safety.

Mayor Holston-thank you Eric, it is important that our community trust what we are doing and it is important that our councilors words do not cause the community to doubt, but inspire our community and she is saying that rather pointedly to you, Councilor Kinyon.

Councilor Spliethof-he will not support the bill and we will not support shutting off people's water for not paying their bill and he is not in support of a public safety fee, we need to find other ways to cut to get this done. Next year is going to be a different thing.

Councilor Coker-do we know what the dollar amount is going to be if we oppose the fee, what is the fee going to look like?

Mayor Holston-we choose what the dollar amount is, we talked about \$31 and then worked it out to \$27 and Eric worked diligently to see what the numbers were only to discover those that wanted to cut things didn't want the public safety fee anyway. If we go as low as \$16 what will that do? If we go down to \$16 there shouldn't even be an exemption.

Mayor Holston-asked if we go down to \$30 how does that effect the budget and our ability to maintain our services as they are and will be able to reinstate any of the cuts already made to the budget.

Bryan- you would be able to fund the police department and fire department at the current level as last year, reopen city hall to operate five days a week, and continue to give the parks the maintenance they got last year and some minor capitol revenue in the enterprise funds that he could restore. We could use the ARPA funds for things that are more critical such as infrastructure that has been neglected for two decades. He will look into restoring the cuts library that was done prior to this.

Councilor Kinyon-when we had our last meeting on August 5th we discussed with Eric's help looking at the actual beginning fund balances and that is what brought us down to the \$287,000 and the \$16 fee instead of \$31 fee.

Mayor Holston-we didn't make any decisions or vote on that. She is in favor of the \$30 after all the cuts we have made, she has changed her mind on this.

Councilor Spliethof-Bryan needs to look at some cuts somewhere because he is not in favor of a public safety fee whatsoever. Asked Bryan to go over what the cuts would be.

Bryan-went over what the cuts would be, it all added up to \$540,000. And understand with the reductions at the fire department, Lane County would probably come after us for nonperformance and remove us from the ambulance service and give it to another provider.

Councilor Spliethof-if we cut the stipend fees we won't get anyone from the valley. We can't cut that because if we do we might as well shut the fire department down and city hall down and go to a rural community.

Bryan-he offered equal opportunity to pass a supplemental budget which would allow you to direct those funds where you want to and you chose not to. There is no more money to cut, you have to cut people.

Councilor Spliethof-he can't agree to cut stipend pay because we won't have the ambulance service. He feels like he is being held over a barrel.

Bryan-that is exactly what he told you.

Mayor Holston-you are not being held over a barrel, this is not a barrel we are being held over, and these are facts. Bryan is advising you that there is no other place to make cuts. We have to look at reality and this is what our city administrator is telling you. We can make our own decisions but it is going to hurt. He has given us the best shot and we have ignored it.

Mayor Holston-she has no desire to move forward tonight because it doesn't feel like we are at a point where we will get further. She encourages the council to look at the areas that are "make and break" for you and send the city administrator or her and we will have to have further discussions.

Councilor Kinyon-would like to find out from the Mayor and Bryan if they are willing to make the changes that they are requesting to this document?

Mayor Holston-not all of them no, she is willing to discuss. Her hard no is if we go down to \$15 we shouldn't have any exemptions. As far as shutting off the water and the extra piece of paper she doesn't have a problem with an extra piece of paper. She understands that shutting off the water is harsh, but she is fine with it.

Councilor Bjarnson-wants to know where everyone else stands and if we are going to continue the discussion about imposing a fee. She would like to feel like we ended this meeting with some progress. She doesn't like it being on the water bill, but she is fine with it going out with the water bill on a separate paper.

Councilor Whitney-she is fine with people obtaining a waiver with a lower fee, if you are low income it is a hardship.

Eric-if the councilors don't want to have it so the people don't get their water turned off for not paying the bill then he thinks it is important for a contingency plan be in place when there is not enough revenue coming in because of citizens not paying. If there is no consequence for not paying the fee then the city council needs a plan to make up the revenue.

12. *End Work Session*****

9:17 pm

13. Public Comment

Trudy Hammond 47752 Berry St-Oakridge gets compared to Eugene and Portland, recovery and assistance program.

Donald Grant-if our fire department gets denigrated our insurance rates will go up, it is imperative that we have EMS services.

Aric Higdon-would hope / encourage the city council to formalize their suggestions by making a vote.

Larry Sweet 76361 Jones Rd-what is the guarantee after three years that the fee won't go up and at the end of three years won't we still be in the same situation?

Mayor Holston-you want to know what is being done to fix the problem rather than just slap a band aid on it, is that what you are asking?

Larry Sweet-yes, and after three years will we still be in the same situation or twice as much?

Bryan- the reason for the fee is to allow him to work with Lane County and the other stake holders involved in the ambulance service area to develop a sustainable model for ambulance service not one that is going to cost us \$400,000 a year. In addition, the city council controls that fee and reviews it annually.

Mayor Holston-reminded the council to put their thoughts in writing and send them to Bryan. The next meeting is September 2, 2021.

14. Adjourn- 9:29 pm

Signed: _____
Kathy Holston, Mayor

Signed: _____
Jackie Sims, City Recorder