

MINUTES

City Council
McNutt Room—Eugene City Hall
777 Pearl Street—Eugene, Oregon

January 11, 2010
7:30 p.m.

PRESENT: Mike Clark, Betty Taylor, Jennifer Solomon, George Poling, Andrea Ortiz, Chris Pryor, George Brown, members.

ABSENT: Alan Zelenka.

Her Honor Mayor Kitty Piercy called the meeting of the Eugene City Council to order.

1. ACTION: Election of Council Officers

Councilor Zelenka, seconded by Councilor Poling, moved to select Mike Clark as President of the City Council for 2010. Roll call vote: the motion passed unanimously, 8:0.

Councilor Zelenka, seconded by Councilor Clark, moved to select Betty Taylor as Vice President of the City Council for 2010. Roll call vote: the motion passed unanimously, 8:0.

2. PUBLIC FORUM

Mayor Piercy reviewed the rules for the public forum.

Mayor Piercy determined there was no councilor who objected to taking action on the item.

Mr. Clark, seconded by Ms. Ortiz, moved that the council adopt Council Bill 5022, a bill adopting hazardous substance user fees for the fiscal year commencing July 2, 2010.

Responding to a question from Mr. Poling about the percentage increase in fees and how it related to other City fees, Mr. Potter said that the fee increase was approximately six percent, but he did not know how that increase compared to increases or decreases in other City fees. He said the fee was not derived by a set inflation formula but rather to the number of a reporting firm's employees.

Roll call vote; the motion carried 5:2; Ms. Solomon and Mr. Poling voting no.

Andrew Fisher, 2450 Jackson Street, Eugene, sought the council's support in preserving the former Joe Romania Showroom, an example of Googie architecture. He said the showroom was considered the strongest example of the style in Eugene. He suggested that the showroom was a community asset and cultural artifact and could be a catalyst for redevelopment of the Walnut Street Station. He recommended it be preserved in an open park-like space that gave people a chance to gather and contrasted to the proposed dense infill being planned. Mr. Fisher cited several reasons in support of his proposal, including that this building embodied an era of history embodied by a distinct style, was the work of accomplished local architects and builders, that it contained elements of significant architectural design and innovation, that it told the history of local business development, that it would provide important historic context for the Walnut Street Station, and that it could be part of a signature entrance to Eugene.

Rick Henson, 317 South F Street, Springfield, AFSCME Local 1724, noted the City's decision to contract out ten maintenance jobs at the Eugene Library, and said AFSCME believed it was a bad decision with a long-term negative impact on the community. He suggested the community looked to City for leadership in creating family-wage jobs. He asked the council to reverse the decision and restore the jobs. Mr. Henson also expressed concern about the relationship between the City and its unions and suggested the City did not partner in good faith given its tendency to act unilaterally, sometimes in violation of contracts. He said AFSCME had volunteered to collaborate with the City and would continue to do so to get the situation back on track, which was important for the future of the relationship when economic times improved.

Lou Sinniger, 25416 Irene Street, Veneta, a former AFSCME 1724 representative, provided some background on the negotiations that occurred between the City and AFSCME in 2005-2006 in regard to contracting out services under former City Manager Dennis Taylor, which resulted in the development and mutual adoption of a competitive service assessment tool to determine whether contracting was appropriate. City Manager Taylor had endorsed the tool. Mr. Sinniger said the City did not use the tool when it decided to contract out services at the library, which surprised him after all the work that had gone into it.

Cindy Clark, 1620 Coburg Court, represented AFSCME Local 1724. She expressed concern about the relationship between AFSCME and the City and asked the council if the decision was consistent with its goals and the community's values. She asked how eliminating ten family-wage jobs and replacing them with minimum-wage jobs met the council's goals. While she applauded the fact the contracting firm hired disabled individuals and veterans, and noted the City did the same, she also questioned how hiring a disabled person at a lower wage than other people doing the same work fit the council's goals and the organization's diversity goals. She asked if it was prudent to risk the asset represented by the library to a firm that was not doing a good job at the other facility it maintained, the Atrium, and asked how much it would cost to restore the library when the damage was done. Ms. Clark also questioned the City's expenditure on a new City Attorney and management positions in a number of areas at the same time it was reducing family-wage jobs.

Josh Skov, 2036 Willamette Street, a member of the Sustainability Committee, discussed the City's use of federal Surface Transportation Program (STP) funds and recommended that they be prioritized for bicycle and pedestrian investments. He suggested the use of money for transportation other than those purposes was at odds with other council goals. Mr. Skov recommended that the council direct staff to favor bicycle and pedestrian investments in its lobbying for federal funding, direct staff to "level the playing field" in terms of alternative modes planning, and to direct staff to seek "win-win" investments that benefit the automobile as a "side effect" of pedestrian- and bicycle-related projects.

Vic Sabin, 1895 Columbia Street, objected to the fact that a City employee installed signs for university permit parking along his street without notice to residents. He acknowledged the University of Oregon owned many of the properties along the street, but there were private houses bordering East 19th Avenue, so he had felt relatively secure until he saw the signs. He had submitted photographs of the signage to the council and questioned its logic. He pointed out that such restrictions were worse for families with children, and for families without direct access to Columbia and Moss streets. He asked that the signs be taken down from the front of privately owned property.

Mel Oberman, 1895 Columbia Street, shared Mr. Sabin's objections to the signage installed by the City of Eugene. He said that the situation would be made worse by new apartment construction that would displace existing parking.

Dennis Gabrielson, 300 South 10th Street, Creswell, objected to the mandated furloughs imposed by the City on its AFSCME employees and predicted they would be found unlawful. He objected to the expenditure of

funding on the Beam project at a difficult economic time and suggested that the council stop considering federal money to be free money. Mr. Gabrielson also noted his objection to the Dream Act. He did not think that illegal immigrants should be given special treatment. He indicated his concurrence with the remarks of Ms. Clarke about the firm that maintained the library, saying it also maintained the wastewater facility and many people did not feel it did a good job.

Mayor Piercy closed the public forum. She noted her own concerns about contracting City services as a policy and was also concerned about the relationship between the City and its unions. She had sought direction from the City Attorney about the degree to which the council could become involved in the issue and was waiting to hear back. She thanked the Sustainability Commission for sharing its concerns and noted that she had sent an e-mail to the council that afternoon about the same issue. She acknowledged the gap in preservation funding but questioned if the council wanted to restrict STP funds by policy to that use.

Councilor Poling asked how many people were laid off as a result of the library contract. City Manager Jon Ruiz indicated no City employees were laid off. Councilor Poling asked about the training provided to contract employees. City Manager Ruiz said he would get back to the council on that issue. Councilor Poling suggested that if the work was substandard, that was not what the City was looking for. He asked what impacts on other service areas or employees were involved in the reduction. City Manager Ruiz indicated that the City's goal was to minimize the impact of such reductions on services and avoid layoffs. He said that the City succeeded in that goal. He did not know what other options had existed and did not want to speculate.

Councilor Poling asked about the new manager position at the library. City Manager Ruiz explained that the City combined two positions into one position and retitled it.

Councilor Clark asked if City Manager Ruiz considered the contract a change in policy. City Manager Ruiz indicated that the occasion was the first time it occurred in his knowledge. Responding to a question from Councilor Clark about the actual savings realized by contracting maintenance services at the library, City Manager Ruiz estimated the savings at \$250,000 annually, and indicated that \$100,000 had been saved in fiscal year 2010. Councilor Clark asked how much the contracted employees were paid, and if City Manager Ruiz would characterize it as a "non-living wage." City Manager Ruiz acknowledged the hourly rate was less and indicated he would have to return with a comparison.

City Manager Ruiz expressed appreciation for the work of City employees and for AFSCME's representatives, and suggested that parties shared different viewpoints. He wanted to work on the relationship and thought the city had an opportunity to improve things and said "we will." His motivation for the change was to ensure that all employees could remain employed with the organization. He believed that conflicting values were at work and said the City needed to work through those.

Speaking to the concerns expressed by Mr. Sabin and Mr. Oberman, Councilor Clark asked if some houses lacked on-street parking entirely. Planning and Development Director Susan Muir did not think so, and indicated she would follow up. She said she also planned to meet with Mr. Savin and Mr. Oberman to see if there was a "win-win" situation that could be found.

Mayor Piercy adjusted the agenda to accommodate the schedule of Councilor Ortiz.

**5. ACTION:
Interim Appointment to the Budget Committee**

Councilor Clark, seconded by Councilor Taylor, moved to appoint Aaron Walker as an interim appointment to the Budget Committee to Position 6, the unexpired term of Noah Kamrat, which will expire on June 30, 2012.

Councilor Clark commended both candidates and indicated he offered Mr. Walker's name because of his residency in north Eugene. He reminded the council about its recent discussion about the need for geographic diversity on City boards and commissions as part of its discussion of the Human Rights Commission work plan. He pointed out that, currently, seven lay members of the committee were from south Eugene.

Councilor Zelenka, seconded by Councilor Taylor, moved to substitute Shanda Miller for Aaron Walker as an interim appointment to the Budget Committee to Position 6, the unexpired term of Noah Kamrat, which will expire on June 30, 2012.

Roll call vote: the vote on the motion was a 4:4 tie; councilors Clark, Solomon, Poling, and Pryor voting yes; councilors Taylor, Zelenka, Ortiz, and Brown voting no; Mayor Piercy cast a vote in favor of Ms. Miller, and the final vote on the motion was 5:4.

3. CONSENT CALENDAR

A. Approval of City Council Minutes

- January 12, 2009, Executive Session
- June 24, 2009, Work Session
- July 13, 2009, City Council Meeting
- October 28, 2009, Work Session
- November 9, 2009, City Council Meeting
- November 16, 2009, Public Hearing
- November 23, 2009, City Council Meeting

B. Approval of Tentative Working Agenda

C. Adoption of Resolution 4996 Acknowledging Receipt of the City of Eugene Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2009

D. Adoption of Resolution 4997 Authorizing the Execution of HUD Section 108 Notes in the Amount of \$5,189,000

E. Interim Appointment to the Human Rights Commission

F. Ratification of Intergovernmental Relations Committee Minutes of October 21, 2009

G. Adoption of Resolution 4998 Adopting Inflationary Adjustments to Systems Development Charges for Parks System, Local Wastewater System, Stormwater System, and Transportation System; Superseding Administrative Order 58-08-02-F; and Amending Resolution No. 4900

Councilor Clark pulled Item G.

Councilor Clark, seconded by Councilor Taylor, moved to adopt the Consent Calendar with the exception of Item G. Roll call vote: the motion passed unanimously, 8:0.

Councilor Ortiz left the meeting.

Councilor Clark recalled that the council had postponed making an adjustment to the systems development charge in June 2009 because of the economy. Nancy Burns of the Public Works Engineering Division confirmed that fact. Councilor Clark did not think the economy had improved and asked the consequences of postponing action. Ms. Burns said that would delay some additional revenue collection related to permits submitted during that time, and the possible delay of some capital projects. Councilor Clark asked about the projects involved. City Engineer Mark Schoening was unable to provide a list of projects. He said that systems development charge revenues had declined dramatically and many projects were being postponed.

Councilor Clark, seconded by Councilor Solomon, moved to amend Section 6 of the resolution to change the effective date from April 1, 2010, to October 1, 2010.

Councilor Pryor asked if staff had a sense of the scale of the dollars involved in a delay. Mr. Schoening estimated that tens of thousands of dollars were involved. He said that no projects would be stopped as a result of the motion. Councilor Pryor indicated he was inclined to support the delay for another six months but believed that was the last time he would be willing to postpone the adjustments.

Mr. Schoening determined that Councilor Clark was interested in delaying the implementation of the adjustments for a six-month period.

Councilor Clark favored the delay to give the economy time to improve.

Councilor Zelenka asked staff if it could provide an analysis of the fiscal impact by January 12. Mr. Schoening said yes.

Councilor Zelenka, seconded by Councilor Taylor, moved to table the item until January 13, 2010. The motion passed, 4:3; councilors Clark, Solomon, and Poling voting no.

Mayor Piercy adjourned the meeting of the Eugene City Council and convened a meeting of the Eugene Urban Renewal Agency.

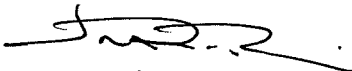
4. ACTION:

Resolution 1054 Acknowledging Receipt of the Annual Report of the Urban Renewal Report of the Urban Renewal Agency of the City of Eugene, Oregon, for the Fiscal Year Ended June 30, 2009

Councilor Clark, seconded by Councilor Taylor, moved to adopt Resolution 1054, Acknowledging Receipt of the Annual Report of the Urban Renewal Agency of the City of Eugene, Oregon, for the Fiscal Year Ended June 30, 2009. Roll call vote: the motion passed unanimously, 7:0.

Mayor Piercy adjourned the meeting at 8:21 p.m.

Respectfully Submitted,



Jon Ruiz
City Manager

(Recorded by Kimberly Young)