

MINUTES

Eugene Budget Committee
Downtown Library—Bascom-Tykeson Room—100 West 10th Avenue
Eugene, Oregon

May 5, 2010
5:30 p.m.

PRESENT: John Barofsky, Chair; Claire Syrett, Vice Chair; George Brown, George Poling, Chris Pryor, Jennifer Solomon, Betty Taylor, Alan Zelenka, Terry McDonald, Mary Ann Holser, Shanda Miller, Joseph Potwora, Ramin Shojai, Doug Smith, members; City Manager Jon Ruiz, Assistant City Manager Sarah Medary, Renee Grube, Craig Smith, Library, Recreation and Cultural Services; Scott Luell, Planning and Development; Kurt Corey, Johnny Medlin, Public Works; Kristie Hammitt, Sue Cutsogorge, Larry Hill, Twylla Miller, Pavel Gubanikhin, Mike Penwell, Central Services.

ABSENT: Mike Clark, Andrea Ortiz, members.

Mr. Barofsky called the meeting of the Eugene Budget Committee to order at 5:32 p.m. and welcomed the committee members and guests.

Mr. Barofsky noted that the public comment portion of the meeting had been scheduled for 7:00 p.m. due to the time commitments of several committee members. Mr. Barofsky further noted that several public comments had been submitted electronically and had been distributed to each of the Budget Committee members.

Mr. Barofsky noted that correspondence had recently been exchanged among the Committee members and had helped to inform the group's decision making processes.

Mr. Barofsky reviewed the meeting agenda and asked the Budget Committee members to hold their respective comments and questions until after the completion of each staff presentation.

I. PUBLIC WORKS

Mr. Corey provided an update on the current status of the Public Works Department Road Fund and briefly reviewed the City of Eugene Transportation System Funding chart which described how various transportation funding sources typically had been used in each of the three main transportation system areas. Mr. Corey mentioned several projects from each of the three areas (Transportation System Operations and Maintenance, Transportation System Capital Preservation, and New Streets/ Enhanced Capacity/ Special Projects).

Mr. Corey reported that the FY11 proposed budget for Operations & Maintenance (O&M) activities was approximately \$9.8 million, the majority of which had come from the State's highway gas tax trust fund. Mr. Corey further commented on how elements of State and local gas tax revenues had been influenced by the passage of House Bill 2001.

Mr. Corey stated that the current projections showed a balanced Road Fund for the next six years which would allow the Public Works division to focus on the significant deferred maintenance backlog. He

further noted that Road Fund reserves would be reduced to achieve a balanced budget for FY11, but that those reserves would be restored by FY13.

Mr. Corey was cautiously optimistic that the passage of House Bill 2001 might allow for Public Works to implement various service enhancements over the next several years.

Mr. Corey commented on several funding elements for the Road Fund and positively characterized the status of the fund as "having begun to stabilize the backlog."

Mr. Corey shared information regarding the O&M outcomes on a number of local Public Works projects in the community.

Mr. Corey responded to previous Council inquiries and reported that use of Road Fund revenues was constitutionally limited to roads and rights of way and that such funds could not be applied to bicycle and pedestrian off-street maintenance activities. He further stated that any bond proceeds were required to be directed to capital projects and could similarly not be applied to bicycle and pedestrian off-street maintenance activities.

Mr. Corey shared information on several recent successful pavement preservation projects and noted that such projects were expected to continue in all four quadrants of the City of Eugene in the near future. He further noted that the Public Works Department had recently begun using warm mix asphalt which required less energy and materials to use.

Mr. Corey commented on new Public Works capital transportation projects in general and the Delta Ponds bridge project in particular. Mr. Corey further stated that the local investment on the Delta Ponds bridge project had been relatively very small and that it had been funded almost entirely with federal stimulus dollars. He further noted that the Delta Ponds bridge was expected to be completed later in the summer.

Mr. Corey provided an update and overview of the Public Works capital projects for the City's wastewater, stormwater and airport divisions.

Mr. Zelenka arrived to the meeting at 5:56 p.m.

Mr. Corey provided information on the BioCycle farm near Highway 99 which had been created in conjunction with regional wastewater partners and which used approximately 400 acres of poplar trees to facilitate a number of sustainable wastewater treatment strategies.

Mr. Medlin provided an overview of the Public Works Parks & Open Space program and discussed how capital funding had been applied to Parks & Open Space areas over the last ten years.

Mr. Medlin reported that approximately \$15 million remained of a 2006 Parks & Open Space bond measure, but that those funds had been restricted to the acquisition of additional park land and not available for park maintenance.

Mr. Medlin maintained that park land acquisitions represented a significant increase in operations and maintenance needs for those lands. Mr. Medlin proceeded to outline a number of the financial steps that had been taken to provide for the increased operations and maintenance funding requirements for park lands.

Mr. Medlin provided a detailed comparison on the number and types of current park lands with those from several years ago and previous to the 2006 Parks & Open Space bond.

Ms. Miller arrived to the meeting at 6:07 p.m.

Mr. Medlin maintained that the current operations and maintenance funding structure for Parks & Open Space was not sufficient to keep pace with the division's significantly larger capital asset base.

Mr. Medlin briefly discussed the various maintenance needs of the Parks & Open Space assets with particular emphasis on the levels of preventative maintenance needed for older and newer assets. Mr. Medlin also provided information on the wide variety of volunteer and public partnership efforts that had been used to assist in park maintenance and improvement efforts.

Mr. Medlin suggested it might be necessary to postpone or defer certain long term park maintenance efforts in order to accommodate the needs of the total park lands inventory. He further noted that there were inherent risks and limits involved in such strategies.

Mr. Medlin addressed several questions that had been submitted, and in response to Mayor Kitty Piercy's concern regarding the community gardens noted that it would be important to make the volunteer maintenance strategies for those gardens a sustainable enterprise.

Mr. Medlin addressed another question regarding vehicle costs for the Parks & Open Space division and noted that over the past two years the division had reduced its fleet by four vehicles and had looked for opportunities to increase its use of more fuel-efficient vehicles. Mr. Medlin further noted that in 2009 he had forgone the use of a City vehicle in order to donate the use of his own vehicle for work-related travel.

Mr. Medlin responded to community concerns that had been raised regarding the Owen Rose Garden and Hendricks Park and noted that the large amount of volunteer maintenance support for those parks had prevented any reductions to them. Mr. Medlin further provided figures regarding the significantly higher operations and maintenance costs for the developed portions of the Owen Rose Garden and Hendricks Park versus other City parks. He further noted that in FY09 approximately 10% of the Parks & Open Space General Fund budget had been devoted to the operations and maintenance of the Owen Rose Garden and Hendricks Park.

Mr. Medlin commented that to address the significant financial strain of the Owen Rose Garden and Hendricks Park his division had proposed eliminating two of the six gardener park specialist positions, approximately \$40,000 in maintenance funding, and the Hendricks Park forest management contract. He summarized that both the Owen Rose Garden and Hendricks Park would essentially be managed as a general service park rather than a specialized park entity. Mr. Medlin continued on to outline a number of strategies being implemented in order to alleviate the financial burdens inherent in the operations and maintenance of the Owen Rose Garden and Hendricks Park.

Mr. Barofsky thanked Mr. Medlin and Mr. Corey for their presentations and opened the meeting to questions from the Budget Committee members.

Mr. McDonald asked to what degree the Parks and Open Space division had coordinated with the Master Gardener Extension Program. Mr. Medlin responded that while the division had drawn on the community resources of that program it had primarily drawn on the expertise of the Parks and Open Space staff. Mr. McDonald commented that the program might be utilized even more in order to alleviate some park maintenance costs.

Mr. Medlin, responding to a question from Mr. McDonald, noted that most of the composting on City park lands was done on-site.

Mr. Medlin, responding to a question from Mr. McDonald, briefly commented on the various grant

funding processes that had typically been employed by the Parks and Open Space division. He noted that state grant funding for park lands was a highly competitive process.

Mr. Pryor asked how much potable water was regularly used by the Parks and Open Space division in their operations and maintenance activities. Mr. Medlin did not have accurate figures regarding the use of potable water immediately available and noted that past brown-out attempts to decrease the amount of potable water for park maintenance had been unsuccessful.

Mr. Medlin, responding to a question from Mr. Pryor, briefly discussed how the Parks and Open Space division's intention to cut back on the development of new parks would affect the division's long-term plans. Mr. Medlin further noted that any significant revisions to the division's plan goals would most likely be the result of community input rather than from any elements of a scaled back development plan.

Ms. Syrett thanked Mr. Medlin for giving up the use of the City vehicle he had previously mentioned.

Ms. Syrett asked Mr. Medlin for his input on recent suggestions from the community for a voluntary dog park fee. Mr. Medlin noted that Parks and Open Space had had conversations with other elements of the organization and believed that enforcement of such a fee would be difficult. He noted that Parks and Open Space staff had been exploring the use of different community partnerships in order to fund local dog parks in a more positive manner.

Mr. Medlin, responding to a question from Ms. Syrett, briefly noted the various bond amounts that remained for use by the Parks and Open Space division as well as the acquisition projects for which those funds were likely to be directed.

Ms. Taylor congratulated the Parks and Open Space division for its efforts to maintain responsible and efficient watering practices in local parks.

Ms. Taylor asked if the remaining bond funds could be used to purchase the rest of the Amazon headwaters property. Mr. Medlin responded that the City Attorney's office would be better suited to answer that question.

Ms. Taylor asked if the Parks and Open Space division still used volunteers to help with certain maintenance activities. Mr. Medlin responded that both the Owen Rose Garden and Hendricks Park still enjoyed a great deal of volunteer support.

Ms. Holser asked Mr. Medlin to acknowledge that Hendricks Park was a very special park and had historically been emphasized much more than other park lands in the community.

Ms. Holser asked how the Parks and Open Space division would manage volunteer resources for Hendricks Park if the contracted part time volunteer coordinator position was eliminated. Ms. Holser further noted that the natural areas of Hendricks Park would still need to be maintained in accordance with the City's Forest Management Plan even without a contracted volunteer coordinator position.

Mr. Medlin referred to Ms. Holser's comment and agreed that Hendricks Park was unique and special but also noted that there were elements that made each individual park facility special in its own right.

Mr. Medlin, responding to a request from Mr. Potwora, briefly noted the various park space expansions and acquisitions that had occurred over the last two decades.

Mr. Potwora asked if any utilization statistics had been compiled regarding the park lands that had been added in the last several years. Mr. Medlin responded that a park usage survey had been conducted in

2004 but that nothing more recent had been compiled.

Mr. Potwora suggested it was possible that some of the expanded park lands might not be used as much as some others and asked if there were any carrying costs that might be incurred by closing down some of those parks. Mr. Medlin briefly commented on the various maintenance costs associated with park lands that were not currently available for public use.

Mr. Potwora commented that the Parks and Open Space funding portfolio appeared to exceed the available resources for the division. Mr. Medlin agreed that the budget for the current year was insufficient by approximately \$800,000 to \$900,000 and hoped that such trends could be reversed in the future.

Mr. Zelenka congratulated the Parks and Open Space division for their recent improvements to the Fairmount and West University area parks.

Mr. Zelenka felt that the Hendricks Park forest management contract helped to leverage valuable volunteer maintenance time for the park and hoped that it would not be eliminated.

Mr. Medlin, responding to a question from Mr. Zelenka, noted that the \$800,000 operations and maintenance funding deficit was expected to be faced on an annual basis.

Mr. Medlin responded to comments from Mr. Zelenka regarding the funding for operations and maintenance of local park lands and stated his opinion that local service development charges (SDC) paid for a significant portion of new park capital development. He stated that it was generally a community decision as to whether certain capital park development was funded through bond measures.

Mr. Zelenka expressed that the City parks were a highly valuable asset that in many respects were not being maintained as well as they could be. He further commented that the large amount of undeveloped park land might be burdensome to the Parks and Open Space division.

Mr. Medlin responded to Mr. Zelenka's comment and noted that having a certain amount of undeveloped park land was not always a bad thing and that there were certain community and financial benefits to postponing development of some park areas.

II. PUBLIC COMMENT

Mr. Barofsky briefly explained the format for the public comment portion of the meeting.

Deb Frisch offered public comments regarding the City's budget policies and expressed her belief that the City staff had demonstrated cost-ineffective prioritization in its budget considerations.

Mary Salinas spoke with regard to the needs and concerns of homeless members of the community. She requested that the City budget be redirected in order to provide more funding and resources for homeless persons and associated social service groups.

Mr. Zelenka excused himself from the meeting at 7:06 p.m.

John Moriarty spoke with regard to Mr. Medlin's Parks and Open Space presentation and noted that he had been a member of the original departmental advisory committee that had developed the first Hendricks Park forest management plan. He further noted that he had also served as the first forest management coordinator for that plan. He noted that he currently served as a member of the Friends of Hendricks Park's advisory council. He recognized the difficult decisions being considered by the Budget Committee

and hoped to reinforce the investment decisions that had been made to protect Hendricks Park as a valuable regional asset.

Sandra Austen spoke in her capacity as a founding member of the Friends of Hendricks Parks and chair of that organization's forest restoration committee. She commended the Parks and Open Space division and the City park staff for their outstanding partnership efforts with her organization. She further commented on a number of issues affecting Hendricks Park including funding for the forest management plan and the forest management coordinator position. Ms. Austen distributed copies of a formal statement prepared by the Friend of Hendricks Park.

Jim Beyer spoke in his capacity as a long time volunteer member of the Friends of Hendricks Park and strongly advocated for the continued support for volunteer efforts at Hendricks Park. He further maintained that the long-standing volunteer operations and maintenance model for Hendricks Park might serve as an effective model for other large local parks. Mr. Beyer reported that over the past years the Friends of Hendricks Park had made direct cash investments totaling approximately \$36,000 into the park and had contributed forest restoration volunteer hours collectively valued at approximately \$60,000. Mr. Beyer advocated for the preservation of the forest management coordinator position.

Thomas Price spoke in his capacity as chair of the Churchill Area Neighbors association and as a board member of the GreenLane Sustainable Business Network. Mr. Price requested a copy of the Hendricks Park forest management plan that had been referenced earlier in the meeting. Mr. Price advocated for the creation and implementation of a city-wide forest management plan and hoped that Public Works staff and City executives would continue to proactively address the needs a variety of ecosystems within the region including those forested park areas overseen by the City of Eugene. Mr. Price also advocated for the City to partner with area homeowner associations in order to address Parks and Open Space funding issues.

Sonja Aradjay spoke on behalf of Lane County Animal Services (LCAS) and requested that the public comment record be held open to allow for further public input. She strongly advocated against the City's budget proposal to reduce its funding to LCAS. She expressed her opinion that the reduction of the City of Eugene's funding contributions would be devastating to LCAS.

Mr. Barofsky responded to Ms. Aradjay's request to keep the public comment record open and noted that members of the public were welcome to provide input and comment electronically throughout the City's budget process.

Mr. Potwora responded to Ms. Aradjay's comments and asked if LCAS had considered increasing its licensing fees for animals or increasing enforcement fees for pet owners who did not comply with local ordinances. Ms. Aradjay responded that the implementation and enforcement of increased fees would be prohibitively expensive.

Mr. Barofsky called for a break at 7:25 p.m. and reconvened the meeting at 7:37 p.m.

Mr. Barofsky opened the meeting to Budget Committee members' questions and comments regarding Mr. Corey's Public Works presentation.

Mr. Smith noted his appreciation for the professionalism and expertise demonstrated by Public Works road crews in their recent road repair efforts.

Mr. Corey, responding to a question from Ms. Taylor noted that local off-street bike paths were not typically considered public rights of way.

Ms. Taylor asked on behalf of one of her constituents if the planting along Amazon Creek interfered with

flood control measures. Mr. Corey responded that the planting of trees and vegetation by Public Works staff along Amazon Creek was intended to address multiple objectives and that the Creek's flood control capabilities had not been adversely affected as a result of those efforts.

Mr. McDonald maintained it was important for City staff to understand the importance of trees to the community particularly with respect to how trees in local areas could sustainably minimize the impact from heavy metals and other air and water contaminants.

Mr. McDonald addressed road surfacing efforts by the Public Works division and asked to what degree sewer infrastructure had deteriorated as a result of such work. Mr. Corey did not have specific information regarding the current conditions or the remaining lifespan of the City's wastewater system, but noted that regular repair and system rehabilitation efforts had been regularly incorporated into the work plan of the Public Works Wastewater division.

Mr. McDonald asked to what degree stormwater treatment retrofitting practices had improved local water quality. Mr. Corey answered that no monitoring standards with respect to stormwater treatment had been established and that water quality improvement in that regard had been difficult to quantify.

Mr. Barofsky noted his concern that funds might continue to be diverted from the City's stormwater and wastewater areas in order to address funding shortages in other City areas. Mr. Ruiz responded to Mr. Barofsky's concerns and commented that any efforts to utilize stormwater or wastewater funds for other purposes had been taken in careful consideration of the nexus between stormwater/wastewater treatment and other City areas.

Mr. Corey, responding to a question from Mr. Brown, noted that the BioCycle Farm was located near the intersection of Highway 99 and Aubrey Lane. Mr. Corey noted that of the 600 acre facility 400 acres were occupied by the poplar tree plantation and that further uses for the remaining 200 acres were still being contemplated.

Mr. Corey, responding to a question from Mr. Brown, briefly described how the City's wastewater biosolids were transported to the BioCycle Farm.

Mr. Brown asked how the anticipated 2014 harvest of the poplar trees on BioCycle Farm would be used. Mr. Corey responded that the ultimate use for the poplar trees once they had been harvested had still not been determined. He further noted that as the BioCycle farm had been developed the trees had been planted further apart in order to facilitate their use in the construction of furniture and cabinets.

Mr. Corey reminded Mr. Brown that the BioCycle farm was a project of the Metropolitan Wastewater Management Commission (MWMC), the governing body that managed the metropolitan regional wastewater treatment facilities for the Cities of Eugene and Springfield.

Mr. Brown asked if the City of Eugene and the MWMC expected to make a profit from the harvest of the poplar trees on the BioCycle farm in 2014. Mr. Corey hoped it would at least break even and noted that the farm itself had been developed primarily as a sustainable method of processing residual wastewater biosolid materials.

Ms. Syrett referred to the City Manager's budget proposal to eliminate preventative and ongoing maintenance of off-street multi-use paths and asked if any consideration had been given to reducing the amount of maintenance instead of completely eliminating it. Ms. Syrett further asked Mr. Corey for his estimations of potential problems arising from the elimination of the maintenance for multi-use paths. Mr. Corey responded to Ms. Syrett's questions and briefly discussed the reasons behind the proposed elimination of the maintenance for the multi-use paths. Mr. Corey further noted that the Public Works

division could accommodate the elimination of the path maintenance for up to two years before an alternative solution would need to be implemented.

Mr. Corey, responding to a question from Ms. Syrett, noted that the lighting systems along the multi-use paths would continue to be operated and maintained regardless of the elimination of other maintenance practices.

Mr. Corey, responding to a question from Mr. McDonald, noted that Rexius had considered relocating their current facility the remaining section of the BioCycle Farm.

Mr. McDonald encouraged the Public Works division to continue its partnerships with Lane County with respect to the BioCycle Farm. He noted that Rexius' intention to relocate its current Eugene facility appeared to be in line with that organization's sustainability goals.

Mr. McDonald suggested that ARRA funding might be used to retrofit the lighting systems being used along the City's off-street multi-use bike paths.

Mr. Corey, responding to a question from Mr. McDonald, briefly commented on the air freight practices at the Eugene Airport.

III. FACILITIES

Facilities Design and Construction Manager Mike Penwell provided a brief overview of the FY11 capital budget for the Facility Management division.

Mr. Penwell outlined the General Fund strategy and capital budget categories for the benefit of the Budget Committee.

Mr. Penwell noted that the General Fund capital transfer for FY11 was slightly higher than in FY10 and discussed the additional transfer that normally occurs as part of the supplemental budget process.

Mr. Penwell described other capital funding sources for the Facilities division including federal stimulus funding and a State seismic rehabilitation grant. Mr. Penwell further commented that the seismic rehabilitation grant was committed to bringing the Bethel Fire Station No. 8 up to current code specifications.

Mr. Penwell briefly highlighted the breakdown of the additional \$900,000 capital transfer from the General Fund and noted that, alternative to previous capital transfers, the current transfer would be more focused on funding for various energy conservation and cost-control measures. He further noted that the Bacchus Engineering study that had determined many of the conservation and cost-control measures had been paid for by the Energy Trust of Oregon and EWEB.

Mr. Penwell discussed the current condition of the City's General Fund facilities as well as the various building preservation performance measures of the General Fund facilities. Mr. Penwell noted that the City's current annual reinvestment in capital preservation and major maintenance was currently 1.4% and less than the industry standard due to increases in the current replacement values of the General Fund facilities and also due to the increased asset values as a result of new construction and acquisition of City facilities.

Mr. Penwell described the Facility Management division's capital asset strategic planning goals. He noted that the City had been "slipping a bit" with respect to its ability address certain deficiencies for capital

assets. He cited the Hult Center for the Performing Arts as an example of a newer City building that required a significant amount of capital reinvestment.

Mr. Penwell commented on the Facility Management division's strategic planning efforts. He noted that the City had fallen behind on capital reinvestments for the Echo Hollow and Sheldon indoor pool facilities. He noted that extensive capital reinvestment would be required to address the problems with the current City Hall facility.

Mr. Pryor asked for information regarding the City's timeline and cost projections for the steam conversion of downtown City buildings such as City Hall. Mr. Penwell noted that the steam heat system overseen by EWEB was inexorably tied into Sacred Heart Hospital and that EWEB's contract for that system went through the middle of 2012. He noted that once Sacred Heart Hospital converted over from its current steam heat system it would no longer be economically viable for EWEB to provide steam heat to other areas of Eugene. He noted that EWEB was currently implementing a variety of strategies designed to assist downtown businesses with transition efforts.

Mr. Smith referenced Mr. Penwell's comments regarding the capital reinvestment needed for City pools and further maintained that pools generally broke down faster than any other City owned asset. Mr. Smith asked Mr. Penwell if any further recommendations had been made in the Bacchus Engineering study regarding capital reinvestment for the City's pool facilities. Mr. Penwell responded that the study had recommended lighting upgrades, automatic pool blankets, ventilation system upgrades, and the refurbishment of solar heating systems at each pool.

Mr. Smith noted that he had been significantly involved in the renovation process for the Amazon Pool and asked if any final determinations had been made with regard to the cost-benefits provided by the installation of solar panel heating systems at that facility. Mr. Penwell answered that he had no definitive data currently available in that regard but noted that he would research the matter and return with more information.

Mr. Penwell, responding to a question from Mr. Smith, noted that there were no immediate plans to incorporate any new system efficiencies into the Amazon Pool facility since that building had only just recently been refurbished.

Mr. Smith commented on the difficulties involved in obtaining energy efficiencies at City pools and stressed the importance of using solar blankets to reduce water heating costs at those facilities.

Mr. Penwell, responding to a question from Mr. Barofsky, described the breakdown of the General Capital Projects Fund budget in greater detail and noted that federal stimulus funding had not been incorporated into the budget since such funds had been committed to non-deficiency areas via the supplemental budget process.

Mr. Barofsky commented on the additional \$900,000 General Fund capital transfer made from the beginning working capital that had been incorporated into the capital improvement program and maintained that this transfer should be part of the proposed budget, rather than handled as part of the supplemental budget.

Mr. Penwell, responding to a question from Mr. McDonald, provided detailed information regarding the Eugene Library retrofit funded by the FY10 capital transfer. He noted that the retrofit provided for certain heating and ventilation controls and sensors in order to make the library building more energy efficient.

IV. AQUATICS

Recreation Division Manager Craig Smith provided an overview of the three City pools and described several of the unique elements of each facility.

Mr. Craig Smith briefly described the service areas provided by the three City pools and noted that those services had resulted in approximately 250,000 patron visits each year.

Mr. Craig Smith described the city wide budget goals that had been applied the LCRS Recreation division with emphasis on how those goals would be incorporated in the aquatics programs for FY11.

Mr. Craig Smith commented on the current budget proposal to delay the opening of the Amazon Pool by four weeks beginning in mid-May.

Mr. Craig Smith briefly referenced the 2008/2009 average patron use statistics for Amazon Pool and reminded the Budget Committee that Amazon Pool was an outdoor facility that was only open for five and a half months out of the year. He noted that the four week target for the delayed opening of the Amazon Pool represented the lowest usage numbers out of the Amazon Pool's regular operation season.

Mr. Craig Smith noted that September was the scheduled maintenance period for the Echo Hollow and Sheldon pools and that little or no patrons used those facilities during that period.

Mr. Craig Smith briefly explained the reasoning behind the delayed opening strategy for Amazon Pool and noted that in addition to the lower patron use figures, the needs of the regular users of Amazon Pool during that period could reasonably be accommodated by the Echo Hollow and Sheldon pools. He further noted that the delayed opening would provide significant cost-benefits in the form of reduced maintenance and energy consumption costs.

Mr. Craig Smith provided detailed information on the types of patrons who would be most affected by the delayed opening of the Amazon Pool as well as additional information on how the needs of those patrons could or could not be accommodated.

Mr. Craig Smith summarized the results of the triple bottom line analysis that had been performed regarding the delayed opening strategy for Amazon Pool.

Mr. Craig Smith outlined the budget reductions for the entire Recreation Division and noted that they were projected to provide a net savings of approximately \$261,000 with no service losses and no new fees implemented. Additionally, Mr. Craig noted that staff restructuring and reassignment efforts for the Recreation Division were expected to result in reduction of approximately 1.5 FTE positions and to increase revenues in certain service areas.

Mr. Craig Smith, responding to a question from Mr. Poling, briefly restated the various aquatics teams that used the Amazon Pool during the delayed opening target period. Mr. Craig Smith further noted that those teams paid a fee for the use of the Amazon Pool in the form of a lane rates which fluctuated depending on various usage conditions.

Mr. Poling requested a comparison chart to demonstrate the various lane rates and fees that were used at the three City pools.

Mr. Craig Smith, responding to a question from Mr. Poling, noted that the University of Oregon paid a fee to the City to use the Amazon Pool for its annual water polo tournament. He further noted that neither the University nor the City charged any sort of admission fee for patrons of that event.

Mr. Poling maintained that the Recreation Division needed to be more competitive with respect to the rates it charged to aquatics teams for the use of City pool facilities.

Ms. Grube noted that LCRS staff would compile comparison rate information as Mr. Poling had requested.

Mr. Smith briefly commented on the importance of providing quality aquatics facilities to the community and noted he planned to put forth an amendment to remove the Amazon Pool budget reduction from the proposed LRCS budget.

Mr. Pryor thanked Mr. Craig Smith for his presentation and noted his appreciation for the maintenance efficiencies that had been projected as part of the delayed opening strategy. He further noted that the delayed opening would not have a large community impact since the delayed opening targeted a period of much lower patron use for the Amazon Pool but that it might be worth reconsidering the strategy in order to garner the goodwill of the "water-dedicated" segment of the community.

Ms. Grube, responding to a question from Mr. Potwora, noted that the City of Eugene did not make direct contributions to local organizations such as KidSports or the YMCA but that it did provide the use of spaces and equipment at certain City facilities at no charge.

Mr. Craig Smith, responding to a question from Mr. Brown, briefly described the relationship between the lost revenues and the cost savings that had been projected for the delayed opening strategy. He noted that the net savings after taking into account the revenue lost from the use of the pool during the target period was approximately \$8,000.

Ms. Solomon suggested that only the large 50 meter lap swim pool might be opened for use during the target period. Mr. Craig Smith responded that it was only the lap swim pool that was open during the May-June period to begin with.

Mr. Barofsky recalled that a Budget Citizen Subcommittee had considered aquatics fees several years ago and had ultimately concluded that providing aquatics services to the community would never serve as a revenue-neutral enterprise. He recognized that City aquatics services might be a "losing game" financially, but understood that providing such services was a valuable and necessary function of a municipal government organization such as the City of Eugene.

Mr. Craig Smith, responding to a question from Ms. Miller, noted that the City pools counted the number of patron visits rather than the number of community members who regularly used the pools.

Mr. Smith noted he had spoken with staff members of the City aquatics facilities and noted their belief that there were additional aquatics services that could be provided during the target period for the delayed opening of the Amazon Pool.

V. COMMITTEE DISCUSSION

Mr. Barofsky informed the Budget Committee members that a packet would be distributed to them on May 6 which would summarize several of the budget-related questions that had been raised at the Committee's previous meetings.

Mr. Barofsky further noted that three more Budget Committee meetings were currently scheduled, one for May 12, another for May 17 and a final one for May 19. He urged the Committee members to begin formulating any possible motions they might want to raise as their budget discussions progressed. He hoped that a list of proposed motions might be compiled for the May 17 meeting to allow for further

information and discussion.

Mr. Barofsky, responding to a question from Mr. Potwora, suggested that some proposed motions might be raised and voted on as early as the May 17 meeting.

Mr. Ruiz noted that City staff would be available to assist Budget Committee members draft proposed motions. He noted that AIC Budget and Analysis Manager Mia Cariaga would be the primary staff contact person in that regard.

Mr. Barofsky, responding to a question from Ms. Solomon, noted that the minutes from the Budget Committee meetings would be distributed as soon as they became available. He further noted that the webcasts for those meetings were currently available to review online.

Mr. Barofsky suggested that the three remaining budget meetings would be an ideal opportunity for Committee members to discuss at length the various rationales behind their proposed motions.

Mr. Barofsky encouraged the newer Budget Committee members to speak with other more experienced members as the budget process progressed.

VI. ADJOURN

Mr. Barofsky adjourned the meeting at 9:10 p.m.

(Recorded by Wade Hicks)