

MEETING MINUTES
Eugene Budget Committee Meeting
Zoom Meeting
5:30pm, Wednesday, February 15, 2023

Committee Member Attendance:

- | | |
|--|-------------------------------|
| <input type="checkbox"/> Councilor Clark | |
| <input type="checkbox"/> Councilor Evans | ✓ Rayna Jackson |
| ✓ Councilor Groves | ✓ Zach Mulholland |
| ✓ Councilor Keating | ✓ Eliza Kashinsky, Vice Chair |
| ✓ Councilor Semple | ✓ Ryan Moore |
| ✓ Councilor Leech | ✓ Tai Pruce-Zimmerman, Chair |
| <input type="checkbox"/> Councilor Yeh | ✓ Ryan Kounovsky |
| ✓ Councilor Zelenka | ✓ Siobhan Cancel |

Guests:

Mayor Lucy Vinis
City Manager Sarah Medary

CALL TO ORDER

Chair Tai Pruce-Zimmerman called the meeting to order at 5:33 pm.

I. Welcome

Chair Pruce-Zimmerman welcomed all participants to the meeting, outlined the agenda, and acknowledged the privilege of being able to attend these meetings. The Chair noted that the purpose of this meeting was to discuss the Capital Improvement Program.

II. [5:39 pm] Public Comment

Lin Woodrich – Co Chair Active Bethel Community. Stated they need support of biking and walking projects in Bethel. Noted that there are no biking and walking projects in current 2023-2029 CIP or the prior CIP.

John Barofsky - Ward 3. Thanked committee for helping staff with developing the CIP program. Believes this is a well-developed CIP that should move forward for adoption. Would like to see these things addressed in upcoming CIP: Qualifying Criteria, specifically economic development. Provided example: Recently City expanded urban growth boundary or employment out clear lake road but is not served by infrastructure. There are a lot of communities out there looking to bring in jobs and are looking for buildable land and access to infrastructure. One of the criteria that is looked at, is the Housing Implementation Pipeline(HIP). Believes the HIP Policy is a template we can use for economic development and developing some of our lands for we have brought in for jobs.

III. [5:44 pm] Staff Presentation of the Proposed 2023-2029 Capital Improvement Program (CIP)

Kacia Edison, Sr. Financial Analyst, Jeff Perry, Public Building and Facilities Director and Jennifer Willer, City Engineer and Public Works Division manager, presented an Overview of the 2023-2029 Capital Improvement Program Plan. Kacia gave an Overview of the CIP Program development including the purpose of the CIP, planning and process timeline, total

capital requested, and greenhouse gas emission reporting. Jeff Perry presented the Public Buildings and Facilities project overview. Jennifer Willer presented Public Works Projects and programs overview. Presentation Topics included:

- CIP overview and purpose and the CIP planning process and timeline
- Capital spending request: \$310.7 million
- Public buildings and facilities guides and plans
- Overview of the preservation and maintenance of over 200 buildings, site and facility improvements and new capital facilities
- Bond projects update
- City hall update, EWEB building
- Key indicators – facility condition index
- Public Works projects overview of 5 key areas: Airport, Parks and Open Spaces, Stormwater, Transportation, and Wastewater
- Airport Master Plan, projects and programs, airport funding sources, sustainability
- Parks and Recreation Master Plan, 21 projects and programs, funding sources, climate action and sustainability
- Stormwater, 30 projects and programs, functional and safety improvements
- Transportation, 36 projects and program, climate action and sustainability, upgrades and capacity enhancement, preservation and maintenance
- Wastewater, 8 projects and programs, sustainability, maintenance and rehabilitation

[6:31 pm] Opened up to Questions on Presentation:

- Zach Mulholland –
 - Question: Have decisions been made on upcoming HVAC replacement gas versus electric? How are the decisions made? and is there a cost benefit analysis available?
 - Answer: Every HVAC project and new construction project will be a fuel switching project. Internal policy is to fuel switch whenever opportunity is there. Current CIP HVAC repairs are converting to a more efficient electric system, not gas.
 - Question: Regarding Airport GHG emission analysis and terminal expansion: do we include scope 3 emissions in GHG analysis? Is there an analysis regarding how the expansion increase air travel capacity and therefore emissions, or just emissions at the airport itself?
 - Answer: Those calculations are the embodied GHG emissions in the construction of the facility itself. We don't include what airlines generate as City has no control over that and are required by FAA to service those. Airport is regularly talking with Industry Experts to ensure we are ready to offer alternative fuels when available.
- Ryan Moore –
 - Requested more information on W 11th and Crow Road Housing plan and the CIP mentions it supports 1200 units of housing, what kinds of housing are we planning?
 - Answer: Jennifer Willer can provide more information, believes its R2 zoning along with some commercial and industrial.
 - Question: Regarding parking lot paving, have we looked at alternative to asphalt paving options?
 - Answer: We will look at those options when those projects come up during the design process.
- Rayna Jackson –
 - Regarding the Franklin Blvd revival, what are the expected gains of economic increase as part of this project, as well as negative impacts to businesses in the corridor due to construction.
 - Answer: Jennifer Willer responded she can provide the materials and data on the economic impacts. We have been working with businesses and their needs but are

still working on concept and design. There will be operational changes focusing on safety and more efficient operations.

- Ryan Kounovsky –
 - Question: What is the level of Confidence in identified funding sources?
 - Answer: When we show that the funding has been secured, that means we have a signed funding agreement with the agency. The funding identified for Grants means we have been notified that our project has been selected but we do not have the signed contract yet.
- Ryan Moore –
 - Question: As Airport related costs increase, if we have identified funding, will costs go beyond identified funding how do we handle that, do we scale back or pull from General fund?
 - Answer: Airport made it clear they do not use General fund or City funds. They rely exclusively on Airport Revenues and Grants.

IV. [6:56 pm] Budget Committee Discussion, Deliberation and Recommendation to City Council

Chair Pruce-Zimmerman invited each Budget Committee member to provide quick comment or question in response to the CIP presentation in a round-robin format.

- Ryan Moore: I think there are some motions that I would like to have a chance to have a consensus note on, usually done by a vote with recorded results, great way to hold conversation and gather perspective versus comments recorded in minutes. Is there a way to hold vote on ideas in this sort of meeting?
 - Answer: For this meeting voting is not an option but will look into options for the future.
- Councilor Groves –commented on discussion on limiting airport expansion. Stated it will only accomplish people not using the Eugene airport and driving to the Portland airport for travel, increasing GHG emissions.
- Councilor Zelenka – Concurred with Councilor Groves statement on Airport expansion. Wanted to have CIP show how it promotes climate recovery ordinance and how it works together, and the integration of GHG emissions and how each project affects it. Applauds staff on how far we have come on recognizing GHG work. Noted that there are a lot of rules around moving money between funds and very little budget that can be moved and used for different things. It's the General Fund that takes the hit when property taxes, etc. take a hit. We need to be cognizant of how the budget gets put together and how little is movable within it. Supports this CIP plan as proposed.
- Rayna Jackson –Wanted to bring up whether Economic development being part of the qualifying criteria, is this the place to discuss or is a future discussion better to see how valid that statement was and if it is part of the current qualifying criteria or how to make it part of it in the future.
 - Answer: Sarah Medary commented that she wants to circle back with team to talk about it more. Expansion of Clearlake area is one of council's priority in this legislative session and we are working on it actively.
- Eliza Kashinsky – Thanks to staff on CIP presentation and work on the CIP document. Appreciative of the update on EWEB and City Hall as that was not included in the plan. Will the capital costs expected for city hall be included in full budget or will it be part of a supplemental budget process? Projects that could be funded from the bond that was recently passed are not included in this CIP, do we need to wait for next CIP two years from now or can we start allocating money and working on those projects and including them in future budgets even if they are not included in this CIP?

- Answer: We are looking at what Capitol costs are right now. CIP was developed prior to EWEB building being a consideration and we are looking at how it affects capital improvements. There is a dedicated fund for city hall that will be leveraged to fund improvements on that building so our future capital costs won't be as significant.
 - Answer: It would likely be an executive team conversation on how we would include those projects (from the recent bond) in the mid-year. We are able to prioritize projects and balance the needs of projects. Typically, once we identify the projects, we address and recognize that revenue in the supplemental budget process if they come up before the next CIP.
- Zach Mulholland – Thank staff again for high quality document and work. Wishes there was a longer process to learn and discuss the projects in the CIP document. Looped back to HVAC question, glad that the city policy is looking for fuel switching replacement opportunities. With regards to the Airport, hopes we do not stop expansion. As we grow as a city, hopes we can look at alternative fueling and zero emission fueling options and supporting electrical vehicle (EV) charging as opportunities arise. Looking forward to conversation about EV charging at Airport. Questions: Regarding the need for a revenue committee, looking for a timeline for proposal of revenue committee going to council before we make massive cuts.? Encouraged council to use opportunity to stop cuts before they happen and look at key priorities around homelessness and climate change that are not fully funded right now. Asked about transportation map slide from CIP presentation. (staff shared slide again) In terms of projects mentioned, need traffic calming on Bethel streets as well as safe walking paths and to create connections to west Eugene wetlands and Fern Ridge path. Wanted to see next CIP not have a big gap in west Eugene Bethel area.
 - Answer: Upcoming meetings on February 27th and March 4th will cover the revenue committee, and revenue things built into the budget we will discuss during those meetings. More to come during those meetings.
- Councilor Leech – Thanks to everyone involved in making the CIP and how much work went into it. Happy to continue to have conversations around this process.
- Siobhan Cancel – One thing that stood out as a citizen, how are we looking at these projects with an equity lens, are we looking in areas traditionally underserved, are we focusing on areas where the need is greater? Also interested in knowing more about how it ties in with the Housing Implementation Pipeline. The details provided didn't focus on the individual communities or the areas that they are serving and were not being served before.
 - Answer: Jenifer Willer can provide more detail on the project selection and prioritization process and how equity is taken into account in our projects. The recreation and parks bond process spends a lot of time around equity in the community and where projects are focused. Parks did a lot of planning on that as well with their park renovation projects.
- Councilor Keating – Thanks staff for presentation. Council and Budget Committee could benefit greatly if conversations were extended by at least another meeting to promote or encourage greater public participation and additional dialogue. Interested in stormwater conversation and the fees collected and where the dollars go. Opportunity for public education around that piece. Interested in the Airports charge in regards to lowering GHG and being more efficient within a lens of clean energy and reducing carbon footprint. Interested in seeing how many new EV charging stations at airport and other creative things our partners at the airport are doing to reduce their carbon footprint.
 - Answer: We are in the process of creating a new quick turn-around facility for rental cars. We have added infrastructure for EV Charging at the rental car

facility. The rental car agencies preferred to put in EV charging themselves. We also put in EV Charging infrastructure in our parking lot and parking lot expansion. We are in regular conversations with industry colleagues for best practice to add EV Charging for airport parking. Trying to learn best practices and how to do it right when we put it in. We are trying to be an Industry Leaders in not only EV Charging but alternative fuels for our buildings and adding capabilities for our airline partners when they ask for them

- Ryan Kounovsky – Great job on presentation. Looking at useful life plans for buildings and keeping forward looking eye on that and would like to see more information on that. Looking at ways of building, and using building materials, that are cleaner and better for communities and environment. Glad to see we are looking at tree canopy and adding trees to keep GHG down and doing those investments that don't cost a lot to keep the community healthy and safe in a more cost-efficient manner. Was more interested in seeing green infrastructure plans for wastewater. Would like to see us be more proactive in how we can invest in more natural system, or ways to help reduce cost of cooling water and cleaning water. Overall staff did a great job and answered questions as they went along
- Tai Pruce-Zimmerman – Echoed all the positive things said on presentation tonight. Really appreciate the work of staff. Wanted to note that the transportation map did have a gap in west Eugene and would like to see more on potential projects in that area. I also know projects in pipeline versus identified projects are complicated. Was really happy with everything in the document and I support it.
- Mayor Vinis – Love the presentation, its such an interesting document and interested in the details provided and the maps. Really want to thank you again for the document and the presentation. Appreciate everyone on the budget committee for the questions they asked. I will be interested in using the economic development as one of the qualifying criteria in the future as it's an interesting potential for us.
- Matt Rodriguez, Public Works Director: Commented on the Transportation mapping in Bethel. Many projects driven by remaining work on 2017 paving bond. A number of projects were city wide, and projects tend to get clumped together in larger projects. Remaining projects are outside of Bethel. Example: Royal Ave project already completed. Other projects have specific criteria that they need to meet to get federal funding. There are projects that are buckets instead of discreet projects. We don't typically put the specific projects in the bond so it doesn't mean that there isn't work that will or could happen in Bethel. The new 2022 bond adds \$5.5 million of paving projects in CIP period for Bethel. There is a real opportunity for investment in Bethel area for the walking, biking and street tree projects.

[7:19 pm] Eliza Kashinsky moved to send CIP document as proposed to council along with record of meeting minutes. Councilor Zelenka seconded. No discussion. Vote Passed 11:0

V. [7:21 pm] Budget Committee Terms Presentation by Staff

Vicki Silvers presented background on committee terms and the reason for changing them to four years. ORS dictates the Budget and Budget Committee Terms. If an agency adopts a biennial budget, terms must be four years. Nothing else will change in the process. If a position is vacated, we will go through a recruitment like we normally do. The new person will fill the remaining term of the position. It does change your commitment and if you have thoughts, you can reach out to her.

Public hearing on 22nd, Ordinance will be adopted on March 13th to align it with ORS.

VI. [7:23 pm] Minutes Approval

Chair Pruce-Zimmerman indicated that the Budget Committee meeting minutes from December 7, 2022 need to be approved. No recommended Changes or Comments.

Eliza Kashinsky, seconded by Rayna Jackson, moved to approve the meeting minutes.
VOTE: PASSED 11:0

VII. [7:25] Election of Officers

Chair Pruce-Zimmerman asked for nominations for the office of Budget Committee Chair and Vice-Chair.

Eliza Kashinsky nominated Tai, Rayna Jackson Seconded. No other nominations made. Tai Pruce-Zimmerman accepted nomination. Vote Passed 11:0

Ryan Kounovsky nominated Eliza Kashinsky for Vice Chair. Zach Mulholland seconded. No other nominations made. Eliza Kashinsky accepted. Vote Passed 11:0

VIII. [7:27 pm] Wrap-up and Next Steps

Chair Pruce-Zimmerman concluded the meeting with the following statement:

- There will be a meeting on March 4th, 9:30 am in person at Campbell Community Center for Financial Condition update and Preview of the proposed 2023-2025 Budget.
 - City Manager Sarah Medary made the following statement: Wanted to thank the committee for attending a Saturday meeting. As the team is completing the overall budget package that there is so much happening with the gap and strategies that we need more time and we want the committee to feel like they have more time to review and ask questions and let us know what information will be needed as we get into the more formal process. I think it'll be a really good investment to have more shared knowledge.
 - Siobhan Cancel asked about masking and social distancing in this space. City Manager stated we can follow up and find out what feels right and appropriate.
- The formal proposed budget presentation is on April 26th followed by series of Budget Committee meetings in May. Save the dates were sent out.

ADJOURN

Chair Pruce-Zimmerman adjourned the meeting at 7:30 pm.

Respectfully submitted,
Samantha Wright, AIC Program Coordinator, Finance Division