

2365th Meeting**COUNCIL REGULAR SESSION****MINUTES**

City Hall Council Chambers, 10722 SE Main Street
& Zoom Video Conference (www.milwaukieoregon.gov)

SEPTEMBER 20, 2022

Council Present: Councilors Adam Khosroabadi, Lisa Batey, Desi Nicodemus, Council President Kathy Hyzy, and Mayor Mark Gamba

Staff Present: Steve Adams, City Engineer
Joseph Briglio, Community Development Director
Kelly Brooks, Assistant City Manager
Jennifer Garbely, Assistant City Engineer
Justin Gericke, City Attorney
Ann Ober, City Manager

Peter Passarelli, Public Works Director
Natalie Rogers, Climate & Natural
Resources Manager
Scott Stauffer, City Recorder
Courtney Wilson, Urban Forester

Mayor Gamba called the meeting to order at 6:01 p.m.

1. CALL TO ORDER

A. Pledge of Allegiance.

B. Native Lands Acknowledgment.

2. ANNOUNCEMENTS

Mayor Gamba announced upcoming activities, including a playground design presentation, an author conversation event, the dedication of a new mural at the post office, and a Ledding Library heritage lecture. **Gamba** and **Councilor Batey** noted that City Hall scarecrows were due soon and that the Davis Graveyard would begin soon.

3. PROCLAMATIONS AND AWARDS

A. Milwaukie High School (MHS) Outstanding Student Achievement – Award

Kim Kellogg, MHS Principal, introduced Annelise Cronk and Council congratulated them on their academic and extra-curricular activities.

B. MHS Update – Report

Kellogg reported on the MHS and Milwaukie Academy of the Arts (MAA) schedule and academic plan for the 2022-23 school year, noting that the school had seen an unexpected enrollment increase. **Councilor Nicodemus**, **Kellogg**, and **Mayor Gamba** remarked on the opportunities to increase the number of college credit and technical skill courses MHS could offer with colleges.

C. National Preparedness Month – Proclamation

Councilor Batey introduced the proclamation and **Brian Stewart**, Clackamas Fire District #1 (CFD1) Assistant Fire Chief, remarked on preparing for natural disasters and the importance of inter-governmental partnerships that allow for regional responses to emergencies. **Mayor Gamba** proclaimed September to be Preparedness Month.

4. SPECIAL REPORTS

A. None Scheduled.

5. COMMUNITY COMMENTS

Mayor Gamba reviewed the public comment procedures. Ober reported that in response to community comments made during the September 6 meeting, staff were following-up on a proclamation request and an ongoing code enforcement case. It was noted that no audience member wished to speak to Council.

6. CONSENT AGENDA

Mayor Gamba announced that item 6. C. would be removed for separate consideration. It was moved by Councilor Batey and seconded by Council President Hyzy to approve the Consent Agenda items A and B.

A. City Council Meeting Minutes:

- 1. August 9, 2022, study session,
- 2. August 16, 2022, work session, and
- 3. August 16, 2022, regular session.

B. Resolution 64-2022: A resolution of the City Council of the City of Milwaukie, Oregon, updating the legal description of the Harlow Road public street right-of-way vacated within Milwaukie Bay Park by Resolution 59-2020.

~~**C. Authorization of the purchase of three (3) police vehicles.**~~ (removed for separate consideration, see below).

Motion passed with the following vote: Councilors Khosroabadi, Batey, Nicodemus, and Hyzy and Mayor Gamba voting “aye.” [5:0]

C. Authorization of the Purchase of Three (3) Police Vehicles – Resolution

In response to questions submitted by Mayor Gamba, Passarelli and Ober explained that the city’s fleet services division outfitted all police vehicles, and they discussed how and why staff determine when to purchase new police vehicles.

The group discussed current and future use of electric vehicles (EVs) for police uses and noted that police vehicles were often maintained and replaced more often than other fleet vehicles due to high mileage and collisions. Ober and Passarelli remarked that acquiring EVs for the city’s fleet was a priority.

It was moved by Councilor Batey and seconded by Councilor Khosroabadi to approve the resolution authorizing the purchase of three (3) police vehicles.

Resolution 65-2022:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILWAUKIE, OREGON, ACTING AS THE LOCAL CONTRACT REVIEW BOARD, AUTHORIZING THE PURCHASE OF THREE (3) POLICE VEHICLES.

7. BUSINESS ITEMS

A. Council Parks Goal Adoption – Resolution

The group noted that a revised version of the parks goal resolution had been submitted and the item would be moved down the agenda to give the group time to review it.

B. Capital Projects Update – Report

Adams provided an update on the Monroe Street Neighborhood Greenway project and the group commented on segments of the project the Oregon Department of Transportation (ODOT) and Union Pacific Railroad (UPRR) would be working on.

Adams and **Garbely** provided updates on the Home and Wood Avenues Safe Access for Everyone (SAFE) program project and the Meek North Phase project. The group noted UPRR's intention to eventually add a second track along its line in the city.

Garbely provided an update on the 42nd/43rd Avenues SAFE improvements project and the group commented on the addition of sharrows on 42nd/43rd Avenues.

Garbely reported on the Ardenwald North SAFE project, the Washington Area improvements project, and upcoming projects including Harvey Street improvements, 2021 wastewater improvements, King Road improvements, and the city's final clay pipe replacement work. The group remarked on how clay pipe is replaced.

Garbely reported that the initial SAFE program bonds had been spent and noted concerns about rising construction costs. The group observed that material shortages, supply chain delays, and labor costs had contributed to increased project costs.

Garbely noted which projects would be impacted by the lack of bond funding. **Council President Hyzy** and **Brooks** commented on the possibility of securing federal and/or state funding to support larger projects such as the King Road improvements.

Brooks explained that Council and the Milwaukie Redevelopment Commission (MRC) would consider securing additional bond funding to support SAFE projects and urban renewal projects. **Brooks** remarked on the changing lending environment and the city's ability to be flexible in deciding which projects might wait for future funding.

Councilor Batey recalled Council discussions about going out for bond funding and what projects and timelines had been included in the first round of funding. The group remarked on updating the projects timeline.

Brooks and **Ober** noted staff would provide Council and the MRC with an updated project funding report and timeline at future meetings.

Mayor Gamba recessed the meeting at 7:34 p.m. and reconvened at 7:41 p.m.

A. Council Parks Goal Adoption – Resolution (continued)

Councilor Batey and **Council President Hyzy** reported that a revised version of the resolution had been submitted and that adding a Council parks goal had been discussed at the September 6, 2022, work session. **Batey** cited 2021 Council discussions about a parks goal and ongoing concerns about the city's parks maintenance and governance structure as reasons to make parks a Council goal.

Council President Hyzy read the resolution revisions into the record.

It was moved by Councilor Nicodemus and seconded by Councilor Batey to approve the resolution adopting Council goals for the remainder of 2022 and the start of 2023 as amended.

Mayor Gamba asked Council to explain why adding parks as a goal was necessary.

Council President Hyzy commented on the city's frustrated discussions with the North Clackamas Parks and Recreation District (NCPRD) about park maintenance and expansion and the anticipated population growth in Milwaukie that would require well run parks. **Councilor Batey** encouraged the public to attend their neighborhood district association (NDA) meetings in October and other upcoming events and to visit online sources for more information on the parks situation.

Mayor Gamba and **Councilor Batey** observed that the NCPRD Board had no intention of finishing parks projects in the city despite Milwaukie being a founding part of the district and the city having done more than NCPRD to build parks.

Motion passed with the following vote: Councilors Khosroabadi, Batey, Nicodemus, and Hyzy and Mayor Gamba voting “aye.” [5:0]

Resolution 66-2022:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILWAUKIE, OREGON, ADOPTING COUNCIL GOALS FOR THE REMAINDER OF 2022 AND THE START OF 2023.

C. Climate Fee Policy – Discussion

Rogers introduced the topic and Todd Chase and Martin Chaw, consultants with FCS Group. **Chase** explained the government finance consulting work FCS Group provides.

Rogers reviewed the development of a fee structure to support the city’s climate action work, noting Council’s previous direction, strategic actions called for by the city’s Climate Action Plan (CAP), and the need for additional staffing to support climate work.

Rogers explained how climate work had been funded through the city’s stormwater division, how the proposed fee could be structured, and what projects and programs a fee could support. **Rogers** presented and discussed differences between three fee rates that would generate \$300,000, \$500,000, or \$750,000 per fiscal year. The group remarked on programming cost differences between the fee rates.

Mayor Gamba observed that staff already had a heavy workload and asked how any of the proposed fees would provide additional staffing to support current and new climate goals. **Ober** and **Passarelli** commented on the unknown service levels that would be needed to meet the climate goals and explained how budgets had been created around the proposed fee rates.

Councilor Batey remarked that there would be different ways to structure new staff to support the climate work and wondered if the urban forester position should remain in the stormwater division. **Ober** commented on how staff works to achieve goal outcomes set by Council and what could be done to remove the urban forest work from the climate fee budget. **Mayor Gamba** and **Ober** remarked on staff workload capacity and what additional work could be done based on the proposed climate fee rates. **Batey** observed that the urban forester served several departments and may be best funded by multiple departments. The group remarked on how departments fund programs and staff positions and noted a need for clarity on how public stormwater or climate funds should be used to support work on private property.

Mayor Gamba expressed concern that a new fund would backfill existing programs and asked what level of funding would get the city to a place to do necessary climate work. **Ober** remarked that even with federal funding staff could not guarantee all the climate goals would be met at any fee rate, but staff would accomplish as much as possible. **Rogers** added that getting work done depended on opportunities and good timing.

Passarelli commented on the need to secure additional funding for the stormwater division to support the urban forest program and how a climate fee could enhance the program. **Rogers** reported that the tree fund had not received any payments from permit activity yet. **Mayor Gamba** asked how much was needed to achieve Council’s goals and **Ober** suggested staff could adjust the staffing and programming based on

Council's input. **Councilor Batey** noted that staffing could be impacted by actions the state may take and **Passarelli** and **Rogers** added that hearing from the community and Council was critical for staff to appropriately adjust the programs.

Rogers discussed programming and staffing if the \$500,000 fee rate were adopted and reviewed the timeline for outreach to the community regarding the adoption of a climate fund fee. **Ober** and **Rogers** noted the impact of a new fee on the utility billing process.

Mayor Gamba suggested the city should review CAP goals and activities and back cast what resources are needed to work on those goals. **Ober** and **Gamba** remarked that some CAP actions were still works-in-progress due to a lack of technology. The group commented on when a back-casting process could occur in relation to the adoption of a climate fee and noted that staff had done some back-casting work already.

Council President Hyzy was concerned about differences between community wants and what it takes to meet them. **Rogers**, **Passarelli**, and **Hyzy** explained how programs could be structured and expectations communicated to address desired outcomes.

Chase discussed the need for dedicated funding to implement the city's CAP and how a climate fund fee could be structured, noting that such a fee should be periodically reviewed. The proposed funding structures included adding a fee to the city's utility bill or business license, or charging a fee based on transportation impacts of the estimated greenhouse gas (GHG) emissions. **Chase**, **Rogers**, and **Passarelli** explained how the fee structures aligned to the three proposed fee rates and confirmed that a low-income assistance program had been included in the structure.

The group discussed how the fee structure used the city's existing Street Surface Maintenance Program (SSMP) user categories. **Councilor Batey**, **Chase**, and **Rogers** commented on how the fee structure could be based on transportation trips and square footage of user property to determine GHG emissions. **Mayor Gamba** and **Chase** noted that distribution centers would be considered industrial users.

Rogers asked for Council input on the fee rates and whether the GHG emissions model should be used. **Mayor Gamba** supported the \$500,000 fee rate and using the GHG model. **Councilor Batey** supported using the GHG model and the \$300,000 fee rate.

Councilor Batey and **Mayor Gamba** commented on differences between the low and middle rates for commercial users. **Passarelli** reported that the average cost for businesses would be \$1,150 a month at the \$750,000 fee rate.

Rogers asked for Council feedback on what climate programs they'd like to see included in any rate structure. **Mayor Gamba** and **Rogers** noted that at the lowest fee rate it would be hard for the city to meet its 2040 tree canopy goal.

Council President Hyzy remarked on the impact of any fee increase on residents and for low-income residents who may not opt into the assistance program. **Hyzy** was concerned about rushing through the process to adopt a fee and expressed support for the \$300,000 fee rate and the GHG emission model.

Councilor Khosroabadi was concerned about raising rates and expressed support for using the GHG model and the \$750,000 rate fee in the hope that it would ultimately help lower energy costs. **Mayor Gamba** agreed with Khosroabadi and commented on how climate programs could reduce costs for residence. **Councilor Nicodemus** was concerned that low-income residents would not be able to benefit from some energy saving programs. The group commented on the cost of electric vehicles (EVs).

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Councilor Nicodemus expressed support for the \$500,000 fee rate and using the GHG emission model and urged Council to be cautious when raising rates for residents who live paycheck-to-paycheck and may not qualify for the low-income assistance program.

Rogers remarked on direction Council could provide to tweak existing programs, such as the low-income assistance program and EV incentives.

Council President Hyzy supported the \$500,000 rate fee if the city were to implement programs that would help connect the public to cost saving programs. **Councilor Batey** noted there were existing state programs and funding to support utility outreach programs. **Rogers** reported that staff had worked and would continue work to broaden the number of energy efficiency programs available to as many people as possible.

Ober summarized that a Council majority favored the \$500,000 fee rate and that there was Council unanimous support for using the GHG structure. **Ober** observed that there was Council concern about the role and funding of the urban forest program that staff would look at and report back to Council.

8. PUBLIC HEARING

A. None Scheduled.

9. COUNCIL REPORTS

None.

10. ADJOURNMENT

Mayor Gamba announced that after the meeting Council would meet as the Milwaukie Redevelopment Commission (MRC).

It was moved by Councilor Nicodemus and seconded by Council President Hyzy to adjourn the Regular Session. Motion passed with the following vote: Councilors Khosroabadi, Batey, Nicodemus, and Hyzy and Mayor Gamba voting “aye.” [5:0]

Mayor Gamba adjourned the meeting at 9:15 p.m.

Respectfully submitted,


Scott Stauffer, City Recorder