

COUNCIL STUDY SESSION

Ledding Library, 10660 SE 21st Ave
& Zoom Video Conference (www.milwaukieoregon.gov)

MINUTES

JANUARY 10, 2023

Council Present: Councilors Adam Khosroabadi, Robert Massey, Desi Nicodemus, Rebecca Stavenjord, and Mayor Lisa Batey

Staff Present: Steve Adams, City Engineer
Kelly Brooks, Assistant City Manager
Jennifer Garbely, Assistant City Engineer
Toby LaFrance, Finance Director
Brandi Leos, HR Director

Nicole Madigan, Deputy City Recorder
Ann Ober, City Manager
Michael Osborne, Assistant Finance Director
Peter Passarelli, Public Works Director

Mayor Batey called the meeting to order at 5:15 p.m.

Ober introduced the new Finance Director, Toby LaFrance.

1. City Finances Overview – Discussion

LaFrance provided a brief introduction to the city's finance department, commented on the audit process, what is included in a quarterly report, and how the city plans for a budget. **Osborne** presented who was on the finance team, the current unaudited figures for the fund balance, biennium budget, fiscal year (FY) 2022 revenue, noted the types of bank accounts the city uses, and shared the current count of the city's full-time employees (FTE).

Osborne presented the different types of funds the city has for dedicated operations. **LaFrance** explained how the city fund balance contains delegated funds for various city operations, and that funds are carried over because of when the city receives property taxes. **Mayor Batey, Councilor Khosroabadi, and LaFrance** discussed the fund balance in relation to the city's financial policies.

Osborne presented an overview of the city's FY 2022 fourth quarter revenue and expenditures, and **Mayor Batey** clarified the date range and noted why certain fund balances were less.

Osborne broke down the city's revenue sources. **Mayor Batey** asked why fund transfers were tracked as revenue and **LaFrance** explained how transfers to the general fund were accounted for and used. **Batey and LaFrance** discussed how proceeds from debt are tracked as revenue before becoming an expenditure. **Councilor Massey, LaFrance, and Mayor Batey** discussed forecasting for grants.

Osborne explained when the city receives revenue. **Councilor Nicodemus** asked if the city collected marijuana tax and **Osborne** noted that was part of monthly revenues.

Osborne and LaFrance presented the city's expenses and debt. The group discussed new debt the city expects to take on and how revenue sources fund specific debts.

Osborne explained the purpose and process of the Budget Committee.

Ober and LaFrance informed Council of the city's AA2 bond rating, the importance of protecting the rating, how a rating is obtained, and what the rating means for the city.

The group discussed appreciation city of assets, staff employment rates and vacancies, and officer training.

Councilor Stavenjord asked about public employee retirement system (PERS) liability and **Ober** responded there would be future discussions on that topic.

Leos informed Council of trainings that were being assigned to them and **Mayor Batey** asked about the trainings. Council confirmed training instructions had been received.

2. Capital Improvement Program (CIP) Update – Discussion

Brooks provided a brief overview on how the CIP operates, how the city has previously used CIPs, and touched on the roles that **Garbely**, **Passarelli**, and **Adams** play within the CIP. **Mayor Batey** and **Brooks** discussed unfunded CIP project lists.

Garbely and **Passarelli** discussed how the city creates a CIP, plans, and programs that have been a part of the CIP, goals within those programs, and where the city is at in reaching those goals. **Mayor Batey** and **Garbely** clarified that on the Surface Streets Maintenance Program (SSMP) Condition presentation slide there should not be a percentage sign on the 56% under Pavement Condition Index (PCI) collector. **Garbely** informed Council how slurry seal is used to preserve the condition of residential low traffic streets. **Garbely** and **Passarelli** noted how cul-de-sac street repairs are added into nearby projects. **Councilor Khosroabadi** asked what prevents a cul-de-sac from being included in the project. **Garbely** explained that available funding determined when cul-de-sac projects were done and provided an example of how a cul-de-sac can be added to a project.

Garbely explained how combining projects into a single neighborhood project can save money and be less of an impact on the community. **Councilor Stavenjord** asked about project contingencies and **Garbely** explained the process for determining a contingency. **Mayor Batey** asked how staff determined which projects within a master plan would be selected to complete first. **Garbely** and **Passarelli** responded, noting an importance in updating masterplans every 10 years and evaluating current needs.

Passarelli and **Garbely** explained where the funding for CIPs is generated from. The group discussed adjusting costs for inflation and supply chain issues.

Garbely presented how many sidewalks, paths, bike lanes, and ramps had been completed as part of the Safe Access for Everyone (SAFE) program. **Garbely**, **Adams**, and **Batey** commented on accessible street ramps and **Garbely** noted a 77% satisfaction rate for safe places to bike and walk per a recent survey.

Garbely began presenting upcoming projects starting with Meek North Phase, and **Batey** shared where the program is located. **Garbely** provided a timeline for Meek North Phase. The group discussed the Monroe Street Neighborhood Greenway project.

Garbely provided an update on the Washington Street Area Improvements project. **Garbely**, **Councilor Stavenjord**, and **Adams** discussed traffic communication with schools. **Mayor Batey**, **Garbely**, and **Adams** discussed the Washington culvert and pond.

Garbely provided an update on the Ardenwald North Improvements project and the group commented on the image on the slide.

Passarelli presented current and upcoming water and wastewater projects. **Mayor Batey** and **Passarelli** commented on the last time the city had needed to use the Portland-Milwaukie intergovernmental water agreement. **Garbely** and **Passarelli** commented on the Stanley Reservoir project.

Garbely shared upcoming CIP projects including three that are out for design. **Mayor Batey**, **Garbely** and **Passarelli** commented on inflow and infiltration (I&I). **Councilor**

Khosroabadi and **Garbely** discussed project easements. **Councilor Stavenjord, Garbely,** and **Ober** discussed the city's request for qualifications (RFQ) process.

Garbely presented program concerns. **Mayor Batey** added a comment on staff shortages based off an economic report from the state.

The group discussed SAFE program spot improvements and to publicize SSMP accomplishments.

Mayor Batey asked staff to consider new terminology to replace the use of "master plan", as previously discussed in other meetings.

Ober noted that the CIP is not a complete list of all the city's projects, urged Council to allow LaFrance time to get acquainted and settled, and stated that any discussions on the procurement process is at least a six-months out.

2. Adjourn

Mayor Batey adjourned the meeting at 7:43 p.m.

Respectfully submitted,


Nicole Madigan, Deputy City Recorder

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