

**CITY OF SILVERTON
CITY COUNCIL WORK SESSION AND REGULAR MEETING MINUTES**



Council Chambers 421 S. Water St. and Zoom Web Conference Platform

May 20, 2024

I. OPENING CEREMONIES – Call to Order, Pledge of Allegiance & Roll Call

Mayor Freilinger called the City Council Work Session to order at 6:30 p.m. The City Council and staff were present both in person and through the virtual meeting platform Zoom. Mayor Freilinger explained the meeting was being held in a hybrid format, pursuant to City of Silverton Resolution 22-06, adopted March 7, 2022.

Present	Absent	
X	_____	Mayor Jason Freilinger
X	_____	Council President Elvi Cuellar Sutton
X	_____	Jess Miller
X	_____	April Newton
X	_____	Eric Hammond
X	_____	Marie Traeger
X.	_____	Matt Gaitan

STAFF PRESENT:

City Manager Cory Misley, Community Development Director Jason Gottgetreu, Travis Sperle Public Works Director, Mike Dahlberg Operations Manager, Tammy Shaver Human Resource Manager

2. DISCUSSION ITEMS

2.1 Presentation by Republic Services, Sustainability in Action, Rate Adjustment request – Cindy Rogers, Municipal Relationship Manager for Republic Services

City Manager Cory Misley invited Cindy Rogers, Municipal Relationship Manager for Republic Services, to begin her presentation. Rogers introduced the Operations Manager and Municipal Contract Administrator for Republic Services who were in the audience. Before the presentation, Rogers said a few words about the partnership with the City of Silverton. She began by saying she has been with Republic Services for almost a year and has over ten (10) years’ experience in the solid waste and recycling industry. She continued, working with municipalities in Marion County was new to her and the county’s Cost of Service Analysis was new as well. She reassured Council that the Republic Services team is committed to providing accurate, clear information and excellent service.

Rogers articulated an awareness of some challenges over the past couple of years and said she has identified two (2) areas she believes may have impaired the relationship. Rogers said 1) Republic Services failed to communicate the process of the annual Marion County Cost of Service Analysis (COSA). Each year, the COSA starts in the spring and is finalized in the fall. For the duration of the COSA, the financial numbers are subject to change until Marion County concludes the process. She stated she does not think this was effectively

communicated to the City. 2) There was a turnover of key people for both Republic Services and the City. Republic Services had both their Financial Manager and Municipal Manager change. The City had changes in Council and the City Manager. Rogers emphasized how vital effective and consistent communication is if a good relationship is to be maintained between the City and Republic Services when there is turnover in key roles.

Rogers began her presentation, which she told Council, will contain the necessary information for understanding why Republic Services is requesting a rate adjustment. For perspective, Rogers reminded Council the last rate adjustment was in 2021. She went on to talk about the benefits of a franchise, including ORS 459 which grants service and reporting authority to Oregon Cities, an increase in operational efficiency leading to a decrease in truck noise, street wear, energy waste, air pollution and public inconvenience. Republic Services also helps Silverton meet their Department of Environmental Quality's (DEQ) mandated Opportunity to Recycle requirements and annual reporting. They are also helping with the upcoming Recycling Modernization Act. She also pointed out; it provides cities with a source of revenue through the franchise fee (Silverton's fee is seven percent (7%) on gross receipts).

Republic Services has fourteen (14) drivers servicing Silverton. They pick up waste at the curbs of three thousand two hundred nine (3,209) homes twelve (12) times each month (three (3) trucks per week), they offer bulky item pick up every Tuesday, and they have picked up approximately four hundred sixty-two thousand, ninety-six (462,096) carts last year.

Rogers explained they have been falling below the ten percent (10%) target for the return on revenue for the franchise but have not wavered in their support of the Silverton Community. To illustrate their support, Rogers listed some of the events Republic Services have been participating in, they include The Pet Parade, Homer Davenport Days, and the Fire Department's Mother's Day breakfast to name a few.

Rogers provided some statistical data, then explained the ten percent (10%) return on revenue target. She explained the solid waste industry target and Silverton Franchise goal are both ten percent (10%), no less than eight percent (8%) nor greater than twelve percent (12%). The hauling company does not really retain the full ten percent (10%) margin. Before the profit can be returned to the owners, the following need to be distributed: An average of three to four percent (3-4%) in local, state, and federal taxes.

An average of three to four percent (3-4%) is allocated to the reserves used to run the day-to-day activities of the business.

The remaining portions are then dispersed as dividends or distributions which are, again, taxed as income.

Continuing, she explained the City's rates have not kept pace with either the consumer price index (CPI) or the Water Sewer Trash Index, which is the most representative of the industry. The deficit between the Water Sewer Trash Index and Silverton's rates is approximately twenty-three percent (23%). Rogers explained Republic Services ended 2023 with an operating income of negative ninety-five thousand dollars (-\$95,000) and explained the forecast is to continue with negative operating income in years to come. She clarified these projections are very conservative and did not include a rate increase.

Rogers continued by providing statistics and a fee breakdown. Then she explained the rate adjustment options. Option 1 is requested to take place on August 1, 2024, and is a twenty-three percent (23%) adjustment to help level Silverton's rate and allow for smaller annual adjustments based upon the CPI. It will reset the adjustment process with the next projected adjustment occurring January 2026. If option one (1) is chosen, included are two annual bulky waste day events which will begin in 2024.

Option 2 is a stairstep adjustment to level Silverton's rates with adjustments in both August 2024 and February 2025 of eleven-point five percent (11.5%) each. This option also includes two (2) annual bulky waste day events which begin in 2025.

Rogers then provided a Statement of Income for both options and explained how they would ultimately meet the ten percent (10%) target. Option 1 at the end of 2024 and Option 2 at the end of 2025. She then explained how the two options would impact the rates. Option 1 as an overview, Rogers used the most common, thirty-five (35) gallon *residential* (which makes up forty percent (40%) of the trash receptacles used in the City) and said the rate would increase by seven dollars thirty-six cents (\$7.36) per month. Option 2 would be three dollars sixty-eight cents (\$3.68) per month for the first increase and four dollars ten cents (\$4.10) a month for the second. Next, she provided the rates for the *commercial* options, Option 1, also thirty-five (35) gallon, would be a five-dollar twenty-one cent (\$5.21) per month adjustment. Option 2, would be two dollars sixty-one cents (\$2.61) per month for the first increase and two dollars and ninety-one cents (\$2.91) for the second.

Rogers explained the commercial rates are lower for the thirty-five (35) gallon receptacle because yard debris and food waste are not included. She brought up the residential rate comparison of Silverton with current rates for the surrounding area. She pointed out that the other jurisdictions will likely receive a rate increase in early 2025 and if Silverton chooses Option 1, won't see another increase until January 2026.

Republic Services will work to notify the community by sending a written notice to every customer by adding a note to their invoice. They may push the increase to September 1, because they bill every other month for residential. They want to ensure every resident and every business gets advance notice. Rogers concluded her presentation here and asked for any questions.

Councilor Sutton confirmed the two bulky waste events were in addition to what Republic Services has been doing with the City.

Councilor Gaitan thanked Rogers for her presentation. He asked about the rate option for the thirty-five (35) gallon receptacle and verified the rate included everything, not just the trash. Rogers confirmed it included everything, recycling, and organic waste (yard debris and food waste).

Councilor Miller thanked Rogers for her presentation and asked if the projections included a forecast for growth. Rogers said it did, however, she did not know the exact numbers they forecast. He followed up by asking if Republic Services was working with local marketing entities to publicize the information about the bulky waste pick up days. Rogers responded, if the City moves forward with accepting one of the options, Republic Services will work with all those entities and the Chamber as well as putting a note in with customers' invoices.

Councilor Hammond confirmed the bulky waste disposal events were free. There will be no additional charge to participate. Rogers clarified, if you call to have a bulky waste pick up at the curb, it costs but the events are free of charge. Hammond went on to express a concern about how Republic Services utilizes their "profit" or funds by remarking on the pay listed for the six (6) top executives for the company. A brief but spirited discussion ensued.

Councilor Sutton followed up talking about how the residents are seeing the cost of living going up. She wanted to know what options are available for customers who might have challenges affording this rate increase. Rogers said, there are programs in which the City can participate, and the City would have to decide who is eligible,

Republic Services would not. She said Council would have to decide if they wanted to offer a program which may help. Rogers said they could facilitate assistance. The on-call service was mentioned as an option for struggling residents.

Mayor Freilinger asked Republic Services to provide the on-call rates to City Manager Misley.

City Manager Cory Misley said if there are more questions to provide them to him and he will pass them along. The topic will come up again at the June 3, 2024, meeting. He also emphasized franchise agreements should be mutually beneficial.

Mayor Freilinger said he felt it is time for the City to start this relationship anew and move forward with the realities. He thanked Rogers and her team for presenting.

2.2 Affordable Housing Presentations – Jason Gottgetreu, Community Development Director

Mayor Freilinger began by letting the presenters know there were five (5) members of the Affordable Housing Task Force present, and when the question-and-answer portion occurred, they would be acting as members of the Board. He reiterated each presenter had fifteen (15) minutes to conduct their presentation and there would be a five (5) minute time allotment for questions.

The first presenter was DevNW. A brief history of DevNW was provided. They were founded in 1979 and have been serving Marion County since 2008. They expressed their enthusiasm for expanding into Marion County and specifically to Silverton and wanted Council to know they are more than an affordable housing developer. They consider themselves an organization that is focused primarily on financial stability, financial opportunity, and generational wealth building to aid families in permanently breaking the cycle of poverty, so they have assets they can pass to the next generation. They perceive affordable rental housing as a critical baseline to help families then build the financial opportunities for themselves. They see affordable home ownership as both an immediate affordable housing tool and that asset building tool. Continuing DevNW said they are excited about the overlapping priorities they see with the City of Silverton and the Westfield site with the different phases being envisioned and the kind of multiple housing options they may provide for the City.

Their architecture team, InkBuilt, then introduced their firm and design plans.

DevNW and InkBuilt explained their plans, timelines, and funding sources.

The Mayor then opened for questions from Council and the Affordable Housing Task Force.

Member Clay Flowers, Affordable Housing Task Force, asked a question, *unable to hear exactly what was asked*, pertaining to sixty percent (60%) AMI. DevNW responded, anyone under that level would be eligible. Additionally, as the project moves forward, there have been conversations with the Housing Authority and there may be interest in making available project-based vouchers. If successful, there would be some units at a lower income restriction with more affordable rent for people at a lower income. Flowers followed with a question about in-unit washers and dryer hookups with appliances included. He asked if it included refrigerators. DevNW responded, the current plan is to put in washers and dryers.

Councilor Traeger asked which of their developments would be closest to the plans they have for the Westfield site. They responded Seavey Meadows in Corvallis and said they would be happy to provide Council with the

address. They referenced this project because it is a combination of rental housing and community land trust housing on the same site which is of a similar scale. Traeger asked when Seavey Meadows was built. DevNW's response was in three phases, with the last phase ending 2016.

Councilor Newton asked them to briefly explain their site services once construction is over and what their vision is for the long-term relationship with the City, excluding the ninety-nine (99) year lease. Newton also wanted to know what partnership qualities they would expect from the City after construction is complete. DevNW responded they have an in-house asset management department which includes resident services, they envision a range of resident services based in social determinants of health, and their resident source providers are community health workers. They would do some more traditional things such as helping residents get to primary care physicians, helping host dental trucks on site, things like that. They also do a lot of work around community engagement, social relationships, and access to healthy foods. They often help the community with on-site gardens, and host community events, especially for children during the summer months. They also feel DevNW can bring some unique aspects in terms of financial literacy classes, and first-time home buyer classes on site. They expressed a goal that some of the rental housing residents could become buyers of the community land trust housing.

Regarding an ongoing relationship with the City, DevNW will stay involved for the long term, on the rental side, and if there were a future community land trust phase, they would want to be in active conversation with the City. They want to be problem solvers with the City, work with the City and other service providers to make space available, for service providers who can make use of the community room or City events that could happen in collaboration with the site. DevNW wants the residents to be fully connected members of the community. No isolation on the site and make strong connections within the community and City.

Councilor Hammond asked about their plans for the use of solar energy. DevNW said they want to add solar and believe with the tax credits and incentives the solar can be added at virtually no cost. Hammond asked about financing and asked if their proposed financing did not come through, how it would be funded. DevNW responded, they believe the project will be funded by Oregon Housing and Community Services with the support of the City of Silverton with the land and desirability of this area. They said their project will work either with the four percent (4%) or the nine percent (9%) financing options.

Member Smith asked if they had worked in smaller communities as the examples of their work were based in Salem and Corvallis. She also asked if they had worked together as a team before. DevNW's response was they have not worked together as a team, but they are working on two (2) projects now. DevNW said they are building a relationship with InkBuilt in large part because of their mission driven philosophy. They are excited about the new and emerging partnership. They have built in smaller communities, two (2) of the most recent community land trust projects were in Cottage Grove and Florence. Smith continued asking how many housing units and the variation in size and bedrooms are in the plan. DevNW responded there will be 48 total units. The breakdown is on page ten (10) of the handout.

City Manager Miskey asked if the City wanted to work with them on the size and breakdown of the units, would they be flexible. They responded in the affirmative. Miskey went on to say, the relationship of finding what the right mix is for the community is going to be a critical conversation. He emphasized to Council and the Affordable Housing Task Force they were not selecting the project; they were selecting the proposer. He cautioned them not to get waylaid by the minutiae of the concept because the project will be what the City makes of it. DevNW responded, when they develop a project like this they like to work in collaboration as much as

possible and want to have those conversations about what goals the City has and what the City is envisioning. There are a few hard limitations, one of which is City Code.

Mayor Freilinger thanked DevNW and InkBuilt for their presentation and said there will be more meetings to come.

Mayor Freilinger then welcomed Hacienda and their presentation.

Hacienda began their presentation expressing their gratitude for the opportunity to present to the City and Council. They then provided a brief history. Hacienda has been functioning for about thirty (30) years as a Latino serving organization. Over the past eight years, the organization has transformed significantly, and the Latino led organization now serves everyone. It was mentioned because they want to be clear they are not serving one group or another but, depending on the demographics of the community, they serve everyone.

Like DevNW, they do not believe just housing is enough. Housing is just the beginning. Hacienda offers a wide range of services and, if selected, would bring those services to Silverton.

Hacienda provided their presentation.

Mayor Freilinger opened for questions.

Councilor Newton asked if the modular construction would be done offsite and then put together on site. Hacienda explained the modular homes will be built on site and they are looking for efficiency.

Councilor Traeger asked the same question she asked DevNW, which of their developments would be closest to the plans they have for the Westfield site. Hacienda provided information on several sites but said Las Flores would be similar and is in Clackamas County. There was a brief discussion about some of their projects including one in Molalla.

Councilor Miller said from what he was reading, it appeared the references to the wetlands indicated it did not need mitigation. Hacienda responded they could mitigate but what they proposed was the most economical.

Member Flowers then asked if laundry facilities would be in each unit or a centralized laundry room. Hacienda responded, they believe it makes the most sense to have a centralized laundry facility, one they could control in case of accidents, damage or needed repairs. They are not opposed to considering in-unit laundry and could see in-unit laundry in the larger family-sized units for convenience. The benefit of having it centralized is the developer/property manager, is carrying the burden of the cost of utilities, repairs, water, etc. Flowers then asked if the residents would have to pay for the use of the machines in the centralized laundry facility. Hacienda said the residents would have to pay. Flowers asked how many total units they were proposing in Phase 1. Hacienda said thirty-seven (37) units. Flowers responded, the chart in the presentation says thirty-six (36). Hacienda clarified there would be an additional unit for the onsite manager and thirty-six (36) for residents.

A member of the Affordable Housing Task Force then asked what Hacienda needs from the City. Hacienda's response was the long-term land lease, assistance with the Community Development Block Grants (CDBG), and involvement with the community as a whole and as a true partner. Hacienda believes this is where the most success would be seen.

Mayor Freilinger asked if they were looking for System Development Charges (SDC) offset. They responded they were along with the property tax exemption. Mayor Freilinger said there were no examples of anything Victorian in nature, yet the design indicates Victorian elements. He wanted to know if the cost estimates being provided would include those elements. They responded it did include those elements however, they were not true Victorian architecture. It is more modernized.

Councilor Gaitan wanted to clarify that the most similar community was Los Flores. Hacienda clarified the other development they referenced was in New York. Los Flores is a larger community, however, the community in Molalla is Plaza Los Robles.

Mayor Freilinger thanked both DevNW and Hacienda for their presentations.

7:30 P.M. REGULAR MEETING

Mayor Freilinger transitioned into the City Council Regular Meeting, calling it to order at 8:10 p.m., and opened it to public comment.

3. PUBLIC COMMENT

None.

4. CONSENT AGENDA

A motion was made by Councilor Sutton to approve all Consent Agenda items. Councilor Gaitan seconded. No discussion. All in favor. Motion Passed.

4.1 Resolution 24-08 Authorizing Signers on City Bank Accounts – Kathleen Zaragoza, Deputy City Manager

5. ACTION ITEMS

5.1 Ordinance 24-07 An Ordinance Allowing the City of Silverton to Implement 20 MPH Speed Zones in Select Areas – Cory Misley, City Manager

City Manager Cory Misley referred to previous discussions stating there wasn't much to add. There isn't a specific date yet when this will roll out. There is education, community engagement by the Police Department, etc., however passing this ordinance will make it official thirty (30) days from now and we could begin to do that.

A motion was made by Councilor Sutton to have Ordinance 27-07 read by title only. Councilor Miller seconded it. No discussion. All in favor.

City Manager Cory Misley read Ordinance 24-07 by title only.

Councilor Sutton moved to have Ordinance 24-07 pass on the first reading. Councilor Newton Seconded. No discussion. All in favor. Motion passed.

A motion was made by Councilor Sutton to have a second reading of Ordinance 24-07 by title only. Councilor Traeger seconded. No discussion. All in favor. Motion passed.

City Manager Cory Misley read Ordinance 24-07 by title only.

Councilor Sutton made a motion to pass Ordinance 24-07 on its second and final reading. Councilor Newton seconded. No discussion. All in favor. Motion passed.

5.2 Authorize City Manager to Enter into Contract with Buildskape in the Amount of \$258,500 for Construction and Renovation Services at the Senior Center Subject to Legal Revisions – Mike Dahlberg, Public Works Operations Manager

City Manager Misley opened the discussion explaining the process including submitting requests for bid. The bid received from BuildSkape was high. CityCounty Insurance (CIS) was brought into the discussion and felt it was excessive. Operations Manager Mike Dahlberg went back to Buildskape and had a discussion with them. Buildskape was amenable reducing their bid.

Councilor Gaitan requested clarification on the email and dollar amounts listed. Misley provided it and explained the email was to show CIS's acceptance of the bid. Misley further explained the fifty thousand dollars (\$50,000) listed as a contingency is not a part of this contract. It is for upgrading the fire system.

A motion was made by Councilor Miller. Councilor Sutton seconded. No discussion. All in favor. Motion passed.

5.3 Authorize City Manager to Enter into Contract with R.L. Reimers in the Amount of \$195,765 to Replace the Head Works Bar Screen Subject to Legal Revisions – Travis Sperle, Public Works Director

Public Works Director Travis Sperle, explained during the January ice storm, the bar screen was damaged. He went on to explain the screen is about 40 years old, the motor and the chain system, which is about twenty (20) feet in the air was damaged and broken. While checking on repairs, it was found replacing it was more efficient.

Councilor Traeger asked how long these systems are good for. Sperle said there was no redundancy and the one being replaced would fail often and required repairs. Now they're replacing it.

A motion was made by Councilor Traeger to authorize the City Manager to enter into a contract with R.L. Reimers, subject to legal revisions. Councilor Sutton seconded. No discussion. All in favor. Motion passed.

5.4 Employee Handbook Updates – Cory Misley, City Manager

City Manager Cory Misley provided a brief history of the Employee Handbook telling Council the Handbook was originally adopted on December 5, 2016, and has since been updated, when necessary, based on recommendations from CityCounty Insurance Services (CIS), staff input and best practice changes. A motion was made by Councilor Miller to adopt the Employee Handbook with revisions as noted. Councilor Sutton seconded. No discussion. All in favor. Motion passed.

5.5 City Hall Construction and Opening Celebration Event Update – Cory Misley, City Manager

City Manager Cory Misley began it will be a complete City Hall and Police Department, with a temporary certificate of occupancy. There will be no furniture. Hopefully there will be monitors up in the Emergency Operations Center (EOC) and Council Chambers with a slide show that will go through the evolution of the project. Currently, we hope to start the furniture move-in on June 10, 2024, with a completion date of June 21, 2024. The goal is to have the first Council meeting of July (July 1, 2024) in the new City Hall.

Councilor Traeger said she had provided Council with an agenda. Traeger said people would be arriving at 5:15 p.m. for a run through. There will be a formal Color Guard. She went on to say the City Manager would get

things started and then introduce the emcee of the event, Mayor Freilinger. The Mayor will make his remarks, there will be a presentation of the flags, the National Anthem, and he will recognize individuals who contributed to the project. The Mural Society talked about having the mural completed, however, it will not be finished. They will, however, provide a poster sized replica. Then the ribbon cutting ceremony will occur. Councilors Gaitan and Hammond will hold the ends of the ribbon with the Mayor in the middle. After the ribbon cutting, The tours will begin. Tours will include staff standing strategically throughout the building and people can walk around the building with staff making sure they don't miss anything.

They had a brief discussion about the Ceremony.

Mayor Freilinger wanted to discuss recognition. He said he wants to recognize both Jason Gottgetreu and Kathleen Zaragoza. He asked for any others who should be recognized, Jason Gottgetreu suggested Daryl Jones, the City's Building Official, also be recognized. Kathleen Zaragoza, Deputy City Manager and Jason Gottgetreu, Community Development Director, will be added to the ribbon cutting. Mayor Freilinger said those he wished to recognize were integral in making this happen, he mentioned Rick Lewis, said financing was Kathleen Zaragoza and staff making this happen was Jason Gottgetreu. He said he also added Ken Hector because he was part of the catalyst which convinced everyone to move forward with this project. Councilor Newton asked if Jim Anglemier (former Chief of Police) would be available to be involved.

6. CITY MANAGER UPDATE

City Manager Cory Misley began his update by expressing gratitude for the years retired Police Chief Jim Anglemier gave to the City. Misley went on to say, there was a successful and well attended retirement party on Friday, May 17, 2024. Before the Council meeting, the City had a Swearing-In Ceremony where service was affirmed from our new Police Chief Todd Engstrom, Captain Mark Gaither, and Sergeant Peter Finnegan. Misley said there was standing room only for this ceremony.

Misley said he was still working on creating a memorandum which will outline what each department is doing. He updated the Council saying he is conducting a second-round interview for the Deputy City Recorder and Communications Coordinator and his hope is to have someone in the position mid-June.

Misley brought up his desire to evolve the City Manager Updates into staff updates. This would provide an opportunity for staff to communicate all the work they do.

7. COUNCIL COMMUNICATIONS

Councilor Traeger brought up the concerns during Public Comment about Sheltering Silverton. She said she wanted to ensure the concerns did not get forgotten.

Councilor Miller talked about the Transportation Advisory Committee (TAC) and the further discussion about a round-about. TAC is moving forward with the discussion. He also said he was concerned about the wetlands, during the presentation from DevNW and InkBuilt and Hacienda, he did not really hear them speak to how it would be handled. He hopes the area can be preserved.

Councilor Newton wanted to know what steps will be taken now, after the presentations. Mayor Freilinger said tomorrow AHTF will make their recommendation which will be brought to Council. Then there will be a meeting in which Council will make the final decision.

There was a brief discussion about vandalism to the All-Abilities Park and how it is causing some delay on the completion of the park.

Councilor Hammond said he would be gone on June 3, 2024.

Councilor Sutton said the vandalism emphasizes the need for camera systems on the City properties.

8. ADJOURNMENT

A motion was made by Councilor Hammond to adjourn. Meeting adjourned at 8:55 p.m.

Respectfully submitted by:

/s/Tammy Shaver – Human Resource Manager