

**City of Hood River  
City Council Work Session  
January 11, 2021**

Council: Mayor Kate McBride, Mark Zanmiller, Megan Saunders, Tim Counihan, Jessica Metta, Erick Haynie, Gladys Rivera

Staff: City Manager Rachael Fuller, Finance Director/ACM Will Norris, City Attorney Dan Kearns, Fire Chief Leonard Damian, Police Chief Neal Holste, Public Works Director Mark Janeck, Senior Project Manager Wade Seaborn, City Recorder Jennifer Gray, GIS Analyst Jonathan Skloven-Gill

Absent:

**I CALL TO ORDER – 6:00 p.m.**

**Oaths of Office will be administered to Mayor Kate McBride, Councilors Mark Zanmiller, Megan Saunders, and Gladys Rivera**

Land Acknowledgement Statement and Pledge of Allegiance

**RECESS TO CONSIDER URBAN RENEWAL AGENDA - 6:09p.m. – 6:38p.m.**

**II BUSINESS FROM THE AUDIENCE**

MariRuth Petzing, Hood River, OR – she asked that Council not approve the draft RFP for a new police facility. "The draft RFP itself acknowledges that "there is a wide range of opinions on the location, necessary functionality, and even the near-term need for a police station within the community and among elected leadership." But instead of taking time to engage with that seriously, the City seems poised to move forward with an RFP that requests a "decision-making process" led by an architectural firm, but then expresses the foregone conclusion of a "successful bond campaign." Ask for input now, have a decision-making process that involves the community now, when the important decisions are to be made. I'm not interested in an online survey (in English) about what color to paint the entrance. In fact, when the community was asked for their input into priorities, housing and transportation and green space were overwhelmingly identified. I expect there are many new priorities needs due to COVID." Petzing full statement has been added to the record.

Peter Fink, Hood River, OR – he stated when he found out the City was considering building a Police facility, he was flabbergasted and shocked due to the things that have happened in the past year regarding lack of accountability in the police and racial injustice. He said it is time to make good choices and the consideration of a police facility is ridiculous. The police are not serving our community and they claim they keep communities safe. The City should be focused on spending more money towards transportation and the mental health system.

Heather Staten, Executive Director of Thrive Hood River – Hood River needs more housing. Ever increasing home prices are a function of supply and demand. There are too many people chasing far too little demand. The 2015 Housing Needs Analysis anticipated a production of 100 dwelling a year in order to meet population growth. Production has been about half of that. Is it any wonder that housing costs continue to go up. To make matters worse, market forces have made it economically attractive to construct large expensive new homes. Hood River embarked on the Missing Middle Code as a way to provide greater diversity of housing types, to meet the needs of your changing population while still building homes that are compatible and look and feel to existing neighborhoods. The essential truth is that the City of Hood River does not build homes. Developer build homes. If the City wants more diverse and plentiful housing, not only do you need code that gives developers the right to build the units wanted, but incentives them to build them. She stated the options before Council both have problems. If you want builders to create smaller homes, the right incentive is letting them build a greater number of units, than the current code allows on a given piece of property. She spoke about what the City of Portland has been doing. Staten recommends approval of the ordinance on frontage improvements and street extractions. The previous code stopped low impact and highly beneficial projects. She is very encouraged to see the City kicking off 2021 with this level of attention, to make impact an on housing. She hopes this is the year to get some things done.

### **III PUBLIC HEARINGS**

1. Ordinance 2060 Personal Services Contracts - amendment to HRMC 2.32.060, D. Kearns,

Mayor McBride opened the public hearing at 6:51 p.m.

An Ordinance amending Title 2 (Administration and Personnel) Chapter 32.02 (Public Contracting), Section 2.32.060 (Personal Services Contracts) of the Hood River Municipal Code, to make the City's procurement procedures for Personal Services Contracts consistent with current state law.

This is a proposed amendment to the Hood River Municipal Code that is not part of the City's land use regulations. The purpose of the hearing is to accept any and all public testimony or comment on this proposal – for, against and neutral.

Kearns presented the staff report.

The City's public bidding and procurement procedures are codified in HRMC chapter 2.32 (Public Contracting) and are currently consistent with state law reflected in ORS Chapters 279A, 279B and 279C. However, since the time the city first adopted this code chapter, state law has been expanded to allow for alternative solicitation procedures for personal service contracts, has significantly raised the dollar limits for the different solicitation procedures, and now allows the local government to consider pricing when evaluating professional services proposals. In this amendment, the City is amending its Public Contracting code chapter so that the city can use the alternative solicitation procedures for Personal Services Contracts now allowed by state law, but we are not seeking to raise the dollar limits for these procedures.

The proposed amendment would allow for expedited procedures during times of a declared emergency and allow the city to take into account pricing in the award of professional services contracts. When the City's current code provisions were adopted, state law did not allow local governments to take into account pricing and required the city to base the award of professional

services contracts only on the proposers' qualifications, irrespective of pricing.

Council Action: Amendment of the Hood River Municipal Code, Chapter 2.32 (Public Contracting), Section 2.32.060 (Personal Services Contracts) as reflected in the attached Ordinance No. 2060.

Members of Council confirmed they have not received additional correspondence regarding this item.

Mayor McBride opened the public testimony portion of the hearing and read the rules regarding public hearing conduct.

There was no testimony for or against the ordinance. There was no staff rebuttal.

Mayor McBride closed the oral argument and public testimony portion of the public hearing. There were no deliberations.

**Motion:** I move to place Ordinance No. 2060 on the City Recorder's report of tonight's main agenda for approval and first reading by title only.  
**First:** Saunders  
**Second:** Metta  
**Discussion:** None  
**Vote:** Motion passed (roll called)  
Ayes: McBride, Zanmiller, Saunders, Counihan, Metta, Haynie, Rivera  
Nays: None  
Abstentions: None  
Excused: None

Mayor McBride adjourned the public hearing at 7:03 p.m.

2. Ordinance 2059 Frontage Improvements and Street Exactions, M. Janeck,

Mayor McBride opened the public hearing at 7:03 p.m.

An Ordinance amending Title 15 (Buildings and Construction) Chapter 15.16 (Building Permits), of the Hood River Municipal Code, to bring the City's authority to exact street frontage improvements as a condition of building permit issuance into compliance with current state law.

This is a proposed amendment to the Hood River Municipal Code that is not part of the City's land use regulations. The purpose of the hearing is to accept any and all public testimony or comment on this proposal – for, against and neutral.

Janeck presented the staff report.

Street frontage improvements have been a part of City regulations for numerous years. As part of the Permitting Enhancement Project (PEP), code improvements to create a more efficient and fair process were targeted to be considered by the City Council.

Frontage improvements refer to and can include, partial or full construction of sidewalk, curb, gutter, roadway, and parkways within the City. Street frontage improvement language was included in the

Code in order to assist the City with updating public right of ways. Currently, most building permit work within the City can require some or all of these construction improvements, no matter how small or large the project is; for instance, there is no differentiation relative to requested residential or non-residential frontage improvements. These improvement requirements can be extremely expensive, often costing more than the construction proposed within a building permit.

The intent of the proposed Code alterations in Chapter 15 is to update our regulations to match current Oregon land use law. The existing Code language concerning street frontage improvements as required as part of a building permit does not meet the State legal standard of proportionate share when the impact of the proposed construction is taken into account. For example, the same street frontage improvements can be required if there is a 100 square foot addition proposed or a 400 square foot addition. Similarly, a residential 2 lot subdivision project can require the same frontage improvements as a 1000 square foot commercial addition or expansion into an existing space.

In order to rectify these issues, the proposed Code language reflects what the State of Oregon courts have determined as rational relative to the impacts represented by a proposed property improvement represented by a building permit. The authority for requesting street frontage requirements is more typically allowed when a land use change is proposed, not a building permit. The proposed language has been created by the City attorney for this Code alteration.

Members of Council confirmed they have not received additional correspondence regarding this item.

Mayor McBride opened the public testimony portion of the hearing and read the rules regarding public hearing conduct.

There was no testimony for or against the ordinance. There was no staff rebuttal.

Mayor McBride closed the oral argument and public testimony portion of the public hearing. There were no deliberations.

**Motion:** I move to place Ordinance No. 2059 on the City Recorder's report of tonight's main agenda for approval and first reading by title only.  
**First:** Rivera  
**Second:** Saunders  
**Discussion:** None  
**Vote:** Motion passed (roll called)  
Ayes: McBride, Zanmiller, Saunders, Counihan, Metta, Haynie, Rivera  
Nays: None  
Abstentions: None  
Excused: None

Mayor McBride adjourned the public hearing at 7:18 p.m.

## **WORK SESSION**

**IV OPEN WORK SESSION – 7:18 p.m.**

**V AGENDA ADDITIONS OR CORRECTIONS**

## VI DISCUSSION ITEMS

### 1. Missing Middle Housing Code Amendments, D. Nilsen

Nilsen presented a PowerPoint presentation. It was added to the record.

Developing code language for missing middle housing types (duplexes, triplexes and small cottages) is a project on the City Council 2020 workplan. The purpose of this project is to establish a clear process and regulatory framework to allow greater diversity of housing types and needed housing types. These include small attached and detached homes in clusters, as an alternative to standard development subdivisions.

Code amendments were identified as housing strategies in the City's Comprehensive Plan and Housing Needs Analysis as opportunities to provide a needed housing type and to make efficient use of the City's limited buildable land inventory. Project and Technical advisory groups evaluated frameworks of similar amendments in 2018.

Other public information efforts included articles in the City's newsletter in Spanish and English, project specific webpage, social media, other stakeholder outreach.

On December 21st, Planning Commission began its technical review of the draft code. From a technical perspective, the code permits smaller housing types that are compatible in scale to an existing neighborhood. There are no major technical issues to resolve before bringing the code forward to Council for adoption.

Staff is seeking final Council direction on two issues have been raised:

1. Parking requirements
2. Consistency between the proposed missing middle code and the townhouse code

#### Parking requirements

Parking requirements add cost to developments, increase unit size, and reduce the amount of land available for development of housing. One option is to reduce parking requirements for certain types of development. Staff will articulate the options and tradeoffs associated with this issue and seek Council input.

#### Consistency and compatibility

The missing middle code is scaled for compatibility with existing neighborhoods, meaning the units are smaller in both size and height. Townhouses are also considered a part of the missing middle housing product, however, the City's code currently allows for a townhouse that is considerably larger in scale than is anticipated in the missing middle housing code. This size discrepancy has been identified as an issue and disincentive that will negatively impact developer's willingness to build these types of smaller units. Staff recommends that as a follow up, Council discuss options to reduce the disincentives to building smaller units including whether to amend the townhouse code to reduce the scale of the product. An alternative to a townhouse code amendment would be to increase the size of the missing middle houses.

Based on Council direction on these issues, staff will return to the Planning Commission to finalize the code draft that will come back to Council for a public hearing, deliberation, and implementation

Staff recommends that Council provide direction on parking requirements and consistency with the missing middle housing code.

Council asked clarification questions to Nilsen.

Councilor Metta stated she is in favor of reducing the parking. Some of the samples where it is one and a half over a certain size, she is fine with but she does not know what that size would be. She is good with what is being proposed.

Councilor Rivera said she would imagine it would be challenging, but she would like to see option of building up higher.

Councilor Counihan asked if staff is seeking input from developers? Nilsen confirmed staff has been in conversation with several developers both locally, as well as the consultant who is a professional architecture firm in Portland, to broaden that reach. The marketability question that was talked about came from the real-estate development team. That has been some of the commentary. There has been outreach.

Councilor Counihan stated reducing the parking requirements makes sense but it would be great to go into that with their eyes wide open. Be aware of the consequences and appetite for particular neighborhoods to absorb that type of pressure.

Councilor McBride stated she is in favor of reducing the numbers, especially for small units. If the unit is going to be 1200-1500 sq ft, maybe it should be one and half. If it is a large frontage lot on the street with large units, there would be opportunity for people to park on the streets. Taking those things into consideration and possibly building up. She is not against building up depending on the situation. They should be around 1,500 sq ft but not 5,000 sq ft. so they can get more units. Maybe one and half spaces per unit would be required. She is fine with going with a small number of parking spaces.

Councilor Saunders stated she is willing to try the one space per unit.

Mayor McBride noted there was public testimony received today and reviewed by Council.

Nilsen presented images on a PowerPoint. PowerPoint has been added to the record. The draft code intends to provide more compact units and is illustrated in the slides. They do see varying degrees in building gaps. Nilsen's question to Council is do they support narrowing the gap through adjustments to the Missing Middle Housing Code or some other means.

Councilor Metta stated the question before Council is do, they want to change the townhouses because what they are talking about is still not going to incentivize people to develop missing middle housing. She believes the answer is yes. Nilsen has shown Council a couple of photos today how townhouse are not consistent with neighborhoods. She agrees with Nilsen's idea of reducing the gap between what is allowed, the townhouse and what is allowed in the housing square footage. She does not know what that is but that is why they have Nilsen and the Planning Commission. She does not see the need for them to disincentivize large home builds.

Councilor Zanmiller stated he is concerned if they disincentive the current profit margin for townhouses and tiny houses even less, builders are just going to build big houses. He would rather have the City say what other “sugar” can be added to the small house. Whether it be more square footage or flexibility on how to configure to get multiple units. They will want to meet the market demand. Otherwise, they will keep getting more of what they got. He thinks there are other incentives they can use, besides this code. They can talk more about parking, SDC’s or roads.

Councilor Rivera would like to limit the size of the townhomes because they are currently half a million-dollar homes. She would like to see them get to Option B, six units.

Mayor McBride would like to get to a place with more units on a lot; up to 1500 sq ft. range. If they limit the townhomes, they will see more large homes built. She does not prefer large townhomes, but she less prefers a 6,000 sq ft single family home. There could be three units on a lot, even if they are large. She is afraid if they limit that, they will just get more single homes. They can try it and see how it goes. The City can talk to the builders to get their input on this. They are the ones that are going to build them.

Nilsen will take Councils input, continue his work and report back at a later date.

## 2. Trees on Private Property, H. Ellett

Ellett presented a PowerPoint. PowerPoint has been added to the record.

**Public Purpose:** The purpose of this item is to gain Council input on the next steps for the 2020 Work Plan Project regarding Trees on Private Property. The project falls under the Council Goal of creating a more environmentally sustainable community.

**Background:** At the June 8, 2020 Council Meeting, when the Trees on Private Property project scope was discussed, Council provided direction that Staff research options for and focus on an incentive- based program for private tree regulation and preservation.

Based on research completed for how other Cities regulate trees on private property and conversations with the development community Staff has created the attached matrix outlining multiple potential next steps for the implementation of regulation changes and incentives that promote tree preservation on private property. The first option posed discusses the disincentivizing liability present in the current development process as developers must mark trees on the development site and then be responsible for those trees throughout the process. The second and third options discuss the implementation of incentives for tree protection and the regulation of private tree removal. Multiple options presented in this matrix may be pursued.

**Staff Recommendation:** If Council wants to remove the current standard regulatory protection of trees, Staff will draft an update to the Land Use Review process that removes the portion of the process requiring developers to mark trees on a development site and then protect those trees during the development process.

If Council wants to consider an incentive approach, Staff recommends incorporating tree preservation incentives into other upcoming code improvement projects.

If Council wants to regulate private tree removal, Staff will pursue the creation of a City-wide tree removal regulation program.

Councilor Zanmiller believes they should see if there is a way to do a low implementation of the third option, but certainly do the first two options.

Councilor Saunders stated given the current landscape of the regulation only during the land use process, does seem to create an incentive for people to cut everything down ahead of time. It would be an improvement if they removed the liability in the first one. This is not her highest priority item this year, but she is open to talking about incentives as they talk about incentives for other things. She does not believe there is an easy way to do regulation on all trees in the City, or a certain size of tree in the City. She is not interested in doing that at this time on, nor does she want to put staff and resources toward it.

Councilor Metta stated she is in line with Councilor Saunders. There is a part of her that worries about taking away any kind of protection of trees during a land use review process, but she recognizes this is causing some of the trees to be removed. She likes the idea of incentives. She is not excited about regulating protection of all trees. It can be addressed later if it is not working out. She also does not want staff time put towards this right now.

Mayor McBride's agrees with Councilor Saunders. She would like to remove liability. She would like incentives created for trees of certain size or larger. That would be for details later. She does not want to regulate all trees.

Councilor Counihan has reservations about eliminating liability. He is in favor of adding incentives. Regarding regulating all trees, he questioned if there could be a regulation on the number of trees that one can removed, at any one time.

Councilor Rivera stated this is not a priory for her this year. She rather have staff working on housing, transportation or other things. She does agree with some type of incentive.

## **VIII ADJOURN WORK SESSION – 8:39 p.m.**

### **REGULAR COUNCIL MEETING**

#### **I OPEN REGULAR COUNCIL MEETING – 8:47 p.m.**

#### **II AGENDA ADDITIONS OR CORRECTIONS**

#### **III CONSENT AGENDA**

1. Council Meeting Minutes – December 14 and 18, 2020
2. OLCC Permit Application Approval –  
Common House, FishPeople Seafood, and Wildwood
3. Annual Taxi Business Permit Renewals, J. Gray
4. Waterfront Stormwater Line Financing –



Resolution 2021-02, W. Norris

Councilor Saunders had edits to the minutes on page 53, 64 and 66. Gray will make the edits noted by Saunders.

**Motion:** I move to approve the Consent Agenda with the minute edits requested by Councilor Saunders.  
**First:** Metta  
**Second:** Saunders  
**Discussion:** None  
**Vote:** Motion passed (roll called)  
Ayes: McBride, Zanmiller, Saunders, Counihan, Metta, Haynie, Rivera  
Nays: None  
Abstentions: None  
Excused: None

**IV REGULAR BUSINESS ITEMS**

1. Public Safety Building – Solicitation Reviews & Approval, W. Norris

The City Council directed staff on September 28th to develop a solicitation for a joint City/County public safety building and a city-only police facility. The intent is to gather cost proposals to help the County decide whether to participate in a joint project and keep a city-led alternative should the County decline. Both projects include office space for Safe Space Children’s Advocacy Center (formally Columbia Gorge Children’s Advocacy Center) and a net increase to downtown parking availability. A draft solicitation for these two projects is included in the meeting packet.

The City of Hood River has no record of its Police Department ever occupying a purpose-built facility. Operations are housed in the basement of the 100-year-old City Hall that was originally a fire engine bay. The space is crowded and lacks basic functionalities for policing like ventilated evidence processing, emergency power, sally port, professional meeting spaces, “soft” victim interview rooms, and secure/IT equipped suspect interview rooms.

The City of Hood River attempted to site and design a police station in the 1990s (standalone) and 2000s (Police/Fire/EMS), but in both cases abandoned the project prior to bond elections or final designs. The City Council reprioritized planning for a police facility in 2018. Mackenzie Architecture (Mackenzie) was selected by competitive solicitation to perform the work.

Mackenzie performed a programming workshop in early 2019. This work resulted in an initial space program of 16,124 sq. ft. After receiving the preliminary space program, the project team toured example police facilities in Canby, Gresham, and Sandy. After the tours, the project team reduced the preliminary building size to 13,178. This final space program was accepted by the City Council on August 12, 2019 leading to the next step of site evaluations.

Seven sites were evaluated and ranked. The highest-ranking site is the 60,000 sq. ft. Columbia Lot. This site requires structured parking, and the lot is large enough to accommodate both a police facility and parking garage. Before moving forward with preliminary design on the Columbia Lot, the City Council expressed a desire to reengage with Hood River County on a joint facility after the success of the county-wide public safety operating levy had stabilized county finances. County Commissioners expressed interest in a joint facility at their September 21st meeting but could not commit until the cost of the planning project was better understood.

Following County input, the City Council directed staff to gather proposals and costs for a joint City/County public safety building and police facility.

A draft solicitation to gather proposals for both a City/County joint project ("Project A") and city-led project ("Project B") is included with the meeting packet for City Council's review and approval to issue. Both projects follow the standard facility planning process as shown in the diagram below. Project A is a full restart of the process while Project B picks up where Mackenzie left off in November with the addition of a parking garage and Safe Space Children's Advocacy Center (SPCAC) offices.

The Hood River Police department will benefit from a purpose-built facility as soon as one is available. The upcoming expiration of the Fire Station General Obligation Bonds in 2022 creates a natural opportunity to forward a construction levy to voters that will not result in a net tax increase. It is advisable to run a bond election before 2022 so that if it is initially unsuccessful the City can reconfigure the project and run a revised bond election before the Fire Station levy expires.

Councilor Rivera stated she is not interested in pursuing a police facility of our (City) own. This is not a priority project for her for the year 2021. She would consider moving forward if the County is interested from the beginning; everyone is involved. She wants the designer to be working with community partners to help guide them. Leaving it up to consultants is not the best. She appreciates staff time into this, but it is not a priority for her. She stated they are all elected officials and have been put here by constituents. She would encourage Council to think about if they willing to put their time, effort, and their name on this.

Councilor Saunders stated she does not see anyway they are going out for a bond this year or 2022. She is not interested in pursuing a standalone facility right now. She acknowledges the current facility does not sufficiently serve the community. It would be important to the community (City and County) to give a joint facility a real opportunity to build partnership and get to a point with a joint facility, with other community partners. To do that well, it will take a lot of time. She is open to seeing that move forward this year. She would like to pursue forward with the County. She believes they are interested based on conversations she has had, but she is not sure the order of operations to move forward.

Mayor McBride noted during Operational Updates later this evening, Fuller is going to speak about community services presentations that will be coming to Council. Mayor McBride believes these presentations will provide information to Council about what is going on and what is needed in the community. She believes that is what Councilor Rivera and Saunders are referring too; services that might benefit from this facility. Mayor McBride believes getting as much information as they can, prior to moving forward with an RFP.

Councilor Zanmiller believes this RFP is 80% final text. Before it goes out, the City needs to have a discussion with the County, otherwise they are going to have to repeat it. He is interested in having that discussion with the County. He suggested not putting this plan on a shelf but begin the discussions. This is nothing against the process to date. If a City and County collaboration building is the goal, how does that look. His suggested to wait on moving forward until there is movement on discussions with the County.

Mayor McBride stated this facility is not necessarily to add more police officers. Have a facility that makes it flexible for the type of staff needed. Do not get stuck with one structure, that will not work for numerous possibilities. She has heard people say they need to take more time to

be more thoughtful on the front end. She knows the community has likely heard more officers are going to be hired. That is not necessarily true. That is not what this building will necessarily be for. They need to be able to articulate that fact to the public.

Councilor Metta understands what her fellow Councilors have stated, but at the same time she is worried. The need for a new facility was discussed 20 years ago and nothing happened. She does not believe the current facility is adequate. It is not protecting victims, suspects, and it is not serving the community. If they are putting a hold, she believes they still need to make this a priority even if it is prioritizing having conversations now. They need to get moving on something. Knowing even if they have conversations now, it is going to take time to pass a bond and finish the design. The current facility is not serving the community. They could do an RFP and talk about designing a flexible space. She can see the conversations happening at the same time.

Councilor Counihan believes slowing the process down and having conversations is going to allow more opportunities. He feels this conversation is affirming some of the uneasiness that he's been feeling, as they proceeded through the final stages of this process. Council was not having the discussion they needed to have. Certainly, with the County and exploring that partnership but also trying to follow through with some of the things in the City equity resolution.

Councilor McBride summarized what she has heard from most Councils. There is not support about going forward with a city-led project "Project B" or at least starting it right now. There is more interest for both a City/County joint project "Project A", depending on conversations with the County. In general, for "Project A" there is a consensus Council would like more robust conversations and other partners that could be involved, prior to looking into space needs.

Mayor McBride agrees trying to get a bond through without doing more work ahead of time, would not be a good idea. She would rather do a City County facility together and it would be best but does not believe it will pass in the current atmosphere. If they do the work, it could pass in a couple years. Looking at the demographics of the votes for the County that happened last year, the City voters passed it. If they are going full County, there will need to be a big push to get it done. All those things would need to be looked at in more depth. Doing the work ahead of time will be more helpful.

Mayor McBride will work with Fuller and the County on potentially scheduling facilitated meetings with the County Commission.

## 2. Q2 Supplemental Budget - Beginning Balance Review – Resolution 2021-01, W. Norris

The City of Hood River's Financial Policies Resolution 2020-07 requires that, "Each year, the City Council shall review the actual beginning fund balances shown in the external audit. If the General Fund amount is in excess of the budgeted amount, the City Council shall determine the disposition of the excess."

Beginning Fund Balances represent a point in time snapshot of the City's cash, investments, and short-term receivables net of short-term liabilities attributable to each of the City's eight (8) Funds. Fiscal year beginning fund balances are calculated after all outstanding invoices and revenues are received for the prior fiscal year and the transactions are reviewed by an external auditor.

Actual Beginning Fund Balances differ from Budgeted Beginning Fund Balances because budgets are set prospectively based on forecasting assumptions. The difference in timing is why it is useful to routinely compare Actual against Budgeted Fund Balances as the City's financial policy requires (Res. 2020-07).

The Second Quarter (Q2) Supplemental Budget adjusts budgeted beginning balances to audited amounts. The graph below summarizes the differences between budgeted and final audited Beginning Fund Balances for the City's eight (8) funds for Fiscal Year 2020-21. All Public Works related funds began the year with higher than budgeted beginning balances. This is due to capital project timing. Adjustments to project timing do not alter the City's long-term financial plans as the capital project expenditures will still occur.

The Internal Service Fund, Restricted Revenue, and Reserves Funds' actual beginning balances were less than budget but within common variances and within available budgeted contingency. The large carryforward amounts in the Sewer and Water Funds. Where actual beginning fund balances exceed budget, the supplemental budget leaves the additional resources unallocated. These funds will carryforward for the FY2021-22 budget process.

Actual FY2020-21 Beginning Fund Balances have been incorporated into current financial projections and will be integrated into the FY2021-22 budget process.

**Motion:** I move that City Council approve Resolution 2021-01, to make appropriations and adjust the Adopted Budget for Fiscal Year 2020-21.  
**First:** Metta  
**Second:** Saunders  
**Discussion:** None  
**Vote:** Motion passed (roll called)  
Ayes: McBride, Zanmiller, Saunders, Counihan, Metta, Haynie, Rivera  
Nays: None  
Abstentions: None  
Excused: None

## V ORGANIZATIONAL UPDATES

### A. Department Heads

#### 1. Community Services Presentations, R. Fuller

Fuller stated in the coming months, several people will be presenting to Council about the services they provide to the community and what the needs are.

### B. City Recorder

#### 1. Reading of Ordinance 2059 (Street Frontage Improvements) for the first and second time by title only

**Motion:** To read Ordinance 2059 for the first and second time by title only.  
**First:** Saunders  
**Second:** Metta  
**Discussion:** None  
**Vote:** Motion passed (roll called)  
Ayes: McBride, Zanmiller, Saunders, Counihan, Metta, Haynie, Rivera  
Nays: None

Abstentions: None  
Excused: None

Gray read the ordinance by title only. The Mayor announced that Ordinance 2059 had passed its first and second reading and would become law in 30 days.

2. Reading of Ordinance 2060 (Professional Service Contracts) for the first and second time by title only

**Motion:** To read Ordinance 2060 for the first and second time by title only.  
**First:** Saunders  
**Second:** Rivera  
**Discussion:** None  
**Vote:** Motion passed (roll called)  
Ayes: McBride, Zanmiller, Saunders, Counihan, Metta, Haynie, Rivera  
Nays: None  
Abstentions: None  
Excused: None

Gray read the ordinance by title only. The Mayor announced that Ordinance 2060 had passed its first and second reading and would become law in 30 days.

**VI MAYOR**

1. Council President Appointment

Mayor McBride announced Councilor Zanmiller will continue as Council President. Council agreed with the Mayors appointment.


**VII COUNCIL CALL**

**VIII EXECUTIVE SESSION – 9:56p.m. – 10:52p.m.**

Oregon Revised Statute 192.660 1 (h) To consult with counsel concerning the legal rights and duties of a public body with regard to current litigation or litigation likely to be filed.

Oregon Revised Statute 192.660 1 (e) To conduct deliberations with persons designated by the governing body to negotiate real property transactions.

**IX ADJOURN – Adjourned by unanimous consent at 9:56 p.m.**

  
Kate McBride, Mayor

  
Jennifer Gray, City Recorder

Approved by City Council on February 8, 2021