

City Council Annual Budget Retreat  
MINUTES  
January 19, 2016  
Toledo Fire Hall

Councilors present: Jackie Kauffman; Julie Rockwell; Terri Strom; Jill Lyon; Michele Johnson; Jill Lyon (Council President); and Billie Jo Smith (Mayor).  
Councilors absent: Alma Baxter

Visitors Present: Bud Shoemake; Jerry Seth; Joshua Smith and Anne Learned-Ellis. Jim Chambers arrived at 8:47 am.

City Manager Baughman called the meeting to order at 8:07 am.

**City Council Goals**

CM Baughman provided an overview of the agenda and reviewed the 2015/16 City Council Goals, noting that they are long term goals and are appropriate to stretch over multiple years. He stated that the 2016-2017 Action Plan strategies will be developed in accordance with these goals:

- o Infrastructure: Maintain and improve public infrastructure and facilities;
- o Financial Security: Be fiscally responsible and maximize available revenue;
- o Public Safety: Assure and provide services that protect the public;
- o City Services and Departments: Provide and support a highly qualified and motivated city workforce;
- o Community Collaboration: Collaborate with existing and potential partners and promote civic participation;
- o Quality of Life: Maintain and enhance characteristics that assure Toledo is a good place to be;
- o Economic Development: Promote economic growth.

**Staff Funding Recommendations**

CM Baughman presented the following Staff funding recommendations, noting that the City is making efforts to ensure that citizens are provided a high level of service now and into the future:

1. Identify and pursue funding sources for projects in the Capital Improvement Plan.
  - The City is currently receiving assistance with locating available grant funding from Public Affairs Research Consultants CM Baughman stated he will present the report from the consultant at a future City Council meeting.
2. Move forward with facilities and infrastructure projects that are already funded, including street paving, water projects, and possibly small sewer projects and building maintenance projects.

**Public Works**

- Streets: CM Baughman indicated that PWD Ritzman has prepared an inventory of streets in need of repair, and stated that Staff will proceed with addressing several of them in the coming Spring.
- Water: Staff will be finishing water projects in the Water Master Plan Phase 2.
- Sewer: The City does not currently have funding for the Wastewater Master Plan projects. While there are some projects that exceed the City's current funds, there are several small sewer projects that can be completed to address inflow and infiltration and there are many sewer lines that need to be replaced.
- CM Baughman reported that on average the Wastewater facility treats 1.5 million gallons per day, however on December 17, 2015, the plant treated 9 million gallons, (which can be attributed to a heavy rain event).

### Building Maintenance

- City Hall: CM Baughman stated that City Hall is in need of major renovations for earthquake and staff safety.
  - He noted that replacement of the roof on the City Hall building is planned for 2016. At that time, Staff will examine the HVAC system and potentially replace it.
  - The estimates for the seismic upgrades and necessary facilities maintenance are outlined in the Facilities Maintenance Plan. The plan also provides a less expensive option of purchasing the vacant bank building and moving City Hall and the Police Station to that location. He asked Council to indicate their preference for addressing the facilities needs for City Hall.
  - After some discussion, Council directed staff to explore all options for addressing the issues and provide hard numbers for all viable options at a future Council meeting.
  - Mayor Smith requested that Staff explore the possibility of moving the Police Station to the Fire Department location.
- Toledo Swimming Pool: CM Baughman stated that in previous years, building maintenance of the swimming pool was deferred to balance the budget, resulting in a facility that is now in need of major renovations. He proposed a bond package to address the issues the City is facing including the needs of the pool, and asked if Council thought the bond would pass.
  - Jerry Seth stated that he does not feel that the community understands how much the operation and maintenance of the swimming pool is costing the city and suggested that the issue be brought before the voters. CM Baughman reported that currently, the City subsidizes approximately \$180,000 of the cost of operating the pool.
  - Councilor Rockwell stated that she doesn't think a bond measure for the pool would pass. CP Lyon agreed.
  - Mayor Smith stated that the pool is a vital resource for the community and she wants the City to look at recreation grants to save the pool. She is interested in exploring how to keep the pool viable. She suggested that a funding goal be set for the swimming pool including a timeline for funding by a certain date and then take the issue to voters.
  - Community member, Jim Chambers suggested creating a family oriented pool schedule. CM Baughman noted that data pool statistics indicate that weekend usage is low and does not support having the facility open on Saturdays.

- Determine the return-on-investment regarding annexation of properties into City limits.
  - CM Baughman discussed the costs of the annexation process, the potential returns on investment.
    - Anne Learned Ellis stated that she is not in favor of annexation. She noted it is difficult to extrapolate the revenue that will be generated because of changing conditions. CM Baughman agreed that that the City should not annex with the expectation of a large return on investment.
    - FC Ewing noted that there is not a large availability of buildable land in order to accommodate the need for housing.
    - CP Lyon stated that she supports annexation and responsible urban growth. She proposed redevelopment incentives, such as a program to provide money for renovation of foreclosed properties.
    - Councilor Johnson asked for a list of foreclosure properties in Toledo.

### **City Council Priorities**

CM Baughman asked Council to present their ideas for budgetary items the upcoming fiscal year.

- Mayor Smith stated that street repairs is her top priority and that she wants Toledo to be “a city without potholes”. She asked that the schedule for street repairs be made available on the city’s website so she can refer to it when she receives community inquiries.
- Councilor Johnson stated that she wants to ensure that the streets listed for repair are those in greatest need. She wants the paving plans to be coordinated with water and sewer projects to avoid disturbance of the newly paved streets.
  - PWD Ritzman stated that he has been compiling a street study for the repaving of the local streets and the candidate streets have been reviewed by the local utility companies to ensure there is no pending activity in the proposed areas. The City will be seeking Request for Proposals for the repair of several streets in March. Other streets that will require additional work, such as pavement grinding are expected to be finished at the end of summer.
  - PC Chavarria requested that the list and schedule for street repairs be made available to council and staff. She suggested that Staff utilize the newsletter, meetings and website to inform the community about pending street repairs.
- CP Lyon asked that staff consider a way to balance preserving the heritage of the built environment on Main Street with economic development. She noted that the approach of having small businesses that rely on heavy foot traffic is no longer viable.
  - CM Baughman advocated for service-based businesses on Main Street. CP Lyon noted that in addition to services, mixed use development for living/work spaces are also options.
- CP Lyons asked to see staff’s recommendations for capital improvements within each department.
  - CM Baughman stated that in preparing the staff’s recommendations he asked them to note Toledo’s needs as city employees, as well as citizens of Toledo. He noted that the primary focus was to complete the capital improvement plan.
  - FC Ewing noted that despite an interest in relocating the Police Department, general maintenance will continue on the existing Police Station as part of maintaining the City’s investment on that building.

- PWD Ritzman noted that the items in his proposal were all part of the Water Master Plan.

### Visitor Comments

- Jerry Seth noted the impact of Main Street on people's opinion of Toledo. He noted the abundance of vacant and taped-over store fronts, as well as retail spaces that are being used for other purposes.
  - CM Baughman asked Council to prioritize Staff's efforts on Main Street. After some discussion, Council indicated that there are no budget-related items for Main Street at this time.
- Bud Shoemake, Manager of the Port of Toledo, provided an update on the Port's improvement projects as part of the joint Port of Toledo/City waterfront improvement plan. He said pavers will be placed at the Pavilion in February and the Port will also be adding a parking area to alleviate congestion.
- Shoemake also reported that the lift has been ordered for the Toledo Boatyard and will be shipped at the end of the April. The Port is waiting on documentation from Wayne Belmont of Lincoln County for the easement that the City and Port have approved in draft form. He noted that once the installation of the lift is complete, there will be a need for more fire hydrants at the site. He would like four hydrants available on the property for fire protection and response. There are currently two. He asked the city to consider increasing the current six inch water line to eight inches, placing the water line along the railroad to connect to the Port. He stated that he would like to complete the waterline project within the next several months. He stated that he would also like the Port of Toledo facilities to hook up to the city's sewer lines.
- He asked the City to provide approximately \$40,000 from the Water Fund to cover the cost of the materials and stated that the port can complete the installation. He stated that the Port is applying for grants from Connect Oregon, as well as federal and shipyard grants.
- Mayor Smith asked about the length and location of the water line. Mr. Shoemake replied that it would be approximately 2,000 feet long and would run from the Port's property line to Ace Hardware. CM Baughman noted that the budget the City is working on currently is for the upcoming fiscal year and upon approval, the funds would not be allocated and available until July 1, 2016. Mr. Shoemake indicated that would work for him.
- PC Chavarria noted that upon Council's approval, the current budget could be amended to possibly accommodate the request in the current fiscal year.
- Mayor Smith requested that CM Baughman and PWD Ritzman look at the current fiscal year's water fund to see if there are any funds available to cover the materials for the Port. CM Baughman stated that he will look at the Water Fund, but noted that by providing assistance to the port, the city will have to forgo some other project as there is no surplus money. Mayor Smith stated that in order to support the City's goals for economic development, she would like staff to look at potentially fulfilling this request.

Mayor Smith asked that this topic be added to the February work session agenda. Mr. Shoemake stated that he would bring the plans and cost estimates to the meeting.

- Jim Chambers stated that he would like to see major improvements made to City to parks within the next 15-20 years. He suggested that the City set aside incremental funds for

matching grants. He noted that state park grants will fund 60% of projects and that matching can be administration and in kind. He advocated for parks with reduced maintenance and enhances facilities to attract children and families.

**Adjournment**

CM Baughman thanked Council, Staff and the community for their input. He will consider their input in the preparation of the budget and will continue efforts to good place to be. He adjourned the meeting at 11:43am.

ATTEST:

  
Assistant City Recorder

  
Mayor