



Agenda Item

January 19, 2023

TO: City Council
FROM: Frank Lonergan, Mayor
SUBJECT: **Committee Appointment**

The following appointment is made, subject to the approval of the Council. Please forward any adverse comments to me prior to the Council meeting on Monday, January 23, 2023. No reply is required if you approve of my decision.

Mid-Willamette Valley Community Development Partnership (MWVCDP) Board

- Alice Swanson

**COUNCIL MEETING MINUTES
JANUARY 9, 2023**

DATE COUNCIL CHAMBERS, CITY HALL, CITY OF WOODBURN, COUNTY OF MARION, STATE OF OREGON, JANUARY 9, 2023

CONVENED The meeting convened at 7:00 p.m. with Mayor Lonergan presiding.

ROLL CALL

Mayor Lonergan	Present
Councilor Carney	Present
Councilor Cornwell	Present
Councilor Schaub	Present
Councilor Swanson	Present
Councilor Morris	Present
Councilor Cabrales	Present

Staff Present: City Administrator Derickson, Acting City Attorney Granum, Assistant City Administrator Row, Police Chief Pilcher, Public Works Director Stultz, Community Development Director Kerr, Finance Director Turley, Economic Development Director Johnk, Special Projects Director Wakely, Community Services Director Cuomo, Human Resources Director Gregg, Public Affairs and Communications Coordinator Moore, City Recorder Pierson

ANNOUNCEMENTS

- City Hall and the Library will be closed on January 17 for Martin Luther King Jr. Day. The pool will remain open.
- Mayor Lonergan asked for a moment of silence for retired Marion County Sheriff Raul Ramirez.
- Chili Cook-off is happening on Saturday, January 21, 2023 at the Hoodview Church of God between 12:00 p.m. and 1:30 p.m.
- Mayor Lonergan asked that Councilors refrain from using their cell phones during the meeting.

APPOINTMENTS

Mayor Lonergan proposed the following appointments:

- **Woodburn Budget Committee**
John Zobrist
- **Woodburn Public Art Mural Committee**
Christine Lopez
Colleen Vancil
Sharon Schaub
Merri Berlin
- **Woodburn Library Board**
Marilyn McCully
- **Woodburn Parks and Rec Board**
Ricardo Vazquez Rodriguez
- **Woodburn Planning Commission**

**COUNCIL MEETING MINUTES
JANUARY 9, 2023**

Merri Berlin

- **Mid-Willamette Area Commission on Transportation**
Mayor Frank Lonergan

Carney/Morris...approve the appointments. The motion passed unanimously.

Mayor Lonergan stated that he would like to appoint a City Councilor to the Mid-Willamette Valley Community Development Partnership (MWVCDP) Board and asked if any Councilors would be interested. Councilor Swanson stated that she is interested in being appointed and requested more information about the MWVCDP.

PRESENTATIONS

Oregon City County Managers Associations Designation of 2023 President – Susie Marston, outgoing President of the Oregon City County Managers Association (OCCMA) and Gervais City Manager and Dan Huff, City Manager of Molalla and incoming OCCMA president of 2024, presented City Administrator Derickson with a lantern that represents the leadership that OCCMA provides to the profession and congratulated him on being the 2023 President of OCCMA.

Audit Presentation – Ryan Pascarella with Grove Mueller and Swank informed the Council that the audits for the City and the URA are complete and provided some highlights from the audit. It was also noted that the City received an unmodified opinion.

BUSINESS FROM THE PUBLIC

Mayor Lonergan stated that the City Council received a letter from Sharon Mansfield and thanked her for sending that in.

CONSENT AGENDA

- A. Woodburn City Council minutes of December 12, 2022,
- B. Woodburn City Council Executive Session minutes of December 12, 2022,
- C. Acceptance of Three Public Easements at 2230 & 2400 N. Pacific Highway, Woodburn, OR 97071 (Tax Lot 051W08A005000),
- D. Acceptance of a Public Easement at 3601 Newberg Highway, Woodburn, OR 97071 (Tax Lot 052W110000200),
- E. Crime Statistics through November 2022,
- F. Updated Building Activity for November 2022,
- G. Building Activity for December 2022.

Carney/Schaub... adopt the Consent Agenda. The motion passed unanimously.

PUBLIC HEARINGS

A Public Hearing to consider input on the Community Development Block Grant (CDBG) from Business Oregon for the Woodburn Area Emergency Housing Assistance Grant. Mayor Lonergan declared the hearing open at 7:41 p.m. for the purpose of hearing public input on the Community Development Block Grant (CDBG) from Business Oregon for the Woodburn Area Emergency Housing Assistance Grant. Economic Development Director Johnk provided a staff report. No members of the public wished to speak in either support or opposition of the Community Development Block Grant (CDBG) from Business Oregon for the Woodburn Area Emergency Housing Assistance Grant. Mayor Lonergan closed the hearing at 7:43 p.m.

COUNCIL BILL NO. 3202 - A RESOLUTION SETTING AMOUNT OF THE PARKS AND RECREATION SYSTEMS DEVELOPMENT CHARGES UNDER AN EXISTING

COUNCIL MEETING MINUTES

JANUARY 9, 2023

METHODOLOGY; ESTABLISHING AN ALTERNATIVE RATE REVIEW FEE; AND SETTING AN EFFECTIVE DATE FOR IMPOSITION OF THE FEES AND CHARGES

Carney introduced Council Bill No. 3202. City Recorder Pierson read the bill by title only since there were no objections from the Council. Community Services Director Cuomo provided a staff report. On roll call vote for final passage, the bill passed unanimously. Mayor Lonergan declared Council Bill No. 3202 duly passed.

AWARD OF CONSTRUCTION CONTRACT FOR THE WOODBURN POLICE STATION OFFICE REMODEL PROJECT

Police Chief Pilcher provided a staff report. **Carney/Cornwell**... award a construction contract to Blue Spruce Builders, Inc. for the Woodburn Police Station Office Remodel Project in the amount of \$115,000 and authorize the City Administrator to sign the contract. The motion passed unanimously.

BUILDABLE LAND INVENTORY AND ECONOMIC OPPORTUNITIES ANALYSIS CONSULTING CONTRACT

Special Projects Director Wakely provided a staff report. **Carney/Schaub**... award a consultant contract for an updated Buildable Lands Inventory (BLI) and Economic Opportunities Analysis (EOA) to Johnson Economics, LLC in the amount of \$49,105 and authorize the City Administrator to execute the agreement. The motion passed unanimously.

CITY ADMINISTRATOR'S REPORT

The City Administrator reported the following:

- Provided cards to the City Council that contains contact information for the Woodburn Resource Center.
- Looking into converting mortgage assistance funds into rental assistance funds, which seems to be in higher demand.
- Jamie was able to get a \$25,000 grant for N. Marion County Strategic Plan for part of the tourism program that will encompass all of the communities we collaborate with for economic development.
- Provided a flyer to City Council for the N. Marion County Small Business resource fair that the City is sponsoring.
- There is a faulty fan in the HVAC system in Council Chambers and once that is repaired it should get quieter.
- Reminded Council that there is an executive session.

MAYOR AND COUNCIL REPORTS

Councilor Swanson stated that the Emmanuel Lutheran Church Wednesday Meal program has expanded services into the community. She added that they have gone to the nonprofits, many of them at the 970 Cascade location and asked them to come up with a mini advertisement so that each meal that goes out the door would have a little mini advertisement for the highlighted business or 501C3 of the week.

EXECUTIVE SESSION

Mayor Lonergan entertained a motion to adjourn into executive session under the authority of ORS 192.660 (2)(h) and ORS 192.660 (2)(f). **Swanson/Morris**... move into executive session under the authority of ORS 192.660 (2)(h) and ORS 192.660 (2)(f). The motion passed unanimously. The Council adjourned into executive session at 8:03 p.m. and reconvened at 8:39 p.m. Mayor

**COUNCIL MEETING MINUTES
JANUARY 9, 2023**

Lonergan stated that no action was taken by the Council while in executive session.

ADJOURNMENT

Morris/Schaub...move to adjourn. The motion passed unanimously. Mayor Lonergan adjourned the meeting at 8:39 p.m.

APPROVED _____
FRANK LONERGAN, MAYOR

ATTEST _____
Heather Pierson, City Recorder
City of Woodburn, Oregon

DRAFT

**EXECUTIVE SESSION MINUTES
JANUARY 9, 2023**

DATE COUNCIL CHAMBERS, CITY HALL, CITY OF WOODBURN, COUNTY OF MARION, STATE OF OREGON, JANUARY 9, 2023

CONVENED The meeting convened at 8:09 p.m. with Mayor Lonergan presiding.

ROLL CALL

Mayor Lonergan	Present
Councilor Carney	Present
Councilor Cornwell	Present
Councilor Schaub	Present
Councilor Swanson	Present
Councilor Morris	Present
Councilor Cabrales	Present

Mayor Lonergan reminded Councilors and staff that information discussed in executive session is not to be discussed with the public.

Staff Present: City Administrator Derickson, Acting City Attorney Granum, Economic Development Director Johnk, Special Projects Director Wakely, Community Services Director Cuomo, Assistant City Administrator Row, City Recorder Pierson

Others in attendance: Attorney Kevin Shuba, Garrett Hemann Robertson PC

The executive session was called:

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 pursuant to ORS 192.660 (2)(h).

To consider records that are exempt by law from public inspection pursuant to ORS 192.660 (2)(f).

ADJOURNMENT

The executive session adjourned at 8:37 p.m.

APPROVED _____
Frank Lonergan, Mayor

ATTEST _____
Heather Pierson, City Recorder
City of Woodburn, Oregon



Council Memorandum

To: City Council

From: Scott Derickson, City Administrator

Date: January 23, 2023

Re.: Retirement of City Attorney from PERS

This Memorandum is to inform the City Council that I intend to authorize the retirement of the City Attorney from PERS as permitted by the current PERS rules and the provision of SB 1049. However, the City Attorney will continue to work under the terms of his employment agreement through the end of 2023.

There are no negative financial impacts associated with retiring under the PERS provisions of SB 1049.

In 2019, the Oregon Legislature enacted SB 1049. This state law applies to PERS employers, such as the City, and to all PERS members. This legislation was passed by the legislature to provide to public employers relief for the escalating person contribution rate increases.

While the new law did provide some monetary relief to government employers, it did so at the expense of all PERS employees. More specifically, it created an Employee Pension Stability Account that was funded by redirecting to PERS 2.5% of all PERS employees salaries. Although this portion of the new law was fiercely contested by the employee unions, it was ultimately upheld by the Oregon courts.

Perhaps the only portion of SB 1049, that could benefit certain PERS employees is a provision included by the legislature that allows PERS retirees to continue working in a PERS covered job without any limitation on the number of hours worked.

SB 1049 has already had an impact in Woodburn. Former Police Chief, Jim Ferraris, retired under PERS and then served an additional year as Chief pursuant to his employment agreement. During this time, the provisions of the employment contract continued to govern the relationship between the Chief and the City. The only significant differences were: (1) while continuing to work pursuant to the employment agreement no further PERS benefits accrued; and (2) the 6% "employee portion" of what was the PERS contribution was redirected to employee-deferred compensation.



Memorandum

To: Woodburn City Council
From: Mayor Lonergan
Date: January 23, 2023 - City Council Meeting Consent Calendar

Re.: Authorization to Adjust the City Administrator and City Attorney's Employment Agreement

Following their unanimously positive 2022 evaluations by City Council, it is my recommendation that: 1) the current City Council award to the City Administrator and City Attorney the additional compensation listed below for their job performance during the 2021-2022 evaluation period, and 2) authorize the Mayor to execute the necessary amendments to their employment contracts.

In 2022, a majority of the City Council completed positive performance evaluations of the City Administrator and City Attorney. After communicating with the City Administrator and City Attorney, and in recognition of their positive performance during the 2021-2022 evaluation period, as Mayor, I believe it is important to conclude the 2022 process by:

1. Increasing the deferred compensation contribution by the City by 1% of the City Administrator and City Attorney's current annual salaries
2. Adding an additional 80 hours to the City Administrator and City Attorney's vacation leave banks.
3. Bringing the City Administrator and City Attorney accrual rates up to date and commensurate with their years of service and making their agreement consistent with the City accrual policies.

Financial Impact

Consistent with 2021–2022 annual budget.



Agenda Item

January 23, 2023

TO: Honorable Mayor and City Council

FROM: Jesse Cuomo, Community Services Director

SUBJECT: **Resolution Renaming Locomotive Park to Frank Scheer Locomotive Park**

RECOMMENDATION:

Adopt a resolution renaming Locomotive Park to Frank Scheer Locomotive Park.

BACKGROUND:

In 1957, Woodburn received a classic 1902 built steam locomotive through donation by Southern Pacific Railroad. The SP 1785 and Frank Scheer have become synonymous with each other in the railroad and railfan community. On December 23, 2022 City staff received the unfortunate news from a family member that Frank had passed.

Frank did a masterful job of restoring the locomotive using Southern Pacific Company erection shop drawings and other source information to ensure that it looks exactly as if she had been released from the SP’s Sacramento Shops in 1955. Every detail has been meticulously restored or rebuilt, and it is in better condition today in the park at Woodburn than most locomotives that are in indoor museums throughout the world. The SP 1785 is an icon of the era that so many people are fond of. Every steam locomotive displayed in a city park needs an advocate and Frank Scheer surely was that advocate for the SP 1785.

Frank Scheer, as a young local area man came to Woodburn to see the locomotive. Realizing it could become a rusting hulk in the park, Frank took on the responsibility for the care of Woodburn’s SP No. 1785 for nearly forty years. Gaining the town council’s blessing, he started what has resulted in a life-long dedicated passion. He was not just looking to complete a new paint job every once in a while. Rather, he wanted to restore the engine to like new appearance.

Agenda Item Review: City Administrator City Attorney Finance

Frank with other volunteers first stopped the locomotive's deterioration, then started the process of cleaning, repairing and replacing missing parts. New sheet metal boiler jacketing along with new cab woodwork has been installed. He solicited help from local businesses and the town council. A beautiful paint job has recently been completed in addition to a protective structure and lighting. A fence secures the engine and old railroad signals Frank salvaged now animate the setting.

His meticulous attention to detail has given Woodburn a beautiful steam locomotive depicting a bygone era. Woodburn can be proud of the efforts of Frank Scheer and those who have helped him. Historians, researchers, students, and teachers come to Woodburn to see the 1785, as it is now an ideal instructional artifact to show the importance of the nation's railroads.

PARK NAMING:

On January 10, 2023, Mayor Frank Loneran and City staff presented to the Woodburn Recreation and Park Board the concept of renaming Locomotive Park to Frank Scheer Locomotive Park in honor of Frank's nearly forty years of passion and dedication to the SP 1785 Locomotive. This was passed unanimously by the Recreation and Parks Board.

FINANCIAL IMPACT:

A modest expenditure will be incurred to update park signage.

COUNCIL BILL NO. 3203

RESOLUTION NO. 2204

A RESOLUTION RENAMING LOCOMOTIVE PARK TO FRANK SCHEER LOCOMOTIVE PARK IN RECOGNITION OF FRANK SCHEER'S PASSION AND DEDICATION TO THE RESTORATION AND MAINTENANCE OF THE SP 1785 LOCOMOTIVE

WHEREAS, Frank Scheer was a leader in the restoration, maintenance, and community education of the Southern Pacific Railroad 1785 Locomotive for nearly forty years; and

WHEREAS, Frank Scheer, in partnership with other volunteers, first started repairing and replacing missing parts of the SP 1785 Locomotive, including installing a new sheet metal boiler and new cab woodwork; and

WHEREAS, Frank Scheer, during his years of service, also provided Locomotive Park with a functioning train signal and other historical artifacts; and

WHEREAS, Frank Scheer, worked alongside city leadership and staff to continue to care for the SP 1785 Locomotive, including placing a covered shelter and lighting to preserve the historical artifact; and

WHEREAS, Frank Scheer Locomotive Park will be used to preserve the SP1785 Locomotive as a historical treasure in Downtown Woodburn in order to educate the community and its visitors for generations, **NOW, THEREFORE**,

THE CITY OF WOODBURN RESOLVES AS FOLLOWS:

Section 1. That Locomotive Park, located at the corner of South Front and East Cleveland Streets, is hereby renamed **Frank Scheer Locomotive Park**, in recognition of his passion and dedication to Woodburn's SP 1785 Locomotive.

Section 2. That this Resolution, renaming Locomotive Park to Frank Scheer Locomotive Park, is hereby approved by the Woodburn City Council and Woodburn Recreation and Park Board. A copy is forwarded to Frank Scheer's family with the community's heartfelt thanks and gratitude for his service.

Approved as to form: _____
City Attorney Date

Approved: _____
Frank Loneragan, Mayor

Passed by the Council _____
Submitted to the Mayor _____
Approved by the Mayor _____
Filed in the Office of the Recorder _____

ATTEST: _____
Heather Pierson, City Recorder

January 23, 2023

TO: Honorable Mayor and City Council

FROM: Scott C. Derickson, City Administrator
Tony Turley, Finance Director

SUBJECT: **FY 2023/24 Financial Plan**

RECOMMENDATION:

Adopt the attached FY 2023/24 Financial Plan (Budget Policies and Fiscal Strategy) via a motion.

BACKGROUND:

In the past year, the City has experienced a series of difficult and unprecedented challenges due to the COVID-19 pandemic. Because of the pandemic, the City downsized a host of programs and services, mostly related to the parks and recreational programming. In addition, the City has successfully allocated various federal and state pandemic related funding to accomplish a variety of programs and projects for the community, including the Legion Park Improvement Project and to bring critical child abuse services to the Family Resource Center. I'm pleased to report that the City's programs and services have been successfully restored to pre-pandemic levels.

Although the City still projects revenue over expense shortfalls within the five-year planning period, despite unprecedented residential and industrial development, we have successfully utilized the Budget Policies and Financial Plan, as a best practice strategy, to effectively manage, plan accordingly for large capital projects, and lessen any shortfall impact. Barring any unforeseen crisis, the 5- Year Forecast (see attached) does predict financial stability at current levels of spending through FY 2023/24 fiscal year.

Based on the forecast, the City Council should approach General Fund spending with caution. There are some reasons to be optimistic, such as regional economic conditions and the strength of the housing markets, along with potential industrial development, that remains strong, but it will be sometime before the financial benefit of these markets materialize into General Fund support.

Agenda Item Review: City Administrator ___x___ City Attorney ___x___ Finance ___x___

BACKGROUND:

In the interest of sound financial management, the City Council directed that a comprehensive set of financial planning documents be developed and implemented for the purposes of improving the City's financial sustainability. Since the 2011 policy implementation, the City has prepared the Financial Plan as a means of managing the City's current year budget and inform the FY 2023/24 budget development process.

In past years, the City Council has been commended by the City Auditor and recognized by the Government Finance Officers Association for the use of comprehensive budget policies and quality presentation, clarity, and transparency of Woodburn's budget documents.

The Financial Plan intends to help predict cost and revenue trends from year to year and make better decisions via the memorializing of sound financial practices and budget administration. If necessary, the Financial Plan informs the need to reduce the City's budget to remain consistent with the City Council goals and meet community needs within available resources.

2023/24 POLICY:

Attached is the proposed FY 2023/24 Financial Plan: Budget Policies & Fiscal Strategy, which is largely unchanged from the previous year.

FINANCIAL IMPACT:

There is no immediate monetary impact on the City. The Financial Plan draft will help make stronger financial decisions that are in the best interests of the community and the City organization.

City of Woodburn

FY 2023/24 Financial Plan **Budget Policies, Fiscal Strategy, & Five Year Forecast**

FY 2023/2024 Budget Goal. Woodburn’s challenge will be associated with development-related service demands, maintaining a sound financial position in the face of changing community dynamics, and closing projected revenue over expense General Fund shortfalls while working to fully rebuild popular parks and recreational programming, which is still recovering from the pandemic. It should also be noted that in the prior year American Rescue Plan ACT (ARPA) funding has been mostly expended, meaning that the City’s social service programming and project support will be likely ending within the next 18 months.

As residential and industrial development continues at an aggressive rate, additional property tax revenue will lag behind the demands for service. Consequently, the financial challenge for the City will be maintaining current levels of service while accommodating demand without jeopardizing the City’s cash reserves and contingencies. These factors will result in a 2023/24 “hold the line budget.”

1. Working in the framework of the City Council’s FY 2023/24 Financial Plan and Oregon Budget Law, the City Administrator will present a balanced FY 2023/24 Budget, working to close projected General Fund revenue shortfalls over time while protecting cash balances to the greatest extent possible. It is acknowledged that future revenues and service costs are difficult to predict in the face of unprecedented growth.
2. When possible, the City will seek to build cash reserves with the understanding that growth in future service levels may lag behind actual revenue forecast.
3. ARPA “roll-up” savings will be redistributed or reallocated as authorized by the City Council for programs and services consistent with federal rules. The City Council’s ARPA plan, including any new or reallocated resources, will be reflected in the Proposed Budget.
4. In addition, it is also the goal of the City to prioritize existing resources on and services such as public safety funding, economic aid, planning, parks and recreation programming, including aquatics and library services, and maintaining current service levels as resources allow.
5. As a top economic goal, Woodburn is at the front end of a Urban Growth Boundary Adjustment to incorporate the Southwest Industrial Reserve Area and is reflected as such in the Proposed Budget.

6. In FY 2023/24, it will be the goal of the City Council to procure professional services needed to complete a 5 year Financial Strategic Plan that forecasts new growth-based resources for all funds, new expenses associated with increased service levels and making recommendation on how resources are allocated within the time period in the most prudent manner.

BUDGET POLICY

• **SECTION 1. ANNUAL REVIEW & POLICY**

- A. **Fiscal Responsibility**. The policy of the City of Woodburn is to return the highest level (or sustain the current levels) of service with the least amount of taxpayer investment and to plan accordingly.
- B. **Balanced Budget**. The City's budget shall be balanced. For each fund, ongoing costs are not to exceed ongoing revenues plus available fund balances used in accordance with reserve policies. The budget resolution will be adopted by the fund at a summary level.
- C. **Budget Process**. The annual budget process is intended to weigh all competing requests for City resources within expected fiscal constraints. Levels of service will increase or decrease based on the availability of resources. Requests for new programs made outside the annual budget process will be discouraged. New initiatives will be funded by reallocating existing City resources to services with the highest priorities.
- D. **Fiscal Recommendations**. Consistent with the administrative responsibilities outlined in the Charter, the City Administrator will make fiscal recommendations to the City Council on all measures necessary to sustain current levels of service and avoid reductions in City programs, including the consideration by the City Council of new revenue sources if this is determined to be in the best interest of the community.
- E. **Budget Policy Updates**. The City Council will review and adopt the Fiscal Year Budget Policies on an as-needed basis as determined by the City Administrator or as circumstances require.
- F. **Annual Five-Year Forecast**. The City Council will review and approve the Five-Year Forecast as needed. The forecast is an estimate of future revenues and expenses intended to serve as an estimate and a guideline for making sound financial decisions in the current fiscal year and budget preparation. The Five-Year Forecast and the Budget Policies together will constitute the City's annual Financial Plan.
- G. **Policy Direction**. Consistent with the role outlined in the Woodburn City Charter, the City Council is responsible for providing policy direction to determine the City's overall financial health. In response to the fiscal recommendations made by the City Administrator, the City Council shall consider all measures necessary to sustain current levels of service. In addition, the City may avoid reductions in City programs by

considering new revenue sources if this is determined to be in the best interest of the community.

H. **Budget**. Under the Woodburn City Charter, the City Administrator serves as Woodburn's Budget Officer. The Finance Director assists the City Administrator with the preparation and presentation of the annual budget, budget administration, and the day-to-day finance operations. The Budget Officer is responsible for the administration of the annual budget and may approve or disapprove the expenditures contained in the adopted budget if deemed in the best financial interest of the City.

I. **Budget Administration**. As authorized by the City Charter, the City Administrator is responsible for taking actions necessary to keep expenditures within anticipated revenues, including initiating layoffs, reorganizations, downsizing, program reductions, and adjustments to service levels. The City Administrator will keep the City Council informed as to any steps taken to reduce expenditures, and whenever possible, the Council will review the decisions and consider options during a mid-year budget review.

- **SECTION 2. DISCRETIONARY & DEDICATED RESOURCES**

A. **Recognizing Financial Limits**. Woodburn will make a distinction between two different types of services; 1) those funded primarily from City discretionary resources, and 2) those funded primarily from dedicated resources.

B. **Discretionary Resources**. The General Fund collects resources to provide discretionary programs and services as recommended by the Budget Officer and approved as part of the City's cycle. The City will continue to fund these programs primarily from General Fund discretionary resources. These include police, park and recreation, economic development, land use, financial services, and other programs.

C. **Dedicated Resources**. Dedicated resources are normally subject to restrictions via state and federal law, grant agreements and contracts, City policy, and ordinances. City services funded primarily through dedicated funds include such items as speed and safety belt enforcement, grant-funded transportation, utility services, etc.

- **SECTION 3. GENERAL FUND BUDGET (DISCRETIONARY)**

A. **Annual Budget Goal**. The goal shall be to prepare a budget that maintains existing high priority programs supported by the General Fund while at the same time seek savings and alternative revenue sources wherever possible. Funding for lower priority programs will be reduced or eliminated to ensure that expenditures remain in balance with resources.

B. **General Fund Emphasis**. The highest priority shall be to conserve General Fund discretionary resources to fund high priority programs as defined by the City Council and City Administrator.

- C. **Maximize City Council’s Discretion.** Wherever legally possible, revenues are to be treated as discretionary resources, rather than as dedicated to a particular program or service. The goal is to give the City Council flexibility in allocating resources to local priorities.
- D. **New Revenues.** In order to sustain current levels of service, avoid reductions in public safety programs, or increase services needed to meet community demands, the City Council may consider new discretionary revenues if it is determined to be in the best interest of the community.
- E. **Use of Dedicated Funding Sources.** Whenever legally possible, funding responsibility for existing programs or activities should be transferred to appropriate dedicated funding sources, freeing up scarce discretionary resources to fund City Council priorities.
- F. **Cost Efficiency.** Staff will prepare fiscally conservative budgets and will seek savings wherever a balance between cost efficiency and the quality of public service can be achieved.
- G. **Materials & Services.** Departments are to prepare “base budgets” with a goal of holding General Fund or other discretionary resources for materials and services expenditures to no more than prior year budget levels.
- H. **No General Fund Street Maintenance Support.** No discretionary General Fund revenues will be used to support street maintenance activities. General Fund street lighting transfers are exempted from this policy.
- I. **Revenue Estimates.** Departments should budget for revenues based on the best information available during the annual process. If additional information becomes available during the budget process, it should be provided to the Finance Director’s Office. Accuracy in revenue/expenditure estimates is critical. Subsequent annual estimates should also take into consideration the actual receipts from the previous year.
- J. **Pursuit of New Departmental Revenues.** Departments shall pursue revenue sources to the fullest extent possible for all services as well as total cost identification (including indirect costs) for fee-setting purposes, grants, or other funding opportunities. Any new revenue sources should be used to offset the cost of existing staff and programs, rather than funding new staff or programs. Fee schedules will be reviewed annually to ensure costs are recovered. Fee schedules will be updated as part of the annual budget process.
- K. **Expenditure Reductions.** Reductions in revenues may require expenditure reductions from the “base budget” level. If reductions are required, the City Administrator will be guided by the City Council’s adopted Resource Reduction Strategy (See Section 19).
- L. **New Discretionary Programs.** New discretionary programs, deemed a high priority activity, may be included in the Proposed Budget with the prior approval of the City Administrator. If programs are added/expanded, an evaluation will be made on the impact

to supporting services (e.g. information, finance, facilities, human resource, budget, etc.). Any increases in overhead services attributed to additional programs shall be included in the analysis of the total cost of new programs.

Should outside funding for a program expire, the program may be terminated by the City Administrator or the City Council.

- M. **Full Cost Recovery**. City staff shall make every effort to assign costs where they occur through the use of interdepartmental/interfund charges and indirect cost percentage assignments. The intent is to clearly define the actual cost of each direct service the City provides internally or externally. The first priority is the recovery of overhead costs from all funds and grant programs.
- N. **Annual Budget Savings**. To the extent General Fund supported departments experience savings during the year (due to position vacancies, etc.) that money shall be designated first to meeting the established contingency and reserve levels. Should the contingency and reserve levels be met, any remaining savings may be allocated towards the PERS Reserve and/or one time projects as determined by the City Administrator.

- **SECTION 4. NON-GENERAL FUND / UTILITY BUDGETS (DEDICATED)**

- A. **Bottom-Line Emphasis**. For activities or programs funded primarily from non-General Fund sources, departments are to prepare “base budgets” with a goal of holding any General Fund contribution to no more than the amount provided in the current fiscal year, subject to the availability of funds. Whenever possible, reductions in General Fund contributions should be achieved.
- B. **No Backfilling**. General Fund discretionary dollars will not be used to backfill any loss in water and/or sewer City utility revenue, state-shared or federal revenues, grants, or dedicated funding programs (for further information, see the Resource Reduction Strategy).
- C. **Revenue Estimates**. Departments should budget for revenues based on the best information available at the time the budgets are prepared. If additional information becomes available during the budget process, it shall be provided to the Finance Department. New revenues should be estimated based on available information for the first year. Subsequent annual estimates should also take into consideration actual receipts from the previous year.
- D. **Overhead Cost Allocation Charges**. All non-General Fund departments should budget the amount allocated to that department.
- E. **Cost Efficiency**. As with the General Fund, staff responsible for non-General Fund budgets will prepare fiscally conservative budgets, and will seek savings wherever a balance between cost efficiency and the quality of public service can be achieved.

- F. **Utility Revenue Allocations.** It is the policy of the City of Woodburn that revenue generated by City-owned utilities will first be used to meet operational expenses, and subsequently fund capital projects in a manner consistent with Woodburn's Capital improvement plans and operating requirements.
- G. **Utility Rates.** The City will maintain utility rates at a level that ensures that all debt service, operating, and capital costs, are adequately recovered and debt covenant requirements are met. Capital costs identified in the approved capital improvement plan will be used as the basis for forming the capital costs recovery portion of utility rates.
- H. **System Development Charges.** As permissible under state law, the City will pursue the recovery of infrastructure-related development costs relating to water, sewer, street, storm, and parks. These costs will be delineated via a defensible methodology, which will be revised from time to time to ensure accuracy.

- **SECTION 5. FUND RESERVES & CONTINGENCIES**

- A. **PERS Side Account Savings.** In 2019, the City Council goal of establishing a PERS side account was achieved with a City contribution of \$2,823,043, which received a PERS match. The City will continue to add resources to the City's PERS Fund as resources allow, but will direct any PERS savings to help maintain current service levels. It is the overall goal of the City to continue to increase the balance in the City's PERS Reserve Fund in order to make future Side Account contributions.
- B. **General Fund Contingency.** Consistent with Government Finance Officers Association (GFOA) best practices, at least 20 percent of the General Fund's operating appropriation shall be placed into the operating contingency to meet cash flow needs, with a long-term goal of increasing the reserve to 25 percent as year-end savings occur. In addition, it is the goal of the City to preserve the contingency balance to the greatest extent possible. No new General Fund program or service will be created that diminishes the General Fund Contingency below established minimum levels.
- C. **Contingency Replenishment.** If contingency funds are expended, an effort will be made to reduce expenses to retain a minimum of 20 percent General Fund contingency.
- D. **Shortfall Management Reserve (SMR).** The SMR is intended to subsidize future shortfalls estimated in the Five-Year Forecast. If SMR funds are expended, an effort will be made to replenish funds as savings are identified in the annual budget process.
- E. **Water & Sewer Fund Contingencies.** The Water and Sewer Funds will maintain annual contingencies of not less than 5%.
- F. **Equipment Replacement.** This fund is for the replacement of vehicles and equipment. The goal is for City departments to transfer one-tenth the value of its fixed asset inventory every year as budget allows to ensure future replacement funding is available. Replacement fund transfers may be limited or delayed in order to preserve operational budgets.

- **SECTION 6. GRANT APPLICATIONS (ALL FUNDS)**

- A. **Approval to Pursue.** The City Administrator’s approval is necessary before any employee pursues lobbying efforts on matters having budget implications, and before grant applications are submitted to the granting agency. Department Heads should advise the City Administrator before official positions are taken on matters that might have budget implications.
- B. **General Fund Matching Funds.** Upon approval by the City Administrator, matching fund requirements will be presented to the City Council for final approval.

- **SECTION 7. NEW POSITIONS, PROGRAMS, AND OVERTIME (ALL FUNDS)**

- A. **Base Budget & New Positions.** Departments are to prepare “base budgets” with no new regular positions unless specifically authorized by the City Administrator in advance of budget preparations. Reorganizations of departments or programs resulting in changes in staffing or positions may be considered if the change is cost-neutral or cost savings from the current costs. No position compensation or increase will be provided beyond the amounts budgeted for the position without prior approval from the City Administrator.
- B. **Considerations of New Positions/Programs.** Unless otherwise authorized by the City Administrator, consideration of new programs and positions will occur only if the cost of the position or program is offset by non-General Fund sources legally tied to the new position or if the cost of the position is offset by new external revenues, reductions within existing funds and/or the position is required to generate those revenues. Cost estimates for new positions will include office facility space, equipment, rent, utilities, supplies, related increases in overhead services, etc.

Additional personnel or programs shall be requested only after service needs have been thoroughly documented or after it is substantiated that the new employees will result in increased revenue or enhanced operating efficiencies.

- C. **Annual Overtime Budgets.** Departments will anticipate their annual overtime costs to be included in the proposed budget. Once the budget is adopted, overtime costs are to be managed within adopted levels. No overtime costs can exceed budgeted levels without first obtaining the authorization of the City Administrator.

- **SECTION 8. MID-YEAR BUDGET REDUCTIONS**

- A. **Revised Revenue or Expense Estimates.** If additional information concerning revenue reductions or significant expense increases becomes available after the start of the fiscal year, it may be necessary to make budget adjustments. These adjustments will be made in accordance with the City Council’s adopted Resource Reduction Strategy.

- **SECTION 9. MID-YEAR REQUESTS, CONTINGENCY (ALL FUNDS)**

- A. **Non-Emergency Requests.** In those cases where a department is required to absorb an unanticipated cost beyond its control of a non-emergency nature, departmental resources must first be exhausted prior to a transfer from General Fund contingencies. Upon conducting a final financial review of departmental budgets towards the end of the year, a transfer from contingency will be presented to the City Council through a budget resolution or supplemental budget.
- B. **Emergency Requests.** Emergency requests during the fiscal year will be submitted to the City Administrator for recommendation and forwarded to the City Council for consideration.

- **SECTION 10. COMPENSATION & BENEFITS (ALL FUNDS)**

- A. **Wage Policy.** Historically, the biggest factors forcing budget growth are increases in employee compensation and increased benefit costs. The City will have a compensation and benefits program that: 1) reflects the value of work performed by our employees, 2) compares favorably with the compensation and benefits paid for similar work in both the private and public sectors, and 3); considers the community's ability to pay. Both our employees and the public must understand the mutual respect that such a policy warrants.
- B. **Health Care & PERS Costs.** Continue the City's policy on wage increases which evaluate the cost of health insurance and PERS contributions as part of the total compensation package. It is the goal of the City to reduce annual escalations of health insurance, and other benefit costs by getting the employees to bear an equitable portion of the annual premium increases and/or selecting lower cost-benefit programs.
- C. **Cost of Living Adjustments (COLA).** The City Administrator will make a recommendation either to include, or not include, a COLA for non-represented employees in the Proposed Budget. COLAs included in the Proposed Budget are considered and approved by the Budget Committee and City Council as part of the budget process. COLAs or other compensation provided for in collective bargaining agreements will be provided for in the annual Proposed Budget.
- D. **Step Adjustments.** Budgeted personnel services expenditures will include an amount to account for annual step adjustments for all employees who are not currently at the top of their range. Annual employee step adjustments will not exceed 5% without the expressed permission of the City Administrator.

- **SECTION 11. BUDGET CONTROLS**

- A. **Legal Compliance.** The City Administrator and Finance Director will continue to review and control departmental budgets at the appropriation level.
- B. **Personnel Services & Benefits.** With the exception of overtime pay and temporary help accounts, which shall be developed by Department Heads with the advice of the Finance

Director and the approval of the City Administrator, personnel services and benefits cost calculations will be provided by the City Administrator and the Finance Director and will be used as provided. The City Administrator and the Finance Director will also provide estimates for insurance and internal service expenses. These amounts will not be altered by Department Heads.

C. **Wages & Benefit Control.** Positions not entitled to receive benefits will be managed in a manner that keeps them below mandatory benefit thresholds (such as PERS, health insurance, etc.). Positions will only be eligible for benefits if approved by the City Administrator and/or designated in Job Descriptions. All benefit costs must be anticipated and included in the annual Budget.

D. **One-Time Revenues.** One-time revenues will be used only for one-time expenses.

- **SECTION 12. UNAPPROPRIATED ENDING FUND BALANCES (ALL FUNDS)**

A. **Limit Unappropriated Ending Fund Balances.** To provide the most budget flexibility during the year, the City will limit the use of unappropriated ending fund balances to circumstances where they are required by law. Rather than use unappropriated fund balances, the goal should be to place any monies not needed for current expenditures in the relevant funds' operating contingencies or a City Council approved reserve.

- **SECTION 13. CAPITAL IMPROVEMENT GUIDELINES**

A. **Capital Improvement Program.** A 6-year Capital Improvement Program will be adopted as part of the annual budget process. It will include all projects anticipated to be initiated and/or delivered in the 6-year planning period. The Capital Improvement Program will be consistent with the City's adopted Capital Improvement Master Plans. Funding availability will determine the rate at which Capital Improvement Program projects are initiated or completed.

B. **Exceptions.** The City will fund dedicated programs and services with dedicated funding sources. Exceptions may be made, on a case-by-case basis, by the Budget Committee, City Council, or by the City Administrator if appropriate. One criterion will be whether the City would incur more costs elsewhere as a result of the reduction.

C. **Capital Planning Consideration.** Recognizing that it does not necessarily make sense to fund current operations at the expense of long-term capital or planning programs, every effort will be made to continue capital and planning programs geared to the City's long-term needs.

- **SECTION 14. DEBT ISSUANCE (ALL FUNDS)**

A. **Debt Issuance.** The City will issue debt in accordance with the adopted Master Debt Resolutions for Sewer and Water. General Obligation debt will only be issued in

compliance with state statutes. Debt will only be issued (for all fund types) when a dedicated resource is available to meet the required debt service and reserve.

No debt will be issued without the approval of the City Administrator and authorization of the City Council.

- B. **Interfund Transfers.** Interfund transfers are allowed if the City Council determines the transfer to be in the best interest of the City. All interfund transfers will be managed consistent with state budget law.
- C. **Debt Compliance.** On an annual basis the Finance Director and shall ensure that annual reporting requirements have been met and will review the condition of the corresponding debt funds to ensure compliance with existing financing agreements.

- **SECTION 15. DEBT REFINANCING/REFUNDING**

- A. **Debt Refinancing/Refunding.** From time to time, the City Council and/or the City Administrator may direct the Finance Director to determine the feasibility of refinancing/refunding existing debt. Refinancing may include restructuring to meet unanticipated revenue expectations, achieve cost savings, mitigate irregular debt service payments, release reserve funds, or remove unduly restrictive bond covenants.
- B. **Responsibility.** The Finance Director, with the assistance of consultants as needed, shall have the sole responsibility for conducting the analysis of outstanding bond debt for refinancing/refunding opportunities that may be presented by underwriting and/or financial advisory firms and making a recommendation to the City Administrator.
- C. **Term of Refinancing/Refunding Issues.** The City may refund bonds within the term of the originally issued debt. However, the City may consider maturity extension, when necessary to achieve a desired outcome, provided that such extension is legally permissible. The City may also consider shortening the term of the originally issued debt to realize greater savings. The remaining useful life of the financed facility and the concept of inter-generational equity should guide this decision.
- D. **Analysis and Report.** The City will evaluate each refinancing/refunding candidate on a case-by-case basis. When analyzing possible refinancing/refunding opportunities: the City establishes a guideline net present value savings threshold goal of three percent (3%) of the refinanced/refunded bond principal amount. The net present value savings will be net of all related issuance costs. In addition, the Finance Director will make a full report on the potential saving generated and any financial risk associated with refinancing/refunding the debt.

- **SECTION 16. INVESTMENTS**

- A. **Administration.** The City of Woodburn's Investment Policy is attached as Exhibit A.

- **SECTION 17. ANNUAL FINANCIAL AUDITS**

- A. **Annual Audit Required.** The Oregon Municipal Audit Law (ORS 297.405 – 297.555) requires a financial audit and examination be made of the accounts and financial affairs of the City at least once a year. Consistent with State law, the City of Woodburn will conduct an annual independent audit of the preceding fiscal year.
- B. **Audit Standards.** Woodburn’s annual financial audits will be conducted in accordance with auditing standards generally accepted in the United States. Those standards require that an independent auditor plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. The audit will examine, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. The audit will also assess accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. The audit will contain an assessment of the City’s internal financial controls and procedures to make any necessary recommendations for improvement.
- C. **Finance Director and City Administrator Oversight.** It will be the responsibility of the Finance Director and the City Administrator to oversee the annual audit process.
- D. **Preparation of Financial Statements.** When feasible, City staff will prepare and provide annual financial statements to the auditor’s satisfaction. If staffing levels or other barriers exist to internal preparations of financial statements, the City Administrator may authorize the auditor’s preparation of financial statements for the purposes of completing the annual audit on time.
- E. **Audit Deadlines & Extensions.** Per Section 17 (F), the annual audit will be provided to the City Council no later than December 31. Consistent with State law, the annual audit will also be filed with the Oregon Secretary of State’s Audit Division no later than December 31. Any and all requests for audit filing or presentation extensions must be approved by both the City Administrator and the auditor. In the event that an audit filing extension is requested and/or granted, the City Administrator will inform the City Council of the reason for the extension request and an estimated time line for completing, presenting, and filing the audit.
- F. **Audit Presentation to Council.** The annual audit findings will be presented to the Woodburn City Council during a regularly scheduled City Council meeting by a representative of the audit firm. All audits presented to the City Council must be complete and signed by a representative of the audit firm.
- G. **Budget Committee Review.** A copy of the annual financial report will be provided to the Woodburn Budget Committee for their review.

- **SECTION 18. PROGRAMS**

A. **Discretionary Programs.** To the extent discretionary resources are available, high priority services areas will be slated for growth. Lower priority service areas will receive constant or decreasing discretionary support. Based on the direction of the City Council, discretionary programs are identified, and prioritized, as follows:

- ✓ Police Patrol & Public Safety
- ✓ Police Support Services
- ✓ Financial Services
- ✓ Legal Services
- ✓ Land Use Planning
- ✓ Economic Development
- ✓ Code Enforcement
- ✓ General Administration
- ✓ Library
- ✓ Aquatic Center
- ✓ Recreation Programming
- ✓ Parks and Park/Tree Maintenance
- ✓ Other General Fund Supported Non-Essential Program & Services
- ✓ Computer/Network transfers (new and replacements of equipment and servers)
- ✓ Discretionary Transfers (i.e. Transit, Streets, RSVP, etc.)
- ✓ Community Services (i.e. flower baskets, TOT Grants – where permissible, etc.)
- ✓ Intergovernmental Agreements that provide no direct offsetting revenues

• **SECTION 19. RESOURCE REDUCTION STRATEGY (ALL FUNDS)**

A. **Goal & Reduction Approach.** When faced with a potential reduction in resources, the City's goal is to continue to provide services in a professional, effective and efficient manner. Consequently, to the extent possible, across-the-board reductions in expenditures will be avoided.

B. **Case-by-Case Consideration.** Reductions will be made on a case-by-case basis, focusing on each individual program or service. If possible, the reduction will be made proportional to the programs and services identified by the City Council.

C. **Moderation When Possible.** If, as a result of a loss of a significant amount of discretionary resources, expenditure reductions become necessary they will be made on a moderate case-by-case basis to discretionary supported programs and services.

D. **Discretionary Contributions.** If further reductions are required, any discretionary funding that supplements or supports services mostly supported with dedicated resources will be reduced or eliminated. This may apply to programs or activities expanded or started with discretionary resources within the last few years. Exceptions may be made on a case-by-case basis by the City Council.

E. **Furlough Days.** If personnel budget/salary savings are required, the City may consider a reduced workweek or furlough days prior to laying off staff.

F. **Consideration List.** Programs funded by discretionary resources will be reduced or eliminated as needed. Legal restrictions or the City's ability to maintain minimal service levels will be considered. The City Administrator can determine the appropriate level of consideration at his/her sole discretion when making mid-year reductions or comprising the annual budget proposal. Based on the direction of the City Council, the order of City service areas to be considered for reductions are:

- ✓ Intergovernmental Agreements that provide no direct offsetting revenues
- ✓ Community Services (i.e. flower baskets, TOT Grants – where permissible, etc.)
- ✓ Discretionary Transfers (i.e. Transit, Streets, RSVP, etc.)
- ✓ Computer/Network transfers (addition or replacement of computers and servers)
- ✓ Other General Fund Supported Non-Essential Program & Services
- ✓ Parks and Park/Tree Maintenance
- ✓ Recreation Programming
- ✓ Aquatic Center
- ✓ Library
- ✓ General Administration
- ✓ Code Enforcement
- ✓ Economic Development
- ✓ Land Use Planning
- ✓ Legal Services
- ✓ Financial Services
- ✓ Police Support Services
- ✓ Police Patrol & Public Safety

G. **Indirect Costs.** The City's overhead programs will not be prioritized but will be sized to the need and size of the overall organization. Generally, wherever possible, the City's goal is to make fee-supported programs self-sufficient. This includes recovering those programs' appropriate share of the City's overhead costs. If reductions occur, then indirect costs will be sized to the needs and size of the rest of the organization.

The Transit Fund indirect costs will be per the federally allowed de minimis overhead rate of 10 percent.

H. **Dedicated Funding for Programs.** Where legally possible, the City will consider using dedicated resources to fund high priority programs related to the purpose for which the dedicated funds are received.

WOODBURN

O R E G O N
Incorporated 1889



New Development Projects



Commercial



Housing

City of Woodburn, Oregon and Woodburn Urban Renewal Agency **Five Year Forecast FY 2023-24 to 2027-28**

City of Woodburn

Five-Year Forecast

FY 2023-24 - FY 2027-28

Table of Contents

Introduction.....	1
City of Woodburn Background	1
Purpose of the Forecast	2
Forecast Methodology	2
Executive Summary	3
Economic and Demographic Assumptions.....	3
Issues in the Coming Year.....	3
Citywide Issues Beyond One Year	3
Fund Summaries:.....	4
General Fund	6
Building Inspection Fund	8
Transit Fund.....	9
Street Fund	10
Water Fund.....	11
Sewer Fund.....	12
Remaining Funds	13
Major Assumptions – Revenues	15
Major Assumptions – Expenditures	16
Glossary	17

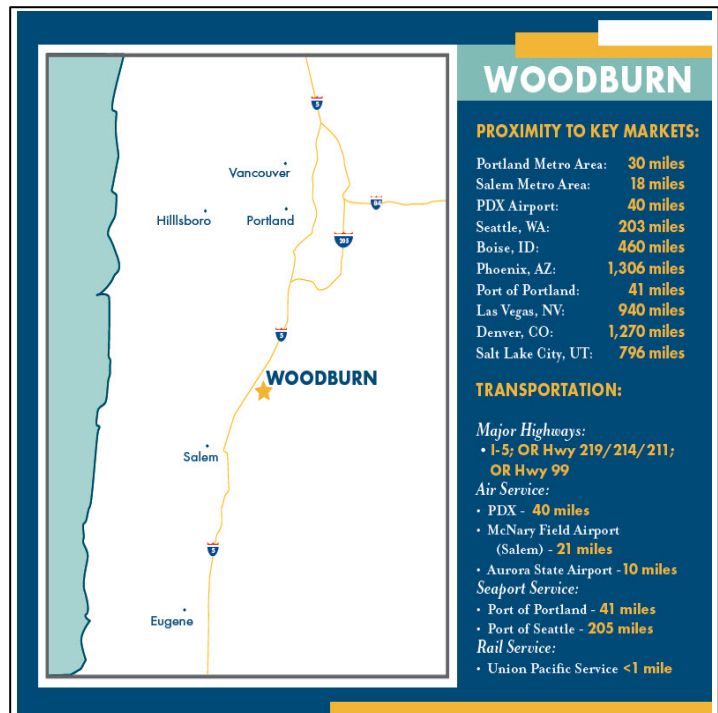
Introduction

City of Woodburn Background

The City of Woodburn is a municipal corporation, which operates under a Council-Manager form of government. Policymaking and legislative authority are vested in the City Council, which consists of an elected Mayor (two-year term position) and six councilors (four-year term positions). The City Administrator is responsible for carrying out Council ordinances and policies, managing the daily operations, and appointing department heads. The City provides a full range of services, including but not limited to: police, water, wastewater, public works, library, parks, recreation, aquatics, municipal court, community planning and building inspections, and economic development.

Woodburn, incorporated in 1889, is located in the Willamette Valley halfway between the larger urban areas of Portland and Salem.

The City of Woodburn, with a population of 26,468¹, is Oregon's 24th most populated city, and third most populated city in Marion County. The population of the region within a 30-mile drive of Woodburn is 2.1 million, according to the American Community Survey. The US Census data shows Woodburn per capita income was \$23,217 (compared to \$37,816 for the state), and the median income for a household was \$56,000, or 25 percent less than the state median household income of \$70,084².



Historically, the Woodburn economy centered around agricultural and forest products, with the City serving as the manufacturing and services hub for these two sectors. As nearby urban populations have grown, Woodburn has attracted a variety of new businesses ranging from advanced manufacturing, distribution and warehousing, agricultural and food processing, wood products manufacturing, regional retail and a wide range of service-providing businesses. Amazon is in the process of building a 3.8 million square foot fulfillment center in Woodburn that is the largest current construction project in the state. It is targeted to be complete in the spring/summer of 2024.

Woodburn is an attractive community with new single and multi-family housing subdivisions already in the development queue. Metro area transportation issues and affordable housing shortages are creating

¹ Portland State University, Population Estimates and Reports, Certified Population Estimates, July 1, 2022

² US Census Bureau Quick Facts, Woodburn, OR (figures shown in 2019 dollars)

population shifts into Woodburn. Marion County’s adopted population projections indicate Woodburn will grow to 37,216 by 2030.

Purpose of the Forecast

The intent of this forecast is to project the financial position of primary operating funds, based on current service levels and conservative assumptions. The forecast sets the stage for the annual budget process, aiding both the City Administrator and City Council in establishing policies and priorities to allocate resources appropriately. Forecasting is one of the most powerful tools the City has available to help make informed financial decisions that will ensure the City’s future vitality and economic stability.

Forecast Methodology

Economic forecasting is not an exact science; rather, it is dependent upon the best professional judgment of the forecaster. The City of Woodburn’s approach to forecasting is to apply a conservative philosophy that neither overstates revenues nor understates expenditures. To enhance the accuracy of projections, the City identifies factors that contribute to the changes in revenues and expenditures, such as development, inflation, interest rates and known future events that will affect operations. Forecasting of operating costs embraces the concept of status quo. This concept assumes that the current level of service will continue for the next five years with cost changes based on inflationary increases. This provides a baseline economic estimate from which reductions or increases in service levels can be determined. To the extent certain reductions or additions are anticipated, they are noted within the fund section of this report. Exceptions to the status quo assumptions are noted at the beginning of each fund.

Capital improvement projects are prioritized according to master plans for Water, Sewer, Transportation, Storm Water, and Parks, but are scheduled based on available resources. To the extent possible, operations are funded first and remaining resources are allocated to fund capital improvement projects. This frequently means that improvements are delayed until the needed funding has been set aside. Improvements too expensive to be paid from net resources are assumed to be funded via bonded debt, although in practice, this is a rare occurrence. For these reasons, capital construction funds, and the related special revenue funds, are not included in this forecast.

Utilizing general ledger reports, audited financial statements, water and sewer master plans/rate studies, and published City budgets, each of the funds listed below were examined to identify patterns in revenues, expenditures and cash balances that may indicate financial instability or threats to the sustainability of current operations.

We look forward to feedback from the City Council and other interested parties on identified issues. Because the fund section provides detailed information, the executive summary will focus on the most significant issues facing the City.

Executive Summary

The forecast is based on the combined effort of City staff and predicts that most operating funds will have sufficient resources to meet expenses over the five-year period. A few of the fund graphs depict a declining undesignated balance of resources. While this may seem alarming, it is just an indicator. In reality, the City would not submit a proposed budget where costs exceed all available resources. The forecast allows the City to identify where problems might occur and provides the adequate time to take corrective action before the situation becomes a crisis. The goal in assembling this report is to reveal trends, highlight financial issues and provide suggestions and options.

Economic and Demographic Assumptions

Oregon and the City of Woodburn's economic condition will be heavily influenced by population growth. Woodburn's economy determines the ability to retain the local workforce as well as attract new job seekers. These factors will weigh heavily upon the City's ability to continue to provide a high-level service to the public.

Issues in the Coming Year

- Continued focus on stabilizing finances across all funds in light of rising wages, increased retirement costs and medical insurance costs, and the need to grow the work force to sustain a growing community
- The Urban Growth Boundary (UGB) expansion has permitted opportunities for future development, which will increase future demands on safety/security, water, sewers, streets, building activities, and recreational opportunities. Supplying the demand is expected from an estimated 3,000 housing units (a mixture of both single-family and multi-family) over the next five years. Employment needs will be met by the development of the newly annexed industrial areas (expected to provide an estimated 1 million additional square feet during this time.)
- Expansion of the Economic Development program

Citywide Issues Beyond One Year

Public Employees Retirement System (PERS): The City participates in the Oregon PERS State and Local Government Rate Pool employee pension program. The City's liability in PERS was \$9,545,486³ as of June 30, 2022. This liability will be paid through a combination of interest earnings and rate increases. Annual interest earnings that meet or exceed 6.9 percent will reduce the liability and subsequent biennial PERS rates, while earnings below 6.9 percent will increase the liability and also increase subsequent biennial PERS rates. Currently, the unfunded liability of \$9.55 million has been amortized for repayment through 2036-37. Therefore, each biennium includes an increase due to normal cost increases for the current

³ The \$9,545,486 is the City of Woodburn's net proportionate share of the Unfunded Actuarial Liability as of June 30, 2022. Oregon PERS' independently audited financial statement can be found at <http://www.oregon.gov/pers>

employees, plus an amortization payment for the unfunded liability. Rate relief is projected to begin in the 2037-38 biennium.

In May 2017, Gov. Kate Brown appointed a PERS task force to identify potential funding sources to address the statewide \$5 billion PERS liability. The findings resulted in the approval of Senate Bill (SB) 1566 establishing an Employer Incentive Fund (EIF), which provides up to 25.0 percent matching funds for qualifying employers who make an additional one-time lump sum payment to pay down their PERS unfunded actuarial liabilities (UAL). The PERS board is developing the program, inclusive of procedures to request matching funds, and develop a strategy to reduce the unfunded liability.

The city participated in a PERS side account and in December 2019 paid PERS \$2,823,043. With the state contribution, the total Side Account is \$3,527,735. This reduced each of the City's PERS contribution rates by 2.85 percent.

Health Insurance

Though the City implemented a high-deductible medical plan and attempted to control health insurance costs, the growth rates on some policies have continued to increase. Due to the uncertainty in health care premiums and an increase in the City's portion of employee health care costs negotiated in new bargaining agreements, the forecast's first year includes a 7 percent growth assumption and an average 5 percent growth assumption in each year that follows.

Fund Summaries:

General Fund

Service demands in Police and Community Services (i.e., Library, Aquatic Center, Recreation, and Parks) will increase as Woodburn's populations grows. Meeting the service demands will require new/additional revenue or cuts to existing programs. Property tax revenue will assist in meeting the community needs, and the 3.0 percent annual growth allowed by law has been included in each of the forecast years. Anticipated property development will be included in the tax forecast as they are added on the county assessor tax rolls. Higher inflation in the near-term was taken into account in the salary and benefits categories to match the CPI increases in these areas and was also factored into materials and service cost assumptions, with a 6.5 percent increase in the first year and smaller increases in the four years that follow.

Water

The operational fund has been strengthened following a declining fund balance caused by rising costs and no corresponding rate increases since 2006. A rate study was presented in spring of 2018, which resulted in City Council approving ten years of rate increases beginning July 2018: 10 percent increases in 2018-19 and 2019-20, followed by annual increases of 4 percent each July in the remaining years 3-10. Fund balance reductions are forecast over the next few years as capital projects are completed ahead of growth needs. Fund balance should improve as new development is completed. To align the

two and maintain a positive balance, the City will prioritize capital improvement projects and may defer less critical projects and/or leverage bond proceeds to spread the cost over multiple years.

Transit

The Transit Fund has struggled to meet its operational needs in past years, but in most years is able to maintain a fund balance due to an annual subsidy from the General Fund and formula funds from the Oregon Department of Transportation (ODOT). In FY 2020-21, the annual GF subsidy was increased to \$150,000. Transit aggressively seeks State and Federal grants to fund operations, update the vehicle fleet, and maintain and/or increase current levels of service. Revenue from the statewide transit tax of 0.1 percent, implemented in July 2018 and charged to all Oregon employees through payroll, helps increase annual revenues.

Wastewater

The Sewer Fund reflects the utility rate revenue and operational costs. Major expansion at the Wastewater Treatment Plant (WWTP) originally planned in 2011-12 has been on hold awaiting a decision from DEQ regarding the water quality limits for temperature. With that lawsuit finally resolved, work is now underway on the project to update the Wastewater Facilities Plan and Rate Study, which will inform necessary facilities upgrades and the financial resources required to complete them.

Streets

The City has allowed the fund balance to grow in preparation for priority capital projects. Currently, the West Hayes Street improvement is the top capital improvement project.

HB 2017 *Keep Oregon Moving* was implemented in 2018 and includes a 4-cent gas tax increase. An implementation dashboard has been set up for HB2017 on the ODOT website. The current *Keep Oregon Moving* report of revenue and expenditures is available on ODOT's website.

General Fund

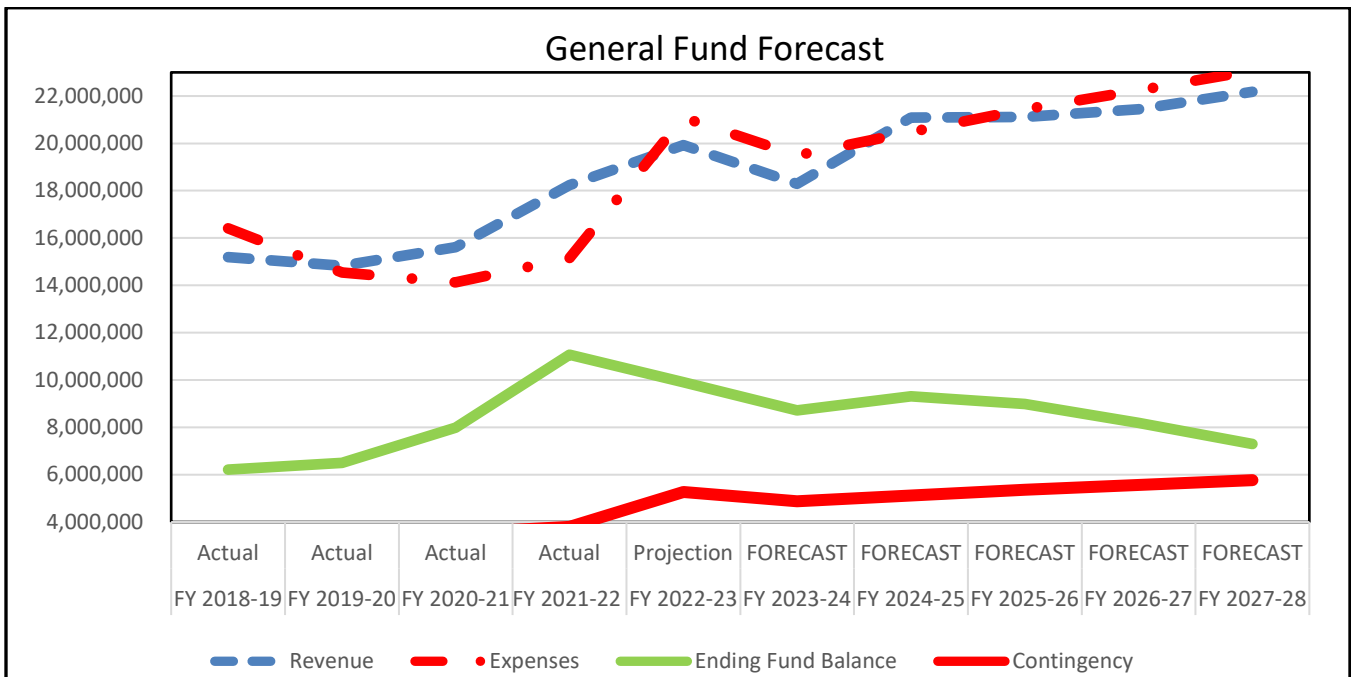
Variations from Status Quo Assumptions

- An inflation rate of 6.5% for FY 2023-24

Key Assumptions

- Property tax revenue increase of 4.5 percent in FY 2023-24, 25 percent in FY 2024-25, and 3 percent FY 2025-26 through FY 2027-28
- PERS rate is 22 percent as of July 1, 2023, and will increase to 24 percent two years later in FY 2025-26
- General Fund Right-of-Way charge on Water and Sewer of 5 percent continues on total revenues
- Addition of new Right-of-Way charges for small franchise utilities

Operating Position



G.F.	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26	FY 26-27	FY 27-28
	Actual	Actual	Actual	Actual	Projection	FORECAST	FORECAST	FORECAST	FORECAST	FORECAST
Rev	15,193,057	14,827,328	15,613,700	18,238,109	19,920,560	18,296,052	21,083,848	21,112,634	21,437,485	22,180,011
Exp	16,405,256	14,546,479	14,127,125	15,150,253	21,083,831	19,488,648	20,484,037	21,435,259	22,238,334	23,072,640
Diff	(1,212,199)	280,849	1,486,576	3,087,856	(1,163,271)	(1,192,595)	599,810	(322,625)	(800,849)	(892,629)

Property taxes account for almost two-thirds (60 percent) of annual revenues in the General Fund. Property taxes will increase as new developments occur within city limits, but it takes several years to see the income increase. The forecast assumes an increase of 4.5 percent in FY 2023-24 from the housing permit activity in the last two fiscal years, an increase of 25 percent in FY 2024-25 from the completion of the Amazon facility, followed by a more conservative 3 percent growth in the remaining fiscal years as the construction of new housing units flattens out.

Franchise fees, the second largest revenue in this fund, are based on the gross revenues collected in Woodburn for utilities that use the City's right-of-way. Licenses and permits were a significant source of revenue in the past year with new commercial and residential development. Forecast revenues are projected to increase at a modest 1.0 percent rate beyond year one of the forecast period.

Potential Impacts and Issues

There are potential future demands that could increase costs in this fund and will require close monitoring. These include:

Police Staffing: As the community grows, there will be an increase in demand for police services.

Parks & Recreation: As demand grows for use of City parks, additional burden is placed on the City's General Fund to provide enhanced services. Additional staff hours are required for cleanup and maintenance of these parks. These potential cost increases are not included in the forecasts.

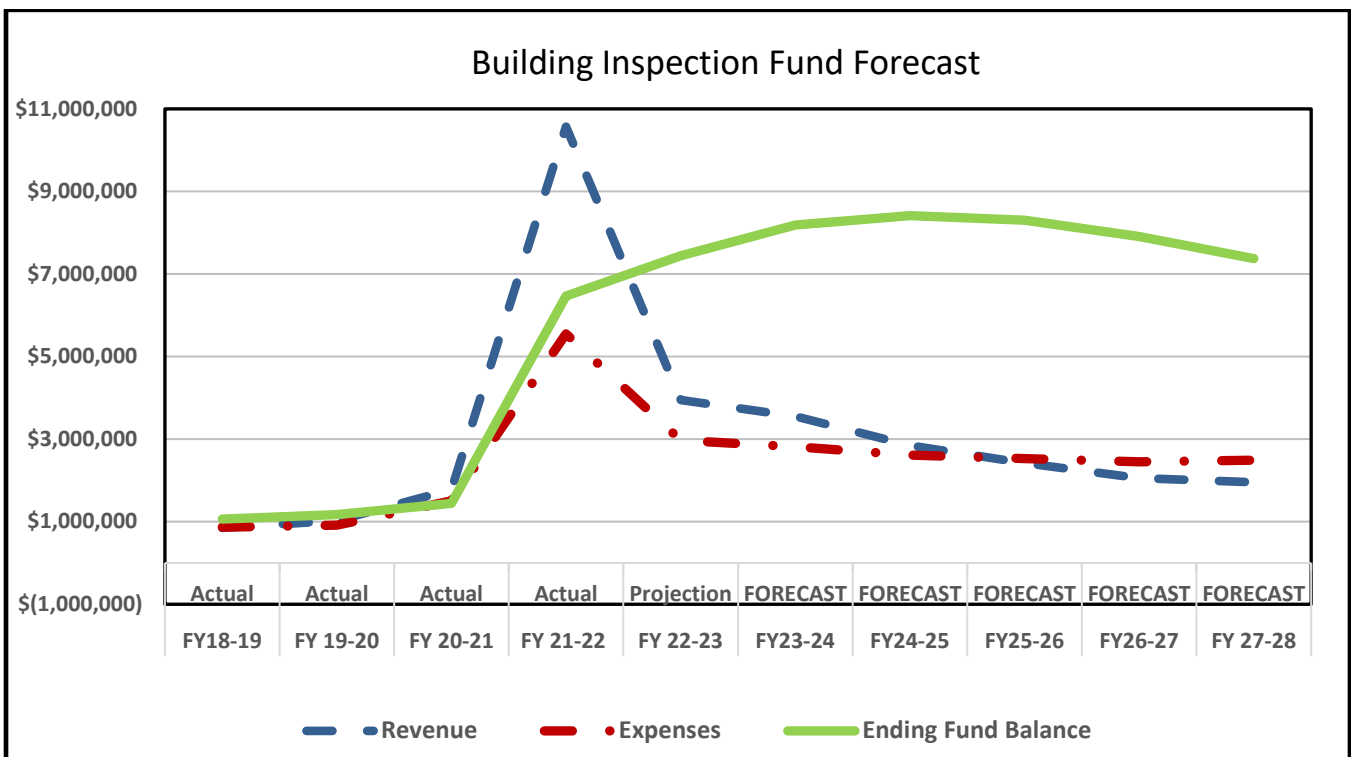
Engineering & Planning: Engineering & Planning division expenditures will be significantly impacted by new development within the Urban Growth Boundary expansion, and by the city as a whole. The City will closely monitor the actual revenues against the forecast and will take corrective action if necessary.

Building Inspection Fund

Variations from Status Quo Assumptions

- Permit revenues continue to be strong due to large residential and commercial developments currently in the pipeline. A conservative forecast reflects a revenue decline from a high point of FY21-22 and a potential recession in the near future. Assumptions include a 10 percent decrease in FY 23-24, a 20 percent decrease in FY 24-25, and a 15 percent decrease in FY 25-26 and 26-27.
- The FY 2021-22 spike was impacted by the new Amazon project

Operating Position



The Building Inspection team provides services to ensure safe building design and construction through the enforcement of building codes and standards. Revenues are based on permits issued for new development and redevelopment that historically ebbs and flows. Future revenues are based on estimates of when specific projects might begin.

Potential Impacts and Issues

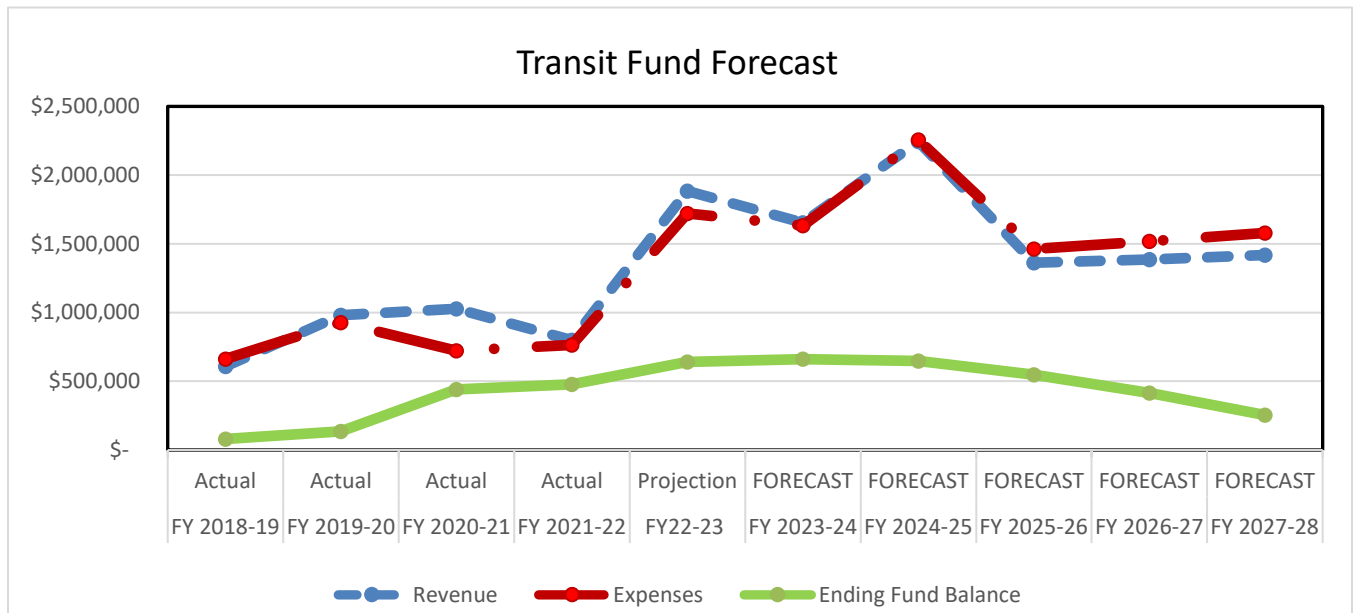
The Building Fund, of course, will be significantly impacted by the Urban Growth Boundary expansion. Delays in developers submitting plans or starting construction will impact the bottom line. As building activity is forecast to decrease over the next few years from a high point of commercial development in FY 2020-21, and potentially decrease further with a recession, the City will closely monitor actual revenues against the forecast and take corrective action if necessary.

Transit Fund

Variations from Status Quo Assumptions

- FY 2023-24 includes full staff estimates and the 60-minute Fixed Route’s reintroduction to City-wide schedules following COVID-related reductions in FY 2020-21 and FY 2021-22
- FY 2022-23, FY 2023-24, and FY 2024-25 revenue and expenditure spikes reflect the purchase of new vehicles for Dial-a-Ride, Out-of-Town Medical, and Fixed Route service

Operating Position



Transit provides Dial-a-Ride services for passengers with limited mobility and fixed route bus operations. Services are funded by a contribution of \$150,000 from the General Fund, with the balance coming from State formula funds, grant revenue, and recently, COVID-relief funds. The City’s new Transit Development Plan, to be complete in mid-2023, will assess rider needs, routes, and the revenue streams that will sustain and/or build upon existing Transit services over the next 10 years.

Capital Projects — From Operating Revenues

Bus and van replacements are completed as needed, which historically occurred when funding was available. The spike in revenue and expenditures between FY 2023 and 2025 includes new vehicle purchases. Pandemic-related manufacturing and shipping shortages delayed new vehicle purchases and delivery in the past year. Inflationary factors increased the cost of these vehicles by 25-40%, and additional funds have been sought to cover price increases.

Potential Issues

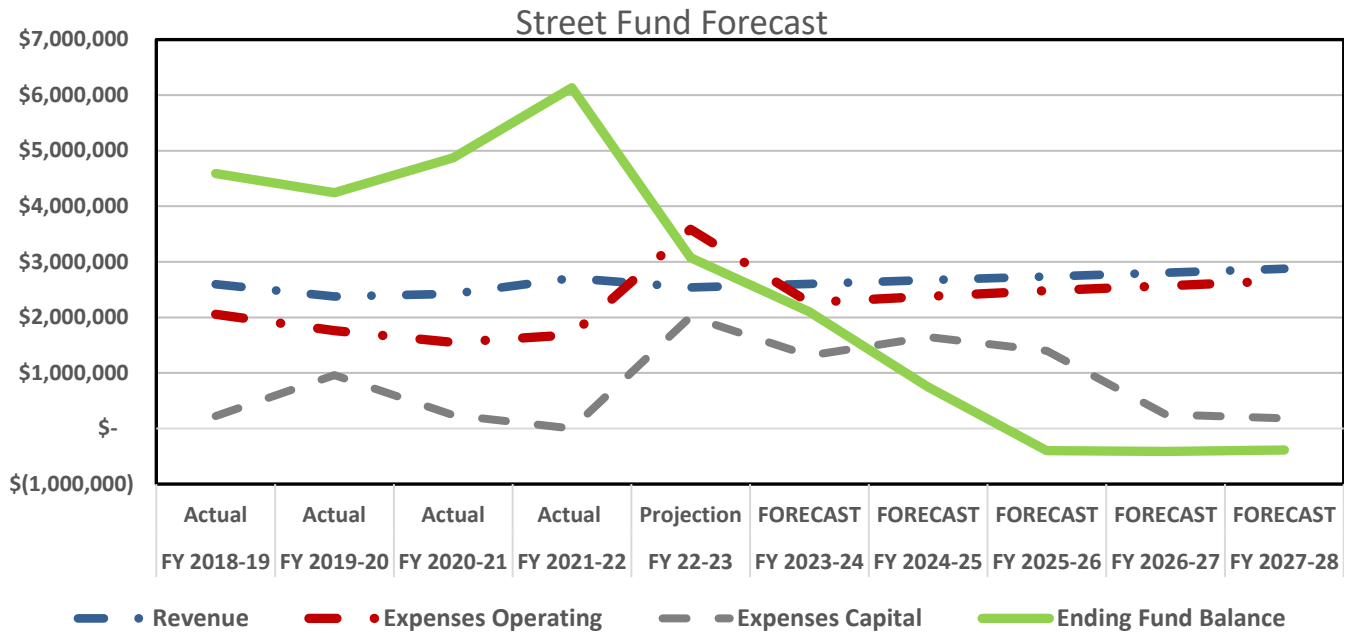
Should a large, unanticipated reduction of state and/or federal grant revenue occur, this program could potentially be curtailed, as replacement funding is not anticipated to be available from the General Fund.

Street Fund

Variations from Status Quo Assumptions

- None

Operating Position



State gas taxes are the largest source of revenue followed by a City gas tax and privilege taxes paid by PGE and NW Natural. Revenue is allowed to accumulate over time in order to fund major street improvements. As the improvements are underway, the expense budget spikes and the fund balance decreases. While the forecast shows fund balance decreasing to zero, in reality the capital projects will be staggered or delayed in a manner that preserves the fund balance.

Capital Projects — From Operating Revenues

The current major capital projects shown in the forecast period are West Hayes Street from Settlemier to Cascade and South Woodland Extension.

Potential Impacts and Issues

Due to the increase in the gas tax/registration/other fees, and the shifting of shared revenues (to cover street lighting expenses) to this fund, the financial outlook remains relatively stable. Privilege taxes are dependent on population growth and can be impacted by weather patterns.

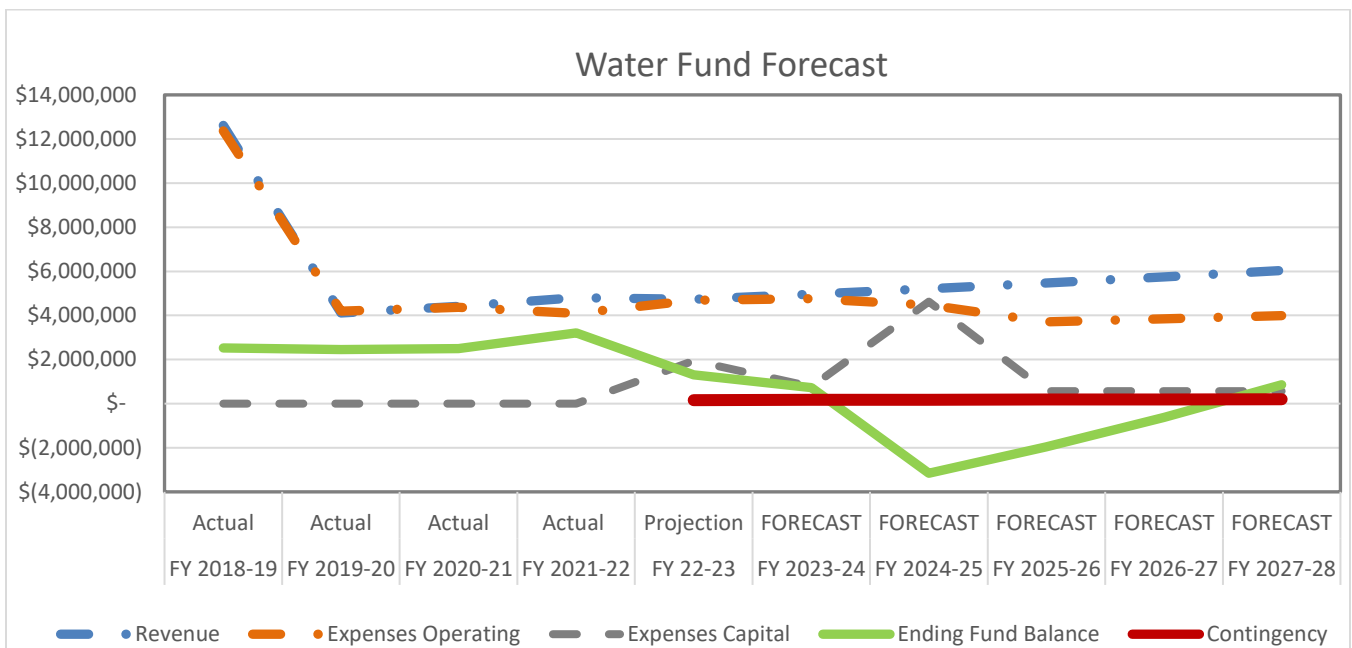
Water Fund

Variations from Status Quo Assumptions

- Spring 2018 water rate study resulted in City Council approved increases over the next 10 years; annual increases of 4 percent each July from 2020 to 2028.
- FY 2018-19 the water bond was refinanced
- FY 2024-25 expenditure peak reflects the Country Club Road water line transmission replacement and I-5 waterline crossing to serve the SWIR area

Operating Position

Water revenues are primarily driven by consumption. The funds costs are a mix of fixed expenses for the systems and infrastructure required to provide water, plus variable operating expenses.



Potential Impacts and Issues

As personnel, material and services costs continue to increase, levels of service will become difficult to maintain. Additionally, unknown capacity improvements predicated by the UGB expansion will impact future capital needs.

Capital Projects — From Operating Revenues

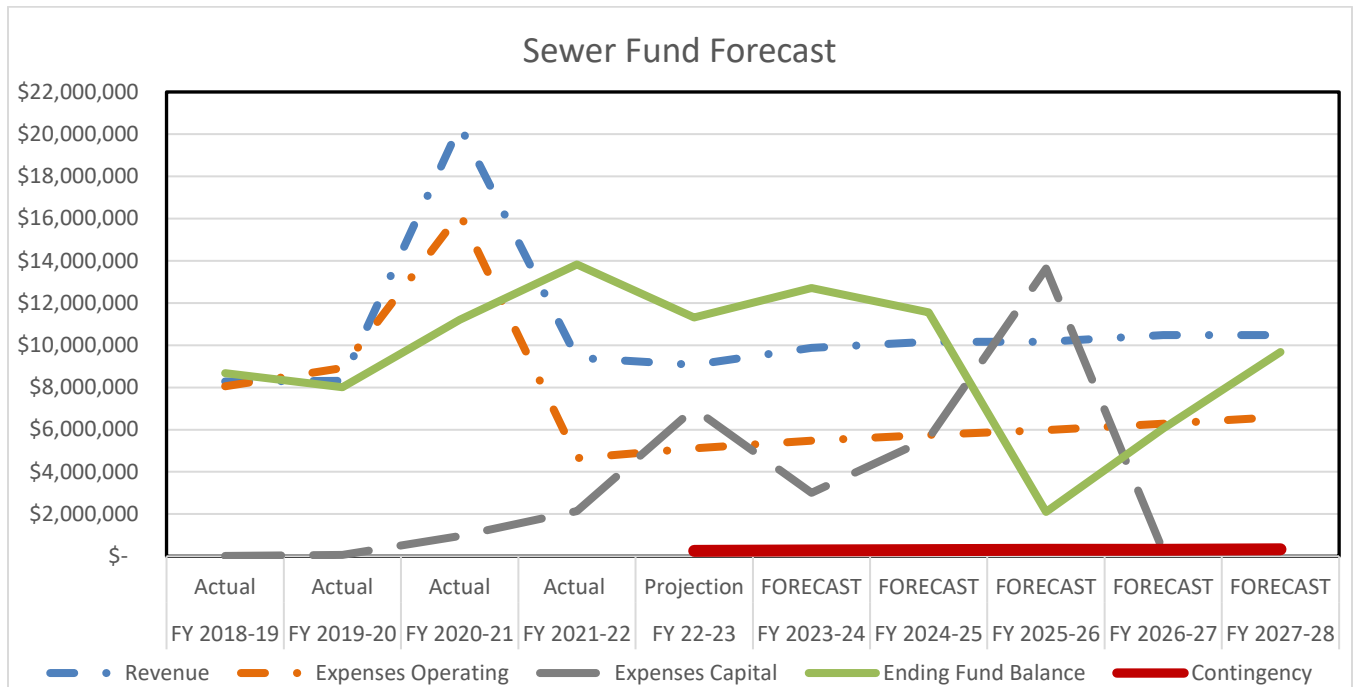
The Water Construction Fund 466 still carries a balance to cover most of the proposed projects for FY 2022-23. However, after that balance is spent, the Water Fund will budget transfers for future water construction. While the forecast shows fund balance decreasing to zero, in reality the capital projects will be staggered or delayed in a manner that preserves the fund balance. Improvements too expensive to be paid from net resources are assumed to be funded via bonded debt. Major projects include a new well and raw water piping at the Parr Road Treatment Plant and painting the elevated storage tank.

Sewer Fund

Variations from Status Quo Assumptions

- Bond defeasance of \$13.5 million was paid in early FY 2020-21
- Sewer rate increases of 5 percent in January 2021 and 2022

Operating Position



Potential Impacts and Issues

In January 2012, the final design plan for required wastewater treatment plant upgrades were submitted to DEQ based on their previously approved evaluation report. In August 2013, EPA provided notice to DEQ disapproving of Oregon Water Quality Standards, including Natural Conditions Criteria for Temperature, and Statewide Narrative Natural Conditions Criteria, in general. The Pudding River TMDL for temperature, established in 2008 using natural criteria, could no longer be used for permitting.

Recently, the legal challenges to TMDL standards have been resolved, which will allow DEQ to establish a water quality standard for the Pudding River and the development of the City’s updated National Pollutant Discharge Elimination System (NPDES) permit. To initiate this process, the City is undertaking an update to the Wastewater Facilities Master Plan & Rate Study, which will inform necessary upgrades to the treatment plant and collection systems, as well as the financial resources required to accomplish them.

Remaining Funds

Capital Construction Funds

Capital Construction Funds are not included in this forecast because their activity is limited by funds available. A more robust capital construction plan and reporting mechanisms were implemented for development during the FY 2020-21 budget cycle.

Remaining Funds

The remaining 13 funds have dedicated revenue sources, are for a specific purpose, or have nominal activity. These funds have not been included as part of the Five-Year Forecast.

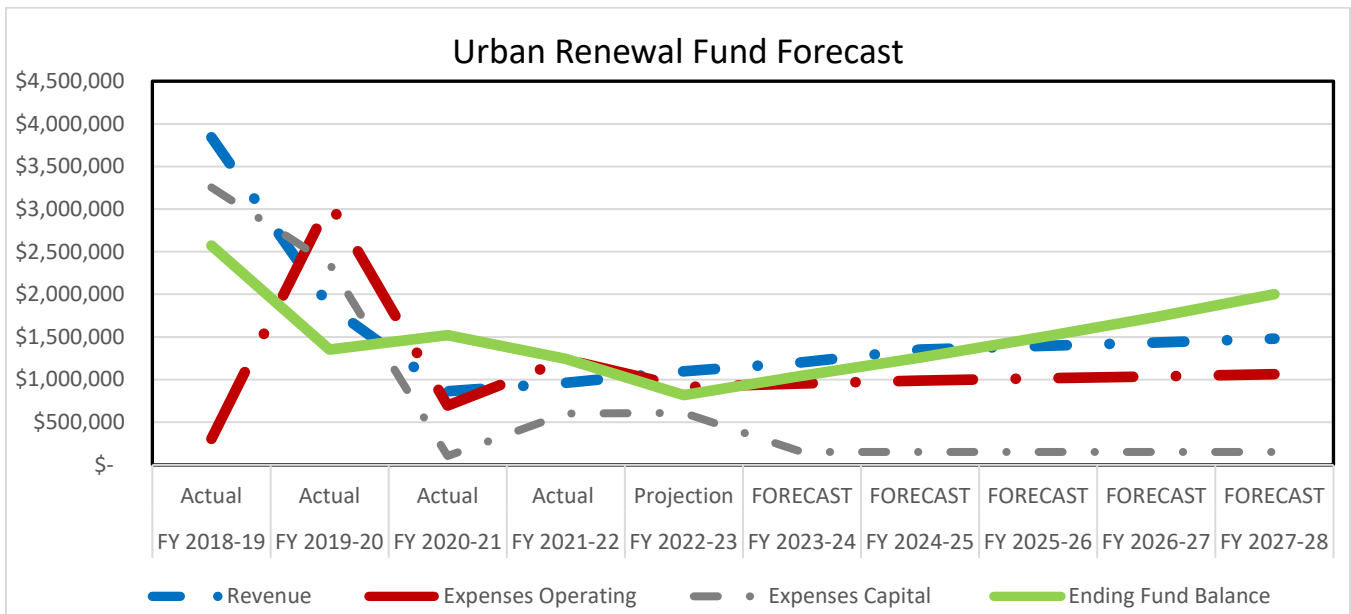
Urban Renewal Forecast is shown below.

Urban Renewal Fund

Variations from Status Quo Assumptions

- Business grants were given out during COVID-restricted times
- Peak in FY 2018-19 was the First Street Improvement project costs and a loan for the improvement which will be paid through FY 2028-29
- The building of two apartment complexes in the Urban Growth Area is expected to increase property tax revenue beginning in FY 2023-24 and, therefore, increase the Urban Renewal Fund’s revenue

Operating Position



Potential Impacts and Issues

Future projects may be impacted by funding, although, many grants are available and staff have been successful in acquiring grants.

Capital Projects — From Operating Revenues

Major projects include the completion of the Bungalow Theater and Museum, Historic Locomotive Shelter, and the Public Arts and Mural program. With the increased operating revenues from the assessed valuations of new apartment complexes, new capital projects will be identified in the coming years to utilize the additional funds.

Major Assumptions – Revenues

The assumptions for this forecast are based on historical trends and expected growth. Most revenues will be improved as the City’s boundary grows, but there will be pressure on staffing levels or other expenses that may generate offsetting expenses in the short run.

Revenue Assumptions

Property Taxes — General Fund

The Marion County Assessor determines the taxable assessed value of each property. In Oregon, there is no correlation between real market value and assessed value. Generally, assessed values grow by 3 percent per year as allowed by the state constitution, but has been impacted by compression. Reduced property tax revenue due to compression reached a peak during the recession and has steadily improved in the last three years. The City’s tax rate is permanently set at \$6.0534 per \$1,000 of assessed value, and is subject to limitation under Ballot Measures 5 and 50.

Franchise Fees — General Fund

These fees are assessments on the utility companies’ gross receipts for using the City’s right-of-way. Rates vary by type of utility ranging from 3 percent to 8 percent. Franchise fees are assessed on telecommunication, cable television, natural gas, electric utilities, ambulance, and garbage. These revenues are expected to grow at a rate of 1 percent for the forecast period. A new Right-of-Way Franchise Fee was implemented in December 2020 for small utilities using the City’s right-of-way.

Charges for Goods & Services — Utility User Charges

Water: The forecast assumes a 4 percent rate increase in each of the forecast years as adopted by City Council through 2028.

Sewer: The forecast includes 5 percent rate increases effective January 2021 and January 2022 as adopted by City Council. Sewer system revenue increased in FY 21-22 from the year prior by 11 percent due to both the rate increase and new residential and commercial development.

Gas Taxes

The State Gas Tax is estimated with a growth rate of 5 percent per year.

Building, Planning and Engineering Permits

Permit revenue forecasts are based on specific building developments and assumptions about which fiscal year the development is likely to begin.

Major Assumptions – Expenditures

Personnel Services

Wages: Due to higher inflation in calendar year 2021 and 2022, a higher COLA (5.5 percent) has been accounted for in the first year (FY 2023-24) of the five year forecast. Year 2 of the forecast will see a 4.5 percent COLA, and subsequent years have been forecast at a 4 percent increase. This is a conservative estimate, which takes into account bargaining agreements and merit increases.

- Insurance: A growth rate of 5 percent is used for insurance costs in each of the forecast years.
- PERS: Rate assumptions for all categories were reduced due to the PERS side account. General Fund PERS assumptions tend to be slightly higher than other funds due to higher PERS rates for Police service employees.

Material and Services

Impacts of inflation are substantial in the forecast, with a 6.5 percent impact in year 1, a 4.5 percent impact in year 2, and 3 percent a year for the remaining years. Management has been aggressive in managing costs in this category to help offset growth in personnel services and has been successful in holding spending under budgeted amounts. However, inflation, workers' compensation, and other liability insurance rates may cause this category to exceed the management targets as years pass.

Capital Equipment

Public Works departments maintains a replacement reserve fund for capital equipment replacement, with annual fund contributions from the Water, Streets and Sewer funds. The General Fund replaces equipment on an as-needed basis or emergency basis, with emphasis on whether funding is available.

Debt Service

Estimates are based on amortization schedules for outstanding debt issues.

Glossary

Capital Projects

New construction and major repairs to the City's fixed assets

Operating Position

Recurring revenues and recurring expenditures

Potential Impacts

Refers to issues and challenges that are in addition to the status quo. The intent is to inform the reader of economic matters that might occur during the forecast period.

Recurring Expenditures

The expense portion of status quo, predictable and on-going costs

Recurring Revenues

The resource portion of status quo, predictable and ongoing revenues

Revenues

Includes both recurring revenues and transfers in

Status Quo

The current level of services

Transfers In

Internal charges by General Fund for services provided to other funds

Urban Growth Boundary (UGB)

A regional boundary around the City's perimeter used by local governments as a guide to zoning and land use decisions to control urban expansion onto farm and forestlands



Agenda Item

January 23, 2023

TO: Honorable Mayor and City Council
FROM: City Administrator, Scott Derickson
SUBJECT: **Letter in Support of New Gervais Fire Station & Regional Emergency Preparedness Facility**

RECOMMENDATION:

Authorize the Mayor to sign the attached letter.

INTRODUCTION:

Attached for the City Council's consideration is a draft letter in support of the Woodburn Fire Districts funding request from the state legislature for the construction of a new fire station and regional emergency preparedness facility.

The Woodburn Fire District will be requesting approximately \$3,500,000 of funding for the development of a new fire station that will improve emergency response to the Gervais community, help meet the regional needs for large scale disaster response and preparedness, and proactively prepare for the rapid population growth occurring in the south and west portions of the city of Woodburn.

Attachment:

Draft Letter of Support
Letter from Fire Chief Joe Budge
Woodburn Fire District Legislative Presentation

Agenda Item Review: City Administrator City Attorney Finance



January 23, 2023

Re: Letter of Support for New Gervais Fire Station & Regional Emergency Preparedness Facility

Please consider funding the capital project request for the construction of a new fire station and regional emergency preparedness facility. This project will proactively prepare for the rapid population growth occurring in the south and west areas of the city of Woodburn and help meet the regional needs for large scale disaster preparedness and response.

The new fire station site at Butteville and Jensen Roads is well positioned to serve the emergency response needs of the rapidly expanding areas of the city of Woodburn. With more than 3,300 new housing units under development, the current fire district population of 39,000 residents is expected to increase by 20% over the next 5-10 years. The project will position the Woodburn Fire District to meet the emergency response needs of the growing city for decades to come.

The requested funding will also provide a facility that will strengthen regional disaster preparedness and response to large scale emergencies and provide additional benefits for the region; some of these benefits include:

- Regional Fire / Disaster Preparedness Training Center – North Marion County
- Woodburn/Gervais CERT Program Administrative Office Space
- Student Firefighter Resident Volunteer Program Support for Area Youth
- Regional Emergency Fuel Storage & Distribution Facility
- Regional OEM SPIRE Grant Funded Portable Water Distribution Trailer Staging & Support

Thank you for considering your support of the new fire station funding request.

Sincerely,

Frank Lonergan, Mayor
City of Woodburn

Office of the Mayor
270 Montgomery Street • Woodburn, Oregon 97071
Ph. 503-982-5228 • Fax 503-982-5243



1776 Newberg Hwy
Woodburn, OR 97071
Phone: 503-982-2360
Fax: 503-981-5004

January 11, 2023

Joe Budge
Fire Chief
Woodburn Fire District
971-444-0045 (cell)
503-983-2360 (office)

Woodburn City Council
City of Woodburn

RE: Funding Request for Fire Station & Regional Emergency Preparedness Facility

Woodburn City Council Members,

The Woodburn Fire District will be requesting approximately \$3,500,000 of funding for the development of a new fire station that will improve emergency response to the Gervais community, help meet the regional needs for large scale disaster response and preparedness, and proactively prepare for the rapid population growth occurring in the south and west portions of the city of Woodburn.

Background

In 2021, fire district voters approved a bond levy that will fund 3.1 million of the estimated 6.6 million dollar capital project to establish a new fire station. The fire district has since acquired five acres of land just north of Gervais and the site has been approved by Marion County for the construction of the station.

Improve Emergency Response

The Gervais community is currently underserved for emergency response to fire and medical emergencies. Emergencies in this area consistently account for 9% of the 3,500 annual emergency calls for the fire district. The establishment of the new fire station will improve response times from the current (10) minutes to less than (5) minutes which will allow compliance with national standards and improve life safety for residents of the Gervais area.

Provide Facility for Large Scale Disaster Preparedness and Response

The requested funding will also provide a facility that will strengthen regional disaster preparedness and response to large scale emergencies and provide additional benefits for the Gervais community and surrounding region that includes:

- Regional Fire / Disaster Preparedness Training Center – North Marion County
- Woodburn/Gervais CERT Program Administrative Office Space
- Student Firefighter Resident Volunteer Program Support
- Regional Emergency Fuel Storage & Distribution Facility
- Regional OEM Funded Portable Water Distribution Trailer Staging & Support
- Gervais Community Meeting Room
- Insurance Services Office (ISO) Fire District Rating Improvement

Details of each of the community and regional benefits summarized above will be included in the funding request packet.

Preparation for Population Growth

The new fire station site at the corner of Butteville & Jensen Roads is also well positioned to serve the emergency response needs of the rapidly expanding residential and industrial areas of south and west Woodburn. With more than 3,300 new housing units under development, the current fire district population of 39,000 residents is expected to increase by 20% over the next 5-10 years. Additionally, the proximity of the fire station site to existing and planned traffic arterials will allow rapid response from this location to all areas of the city of Woodburn and outlying areas. The project will position the fire district to meet the emergency response needs of the growing region for decades to come.

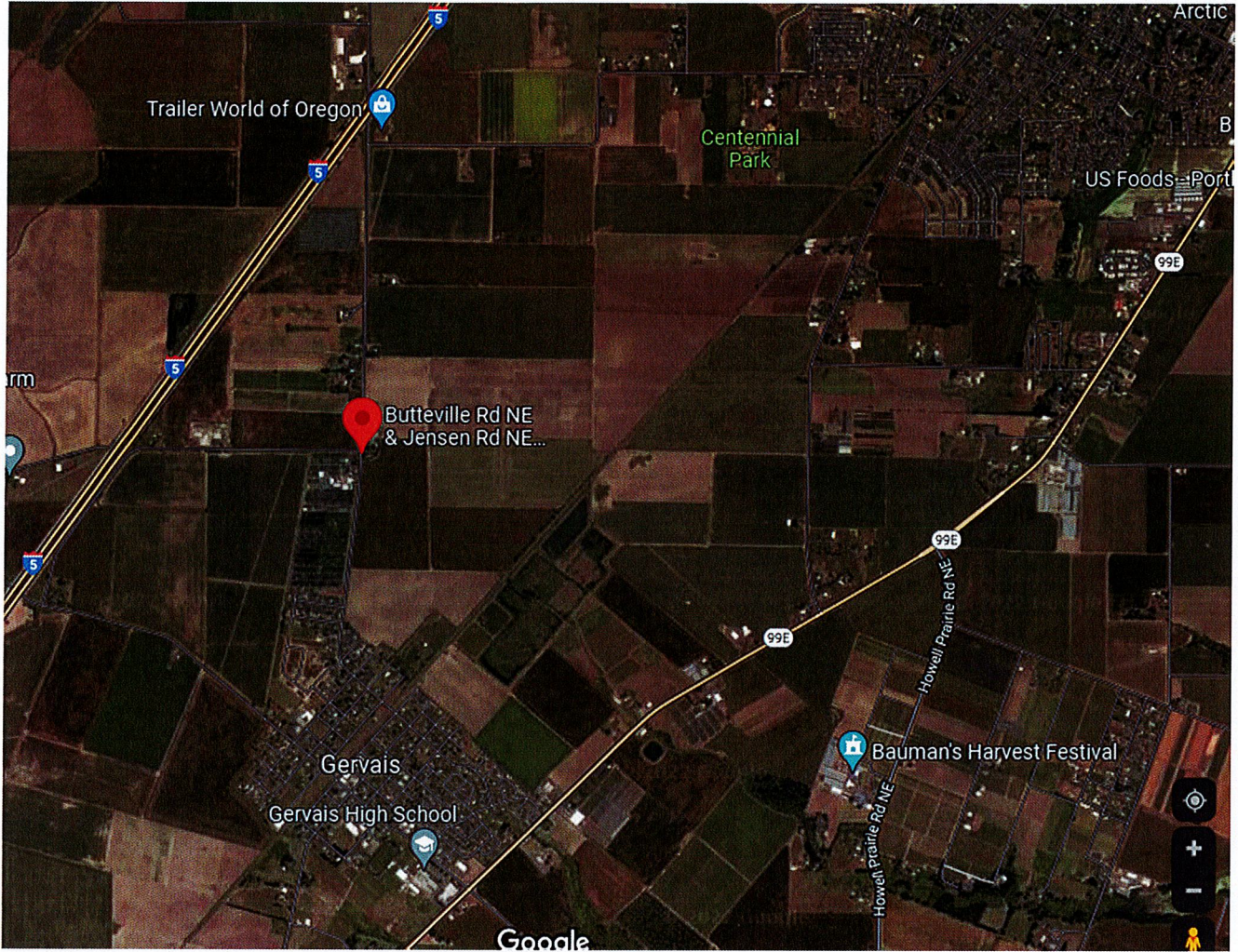
During the upcoming legislative session, a capital project application will be submitted for the estimated \$3,500,000 of additional funding needed for the fire station/regional disaster preparedness project. This request combined with \$3,100,000 provided by residents of the fire district will help meet the current needs for local and regional emergency response and prepare for future growth. Thank you for considering your support of this request and please contact me if you have any questions.

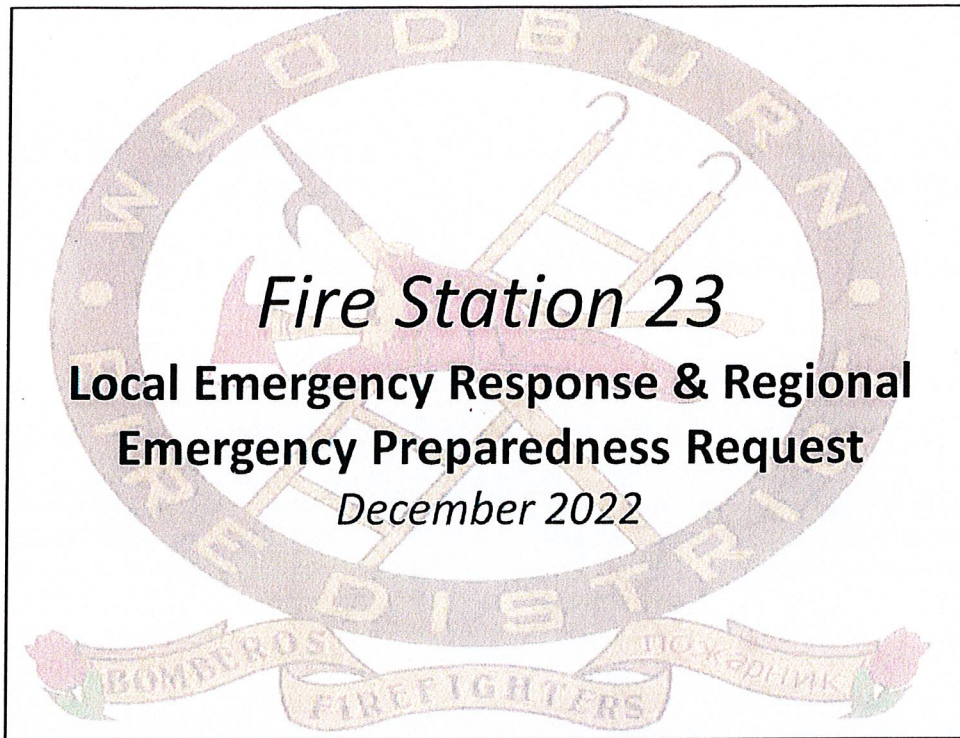
Sincerely,



Joe Budge
Fire Chief
Woodburn Fire District

Encl:
Satellite Map of Fire Station Site

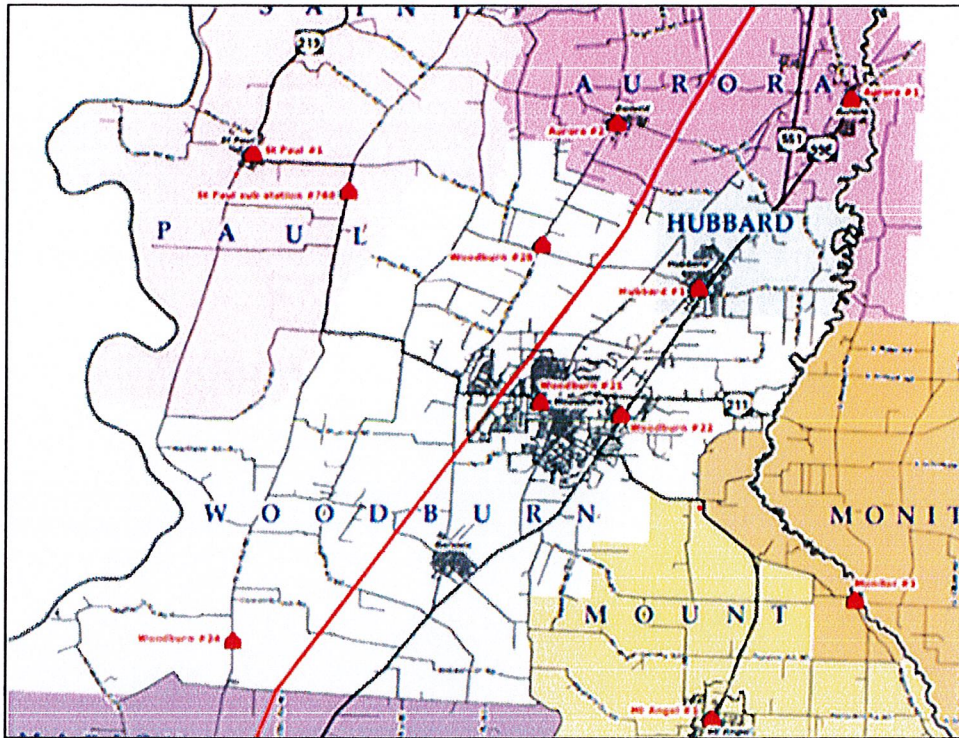




Fire Station 23
**Local Emergency Response & Regional
Emergency Preparedness Request**
December 2022

Funding Request - The Woodburn Fire District is requesting \$3,500,000 of funding for the development of a new fire station near Gervais that will improve emergency response to an underserved community, help meet the regional needs for large scale disaster response and preparedness, and proactively prepare for the rapid population growth occurring in the region.

WFD Local Bond Fund Commitment – The WFD board of directors has approved the use of 3.1 million in bond funds for the new station project. In 2021, fire district voters approved a bond levy that will partially fund of the estimated 6.6 million dollar capital project. The fire district has acquired five acers of land just north of Gervais and the site has been approved by Marion County for the construction of the station.

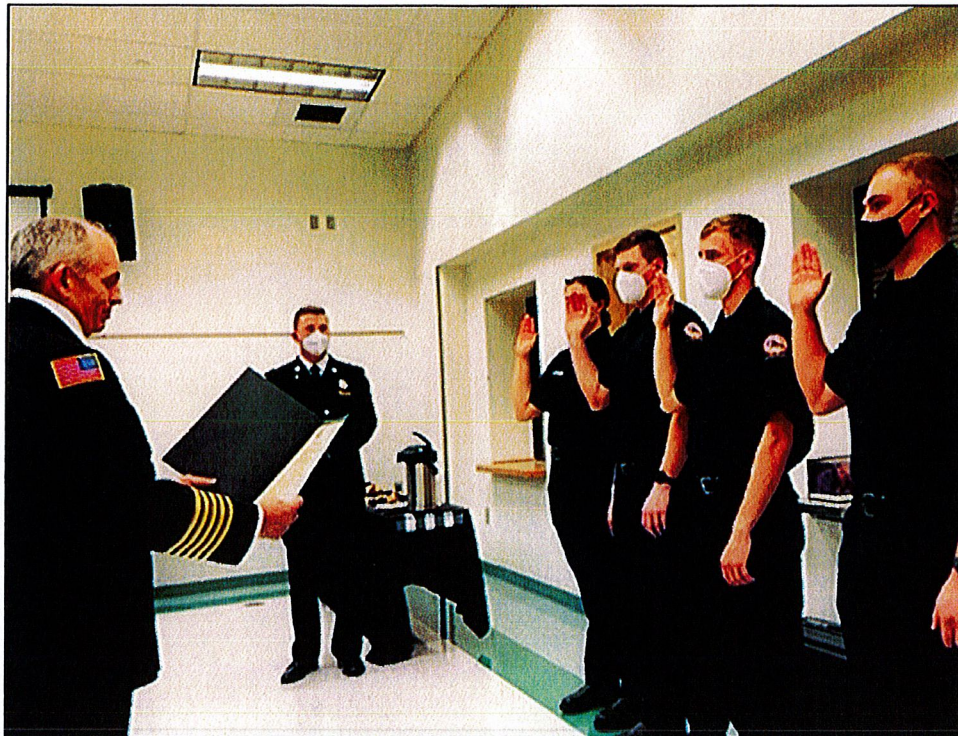


District Overview

- Woodburn Fire District covers 75 square miles including the cities of Woodburn and Gervais. The population of the district is 40,000 residents.
- The I-5 and Union Pacific railway corridors run through the middle of the fire district north to south
- WFD has automatic mutual-aid agreements with 9 surrounding fire districts in north Marion County and south Clackamas County.
- Mutual-aid agreements are also in place with all 19 fire agencies in Marion County for the sharing of resources when requested. These agreements were instrumental in the rapid response to the 2020 wildfires that saved lives and structures in the Santiam Canyon and Cascade foothills near Molalla.



WFD Firefighters - WFD has 16 career firefighters and 30 volunteers. WFD currently staffs one 4 person engine company 24/7 and has a second engine company during peak activity hours during the week.



WFD Career Members - WFD is prioritizing all available operating funds to the hiring of more firefighters. These four new firefighters were hired in September of 2021 in response to a steep surge in response calls. Two of the new firefighters are paramedics. Advanced Life Support (ALS) with a paramedic is needed in the area with all regional hospitals at least 20 minutes from Woodburn that has a large senior population.

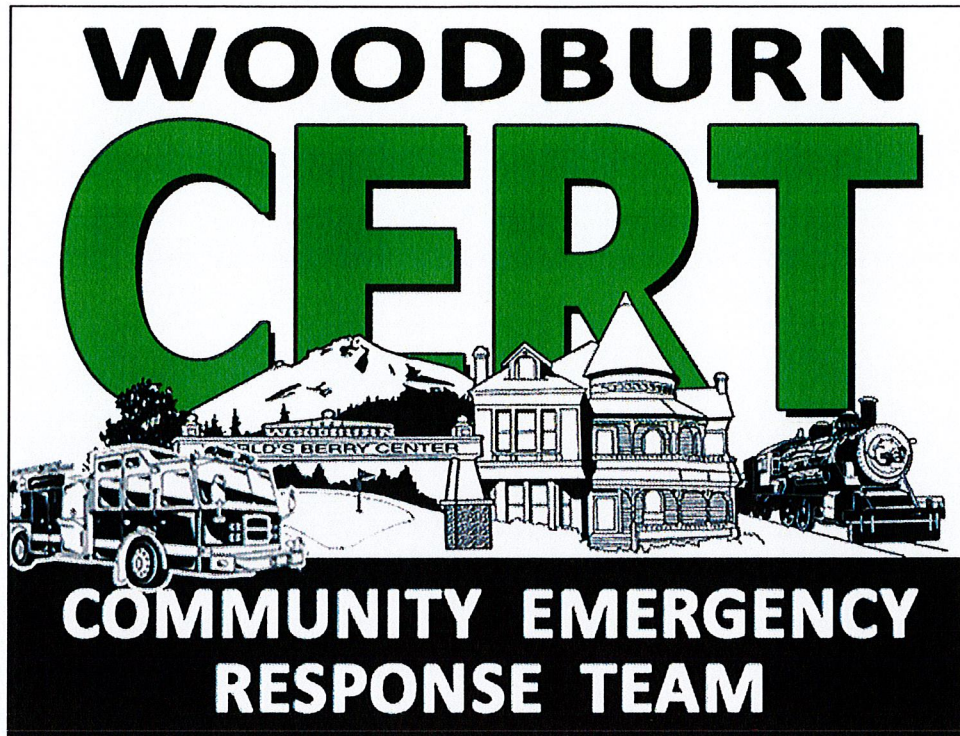
The hiring was made possible through the use of reserve funds that had been previously set aside for critical equipment replacement. The reserve funds were repurposed to personnel expenses with the passage of a bond in 2021. The reserve funds will serve as bridge funding for the new firefighters' salaries until the extensive new development that is occurring in Woodburn area is brought into the tax base.

With 16 career firefighters the ratio of career firefighters to residents served is 0.40/thousand. The national average for fire jurisdictions the size of WFD is 1/thousand as reported by the National Fire Protection Association.



WFD Volunteer Program - WFD operates an active volunteer firefighter program. WFD is not able to meet the emergency response needs of the community without the assistance of volunteers for the response to overlapping calls and those incidents that require more than one resource to mitigate. These eight new volunteer firefighters completed the WFD fire training academy in November of 2022. The training academy requires 148 hours of classroom lecture and drill ground skill practice and ends with a nationally recognized certification as an entry level firefighter. The academy training is in addition to 12 college credit hours of EMT training through Chemeketa Community College. All of these volunteers are from the local area and are on a path to becoming career firefighters. Dozens of former WFD volunteers work all across Oregon and the western US as professional firefighters.

Student Resident Volunteer Program -Two of the members of this class will become student volunteers and will reside at WFD Station 24 in Waconda. WFD provides full-time student residents with tuition assistance, certification training and emergency response experience. Three WFD students will provide the initial staffing of new Gervais Fire Station. WFD expects to have career firefighters staffing at the Gervais station within 5-10 years.



WFD CERT Program - WFD sponsors an very active CERT program that includes 50 volunteers. The Community Emergency Response Team (CERT) is a FEMA program that provides organizational structure for community based volunteers that are mobilized in the event of large scale disasters. During regional events , CERT members handle low level emergencies and public first-aid to free up first responders for critical calls. During the 2020 fire season, CERT members assisted with the care and comfort of Santiam Canyon refugees that were gathered at the state fairgrounds. During the February 2021 ice storm, CERT members canvassed neighborhoods to assist shut-in seniors with oxygen replacement, medication and food and distributed carbon monoxide detectors to those that were using portable generators for heating and cooking. These teams will be instrumental in the saving of lives in response to a Cascadia earthquake.



CERT Benefits to the Community - The WFD CERT program is managed by a part-time employee and long-time WFD volunteer Uli Reich (pictured center in uniform). When not preparing for large scale emergencies, some CERT members operate the WFD firefighter REHAB unit that has about 30 call outs each year to assist area firefighters with vitals monitoring and food and water during rest and recovery periods.

Some members of CERT operate a HAM radio system. WFD has a base station set up that will connect with volunteers in the field and link directly to the Marion County emergency management office located at the MC public works building. This allows a separate communication system for activated CERT members to communicate effectively while not encumbering the first responder communication channels.

The Woodburn CERT team serves the Woodburn, Gervais and Hubbard communities and surrounding areas.

Local Fire District Tax Comparisons

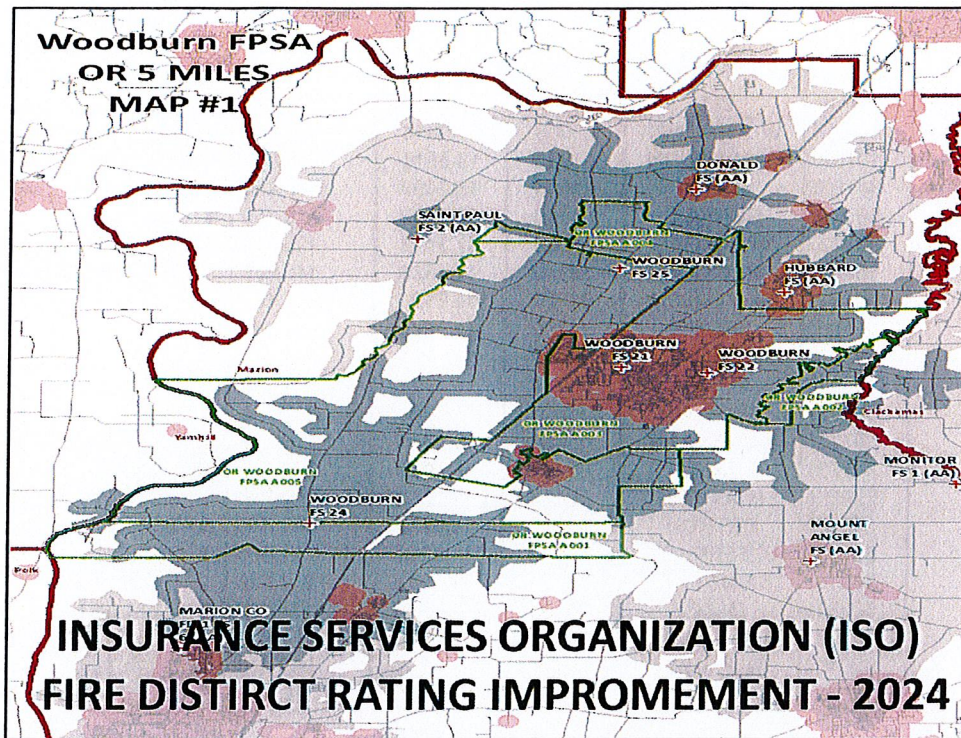
FIRE DISTRICT TAX RATES - per 1,000

	HUBBARD	WOODBURN	AURORA	CANBY
Base Tax Rate	0.80	1.60	0.84	1.54
Capital Bond Operations Levy	0.27	0.26		0.22
	0.99	0.35	0.99	0.45
Tax Rate Total	\$2.06	\$2.14	\$1.83	\$2.21

WFD Tax Structure – The WFD permanent tax rate (\$1.60/thousand assessed value) was established in 1997 by Measure 50 property tax reform

In 2019, WFD voters approved a 5-year \$0.35 operating levy that provides (4) career firefighter constant staffing including (1) paramedic on-duty at all times. The levy will come up for renewal in 2024 with no additional tax increases being considered.

In 2021, WFD approved a 20-year 12.5 million capital expense bond for the replacement of fire apparatus and aging emergency response equipment. The WFD board of directors has dedicated 3.1 million in bond funds to the building of the Gervais Fire Station.



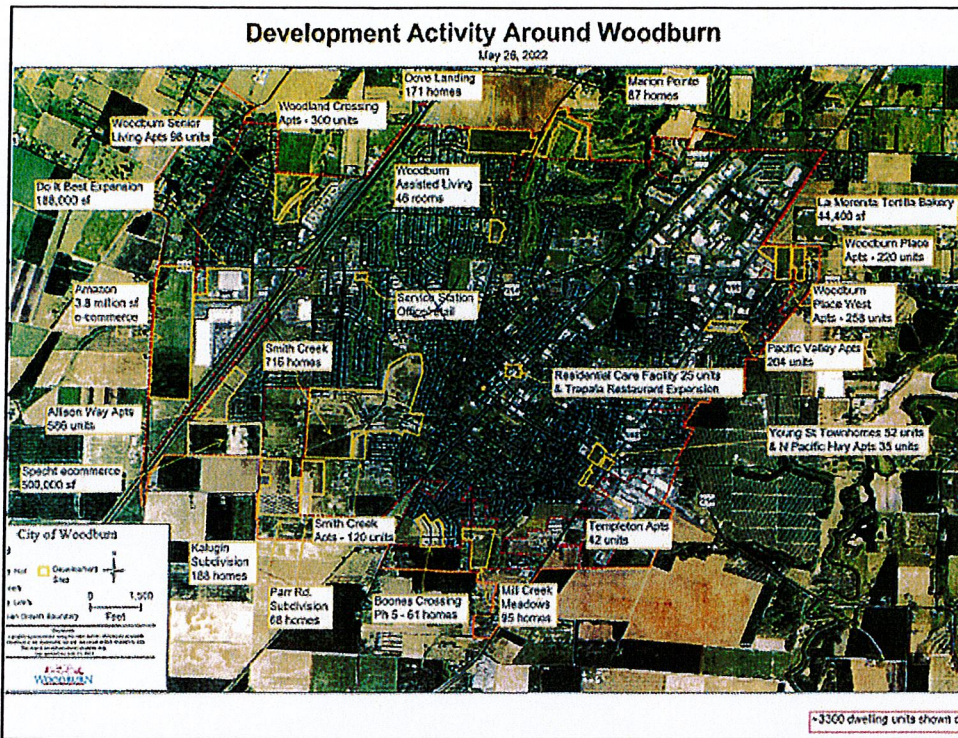
WFD ISO Rating -This map is used by the Insurance Services Office (ISO) shows 5 mile driving distance from existing fire stations. The goal is to have all dark gray areas indicating those areas within 5 miles driving distance. The white area around the city of Gervais indicates a low response area. Property insurance companies use the ISO maps and rating to establish insurance premium rates for property home owners.

ISO also rates all 27,181 fire agencies in the US on a 1-10 scale with one being the best. WFD currently has a “3” rating on the ISO scale. There are many factors that go into the rating calculation including area coverage within 5 miles, access to a training center, fire department training documentation and more. With the addition of the new Gervais station, more than 90 percent of the district will be within 5 miles of a fire station and the ISO rating is expected to improve to a “2”. This is expected to save property owners in the district about 5% in insurance premium savings which is about \$20 per year for a \$400 policy. While this is a modest savings, it does represent about 50% of the tax levied for a home at the average assessed value by the 2021 bond that will partially finance the new fire station. For a home in Gervais that is at the average assessed rate of \$170, 50, the annual bond levy equals \$44.23

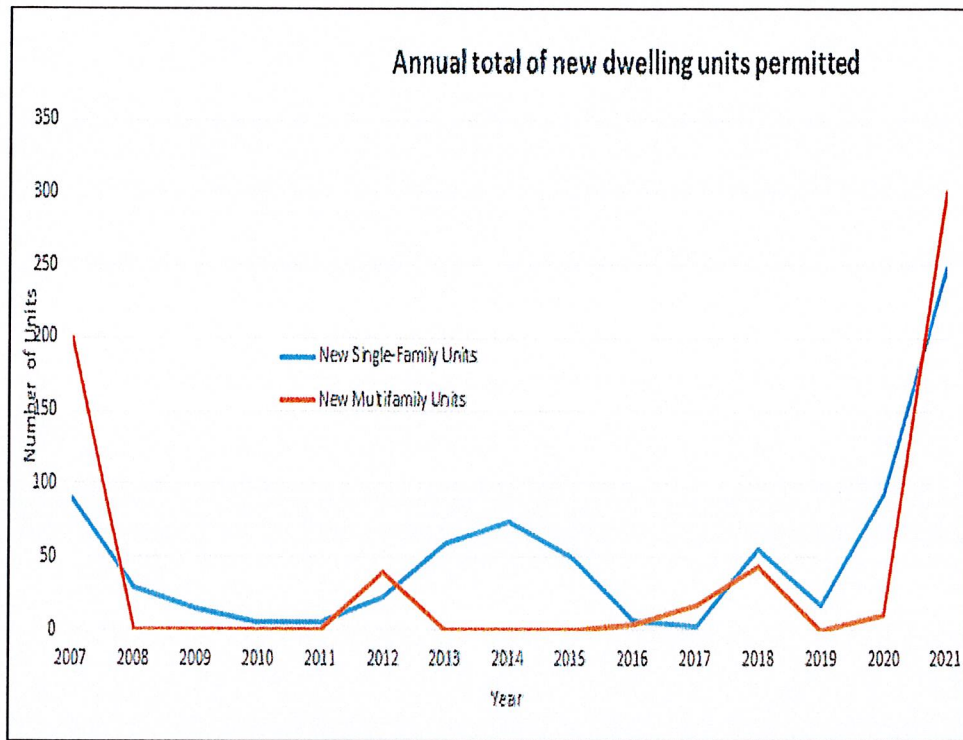
2022-23 Rates in Descending Order of Tax Rate

PROP.ID	City	Tax Code Area	Composite Rate	Assessed Value	Tax
328397	WOODBURN	03030	19.9010	186,720	\$ 3,715.92
107377	WOODBURN	03039	19.8510	157,590	\$ 3,128.32
341235	SALEM	24010	19.6499	240,420	\$ 4,724.24
599266	GERVAIS	01100	19.2282	170,150	\$ 3,271.68
322027	MT ANGEL	91150	17.3112	195,060	\$ 3,376.71
100836	MILL CITY	56140	17.1926	145,960	\$ 2,509.44
101989	SILVERTON	04020	16.7195	247,400	\$ 4,136.41
551855	KEIZER	24200	16.5846	193,320	\$ 3,276.52
333214	AURORA	15069	16.3334	285,100	\$ 4,656.64
100016	IDANHA	56120	16.2721	39,470	\$ 642.24
534627	STAYTON	29040	16.2404	202,810	\$ 3,293.72
597279	AUMSVILLE	05050	15.5341	168,370	\$ 2,615.48
341721	TURNER	05190	15.5059	241,390	\$ 3,742.97
599984	HUBBARD	15110	15.3517	200,710	\$ 3,081.25
542293	DETROIT	56070	14.9213	141,630	\$ 2,113.30
537201	JEFFERSON	14130	14.6510	151,980	\$ 2,226.66
103147	SAINT PAUL	45160	14.6022	247,030	\$ 3,607.20
598839	GATES	56090	14.0124	137,130	\$ 1,921.54
101302	SCOTTS MILLS	04170	13.2069	157,510	\$ 2,080.22
320494	SUBLIMITY	29180	12.6151	269,470	\$ 3,399.38
356393	DONALD	15080	12.2594	200,910	\$ 2,108.86

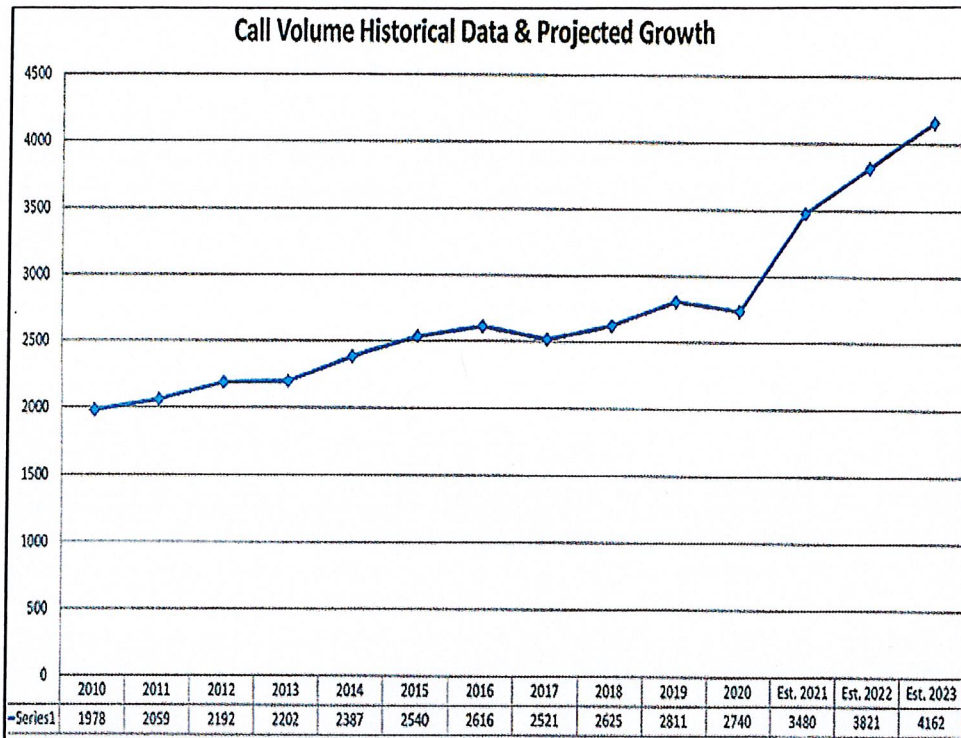
Current Tax Burden for Property Owners - WFD is not proposing any additional taxes due to the current tax burden currently being carried by Woodburn and Gervais property owners that is at the top of all 20 cities in Marion County. Additionally, many properties in WFD are in tax compression resulting from the Measure 5 property tax limitation that was approved by Oregon State voters in 1990. Additional taxes imposed on properties that are already at the maximum tax rate results in a reduction of revenue to other government services including the city of Woodburn. Most properties in the city of Gervais are not currently at the maximum property tax cap.



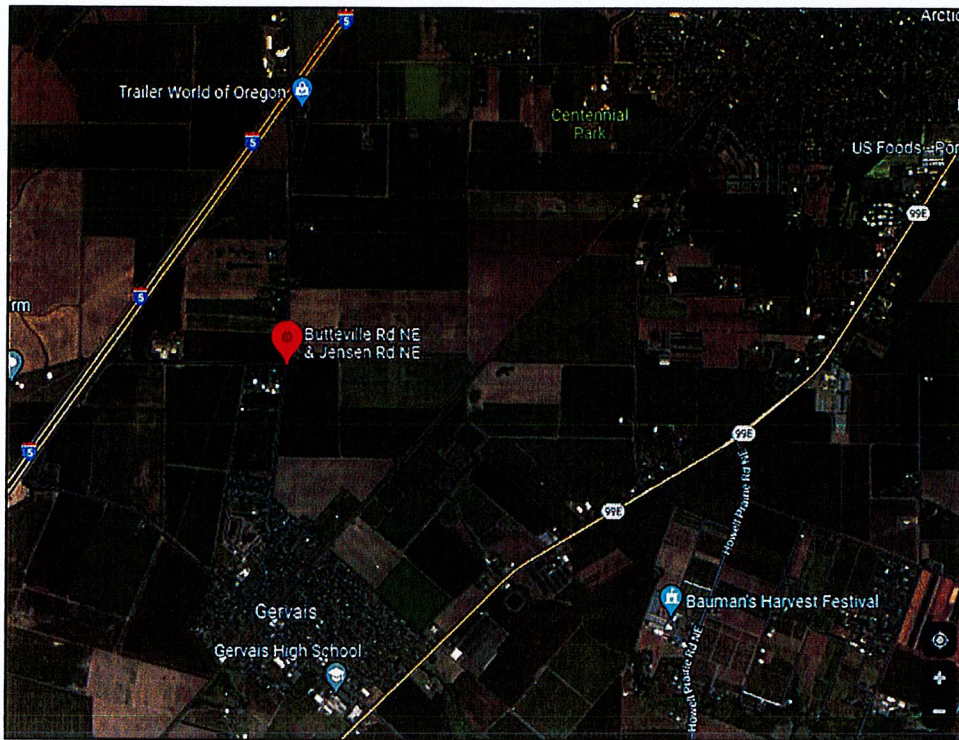
Rapid Community Growth - The Woodburn & Gervais communities are growing rapidly. This map shows the current residential, commercial and industrial projects currently underway that include 3,300 dwelling units. A 20 percent increase in population is expected over the next 5-10 years.



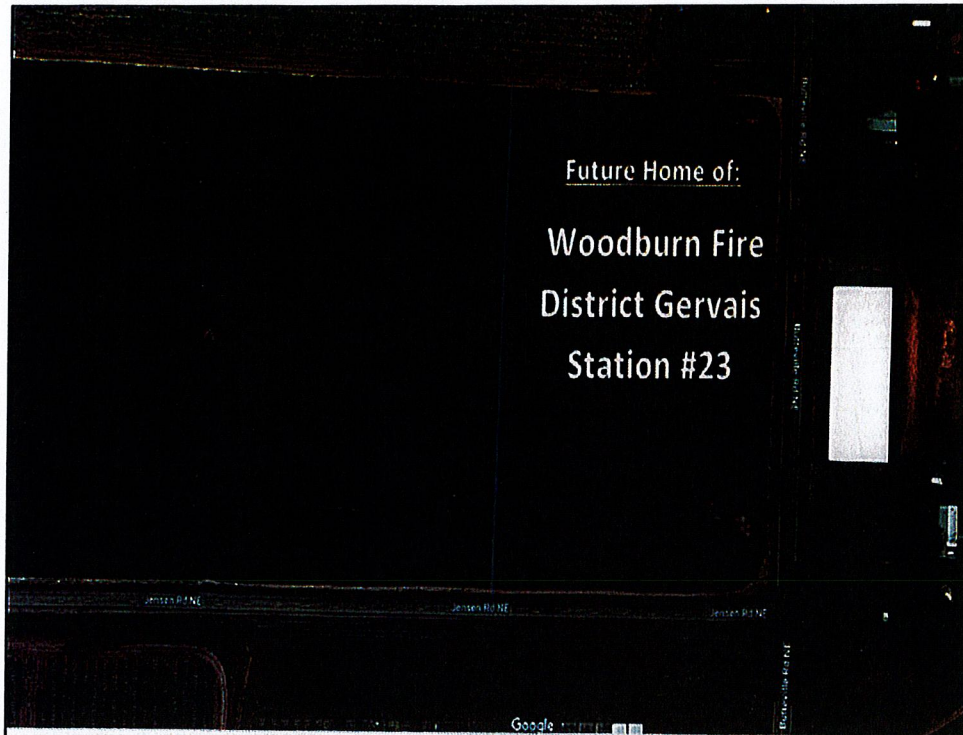
Woodburn New Housing Permits - This chart prepared by the city of Woodburn Planning and Development department illustrates the dramatic surge in new housing permits that occurred in 2021. The number of new permits has continued through 2022 and shows no signs of slowing.



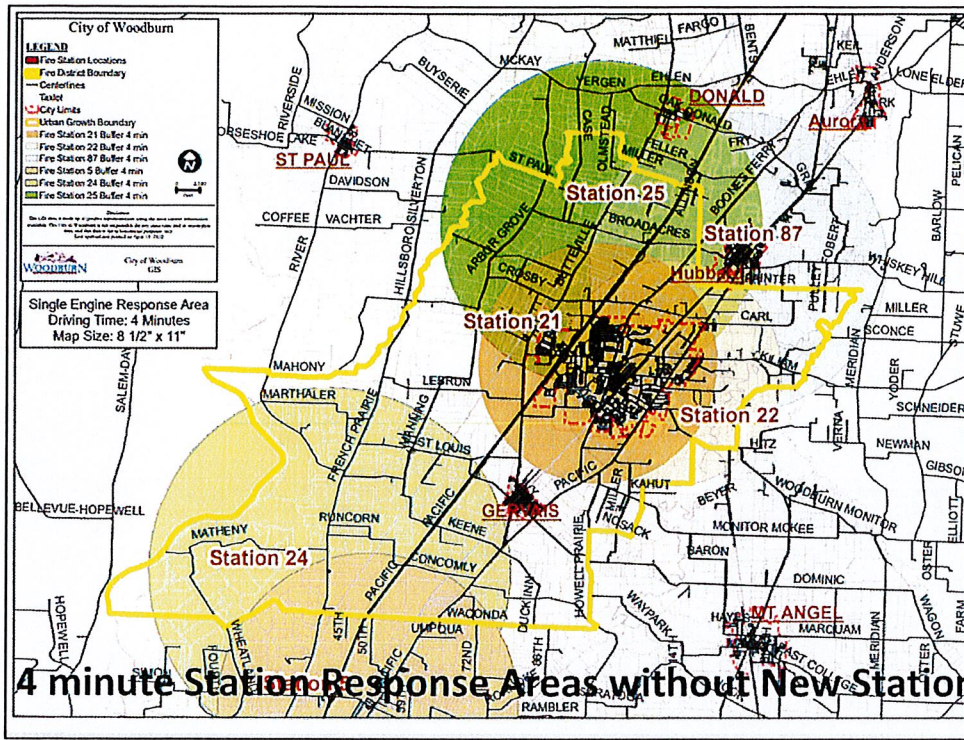
WFD Emergency Response Increases - This graph shows the emergency response totals for WFD. The 2021 surge directly corresponds with the surge in new residents and is expected to continue with an estimated 20% increase in residents in the next 5-10 years.



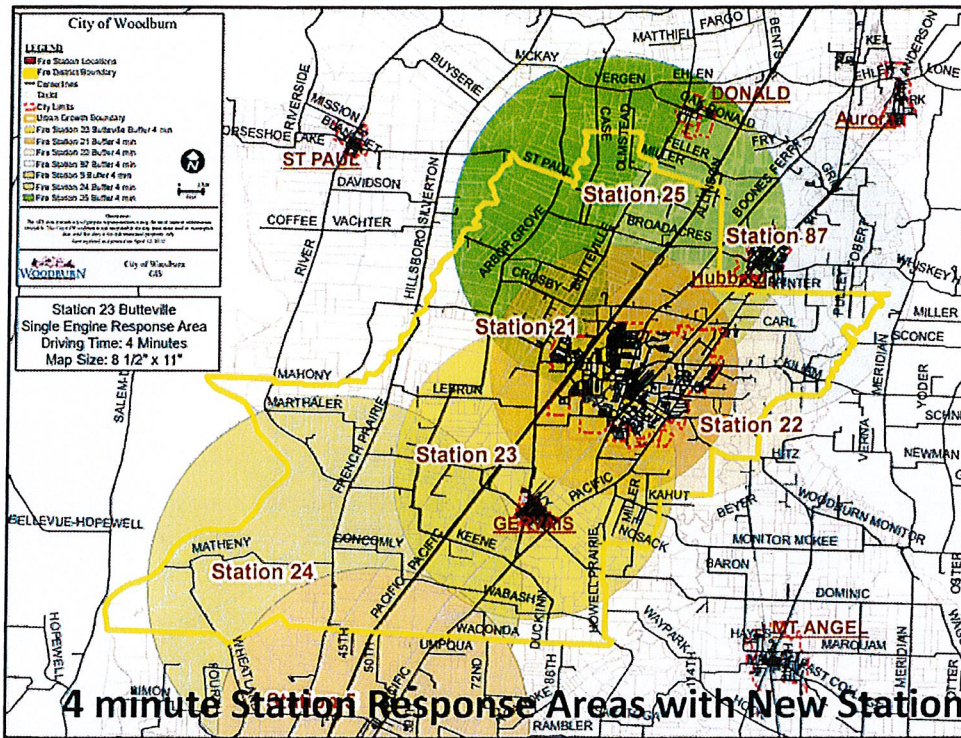
Land Purchase & Land Use Approval - With the approval of the bond in 2021, WFD purchased 5 acres of land just north of the city of Gervais on Butteville road. The site has been approved by Marion County for the construction of a fire station. The location of the station in this area is well positioned for the growth for decades to come.



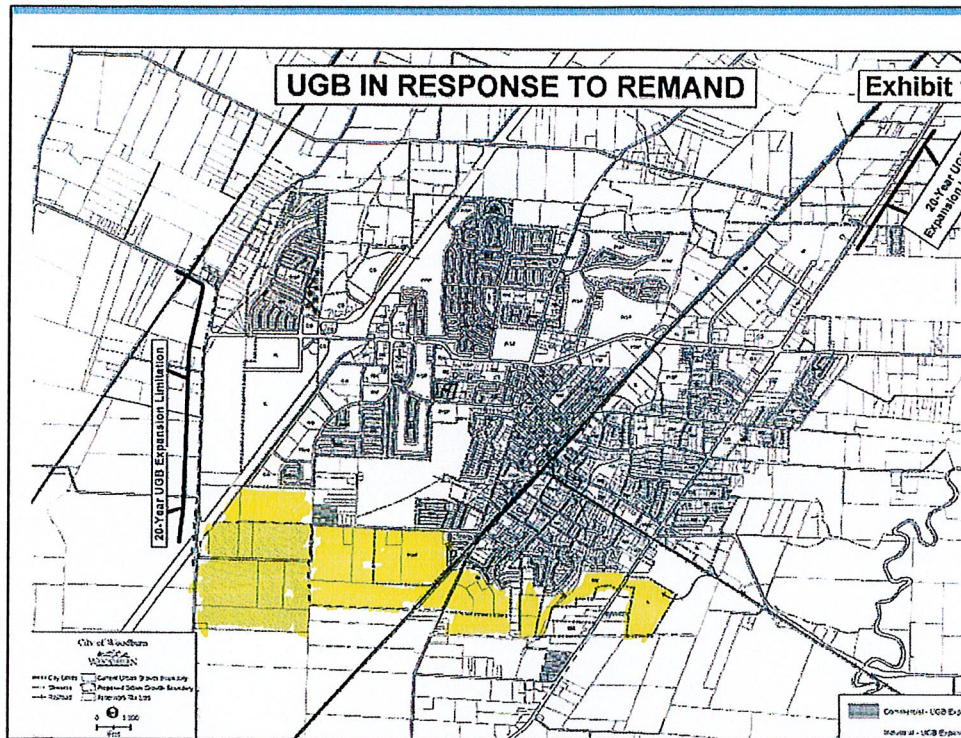
Local & Regional Emergency Response and Disaster Preparedness – In addition to the fire station, the 5 acre site at the corner of Butteville & Jensen Road is large enough to accommodate a training facility and serve as a regional staging area for emergency response and disaster preparedness training and equipment.



Emergency Response Time Improvement -Three primary factors go into the siting of a new fire station. The most important is a location that will allow response times within nationally recognized standards. The NFPA establishes national standards and industry best practices for all aspects of the fire service. NFPA 1710 identifies a driving time of 4 minutes as the ideal standard for effective fire protection and emergency medical service. This map shows the current 4 minute response cones from existing WFD stations with a significant deficit illustrated in the Gervais community. The current response time to Gervais from the WFD main station on Newberg Hwy in Woodburn is just over 10 minutes. This includes 90 seconds of firefighter turnout time and over 8 minutes of driving time.



Compliance with National Response Standards - With the addition of Station 23 just north of Gervais, all areas of the Gervais community and most of the western edge of the fire district is brought within the 4 minute NFPA time standard.

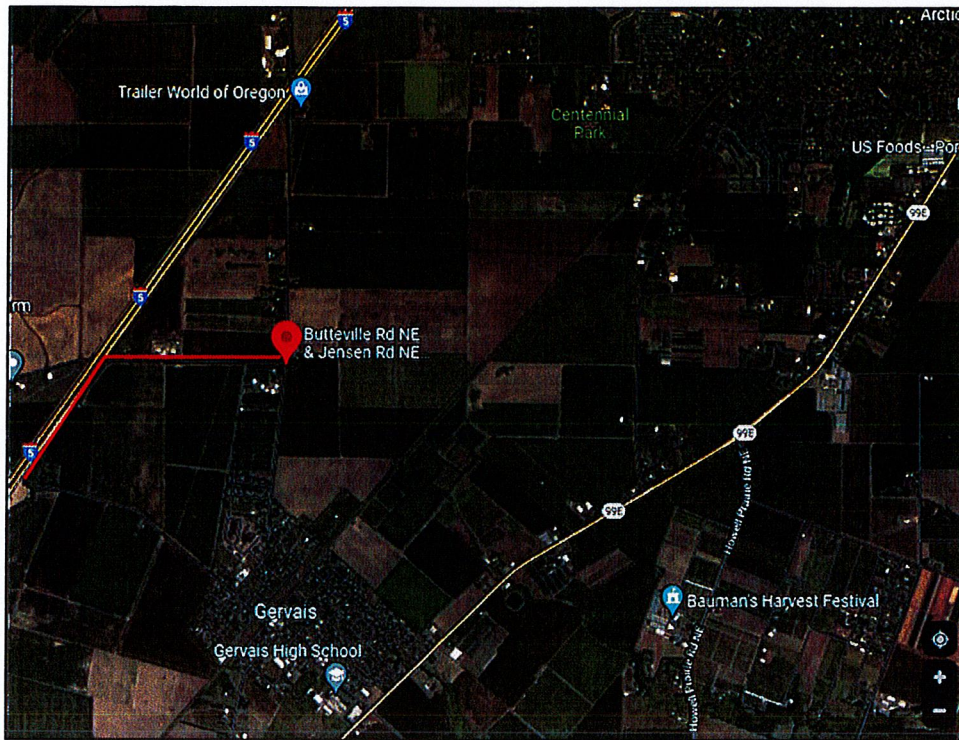


Extensive Urban Growth - Another important factor when establishing a new fire station is proximity to expanding population and industrial development areas. The areas shaded in yellow represent the urban growth area for the city of Woodburn that is expected to be filled with new private residences within the next ten years.

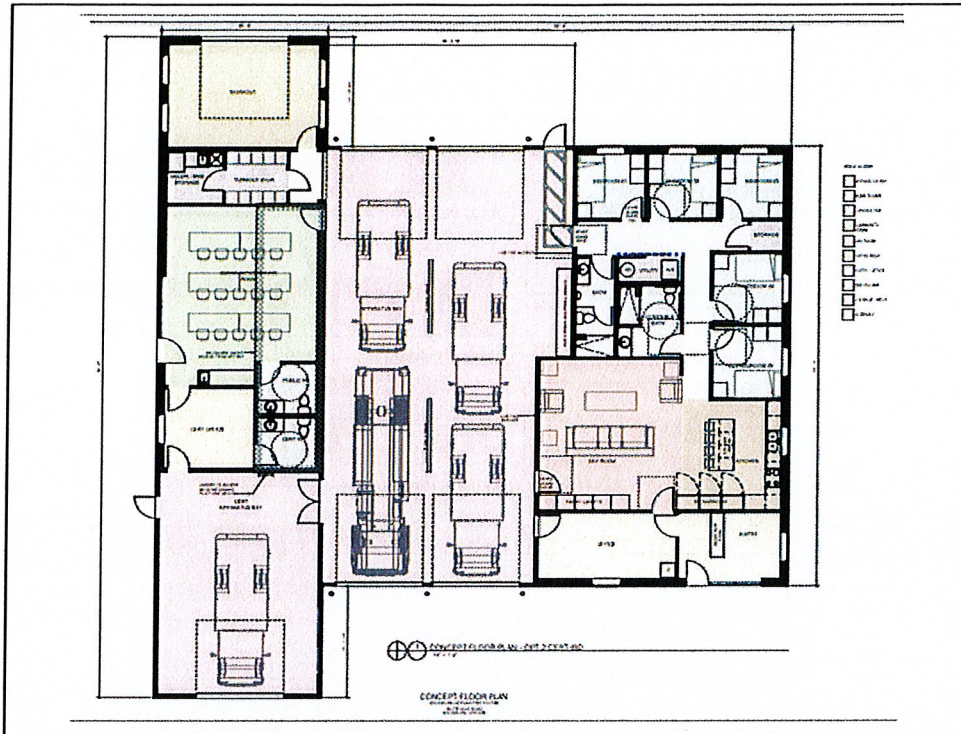
The shaded area at the SW corner of the map indicates the industrial reserve area that is in the process of being added to the WFD urban growth boundary. All of the shaded area west of the union pacific railroad that bisects the city of Woodburn is within the 4 minute response from new Station 23.



Emergency Response Routes North & East -Another important factor in the placement of a new station is access to emergency response routes for quick access to all parts of the fire district. In addition to Butteville Road that provides good access to the north areas of the Willamette Valley, the fire station property is near a planned new traffic collector that will run along the southern edge of the Woodburn urban growth boundary. The new traffic collector, that will intersect with Butteville Road just north of the new fire station site, will connect with OR Highway 99E and allow good access to all areas of the fire district and rapid response to mutual-aid jurisdictions to the north and east.



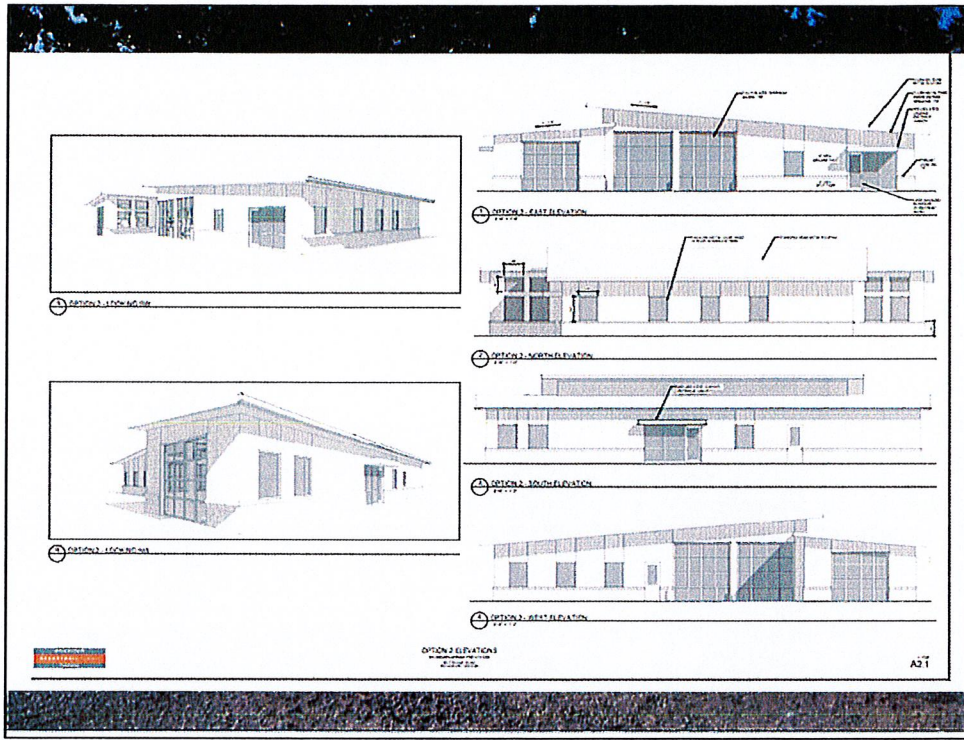
Emergency Response Routes South & West -The new station location also allows quick access to the SW corner of the fire district via Jensen Road connection to St. Louis Road at the St Louis freeway overpass.



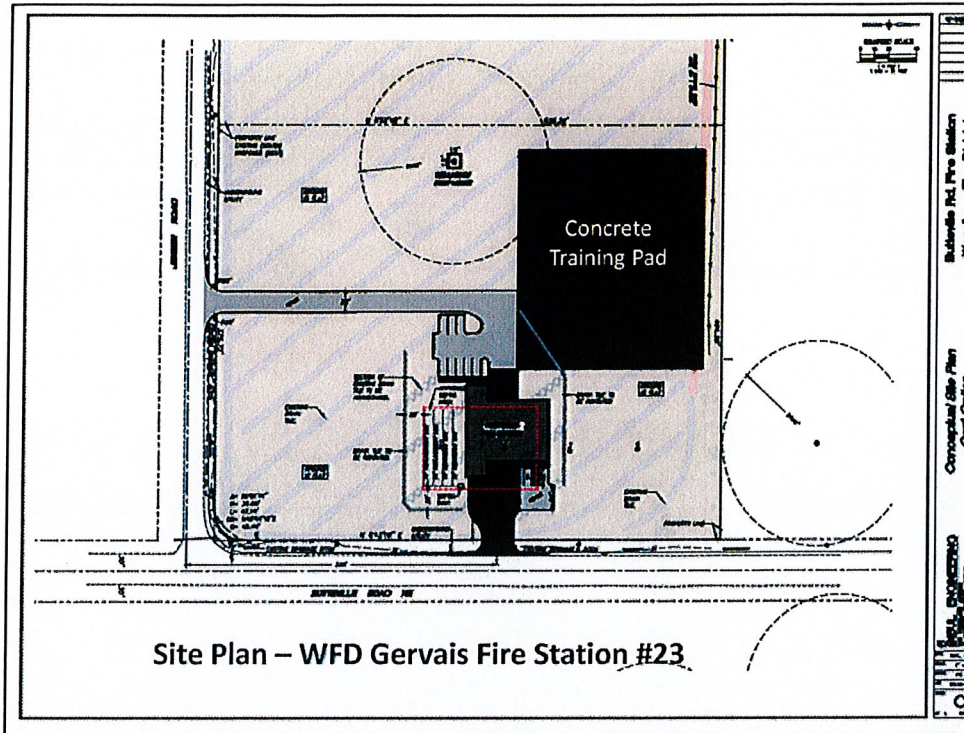
Apparatus Bays - The proposed fire station will have a double deep double wide apparatus bay that will accommodate a full compliment of fire apparatus including an engine, water tender and brush unit. All of the apparatus needed for the new station are either currently in the WFD fleet or will be added with available bond funds. The apparatus bay at the lower left of this diagram shows an area for CERT response trailer that has already been allocated to the Gervais community by the state of Oregon.

Community/Training Room – The proposed station will include a meeting room for the Gervais community that is currently lacking in meeting facilities. This space will double as a CERT and fire training room.

Living Quarters – The station includes a small kitchen, living room and sleeping quarters for up to (5) firefighters. The station will be initially staffed by (3) student resident volunteer firefighters. The extra rooms will be used by out-of-district volunteer firefighters that occasionally “pull a shift” at a fire district station. This station will eventually become staffed by career firefighters as the population of the area grows over the coming decades.



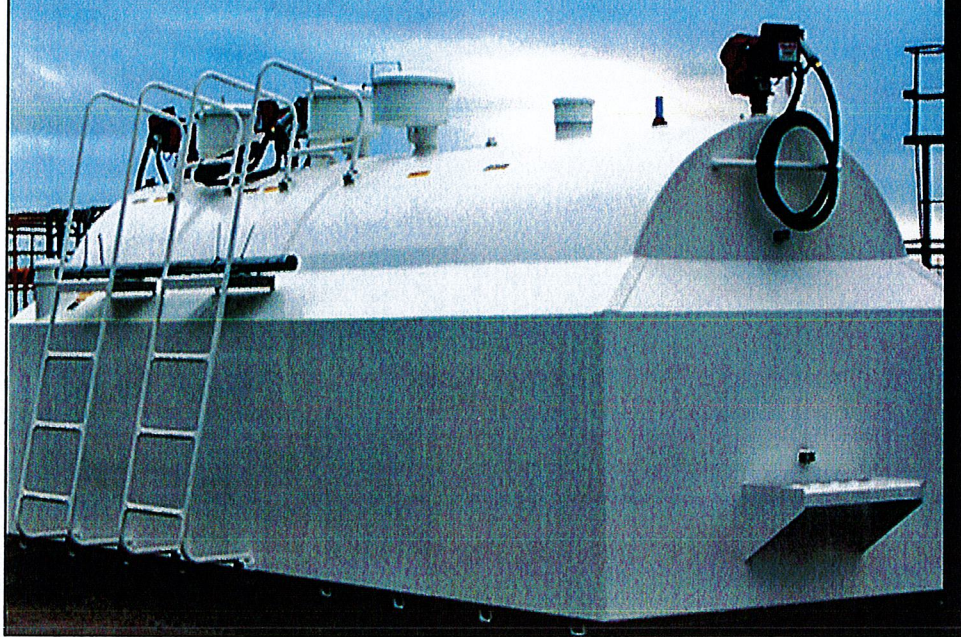
New Station 23 architectural plan elevations



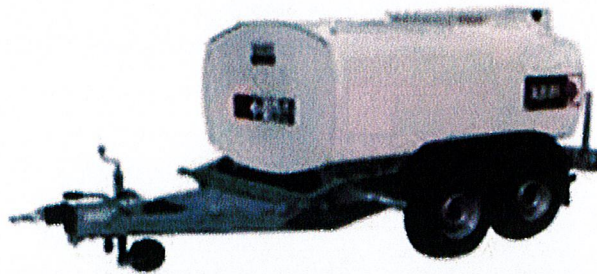
Access –The new station site is ideally suited for drive through bay access from Jensen Road and response out to Butteville. The drive through capability prevents the need to back into the station from Butteville Road.

Training Pad - The site also allows ample room for the proposed training pad and other emergency preparedness equipment storage.

2000 Gallon Fuel Storage Tank for Fueling Emergency Response Equipment – Facility Generators – Public Works Equipment



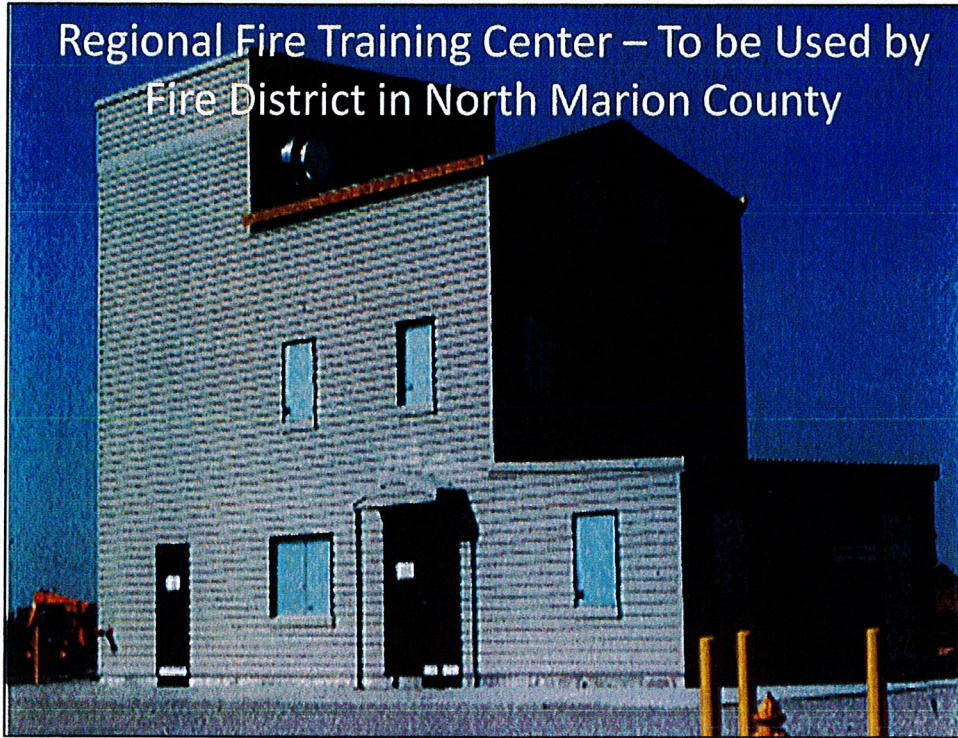
Regional Disaster Preparedness -The new location also has ample room for the siting of an above ground fuel tank that will be used for the daily operational needs of the fire district and serve as an emergency fuel supply in the event of a regional disaster. During the 2021 ice storm, all of the commercial fueling sites in the area that are used by the fire district were out of service due to the loss of electrical power. In addition, emergency generators at the district fire stations and the Gervais city hall began running out of fuel by the 5th day of the 10 day power outage. In the event of a large scale disaster, this fuel site and a 500 gallon fuel transport trailer that will be operated by volunteer firefighters and CERT members will keep fire apparatus, critical facility generators and public works equipment fueled until out-of-the area fuel sources are established.



500 Gallon Portable Water Trailer Emergency Supply –
Grant Funded Oregon Emergency Management -
WFD SPIRE Grant Award 2022

Emergency Water Supply - WFD has been awarded a 2022 SPIRE grant for a 500 gallon portable water trailer that will provide emergency water supply in the event of a large scale disaster that disrupts or contaminates water distribution systems. This funding request includes a secure storage area for this trailer and a 500 gallon fuel trailer that will be purchased with requested funds. WFD volunteer firefighters and CERT members will transport water and fuel to the surrounding area when during a large scale emergency.

Regional Fire Training Center – To be Used by Fire District in North Marion County



Regional Fire Training Structure – Included in the request is funding for a fire training structure that will be used by firefighters throughout the region. The requested structure includes a burn room for live fire training exercises that are required prior to certifying firefighters for entry in burning structures. WFD currently does not have a training facility and must travel to Brooks or Silverton to use the training structures located in those communities for critical firefighter training sessions. The travel out of district becomes an issue for emergency response coverage for WFD that only has one engine staffed on a 24/7 basis. Additionally, the Brooks facility is in constant use by the Chemeketa Fire Training Program and time on the drill ground is difficult to schedule.

ISO Rating Maintenance & Improvement – Frequent use of a training facility by all district firefighters with a minimum of a three-story training structure is required for the maintenance and improvement of the fire district ISO rating as discussed earlier.

Community Benefits of Regional Preparedness Funding Request

- Improved Response Times to the Gervais Community & South End of Fire District
- Gervais CERT Equipment Storage
- CERT Program Office Space
- Gervais Community Meeting Room
- Regional Emergency Fuel Storage & Distribution
- Regional Grant Funded Water Distribution Portable Trailer Storage
- Regional Training Center – North Marion County
- Insurance Services Office Rating Improvement

Review of request benefits

Station 23 Project Timeline

Zoning Variance Approved by Marion County	July 2022
Select Contractor	Dec 2022
Finalize Station Plans & Begin Construction	Fall 2023
Complete Construction	Summer 2024
Staff with Student Resident Volunteers	Fall 2024
Staff with Career Firefighters	<i>5-10 years</i>

Project Timeline

TOTAL REQUEST COST BREAKDOWN

• Fire Station with Training Pad	\$5,237,769
• Regional Emergency Fuel Storage	75,000
• Disaster Response Equipment Storage	300,000
• Regional Training Center Structure	<u>987,000</u>
	Total: \$6,600,000*

**Estimated total. Costs for development components are in the process being gathered. Funding request amount to be finalized by early January.*

Estimated Request Cost Break Down

Local Emergency Response Improvement – Funding Request

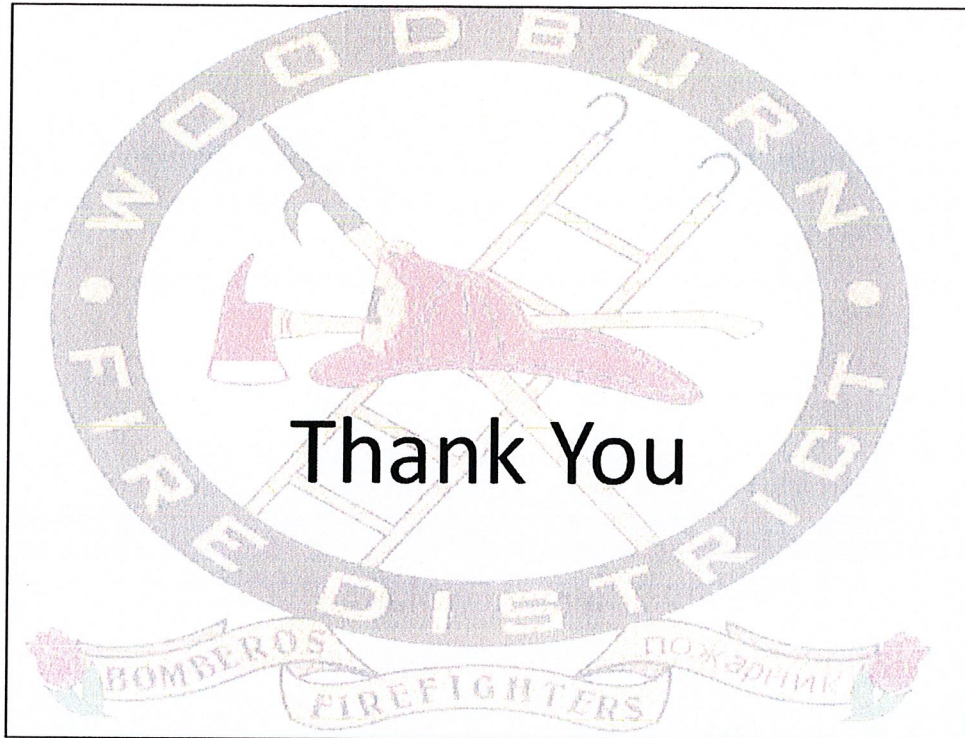
Completed Project Cost:	\$6,600,000
Funding From WFD Local Bond	<u>3,100,000</u>
Requested Additional Funding	\$3,500,000

Local & State Funding – 3.5 million in requested funding from the state will be combined with 3.1 million in local funds from a fire district bond that was approved by fire district voters in 2021.

Letters of Support
Local Emergency Response & *Regional
Preparedness Request*

- Mt. Angel Fire District
- Marion County Fire District #1
- St Paul Fire District
- City of Gervais
- City of Woodburn
- Monitor Fire District
- Marion County Emergency Management
- Marion County Board of Commissioners

Letters of Support - Requests for letters of support to be included with the funding request are currently underway.



Thank You

Funding Request - During the upcoming legislative session, a capital project application will be submitted for the estimated \$3,500,000 of additional funding needed for the fire station/regional disaster preparedness project. This request will help meet the current needs for local and regional emergency response and prepare for future growth.

Thank you for considering your support of this request



Agenda Item

January 23, 2023

TO: Honorable Mayor and City Council
FROM: City Administrator, Scott Derickson
SUBJECT: **Letter in Support of HB 2662 in 2023 State Legislative Session: ODOT Study of Extending WES Commuter Train from Wilsonville to Salem**

RECOMMENDATION:

Authorize the Mayor to sign the attached letter addressed to Mayor Julie Fitzgerald of Wilsonville.

INTRODUCTION:

Attached for the City Council's consideration is a draft letter in support of HB 2662 in the 2023 State Legislative Session. This proposed Legislation would fund an Oregon Department of Transportation (ODOT) Public Transportation Division Study of extending TriMet's Westside Express Service (WES) commuter train into the North Willamette Valley from Wilsonville to Salem, with stops in Donald, Woodburn, and Keizer.

Attachment:

Letter to Wilsonville Mayor Julie Fitzgerald
HB 2662
WES Commuter Rail
WES to Salem Study

Agenda Item Review: City Administrator ___x___ City Attorney ___x___ Finance _x___



January 23, 2023

Mayor Julie Fitzgerald
City of Wilsonville
29799 SW Town Center Loop East
Wilsonville, OR 97070

**Re: Letter in Support of HB 2662 in 2023 State Legislative Session:
ODOT Study of Extending WES Commuter Train from Wilsonville to Salem**

Dear Mayor Fitzgerald:

The Woodburn City Council supports Representative Courtney Neron and Senator Aaron Woods to pre-session file HB 2662. This proposed legislation would fund an Oregon Department of Transportation (ODOT) Public Transportation Division study of extending TriMet's Westside Express Service (WES) commuter train into the North Willamette Valley from Wilsonville to Salem, with stops in Donald, Woodburn, and Keizer.

The old Oregon Electric Railway, a 122-mile state-operated rail line between Portland and Eugene that passes through Salem, has a dedicated right-of-way that is not affected by traffic congestion on I-5 or other roads, thereby allowing the provision of reliable public- transit service no matter the roadway traffic conditions. WES operates on a portion of the old Oregon Electric Railway now owned by Portland and Western Railroad.

A significant portion of Salem-area residents commute to the Portland metro area, and vice- versa. As a city located mid-way between Salem and Portland located on I-5, Woodburn is well versed in workforce issues with some 80% of our residents commuting to work on I-5.

With both increasing population and traffic congestion, along with potential tolling of I-5 and I-205 in the Portland metro region, our commuting residents and their employers could benefit from a study regarding the costs and benefits of providing a public transit option for commuting between the Salem metropolitan area and the greater Portland metro area.

Sincerely,

Frank Lonergan, Mayor
City of Woodburn

Office of the Mayor
270 Montgomery Street • Woodburn, Oregon 97071
Ph. 503-982-5228 • Fax 503-982-5243

House Bill 2662

Sponsored by Representative NERON; Senator WOODS (at the request of City of Wilsonville) (Presession filed.)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Requires Department of Transportation, in collaboration with Tri-Met and Portland & Western Railroad to study extending Westside Express Service commuter line to Salem. Directs department to submit findings to interim committees of Legislative Assembly related to transportation not later than September 15, 2024.

Appropriates moneys from General Fund to Department of Transportation for study.

Declares emergency, effective July 1, 2023.

A BILL FOR AN ACT

1
2 Relating to a study on extending the Westside Express Service commuter line to Salem; and de-
3 claring an emergency.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1. (1) The Department of Transportation, in collaboration with Tri-Met as de-**
6 **defined in ORS 267.334 and Portland & Western Railroad, shall study issues related to extending**
7 **the Westside Express Service commuter line to Salem, including increasing the frequency**
8 **and hours of service. The study must include, but is not limited to:**

9 (a) **A review of the specific operational and locational issues for extending and operating**
10 **the Westside Express Service commuter line on the old Oregon Electric Railway using the**
11 **existing or new Westside Express Service trains and the Portland & Western Railroad**
12 **tracks.**

13 (b) **Consulting cities that may be potentially served by the service extension, including**
14 **Wilsonville, Donald, Woodburn, Keizer and Salem, to better understand local access and**
15 **other related issues.**

16 (c) **Consulting relevant transit agencies, including but not limited to South Metro Area**
17 **Regional Transit, Woodburn Transit Service and Salem-Keizer Transit, that would potentially**
18 **provide bus service from rail stops to Wilsonville, Donald, Woodburn, Keizer or Salem and**
19 **exploring options for connecting rail stops with transit service.**

20 (2) **The department shall submit a report in the manner provided by ORS 192.245, and**
21 **may include recommendations for legislation, to the interim committees of the Legislative**
22 **Assembly related to transportation no later than September 15, 2024.**

23 **SECTION 2. Section 1 of this 2023 Act is repealed on January 2, 2025.**

24 **SECTION 3. In addition to and not in lieu of any other appropriation, there is appropri-**
25 **ated to the Department of Transportation, for the biennium beginning July 1, 2023, out of the**
26 **General Fund, the amount of \$500,000, which may be expended for the purpose of carrying**
27 **out the provisions of section 1 of this 2023 Act.**

28 **SECTION 4. This 2023 Act being necessary for the immediate preservation of the public**
29 **peace, health and safety, an emergency is declared to exist, and this 2023 Act takes effect**

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 **July 1, 2023.**

2



WES COMMUTER RAIL



WES (Westside Express Service) is a commuter rail line serving Beaverton, Tigard, Tualatin and Wilsonville. WES runs every 30 minutes during the weekday morning and afternoon rush hour.

Background

A unique, historic travel corridor

During the past 70 years, the north-south route ultimately chosen for the WES (Westside Express Service) Commuter Rail alignment has been used for freight service, but it was once home to two passenger lines. Oregon Electric Railway ran one set of tracks along the alignment from Portland to Salem in 1908 and later expanded service to Eugene. By 1914, Oregon Electric had 26 trains entering and departing Portland daily. The rise of the automobile, however, diminished service and the railway discontinued passenger service by 1933.

In 1918, Southern Pacific Railway also operated “The Red Electric” on the route. The steel trains were painted bright red and had three round porthole-like windows across the front. At the height of operations, “The Red Electric” ran 32 trains entering and departing Portland everyday, but service ended in 1929.

Today, Portland & Western Railroad owns the freight line and, in a groundbreaking agreement, provides contract services to the commuter rail project that became WES.

Transportation limits and pressures

Over time, traditional travel patterns shifted in Washington County. Rather than living in the suburbs and commuting to work in Portland’s downtown core, a significant number of people live and work within the I-5/Hwy 217 corridor.

From 1994 to 2000, the number of households in the corridor grew 34 percent faster than the rest of the Portland region, while the number of jobs rose at a rate 55 percent faster than anywhere else in the region. Furthermore, corridor employment is expected to increase more than 40 percent by 2025.

At the same time, Washington County also is bound by geographic constraints that restrict transportation options. Low mountains define the east and west sides of the corridor, and the Tualatin River and Fanno Creek run through the area.

Collaborating for success

Driven by the desire to improve transit options for residents and employees in the heavily traveled corridor, local officials began to explore various alternatives in 1996.



An Oregon Electric passenger train on the alignment in the early 20th century.

Washington County and its eastern cities identified a unique opportunity in the 100-year-old rail corridor, which was used primarily for freight transport. They saw the potential to use this resource for adding a commuter rail line to serve four cities: Beaverton, Tigard, Tualatin and Wilsonville.

Together with county leaders, the mayors of Beaverton, Tigard, Tualatin, Wilsonville and Sherwood championed commuter rail. Working with Metro, TriMet and the Oregon Department of Transportation, the team launched a feasibility study to consider commuter rail as a viable alternative. Then Oregon House member Tom Brian took a leadership role to secure funding for follow-up studies.

Obtaining or building a right-of-way in a high growth area is challenging and expensive. This concept took advantage of the existing railroad right-of-way to limit construction impacts.

Construction highlights

Using existing freight tracks in a dedicated corridor meant minimal construction impacts to businesses and residents along most of the new line.

The first phase of WES construction in 2006 involved the removal and installation of track, ties and ballast between Wilsonville and Beaverton. These necessary improvements allowed trackway upgrades to accommodate commuter rail train speeds of up to 60 miles per hour.

During construction, the project deployed a specialized track rehabilitation machine called the P811 to simultaneously dismantle existing track, pick up existing ties, plow existing ballast, place new concrete ties and thread new rail. The P811 was chosen to speed rail reconstruction, replacing 14 miles of trackway in 30 days.

Although the majority of the WES line uses existing freight alignment, a short section of new track was constructed on Lombard Avenue between Farmington Road and Beaverton Transit Center. State and local agencies simultaneously implemented planned street improvements in order to limit duration of construction.

Community outreach

Construction crews minimized the impact of noise and road closures to nearby businesses and residences. Advance notice of construction schedules and schedule changes were provided to local jurisdictions, businesses and residences.

The project also worked to capitalize on the line's unique setting. Characterized by parklands, wetlands and flood plains, the WES alignment takes riders through areas seldom seen by commuters. The Tualatin River and Fanno Creek crisscross the route. TriMet, the City of Tigard and Clean Water Services partnered on an 11-acre wetland mitigation project at Tigard's Fanno Creek Park, adjacent to the line. The project also refurbished a steel truss bridge built in the 1920s.

Project innovations

A new kind of rail car

WES vehicles share the track with freight trains and the project team installed a state-of-the-art signal system with computerized dispatch for vehicle coordination and safety.

Four diesel multiple unit (DMU) cars were built for the project, and TriMet maintains the vehicles at the WES Wilsonville Maintenance Facility. The railcars are self-propelled units, and don't require a locomotive engine or overhead electrical wiring. They also can pull a second car.

In January 2011, TriMet added two rail diesel cars (RDCs) to the WES fleet to serve as replacement cars when one of the DMUs needs maintenance or repair.

Built in 1953 by Budd Co., the two cars received repairs and modifications from WES mechanics to provide safe and comfortable contemporary service.



WES service debuted with four diesel multiple unit (DMU) vehicles.

Public art

The Commuter Rail Art Advisory Committee, composed of representatives from every station area, guided the public art program. The committee selected Northwest artists Frank Boyden and Brad Rude to develop artwork for the stations. The artwork created consists of a series of interactive sculptures, titled *The Interactivators*. Sited at all five WES stations, each sculpture speaks to the natural environment of the surrounding community, while remaining linked to the other sculptures along the rail line.

Additionally, a mural at the Tigard Transit Center depicts the diverse flora and fauna of the Tualatin River watershed, through which the line passes.

Safety

To prepare local communities for WES service and an increase of 32 trains per day with the ability to go 60 miles per hour through 29 crossings, TriMet developed a safety outreach campaign. Safety presentations and printed safety materials were provided to motorists, residents, potential trackway trespassers, K–12 students, law enforcement officials, emergency responders, social service agencies and professional drivers, including delivery and school bus drivers.

Materials containing core safety messages consisted of direct mailings, fact sheets, posters, billboards and two versions of a safety video—one for a general audience and one for middle and high school students. Safety materials were sent to and published by:

- Community newsletters
- City and county websites
- School newspapers and sports programs
- Parent newsletters
- Local newspapers

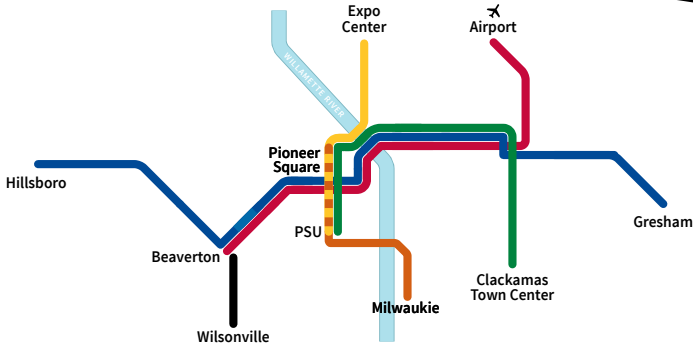
Ultimately, more than 50,000 individuals and households were reached by the safety campaign.

Train horn mitigation

In January 2011, a quiet zone and wayside horns became operational along the WES and freight alignment in Tualatin. The quiet zone stretches 2.4 miles and encompasses four crossings, while the wayside horns are installed at four downtown crossings. These train horn mitigations were installed at the request of community members, and funded by WES project partners and the American Recovery and Reinvestment Act.



WES safety materials, such as these posters, appeared at public venues along the commuter rail alignment.

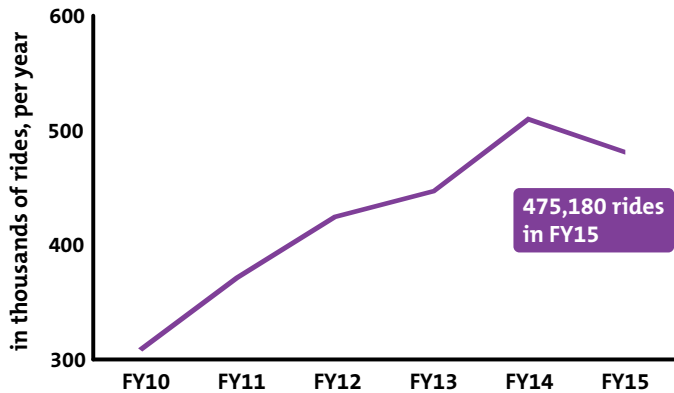


Snapshots

Timeline

- 1996–1999** Preliminary studies
- 1999–2002** Local community and jurisdiction approval
- 2006** Federal approval (FFGA)
- October 2006–January 2009** Construction
- February 2009** Service begins

Annual Ridership



Facilities

- Length** 14.7 miles
- Stations** 5
- Park & Rides** 4, with nearly 700 spaces
- Maintenance facility** Wilsonville

Frequency

Weekdays every 30 minutes during morning and afternoon rush hours.

Travel times

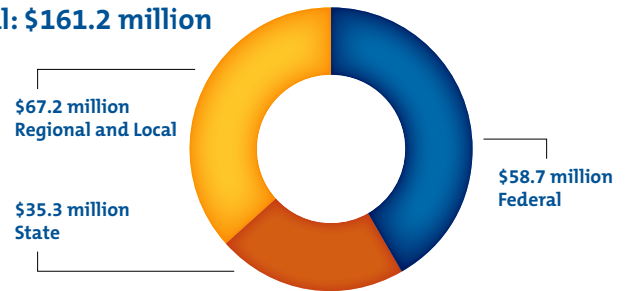
- Beaverton to Wilsonville** 27 minutes
- Beaverton to Tigard** 11 minutes
- Wilsonville to Tigard** 18 minutes

Bus and light rail connections

Connects with 15 TriMet bus lines along the WES route. At Beaverton Transit Center, connects with MAX Red and Blue lines light rail service. At Wilsonville, connects with bus lines serving Salem (Cherriots), Canby (CAT) and Wilsonville (SMART).

Funding

Total: \$161.2 million



Available in other formats



See where it takes you.

WES Commuter Rail Tour Fact Sheet / July 2016

Draft 2023 Legislative Concepts

3. ODOT Public Transportation Division Study of WES North Willamette Valley Extension from Wilsonville to Salem, with Stops in Woodburn and Keizer

Draft 2023 Legislative Concepts

Issues of Concern

- Lack of sufficient alternative, public-transit commute options along I-5 from Salem/Keizer area to Portland area
- Major new traffic-generators along I-5 south of Wilsonville are proposed or now underway:
 - New 3.6-million-square-foot Amazon warehouse in Woodburn: hundreds of delivery trucks and 1,500+ workers to open in 2023;
 - New Siletz Tribe Casino/Hotel entertainment complex in North Salem/Keizer: 1,473 direct jobs, majority of patrons from the Portland metro region, resulting in over 7,800 new weekday trips

Draft 2023 Legislative Concepts

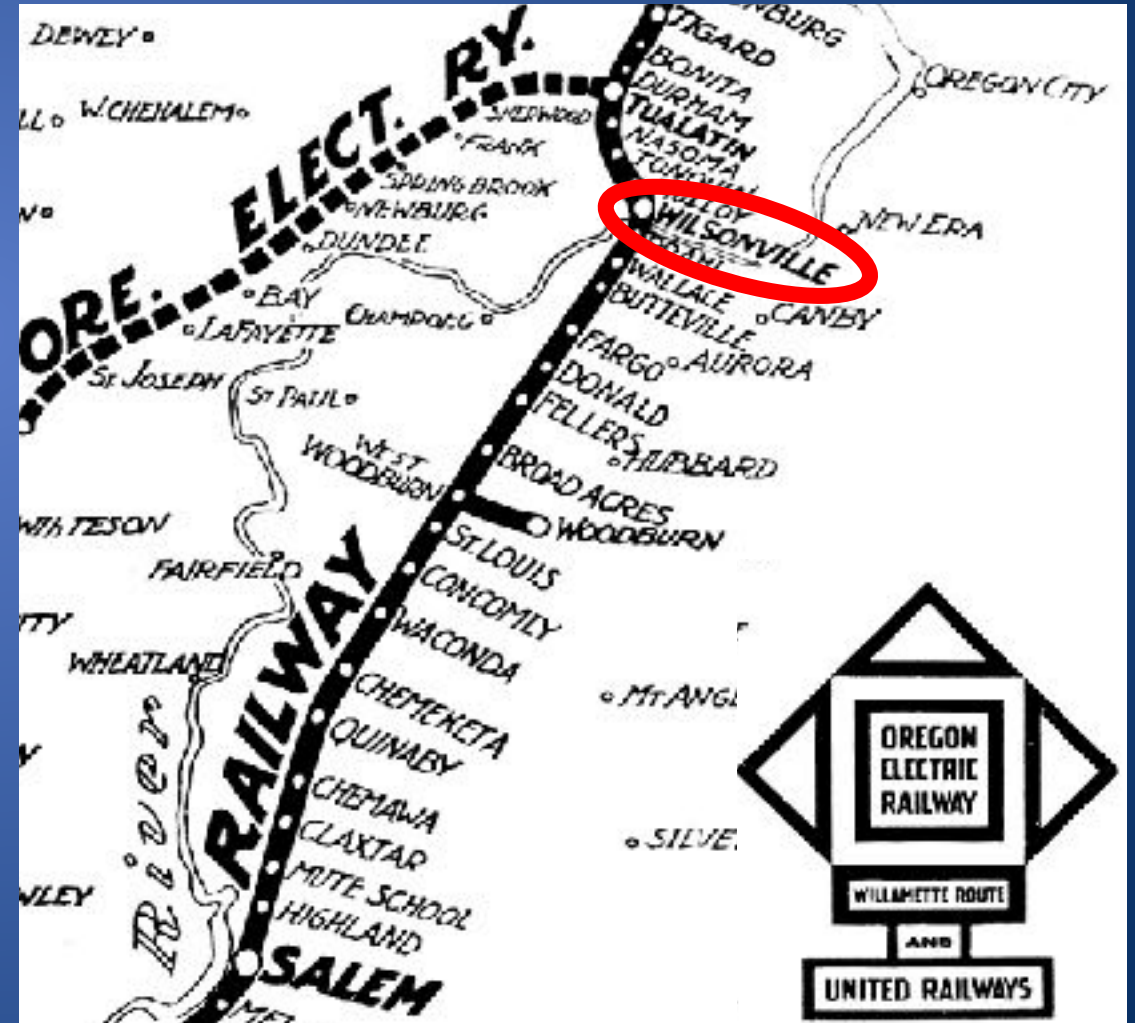
Specific Legislative Concepts for WES Extension Study

- ODOT Public Transportation Division, Rail Operations & Statewide Multimodal Network Unit, in conjunction with WES sponsor TriMet and WES operator Portland & Western Railroad
- Study and document the various costs, benefits and operational issues of extending the current rush-hour-only Westside Express Service (WES) commuter train from the current southern terminus in Wilsonville to Salem, with potential stops in Woodburn, Donald and Keizer

Draft 2023 Legislative Concepts

Specific Legislative Concepts for WES Extension Study

- Use portion of the 122-mile “Oregon Electric Railway” Willamette Valley Route passenger route that operated 1908 - 1933
- Used now by short-line Portland & Western Railroad, a division of the Genesee & Wyoming Inc.



Draft 2023 Legislative Concepts

Specific Legislative Concepts for WES Extension Study

- Engage SMART, Salem-Keizer Mass Transit District and Woodburn Transit that would provide bus connections to the WES rail stops in Wilsonville, Woodburn, Donald, Keizer and Salem
- The transit agencies would be charged to develop “last-mile” connections from WES station stops to each of the communities that they serve
- Recommended allocation of \$500,000 for study



Agenda Item

January 17, 2023

To: Honorable Mayor and City Council through City Administrator
From: Chris Kerr, Community Development Director *CK*
Subject: **Council Briefing of Planning Commission approval of a Design Review application package for a Speculative Industrial Development ('Specht' Industrial) located at the on terminus of Evergreen Rd. (DR 22-02, VAR 22-01, EXCP 22-01)**

Recommendation:

Staff recommends no action be taken on this item but provides this summary pursuant to [Woodburn Development Ordinance \(WDO\)](#) Section 4.02.02. The Council may call up this item if desired and, by majority vote, initiate a review of this Commission decision.

Background:

On January 12, 2023, the Planning Commission approved a request to build a new 513,193 square foot single-story industrial building with on-site trailer storage/fleet parking, passenger vehicle parking, stormwater detention facilities, landscaping, and a screening wall along the north property line. The motion to approve included all proposed conditions of approval and received five votes in favor and one against. The dissenting member expressed concerns with the traffic problems in this area. In terms of testimony, one letter of support was received and no parties testified in opposition to the proposal.

The 30 acre site is located at the southwest terminus of Evergreen Road on vacant farm land. This property was included as part of the City's successful expansion of the Urban Growth Boundary (UGB) completed in 2016 which amended the designation of this site to Southwest Industrial Reserve (SWIR). The SWIR is intended to support industrial uses on large parcels of land. The property was annexed into the City in March of 2021, after which it was officially assigned the SWIR zoning district and Interchange Management Area (IMA) overlay district. There is no specific tenant proposed at this time and the applicant has stated that they anticipate initiating construction as a "speculative" building.

Agenda Item Review: City Administrator ___x___ City Attorney ___x___

The Commission approval included the applicant's Street Exception requests, which were necessary due to the fact that some of the surrounding properties have not yet been annexed. The Commission also approved the applicant's single variance request related to driveway spacing.

The final decision includes numerous conditions of approval which primarily relate to mitigating adverse traffic impacts from the development, these include:

- Completing the Evergreen Rd. extension/connection to Parr Rd.;
- A restriction prohibiting future truck traffic from accessing Evergreen Rd. to the north;
- Financial contribution to mitigate impacts on Evergreen Rd.;
- Financial contributions to City (or County) to mitigate at Parr/Butteville Rd.;
- Supplemental IMA Transportation SDC payment; and
- Financial contribution to the City to enhance transit service to is property.

The full application can be found here: [DR 22-02 application file](#)

Aerial and site plan are below:



