



BUDGET COMMITTEE MEETING MINUTES

May 17, 2023 at 6:00 PM

City Hall Council Chambers & Remote Video Conferencing

CALL TO ORDER

1. Roll Call

The Wilsonville Budget Committee meeting was held at the Wilsonville City Hall beginning at 6:00 p.m. on Wednesday, May 17, 2023. Member Fitzgerald called the meeting to order at 6:01 p.m.

PRESENT

Member Fitzgerald
Member Akervall
Member Berry
Member Dunwell
Member Hamm
Member Moulton
Member Scull
Member O'Neil
Member Russell

EXCUSED

Member Linville

STAFF PRESENT

Bryan Cosgrove, City Manager
Jeanna Troha, Assistant City Manager
Keith Katko, Finance Director
Katherine Smith, Assistant Finance Director
Amanda Guile-Hinman, City Attorney
Zach Weigel, City Engineer
Delora Kerber, Public Works Director
Chris Neamtzu, Community Develop. Director
Dwight Brashear, Transit Director
Kelsey Lewis, SMART Grants & Programs Manager
Scott Simonton, Fleet Services Manager
Andy Stone, IT Director
Cricket Jones, Finance Operations Supervisor
Zoe Mombert, Assistant to the City Manager

2. Motion to Approve the Order of the Agenda

Motion: Moved to approve the order of the agenda.

Motion made by Member O'Neil, Seconded by Member Akervall.

Voting Yea:

Member Fitzgerald, Member Akervall, Member Berry, Member Dunwell, Member Hamm, Member Moulton, Member Scull, Member O'Neil, Member Russell.

Voting Nay: None.

Vote: Motion carried 9-0.

ELECT BUDGET COMMITTEE CHAIR

Amanda Guile-Hinman, City Attorney, reviewed the rules for nominating and electing the Chair.

Member O'Neil nominated Member Hamm for 2023 Budget Committee Chair.

Member Hamm declined the nomination.

Member Hamm nominated Member Scull for 2023 Budget Committee Chair.

Member Dunwell nominated Member Berry for 2023 Budget Committee Chair.

Member Berry declined the nomination.

The City Attorney confirmed there were no further nominations and declared the nominations closed.

Following a roll call vote, Member Scull was unanimously elected as 2023 Budget Committee Chair.

Chair Scull assumed the responsibilities of Committee Chair.

MOTION TO APPROVE FY 2022-23 BUDGET COMMITTEE MINUTES

3. Minutes of the February 2, 2022; May 18 and 19, 2022; and February 1, 2023, Budget Committee Meetings

Motion: Moved to accept the Minutes of the February 2, 2022; May 18 and 19, 2022; and February 1, 2023, Budget Committee Meetings.

Motion made by Member Akervall, Seconded by Member Dunwell.

Voting Yea:

Member Fitzgerald, Member Akervall, Member Berry, Member Dunwell, Member Hamm, Member Moulton, Member O'Neil, Member Russell, Chair Scull.

Voting Nay: None.

Vote: Motion carried 9-0.

OPEN PUBLIC HEARING #1 - STATE SHARED REVENUE

Chair Scull called to order the City of Wilsonville Budget Committee public hearing on State Shared Revenue as reflected in the City of Wilsonville's FY 2023-24 proposed budget at 6:09 p.m. He read the conduct of public hearing format into the record.

4. Presentation ORS 221.770

Katherine Smith, Assistant Finance Director, presented the Staff report on the proposed State Shared Revenues via PowerPoint, reviewing how the City met the State requirements and the revenues received.

There were no questions from the Budget Committee.

5. Citizen Input

There was none.

6. Close State Shared Revenue Hearing

Chair Scull closed the public hearing on State Shared Revenue at 6:14 p.m.

OPEN PUBLIC HEARING #2 - FY 2023-24 PROPOSED BUDGET

Chair Scull called to order the City of Wilsonville Budget Committee public hearing on the City of Wilsonville Fiscal Year (FY) 2023-24 proposed Budget at 6:15 p.m. The Chair read the conduct of public hearing format into the record and reviewed the public notice provided regarding the meeting.

7. Citizen Input

There was none.

8. Budget Message

The City Manager noted that even before tonight's deliberations began, Staff were requesting an amendment to the proposed budget to account for the fact that the annual Street Maintenance bid which came in \$1 million higher than anticipated. From an accounting standpoint, which meant the Budget Committee had to address a \$2 million item to reflect that money in and money out.

- The City Manager also noted the employee salary schedules did not match the budgeted numbers. Salary tables included in the Budget Book reflected what was negotiated in 2021. To ensure the City could retain and attract employees, the budget included some ability to shift salary ranges should research indicate the City's wages were not competitive within the market. Preliminary research indicated the City was a little bit out of market range for salaries.
- The proposed budget also included additional resources to respond to recent Council goals. The goals in the Budget Book and budget message were accurate. The other was included because Staff did not have the new ones in time and would be corrected on the adopted budget.
 - One highlighted area of the goals was a proposal for a new communications position in the City Manager's department to help increase City outreach, engagement, and connectivity, which was an important value during the last budget process. Council believed more needed to be done on social media, video, and Hispanic outreach as 12 to 14 percent of the City's population was Hispanic, and not enough outreach was being done to that demographic.
 - Other Staff additions were budgeted for, but the overall FTE increase was about 3.6 FTEs, which he characterized as just maintaining the current level of service. Key additions were being made in the Parks Department and Public Works due to the new parks and Public Works facilities coming online.
- The City Manager thanked the Finance Department, the management team, City Council, and Budget Committee for all their hard work and collaboration that went into the annual process.

9. Budget Overview

The Finance Director briefly explained how the budget would be presented, noting the quickest way to understand the budget was the Budget Message, which was about 10 to 11 pages and condensed the budget story to a manageable amount. The Budget Book was four hundred pages with a lot of detail. It was a policy document, a financial plan for the City, an operations guide, and a communications device. The Budget Book also included a five-year crystal ball forecast and was available on the City website.

The Finance Director presented the Budget Overview via PowerPoint, providing a high-level overview of the City's Fund Accounting System, the inner workings of the City's 24 Budget Funds within the Fund Accounting Structure, and the Budget's role, both within the City and broader community. Collectively, all City funds combined for a \$276 million budget. The Finance Director described how money flowed through the budget and how inter-fund transfers worked to self-balance the budget. He then highlighted the year-over-year changes in the City's revenue resources and expense requirements from the Fiscal Year Ending (FYE) 2023 Budget and the proposed FYE 2024 Budget, noting recent changes and significant impacts within the resource and requirement funds. He concluded by reviewing the Ending Fund Balances, noting the Community Development Fund was on Staff's watch list, but looked a bit better at FYE 2023, which would help the Beginning Fund Balance and likely boost the Ending Fund Balance FYE 2024 because certain anticipated revenues had not been budgeted, such as planning grants.

Questions and comments from Committee members were addressed by Staff as follows:

- The significant decrease in Intergovernmental Resources was because the \$21 million of FYE 2023 included ARPA funds and a lot of transit grants, which were not available for the coming fiscal year.
 - The City was astute at tracking down federal money as it became available, specifically in the Transit Department and for CIP projects. Sometimes money was also available from the State, Metro, and the County. Periodically, the federal government makes large grant funding a priority for infrastructure across the US, and the City was usually quite poised to win those awards to the extent it could. (Slide 11)
- A big project was required to make federal grants worthwhile due to the additional costs and requirements related to BOLI issues and buying American, for example. Applying for a federal grant could make sense for a \$30 million project.
 - Every year, an independent CPA firm audited the City to make sure federal money was used how the City said it would and that the City was adhering to all the compliance requirements. Even buying a bus had many hurdles to ensure the City was complying with federal regulations.

10. Capital Improvement Project Budget

The Finance Director overviewed the Capital Improvement Program (CIP) Budget via PowerPoint, providing budget summaries by programs and funding sources, noting Urban Renewal Fund would decrease with the closing of two urban renewal districts. The top five of the 125 CIP Projects accounted for about 65 percent of the total CIP budget.

Questions and comments from Committee members were addressed by Staff as follows:

- The CIP funding ratio of System Development Charges (SDC) to Operating Funds depended on what projects were being done each year. While certain projects had a certain split/percentage of how much SDC funding could be used, the ratio was generally consistent year-to-year.
 - SDCs were based on growth, and more growth led to more balance sheet growth. Operating Funds tended to be consistent with 7,000+ utility accounts providing pretty predictable income every year. Less SDCs meant less capital available to jumpstart the CIP Program.
 - SDCs had to be utilized within the group they were collected from. If SDCs were not received for the Parks and Recreation Department, project funding came from the General Fund specific to Parks and Recreation. Water projects were funded by water operating and sewer funds.
- Urban renewal funds would not go away because the City still had the Coffee Creek Urban Renewal District, however, the tax increment growth had not occurred yet to fund capital projects. The City's two long-standing urban renewals plans, Year 2000, and the West Side, each had two lingering projects left, but the maximum indebtedness had been reached and those debts had been paid off, so those plans were ending. The urban renewal districts had specific projects that the urban renewal funds could be spent on, so once those projects were completed, the increment was no longer needed.
 - Coffee Creek held a promise for development, and that increment would be used to build future capital projects in the urban renewal area. It was slow, but development was coming to that area.

- At the next Budget Committee meeting, the Community Development Director and Building Official could address whether the 16 percent decrease in SDCs was due to a change in the rate of home sales and building activity from last year.
 - SDCs included water, sewer, stormwater, and roads, and each had different collection methodologies and different calibers of development within the city, so classifying the decrease was difficult due to the myriad of different formulas. In general, if SDC revenue was down, the City would not have as much growth.
 - Identifying the reason for lower SDCs was complicated, and could be attributed to interest rates, supply chain issues, infrastructure cost for residential, and opening the infrastructure at Coffee Creek to attract more private investment and bring in more warehouses there.
- CIP projects could be funded by multiple sources, which made funding complicated and why capital projects were done within the Capital Funds (Slide 9) to track the different funding streams. Some funds came from SDCs collected from developers and some from Operating Funds which were transferred into the CIP Fund. It was easier to track within specific funds so it was clear where that funding had come from when audited, for example, Water funds could not be used for Parks and Recreation.
 - In general, Operating Funds paid for maintenance related projects, such as replacing a sewer line. Replacing and upsizing a sewer line would allow a combination of SDCs and Operating Funds to be used, so every project was a bit different. SDC funds generally paid for growth-related projects and sometimes were paired with urban renewal money. Operating Funds tended to be used for deferred maintenance, and SDCs tended to be used to get parcels ready for development.

City Engineer Weigel continued the PowerPoint, reviewing how CIP projects got on the CIP list and highlighting the CIP projects planned within each quadrant of the city, as well as the Charbonneau improvements and projects related to Master Plans and Studies. He noted Art Tech Campus Light Renovation had a misprint in the Budget Book and on Slide 36, noting it was the demolition of the Kiva Building.

- He noted the City just received bids for the next phase of the Street Maintenance Program, which were quite high due to a combination of increased prices and an increase in the amount of work to be done. Staff considered the boundaries of where the paving work made sense and had extended them a bit, but enough money was available in the fund to accommodate the additional cost, so Staff was requesting an amendment to increase the Street Maintenance Fund.

Staff addressed Committee member questions about CIP projects in the City's quadrants as follows with additional comments from Committee members as noted:

Northwest Quadrant

- Land for the West Side Level B Reservoir had been purchased quite some time ago, even though it was outside of the city limits.

Southeast Quadrant

- A series of open houses was planned to get public feedback as the Boeckman Creek Interceptor Project moved through design. The first public open house would be held this summer to start gathering comments from the community, which would be addressed as the City moved through design, followed by another open house to show how those comments were addressed and to gather more comments. Design would continue in that stepwise fashion through the entire process to construction.

Charbonneau Improvements

- Member Fitzgerald appreciated how the magnitude of projects needed to bring Charbonneau up to the right standards was described, noting the infrastructure deficiencies caused leaks and breaking pipes, messing up the streets. She believed the Charbonneau Consolidated Improvement Plan was a great plan. As part of whole visioning project to look at the infrastructure across the entire city, she understood the initial scoping covered more than Charbonneau.
- Staff did track the condition of materials throughout the entire city, but Charbonneau stood out as the place to start.
- Public Works had an inspection program for utility pipelines, and the levels of deficiencies in Charbonneau were not being found elsewhere in the city. As one of the first neighborhoods built in the city, Charbonneau was unique. Inspection services had been provided via the County, and the quality of materials used was not great. Because Wilsonville was not an old city and Charbonneau was one of the oldest neighborhoods, the standards and materials had gotten better over time.

Further questions were addressed by Staff as follows:

- The Furniture Replacement Fund was for replacing furniture in public areas as it became worn and torn. Furniture that was still functional was surplussed to the State, assuming the State was accepting surplus furniture, which was not always the case. Broken or irreparable furniture was taken to the landfill. If furniture was repairable, it was repaired. The City preferred to donate items, if possible, instead of putting them in storage.
 - The Facilities Staff were good at maintaining furniture. Donating usable furniture to local nonprofits could be done. Recently, library items were donated to McMinnville.
- Not a lot of federal funds were available, and money that was available was competitive. Big projects were needed to make federal funding worthwhile, adding funding even for those projects were competitive because the City's projects competed against the entire nation. Staff was always looking for grant opportunities to become available, and more programs would become available in the next few years. Staff were in discussions with the City's federal highway liaison about what federal funding was coming up and what projects might be eligible for those funds.
 - Transportation projects funded with federal grants had to be managed by ODOT and could not be managed by the City, which required intergovernmental agreements (IGAs) and contracts and added a lot of time and expense to the project. The City went through that process for planning work on the French Prairie Bridge and it took two years just to get a contract in place. Additional requirements could add 30 percent to a project's cost, making big projects necessary to make it worthwhile to go after federal funding.

- Member Fitzgerald reported on a recent presentation, noting that Congresswoman Salinas and the federal representative with her seemed interested in trying to streamline some of the federal funding requirements as many were legacy steps built in many years ago. She suggested sending a letter to Congresswoman Salinas to provide moral support on cutting out some of the steps.
 - Staff agreed and stated that if the State standards met Federal regulations that would relieve about half of the problem.
- The City had been experimenting with different contracting methods to get a handle on material costs on CIP projects. The Boeckman Road Corridor Project was one example, where the City was doing a progressive design-build and alternative contracting where the contractor was part of the design team all the way through the project. Instead of competitive bidding, the contractor was on the team to help reduce risk on the project and help inform the team of better ways to build things, providing the design team expertise up front and helping to keep project costs low by assessing building method alternatives and providing up-to-date costs, since they were better able to track industry cost trends. It was working well on the Boeckman Project, and the City was getting the information it needed. Costs were still rising, but the team could be nimbler in the design because the information was known up front. Staff was also reaching out to a lot of the City's neighbors known to have construction projects out for bid to get their numbers and share information.
 - Material costs were all over the place and difficult to predict. Bids for some projects were coming in low and some were really high, so the City was looking at alternatives to help mitigate that issue.

The Assistant Finance Director, briefly described how each City department would review their prospective budgets, noting that for all departments, Personnel Services included a budgeted 10 percent increase for health insurance, and under Materials and Services, liability insurance was anticipated to increase by 10 percent to 20 percent. Employee Development was returning to pre-pandemic levels.

11. Program Budget: Public Works - PW Admin, Facilities, Roads, Water, Sewer, Storm, Street Lighting

The Public Works Director, described the functions and responsibilities of the Public Works Department, highlighting the work, key activities, and describing any budget requests within the Department's seven program areas: Administration and Emergency Management, Facilities and Grounds, Roads Maintenance, Streetlights, Water Treatment and Distribution, Sewer Collections and Treatment, and Stormwater Maintenance.

Questions and comments from Committee members were addressed by Staff as follows:

- A large street maintenance repair project done on Day Road three or four years ago included repaving the east bound lane; however, the gas line along the west bound lane was very shallow, so the City was working with NW Natural to get the line lowered and that lane repaved within the next year. He hoped that work would take care of the pothole problem temporarily. The 5-year CIP included the installation of a sewer line on Day Road and the long-range plan was to make Day Road a five-lane concrete road.

- Concerning the street light replacement project, Director Kerber confirmed LED lights were not significantly more expensive, and she had not heard about any discrepancies regarding the life cycle of LED lights. The lights in Frog Pond were currently being converted to LED and the newest lights, like those in Villebois, would be replaced last.
- The additional FTE position was a Facilities position. Facilities takes care of all the City's buildings and structures, and even helps set up for meetings. The new Public Works building was a driver for the additional position because Staff would still have to maintain the old building.
- The City's Pretreatment Coordinator worked with permitted industries, which are significant industrial users that work with heavy metals, high organics, or large flows of water. Currently, there were about eight in the city. The City also has best management practice agreements with businesses to ensure they understand that domestic waste could be sent to the City but industrial and processing waste must be shipped to another facility or sent to the City only occasionally. Managing the industrial and commercial waste coming to the City prevents harm to the water treatment plant. If the treatment plant cannot appropriately process the waste, the waste would end up in the river.
 - If a business or industry violated its permit by exceeding their permitted requirements, the City sends a notice of violation, Staff speaks with the business, and the business must submit a compliance response, which details how the violation will be rectified. If the violation continues, the City could impose financial liquidated damages on the business or publish the business's name in the newspaper. If the violation is egregious, the Department of Environmental Quality (DEQ) would get involved as well.
- The City owned the police station facility and contracts the services Clackamas County, so the County would not contribute to the reconditioning of the facility. The reconditioning would not include seismic upgrades.
 - The Community Service Block Master Plan describes the 10-year vision recommends ways to incrementally build out the block. In the meantime, the functions of the community center and police station must continue. The budget includes funding for the police station modifications, but it was a minimal amount to make the building more functional, add security in the lobby, eliminate the front stairwell, and build an internal stairwell.
 - The City did receive a grant for seismic upgrades, but the grant was for police facilities and since the building included Public Works, the City did not receive as much funding. Once Public Works moves out, the City could pursue additional funding.
 - The proposed budget included funds for a professional staffing survey for the police department that would look out 20 years, so if a new police facility were needed, it would account for growth and accommodate an appropriate staffing level 20 years from now.
 - The City Council's goals included improving emergency preparedness and public safety and completing a police department staffing study.
 - A future City Council could direct the City Manager to do take on policing as a City operation. Currently, the City gets excellent value and specialized services from the contract and trying to incorporate all that into a City municipal police department would likely double the current budget, though doing so might be a consideration as Wilsonville grew much larger.

- The upcoming requirements to allow camping on City property would affect the Public Works, its budget, and Staff. Some funds had been added to the Facilities budget for maintenance of vegetation, portable toilets, garbage, and other things, but there were so many unknowns. About \$100,000 had already been allocated from this year's budget to jumpstart setting up the camping area and the City would also allow people to live in their cars in the City Hall parking lot, so some minor adjustments and improvements would have to be made there.
- Determining the budgetary impacts was just a guess at this point. The goal was to have interactions with people living in cars or tents and get them into services. A lot of money was available through a supportive services grant and a Metro housing grant, and Staff understood housing was available for anyone who wanted it. Wilsonville's homeless population has remained consistent since Covid-19, between eight to ten people.

Member Fitzgerald noted the Supportive Housing Services Tax approved by the voters had generated an additional \$40 million in Clackamas County each year starting in 2020 and would remain in effect for another eight years. She was encouraged by the level of coordination by several entities in the county that would help build efficiencies, so it seemed there should be a way to avoid a big financial hit on the City. The goal was to get housing for those who need it.

The City Manager added the goal was to get too functional zero.

Chair Scull called for a brief recess at 8:03 p.m. and reconvened the meeting at 8:12 p.m.

Assistant Finance Director Smith presented the Public Works budget, including the Current Year-End 2022-23 Budget Estimate and the Proposed 2023-24 Budget, describing any proposed Baseline Changes and Add-Packages for each of the seven program areas.

The Finance Director confirmed maintenance trucks were on a depreciation schedule and explained that a new position would need an additional truck outside of the Fleet reserve. The vehicle would be depreciated over 10 years, and then it would be evaluated, and either be sold, traded in, or used for other purposes.

12. Program Budget: Transportation - SMART, Fleet

The SMART Transit Director noted that Scott Simonton, Fleet Services Manager had been awarded Fleet Services Manager of the Year by Clean Cities. He presented several key SMART and Fleet projects and explained how the Statewide Transportation Improvement Fund (STIF) and other grants and subsidies funded Transportation programs. He was extremely proud of the transit-oriented development project that would bring much needed affordable housing to the Wilsonville area, and specifically to the transit center which will provide residents access to wraparound social services on the first floor along with a regional transit customer service center.

Questions and comments from Committee members were addressed by Staff as follows:

- Currently, the proposed Clackamas Town Center bus route would operate Monday through Friday with peak service in the A.M. and P.M. being half hour headways and off peak being 60 minutes. However, he just submitted cost information to the County for running the service every half hour

Monday through Friday. The County expressed interest in helping to fund the higher frequency and was helping to purchase one of the four vehicles for the route. Ridership would increase if the route ran more frequently.

- The proposed route was discussed before tolling and as tolling started to be discussed, the City was approached by ODOT and others wanting the project expedited. Working with ODOT was slowing the project down as ODOT tried to figure out the cost of making the shoulders bus-ready with striping and signage. The shoulder lanes between Wilsonville and Tualatin cost ODOT about \$75,000, and lanes for the Clackamas Town Center route would cost three times as much because there was a lot more shoulder.
- Both shoulders along the route to Clackamas Town Center would be made bus ready. The stops currently being planned were for Stafford Road, with a bus turnaround at a high school near I-205, on 10th Street in West Linn, as well as in Oregon City, and Clackamas Town Center in both directions.
- The proposed route would be for SMART only, but the route did connect with other transit providers. SMART hoped this service would allow someone to go from Wilsonville to Mt. Hood using a transfer at Clackamas Town Center. Sandy Transit was working on bringing a route to the Town Center and Canby Transit would connect at the Oregon City shopping center. This was the first time SMART was coordinating all the providers. TriMet was involved and discussing the possibility of also using the shoulder with ODOT.
- Using the shoulder has improved SMART's on-time performance and Chariots was also interested in running service from Salem to Tualatin Park and Ride, but only if the shoulder was available.
- The main driver behind wanting the battery backup tool was that the charging infrastructure at the SMART/Fleet facility was not on a backup generator. A 480-volt generator would have been necessary and at a huge expense. The facility was on an electrical service that was separate from the rest of the facility, so another generator would have been necessary. With the battery backup tool, the buses could still be charged enough to continue providing some service during a one-to-three-day power outage. The total cost was close to \$400,000 with 80 percent of the cost being funded by a grant.
- Electric vehicles were now more economical and beneficial than light rail or mass transit. TriMet recently set up Bus Rapid Transit (BRT) along Division, which was much less expensive than light rail and did not require passing a bond measure to pay for it. Metro was working on a high-capacity transit plan, which was full of BRT along 99W and various corridors. Metro might still be considering the Southwest Corridor Plan, but the plan died after it was voted down.
- The City was close to having a study on extending WES light rail to Salem. The City was responsible for legislation requiring a committee to be formed with representatives from several agencies and disciplines, and SMART was expected to have a seat on the committee. Everyone realized the rail service needed to be extended and while quite expensive, it was an investment worth making. Metro had the project on its list, but it was not a priority. TriMet said it was neutral, but once a rail authority was formed, taking TriMet out of the rail business, TriMet would likely support it.

Director Katko briefly described the complexities of the Transportation Department and the Transit Funds, which involved the City budget, a federal grant budget, and the STIF budget. Each budget was submitted at various times, so the budgets did not always line up. The alignment of the delivery of vehicles was always a challenge. Vehicles were budgeted this year with the hope that they would arrive on time, as there had been supply chain issues with the buses.

The SMART Transit Director noted three buses were ordered from Colorado two years ago and were still in the process of being converted for alternative fuels.

The Finance Director presented the Transportation budget, including the Current Year-End 2022-23 Budget and Proposed 2023-24 Budget for SMART and Fleet, highlighting the key items in the proposed Baseline Changes and Add-Packages, noting that all the capital outlay was grant funded.

Questions from Committee members were addressed by Staff as follows:

- The electronic trolley would arrive this year and was purchased with a grant from the Volkswagen settlement.
- A more detailed breakdown of the percentage of part-time versus actual FTEs would be provided to the entire Budget Committee.
- The 20 percent projected increase in the actual number of trips on the fixed route was an achievable increase because the department was now close to being fully staffed.
- The projected nine percent increases in the cost per passenger trip and cost per service hour were based on fully loaded costs, which included benefits and other things.
- Revenue did spike during the legislative session with people taking the 1X. SMART was responsible for the park and ride at the transit center and monitored it very closely. Prior to COVID-19, the lot was 60 to 65 percent full. During Covid-19, there was one car. Now, there were about fifty vehicles, most being driven by State workers riding the 1X into Salem. Ridership was expected to grow because it was one of SMART's heaviest travelled routes at one time and the service was often standing room only.
 - Once the transit-oriented development (TOD) was complete, there would be an appreciable increase in ridership. Staff were thinking of ways to attract more riders. Most of the transit service is free, and because SMART was not dependent on fares to operate, it survived COVID very well.
- SMART was working with Chariots on some creative ideas, like electronic fares where a cell phone could be swiped at a receiver to pay the fare, as well as heavily discounted monthly bus passes for individuals and companies.
 - Providing incentives for electronic payment options was recommended like those offered with punch cards.
 - SMART was also working on implementing van pools to Salem, which was subsidized by an ODOT grant.

City Manager Cosgrove asked Committee Members to email questions about upcoming presentations to Staff in advance so Staff could respond to the entire Committee.

RECESS MEETING UNTIL MAY 18, 2023

Motion: Moved to continue the Budget Committee meeting to May 18, 2023, at 6:00 p.m.

Motion made by Member O'Neil, Seconded by Member Berry.

Voting Yea:

Member Fitzgerald, Member Akervall, Member Berry, Member Dunwell, Member Hamm, Member Moulton, Member O'Neil, Member Russell, and Chair Scull.

Voting Nay: None.

Vote: Motion carried 9-0.

Chair Scull recessed the Budget Committee meeting at 9:02 p.m.

Respectfully submitted,

Paula Pinyerd, ABC Transcription Services, LLC.
for Kimberly Veliz, City Recorder

DRAFT