

SPECIAL CITY COUNCIL MEETING OF THE CITY OF REDMOND WAS HELD JANUARY 18, 2022, VIA GOTOMEETING.

COUNCIL MEMBERS PRESENT: Krisanna Clark-Endicott – George Endicott – Clifford Evelyn – Ed Fitch – Jay Patrick – Shannon Wedding – Cat Zwicker

STAFF PRESENT: City Manager Keith Witcosky – City Attorney Keith Leitz – Chief Financial Officer Jason Neff – Deputy City Manager John Roberts – IT Specialist Nam Ly – Communications Director Heather Cassaro – Police Chief Devin Lewis – Public Works Director Bill Duerden – Accounting & Financial Reporting Director Brooks Slyter – Urban Renewal Programs Manager Chuck Arnold – City Engineer Mike Caccavano – Airport Director Zachary Bass

MEDIA PRESENT: None

Mayor Endicott called the meeting to order at 6:00 p.m. A quorum was established.

PRESENTATIONS

A. Federal Infrastructure Investment and Jobs Act: Worksession #2

Worksession #2 on the \$1.2 trillion federal infrastructure law and how Redmond can best approach it strategically with City projects began with City Manager Keith Witcosky giving a brief overview of work session #1 and what will be discussed during work session #2. He anticipated a third work session will be needed in February 2022.

He highlighted the top five projects, from a list of 20 compiled by staff and totaling nearly \$500 million. They were as follows:

- South Highway 97
- Airport Terminal Expansion
- Wastewater Treatment Plan Expansion
- Eastside Arterial
- Sewer Pump Station for the Large Lot Industrial Land

Mayor Endicott and Councilor Clark-Endicott shared details from their meeting with Congressman Kurt Schrader to discuss some of the projects and how support from neighboring cities is important. Congressman Schrader added that the City is being smart and strategic with its prioritizing of projects and emphasized the importance of having a mix of shovel-ready and longer-term project.

Oregon Transportation Commissioner Sharon Smith appreciated the opportunity to learn about local priorities, which is a priority of the Oregon Transportation Commission (OTC) in light of the new opportunity of the infrastructure law. Ms. Smith discussed competitive grant matching funds through the OTC, noting it is early in the process so public and local input is appreciated. In response to questions from Mayor Endicott, Commissioner Smith confirmed the OTC will look at the discretionary portion of the funds at their next meeting, noting this is where input received from local officials will be used to determine funding allocation.

Councilor Fitch opined that for ODOT, Highway 97 is the highest priority and requested that ODOT look at the issues more holistically. He explained that South Highway 97 currently has approximately 50 access points and hopes ODOT will consider an alternate route on the east side of Highway 97. Ms. Smith thought such a collective approach is a smart way to go.

Councilor Patrick commented that an interchange at Quarry Avenue would affect not only Redmond's traffic but all of Highway 97, especially between Bend and Redmond where there is a great deal of traffic

during the day. Mayor Endicott noted the interchange would be a good project for freight mobility but would be quite expensive.

BJ Westlund, Field Representative from Senator Merkley's office, explained the infrastructure funding will be allocated over a five-year period and suggested the Council keep that in mind as they prioritize projects. In addition, he suggested the City prioritize the projects within its three categories of service transportation, water, and aviation. As Redmond applies for funding, Mr. Westlund stated Senator Merkley's office can provide letters of support.

Central Oregon Cities Organization (COCO) lobbyist Doug Riggs provided a brief history of COCO and their work over the past 24 years. Mr. Riggs explained the legislature will have a limited role in the allocation of the infrastructure act dollars with most of the funds coming in through ODOT; the OTC will craft rules and set guidelines. The legislature may have a bigger role when a second tranche of federal money is available. Mr. Riggs noted that Central Oregon is at a bit of a disadvantage in that there are no state senators or representatives on the Joint Committee on Transportation, although Chairman Lee Beyer from Eugene has been an ally for the region, but will retire at the end of this year.

Regional Solutions Centers (RSC) Coordinator Annette Liebe commented that the RSC is ready to help implement whatever projects Redmond moves forward with. The Regional Solutions Advisory Committee met last week and identified infrastructure (including water, wastewater, broadband, and renewable energy as one of its priorities. Ms. Liebe explained there are programs in the bipartisan infrastructure bill that addresses all of these priorities which shows great alignment with the priorities the Regional Solutions Advisory Committee has identified. Regional partnerships could get forwarded through both COCO and the Regional Solutions forum. For partnerships in the area of transportation, Ms. Liebe would defer to the Central Oregon Area Commission on Transportation (COACT) but stated she and Regional Solutions Advisory Committee would also provide letters of support for grant applications.

Economic Development of Central Oregon Executive Director Jon Stark of stated the rapid growth of Deschutes County has meant a huge demand for housing and for transportation. He stated that Redmond leads the state in manufacturing job growth and in addition, wages in that category have gone up by nearly 90 percent. He explained that companies putting a demand on infrastructure necessitates ways to improve transportation, freight mobility, and wastewater treatment. Investing now in infrastructure and Redmond's Airport will pave the way to recruit new companies and allow for a small town like Redmond to compete. Given the amount of land supply now available in Redmond, we must ensure the infrastructure to serve it is available.

ODOT Region 4 Manager Gary Farnsworth emphasized the importance and value of the South Highway 97 Corridor project. ODOT will continue to look holistically and collaboratively toward solutions. He further emphasized considering transportation safety across all modes, especially after factors he has seen in the last few years that have contributed to increases in fatal, pedestrian, and serious injury type crashes. The arterial corridor to NE 9th Street and the extensions will add value to the whole system and have a positive impact on Highway 97.

ODOT Legislative Liaison Trevor Sleeman stated Central Oregon is in a unique position in that while it may not have a member on the Joint Committee, it does have Commissioner Smith on the OTC. He emphasized competitive grants are huge relative to what has historically been seen from the federal government on transportation operations adding that over \$100 billion will be awarded over the next five years. Commissioner Smith clarified her role on the OTC is to consider Oregon as a whole, but she personally advocates strongly for Regions 4 and 5 because that is where she lives and knows the areas. She wants to make sure the OTC is fair geographically when they make funding decisions but will continue to advocate for Central Oregon's fair share.

Mr. Riggs pointed out when a state agency applies for a federal grant they must receive acknowledgement from the Ways and Means Committee. He added it would be good to suggest to agencies that they apply for projects that might benefit Redmond and/or Central Oregon.

In response to questions from Mr. Witcosky regarding funding for projects already approved by the OTC, Commissioner Smith opined that projects that are approved and partially funded will rise to the top adding that the more a project has been vetted, planned, and approved, the better off it will likely do.

Regarding the South 97 Corridor project, Councilor Fitch explained the City could create a Local Improvement District to fund sidewalks and put some “skin in the game” and make the project more attractive for OTC funding. Additionally, the City could assume responsibility for connecting streets such as the connection between Airport Way and NE 9th Street.

Councilor Patrick views the South Highway 97 project as having a short-term life and believed the solution would be a reroute around the highway. Regarding the Quarry Avenue interchange, Mr. Farnsworth clarified ODOT has done a large amount of work to determine the benefit of the connection; however, the results did not show significant benefit towards Highway 97. For ODOT to go after funding for the Quarry interchange, they would need the backing of good data and analysis. In terms of improvements to Highway 97 and O’Neill Junction, Mr. Farnsworth confirmed ODOT is very interested and currently pursuing opportunities to improve the intersection.

Councilor Wedding concurred that the South 97 Corridor project, a bypass, and other improvements are critically important, but in addition, she wants to ensure the City and various project partners do not lose sight of the water and wastewater infrastructure needs, particularly as Redmond continues to grow.

Airport Director Zachary Bass discussed how the infrastructure act includes approximately \$18 million over five years for airports based on size and \$1 billion over five years for small hub airport terminals. The Airport intends to petition for as much of the funding as possible for the new terminal expansion. He addressed questions from the Council including whether a regional approach would be more successful and what kind of strategy Redmond should adopt.

Public Works Director Bill Duerden discussed opportunities to pursue grants in the areas of water and wastewater including looking for additional funding for the Well 9 project and the Redmond Wetlands Complex. He provided an update on the status of the cooperative agreement with Deschutes County regarding a Terrebonne sewer system.

Deschutes County Administrator Nick Lelack reported the Board of Commissioners has committed a minimum of \$1 million for the Terrebonne project. In addition, there is state legislation from Representative Bonham for an additional \$1 million that the County will seek for the project.

In response to comments from Councilor Fitch and Mayor Endicott regarding timing, Mr. Witcosky stated staff will use the spreadsheet containing the initial 20 projects identified by staff as a blueprint and begin to “fill in the blanks” to align the projects with potential funding opportunities.

B. Presentation on legislation for Redmond to be part of a regional pilot project to assist with responses to homelessness.

Mr. Witcosky introduced the item of a legislative concept for pilot projects around the state to help cities and regions coordinate a response to homelessness. Mr. Riggs, Mr. Lelack, Deschutes County Deputy Administrator Erik Kropp, and City of Redmond Lobbyist Erik Kancler were invited to talk about the concept. Mayor Endicott and Mr. Riggs discussed last week about Redmond being involved.

Mr. Kancler provided an overview of the structure and support of Legislative Concept (LC) 218 which will become House Bill 4123 for the 2022 legislative session. The chief sponsor of the bill is Representative Jason Kropf from the City of Bend, and it is co-chief sponsored by Senator Tim Knopp and Representative Jack Zika.

The goal of the bill is to provide funding for coordinated homeless service offices with eight pilots around Oregon receiving \$1 million each. He noted there is interest from all four cities in Deschutes County then

described the key elements of the bill. Mr. Riggs added comments about the importance of addressing homelessness in the area without repeating mistakes made by Portland.

Mr. Lelack provided history of the conversations between cities and the County regarding the concept of the pilot program and the development of support for the plan then highlighted its core functions which include a board of directors to oversee the joint office and an advisory board. He emphasized the office would not provide direct services. Funding for years three, four, and five would need to be determined, but the County is looking at more of a 10-year plan.

Mr. Kropp discussed his prior work on homelessness initiatives and how different strategies are needed from cities, the County, the nonprofit sector, and the private sector to solve the issue.

The panel addressed questions from Council regarding the timeframe for making a decision and whether the pilot will serve as a model that is repeatable. Mr. Riggs shared his perspective on the opportunity for Central Oregon to address the issue differently.

Mayor Endicott directed staff to keep Council apprized of the bill progress adding the Council should have another work session to discuss Redmond's role.

C. Fiscal Year 2020/21 City & Urban Renewal Financial Audit Results

Accounting & Financial Reporting Director Brooks Slyter introduced Dickey & Tremper Auditor Rob Tremper who presented the results of the City and the Urban Renewal Agency's (URA) annual financial audits for the fiscal year ending June 30, 2021. Highlights of his presentation included auditor recommendations, significant findings, material weaknesses and significant deficiencies. Mr. Tremper noted the City received an unmodified audit opinion. In addition, Mr. Tremper reviewed the City and URA's financials adding that Redmond's financial performances rates 8 out of 10 versus other communities.

Ms. Slyter acknowledged many of the deficiencies or questions revealed by the audit are due to staffing issues, adding she did not foresee the issues recurring as her team had resolved them. Mr. Tremper added that his company's suggestions of last year were all implemented and corrected.

Councilor Clark-Endicott moved, seconded by Councilor Fitch, to adopt Resolution 2022-02 setting forth corrective measures for issues identified in the City of Redmond Fiscal Year 2020/2021 audit report, motion passed. (Clark-Endicott-yes, Endicott-yes, Evelyn-yes, Fitch-yes, Patrick-yes, Wedding-yes, Zwicker-yes)

APPOINTMENTS

A. Airport Committee - Appointment of Jefferson County Commissioner Mae Fording as the Jefferson County Representative, term expiring December 31, 2024.

Mayor Endicott recommended the appointment of Jefferson County Commissioner Mae Fording as the Jefferson County Representative to the Airport Committee, term expiring December 31, 2023. (Clark-Endicott-yes, Endicott-yes, Evelyn-yes, Fitch-yes, Patrick-yes, Wedding-yes, Zwicker-yes)

B. Urban Area Planning Commission - Appointment of Joseph Zampko, term expiring December 31, 2024.

Mayor Endicott recommended the appointment of Joseph Zampko to the Urban Area Planning Commission, term expiring December 31, 2024. (Clark-Endicott-yes, Endicott-yes, Evelyn-yes, Fitch-yes, Patrick-yes, Wedding-yes, Zwicker-yes)

There being no further business, the meeting was adjourned at 8:43 p.m.

Prepared by Kelly Morse, City Recorder

APPROVED by the City Council and SIGNED by the Mayor this 4th day of October 2022.

/s/ George Endicott
George Endicott, Mayor

ATTEST:

/s/ Kelly Morse
Kelly Morse, City Recorder