

City of Springfield
Regular Meeting

MINUTES OF THE REGULAR MEETING OF
THE SPRINGFIELD CITY COUNCIL HELD
MONDAY, NOVEMBER 5, 2007

The City of Springfield Council met in regular session in the Council Meeting Room, 225 Fifth Street, Springfield, Oregon, on Monday, November 5, 2007 at 7:08 p.m., with Mayor Leiken presiding.

ATTENDANCE

Present were Mayor Leiken and Councilors Lundberg, Wylie, Ballew, Ralston, and Woodrow. Also present were City Manager Gino Grimaldi, Assistant City Manager Jeff Towery, City Attorney Joe Leahy, City Attorney Matt Cox, City Recorder Amy Sowa and members of the staff.

Councilor Pishioneri was absent (excused).

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Mayor Leiken.

SPRINGFIELD UPBEAT

CONSENT CALENDAR

IT WAS MOVED BY COUNCILOR LUNDBERG WITH A SECOND BY COUNCILOR WOODROW TO APPROVE THE CONSENT CALENDAR. THE MOTION PASSED WITH A VOTE OF 5 FOR AND 0 AGAINST (1 Absent – Pishioneri).

1. Claims
2. Minutes
 - a. October 8, 2007 – Work Session
 - b. October 15, 2007 – Work Session
 - c. October 15, 2007 – Regular Meeting
 - d. October 22, 2007 – Work Session
3. Resolutions
 - a. RESOLUTION NO. 07-46 – A RESOLUTION CLARIFYING THE METHOD OF ANNEXATION FOR CERTAIN TERRITORY TO THE CITY OF SPRINGFIELD.
4. Ordinances
5. Other Routine Matters
 - a. Accept the Bid Award from McIntyre Construction for Project P20543: Maintenance Shop Vehicle Wash Rack Roof and Equipment Room in the Amount of \$163,167.00.

- b. Authorize the City Manager to Sign a Commercial Lease Agreement with Jack E. Heacock and Sarah J. Heacock Trustees of the Heacock Living Trust for Placement of Fire Station #16 Temporary Housing.
- c. Approval of the Liquor License Endorsement for Kona Ono LLC, Formerly Metro, Located at 720 and 770 South A Street, Springfield, Oregon.
- d. Approval of the Liquor License Endorsement for La Aventura Restaurant and Bar, LLC, Located at 535 Main Street, Springfield, Oregon.

ITEMS REMOVED

PUBLIC HEARINGS - Please limit comments to 3 minutes. Request to speak cards are available at both entrances. Please present cards to City Recorder. Speakers may not yield their time to others.

1. Supplemental Budget Resolution.

RESOLUTION NO. 07-47 – A RESOLUTION ADJUSTING RESOURCES AND REQUIREMENTS IN THE FOLLOWING FUNDS: REGIONAL WASTEWATER DEBT SERVICE; REGIONAL WASTEWATER REVENUE BOND CAPITAL PROJECTS; DEVELOPMENT PROJECTS; REGIONAL WASTEWATER CAPITAL; SDC REGIONAL WASTEWATER REIMBURSEMENT; SDC REGIONAL WASTEWATER IMPROVEMENT; REGIONAL WASTEWATER.

Budget Officer Bob Brew presented the staff report on this item. At various times during the fiscal year the Council is requested to make adjustments to the annual budget to reflect needed changes in planned activities, to recognize new revenues, or to make other required adjustments. These adjustments to resources and requirements change the current budget and are processed through supplemental budget requests scheduled by the Finance Department on an annual basis.

The supplemental budget being presented includes adjusting resources and requirements in the Regional Wastewater Debt Service Fund, Regional Wastewater Revenue Bond Capital Projects Fund, Development Projects Fund, Regional Wastewater Capital Fund, SDC Regional Wastewater Reimbursement Fund, SDC Regional Wastewater Improvement Fund, and the Regional Wastewater Fund.

The City Council is asked to approve the attached Supplemental Budget Resolution.

The overall financial impact of the Supplemental Budget Resolution is to increase total appropriations by \$11,209,786.

Mr. Brew explained the cash carryover amounts and re-allocations and why these supplemental budgets were required as the fiscal year progressed. He explained the budget items as listed in the resolution.

Mayor Leiken opened the public hearing.

No one appeared to speak.

Mayor Leiken closed the public hearing.

IT WAS MOVED BY COUNCILOR LUNDBERG WITH A SECOND BY COUNCILOR WOODROW TO ADOPT RESOLUTION NO. 07-47. THE MOTION PASSED WITH A VOTE OF 5 FOR AND 0 AGAINST (1 Absent – Pishioneri).

2. Annexation of Territory to the City of Springfield (Evans, Case Number LRP2007-00018).

RESOLUTION NO. 07-48 – A RESOLUTION INITIATING ANNEXATION OF CERTAIN TERRITORY TO THE CITY OF SPRINGFIELD AND REQUESTING THAT THE LANE COUNTY LOCAL GOVERNMENT BOUNDARY COMMISSION APPROVES THE ANNEXATION BY EXPEDITED PROCESS.

City Planner Steve Hopkins presented the staff report on this item. The property owners, Michael Evans and Geraldine Betz, have requested annexation of approximately 0.69 acre of property located at 2793 Pheasant Blvd. The subject territory is described as Assessor's Map Number, 17-03-22-42, Tax Lots 2500, 2600 and 2700 and more accurately described in Attachment 1, Exhibit A. The site contains one residence.

Article 6.030(2) of the Springfield Development Code requires that territories considered for annexation must be provided with "key urban facilities and services", as defined in Metro Plan Policy 8.a, Page II-B-4. Among these key urban services are water, sewer, storm water facilities, streets, electricity, parks, fire/emergency services, and schools. Based on analysis and comments from the service providers, staff finds that all key urban services are available to serve the territory.

The City Council is authorized by ORS 199.490(2)(a)(A) to initiate annexation using the triple majority method. This requires consent in writing from a majority of the land owners of the territory to be annexed, who also own more than half of the land in the territory proposed to be annexed and of real property therein representing more than half of the assessed value of all real property in the territory proposed to be annexed. Oakdale Avenue between Game Farm Rd. and Pheasant Blvd. is also being annexed as part of this process.

The property is comprised of three lots. Electric, water, telephone, cable and natural gas are stubbed to each lot. Although none of the lots are connected to sanitary sewer, there is an 8" sanitary line approximately 160' west of the subject property within Oakdale Avenue, west of Pheasant Boulevard. There is also a 24" sanitary line approximately 250' south of the subject property. Each lot must connect to sanitary service prior to development.

The City Council Resolution will be forwarded to the Lane County Local Government Boundary Commission. The owners are requesting the Expedited Annexation procedure of the Boundary Commission.

Mayor Leiken opened the public hearing.

No one appeared to speak.

Mayor Leiken closed the public hearing.

IT WAS MOVED BY COUNCILOR LUNDBERG WITH A SECOND BY COUNCILOR WOODROW TO ADOPT RESOLUTION NO. 07-48. THE MOTION PASSED WITH A VOTE OF 5 FOR AND 0 AGAINST (1 Absent – Pishioneri)

3. Ambulance Rates Increase.

RESOLUTION NO. 07-49 – A RESOLUTION OF THE COMMON COUNCIL OF THE CITY OF SPRINGFIELD AMENDING THE MASTER SCHEDULE OF MISCELLANEOUS FEES AND CHARGES, RATES, PERMITS AND LICENSES IN ORDER TO AMEND THE AMOUNT OF THE AMBULANCE AND EMERGENCY MEDICAL SERVICES USER FEES.

Fire Chief Dennis Murphy presented the staff report on this item. At the October 22, 2007 Work Session, Council heard a summary of the need for an ambulance rate increase and Council support was requested. Council agreed to hold a public hearing on the request during their next regular meeting on November 5, 2007.

In 2002, the federal Centers for Medicare and Medicaid Services (CMS) initiated a series of ambulance reimbursement reductions that have resulted in a loss of income on all Medicare and Medicaid patients transported by ambulance. A May 2007 report of the federal General Accountability Office (GAO) confirmed that the new reimbursement level is an average of 6% below the actual cost of providing services. The impact of the reduction on ambulance revenues is being felt locally in Eugene and Springfield, statewide, and around the nation. The financial impact in Springfield has resulted in depletion of the ambulance fund reserves and recommendation for an interim rate increase.

An ambulance rate increase from \$900 base rate to \$1,150 and mileage increase from \$15.00 to \$15.50 will raise approximately \$290,000 annually. The interim rate increase will provide limited relief to allow further evaluation while a long term strategy is being developed.

Chief Murphy summarized the information Council discussed during their October 22 Work Session. He said the changes in Medicare/Medicaid reimbursement policy were directly responsible for the loss to ambulance providers. All other payers, exclusive of Medicare/Medicaid, pay enough to totally support the ambulance service. He explained further. He said this change to Medicare/Medicaid reimbursement affected all types of ambulance services, including public and private. Council directed staff to make the ambulance service user fee supported and that was what they had done. In order to maintain one hundred percent user fee support and maintain the current service level, the losses from the reduction in Medicare/Medicaid needed to be addressed with higher user fees. During a recent statewide symposium of the state's ambulance service providers, the question was asked whether or not there were other solutions. There were not other solutions at this time, but staff would look at other solutions that could be implemented in the future. This was not a permanent or long term solution. Springfield staff was committed to join the City of Eugene in political action through intergovernmental relations to pursue Medicare reform, because that was the ultimate issue. They would also work with their professional organizations to find solutions. He explained further the fee increases. This increase would affect non-Medicare people only, and would not affect FireMed subscribers.

Mayor Leiken said he appreciated the Fire Med program. He affirmed that the Medicare/Medicaid decision was a congressional vote, signed into law by the president. Chief Murphy said that was correct, with the most recent change in 2003 which brought about this reduction. The Mayor said that if Congress wanted to reverse this, they would have that option.

Chief Murphy said there was a piece of reform legislation being introduced in the house and senate for the first step in correcting this issue.

Councilor Ralston asked some questions about the deficit and the number of ambulance rides it would take with the new rates to make up that deficit. He asked how long the increase would help.

Chief Murphy said it would help through the end of this fiscal year. Options would be given to Council, including more subsequent rate increases, later in the year. There needed to be work done to see if that was the solution or if other options would be better.

Councilor Ralston discussed the deficit.

Chief Murphy said F&LS was losing money quickly by using reserves. He explained. Over time, we would still be suffering losses. The rate increase was a solution just through the end of this fiscal year, through the end of June 2008. Medicare would continue to make decreases in reimbursements. Medicare did nothing to reduce the cost of providing ambulance service. Ambulance services were health care industries and purchased all their supplies through the hospitals and those costs had steadily increased above inflation.

Councilor Ralston asked if another rate increase could come next year.

Chief Murphy said it could if that was Council's decision. Staff would bring Council other options by then to see what Council wanted to do. Eugene and Lane Rural Fire District would be meeting also because they all had the same issue.

Mayor Leiken opened the public hearing.

1. Vernon Edwards, 220 West M Street, Springfield, OR Mr. Edwards said this increase bothered him. His family has been Fire Med members for years and had accepted the increases of that fee. He said he used to work across from Eugene's Fire and Life Safety building. He questioned why the building and trucks had to be so fancy, when the plain trucks were fine. It seemed that the sky was the limit when the money for these items came out of someone else's pocket. He asked what would happen at the end of this fiscal year. It didn't seem to end.
2. Janet Bott, 662 North 12th, Springfield, OR Ms. Bott referred to Council Goal #2 – "Utilize resources efficiently and effectively to meet citizen needs for core services". Raising ambulance rates to pay for the under insured did not address the underlying problem. The problem was not the access to health care, but the cost of the care itself and the basic structure of the medical insurance industry. Raising rates on the community medical services was like giving a junkie more heroin, or an alcoholic another drink. She would like to see the Council look at ways to reduce the current costs of providing ambulance service because as a community we couldn't afford to force more and more citizens into the category of the

working poor due to medical costs. The price was too high. When someone becomes one of the working poor, they couldn't afford preventative health care or even insurance. Treatable conditions didn't get treated and they became chronic conditions with poor outcomes with social and economic costs for everyone. Those citizens would go to the Emergency Room, instead of the doctor, and that had affected our hospital charges. Local government needed to re-evaluate its role and priorities. Historically, government existed to provide services to its citizens, now it seemed to function more as a corporation operating for the benefit of large businesses. She asked what the priorities of this council would be.

3. Fred Simmons, 312 South 52nd Place, Springfield, OR Mr. Simmons discussed the early years of the ambulance service and their 'can-do' attitude. The citizens had been served well over the past twenty-six years. The significant issue was the center for Medicare services reimbursement schedule, which didn't even pay for the fuel for the truck. Council needed to talk to the legislators and argue for an elevation of the reimbursement rates. He noted that the reimbursement rate would be even less next year and would continue to go down further. The method of recovery by increasing fees was essential, but was hard on people. He encouraged people to buy in to the FireMed system because it was the stop-loss methodology to prevent a medical casualty that was significant. He noted that the new trucks were more cost effective, lasted longer, and provided more capacity and capability in service than the old trucks. He respected the fire department and what they did, but the Council needed to get together with Representatives Morrisette and Beyer and put pressure on the congressional leaders to make a change for reimbursement increases. It would be difficult. He discussed the first responder to many 9-1-1 calls. Citizens had to pay more, but the Council needed to force the issue with the Senate for Medicare Services to increase our reimbursement to at least the cost of service.

Mayor Leiken closed the public hearing.

Councilor Wylie said the Federal Government told those on Medicare that they didn't have to pay for the services, but those providing the services weren't getting paid what it cost to provide that service. She agreed that Council needed to make this known to the legislators. The City or the Fire Department got caught in the squeeze.

Councilor Ballew said she didn't have high hopes about changing the legislation, but they could certainly try. Medicare was going broke and didn't have any funds to pay more.

Councilor Lundberg said it was unfortunate that it had to trickle down. She encouraged everyone in the room to contact their state legislators because it wouldn't change without the help of everyone. The City was stuck with the bill for now.

IT WAS MOVED BY COUNCILOR LUNDBERG WITH A SECOND BY COUNCILOR WOODROW TO ADOPT RESOLUTION NO. 07-49. THE MOTION PASSED WITH A VOTE OF 5 FOR AND 0 AGAINST. (1 Absent – Pishioneri)

4. Comcast Cable Television Franchise.

ORDINANCE NO. 1 – AN ORDINANCE GRANTING COMCAST OF OREGON II, INC., AN ADDITIONAL TERM AND FRANCHISE RENEWAL FOR THE OPERATION OF A CABLE COMMUNICATIONS SYSTEM; AMENDING ORDINANCE 5567; ADOPTING

A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE (FIRST READING).

Assistant Public Works Director Len Goodwin presented the staff report on this item. Staff from the City, and from Lane County, the City of Eugene and the Lane Council of Governments have completed discussions with Comcast concerning renewal of the existing cable television franchise and have reached agreement at the staff level on the terms of an agreement which would continue the existing franchise through 2018. Staff requests that Council conduct a public hearing to receive testimony on the proposed ordinance and schedule it for action at a subsequent meeting.

In 2005 Comcast sought an extension of the existing franchises covering Springfield, Eugene and a portion of Lane County. When the Metropolitan Policy Committee, acting as a cable commission, denied that request for an extension staff commenced negotiations on a renewal of the franchise. Agency staff have now reached agreement with Comcast on a number of relatively modest changes to the franchise and are recommending that each of the elected bodies adopt ordinances renewing the franchise for an additional term to expire in August, 2018. As a condition precedent to moving the ordinance forward, the parties have agreed that Comcast will offer a letter of agreement, a copy of which is attached as Attachment B. The substance of the letter is discussed in more detail in the Briefing Memorandum.

Mr. Goodwin said one potential improvement in the franchise was the continued availability of a fourth public safety channel that would be used for public safety training and provide a valuable service to fire and police departments for all jurisdictions. He noted that this franchise did not deal with a couple of outstanding issues with Comcast, including the addition of Comcast's digital voice service. Staff was still pursuing that issue with Comcast. The second outstanding item was a late development from last week. The Federal Communications Commission (FCC) by a divided vote, extended to incumbent franchise holders the same changes in franchise rules it had recently offered to new entrants into the cable television arena. That order became effective immediately, but it was not the FCC's intent that it would allow for any change in contractual obligations currently in place. Due to timing issues, that should not affect this current agreement. This agreement would continue the City's relationship with Comcast through the year 2018.

Councilor Lundberg said Qwest also provided digital voice and she asked if that was different.

Mr. Goodwin said the regulatory framework was very confusing. Qwest did not pay for voice or internet protocol services. Their franchise fee was carefully limited by State law on an amount based on their local exchange access revenue. He explained the difference between that calculation compared to that of a company like Comcast, which paid on their gross revenue. Comcast's gross revenues were limited to revenues related to cable television services, not to high speed datats, such as cable modem, or digital voice. Other providers that provided other services had other regulatory framework that was even more confusing.

Councilor Lundberg said it may not necessarily be fair because of the many different types of services, including satellite, which we were prohibited from regulating.

Mr. Goodwin said the technology during the 21st century had moved far beyond the regulatory environment. There was no way to relate the services these various companies provided to the method which allowed the City to impose fees. A taxation methodology might level that disparity, but the current fee based structure didn't accommodate that.

Councilor Lundberg said much of it was FCC regulated, which was out of the City's purview.

Mr. Goodwin said that was true. The City's ability to regulate the activity of any of these companies was extremely limited.

Mayor Leiken opened the public hearing.

1. Fred Simmons, 312 South 52nd Place, Springfield, OR. Mr. Simmons referred to the cable franchise and agreed that the City was limited on some things due to federal regulations. The quality of service was an issue. He discussed the stations that had been lost due to technological changes. He said it upset him that he had to pay a franchise component on stations he didn't want. Local government needed to stand up and ask that they be given some authority to regulate these services; what was provided and how they were received. The bigger part of Comcast's market was the datastream and digital technology, not the down stream mark. He felt there should be some sort of mechanism to allow the user to choose the channels they wanted to receive. He referred to the converters that were now required for the digital channels and questioned how soon until they were outdated. The League of Oregon Cities (LOC) and National League of Cities (NLC) should work to influence the federal regulators to have some involvement with cable service.

Mayor Leiken closed the public hearing.

NO ACTION REQUESTED. FIRST READING ONLY.

BUSINESS FROM THE AUDIENCE

COUNCIL RESPONSE

CORRESPONDENCE AND PETITIONS

1. Correspondence from Bill Kelly and Barbara Allen, 815 Prescott Lane, Springfield, Oregon Regarding the Barking Dogs Ordinance and Issue with Cats.

IT WAS MOVED BY COUNCILOR LUNDBERG WITH A SECOND BY COUNCILOR WOODROW TO ACCEPT THE CORRESPONDENCE FOR FILING. THE MOTION PASSED WITH A VOTE OF 5 FOR AND 0 AGAINST (1 Absent – Pishioneri).

BIDS

ORDINANCES

BUSINESS FROM THE CITY COUNCIL

1. Business from Council
 - a. Committee Reports

1. Councilor Lundberg said the Gateway/Beltline area was moving along quickly and she had attended some meetings for that area. She complimented staff on the work they had been doing to zero in on the intersection at Gateway. They had been meeting diligently with the stakeholder group to discuss ingress and regress. Councilor Lundberg said she attended a Lane Transit District (LTD) meeting to hear about LTD's progress. Councilor Wylie was also at that meeting. Councilor Lundberg said she was concerned about LTD's progress and noted the issues property owners along International Way had with some of the LTD stations and access to their properties. She and the Mayor had been contacted by some of those owners. Council would be looking at LTD's proposal in the near future.
2. Councilor Wylie referred to the LTD meeting and said she had concerns with the EmX routes along Gateway and busses stopping in traffic to let people in and out. She was hoping there could be some way the EmX route could go in behind the Gateway Mall. She was concerned with busses stopping in traffic along that road. She was glad that Councilor Lundberg was also at that meeting.
3. Councilor Ballew said she and Councilor Woodrow attended a meeting with Smith Dawson this afternoon. Council would be getting a memo from Community Relations Coordinator Niel Laudati regarding the Mill Race, Metro Water, the I-5 / Beltline, Franklin Boulevard and Main Street.
4. Councilor Ralston reported on the Housing Policy Board (HPB). An update was provided at the meeting by Terry Harding, planner from Eugene. There were two new plans being proposed by Eugene. The first was called Infill Compatibility Standards and the other was called Opportunities Siting Program. The Infill Compatibility Standards would create a task team to identify potential adverse impacts of residential infill in different areas of the city. The Opportunities Siting Program would create a task force to identify barriers to construction of high density housing and potential incentives. He noted that Roxie Cuellar, a member of the HPB, would be leaving the board. Council may want to consider who might be a good replacement for her. During the HPB meeting, Councilor Ralston said he pointed out that the two plans were brought about by a conflict between Eugene's position on increased density and the NIMBY (Not in My Backyard) push back from the neighborhood association, who didn't want the higher density. He noted the complexity of these issues.
5. Mayor Leiken said he and Councilor Lundberg met with Eugene and Lane County leadership. It was a very productive meeting, with discussion on some of the Metro Plan issues coming forward and HB3337. Staff from the three jurisdictions seemed to be on the same page and had a plan for moving forward. County had needs regarding this issue. They were looking at holding a Joint Elected Officials Meeting in February. He reiterated that it was a productive discussion and the jurisdictions seemed to end the meeting on the same page.

Mayor Leiken said he attended the grand opening of the Royal Building. It was a great event.

Mayor Leiken reported that Mayors Gary Williams and Ron Pettiti had organized a meeting of Lane County mayors. Ten of the twelve mayors attended the meeting, as well as Lane County Commissioner Faye Stewart. The most common theme of the meeting was the issue of infrastructure and the gas tax issues. There was no longer any help from the legislature or federal government, as the timber payments would be going away. Commissioner Stewart discussed the possibility of a county wide gas tax. Mayor Leiken said he appreciated those that spoke to Council and assured them that they were heard. He said it was frustrating that state and federal representatives were harder to reach and be heard. Cities needed to solve some of the issues discussed during the mayor's meeting themselves.

6. Councilor Lundberg said discussion was held regarding partnership and cooperation where it made sense during the meeting with Eugene and Lane County
7. Councilor Ballew reminded everyone that tomorrow (11/6) was election day.
8. Councilor Wylie said she was in California during the wildfires. She said there was amazing cooperation between government and other agencies. They had worked hard to put together a disaster plan so they were prepared. She said fire and public safety needed to be provided for. It was time to look at cooperation.

BUSINESS FROM THE CITY MANAGER

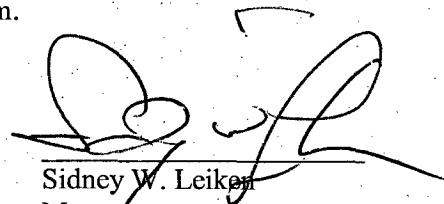
Mr. Grimaldi reminded Council that because next Monday was a holiday, the Council meeting would be held on Tuesday, November 13.

BUSINESS FROM THE CITY ATTORNEY

ADJOURNMENT

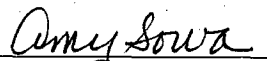
The meeting was adjourned at approximately 8:01 p.m.

Minutes Recorder Amy Sowa



Sidney W. Leiken
Mayor

Attest:


City Recorder