

ROUGHLY EDITED TRANSCRIPT
EUGENE CITY COUNCIL
WORK SESSION
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>> Mayor Knudson: Good afternoon everyone, welcome to the march 11, 2026 City Council work session. Thank you for joining news this virtual meeting format. Work sessions like this one, there is no opportunity for public comment and those wishing to access the meeting can do so by watching the livestream available on the website, broadcast on Comcast channel 21, or calling in to one of the phone numbers listed for the meeting on the public webcast and meeting materials webpage. Thank you again for joining us today. I now call the march 11, 2026 work session of the Eugene City Council to order. We will turn right over to the city manager to introduce our first topic, which is work session on long range financial planning, benchmarking, and next steps.

>> Matt Rodrigues: This is the first of the financial planning work sessions this spring and early summer. Wife our chief financial officer, Twila Miller, along with SME consulting who will present data about benchmarking done as part of the tech process last fall. We will talk about next steps for the long range financial planning conversation. I'll hand it off to TWILA.

>> Twila: TWILA Miller, chief financial officer. I'm having audio issues, if that continues I can turn my camera off. Today I'm here with Sara EMMONS. If you want to go to the next slide, great. In February you received a final report from the technical advisory group on fiscal stability. As part of that process Sarah gave a great benchmarking presentation to the group which she is going to -- share with you today. While benchmarking in jurisdictions you will find this informational and informative as you think about the future.

>> Mayor Knudson: TWILA, I'm sorry, this is Mayor can Knudson, we are having problems with your audio, feel free to turn off the video.

>> TWILA: Is that better?

>> Sounds like it so far.

>> TWILA: Okay. Apologies for that. Sarah is going to give a great benchmarking presentation and while benchmarking isn't apples to apples given the differences between jurisdictions, I think you will find this presentation to be very informative. After Sarah's presentation I'll provide a brief overview of the long range financial planning work that will be coming back to Council after your break this spring and summer. At the ends of the presentation there will be plenty of time for questions W that I'll turn it over to Sarah for her presentation.

>> Sarah Emmans: Thank you, Mayor, members of City Council, and the city manager for the opportunity to be here. Thank you for the opportunity to be a part of the TAG. That was just a very enjoyable process, I enjoyed learning about Eugene. The excellent questions that the TAG asked when I did this original presentation, I think will make the product that we look at teed even better I was able to not only add another year of census data but also refine the analysis based on their presentation. Some of the numbers that I show might be a little different than the numbers that are in the report appendix to the TAG report, that's because I have updated data. Just to start, as a reminder, the city was benchmarked against a handful of cities that are similar and different as we'll talk about to Eugene. These are Salem and bend in Oregon, Boise, Idaho. Fort Collins, Colorado which is home to Colorado state university. And Spokane, Washington. All of these cities were selected because they are regionally similar to Oregon, located in Oregon or they're in the northwest or the mountain west. A few of them have either a large university just like Eugene does, or at least a major employer that drives portion of the economy.

I would say for Salem that's obviously the state government. For bend that's the recreation economy. We'll talk about some of those aspects of these communities as we move forward. The key findings that we'll talk about, this is not organized in a way that you can tell the themes but we're going to talk circling here, these first three themes which relate to community characteristics. I'll spend a little bit of time talking about some demographic analysis to show what these communities look like in comparison to Eugene, how Eugene is similar and different in terms of primarily age, income, and housing issues.

Then fiscal findings, I'll show these in the sections that -- we'll spend more time talking about these as we go through the sections. We'll talk about the fiscal findings that became apparent through a comparison of city budget data. That relates primarily to property taxes and the fact that Oregon cities are more reliant on property taxes. And as you know Oregon's property taxes is significantly more constrained than that of the other states in this group. We'll also talk about the fact that Eugene does a lot, it's full service city in my opinion compared tomorrow of the cities on this list. Despite that it sends less on a per capita basis than other cities in the group. At

the end of the presentation we'll turn back to economic data that I showed you last month when I was in Eugene related to job growth and where Eugene compares in job growth.

Before finally turning to somebody else's work, a different benchmark showing the, quote, best managed U.S. cities that the city manager pro tem sent the mow, it's interesting and I wanted to share with you. Just again these are the cities that we will be talking about today. They're shown here in the order of their population largest to smallest. You can see Eugene in the middle here. Bend is significantly smaller. Boise and Spokane are significantly larger. We have them here, showing the square miles. Eugene is the second smallest in terms of square miles, of cities on the list. We'll talk about this with one of the metrics later on. Then we wanted to include higher Ed enrollment. Not all of these cities are what you call college towns. Spokane, Salem and bend. But for reference we did include the higher Ed enrollment of the schools shown on this list. We will be talking a lot about census data. When you talk about census data with a college town, that younger population does funny things with the data that we can't always control for. We wanted to make sure we have the relative populations of the higher Ed institutions on this list. This is like my spiel that I have to give, whenever I give a benchmarking presentation, it's really important to think about this.

When you hear this data, so as TWILA mentioned almost impossible to do a perfect comparison across cities. We'll talk about where there are similarities, we did in terms of size and geography. We'll talk about where there are differences that might impact the role that the city plays or how the city functions within the region that might be apparent when we talk about community and economic characteristics. Then really where this is important to remember is when we look at the budget data. Cities have different responsibilities, they have different authorizing environments, and it is I will possible to control for these. As we go through the data I'll point out differences that I note. Members of Council might hear things are you curious about or have observations about how Eureka functions might be different than these other cities in Eugene. I would love to hear those in the Q&A portion as well. To start we'll take a look at census data, and these are the takeaways from my analysis of mostly American community survey data from 2024. These are that Eugene has fewer children and fewer people of working age which I'll define in a couple of slides than the other comparable cities.

Eugene's younger households have lower incomes and are less likely to be of the homeowners in Eugene less likely to be these younger households, even compared to fort Collins which is another large population college town. Third that Eugene has more homeless people you know is a statewide issue and more cost burdened renters than other cities in the group. I'll flip to the next slide then back to this one, we'll start looking at the age of people who live in each of these cities. Just to orient you to how the slides look, wherever Eugene appears it will likely be highlighted in orange. The Oregon cities will be light blue. And then the cities that are in other states appear as dark blue on the slides. This chart shows population by age.

When you look at the under age of 18 category Eugene has fewer, lower share of population is under age 18, proportionately tier children than the other cities on the list. Especially when you look at Salem which almost 22% of the population is under the age of 18.

Jumping over to here to the age 25 to 44 category, this is the other category that pops out to me. Eugene has fewer of what I would call working age population. People in the age of 25 to 44, 26% compared to 32% in Spokane, Washington. These populations, you could think maybe go together, this is the population that might have children in under age 18 category. I just thought that was an interesting one, we split out this population by age and looked at it closely. Of course this right here, this age 18 to 24 category is where you see what we think of as student age population. The University of Oregon population. Although some of them might be trickling over into this category as well. Then middle of the pack in terms of population between age 45 to 64. And the 65-plus population. I just thought that was interesting. This is what I consider to be kind of like older working population, the age range that I fall into, so I'm not trying to offend anybody. But also maybe at the lower end of this range as well.

When we think about those populations it's interesting to think about income. This is really an aspect that I didn't get to spend as much time on with the TAG but I'm glad they were asking the questions they were. When you look over here on the left this is total income -- sorry median household income in the past 12 months for each city. Eugene had the lowest income. This is the only data point that I showed when we met with the TAG. Of course we got the question, well, Eugene has the University of Oregon so how does that population affect the household income. That's the chart, the breakout that I'm showing to the right. My takeaway is that Eugene's younger household, not the student age you think has significantly lower incomes but really this younger household population. Households headed by people age 25 to 44 have lower incomes than the other cities on the list. They do as well for that 45 to 64 age range as well.

Second-lowest above Spokane only for incomes in the group. The 65-plus population, these incomes include any kind of obviously salaries and wages but any regular retirement benefits as well. It excludes any capital gains related income. The takeaway is that younger households have lower median incomes than the other cities in the group. Also just before we move on, I thought it was interesting that the very young population has significantly higher incomes in Bend than other college towns. I'm imagining that is younger folks working in the recreation industry tend to be just working more than the students. Now we're going to take a look at a few slides that relate to housing. So this chart on the left shows housing tenure, renter-occupied homes light blue, or owner-occupied homes dark blue. Eugene has more renters, so they're 52% of people in Eugene are renting and 48% are living in owner-occupied homes. Fort Collins is the second-most renters.

This makes sense given the relative share of the student populations was so high in Eugene and Fort Collins compared to other cities. Another interesting aspect that we took a look at with the TAG relates to the fact that Eugene is relatively low square mileage compared to these other cities. I did a rough measure of density which is just population per square mile, not a planner's definition, forgive me, but I thought it was interesting to point out that in addition to having a lot of renters you Eugene has higher population per square mile, greater population density than other cities. This is a breakout showing the percent of homeowners by age in each city. The way to read this is not 22% of people under age 44 own a home in Eugene. It's of awful the people who own homes, how many of them are under 44.

This is organized, sorted here by the share of homeowners who are over the age of 65. I thought this was really interesting. Especially when we think about the fact that fewer people in Eugene own homes that so many of them are over age 65 relative to the other cities. That was the case for the other Oregon cities as well. By a significant margin. When you look at the greatest share of people in Boise who own homes in that kind of older working age population that we talked about, the 45 to 64. I wanted to point that out. This slide shows homelessness, of course obviously a statewide issue. I believe Oregon ranks only behind Hawaii and New York in terms of homeless counts. Eugene has one of the highest counts in the state. Eugene has higher rates of homelessness shown here.

On the left compared to both of the Oregon cities which themselves are ahead -- above all of the cities in this sample. Here's Spokane, Boise, then here's Colorado. Certainly there are probably weather aspects that play into the lower counts here. Inhospitably cold, but homelessness is a complex issue. One of the things this analysis did not get into is resources to address or help homeless people because of the time and focus of the tag. The chart on the right shows a measure of cost burden among renters. Housing costs over 30% of income in the last 12 months, for Eugene and Fort Collins are at the higher ends of this rating. And of course this would directly relate to the fact that there are so many students in both of these cities. Although in Eugene because there's such a large portion of the market -- sorry a large portion of the pop you oh what is does rent, I think it is an important stat to point out as you as decisionmakers think about what the city looks like just making decisions about housing that sort of thing. In terms of owned units, the housing costs as a share of income were at the bottom end of the range here.

I don't have the chart that shows the median rent or median household -- home value, but Eugene was in the middle of the pack when we looked across these cities. I think primarily this is a function of income and then here probably of age. We also talked a little bit about crime rates, we included these -- sorry, this was included when the TAG was meeting because of the discussions around how the city is spending its resources. We will talk about that later on in the presentation as well. How these cities invest in public safety. Crime is just one aspect both on the demand side and the service side that I think is directly related to public safety investment. So Eugene has the second highest property crime rate of the cities in this sample.

Shown here, highlighted in orange, behind only the city of Spokane. But a violent crime rate in the middle of the pack. Exactly in the middle of the pack compared to other cities.

So that's the overview, sort of the context for how the city of Eugene looks, how -- its population looks compared to other cities. A couple of data points that I forgot from the TAG and I'm happy to answer questions at the end about those. Related to employment and educational attainment which I wish I had included. Hopefully that will give you an overview. It was intended to give the TAG a view of how the city feels as a community as we turn to the budget findings. In terms of the fiscal findings, the thing that were takeaways from an analysis of this is fiscal year 2025 adopted budget data from these cities. The year was chosen primarily because of the timing of the TAG and when the analysis was collected. Eugene spends less on a per capita basis than all of the cities in this group in fiscal year 2025.

Another takeaway that we'll spend time talking about, it does directly relate to city budgets, what the responsibilities are of Eugene as a city compared to other cities on the list. Eugene is full service compared to other cities. The head count, more FTE than other cities that we looked at. There's a national study, I tried to find it before the presentation, but at least compared to this group of Idaho, Colorado, Washington that's directly relevant obviously to the solutions that you all are struggling to find. So when we talk about city budgets, it is important to understand what the city itself as a government entity is responsible for in house.

This chart has the various functions that are operated by Eugene or some of the other cities with the X. Does the city have staff in house that do this thing. Utilities, denoted by a number, how many utilities each city is responsible for. So the first takeaway for me when I looked -- put this data together is that everything from -- every city has central services which is management and administrative functions. Every city is required to have police service. When you go from municipal court down to streets which are something that every city has to take care of, Eugene is the only city on the list that has an X in every line here. It is the only city for example Eugene and fort Collins that opt 911 dispatch. We'll see when we talk about police budget on in a few slides. Only city that operates both parks and libraries. One of the only cities that operates both parks and libraries. That will be apparent when we talk about the head count for each city.

The other takeaway, there are parks and library services in bend for example, but parks is operated by the bend parks and recreation district and library operated by the Deschutes public library district. They're paying for the services not paying the city to do them. We will take a peek at property tax rates at the ends of the section of the presentation. Talk about what that looks like for the people who live in these cities. So with that kind of context in mind the first part -- next few slides focus on city spending. This chart shows total spending which is the black numbers up here. Then general fund which is the dark blue portion of the bar and other fund the light blue portion of the bar. From fiscal year 2025 adopted budgets for each city. Eugene is the

second lowest in terms of total spending. There's finance there related largely to utilities that we can talk about. And the third lowest in terms of general fund spending. On a par with fort Collins and Salem which are very close to it in size.

One of the reasons that Spokane's light blue portion of the bar is so big it administers four utilities, the fourth one being garbage collection and its own pension fund. For fort Collins, one of the reasons that the light blue portion is so large, it has a large enterprise public park system is that a revenue generator for the city. And the fact that Spokane and Boise are significantly larger cities, about 50,000 to 60,000 more in population than the three cities. Bend is about 70,000 people fewer, close in size to Eugene's budget. So those, that difference in population is one of the things that I want to address on the next slide. Because as you know it's really, total spending can only tell you so much when these cities of different responsibilities. Different in size. So we took a look at the city spending data in two different ways, attempting to normalize it, both across population which is the graph that's shown on the left, as well as a share of household income which is the graph that's shown on the right.

By both of these different measures of comparison Eugene is at the lower ends in terms of total spending. But about the same in general fund spending as the other cities. And, again, that total fund, the fact that the total spending is lower may have to do with the fact that Eugene doesn't operate as many utilities as the other cities do. The fact that its general fund spending is on a par with other cities, is interesting. Many of the functions that I called out in the service chart are what you would consider general services that are typically funded at least in part from the general fund. Eugene is really stretching these dollars far when you think about how many responsibilities it is, it has in house. I'm going really fast because questions are at the end. I'll slow down a little bit so you can look at these.

One additional note that I wanted to make on here, because I think this came up actually as a question when I was meeting with the TAG, when percentage here does not mean that people spend 6.8 -- households spend 6.8% of their income on city expenditures. Rather this calculation is just intended to show relative size. So it's really just simply total expenditures divided by aggregate household income. A measure that the census provides. I don't mean to imply that 7% is how much people spend on government. Okay, so as you know for most local governments Eugene is no exception the personnel costs are really one of the true drivers of spending levels. We can't talk about city budgets without looking at head count. Eugene has the third highest per capita head count of the cities in the group. The highest head count of the Oregon cities. And again this directly relates in my mind to the number of functions that Eugene is responsible for in house not a normative statement at all, just trying to explain where the data are coming from. The way to read this is for every 1,000 residents in Eugene there are 9.5 citywide employees.

Of those 4.5 FTE charged to the general fund. 4.5 general fund FTE per thousand residents. You can see the total FTE counts here. There were three areas

that the TAG was interested in learning more about, and so those are police, fire, parks. We'll take a few slides here to look at relative spending and relative staffing within each of those functions. What you are seeing here is per capita spending on police, the bars are organized by police, I didn't want to change the order for each one. Fire, and parks. Eugene has the second highest spending in terms of police. The third highest fire spending so that's middle bar here. And second lowest spending on parks of all of the cities in the sample. Bend is part of the parks and recreation district, but I didn't want to include per capita, probably could have grabbed it but in the interest of time I wasn't able to grab nighttime for this analysis. Doesn't align with bend boundaries. Wasn't able to use the city population. Imagine that it is at the higher end here but we can circle back if that is of interest. So city staffing, again, just for police and fire are shown here.

For police, Eugene has the second highest total FTE per thousand residents. This would be an imperfect measure, the best way is to look at commissioned staff. But this is department level. One of the reasons that Fort Collins and Eugene are higher, at the higher end of the group is that they both include 911 dispatch functions not staffed in house in the other cities on this list. In terms of fire spending, Eugene is about second or third lowest -- excuse me, fire staffing, Eugene is the second or third lowest in the cities on this sample. And, again, Eugene, Bend, Salem operate ambulance services in house. That would be some of these FTE a portion of this 1.2. Something to know just in terms of the city responsibilities. Spokane pays for ambulance services but does not operate it. It would appear in their budget but not their head count. That's kind of, that wraps up the spending portion of the analysis that was shown to the TAG. Happy to answer questions about that later. Now we'll move to the revenue side of the ledger and how the services that we just talked about are paid for. Of course property taxes are the largest source of general fund revenue in the city of Eugene. And the other Oregon cities as well.

So this is a chart that helps us understand what the limitations are to property tax authority in each of these cities. All of them, all states have some sort of constitutional and/or statutory limitations on local property taxes. I won't read this chart but I will point out that only Oregon has both the growth limitation, limitation in how much property tax levies can grow per year as well as rate limitation. Limitation on the overall size of the rate. Washington has a growth limitation and rate limitation but I think one of the differences between Oregon and Washington, and why a statement here that says Oregon system is more restrictive, Oregon has a permanent rate which the state of Washington does not. Oregon also has, I forgot to put on it the slide, occurred during my cram session for this presentation, Oregon also has the freezing of assessed value at 1997 levels. That's also critical to understanding why property taxes are so constrained in Oregon.

Again I'm sure there's a national study looking at how restrictive property tax systems are and Oregon would be at the higher end. If nobody has written that I should write it in my spare time, looking at this issue not just in Eugene but in other Oregon cities as well. So outside of property taxes, what city, what taxes do these

cities have access to or authority to implement to pay for general city operations. This is of course outside of enterprise functions like utilities. We looked at a few different categories of taxes. City sales tax, it is actually legal in Oregon but very, very, very uncommon. I think there's one city that has a food and beverage tax. Other than that, this is not a common -- not found in Oregon. Idaho cities are also not -- I don't know if they're not allowed or don't do it, there's no local sales tax in Boise. But the city does receive a portion of state sales tax revenue. As one of the larger cities in Boise that portion is significant. Fort Collins has relatively high sales tax rate, 4.35% on sales other than food. Then Spokane has 1.1%, 1% of operations, .1 for something, a bunch of different local options here in Washington State where I'm based, cities have access to.

Eugene is the only city on the list with a local gas tax. Then there are other excise taxes, I mean taxes that are design to excise a portion of economic activity within city boundaries. Everybody but Boise has some sort of excise tax. In Washington State, there are a number of different kinds and they are very principle revenue sources. Other taxes, Eugene has the community safety patrol tax shown here. Spokane has these other different kinds of really they are all excise taxes but the category would have been too big. Primary one being a utility tax which is like a gross receipts tax levied on utility providers within city boundaries of the takeaway is that in terms of other tax options, we will see this in the data in a few slides, Oregon cities don't have as many -- don't have as many commonly used options as these other cities. Cities in other states do.

Not appearing on the list but relevant to discussion are Salem's operation fee which is deposited into the general fund. And then transportation fee that is imposed in bend and designed to take care of capital and maintenance and operation needs in bend. Both of these are fees that are collected through utility bills. They're becoming increasingly common in Oregon. But they are designed to support broader city operations. I see a raised hand, I think we are doing questions at the end but I defer to the Mayor if she wants to allow one, somebody has their hand up.

>> Mayor Knudson: Please continue we'll do questions at the end. Councilor Zelenka, is adding himself to the queue.

>> Sarah EMMANS: Thank you for signaling, I'm sorry if I missed on they are hands. Okay, in terms of city revenue, I wanted to provide that context on the taxing authority before we looked at the city revenue. I think you can see the impact of those restrictions here when we look at the data. Just a broad view. This is the same view that we looked at on the expenditure side but this is total revenues in black. Other fund revenues, things like utility fees and the community safety payroll tax in Eugene. And the dark blue is general fund revenues. In Eugene about 40% of revenues went to the general fund in fiscal year 25. Usually these light blue revenues are reserved for specific use. Almost entirely put in other funds, reserved primarily for other uses. Bend's transportation fee that we talked about on the previous slide is part of this light blue portion here that goes into a separate fund as well. There's no right or

wrong about where the funding goes. I know Corvallis puts local option levies into the general fund, there's no good or bad about it. This is the general fund only. The dark blue portions of this bar denote taxes and the light blue portion of this bar are other sources of revenue.

Things like license fees, charges, etcetera there's a note here at the bottom. Salem collects a city operations fee which is based on the monthly flat fee that's attached to the utility accounts. So that would be a part of this lighter blue portion. One of the reasons when you look at kind of the balance of other revenues and taxes it is about 50-50 in Salem. General fund is significantly less reliant on property taxes than the other Oregon cities. Here is Eugene right in the middle, again this is not normalized for population, it is simply a total measure. So we talked about reliance on property taxes in the previous slide. Because Eugene does have a -- it's community safety payroll tax it is significantly less reliant on property taxes compared to the other Oregon cities. Maybe a little bit more resembles Boise which has that infusion of state-shared sales tax in the light blue. You can see when it compares to the two cities in states that allow sales tax, they are significantly less reliant on property taxes than they are on other taxes, sales taxes or excise taxes. Not a good or bad statement just pointing out one of the differences. These are the dollar amounts. When you look at the shares you can kind of see what I'm talking about. Salem is almost 94 -- almost 94% of Salem's taxes are property taxes. Whereas in Eugene it's about 77%. Then you can see those states -- cities and states that allow other types of taxes.

This is an attempt like that apples to lizards to show the amount of taxes collected by the city on a per household basis, again not meaning in Eugene households spend \$205,000 on taxes but just that if you took the total amount of city taxes collected in Eugene and divided by the number of households this is about where you would land. This is a commonly used but horrible measure of tax burden. But I wanted to include it, it is of interest. Not all taxes in Eugene or any of these cities are paid by households. Many of them are paid by businesses obviously, especially when you look at property taxes. Frankly, in Fort Collins and Spokane which have sales taxes many of those -- many taxes are paid by visitors because they are capturing economic activity from visitors who are buying things in city boundaries. When we talk about tax burden and kind of comparative tax bills, it's important in the Oregon to understand the tax rates and the cities that we looked at for analysis.

Eugene has a higher city property tax rate than the other two Oregon cities in the group. Although of course the city only received a portion of at rate the rest goes to urban renewal district. This top chart alone is what I'm talking about. This chart shows the permanent rate in each of these cities, the local option rate if they have a levy for parks or something else. And then the bond levy on top of that. The totals are shown here. Eugene's total city property tax rate is \$8.20, in bend about \$4.14 which sounds low but we'll talk about what that means on the next slide. And of course as anybody who paid a property tax bill knows that's not your whole property tax. You're

also paying taxes to other districts that are levying property taxes in the city as well. What we show down here is not just the city portion which is the dark blue like this whole bar here is shown down here for bend. But also property taxes paid to the county, property taxes paid to other districts. In bend as I mentioned before there's both a parks district and library district. This yellow portion is really large compared to the other cities.

Then for schools. I know there are school boundaries don't always align with cities. What I did was grab the rate from the district that had the most assessed value within that city to show what most homeowners would be paying to schools in their boundaries. The layered local tax rate in Salem is actually a little bit higher than it is in Eugene. And of course property tax bill, what people are paying is not just a function of the rate, values play a role as well, and also plays a role in how much revenue the city whichever entity is levying the tax is receiving from the bill. Though it has higher property tax rates at least in the small sample of 3, the average tax bill in Eugene is significantly lower than bend. And relatively close to Salem although I forgot the bond levy on this chart. It would be a little higher than here. But not completely out of line with tax bills in Salem. When you look at the city portion this is where you really see that full service aspect that I talked about. Eugene really does have probably a greater share and that would be because the city of Eugene is doing so much -- serving other functions that other entities are doing in bend and Salem. Receiving a little bit more of the revenue than the other cities. So this last section we're kind of going to come back to the information that was talked about in the previous Council meeting where we discussed job growth in the TAG. I know that you all probably spend time with these data, I won't spend too much time on them.

But was remarkable to look at job growth in Eugene compared to the other cities in the group and how much Eugene's growth has tagged compared to those cities. Population growth despite not being remarkable as exceeded job growth. Before circling back to the benchmark that I referred to earlier. Best managed big U.S. cities. Where I'll pull the rug out, benchmarks only tell you so much. We can reflect on that at the end and I'd love to hear your thoughts about that. This is probably the fourth view of this chart. But this is the, again, showing receipt poll tax employment, unfortunately we don't have city employment, from the bureau of labor statistics indexed to 1991. Everybody is at 1. And there's no magic to that number, when this dataset started. How much has employment grown in the time period of 1991 to 2024. And in Eugene it has grown significantly less than the other cities. Eugene has seen -- the Eugene region has seen 33% growth during this time period compared to 50% in Spokane, 60% in Salem, 96%, almost doubling in fort Collins, 143% in bend all the way up to Boise which sees incredible growth over this time period. So Eugene is clearly lagging at least in this group. Another way to look at the data is to compare it to demand for services. Demand for population growth means demand for services. One takeaway from the fact that regional employment which is this dark blue column has grown less than population which is this light blue column.

Eugene is the only city where we see this pattern. Only city where population has -- the city population has grown more than regional employment. Even though population has not astronomically, it is the second lowest growth of all of the cities on the list except for Spokane. Still grown faster than one measure of economic health, economic growth which is the number of jobs. Own though population growth is not off the charts. This is 1991 to 2024. A lot of relevance to the broader work that the city is doing in follow-up to the TAG. This brings us to this benchmark from in this case wallet hub. This the best and worst run cities in America. Although I'm not sure if it's the worst run, I didn't see anything actually bad mentioned in these other cities. I'm not sure how they grabbed the 148, I think the number one city, ranked city in the list was Nampa, Idaho, the size of the bubble denotes the size of the population is tiny. Fort Collins and bend are not on the list, I don't know if that's good or bad. Boise was number 4 on the list. Eugene number 32. Top fifth. Salem was number 49. In the top third of this ranking. Then Spokane was number 87. Right in the middle.

What this ranking attempted to do was to take a number of factors like financial stability, economy, safety and infrastructure and other aspects like education, health, pollution and roll them into how well-run are these cities. This is really interesting. It brings -- I thought this was interesting view of the methodology interesting. A lot of factors are in control of cities, financial stability, what we are talking about a lot. Have been spending quite a lot of time talking about. Then infrastructure, how much cities are investing or how much they can invest in infrastructure. Then there are some aspects that are clearly outside of the city government control. How good the education system is. So to me it just reminds me, and I hope this is one of the takeaways for you as well, that city entities are not acting alone in a bubble. Relates to the work that you all are doing related to collaboration and regional collaboration with other entities.

Gets back to what did each of these cities as an actor do to make the dark blue portion of the bar grow. And that would require a lot of additional research and probably get different answers depending who you talk to. There's a lot of aspects of these rankings that are really important. City decisionmakers can move on. Then there are other things that I think are more like what kind of community you want to be and how much is that in our control and how can we work with our partners to get to the place that we want to be. I'm sorry for the rant, that was my takeaway reading this. Really helpful, really interesting. I think it is cool that Eugene is in the top fifth, I don't disagree with it. And I hope that the data that I showed you and things like this analysis can kind of put Eugene in the context of what you need to decide. That is what I have. I think I'm supposed to give it back to TWILA.

>> TWILA is having connection issues, I'm going to walk through the next slide here, the long range financial planning process next steps. Then we'll turn it over to questions. Again I'm Neil, city's assistant finance director. Walking us through we're going next in terms of the long range financial planning process. Starting on the left side, we have the benchmarking and long range financial planning overview, our meeting today.

Next we have April 8 which PDD will be bringing back an economic development conversation which will be an extension of the TAG conversations around economic development. May 11, that will really be a laying the ground work for some of the additional work coming over the spring. And the summer. General education and background. TWILA will be bring as financial condition update with focus on the general fund, distressed funds. Then we will have a strategic plan.

May 20, it's been a number of years since we have updated the organization financial policies, we will be bringing a conversation to you all around the financial policies and giving you background there for future conversations. As well as following up on past conversations around the corpsman dated and essential funks of the organization.

June 8, setting the stage for future strategic plan refresh conversations, there will be a touch point on the strategic plan. Unfunded needs, we're going through an organizationwide effort looking at unfunded critical needs from across the organization. We will be bringing that information back to you. Along with information around debt capacity and tools and levers that we have available to us. This is all laying the ground work for June Council workshop where we're really developing the focus of that workshop with our new incoming city manager. But we will plan to discuss financial policies including service prioritization as well as other items. That is the June Council workshop.

Then into July, continuing that conversation on the strategic plan refresh that we started in the month prior. All of this is work that's being developed to help inform and guide the future budget development process. Which will then start in the fall with this coming year. I think with that, that leads us in to questions for Sarah and others. I'll turn it over to the Mayor.

>> Mayor Knudson: Thank you, Neil, Sarah, really appreciate this presentation today. And this update. I will add myself to the queue in our discussion. But I want to say a that Sarah some of what you shared about the ways in which the city of Eugene is stretching the resources that we do have, I would think that that would be one of the components that would lead to some of those distinctions around being one of the best-managed cities in the country, to be creative and collaborative and resourceful in how we're meeting challenging community needs especially in light of the rest of the information that you shared in the presentation. Which I think paints a picture for us that will help this Council and our new city manager, and future Councils to do really important work. Building greater opportunity and greater stability in the community.

This work illuminates some blind spots that we have had, and also provides us with the opportunity interrupt some long-held narratives that perhaps are not serving us as well as they could. All of that I take to be really positive. This is incredibly important work and I very much appreciate that you have updated information here,

even since the technical advisory group looked at this same information, same questions last year and appreciate how the questions have informed the group. I have Councilor Zelenka, Councilor Clark, and Councilor Groves in the queue. Councilor Zelenka?

>> Zelenka: One of the things I've learned with the city of Eugene in 20 years benchmarking is very fraught with problems. Need to be analyzed and used very carefully. Often it is apples and lizards comparison. Cities are so different in structure and circumstance that it's often very difficult to make comparisons. I take all of this with a big grain of salt. It is much more complex than it appears with numerous factors affecting different comparisons. It is interesting, but simple straightforward -- it is not. And we need to be careful about policy decisions based on this kind of bait and these benchmarkings. Be leery of people cherry picking data points. This is why we have not in 30 years I've been with the city relied on these comparisons to make budget and policy decisions. They're very fraught. Let me give you some examples. The general fund, totally depends on how the services are accounted for. If they have dedicated funds or in the general fund. FTE per capita depends on which services you are providing. If you tried to do it with Springfield and Eugene, we have parks, Springfield doesn't.

We have an airport other cities don't. What is this package of services that makes it difficult to make comparisons like this. Like police and fire FTE, per capita, so much more complicated than the comparison that was shown. Total employment growth. All of that over time, there's a lot of things that are unclear in that. Were not reflected in it. Economic transitions. That took place. Eugene transition from a timber wood products into more of a high-tech. There's been a shift in employment. Those types of total gross numbers don't necessarily see those transitions. It can be masked in there. That makes the comparison difficult. But I will cherry pick one, even though I said we shouldn't, the one that struck me was the -- we should provide more services for less cost per capita than all of the other cities, meaning better bang for our buck in the city leading to that one of the best managed cities. Whether that's true or not, I think it probably is, but I don't know that we make a bunch of decisions on that. Cherry picking in that one.

>> Mayor Knudson: Councilor Clark.

>> Clark: Thank you, Mayor. I suppose I will grant to my friend Alan some degree of truth or agreement is a better way to say it. That everybody has their differences. All of the communities being compared have significant differences. Certainly true. But I want to say, Sarah, thank you. I have longed for us to do this sort of comparison Ty financial review and analysis for years, wanting to look at the statistics of how we stack up compared to other cities and communities in the general west -- similar way for a very long time. I'm really glad we're doing it. I'm going to stay the optimist and say I think from this sort of data we can learn a great deal if we find an area we'd like to grow and we'd like to do better, I suspect there are ways we can

take advantage of the knowledge based on what other people do that can assist us. We don't have to take the bad parts.

I thank you for the work, phenomenal, I appreciate it. I only had one question at the beginning with the demographic pieces of it that were interesting to me. In the compared communities, how would you say or how would you list or notate the surrounding cities to east of the listed communities? We had -- and the reason I want to know more about what kind of information is available. 10 years ago I made a lot of arguments that I thought our land use policies would make us more dense, certainly. But it would create a reality where young families would move to the surrounding communities and that may not serve us. That was my argument to. So I think in this data we see it reflected that a lot of younger families with young children don't live here comparatively to other communities. I believe they live in the surrounding areas, around Eugene, and interact and use services in Eugene. Is there measurement of that in between the comparative cities of some nature?

>> Sarah: On it is a really good question. I should note that I worked as part of the city of Springfield work that sort of relevant, we did similar analysis. We did look at household size. I did note in that analysis that the city of Springfield has significantly larger households and more children than Eugene. I haven't looked at neighbor cities in these other regions. I'm thinking obviously -- I think that Eugene may be unique in having that next door neighbor city right there that has relatively robust services as well. I'm also doing similar work in the city of Corvallis, Albany right next door. Some of the questions are relevant especially in cities that are not like the kind of big anchor city in a region with small suburbs.

>> Clark: Can we get any information that you have done or may do about regional statistics with regard to the comparative -- all of the comparative cities in this particular set?

>> Sarah yes, definitely, I'll give it a thought. Can I provide a little bit on the Springfield analysis and Corvallis, Eugene, and give it thought as well.

>> Clark: I would include our areas of VENETTA, ELMIRA, surrounding smaller communities make up a different nature. I think than in many cities. That's what I'd be interested in having. Thank you.

>> Mayor Knudson: Councilor Groves.

>> Groves: Thank you, Mayor, and thank you Sarah for providing a very good presentation. Neil I appreciate the timeline. I've been asking for something like that, it helps me understand how we're going to start putting pieces together. I did appreciate the side by side comparisons. I recognize it's not perfect. You did catch the difference between 911 services, you caught the difference where some fire departments provide ambulance service, others don't, that has an effect on staffing levels. The airport piece I think was a significant thing that maybe could be better

explained in there. Eugene runs an FAR part 135 index C airport that's heavily used. Bend has a general aviation airport, their commercial airport is in Redmond. Salem has a few commercial flights but most is G.A. airport. Spokane is an international airport so is Boise. So I mean, that would just help with some of those adjustments. We run a full suite of services.

As far as cherry picking the data my observation with this Council is we cherry-pick our issues that we cherry-pick the data for. I don't think that having something like this to look at is a bad thing. You know, there's certainly qualifications in there. Then I also agree with Councilor Clark, I was going to raise the issue of wanting to know more about the effect of surrounding communities. They're all growing, not just in housing. But they're growing in jobs as well. And I would be interest to know if they're growing at a faster rate than we are, the same rate, or slower rate. That's something we want to look at as well. Part of that is because some of them have available land when we have a constrained land inventory. I think all these pieces go together as we try to put together how we're going to build our economy, how we're going to handle housing, we're already more dense than these other communities. There's more digging we need to do on this. That's all I have for now. I appreciate the work, thank you.

>> Mayor Knudson: Could I respond to one --

>> Sarah: I think what would be helpful in follow-up, not just the information that Councilor Clark requested but I should provide the definition. Metropolitan boundary. If there's jobs that are happening in some of the cities that you are interested in they might or my not be in these data.

>> Mayor Knudson: Thank you, Sarah, appreciated. Councilor Kashinsky.

>> Kashinsky: I very much appreciate the report and the research and the information and being able to look at these kind of comparisons even recognizing that there are differences is helpful and I really appreciate the way that you highlighted a lot of differences. Emphasizing bend doesn't run a library. That's probably the cause of some of those changes. I had a specific question, specifically looking at the city spending on police, fire, parks comparatively. One of the things that I kind of take away from that slide which I think was 19, is that Eugene is putting a greater share of its resources into public safety compared to other cities. Is that a reasonable conclusion to draw from that?

>> Sarah: I think that was, if I recall the TAG discussion, one of the observations the TAG made. I think that may be more of an appropriate question for you all at your level and for the TAG and what they were pondering. But, yes, that's one way to view the data is that I think we would have to have a whole pie chart to make that distinction. To Councilor Zelenka,'s point there would be 6 million caveats. Especially with respect to public safety. When you think about public safety spending and staffing, that's why this chart is so terrible. Which I didn't spend enough time

explaining the caveats. Cities pay a lot of money to do staffing studies. There are many different ways not just uniformed officers, but all kinds of different ways to do a better job than this. Also just in the context of the TAG, that was the depth to which I was able to go covering the full view of the city. Yes, to your point Councilor Kashinsky, that's one way to view this data.

>> Kashinsky: That's helpful, thank you for the information.

>> Mayor Knudson: Councilor Keating.

>> Keating: Thank you. Sarah thank you for the breadth of information. I have three things in a stand out. I want to denote, editorialize, I started my radio career in Denver. I would think that a boulder, Colorado would be more of a Eugene vibe than fort Collins. But I see what you were getting at in regards to population size. Fort Collins square mileage is significantly larger than Eugene. And boulder is significantly smaller. A city that is right around the same is Paris, France. 41 square miles to our 44 square miles. When you talk about density we could do so much more in our community, as Paris packs around 2 million people into 44 square miles for Paris proper. I would urge our colleagues to continue to look at policy that inspires or encourages Eugene to grow up and not out. Three things that jump out at me. Number one, public safety. The fact that you pointed out Eugene is hovering near Spokane in regards to property crime is a sobering statistic. I wanted more about the public safety piece and where we stack up with the cohort you have created.

The taxing authority, it is curious with the exception of Eugene having a gas tax that we don't have more of a consumption fee at the local level when we clearly can. I would argue should. When I say that, with a caveat, not a regressive consumption fee but I think there are avenues to explore in regards to a sales tax or consumption fee that's not aggressive. Finally, bend is clearly booming both in population growth and regional employment. Sarah what is your high level takeaway as to what bend is doing right, why is bend attracting people and attracting the businesses within that region?

>> Sarah: My takeaway is possibly that bend is as beautiful as any city including Eugene and surrounding area but didn't have a University of Oregon there. So the recreation economy could become the anchor. I'm not an economist. That's my observation. I do know when we talked about these -- this chart and the previous one it came at the end of the TAG process. One of the members said what's going on with growth, jobs, we pulled the data in. There was a discussion my observation, wouldn't it be great if we had more time to figure out what the cities did and what the regions did and how this came to be.

A little bit with the TAG, recreation economy in bend, Boise, there's a huge growth in tech that I think we talked about. Downtown revitalization in Boise and Spokane. What actually happened here is really important to understand. And to the previous point that you made when you track about your comparables, this group is

great. I was advocating early on for Bellingham, Washington, that's a really interesting place and has a similar vibe. We stuck with 6. It was plenty of work. I hope when this work continues it might be interesting to look at not only what did these cities do but other cities that Eugene is like or aspires to be like. The cities as an actor. What was happening at the macro level, outside the control of the city, what are they doing with regional partners including private sector.

>> Keating: Thank you.

>> Mayor Knudson: Councilor Yeh.

>> Yeh: Thank you, Sarah for bringing this data N I also enjoyed the way you set up your slide presentation, thanks for that. Easy to see. This is one of those cases if you think that this data is misleading and much more complex than it appears you're right. If you think it's useful in a starting point for additional research and discussion you are also right. It's not and/or. This can be useful information and we can find a way to use it. While we keep in mind the way that is it might be misleading and the complexities behind them. I think as a group we are more than capable of doing that. We have smart folks on this Council that I'm always happy to work with. I am not concerned in that area we will be able to use it appropriately. I did have, I don't know if this is a question that can be answered, I often do not prefer to think of our neighbors as our competition but more as like how can we think about these things regionally. Springfield is a lovely town. I have no problem with people wanting to live and work in Springfield or someone who lives in Eugene getting a job in Springfield. How do we, is there ways that we can take that into account so we're not always looking at our neighbors as competitors.

>> Sarah: Is that a question for me or --

>> Yeh: It's a keep in mind. I don't know if it's an attitude we need to bring to it. I would like to find a way to bring that attitude to it. We need to advocate for our city and meet our budget needs and all of these things. When we're always, like, oh no we don't want people moving to crestwell, I don't know that's the answer. I don't know. You don't have to answer anything, I'm just making a statement.

>> Mayor Knudson: Thank you for clarifying, Councilor. Other Councilors in the queue? Okay, seeing no more discussion from this group I will offer one closing thought and then Sarah will move on to the next agenda item today. I think what Councilor Yeh expressed is really important with the state. I hope any local media or community members listening to the work session do exactly what was advised, to really look at the summary, the conclusions that have been presented by people with expertise in this area, and also observe as the presentation builds more complexity comes to this circumstance that we find ourselves in. It is important that we have more and better information as we think about fiscal stability and economic development for the community. As a body of elected officials we are always striving

to make the best possible decision that we can within a limited amount of time and with the best information available.

I really do think that this information and the TAG process led into it the additional workshops, work sessions, and retreat that Council will have in the coming months with our new city manager that all of that is more and better information to inform our decision making into the future. We clearly have important areas to do work in terms of expanding opportunity at economic development in the community. Very much appreciative for this presentation and the way that it kicks off the series of Council work sessions that we will have focused on the work. And just want to appreciate, Sarah, your team and Neil jumping in to help cover some of the information from our own finance experts in our department. City manager Rodrigues, I see your hand raised.

>> Matt Rodrigues: I want to thank Sarah and the finance team did amazing work in the fall and we're excited to have this conversation with you. Owe long range financial planning building on the work that we did through the technical advisory group process. Councilor Yeh a little bit to your question that didn't necessarily need to be answered. But I think one of the opportunities where we are having conversations what are our strengths as a region and how we come together as partners is in the south Willamette innovation corridor conversation. It is a different way that we're looking at this together and assessing with all of the partners what can we bring to the table. So we're strong as a region. There's a lot of really positive energy and thinking that way as we move forward.

>> Mayor Knudson: Thank you, city manager. Turns out prosperity and economic development race are team sport, always has been. We're going to be a really strong player on that team in our city. Thank you, everyone, this concludes our first agenda item today. Now I will turn to the city manager to introduce our second topic. Which is a work session on the Wednesday work session format for City Council.

>> Matt Rodrigues: This is on the future Wednesday work session format. To give staff time to implement process changes during Council's upcoming break if you choose to move forward this topic was separated from the remaining two operating agreement suggestions that will be coming back to you after spring break. Now I'll turn it over to Katie LASALA.

>> Katie: Thank you, Matt. I think my screen is sharing, I'm sure someone will tell me if it's not. I'm city recorder. I am back to talk about the Wednesday work session format. Just quick reminders, not covered for the most part, but this conversation started within your operating agreements discussion. We were not able to get to all of the topics due to time constraints at the February 18 work session. Those additional, I know some of you had questions, additional operating agreement items come back in the spring. But today we're going to focus on Wednesday work session. You have seen the slide, as a reminder the work sessions are held in virtual-

only format. This started as budget reduction strategy implemented during the 23-25 biennium. Council has discussed coming back fully in person which would include bringing inviting the public in.

We've done some estimations of the cost associated with that. This has a breakdown more than your last presentation did. Approximately \$39,000 annually for 27 work sessions. I've got the meals broken down, \$11,000 for meals, security includes EPD support as well as support we get from the Holt center to run the security machine in the lobby, and then about \$8,000 for additional staff time to set up. Council has also discussed implementing that hybrid-in person option where Council and staff only come back, that would reduce the cost to about \$15,000 for total of 27 work sessions. Your meals would stay the same, the security costs would be eliminated, and the staff time to set up would be reduced. To about \$4,000 annually. That's a very quick presentation. I'll turn it back to the Mayor for discussion. You do have two possible motions available to you. One for the hybrid option and one for in person. I will stop sharing my screen, happy to take any questions.

>> Mayor Knudson: Thank you, Katie, thank you for the brief summary and presentation. We may need those slides back depending on Council discussion. Councilor Clark?

>> Clark: Thank you, I wondered on the line item expenditures, for security and additional staff. I'm trying to separate -- drill down on those numbers a little bit. I heard you mention the Holt center. I assume what we're enter fund transfer, within city budget from one department to another for the use of that, perhaps not. This is what I ask about drilling down on. Would those police officers and security staff be paid -- this is additional money they would not be paid otherwise? Or the staff as well. Are these additional dollars that we have to budget new dollars for or would that be something that is already covered within current budgeting.

>> Katie: Thank you for the question. The machine we have already purchased. The Holt center staffing are extra dollars. Because their staff person knowledgeable about having to use that equipment. We do through basically paying them, the CMO pays them to send staff over to support us. We are -- that's an extra cost that wouldn't be associated with the standard meeting format that we had before, or that we have currently right now.

>> Clark: It is still a city expenditure within the framework of the current budget, it wouldn't be an expenditure to the city budget am I correct about that question?

>> Katie: Those staff are not salaries full time employees. They are hourly temp, I think under temp. But I could make that more clear with an e-mail follow-up. No, it is not already an expenditure that is being paid.

>> Clark: Thank you.

>> Katie: I think you said the EPD, right now they're currently getting -- for our Monday night meetings that is overtime.

>> Clark: Thank you.

>> Mayor Knudson: Councilor Groves.

>> Groves: Thank you Katie and staff for the work you put into this. I do appreciate it. I think in person meetings are more productive. I think it is easier to carry on a conversation. I support them. At the same time I am concerned about adding any new costs right now. We're already trying to maintain a balanced budget. We are looking and considering potential new fees. I just think we need to be running on an austere cost system at this point. I will be a no vote on this unfortunately. Thank you.

>> Mayor Knudson: Councilor Kashinsky.

>> Kashinsky: Yes, I think I would agree with Councilor Groves that in-person meetings I think are much more -- produce much better collaboration and much more constructive conversation. Looking at how we can achieve that while still moving forward the cost savings, I had a couple of different questions. First of all personally, I'm buying my own lunch now for the Wednesday meetings. I would be fine with not getting off Wednesdays even if we went back to in person as part of the cost savings. The question I have with the hybrid format, where we wouldn't have the public have access to that. If we allow the media to be in person for that would we have to have the same level of security, EPD there at all?

>> Katie: My sense is yes. But basically if it's internal staff or Council we wouldn't run the machines. If it's external parties we would. That's my understanding, but Brooke might have a different opinion.

>> Brooke: I agree. I note that the definition of media is quite open and vague in terms of the state. So while it is nice to be able to extend that option for things like executive sessions, it is very challenging to regulate who is and is not media.

>> Kashinsky: With that in mind, I feel like it sounds like if we take -- do the sort of hybrid option where we're in person, public is virtual, it is really the same experience for the public as they get now. They can only watch us on the computer now. Particularly if we look at meals. I think we can get it down to, like, \$2,000 or \$3,000 to switch back to in person for us. That seems, you know, if we can do that lowest cost option and go back to in person it feels like accomplishes both goals. Thanks.

>> Mayor Knudson: Councilor Zelenka.

>> Zelenka: I'm kind of in the ain't broke don't fix it camp. It appears to be, kind of appears to be a solution looking for a problem to solve. Even if the hybrid the additional cost even if we went minimal, the benefit of us being in person seems pretty minimal especially if there's a cost associated with it. If we have a cost associated, I'd rather pay for a home energy scoring staff to do it than watch us talk. I'm not sure a hybrid one gets my vote.

>> Mayor Knudson: Councilor Yeh.

>> Yeh: Thanks. My question is are we required to provide ourselves food when we meet in person.

>> Katie: No, that's a benefit.

>> Yeh: I agree with Councilor groves and Kashinsky, I think we do better work in person. I think it is easier to communicate with people. Everything is better not staring at a screen apart from each other. But I do think that folks who are concerned about the costs are also not wrong. I think Eliza's idea that maybe we do the hybrid option but we have to brown bag our lunch, we're all adults, perfectly capable of doing that. I would be in favor of doing that. I think the benefits that we get from being in the room together outweigh the inconvenience of having to get there. That's what we did a hybrid version when we were at LCC when the public was not in the room. That seemed to work fine. I don't think there was an issue with that. I would be more than happy to do that if there are enough people interested.

>> Mayor Knudson: Councilor Keating.

>> Keating: Thank you. I am in agreement with what sounds like the majority of my colleagues in regards to Council being more effective when we can gel together in person. It is better for Council and staff relationships, with Jenny our any manager coming onboard it is a perfect opportunity for us to have just one more in person touch point and work so much better together as a team in three-dimensional space rather than this one-dimensional or two-dimensional whatever we are in the virtual space. Regards to lunch, I'm planning on eating leftovers from Monday night's Council meeting for my lunch today. I'm an adult, I can figure out what I can do for lunch. I'm not going to let that be a barrier. The hybrid approach with the aforementioned tweaks is where I'd like to see us go, with the caveat that some of us for the first six months in the new year in 2027 will be working in Salem. I would want us to recognize that it will be incredibly difficult during that time to be in person in the middle of the work day. I understand through our operating agreements that there are some carveouts for folks who might need to chime in remotely. I would like us to retain that flexibility with the goal of when we can if provided we're not ill, not working, that we can come together in person and gel together for the benefit of the entire community.

>> Mayor Knudson: Councilor leech.

>> Leech: Thank you, Mayor. I'm with the majority of my colleagues here that we do better work. When we say we do better work we mean we are better policy-makers for our community, we do better working together and with our teams and our staff. Hearing presentations from people who are coming in and doing an incredible amount of work to put together information for us. So I think we owe it to the community to put ourselves in the best space and the best possible ability for the outcomes that we want for the work that we all are very committed to doing. I don't have a problem with bringing my own lunch or having my own lunch. For me, the minimal cost is absolutely worth it, even if even one decision that we make a year is a better decision because we are able to work together more effectively. I understand, yes, I love that we are able to be hybrid. Because like right now this week, I have Covid and I can't be there in person with you. So it's good to have that option. I think it is incredibly important that we have the opportunity to be together. This is additional conversations, the ability to connect on all of these different points that we have to work on. So I'll be supporting moving forward with a hybrid option today.

>> Mayor Knudson: Councilor Clark.

>> Clark: Thank you, Mayor. I just asked the questions because I was looking for a solution. I agree with almost all of my colleagues who mentioned this, I think we do much better work in Bern. It allows for other conversations to take place. For us to work out the details of things in a manner in which is more productive and leads to better decision-making. I'm entirely for it. Like Randy, I have some concerns about the cost, thus the questions I was asking what we might restructure. I do want to note, I did have a note from a constituent who knew that we were having this discussion in advance, and made what I thought was a valid point, that the public has a right to interact with us when we are having a public meeting. If we're going to be somewhere in public at a public meeting, having the public present is their right. Doesn't have anything to do with us. I think that was a valid point. If we are in city hall we should allow the general public to be in and that drives the expense issue. And thus lead to me thinking do we make the whole expense or do we don't. I'm not sure the answer of that 100%. I tend towards I don't think we should do the extra expense. But I sure do understand the value of it. Thank you.

>> Mayor Knudson: Councilor Keating.

>> Keating: I just want to share my response to the public engagement piece. Our work sessions are built, set up in a way we don't accept public comment right now anyway. We do on Monday nights -- Monday evening meetings. Obviously when there are public hearings. Any constituent can reach out to us via e-mail at any time about any topic at any time. And the public at large can view any work session or any gathering of this body at any time as they may be watching as we speak. I would encourage colleagues not to let the public participation piece or the perceived public participation piece be a barrier in that I understand it, the hybrid format doesn't change anything than what we're doing in regards to public engagement. It's a work

session for Council to hear from experts and to ask each other questions and ask experts questions. Come up with policy recommendations for implementation. I'll leave that there and encourage support of the hybrid approach as mentioned earlier.

>> Mayor Knudson: Councilor Zelenka.

>> Zelenka: My question is what is the hybrid approach? We have three costs in the AIS. I assume people are talking about minimal cost scenario, hybrid. The meals go away, and the security costs go away if we limit it to staff and us. Does the administrative support costs still -- would that still be a cost if we did the hybrid, where part of it was us in person? Like \$8,000.

>> Katie: Some of that is reduced even beyond the \$4,000 that I estimated, some of that estimation is related to food setup and cleanup. But it doesn't go away completely. There's a staff cost associated with running an in-person meeting.

>> Zelenka: \$6,000, \$7,000 in that range. Okay.

>> Matt Rodrigues you say it goes below \$4,000 Katie?

>> Katie: In the hybrid with no food it would go below \$4,000 but it's not zero. It's somewhere in between.

>> Zelenka: \$3,000 to \$4,000 for additional administrative costs. But the other ones don't need to be incurred, thank you.

>> Mayor Knudson: Councilor Kashinsky.

>> Kashinsky: I just wanted to say that I received the same I think Councilor Clark did, I do feel like that was a sort of valid perspective. If we were discussing moving from what was in person where the public could attend to a setup where the public couldn't attend I would feel a little differently about it. But as it stands right now the public can't attend this meeting except as names on a list in a box over here. So I think we're not making things worse for the public by doing it this way. That is why I ask about the media. I felt like if the media would allow us to have that representative of the public there it would be nice. But since the whole point of doing the hybrid is to save money, it doesn't save any money.

>> Mayor Knudson: Thank you, Council for that discussion. If we have concluded, I am going to turn to the Council President to put a motion forward.

>> Leech: Thank you. Move to direct the city manager to transition the Wednesday Council work sessions from the current virtual only format to a hybrid format where Council and city staff are in person and the public is virtual, to address any budgetary needs through a supplemental budget request. Do I need to amend

that to also include -- yes. And make it noted that meals will not be included in this meeting.

>> Kashinsky: Second.

>> Mayor Knudson: Thank you, Council President and Vice President. Deputy City Attorney you want to confirm that that motion meets the reason why your hand I see raised?

>> City attorney: Yes, addressed it.

>> Mayor Knudson: Thank you, Council President and Vice President. Any discussion from Council, I see Councilor Zelenka.

>> Zelenka: So does that, because it says only staff and Council, that means security costs are moot point, right? Okay, so just -- we're not doing food it is really only around \$3,000 or \$4,000. You still have the option to be remote even if you -- if you can't be here. As the Councilor.

>> Mayor Knudson: Yes. Councilor Clark?

>> Clark: I don't mean to be a stick in the mud here, I just want to ask the manager a more specific question. We have had Council meetings in person where people may feel the need to protest and know that we're there, and may want to communicate with us whether we're inviting them in by opening the door or not. Thus part of my reason for saying that people have a right to be there if we're meeting in a particular place. Would we still think it wise not to include security provisions if we're meeting in person but not having the general public invited in?

>> Matt Rodrigues: That's something that we would monitor to see if it becomes an issue. Council is able to access the main building without directly exiting the Council chambers. There are different things we can look at if that did become an issue.

>> Clark: You're comfortable with we can proceed with this without security provision?

>> Matt Rodrigues: Ultimately it's up to the Council to make that decision. We would adjust depending what we saw. If it became a concern we would definitely work with Council.

>> Clark: Okay.

>> Mayor Knudson: Councilor Kashinsky.

>> Kashinsky: This is probably way too small, but when we say the city staff and Council in person would that include any invited presenters who may not be employed by the city but are there to present to us, like the presentation today.

>> Katie: That would be my understanding of how we would facilitate a meeting where the presenter was noncity staff. Typically they have a partner shepherding them through the process.

>> Kashinsky: Thank you.

>> Mayor Knudson: City manager?

>> Matt Rodrigues: I was reminded my staff, Councilor Clark, we have security on-side during the day normally. So that is another resource we would have if we had any concerns.

>> Mayor Knudson: Thank you city manager, it's a great team. I think that concludes our additional discussion of this motion and second. I'll now take a vote for this motion. All in favor please raise your hand. Five. And all opposed? Two. The motion passes with a vote of 5-2. Thank you everyone for our meeting today. Thank you for extending our meeting to create the time for this discussion today. And to our presenters that concludes our agenda. And I now close the march 11, 2026 City Council work session. We are adjourned.