



Eugene City Council

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Eugene, OR 97401

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www.eugene-or.gov

EUGENE CITY COUNCIL AGENDA

July 13, 2022

12:00 p.m. CITY COUNCIL WORK SESSION

As the state and community recover from the COVID-19 pandemic, City Council meetings will continue to be held in hybrid format using in-person and virtual meeting technology. Information about online or other options for access and participation will be available at <https://www.eugene-or.gov/3360/Webcasts-and-Meeting-Materials>

Meeting of July 13, 2022; Her Honor Mayor Lucy Vinis Presiding

Councilors

Claire Syrett, President

Mike Clark

Randy Groves

Jennifer Yeh

Matt Keating, Vice President

Greg Evans

Emily Semple

Alan Zelenka

12:00 p.m. CITY COUNCIL WORK SESSION

1. ACTION: STREET BOND RENEWAL

2. ACTION: APPROVAL OF MOTIONS RELATING TO PRODUCTION OF A VOTER'S PAMPHLET FOR THE NOVEMBER 8, 2022, ELECTION

3. WORK SESSION: CITY MANAGER COMPENSATION

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El consejo de la Ciudad de Eugene agradece su interés en estos asuntos de la agenda. El lugar de la reunión tiene acceso para sillas de ruedas. Se puede proveer a un intérprete para las personas con discapacidad auditiva si avisa con 48 horas de anticipación. También se puede proveer interpretación para español si avisa con 48 horas de anticipación. Para reservar estos servicios llame al 541-682-5010. Las reuniones del consejo de la ciudad se transmiten en vivo por Metro Television, Canal 21 de Comcast y son retransmitidas durante la semana.

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EUGENE CITY COUNCIL AGENDA ITEM SUMMARY



Action: A Resolution Calling a City Election on November 8, 2022, for the Purpose of Referring to the Legal Electors of the City of Eugene a Measure Authorizing the Issuance of a Maximum of \$61,200,000 of General Obligation Bonds to Fund Street Preservation Projects, Walking Projects, Biking Projects, Safety Projects, and Street Tree Projects.

Meeting Date: July 13, 2022
Department: Public Works
www.eugene-or.gov

Agenda Item Number: 1
Staff Contact: Jenifer Willer
Contact Telephone Number: 541-682-6036

ISSUE STATEMENT

Council will consider placing a \$61.2 million General Obligation (GO) bond measure for street preservation projects on the November 8, 2022, ballot.

BACKGROUND

At the June 29, 2022, Work Session, City Councilors expressed an interest in having a clear process for how the walking, biking, safety and street tree funding would be programmed. The proposed resolution, Attachment A to this AIS, sets forth the criteria for selecting walking, biking, safety, and street tree projects that will be eligible for bond proceeds, providing specificity regarding the public outreach and decision-making processes that will be used to select projects, and sets forth the approximate amount of bond proceeds (of the \$15,000,000 allocated for these types of projects) that will be used for each project category.

This additional information is set forth in recitals H through I of the proposed resolution and includes the following detail on project identification, outreach, and selection:

- H.** Walking projects, biking projects, safety projects, and street tree projects are intended to address critical needs in these systems. The criteria for selecting walking, biking, safety, and street tree projects will include: (a) geographic distribution throughout the community to ensure all areas of the City benefit from the bond proceeds, balanced with projects selected to increase the equity of infrastructure across the City; (b) citizen input on walking, biking and safety and street tree needs, challenges and opportunities obtained through a variety of public outreach tools such as pop-up events, outreach to neighborhood groups and Latino, Black, and alter-abled communities, online survey, and stakeholder listening sessions; (c) assessment of where street trees are most needed along City streets including equity and urban heat island mapping and where they are

best suited in accordance with the approved street tree list; (d) the condition of shared use paths and other pedestrian and bicycle facilities; (e) triple bottom line considerations of social equity, environmental health and economic prosperity; and, (f) projects and policies identified in the Transportation System Plan, Vision Zero Action Plan, and Climate Action Plan 2.0.

- I. Using the process and criteria described in Paragraph H above, draft project lists will be developed in consultation with the Active Transportation Committee for walking projects and biking projects, the Vision Zero Advisory Committee for safety projects, and the Sustainability Commission for street tree projects. The draft project lists will be shared with the community for feedback. The final project lists will consider community feedback and guidance from the three identified committees and commissions.

The following sentence was added to Section 4 of the Resolution: “The use of bond proceeds for walking, biking, safety, and street tree projects will be based on the criteria and process set forth in this Resolution.”

Additionally, recital J of the proposed resolution provides examples of the types of walking, biking, safety, and street tree projects that would be eligible for funding with the \$15,000,000 of bond proceeds designated for these purposes, and provides additional specificity by setting forth the approximate amount of funding for each category of projects as follows:

- Walking projects - \$5 million
- Biking projects - \$3 million
- Safety projects - \$3 million
- Street tree projects - \$2 million
- \$2 million would be left unallocated to be used opportunistically for any of the four project types.

The above allocations are based on the needs of each infrastructure system, potential to leverage bond funds to pursue larger grant investments, and the ability to deliver the projects within the bond period.

COUNCIL ACTION HISTORY

Following considerable study and discussion, including forming a Council Committee on Transportation Funding and convening an ad hoc citizen Street Maintenance Task Force, Council on July 28, 2008, approved Resolution 4953, calling a city election on a measure authorizing the issuance of \$35.9 million of general obligation bonds to fund street preservation projects. The funding allocation included an average of \$350,000 for off-street path repairs. Eugene voters on November 4, 2008, passed the five-year general obligation bond to fix streets, payable from property taxes beginning November 2009 and continuing through November 2013. The taxes levied from the 2008 street bond ended in 2013.

On July 9, 2012, Council approved Resolution 5063, calling a city election on a measure authorizing the issuance of \$43 million of general obligation bonds to fund street preservation projects, and bicycle and pedestrian projects. In November 2012, Eugene voters approved Measure 20-197 that continued the City's street repair program for another five years. The new bond measure committed to fix 76 streets and provided an average of \$516,000 per year for bicycle and pedestrian projects. The taxes levied pursuant to the 2012 street bond ended in 2018.

On July 24, 2017, Council approved Resolution 5204, calling a city election on a measure authorizing the issuing of \$51.2 million of general obligation bonds to fund street preservation projects, and bicycle and pedestrian projects. In November 2017, Eugene voters again approved Measure 20-275 that continued the City's street repair program for another five years. The new bond measure funded 78 named streets repairs representing approximately 88 lane miles of streets. The 2017 measure also included an annual average of \$1 million to fund bicycle and pedestrian projects. The bond measure took effect in 2019 and continued the bond-funded pavement preservation program that was first approved by local voters in 2008. The taxes levied pursuant to the 2017 street bond end in 2023. The 2017 bond was set at \$51.2 million based on a tax rate of \$0.65 per \$1000 in assessed value. Due to new development and increases in property values, the actual tax rate implemented was \$0.63 per \$1000.

On April 25, 2022 staff presented preliminary information on a bond measure renewal. In anticipation of the expiration of the 2017 bond measure and to continue a consistent delivery of street preservation projects, staff recommended a November 2022 bond measure. Council provided their thoughts and questions about a potential bond measure renewal.

At a work session, on June 29, 2022, after review of the staff recommendations, stakeholder engagement, public opinion survey results, and discussion, Council directed the City Manager to bring Council a resolution placing a \$61.2 million GO bond measure to fix streets on the November 2022 ballot for final action. Attachment A includes the resolution referring the GO bond measure to the November 2022 ballot along with the specific list of street projects.

The \$61.2 million bond measure is expected to cost the typical homeowner in Eugene an average of \$0.63 per \$1,000 of assessed value annually over the five-year period. This rate is also the approximate average tax rate levied over the term of the 2017 bond measure. The average cost to the typical homeowner over the span of the current bond passed by voters in 2017 is projected at \$148. The average cost to the typical homeowner for the proposed 2022 bond measure is estimated at \$169.

VOTER'S PAMPHLET AND NEUTRAL INFORMATION TABLOID

Immediately following this item on the council agenda is an item that requests funding for a voters' pamphlet and assignment of councilors to serve on the proponent committee.

The City has prepared neutral information tabloids for some of the prior street bond measures. Council is asked to decide whether to prepare a neutral information tabloid for the 2022 bond measure. The estimated cost is \$25,000.

TIMING

Based on the timelines for the November election, in order place the street bond measure on the November 8, 2022, ballot, Council must adopt a resolution placing the measure on the ballot prior to City Council's summer break (July 28 – September 11).

RELATED CITY POLICIES

City Council continues to support initiatives to adequately fund the transportation system for people who drive, walk, and ride bicycles, including maintenance and preservation and capital reconstruction.

COUNCIL OPTIONS

Council could adopt the resolution as presented in Attachment A, make changes to the resolution, or take no action.

If Council adopts the resolution placing the bond measure on the ballot, Council could direct staff to prepare a neutral information tabloid.

CITY MANAGER'S RECOMMENDATION

The City Manager recommends approving the resolution and directing that a neutral information tabloid be prepared.

SUGGESTED MOTIONS

Move to adopt Resolution No. 5364, A Resolution Referring a GO Bond Measure to the November 2022 Ballot to Fund Street Preservation Projects, Walking Projects, Biking Projects, Safety Projects, and Street Tree Projects.

And

Move to direct the City Manager to prepare a neutral information tabloid for the GO bond measure, and request that the City Manager include the cost for the tabloid on supplemental budget #1 in December.

ATTACHMENTS

A. Resolution No. 5364, A Resolution Referring a GO Bond Measure to the November 2022 Ballot.

FOR MORE INFORMATION

Contact: Twylla Miller, Finance Director
Telephone: 541-682-8417
Staff E-Mail: tmiller@eugene-or.gov

Contact: Jenifer Willer, PE, City Engineer
Telephone: 541-682-6036
Staff E-Mail: jwiller@eugene-or.gov

RESOLUTION NO. 5364**A RESOLUTION CALLING A CITY ELECTION ON NOVEMBER 8, 2022, FOR THE PURPOSE OF REFERRING TO THE LEGAL ELECTORS OF THE CITY OF EUGENE A MEASURE AUTHORIZING THE ISSUANCE OF A MAXIMUM OF \$61,200,000 OF GENERAL OBLIGATION BONDS TO FUND STREET PRESERVATION PROJECTS, WALKING PROJECTS, BIKING PROJECTS, SAFETY PROJECTS, AND STREET TREE PROJECTS.****The City Council of the City of Eugene finds that:**

A. Since the first street bond approved by voters in 2008, the City has repaired over 230 lane miles of streets by using the \$35.9 million five-year bond measure approved by voters in November 2008, a \$43 million five-year bond measure approved by voters in November 2012, and a \$51.2 million five-year bond measure approved by the voters in November 2017, the latter of which included an annual average of \$1 million to fund bicycle and pedestrian projects.

B. The revenues from the local gas tax, and the 2008, 2012, and 2017 bond measures have helped reduce the backlog of street repair projects. Nevertheless, the 2021 Pavement Management Report calculated that the backlog of repairs on improved asphalt streets is \$87.6 million. This backlog is projected to continue to grow unless there is funding that is both sufficient and sustainable. The taxes levied from the 2017 street bond end in 2023. Streets that have failed to the point of reconstruction create safety problems and cause vehicle repair problems, make walking, biking or driving on the streets uncomfortable, interfere with economic activity and diminish the quality of life.

C. In order to address the funding shortfalls with the City's street maintenance and preservation program, and to address critical transportation system needs related to walking, biking, safety, and street trees, the City Council determined that a General Obligation Bond measure generating approximately \$61.2 million in bond proceeds annually should be referred to voters. Of that amount, the Council determined that an annual average of \$3 million should be allocated over a period of five years to fund walking projects, biking projects, safety projects, and street tree projects.

D. The bond proceeds will be used to overlay or reconstruct the driving surface of streets as well as to preserve existing integral elements of the street such as curbs, gutters, sidewalks, on-street bike lanes, traffic signals, street lights, medians, traffic calming devices, and other integral parts of a street preservation project. These preservation efforts will be undertaken only to preserve existing elements, not to expand the motor vehicle capacity of the street system. In addition, the City will allocate an annual average of \$3 million of the bond proceeds over a period of five years, approximately \$15 million in total, to fund walking projects, biking projects, safety projects, and street tree projects.

E. A general obligation bond measure of \$61.2 million would fund approximately \$45.9 million in specific street preservation projects, approximately \$15 million in walking

projects, biking projects, safety projects and street tree projects, and approximately \$300 thousand in bond issuance costs over a period of five years. The \$45.9 million for street preservation projects represents 42 streets that would repair an estimated 44.6 lane miles of roads. The \$61.2 million figure accounts for \$11.3 million per year for five years at an inflation factor of 4%.

F. The measure is expected to cost an average of \$0.63 per \$1000 of assessed value each year for five years. For an average homeowner in Eugene, this would be about \$169 per year. This rate is also the approximate average tax rate levied over the five years of the 2017 bond measure. The taxes would first be levied in November 2024, after the 2017 bond taxes end in 2023.

G. The criteria for choosing bond street preservation projects included: (a) use of the most current engineering and cost-benefit information about needed street rehabilitation and reconstruction; (b) citizen input with respect to prioritizing major streets in need of reconstruction; and (c) geographic distribution throughout the community to ensure all areas of the City benefit from the bond proceeds. Bond proceeds will be used only for street preservation projects included in the list of projects attached as Exhibit A to this Resolution. If all of the projects listed in Exhibit A are completed and there are bond proceeds remaining, the Council may add other street preservation projects to the list.

H. Walking projects, biking projects, safety projects, and street tree projects are intended to address critical needs in these systems. The criteria for selecting walking, biking, safety, and street tree projects will include: (a) geographic distribution throughout the community to ensure all areas of the City benefit from the bond proceeds, balanced with projects selected to increase the equity of infrastructure across the City; (b) citizen input on walking, biking and safety and street tree needs, challenges and opportunities obtained through a variety of public outreach tools such as pop-up events, outreach to neighborhood groups and Latino, Black, and alter-abled communities, online survey, and stakeholder listening sessions; (c) assessment of where street trees are most needed along City streets including equity and urban heat island mapping and where they are best suited in accordance with the approved street tree list; (d) the condition of shared use paths and other pedestrian and bicycle facilities; (e) triple bottom line considerations of social equity, environmental health and economic prosperity; and, (f) projects and policies identified in the Transportation System Plan, Vision Zero Action Plan, and Climate Action Plan 2.0.

I. Using the process and criteria described in Paragraph H above, draft project lists will be developed in consultation with the Active Transportation Committee for walking projects and biking projects, the Vision Zero Advisory Committee for safety projects, and the Sustainability Commission for street tree projects. The draft project lists will be shared with the community for feedback. The final project lists will consider community feedback and guidance from the three identified committees and commissions.

J. Examples of the types of walking, biking, safety, and street tree projects that would be eligible for funding with the \$15,000,000 of bond proceeds designated for these purposes, and the approximate amount of funding for each category of projects, are as follows:

- **Walking Projects:** Include projects such as construction, reconstruction, or rehabilitation of sidewalks, shared-use paths, shared use path bridges, enhanced pedestrian crossings, street and path lighting, safe routes to school, and other

projects associated with improvements to walking and the elements integral to these infrastructure systems.

- Approximately \$5,000,000 of bond proceeds will be used for walking projects.
- Biking Projects: Include projects such as construction, reconstruction, or rehabilitation of on-street bicycle facilities, bicycle parking, shared-use paths, shared-use path bridges, enhanced bicycle crossings, street and path lighting, safe routes to schools, and other projects associated with improvements to biking and the elements integral to these infrastructure systems.
 - Approximately \$3,000,000 of bond proceeds will be used for biking projects.
- Safety Projects: Include projects such as construction, reconstruction, or rehabilitation of traffic signals and other forms of traffic control, intersections, street medians, street accesses, street lighting, safe routes to school, traffic calming, and other projects associated with improvements to safety and the elements integral to these infrastructure systems.
 - Approximately \$3,000,000 of bond proceeds will be used for safety projects.
- Street Tree Projects: Include projects such as planting of street trees, removal of stumps and hazard trees, preparation of soil, watering to establish the street trees, alterations to curbs and gutters and sidewalks if needed to accommodate street trees and other elements integral to these infrastructure systems.
 - Approximately \$2,000,000 of bond proceeds will be used for street tree projects.
- Approximately \$2,000,000 of bond proceeds will remain unprogrammed and available to be used for walking projects, biking projects, safety projects, or street tree projects to allow the potential to leverage grant funding or other opportunities to leverage funds, achieve economies of scale, or other opportunities for multi-objective project benefits.

K. In order to promote accountability in the use of bond proceeds, the City Manager will contract with an outside auditor to prepare an annual written report on the use of the bond proceeds. The auditor will ascertain and report on whether the bond proceeds were used for the authorized purposes and in compliance with the restrictions set forth above. The City Manager will provide the report to the Council and make the report publicly available.

L. To further promote accountability and citizen involvement in street preservation projects, the City Manager will convene the citizen street repair review panel. The citizen street repair review panel will prepare an annual report, separate and distinct from the report prepared by the outside auditor, documenting the City's use of the bond proceeds and noting whether the bond proceeds were used in compliance with the terms of this Resolution. The City Manager will

provide the street repair review panel's report to the Council and make the report publicly available.

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EUGENE, a Municipal Corporation of the State of Oregon, as follows:

Section 1. A city election is called for the purpose of submitting to the qualified electors of the City a Measure authorizing the issuance of a maximum of \$61,200,000 of General Obligation bonds to fund street preservation projects, walking projects, biking projects, safety projects, and street tree projects.

Section 2. The City Council orders this City election to be held in the City of Eugene, Oregon, concurrently with the general election on the 8th day of November, 2022, in accordance with the provisions of Chapter 254 of the Oregon Revised Statutes, and the ballots shall be counted and tabulated and the results certified as provided by law.

Section 3. The City Recorder is directed to give not less than ten days' notice of the City election by publication of one notice in the Register Guard, a newspaper published in the City and of general circulation within the City.

Section 4. If approved by the electors, the proceeds from the sale of the bonds will be used only for costs related to street preservation projects, walking projects, biking projects, safety projects, and street tree projects and payment of bond issuance costs and not to expand the motor vehicle capacity of the street system. The use of bond proceeds for street preservation projects will be limited to projects included in Exhibit A to this Resolution unless upon completion of all the projects listed in Exhibit A to this Resolution the Council adds other street preservation projects to the list in order to utilize unspent bond proceeds. The use of bond proceeds for walking, biking, safety, and street tree projects will be based on the criteria and process set forth in this Resolution. An outside auditor will report on whether the bond proceeds were used in compliance with these limitations.

Section 5. This Resolution shall become effective immediately upon its adoption.

The foregoing Resolution adopted the __ day of July, 2022.

City Recorder

Street Preservation Project List for 2022 Bond Measure

Attachment A

Exhibit A

Project Location	From	To	Ward	Estimated Cost*
Chambers St	13th Ave	18th Ave	1	\$1,741,800
Grant St	18th Ave	23rd Ave	1	\$697,500
Hayes St	18th Ave	S End	1	\$697,500
Pierce St	18th Ave	23rd Ave	1	\$697,500
Willamette St	13th Ave	18th Ave	1	\$1,032,800
Agate St	Agate St	31st Ave	2	\$622,700
Harris St	NS 29th Ave	SS 29th Ave	2	\$143,100
31st Ave	Agate St	Onyx St	2	\$966,300
Huckleberry St	Pine Canyon Dr	End	2	\$124,200
Pine Canyon Dr	Vine Maple St	End	2	\$879,700
South Ridge Dr	Spring Blvd	End	2	\$261,400
Spring Blvd	N Shasta Loop	320' E of South Ridge Dr	2	\$1,125,500
Vine Maple St	Agate St	Spring Blvd	2	\$629,200
24th Ave	Columbia St	Agate St	3	\$525,900
Agate	22nd Ave	27th Ave	3	\$1,718,900
University St	23rd Ave	24th Ave	3	\$451,700
22nd Ave	Alder St	Potter St	3	\$991,400
Sunset Dr	Fairmount Blvd	Parkside Dr	3	\$859,300
Longview St	Fairmount Blvd	End	3	\$469,400
Bailey Ln	Luella St	Coburg Rd	4	\$448,700
Kinsrow Ave	Commons Dr	297' W of Chevy Chase St	4	\$772,000
Lindley Ln	MLK Jr Blvd	Bardell Ave	4	\$1,187,800
Honeysuckle Ln	Harlow Rd	970' S of Harlow Rd	4	\$355,700
Van Ave	Luella St	730' East	4	\$385,900
Jeppesen Acres Rd	Coburg Rd	Gilham Rd	4	\$2,034,400
N Delta Hwy	Ayres Rd	Green Acres Rd	5	\$2,035,100
Echo Hollow Rd	Willhi St (N)	Royal Ave	6	\$1,471,600
Ohio Street	Jessen Drive	Burnett Ave	6	\$993,600
Waite St	Hawthorne Ave	Royal Ave	6	\$660,100
Terry St	N End	Barger Dr	6	\$2,341,200
Irvington Dr	Drwy 110	NW Expressway	7	\$2,207,300
River Rd	Green Ln	Beltline Rd	7	\$2,014,900
Bethel Dr	1006 Bethel Dr	Roosevelt Blvd	7	\$2,672,700
14th Ave	Wilson Ct	City View St	8	\$787,900
Commerce St	11th Ave	13th Ave	8	\$559,400
Plumtree Dr	Bailey Hill Rd	End	8	\$688,200
Westleigh St	Bailey Hill Rd	650' East	8	\$680,200
Willow Creek Rd	352' S of W 11th Ave	18th Ave	8	\$1,874,400
McLean Blvd	Chambers St	Graham Dr	1,8	\$1,993,800
Club Rd	MLK Jr Blvd	Cedarwood Dr	4,5	\$887,300
County Farm Rd	Dale Ave	Kinney Lp	4,5	\$792,000
Country Club Rd	Southwood Ln	Cedarwood Dr	4,5	\$430,400
River Rd	Wedgewood Dr	Green Ln	5,7	\$2,959,800

Total Estimated Project Costs \$45,870,200

**Estimated costs are for informational purposes only and will be adjusted based on actual project costs*

EUGENE CITY COUNCIL AGENDA ITEM SUMMARY



Action: Approval of Motions Relating to Production of a Voters' Pamphlet for the
November 8, 2022, Election

Meeting Date: July 13, 2022
Department: Central Services
www.eugene-or.gov

Agenda Item Number: 2
Staff Contact: Katie LaSala
Contact Telephone Number: 541-682-5010

This agenda item is contingent on the Council voting to refer a GO Bond for street preservation to the voters at the November 8, 2022, election.

ISSUE STATEMENT

The purpose of this item is to initiate the production of a voters' pamphlet for the general election on November 8, 2022, and to appoint the members of the voters' pamphlet proponent committee.

BACKGROUND

On July 13, 2022, the Council is scheduled to take action on a resolution placing a general obligation (GO) bond for street preservation on the November 2022 ballot.

EC 2.993 (2) requires the city manager to publish and distribute a local voters' pamphlet for elections in which a city measure is on the ballot.

EC 2.996 (1)(b) establishes that for City Council-referred measures, the argument in favor and the rebuttal to the opposition argument are to be prepared by one or more of the councilors who voted in favor of the measure.

Production of a voters' pamphlet is not a regularly budgeted item. Production costs, including mailing, for the voters' pamphlets the past few years have averaged between \$20,000 and \$25,000.

The time required for printing a pamphlet and preparing it for mailing are set by production schedules of mailing services and commercial printers. Pamphlet content and deadlines for its preparation and mailing are established by Eugene Code 2.993 through 2.997. To meet those deadlines, council action is needed before July 25.

COUNCIL OPTIONS

- A. The council may approve motions to direct staff to produce a voters' pamphlet using the council contingency, or another funding source

and

- B. Appoint councilors to a proponent committee.

CITY MANAGER'S RECOMMENDATION

The City Manager recommends approval of the motions to produce and pay for a voters' pamphlet using the council contingency fund and to appoint members of the proponent committee.

SUGGESTED MOTIONS

- A. Move to direct the City Manager to publish and distribute a local voters' pamphlet for the election scheduled for November 8, 2022, on a GO bond to fund street preservation, and to authorize the expenditure of funds from the General Fund council contingency account that are required to produce that voters' pamphlet.

and

- B. Move to appoint councilors _____, and _____ to the voters' pamphlet proponent committee for the Street Preservation GO Bond ballot measure.

ATTACHMENTS

None.

FOR MORE INFORMATION

Staff Contact: Katie LaSala, City Recorder
Telephone: 541-682-5010
Staff E-Mail: klasala@eugene-or.gov

EUGENE CITY COUNCIL AGENDA ITEM SUMMARY



City Manager Compensation

Meeting Date: July 13, 2022
Department: Central Services
www.eugene-or.gov

Agenda Item Number: 2
Staff Contact: Keri Beraldo
Contact Telephone Number: 541-682-5765

ISSUE STATEMENT

The employment contract with City Manager Sarah Medary stipulates that the City Council will, at the time of the annual performance evaluation, consider increasing Medary's compensation. However, it was generally decided that consideration of increasing Medary's compensation will occur *subsequent* to the annual performance evaluation, not simultaneous with the annual performance evaluation. The annual performance evaluation was completed on December 15, 2021 and today's work session is to discuss options for considering an increase in Medary's compensation.

BACKGROUND

City Manager Medary was hired on June 15, 2020, and, at the time of hire, a market review was conducted to inform the compensation package. Medary's annual salary at the time of hire was set at \$218,000. Her employment contract provides that she will receive cost of living/market adjustment pay at the same time each year and at the same percentage given to the non-represented employee group. Based on these adjustments, Medary's current annual salary is \$232,169.

Under the previous City Manager's employment contract, merit-based adjustments were determined through a rating system that was part of the Councilor's annual evaluation process. Specifically, as part of Councilors' performance evaluation of the prior City Manager the Councilors rated the City Manager on a scale of 1 to 5. These individual Councilor ratings were compiled, resulting in a weighted average that determined whether the City Manager was eligible to receive a merit increase of 0%, 3%, or 5%. The current employment contract with Medary provides that the Council will annually consider a merit increase to her compensation, however, there is not any associated rating factor that dictates what that compensation increase should be.

Currently, the City Council does not have a salary range established for the City Manager position. Establishing a salary range for the City Manager position, and then setting Medary's salary within that range, instead of establishing a single compensation number for Medary, will benefit the Council's future discussions regarding merit increases for Medary. Additionally, establishing a salary range for a position and placing the individual within that range is consistent with the City's overall practice.

July 13, 2022 Work Session – Item 3

Attachment A to this AIS is market data intended to inform Council's discussion and establishment of a salary range for the City Manager position. The attached market data includes some of the same comparable jurisdictions that were used in 2020 when Medary was hired. While not all of the jurisdictions included in Attachment A had a salary *range* for the manager/director position, a salary range based on the median minimum and median maximum salaries set forth in Attachment A, would put the salary range for the City Manager position at \$220,000 - \$281,760. However, the City Council is free to establish whatever salary range for the City Manager position that it deems appropriate.

Once Council establishes the salary range for the City Manager position, Medary will need to be placed within that range. As noted earlier, Medary's current salary is \$232,169. The executive recruitment firm SGR has previously stated that, generally, a city manager's salary will be at least 10% higher than the highest paid executive position in the organization; a salary 10% higher than the salary of the highest paid City executive would be \$252,013. As discussed below, the Council can either set Medary's salary within the established salary range or authorize the Council President to negotiate with Medary a salary within the established salary range.

COUNCIL OPTIONS

This work session is an opportunity for the City Council to discuss and approve a salary range for the City Manager position and then either place Medary within that range or authorize the Council President negotiate that placement with Medary.

POSSIBLE MOTIONS:

Move to authorize the Council President to execute an amendment to City Manager Sarah Medary's employment contract establishing a City Manager salary range of [_____] to [_____] annually, setting Medary's compensation at [_____] effective July 17, 2022, updating "market adjustment pay" (or MAP) references to read "cost of living allowance" (or COLA) for purposes of annual salary and position range adjustments consistent with non-represented staff, and updating the schedule for Medary's annual performance evaluation and merit compensation increases.

or

Move to authorize the Council President to execute an amendment to City Manager Sarah Medary's employment contract establishing a City Manager salary range of [_____] to [_____] annually, setting Medary's compensation within the established salary range effective July 17, 2022, updating "market adjustment pay" (or MAP) references to read "cost of living allowance" (or COLA) for purposes of annual salary and position range adjustments consistent with non-represented staff, and updating the schedule for Medary's annual performance evaluation and merit compensation increases.

ATTACHMENTS

A. Market data

FOR MORE INFORMATION

Staff Contact: Keri Beraldo

Telephone: 541-682-5765

Staff E-Mail: kberaldo@eugene-or.gov

ATTACHMENT A: MARKET DATA

City Manager Market Jurisdictions												
Jurisdiction	Pop.	Reg.# EEs	Annual City Budget	Job Title	Min Salary	Max Salary	Deferred Comp	Auto Allowance	Cell Phone Allowance	City Paid Employee Portion 6% to PERS	Misc.	Total Comp
¹ Salem, OR	175,535	1,290	\$ 784.5	City Manager	\$220,000	\$ 250,000	\$ 15,000	\$ 6,000	\$ -	\$ 16,260		\$ 287,260
² Gresham, OR	114,247	613	\$ 725.7	City Manager		\$ 213,200	\$ -	\$ 6,000	\$ -	\$ 14,687	\$ 25,584	\$ 259,471
³ Hillsboro, OR	106,447	820	\$ 658.0	City Manager		\$ 225,993	\$ 13,800	\$ 5,700	\$ 900		\$ 5,520	\$ 251,913
⁴ Tacoma, WA	219,346	3,952	\$ 3,700.0	City Manager	\$227,281	\$ 291,470	\$ 19,000				\$ 1,516	\$ 311,986
⁵ Tempe, AZ	180,587	1,800	\$ 1,126.8	City Manager	\$210,269	\$ 281,760	\$ 24,357			\$ 34,121		\$ 340,238
⁶ Fort Collins, CO	169,810	1,600	\$ 734.4	City Manager	\$223,740	\$ 350,000	\$ 45,500	\$ 9,000	\$ 1,512			\$ 406,012
⁷ Bellevue, WA	151,854	1,316	\$ 850.0	City Manager		\$ 326,981	\$ 20,273	\$ 5,400	\$ 780	\$ 42,050		\$ 395,484
EWEB		523	\$ 329.0	General Manager		\$ 355,967	\$ 10,000		\$ 924	\$ 22,013		\$ 388,904
Lane County, OR	382,971	1,552	\$ 974.8	County Administrator	\$156,071	\$ 226,264	\$ 22,626	\$ 7,200	\$ 840	\$ 15,416		\$ 272,346
Average					\$207,472	\$ 280,182	\$ 18,951	\$ 6,550	\$ 708	\$ 24,091	\$ 10,873	\$ 323,735
Median					\$220,000	\$ 281,760	\$ 19,000	\$ 6,000	\$ 840	\$ 19,137	\$ 5,520	\$ 311,986

City of Eugene - City Manager Current Salary and Total Compensation

Eugene	176,654	1,546	\$ 793.7	Sarah Medary		\$ 232,169	\$ 15,000	\$ 5,980	\$ 780	\$ 15,236		\$ 269,165
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Footnotes:

Note: Oregon PERS Calculations: Include Base Salary, Auto, Cell and Deferred Compensation

¹Salem, OR: City Manager currently being recruited at \$220,000 - \$250,000. City cell phone is provided.

²Gresham, OR: Misc. - 1% of base salary in lieu of HRA/VEBA (it's paid in the same way as auto allowance so it is subject to PERS). No cell phone allowance.

³Hillsboro: City Manager pays own PERS. Misc. - 2% VEBA.

⁴Tacoma, WA: Misc. - Parking is provided, \$1,516/yr. Employee pays employee portion of retirement (in relation to retirement system).

⁵Tempe, AZ: No auto/cell provided. Arizona state retirement system is 12.11%.

⁶Fort Collins, CO: Employer contributes 10% in 401 plan and 3% in 457 plan, as note in deferred comp section.

⁷Bellevue, WA: DRS PERS at 12.86%.

DATA IN RED IS FROM 2020; PENDING RESPONSE FROM JURISDICTION