



CITY COUNCIL
March 18, 2014
Council Chambers • 777 SW Deschutes Avenue

COUNCIL MEMBERS

George Endicott
Mayor

Tory Allman
Councilor

Joe Centanni
Councilor

Camden King
Councilor

Ginny McPherson
Councilor

Ed Onimus
Councilor

Jay Patrick
Councilor

MARCH 18, 2014 SPECIAL WORKSHOP AGENDA 6:30 P.M.

I. CALL TO ORDER

II. FUND BASELINES FOR FY 2014/1015 BUDGET

- A. General Operating Funds:
 - i. Police Exhibit 1
 - ii. Parks Exhibit 2
 - iii. Transportation Exhibit 3
 - iv. CDD Exhibit 4
- B. Urban Renewal Funds Exhibit 5
- C. Internal Service Funds
 - i. Engineering Exhibit 6
- D. Enterprise Funds
 - i. Water Exhibit 7
 - ii. Wastewater Exhibit 8
 - iii. Stormwater Exhibit 9
 - iv. Golf Exhibit 10
 - v. Airport Exhibit 11
- E. Internal Service Funds (Continued)
 - i. Administration Exhibit 12

III. ADJOURN

Regular Council meetings are broadcast live on COTV11 – BendBroadband Channel 11 beginning at 6:30 p.m. on the 2nd and 4th Tuesdays of each month. Rebroadcasts are scheduled for the non-meeting Tuesdays at 6:30 p.m.

Anyone needing accommodation to participate in the meeting must notify Mike Viegas, ADA Coordinator, at least 48 hours in advance of the meeting at 541-504-3032, or through the Telecommunications Relay Service (TRS) which enables people who have difficulty hearing or speaking in the telephone to communicate to standard voice telephone users. If anyone needs Telecommunications Device for the Deaf (TDD) or Speech To Speech (STS) assistance, please use one of the following TRS numbers: 1-800-735-2900 (voice or text), 1-877-735-7525 (STS English) or 1-800-735-3896 (STS Spanish).

The City of Redmond does not discriminate on the basis of disability status in the admission or access to, or treatment, or employment in, its programs or activities

POLICE FUND

MANAGEMENT AND PERSONNEL SUMMARY

Department Head: Chief Dave Tarbet

Represented: 38

Total Full-Time Employees: 44

Non-Represented: 6

OVERVIEW

The Police Department is responsible for the enforcement of state and local laws in the City of Redmond and has the primary responsibility for enforcement of the Municipal Code. The department is still rebuilding from reductions in staffing which occurred over the previous years.

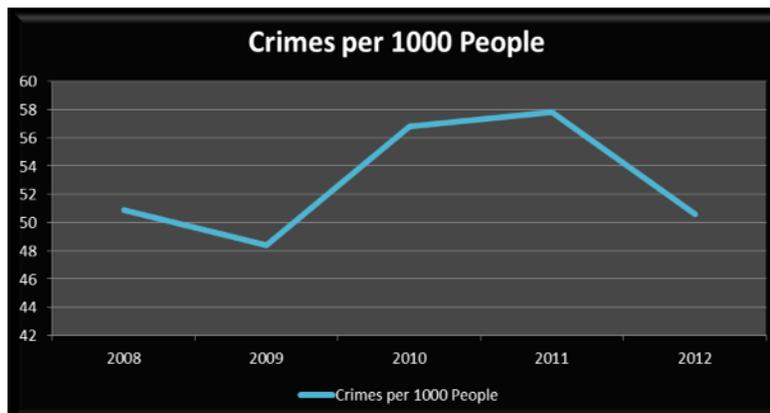
AREAS OF FOCUS FOR FISCAL YEAR 2014/15

CRIME RATE: With Redmond having a significantly high crime rate at 50.6 crimes per 1000 population. The main focus for FY14/15 will be to lower the rate by 10 percent by employing focused enforcement efforts conducted through ancillary assignments, intelligence-based policing, and the regular patrol function. The Street Crimes Unit (SCU) ancillary assignment is funded with General Fund resources since the original State grant funding has been exhausted. The SCU impacts the crime rate substantially through focused enforcement efforts directed at repeat offenders, as does the addition of two new officers.

TRAINING: To keep pace with technology an Evidence Community Service Officer (CSO) is slotted to attend the Secret Service Computer Forensic Institute for a five week training course – valuable skills will be learned and used for digital evidence gathering upon his completion of the course in 2014. Other departmental training and education efforts are maintained and management training and higher education are strongly encouraged. As a result, 13 managers and supervisors possess bachelor degrees and requisite DPSST supervisory or management certificates. The Department was granted reaccreditation by the Oregon Accreditation Alliance (OAA) in January 2014.

KEY METRICS

The overall performance measure for next year is a continued reduction in Redmond’s crime rate. The two additional officers will help decrease call load per officer lending to increased proactive enforcement efforts directed at crime. The following chart illustrates crimes committed per 1000 people (for comparison purposes, the 2012 national average is 38.7 crimes per 1000 people);



Call Load Metric:

	<u>2012</u>	<u>2013</u>	<u>Goal</u>
Call Load per Officer	980	858	700-800

OVERVIEW OF MAJOR PROJECTS OR INITIATIVES OR STRATEGIES

Council Goal 1 – Sustain Operations

-Following completion of the recruitment, hiring, and training programs for two new officers, the Traffic Unit will be reestablished. Traffic safety is a priority of the Police Department for purposes of increasing safety and reducing accidents.

- The addition of two more positions in FY13/14 will promote proactive patrol efforts to prevent crimes from occurring, aid in reducing the call load per officer, and expedite multi-officer response to serious crimes in progress.

-The Street Crimes Unit overtime funding is paramount to help address the high crime rate in Redmond. During the previous grant term funding the SCU, the crime rate was driven down substantially due to the focused enforcement and investigative efforts directed at repeat offenders and drug abusers.

- Sustain Patrol Vehicle Replacement Plan. Three vehicles - Police Packaged SUVs – are planned to be ordered in FY14/15. These vehicles offer better visibility, safer navigation on slick roads, improved ergonomics for easier entry and exit by officers and more storage space for required equipment.

Council Goal 3 – Preserve and Enhance the City’s Infrastructure

- Following the assessment of the first phase of the security cameras in the parks (to be presented to Council in March 2014), the Police Department will evaluate crime statistics and locations of occurrence. The Council may need to determine if installing more cameras is a priority and identify funding to cover the previously approved project cost. The amount for the remaining project is approximately \$50,000.

Council Goal 8 – Regional Cooperation

- During FY 13/14, an additional \$50k has been reserved for the multi-agency radio system upgrade, bringing the total amount reserved for Redmond’s anticipated expenses to \$150k. The actual cost may be partially paid through a levy or bond through Deschutes County, depending on the total cost and taxpayer support in the future. Estimated timeframe for actual upgrade to occur is 2-4 years.

PARKS AND FACILITIES FUND

MANAGEMENT AND PERSONNEL SUMMARY

Department Head: Bill Duerden

Represented: 7

Division Manager: Curt Peterson

Non-Represented: 1

Total Full-Time Employees: 8

OVERVIEW

The Parks and Facilities Division develops and maintains the City's park system comprised of 26 developed parks, 3.8 miles of Dry Canyon Trail, 12 flush restrooms and over 250 acres of undeveloped open space. The division also maintains and operates a 20-acre cemetery. Activities associated with this division include maintenance of the irrigation system, pesticide/herbicide application, playground equipment inspection, restroom cleaning and repairs, trash pickup and mowing. In addition, the division maintains landscaping within the round-a-bout and entrance gateways, the downtown hanging baskets and landscaped areas, more than 700 trees, and coordinates numerous volunteer activities and special events within the community.

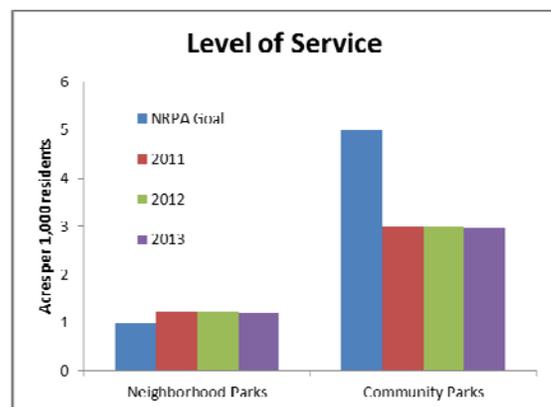
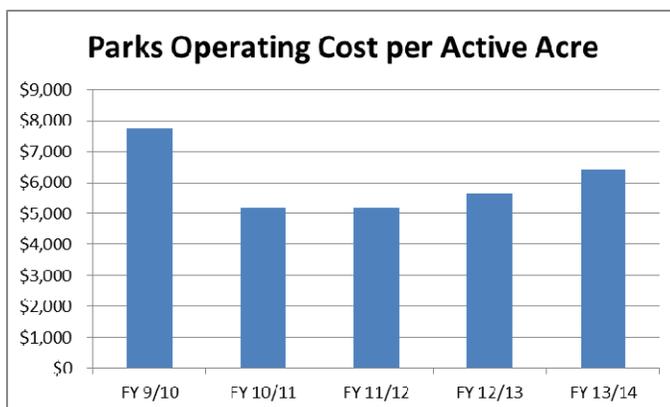
The division also owns, operates and property manages ten public facilities totaling 150,000 square feet. This work includes custodial support, a full time electrician, basic maintenance activities (painting, minor plumbing, etc.), snow removal, and administration of contractual services as needed (fire protection systems, HVAC work renovations, etc.).

AREAS OF FOCUS FOR FISCAL YEAR 2014/15

For FY14/15 the most significant issues affecting the Parks and Facilities Division are:

- Begin to address a backlog of maintenance, capital equipment needs, and capital improvement projects stemming from several consecutive years of inadequate funding levels.
- Determine a multi-year funding strategy for maintaining existing assets and expanding amenities for the community.
- Continue work that is underway focused on energy conservation and energy saving investments within the City's public facilities.
- Filling a management position vacated in 2012 will allow the division to be more proactive and strategic.

KEY METRICS



OVERVIEW OF MAJOR PROJECTS OR INITIATIVES OR STRATEGIES

Council Goal 1 – Sustain Operations

- Continue to seek ways for the City to be more energy efficient in operations. Through work which began in FY13/14 the City will identify areas of energy inefficiencies within our facilities and develop and execute projects to address them.

Council Goal 3 – Preserve and Enhance the City's Infrastructure

- Increase focus on preserving and enhancing existing park assets. Addressing a backlog of more than \$1.5 million in projects and several playgrounds well past their 20-year expected life should begin in FY14/15. With input from the Parks Commission, incorporate a prioritized listing of park projects with the Integrated Capital Maintenance Plan to strategically address deficiencies within the park system.

- Continue to develop park infrastructure to meet community needs. Update the Parks Master Plan/CIP and assess associate impact to SDCs. Evaluate SDC methodology for potential assessment to commercial development recognizing employee use of park assets and the ability to draw new employees to the region (trails, Centennial Park, etc.).

- Continue to seek and utilize outside revenue sources for infrastructure improvements. In FY13/14, the City submitted the Homestead Canal Trail project for funding through the State's *ConnectOregon V* program. If the City is successful in this very competitive program (108 projects totaling \$129 million vying for \$42 million in available funds), funds will be available for execution of the project in FY14/15.

TRANSPORTATION FUND

MANAGEMENT AND PERSONNEL SUMMARY

Department Head: Bill Duerden

Division Manager: Rob Peters

Total Full-Time Employees: 20 (6 for PW Admin.)

Represented: 11

Non-Represented: 9 (6 for PW Admin.)

OVERVIEW

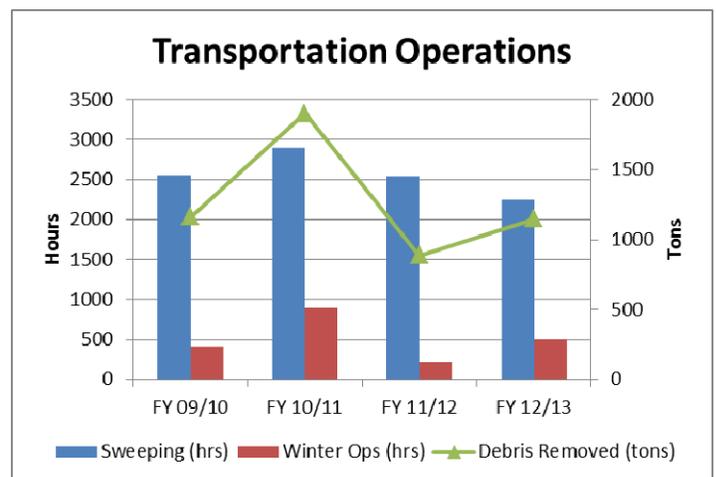
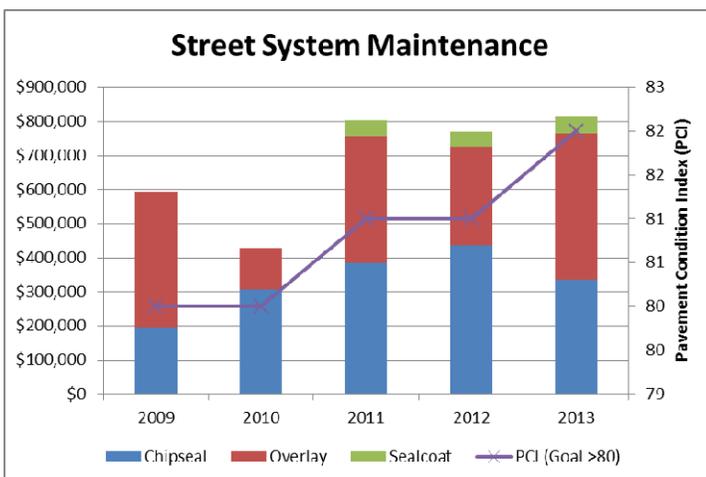
The Transportation Division is responsible for providing and maintaining the public facilities necessary to allow drivers, cyclists and pedestrians to safely travel within city limits. This is accomplished through a variety of core functions to include a pavement management program, traffic signs and markings, school zone beacons, pedestrian crossings, sidewalk/ADA maintenance, roadside vegetation management, tree trimming, street sweeping, and winter snow/ice removal. The division also provides support to the community by playing a role in traffic control for public events, set-up and removal of the ice rink, and replacement of the decorative street light banners.

Vehicle Maintenance falls under the Transportation Division with responsibility to provide maintenance and repairs for more than 400 pieces of equipment ranging from dump trucks to weed eaters (including vehicles for Redmond Fire & Rescue and Cascades East Transit). They are also responsible for maintaining the City's emergency generators to ensure continuity of utility service in the event of a power outage. Public Works Administration is also a sub-fund within the Transportation Fund with each of the Public Works funds contributing resources. This division provides administrative management and support for the department to include Geographic Information System (GIS) and Work Order System services.

AREAS OF FOCUS FOR FISCAL YEAR 2014/15

- Execution of capital improvement projects (funding limited) to address street/sidewalk capacity issues.
- Update to the Transportation System Plan in collaboration with ODOT to reflect updated population projections and to evaluate transportation system performance with emerging S. Highway 97 project as the replacement to the Re-route Phase Two. Assess resulting changes to Capital Improvement Project (CIP) needs and adjust System Development Charges (SDC) accordingly.

KEY METRICS



OVERVIEW OF MAJOR PROJECTS OR INITIATIVES OR STRATEGIES

Council Goal 1 – Sustain Operations

- Maintain a clean, quality vehicle fleet which is current on maintenance service in order to support critical operations across the city. Vehicles are very visible to the public and a reflection of staff efforts to be good stewards of taxpayer dollars. This will be achieved through the vehicle maintenance/operation program and a financially prudent vehicle replacement strategy. The City will maintain a Capital Vehicle and Equipment reserve to allow for a gradual accumulation of funds for the larger equipment.

- Strive to be as efficient and cost effective as possible. Investigate areas for reduced energy consumption to include exploring feasibility of purchase of street lights from utility provider. Explore savings by assuming maintenance responsibility, and changing from current light source to LED.

- Leverage existing information technology and other tools to be innovative and gain efficiency in carrying out project management responsibilities.

Council Goal 3 – Preserve and Enhance the City's Infrastructure

- Maintain existing infrastructure inventory. The street network is the City's largest asset, valued at \$150 million, and is very visible to the user. An effective pavement management system consisting of a strategic preventative maintenance program avoids a four to five times cost increase over delayed maintenance and extends the useful life by 40 percent. Sufficient funding should be allocated to pavement maintenance to achieve a reasonable pavement condition index rating in the low 80's.

- Invest in infrastructure improvements that bring value to the community. Increased CIP funding is required to address sidewalk deficiencies and continue with CIP project execution to stay ahead of capacity issues (South 97 Corridor Improvements, Eastside Industrial). Additional funding is also required to support other projects such as waterline replacement and Medical District projects (continue Business 97 corridor improvement, etc.)

- Plan for the future. Coordinate with ODOT to perform an update to the TSP/CIP and evaluate possible impact to the SDC rate.

CDD FUND

MANAGEMENT AND PERSONNEL SUMMARY

Department Head: Heather Richards

Represented: 0

Total Full-Time Employees: 9

Non-Represented: 9

OVERVIEW:

The Community Development Department (CDD) plays a central role in helping Redmond realize the vision for being a “First Choice” community for residents and businesses. This drives the department's work to diversify Redmond's demographic and economic base in order to become a healthy community into the future. The CDD Fund supports the administration of department focus areas including: Planning (Current and Long-Range), Building (Residential and Commercial Plan Review, Permitting and Inspections), Economic Development (Urban Renewal, Business Development Services, Business Licensing and Event Permitting), and Code Enforcement.

CDD saw cuts in personnel in the mid-late 2000's. As the economy improves, workload in all of these programs is increasing. The biggest issue facing CDD is managing workload, staffing and deferred planning efforts that need to be initiated.

AREAS OF FOCUS FOR FISCAL YEAR 2014/15:

Public/private partnership opportunities captured by CDD will define how the City of Redmond manages itself out of the effects of the economic recession. Working in partnership with outside stakeholders, CDD will be at the forefront of increasing the market activity in commercial, industrial and residential sectors. Many of the actions will be driven by the Redmond City Council adopted 2012 **Redmond Development Plan** (Plan) which has a goal of developing a comprehensive strategy to foster 10,000 new century jobs by 2030. These jobs were targeted to come from emerging technology sectors that generate commercial or industrial jobs while retaining and expanding our existing job base. The Plan reflects a comprehensive approach for community building and attracting commerce, investment, and livability.

Key work and focus includes:

- Invest in good, sound quality plans which improve and build upon Redmond’s current assets.
- Redmond needs to proactively create and establish...
- Take steps which acknowledge areas of overall socio-demographic weaknesses by...
- Be strategic in our deployment of resources to attract public and private investment in cause positive change to occur.
- Updating long range plans for the Transportation System; Parks and the City Comprehensive Plan.

KEY METRICS

OVERVIEW OF MAJOR PROJECTS OR INITIATIVES OR STRATEGIES

Council Goal 1 – Sustain Operations Provide or enhance current levels of operations in all facets of municipal service delivery.

-Add Office Assistant to support increasing workload in programs and projects to maintain customer service, timeliness and outcomes.

Council Goal 3 – Preserve and Enhance the City's Infrastructure

-Continue to plan and design the S US 97 improvement project and TRIP 97 in partnership with ODOT.

-Incentivize and encourage quality in-fill development.

-Continue to work with state partners on implementation of 9th Street improvements and Eastside Sewer Interceptor.

Council Goal 4 – Economic Development

-Implement the Redmond Development Plan.

-Expand business development support services such as a business database, expanding the OMEN program, exploring the Main Street program, Home Occupation support services and continuing efforts for economic gardening.

-Continue to improve development customer service by coordinating City department programs and policies as one cohesive product.

Council Goal 6 – Community Enhancement

-Implement Redmond Community Revitalization Action Plan Audit and Strategy

-Continue beautification efforts on major arterials/corridors and in neighborhoods.

-Continue to support efforts of City public art, historic preservation and planning commissions, Bicycle Pedestrian Advisory Committee, and Downtown Urban Renewal Advisory Committee

Council Goal 7 – Comprehensive Planning

-Initiate effort for Redmond 2035 Vision and Comprehensive Plan update.

-Manage significant long-range planning efforts, such as the Transportation System Plan update, Parks Master Plan update and the City Center circulation study.

-Amend Development Code to encourage Great Neighborhood Principles in existing build-out in the community.

Council Goal 8 – Regional Cooperation

-Work in partnership with Deschutes County on implementation of the Deschutes County Brownfields Grant, Deschutes County Historic Preservation Plan, Building Services and Community Development software development.

URBAN RENEWAL FUNDS

MANAGEMENT AND PERSONNEL SUMMARY

Urban Renewal Manager: Heather Richards

Work Contracted with City of Redmond (1.8 FTEs)

OVERVIEW

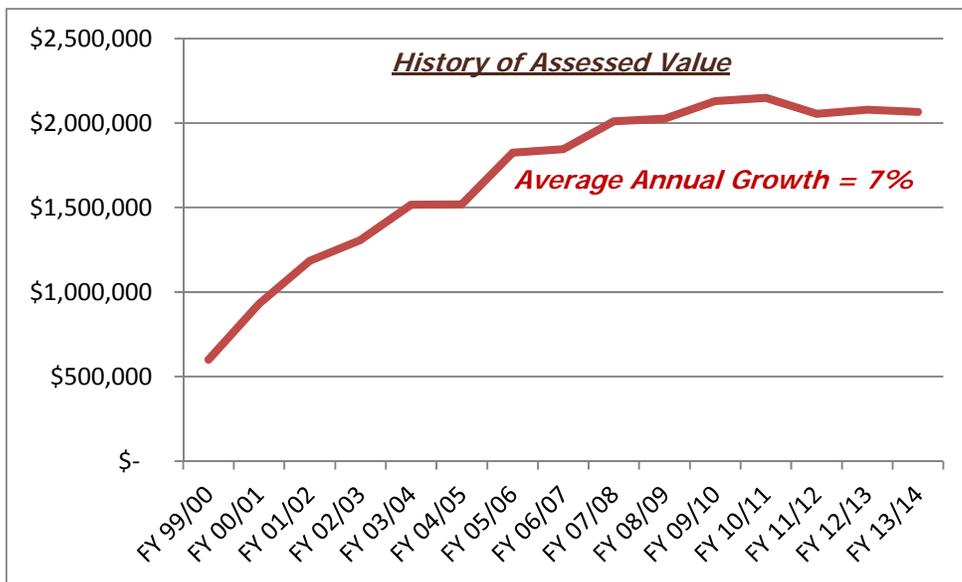
The Redmond Urban Renewal Agency (Agency) oversees the administration and implementation of Redmond’s Urban Renewal Districts and Plans. The purpose of the Agency is to eliminate blight and encourage new private investment through the use of tax increment financing. Currently there is one urban renewal district/plan: The 702-acre Downtown Redmond Urban Renewal District (URA). The URA has a maximum indebtedness of approximately \$120,000,000, and has invested approximately \$30,000,000. Past and present projects focus on public infrastructure and a variety of loan funds and programs intended to stimulate private investment and private development.

AREAS OF FOCUS FOR FISCAL YEAR 2014/15

The URA financial assumptions forecast approximately three bond issuances spread across the life of the district. Prior to the beginning of FY14/15 the Redmond City Council approved the first such bond issuance which provided the URA with the ability to be opportunistic and strategic with its investments.

- Since the economy is still marginal in Redmond, the Agency will need to carefully consider the necessary public improvements that are outlined for investment in FY14/15 to stimulate private investment and the need to reserve funds for partnering on opportunistic public/private development projects as they become available.
- Seek out private/public partnerships that will improve the tax base and create long-term sustainable jobs for the community.

KEY METRICS



OVERVIEW OF MAJOR PROJECTS OR INITIATIVES OR STRATEGIES

Council Goal #9 - Urban Renewal

The overall intent is to leverage tax increment resources by investing them in a manner that encourages new business investment in designated blighted areas that will grow the job base and strengthen and diversify the tax base in that area. A number of programs and projects will be utilized to spur investment in the Redmond Hotel, redevelopment sites such as Evergreen, as well as making infrastructure improvements to make industrial lands more attractive to private partnerships and work with the ODOT and the community on S. Highway 97 priorities.

Other areas of focus include:

- Create a readily identifiable city center that is vibrant with a mixture of offices, specialty shops, entertainment, family amenities, housing and other commercial uses by implementing planning stages for Phase II projects in the Downtown Redmond Urban Renewal Plan, including redevelopment of the Old Redmond Union High School (commonly known as Evergreen Elementary), the Family Entertainment Center, City Center Circulation Study and the Family Community Recreation Center.
- Initiate efforts for strategic public/private development projects, including soliciting developer interest, exploring land control strategies and other programs as necessary.
- Expand upon business development support services.
- Continue to improve urban design and aesthetics of the URA by continuing the Property Assistance Program, developing a Downtown Urban Design Specifications Manual and working with partners for overall cohesion and collaboration.

ENGINEERING FUND

MANAGEMENT AND PERSONNEL SUMMARY

Department Head: Mike Caccavano

Represented: 2

Total Full-Time Employees: 5

Non-Represented: 3

OVERVIEW

The Engineering Division has two main focus areas; capital infrastructure improvements and development services. Engineering is responsible for planning, designing, and managing the construction of transportation, water, wastewater, stormwater and park capital replacement and improvement projects. Engineering also provides technical services to other City departments including Community Development and Airport.

The Engineering Fund receives revenue from two sources – interfund allocations from enterprise funds in Public Works and fees for land use and public improvement plan reviews and inspection. At present, Engineering staffing is appropriate for the workload.

AREAS OF FOCUS FOR FISCAL YEAR 2014/15

Significant increases in development will create a need for more development review and inspection capacity, but will also bring in more development review revenue. Funding for capital improvement projects has a significant impact on the focus of the Engineering Division.

- The current funding level for Transportation CIP (\$0.5 million/year) is significantly lower than previous levels (\$1.3 million/year prior to FY09/10) and since the reserve has been reduced, the ability to complete future projects is restricted. Approximately \$6.5 million in Transportation CIP funds is required to complete just the motor vehicle projects in Phase 1 of the Public Facilities Plan (FY 08-15). Some of these projects can wait until growth resumes, but projects such as the re-construction of S. Canal Blvd. (\$3.3 million CIP) improvements in the medical district and sidewalk infill have a more immediate need.
- Identification of funding for infrastructure needed to serve east side industrial development is needed along with a construction sequence. The East Side Sewer Interceptor will directly impact the ability for substantial development to occur on recently annexed eastside industrial land. Wastewater SDC funds are not adequate for the project to proceed. Extension of the interceptor can be done in phases, but easements and reimbursement districts will be needed.
- Transportation improvements are also required for full development of industrial lands, particularly the connection of SE 9th Street to Airport Way.
- Preliminary design of South Highway 97 will begin in 2014. Both S. Canal Blvd. and Airport Way/SE 9th Street will serve as alternate routes when S. Highway 97 is reconstructed.

Projects that we will focus on in the upcoming fiscal year include:

- Working with ODOT on the redesign of South Highway 97
- Infrastructure improvements to serve industrial development on the east side of Redmond including extension of the Eastside Sewer Interceptor and NE and SE 9th Street improvements/connection to Airport Way/Veterans Avenue
- Construction of Phase 1 of the Homestead Canal Trail and planning and design of Phase 2
- Implementation of the bicycle and pedestrian access plans
- Design of S. Canal Blvd. modernization projects

KEY METRICS

The key metrics used in the past for Engineering was staffing workload (FTEs per mile of infrastructure). Engineering compared very favorably to cities of similar size, but this is a very static measure.

Other metrics to investigate include:

- Number and value of in-house design and construction management projects
- Overall change order percentage
- On-time project completion
- Bid price/Engineer's estimate comparison

OVERVIEW OF MAJOR PROJECTS OR INITIATIVES OR STRATEGIES

Council Goal 3 – Preserve and Enhance the City's Infrastructure

- Continued replacement of aging steel water mains, provide storm facilities where needed and support Wastewater Division with sewer repairs.
- Continued modernization of the transportation network

Council Goal 4 – Economic Development

- Provide necessary infrastructure for industrial development on the east side and other areas of Redmond.

Council Goal 6 – Community Enhancement

- Finalize and approve access plan, begin implementation.
- Complete bicycle refinement plan efforts and begin implementation.

Council Goal 7 – Comprehensive Planning

- Continue to provide input for Comprehensive Plan and Development Code updates.

Council Goal 8 – Regional Cooperation

- Work with ODOT to advance plans for South Highway 97 reconstruction and enhancement.

Council Goal 9 – Urban Renewal

- Support urban renewal capital project planning and construction.

WATER FUND

MANAGEMENT AND PERSONNEL SUMMARY

Department Head: Bill Duerden

Represented: 8

Division Manager: Dustan Campbell

Non-Represented: 2

Total Full-Time Employees: 10

OVERVIEW

The Water Division maintains and operates the City's seven potable water wells, five reservoirs and 163 miles of distribution piping to deliver high quality water to residential, commercial and industrial customers.

Core activities include: Preventative maintenance on valves and fire hydrants; operation of well-houses and treatment systems; water quality testing; maintenance and repair of the distribution system to include the Automated Meter Reading system; administration of a backflow prevention program; and performing utility locates.

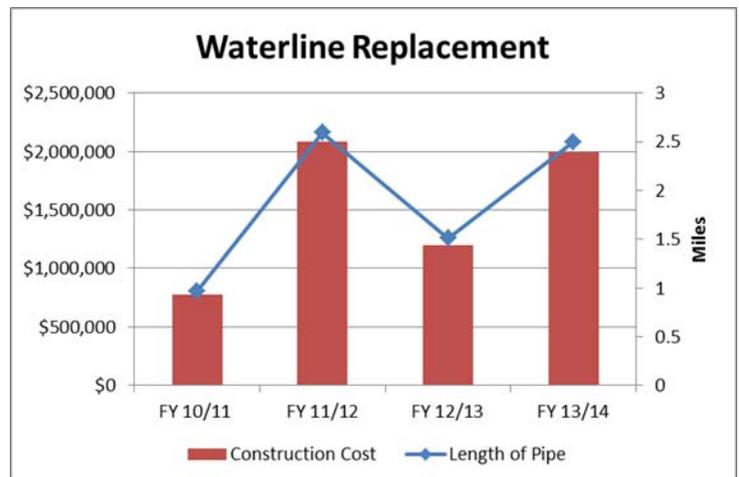
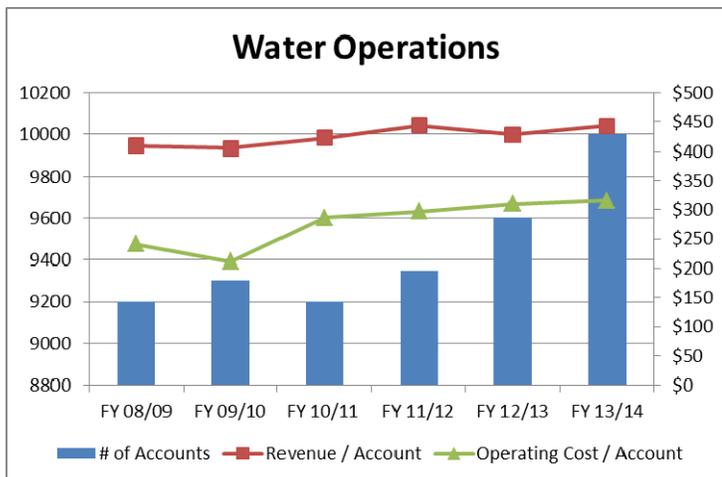
Water system operations are governed by several regulatory agencies with reporting requirements to Oregon Health Authority and Environmental Protection Agency. Additionally, development of water rights and water conservation plan requires coordination with Oregon Water Resources Department (OWRD) and Central Oregon Irrigation District.

AREAS OF FOCUS FOR FISCAL YEAR 2014/15

Entering FY14/15 capital maintenance continues to be a driving issue with about 30 miles of steel pipe that is past its expected lifespan remaining in service.

- The goal in the upcoming budget year is to replace up to 1.5 miles of pipe.
- An in-progress update to the Water System Master Plan will further refine infrastructure improvements needed to meet future growth.
- Over the course of the next fiscal year, the City will continue to incorporate the practice of implementing appropriate System Development Charges (SDCs) to fund water projects necessary to accommodate growth.

KEY METRICS



OVERVIEW OF MAJOR PROJECTS OR INITIATIVES OR STRATEGIES

Council Goal 1 – Sustain Operations

- Implementation of Consumer Engagement Software to provide customers a tool to better monitor and manage their water consumption. This tool will provide real time water use information improving conservation efforts and the ability to notice and respond to leaks in a timely manner. Implementation of this capability maintains compliance with the City's OWRD approved Water Management and Conservation Plan.

Council Goal 3 – Preserve and Enhance the City's Infrastructure

- Continued investment in Capital Maintenance is required to replace aging infrastructure. There remains about 30 miles of steel water mains in service beyond its 50-year life expectancy with some approaching 80 years old. For planning purposes, it costs on average about \$1 million to replace one mile of pipe. Timely replacement of the steel lines are necessary to avoid a major waterline break and subsequent outage.

- Infrastructure development required to keep pace with growth and to replace aging infrastructure. Ongoing update to the Water Master Plan/CIP and associated review of the Water SDCs will help refine near term infrastructure requirements. Area of focus is the continued development of Well 7 to include construction of storage reservoirs allowing us to discontinue use of the aging Antler Ave. pump station.

WASTEWATER FUND

MANAGEMENT AND PERSONNEL SUMMARY

Department Head: Bill Duerden

Represented: 10

Division Manager: Chris Miccolis

Non-Represented: 1

Total Full-Time Employees: 11

OVERVIEW

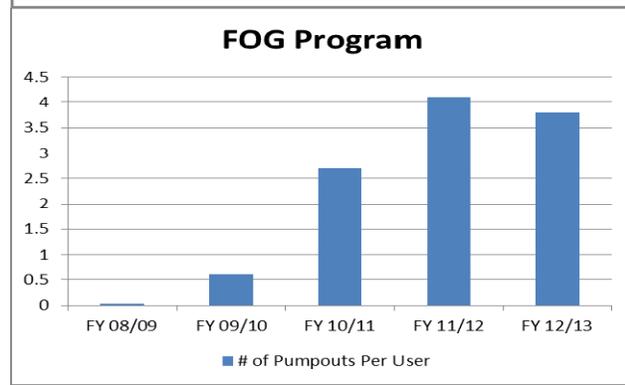
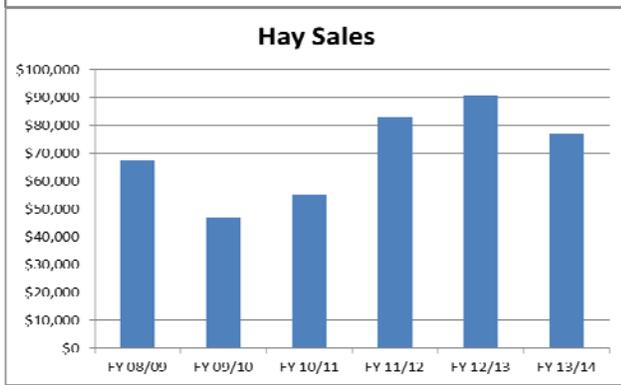
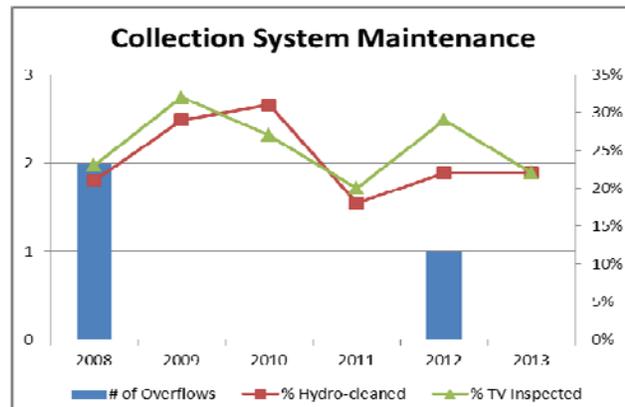
The Wastewater Division maintains and operates the 2.99 million gallon per day Wastewater Treatment Facility, 13 lift stations and 137 miles of collection piping. This treatment system is responsible for the safe conveyance of the City's industrial, commercial and residential wastewater, protecting the environment and human health. The plant features the production of recycled water and biosolids that are beneficially used at the City's 146 acre farm to grow hay and alfalfa. Core activities include monitoring and sampling of the treatment process; camera inspection; cleaning and repairing the collection piping; farming operations; and administration of an industrial pretreatment program.

AREAS OF FOCUS FOR FISCAL YEAR 2014/15

In FY14/15 future growth planning will be central aspect of the operation.

- The City will be making updates to the treatment plant and collection system Master Plan and associated effect on SDCs in order to determine what improvements are needed to support east side industrial development and assist the Community Development Department with build-out of the 1544 land (East Side Sewer Interceptor).
- Over the next 2-3 years the City will also be actively forming the DEQ mandated development of an Industrial Pre-treatment Program. Incorporating a formal pre-treatment program will reduce the demand on the treatment plant resulting in additional capacity being available for growth.

KEY METRICS



OVERVIEW OF MAJOR PROJECTS OR INITIATIVES OR STRATEGIES

Council Goal 1 – Sustain Operations

- Implementing a formal Industrial Pretreatment program will be a major undertaking over the next 2-3 years involving Wastewater Treatment and Environmental Programs Division personnel.

Council Goal 3 – Preserve and Enhance the City's Infrastructure

- A proactive inspection and cleaning program has maintained the collection system in good condition minimizing the amount of capital maintenance required. Additional infrastructure is needed to provide capacity to undeveloped areas such as the east side industrial area. The initial step for FY14/15 will be updating the Collection System Master Plan which will clarify infrastructure needs and allow for an assessment of best way to provide service ahead of development.

- Plan for future growth through an update to the Treatment and Collection System Master Plans/CIP. The update will incorporate the latest technology to refine remaining plant capacity and schedule for treatment plant improvement projects to accommodate projected growth. This investment will also help the City be ready for the opportunity for growth in the eastside industrial area.

STORMWATER FUND

MANAGEMENT AND PERSONNEL SUMMARY

Department Head: Bill Duerden

Represented: 4 (75% of 2 Sweepers)

Division Manager: Larry Morse

Non-Represented: 1

Total Full-Time Employees: 5 (75% of 2 Sweepers)

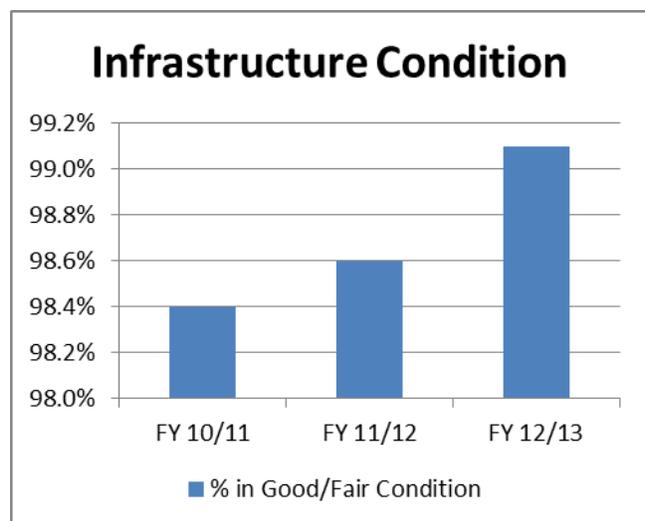
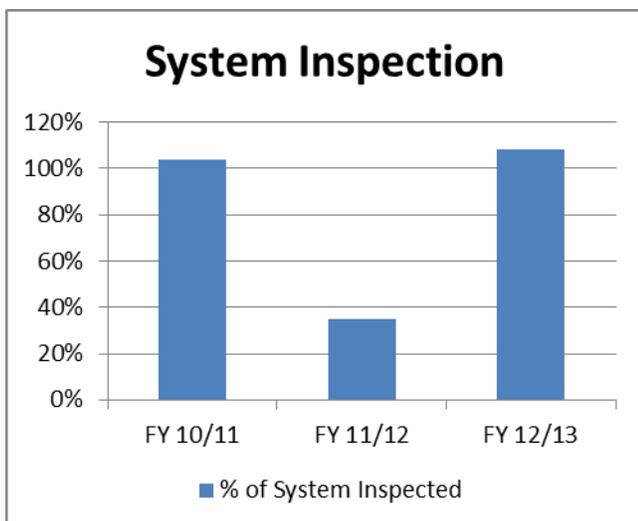
OVERVIEW

The Stormwater Fund provides for the management of both the quantity and quality of stormwater runoff from public facilities in order to prevent local flooding and protect the quality of groundwater supplies. This is accomplished through the operation and maintenance of 1,700 drywells and drill holes, 3,600 catch basins, 33 miles of pipe, and street sweeping 314 lane miles of city streets. Water quality sampling and reporting is also performed to maintain compliance with state and federal regulatory requirements.

AREAS OF FOCUS FOR FISCAL YEAR 2014/15

- One critical issue facing Stormwater is regulatory. The Department of Environmental Quality (DEQ) permits the City's Underground Injection Control (UIC) System. This permit requires the City to manage discharges, spills and related water quality issues which affect the entire UIC system (primarily drywells and drill holes). The City must also adopt legal authority to monitor, inspect, and mitigate noncompliant stormwater discharges to the City UIC system from all public and private properties. This means the City is going to need to develop and implement our own regulations for all users.
- Several locations within the City experience flooding during intense storm events (such as the event in August 2013). The Stormwater division will need to mitigate issues or system failures as these events occur to prevent future problems. The Stormwater Fund will serve as the revenue source for system capital improvement projects to prevent these localized flooding problems.

KEY METRICS



OVERVIEW OF MAJOR PROJECTS OR INITIATIVES OR STRATEGIES

Council Goal 1 – Sustain Operations

- Develop and implement legal authority in municipal code for stormwater management as required by DEQ permit. This task is in process and must be completed by August 14, 2014.

Council Goal 3 – Preserve and Enhance the City's Infrastructure

- Continue stormwater system capital improvement projects to address areas with known flooding problems.

- Install curb markers at stormwater catchbasins. These markers indicate “No Dumping – Protect Your Groundwater” and have a picture of a water faucet and drinking water glass. These markers are intended to educate residents that the dumping of motor oil, antifreeze, paint, etc., in catchbasins is prohibited and is damaging to water quality.

GOLF FUND

MANAGEMENT AND PERSONNEL SUMMARY

Staff Liaison: Jason Neff

Management Company: CourseCo Inc.

Juniper Golf Course Employees: 15 + Seasonal

OVERVIEW

The Golf Fund provides for the operations and activities at the Juniper Golf Course. The fund covers the consolidated operating budget for the golf course, fees for the management company, ongoing capital maintenance and debt service associated with the construction of the facility.

The majority of resources come from operating fees and sales such as green fees, membership dues, food and beverage sales, events, and other golf-related fees. Over the past several years, the City of Redmond General Fund has provided funds to cover the majority of the City's Full Faith and Credit debt service obligations for the facility. Annual debt service is approximately \$400,000.

AREAS OF FOCUS FOR FISCAL YEAR 2014/15

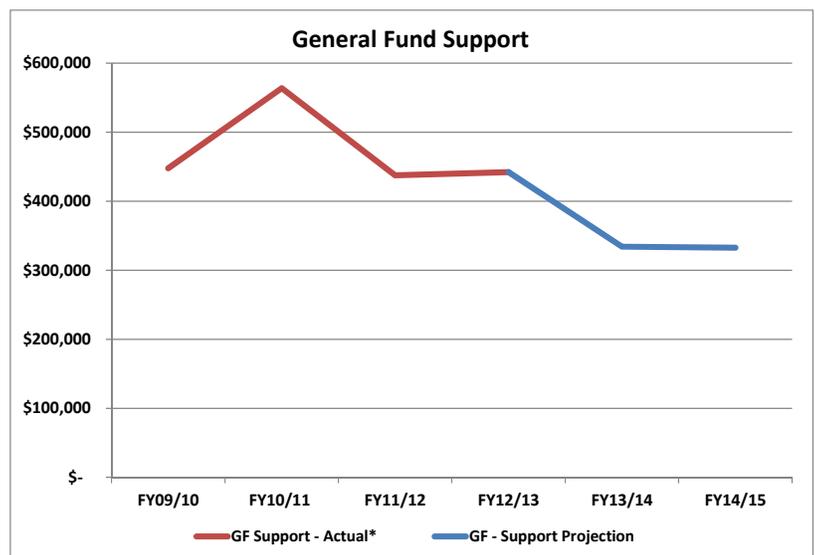
For FY14/15 the most important issues for the Golf Fund is increasing facility revenues to alleviate the General Fund responsibility to cover debt service as well as developing a financial plan for long term capital reserves.

- Reduce General Fund support for debt service remains a major focus.
- Manage a decreasing capital maintenance reserve. This fund began at \$73,100 in FY11/12 and is estimated to be at \$44,000 at the end of FY13/14. For Juniper an appropriate size reserve would be to set aside about \$50,000 annually. The reserve is important since it is the only source dedicated to the maintenance and replacement of golf course infrastructure. As the course ages the cost for capital maintenance will continue to rise.
- Examine effects of an undersized clubhouse and the lack of funding to expand the facility. An expansion would allow the facility to capture more events throughout the year which would improve and diversify overall revenue.

KEY METRICS

Rounds of Golf

The best indicator for the financial success and stability of the golf course is the number of rounds of golf. FY13/14 projects a 3% increase from FY12/13, and FY14/15 is projected to be flat from FY13/14, which reflects conservative estimates due to weather and general economic conditions.



OVERVIEW OF MAJOR PROJECTS OR INITIATIVES OR STRATEGIES

Council Goal 1 – Sustain Operations

- Membership rates will be adjusted to improve the “mix” of membership from a revenue perspective. Full time membership needs to be more attractive when comparing against the social membership.
- Event revenue, including weddings, is anticipated to continue to grow which diversifies and helps to stabilize annual revenue
- City will explore with CourseCo a feasibility analysis with respect to clubhouse expansion including scope of project, costs and estimated return on investment
- Cost control under CourseCo’s “watch” remains a major operating focus

Council Goal 3 – Preserve and Enhance the City’s Infrastructure

- Major projects include a parking lot asphalt overlay.

AIRPORT FUND

MANAGEMENT AND PERSONNEL SUMMARY

Department Head: Bob Noble

Represented: 7

Total Full-Time Employees: 17

Non-Represented: 10

OVERVIEW

Redmond Municipal Airport serves all of Central Oregon. The Airport provides commercial air service and facilities for general aviation, air cargo, and the USDA Forest Service Air Center. The Airport Fund provides resources for the operations and capital improvement. The fund operates as an enterprise fund, which means it is self-supporting and does not rely on local taxes above and beyond fees paid by airport and airfield users.

The Airport collects a large portion of its revenue from air carrier passengers and their associated activities. Examples of these include passenger facility charges, landing fees, parking fees, rental car commissions, and concession revenue. In addition, the Airport receives significant support from Federal and State grants for approved capital projects.

The Airport is organized into two sub-funds: Operations and Capital projects. Airport Operations is divided into three program areas; Terminal, Airfield, and General Operations. The Capital Projects sub-fund is used to construct capital projects (over \$5,000).

AREAS OF FOCUS FOR FISCAL YEAR 2014/15

- Successfully transition from the Interim Airport Director to the new hire will be an ongoing focus through summer 2014. This includes the introduction of new leadership, the recruitment and development of a newly defined management team, and the commitment to individual professional training and development. A new organizational structure and added resources will position the airport to handle its affairs in a more strategic manner and one more commensurate with peer airports. This improvement will result in necessary higher expenses as we add human capital in administration.
- Carry out the \$20 million rehabilitation of the primary runway whereby approximately \$10 million (with an additional \$10M in FY15/16) is expected to be received from the FAA and \$1.2 million from the State of Oregon (pending a request for a *ConnectOregon V* grant).
- Implement and enhance relationships under business improvements expected to occur in FY13/14 including the Airport's adopted Minimum Standards, Airport Rules and Regulations and Lease Policies; as well as the commercial airline agreement, the FBO (Fixed Base Operator) agreement, the Concession agreements, and the USDA Forest Service agreement.

- Enhance the air service development program and will seek to formalize the regional work effort conducted by COAST (Central Oregon Air Service Team), and advocate for sustainable funding for the program.
- Pending approval from the FAA, begin a new Master Plan and business plan.
- Solicit a new RFP for car rental agencies and an RFQ for engineering services.
- Complete a Wildlife Hazard Management Plan using an FAA grant.
- Examine facility needs related to emergency preparedness and its regional designation in the Oregon Resiliency Plan.

KEY METRICS

Enplanements - The number of passengers using the Airport has the greatest effect on performance for the Airport Fund. In addition, passenger traffic determines the entitlement funding that the Airport receives from the FAA and the amount of Passenger Facility Charges (PFCs) available. The funding from the FAA and PFCs significantly helps to finance capital improvement projects on the Airport. For FY13/14 enplanements are projected to be about 253,000, about 8% higher than FY12/13. Enplanements are not anticipated to be significantly higher in FY14/15.

Airline Cost Per Enplanement - This performance measure is derived by taking air carrier costs divided by the number of enplanements. This measure is important to monitor because keeping airline costs low, to the extent controllable, promotes carrier stability and invites the addition of new flights and carriers. Comparing this measure to other airports can be a leading indicator as to the economic sense it makes for an air carrier to operate at the Airport. The airline cost per enplanement for FY13/14 projected to \$6.18 versus the Airport's benchmark average of \$7.66. For RDM, this measure is anticipated to decline below \$6.00 in FY14/15.

OVERVIEW OF MAJOR PROJECTS OR INITIATIVES OR STRATEGIES

Council Goal 1 – Sustain Operations

- Continue to earn income which meets debt service obligations and capital maintenance requirements.

Council Goal 5 – Redmond Airport/Roberts Field

- Rehab primary runway (RW 4-22)
- Complete business agreements, business policies and begin work on new Master Plan and business plan.
- Attempt to retain and attract nested aviation companies at the airport.
- Utilize Land Development Study and seek compatible economic development on properties at, and around, the Airport.

- Conduct a new Master Plan ensuring appropriate land uses and development are occurring at, and in the vicinity of, the Airport.
- Continue efforts to improve commercial air service, customer services at the terminal and general aviation services.
- Complete a Wildlife Hazard Management Plan.
- Work with regional stakeholders to support commercial air service development at Redmond Airport, formalizing the COAST group and identifying a sustainable air service development funding strategy.

ADMINISTRATION SUB-FUNDS

MANAGEMENT AND PERSONNEL SUMMARY

Department Head: Sharon Harris

Represented: 0

Total Full-Time Employees: 14

Non-Represented: 14

OVERVIEW

Administration serves as the central core for the internal business of the organization. Administration provides direct services in the way of policy, procedures and liability for City departments across the organization. Administration is comprised of the City Recorder's Office, Human Resources (HR), Risk Management, Employee and Culture Relations, Accounting, Information Technology (IT) and Utility Billing (UB).

In FY14/15 these combination of services will strive to exceed the expectations for the citizens of Redmond and the employees who work for the City. Administration will be innovative, entrepreneurial and efficient in the delivery of its work. The City will continue with its commitment to advance the use of technology to implement creative solutions and efficiently implement priorities by establishing a comprehensive information technology strategy to address gaps and flaws in its existing suite of software.

Within HR, employee culture is a significant priority and an ongoing focus for the organization. This department will lead the implementation of culture and workplace improvements/activities.

Administration also oversees general staffing and space configuration at City Hall. If the City Council decides to keep City Hall in the current location, investments will be needed to improve public areas and employee workspace.

The IT and the City Recorder divisions have lost key positions since 2009. Both divisions require additional or shared staffing resources to meet internal and external customer service.

KEY METRICS

The Administration department's goals are centered on response time and accuracy of product delivered.

- HR, Risk Management and Accounting meet internal department goals delivering service to their customers.
- City Recorder's office will require a part time FTE to assist the City Recorder with archiving and recording a four year backlog of work.
- UB is not meeting internal goals of work flow efficiencies. Staff spends 12 hours a week completing quality control procedures. This added time to process affects the external customer who may be requiring research on their account and the internal customer (the Water division) whose staff is the lead on work order assignments associated with shut off and service restoration.

- IT meets metrics for technical support. Due to prior year's staff reduction, the IT dept. does not provide software/ database management services. Future software and system management skill sets are necessary to optimize efficiencies across all city operations and should be considered as an added resource. This position will be requested and will be responsible for leading near term future decisions and recommendations on software integration.

OVERVIEW OF MAJOR PROJECTS OR INITIATIVES OR STRATEGIES

Council Goal 1 – Sustain Operations

- To sustain or improve operations a due diligence on the current financial /UB software either in totality or by module should be explored. Areas for consideration are the UB module or a package with Accounting/HR.
- HR will be charged with leading the integration of a renewed focus on an enhanced workplace culture. Identifying key employment parameters (i.e. work schedules, employee communication, employee recognition) are essential to retain and attract employees. The City has set their goal of making the list of *Top 10 public employers to work for in the State of Oregon*. Employees will be active participants in setting these parameters.

Council Goal 3 – Preserve and enhance the City's Infrastructure

- The City needs to identify workspace configuration for service departments located at City Hall. Currently the City Hall does not offer appropriate separation of public access and the employee work environment. Capital expenditures to remodel first floor of City Hall will need to be completed if the decision is made to remain in current location. In addition, with future growth the City will need to address efficient workspace/department configurations.