



ROSEBURG CITY COUNCIL AGENDA – OCTOBER 24, 2016
City Council Chambers, City Hall,
900 S. E. Douglas Avenue, Roseburg, OR 97470

7:00 p.m. - Regular Meeting

1. **Call to Order – Mayor Larry Rich**
2. **Pledge of Allegiance**
3. **Roll Call**
Alison Eggers Ken Fazio Victoria Hawks Steve Kaser
Lew Marks John McDonald Tom Ryan Andrea Zielinski
4. **Mayor Report**
A. Rear Admiral Nancy A. Norton Day Proclamation – Bud Bessey
5. **Commission Reports/Council Ward Reports**
6. **Special Presentation**
A. Community Development Director Brian Davis
B. Douglas County Library – County Commissioner Chris Boice
7. **Audience Participation – See Information on the Reverse**
8. **Consent Agenda**
A. Minutes of October 10, 2016 Regular Meeting
B. Minutes of October 10, 2016 Special Meeting
C. Cancellation of December 26, 2016, Meeting
D. Lease Assignment for Airport Corporate Hangar #18
9. **Ordinances**
A. Second Reading, Ordinance No. 3477 Convey Property Zone Change
10. **Department Items**
A. 2016 League of Oregon Cities/CIS Safety Award
11. **Items From Mayor, Council or City Manager**
12. **Informational**
A. Activity Report
13. **Executive Session ORS 192.660(2)**
14. **Adjournment**

URBAN RENEWAL AGENCY BOARD MEETING IMMEDIATELY FOLLOWING

***** AMERICANS WITH DISABILITIES ACT NOTICE *****

Please contact the City Recorder's Office, Roseburg City Hall, 900 SE Douglas, Roseburg, OR 97470-3397 (Phone 541-492-6866) at least 48 hours prior to the scheduled meeting time if you need an accommodation. TDD users please call Oregon Telecommunications Relay Service at 1-800-735-2900.

AUDIENCE PARTICIPATION INFORMATION

The Roseburg City Council welcomes and encourages participation by citizens at all our meetings, with the exception of Executive Sessions which, by state law, are closed to the public. To allow Council to deal with business on the agenda in a timely fashion, we ask that anyone wishing to address the Council follow these simple guidelines:

Persons addressing the Council must state their name and address for the record, including whether or not they are a resident of the City of Roseburg. All remarks shall be directed to the entire City Council. The Council reserves the right to delay any action requested until they are fully informed on the matter.

TIME LIMITATIONS

With the exception of public hearings, each speaker will be allotted a total of 6 minutes. At the 4-minute mark, a warning bell will sound at which point the Mayor will remind the speaker there are only 2 minutes left. All testimony given shall be new and shall not have been previously presented to Council.

CITIZEN PARTICIPATION – AGENDA ITEMS

Anyone wishing to speak regarding an item on the agenda may do so when Council addresses that item. If you wish to address an item on the Consent Agenda, please do so under “Audience Participation. For other items on the agenda, discussion typically begins with a staff report, followed by questions from Council. If you would like to comment on a particular item, please raise your hand after the Council question period on that item.

CITIZEN PARTICIPATION – NON-AGENDA ITEMS

We also allow the opportunity for citizens to speak to the Council on matters not on this evening’s agenda on items of a brief nature. A total of 30 minutes shall be allocated for this portion of the meeting.

If a matter presented to Council is of a complex nature, the Mayor or a majority of Council may:

1. Postpone the public comments to “Items From Mayor, Councilors or City Manager” after completion of the Council’s business agenda, or
2. Schedule the matter for continued discussion at a future Council meeting.

The Mayor and City Council reserve the right to respond to audience comments after the audience participation portion of the meeting has been closed.

Thank you for attending our meeting – Please come again.

The City Council meetings are aired live on Charter Communications Cable Channel 191 and rebroadcast on the following Tuesday evening at 7:00 p.m. Video replays and the full agenda packet are also available on the City’s website: www.cityofroseburg.org.

Proclamation

CITY OF ROSEBURG, OREGON

REAR ADMIRAL NANCY A. NORTON DAY

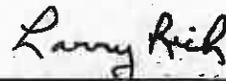
- WHEREAS:** The City of Roseburg is a community that honors military service, and takes great pride in being the home of many veterans of the United States military, and
- WHEREAS:** Roseburg has among its native daughters United States Navy Rear Admiral Nancy A. Norton, Director of Warfare Integration for Information Warfare/Deputy Director, Navy Cybersecurity; and
- WHEREAS:** Rear Admiral Norton is a 1982 graduate of Roseburg High School, and
- WHEREAS:** Rear Admiral Norton's commendable career began with her graduation from Officer Candidate School in 1987, and included many prestigious assignments on land and at sea; and
- WHEREAS:** Rear Admiral Norton served as command, control, communications, computers and intelligence officer for the Cruiser/Destroyer Group 12 supporting Operation Enduring Freedom immediately following 9/11; and
- WHEREAS:** Rear Admiral Norton's devoted career in the United States Navy resulted in her being awarded numerous personal and campaign awards including the Defense Superior Service Medal, Legion of Merit (two awards), Defense Meritorious Service Medal and Meritorious Service Medal (two awards), as well as being a recipient of the Navy League Award, Young AFCEAN Award, Copernicus Award and the National Security Agency's Frank B. Rowlett Award for personal achievement in Information Security; and
- WHEREAS:** Rear Admiral Norton's personal and professional accomplishments not only reflect great credit upon herself, but also serve as an example for the young women and men of the City of Roseburg considering military service.

NOW, THEREFORE, I, Larry Rich, Mayor of the City of Roseburg, do hereby proclaim Thursday, November 10th, 2016 as

REAR ADMIRAL NANCY A. NORTON DAY

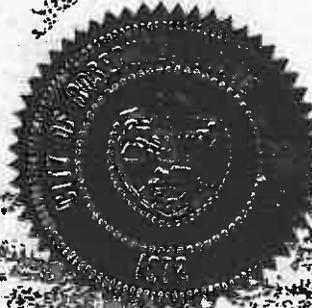
and ask others to join me in extending appreciation to and honoring Nancy A. Norton for her distinguished service to our country.

DATED: this 24th day of October, 2016



Larry Rich

THE HONORABLE MAYOR



ROSEBURG CITY COUNCIL AGENDA ITEM SUMMARY

SPECIAL PRESENTATIONS A

10-24-2016

CP
10/18/16



BRIAN DAVIS RECOGNITION

Meeting Date: October 24, 2016
Department: Administration
www.cityofrosburg.org

Agenda Section: Special Presentation
Staff Contact: Debi Davidson
Contact Telephone Number: 492-6866

ISSUE STATEMENT AND SUMMARY

After ten years of service to the City, Community Development Director Brian Davis is moving to the big city, Federal Way, Washington. Mayor, City Councilors and City Staff wish to commend Brian on his service to the citizens.

Brian began his service with the City in July 2006 as Planning Manager. Three years later in April 2009, he stepped up to serve as Community Development Director.

Many significant projects were undertaken under Brian's leadership including 18 annexations, implementation of the façade improvement program, completion of the Waterfront Development Plan, West Avenue Redevelopment Plan, Bike and Pedestrian Plan, finalization of the controversial Population Forecast, development of the Urban Growth Management Agreement with Douglas County and marijuana dispenser zoning regulations. He worked closely with developers to accomplish the Costco development, Coastal expansion and the current renovation of the former Douglas Community Hospital site.

Other significant projects include the Buildable Lands Inventory and Housing Needs Analysis, Roberts Creek Enterprise Zone amendments, boundary change and reauthorization, completion of the Mill-Pine Neighborhood Master Plan and addition of the Arts Center (Old Soldier's Home) to the National Historic Registry. Brian's most long-lasting impact was the rewrite of the City's Land Use and Development Ordinance which will provide the land use framework for many years to come.

Brian also served as liaison with the Partnership for Economic Development, Downtown Roseburg Association, the Main Street Program, SWACT and the Douglas County Building Department. Brian has enjoyed and excelled in his profession in the planning field. As a result, his peers with the Oregon Chapter of the American Planning Association honored him with their "Distinguished Leadership by a Professional Planner" Award. Internally, Staff has admired his amazing ability to remain cool and calm no matter the situation.

Thank you, Brian. Your service to the City is greatly appreciated and you will be missed. Good luck.

**MINUTES OF THE REGULAR MEETING
OF THE ROSEBURG CITY COUNCIL
October 10, 2016**

Mayor Larry Rich called the regular meeting of the Roseburg City Council to order at 7:00 p.m. on Monday, October 10, 2016, in the City Hall Council Chambers, 900 SE Douglas, Roseburg, Oregon. Councilor Hawks led the Pledge of Allegiance.

ROLL CALL

Present: Councilors Steve Kaser, Andrea Zielinski, Alison Eggers, Ken Fazio, Victoria Hawks, John McDonald and Tom Ryan.

Absent: Councilor Lew Marks.

Others present: City Manager Lance Colley, City Attorney Bruce Coalwell, Finance Director Ron Harker, Fire Chief Gregg Timm, Police Captain Jerry Matthews, Community Development Director Brian Davis, Associate Planners Teresa Clemons and John Lazur, Human Resources Director John VanWinkle and Management Technician Debi Davidson.

MAYOR REPORTS

Rich proclaimed October as "Power of Pink Month". Community Cancer Center Director Tammy Hagedorn expressed appreciation for the promotion of the campaign to bring breast cancer awareness to the community.

PLANNING COMMISSION RESIGNATION – BROOK REINHARD

Ryan moved to accept Brook Reinhard's resignation from the Planning Commission with regrets. Motion was seconded by Fazio and carried unanimously.

PLANNING COMMISSION APPOINTMENTS

Planning Commission Chair Ron Hughes and Councilors shared their viewpoints on the Commission applicants interviewed in a special meeting just prior to the regular meeting. Ryan moved to appoint Elias Minaise and Christopher Griffith to the Planning Commission. Motion was seconded by Zielinski and carried unanimously.

AUDIENCE PARTICIPATION

Dustin Whitehead, 863 Lookingglass Road, stated he worked at the V.A. Hospital and was recently hit by a golf ball in the VA parking lot. He asked the City to look into safety measures to prevent this from recurring.

Bernie Woodard, 310 SE Pine, discussed obstacles in developing Elk Island and the north end of Pine Street and wished to consider de-annexing those areas from the City. Coalwell noted that Woodard's comments are on the record, but Councilors should not discuss the matter with anyone or view the subject property as that would be considered ex-parte contacts should any of these development issues come before Council in the future.

Rick Roberts, 1243 NE Malheur, spoke to a citation received for alleged frivolous 9-1-1 calls.

CONSENT AGENDA

Ryan moved to approve the following Consent Agenda items:

- A. Minutes of September 26, 2016 regular meeting.
- B. Authorization to apply for grant funding through the Critical Oregon Airport Relief Program.
- C. Prosecution services contract with Jim Forrester of Dole, Coalwell, Clark Mountainspring & Mornarich.

Motion was seconded by McDonald and carried unanimously.

PUBLIC HEARING - ZONE CHANGE FOR CONVEY KEYSTONE PROPERTY, ORDINANCE NO. 3477

At 7:28 p.m. Rich opened the public hearing on the legislative zone change of a 5.92-acre site located at 526 NE Chestnut Avenue. Lazur reported the subject property houses ConVey Keystone, a machinery manufacturing facility, and includes an expansion resulting from the recent purchase of surplus City property on Ward Street. The zoning would change from Mixed Use to Medium Industrial. The property is not part of the West Avenue Redevelopment Plan adopted by the Council a number of years ago.

As no one else wished to speak, the hearing was closed at 7:32 p.m. Fazio moved to adopt the findings of fact approved by the Planning Commission for File No. ZC-16-3. Motion was seconded by Hawks and carried unanimously. Davidson read Ordinance No. 3477 for the first time, entitled: An Ordinance Amending the Zoning of 5.92 Acres of Property at 485, 526 and 546 NE Chestnut Avenue, and 487 NE Ward Avenue From Mixed Use to Medium Industrial.

NATIONAL FLOOD INSURANCE PROGRAM RATING

Clemons noted points are awarded to communities that implement floodplain management standards higher than the federal minimum. Roseburg's 2016 recertification of the program resulted in a level 8 which allows for a 10% flood insurance rate discount. Further implementation of elements in the newly update LUDO will likely result in additional credits and a greater discount in the future.

INSURANCE SERVICES ORGANIZATION RATING

Timm reported the independent Insurance Services Office provides ratings regarding structural fire delivery systems. Roseburg was recently classified as a 2. Of the 520 Oregon cities rated, only 5% or 28 out of 520 received this rating. There are no level 1 cities in the State. This will positively impact insurance rates for those insurers which participate in the program. He noted that 50% of the grading is based on the Fire Department, 40% on the water system and 10% on dispatch services. Therefore, he noted the importance of the strong support from the Public Works Department's Water Division. Colley thanked the Community Development, Fire and Public Works Department staff members for their work toward attaining these two insurance ratings.

ITEMS FROM MAYOR, COUNCILORS OR CITY MANAGER

Zielinski thanked the Police Department for participating with the Oregon State Police and the Douglas County Sheriff's Office in the National "Coffee With a Cop" day.

Zielinski shared that Home Depot will conduct a safety event on October 12 and 13 with participation from the Fire Department. ODOT, the Traffic Safety Commission and local law enforcement agencies will have a drunk, drugged and distracted driving event at K-Mart on October 22nd from 11:00 a.m. to 3:00 p.m.

Eggers thanked the Public Works Department for recently clearing an alley of garbage.

McDonald encouraged people to submit an entry for the Veterans Day Parade on November 11th. Grand Marshals will be World War II Veterans.

Colley commended those who did a great job in coordinating the October 1st UCC Strong 5K/9K Run Walk Event which attracted over 2,000 participants including approximately 30 "virtual" on-line participants from all over the country. UCC had a quiet recognition the day prior.

Meeting adjourned at 7:52 p.m.


Debi Davidson
Management Technician

**MINUTES OF THE SPECIAL MEETING
OF THE ROSEBURG CITY COUNCIL
October 10, 2016**

Mayor Larry Rich called a special meeting of the Roseburg City Council to order at 6:30 p.m. on Monday, October 10, 2016, in the City Hall Council Chambers, 900 SE Douglas, Roseburg, Oregon.

ROLL CALL

Present: Councilors Steve Kaser, Tom Ryan, Andrea Zielinski, Alison Eggers, Ken Fazio, Victoria Hawks and John McDonald.

Absent: Councilor Lew Marks.

Others present: City Manager Lance Colley, Public Works Director Nikki Messenger, Finance Director Ron Harker, Human Resources Director John VanWinkle, Fire Chief Gregg Timm, Planning Commission Chair Ron Hughes and Management Technician Debi Davidson.

PLANNING COMMISSION INTERVIEWS

Councilors interviewed applicants Elias Minaise and Christopher Griffith for the Planning Commission.

Meeting adjourned at 6:50 p.m.

Debi Davidson
Management Technician

ROSEBURG CITY COUNCIL AGENDA ITEM SUMMARY

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10/17/16



DECEMBER 26, 2016 - MEETING CANCELLATION

Meeting Date: October 24, 2016
Department: Administration
www.cityofroseburg.org

Agenda Section: Consent Agenda
Staff Contact: Debi Davidson
Contact Telephone Number: 492-6866

ISSUE STATEMENT AND SUMMARY

Inasmuch as the December 26, 2016, City Council meeting falls on the day after Christmas and City Offices will be closed, Council is asked to consider canceling that meeting.

BACKGROUND

- A. Council Action History.** Although the City Council has not discussed meeting cancellation this year, historically the City Council has cancelled meetings which occur either on, directly prior to or immediately after a national holiday.
- B. Analysis.** Inasmuch as Councilors and Staff Members oftentimes travel during holiday periods, it may be difficult to attain a quorum for meetings within that time frame. Therefore, any meetings regularly scheduled during holiday periods have been cancelled. At this time, Staff does not anticipate any pressing issues which would require two meetings in December. The option can always be held open to call a special meeting if the need arises.
- C. Financial and/or Resource Considerations.** n/a
- D. Timing Issues.** In the event the City Council wishes to cancel the meeting, action should be taken at this time in order to properly schedule agenda matters for Council attention and to notify the news media and interested parties of the cancellation.

COUNCIL OPTIONS

1. Cancel the second meeting in December with the option of calling for a special meeting should the need arise.
2. Reschedule the meeting for another date certain.

STAFF RECOMMENDATION

Staff recommends the City Council cancel the December 26, 2016, City Council meeting.

SUGGESTED MOTION

I MOVE TO CANCEL THE DECEMBER 26, 2016 COUNCIL MEETING, RESERVING THE OPTION TO CALL A SPECIAL MEETING SHOULD THE NEED ARISE.

dc
10/18/16



ROSEBURG CITY COUNCIL AGENDA ITEM SUMMARY

Airport Corporate Hangar #18 Lease Assignment

Meeting Date: October 24, 2016
Department: Public Works
www.cityofroseburg.org

Agenda Section: Consent
Staff Contact: Nikki Messenger
Contact Telephone Number: 541-492-6730

ISSUE STATEMENT AND SUMMARY

The current owner of Corporate Hangar #18 has requested a lease assignment. The issue for the Council is whether to approve the assignment.

BACKGROUND

A. Council Action History. None

B. Analysis. Staff received a letter from Russ Noah indicating that he is in the process of selling his hangar to Clint Newell Motors, Inc. The original lease for Hangar #18 became effective on December 1, 2006. It was assigned to RE Noah and Company on January 11, 2008. The initial term of the lease is for 20 years and will be in effect until December 1, 2026. According to the Roseburg Municipal Code Section 3.22.160, any change to a lease that has a remaining term of over five years must be approved by the City Council after a recommendation from the Airport Commission.

C. Financial and/or Resource Considerations. None

D. Timing Issues. The lease requires that Council take action within 60 days of the request for assignment, which was received on October 3, 2016. Mr. Noah has requested that the lease assignment approval be accomplished by November 1, 2016 if possible.

COUNCIL OPTIONS

Council has the following options:

1. Approve the lease assignment from RE Noah and Company to Clint Newell Motors, Inc.; or
2. Request additional information; or
3. Not approve the lease assignment if Council has a justifiable reason to withhold the approval.

STAFF RECOMMENDATION

Staff recommends Council approve the lease assignment. The Airport Commission will discuss this item at their October 20th meeting. Staff will report the results of this discussion at the Council meeting.

SUGGESTED MOTION

I move to approve the lease assignment for Corporate Hangar #18 from RE Noah and Company to Clint Newell Motors, Inc.

ATTACHMENTS None

ORDINANCE NO. 3477

**AN ORDINANCE AMENDING THE ZONING OF 5.92 ACRES OF PROPERTY AT 526
NE CHESTNUT AVENUE FROM MIXED USE TO MEDIUM INDUSTRIAL**

THE CITY COUNCIL OF THE CITY OF ROSEBURG, OREGON, finds:

1. The City Council takes note of the Roseburg Urban Area Comprehensive Plan as adopted by the City Council in Ordinance No. 2345, effective on July 1, 1982, and re-adopted in Ordinance No. 2980 on December 9, 1996.
2. The City Council takes note of the Roseburg Land Use and Development Ordinance (LUDO) No. 2363, as originally adopted July 1, 1984, and re-adopted in Ordinance No. 3408 on March 11, 2013.
3. Zoning for the subject property will change from Mixed Use to Medium Industrial.
4. The Zone Change complies with Land Use and Development Ordinance 5.4.030.

NOW, THEREFORE, THE CITY OF ROSEBURG ORDAINS AS FOLLOWS:

SECTION 1. The foregoing findings are hereby approved and incorporated herein.

SECTION 2. The lot may be described as Tax Lot 1200, 1300, 1400, 1500 & 2400 in Township 27 South, Range 06 West, Section 13AD, Willamette Meridian.

SECTION 3. This Zone Change has been processed pursuant to Roseburg Land Use and Development Ordinance.

SECTION 4. The City Council hereby adopts as its own the Findings of Fact and Decision of the Planning Commission dated September 19, 2016 and by reference incorporated herein.

SECTION 5. On the effective date this ordinance, the City shall amend the Roseburg Zoning Map by applying the identified zone to the subject properties, as shown in the Findings of Fact and Order.

ADOPTED BY THE CITY COUNCIL THIS 24TH DAY OF OCTOBER 2016.

APPROVED BY THE MAYOR THIS 24TH DAY OF OCTOBER 2016.

LARRY RICH, MAYOR

ATTEST:

SHEILA R. COX, CITY RECORDER

Ordinance No. 3463

John VanWinkle
10/18/16



ROSEBURG CITY COUNCIL AGENDA ITEM SUMMARY

2016 LOC/CIS Safety Award

Meeting Date: October 24, 2016
Department: Human Resources
www.cityofroseburg.org

Agenda Section: Department Items
Staff Contact: John VanWinkle
Contact Telephone Number: 541-492-6866

ISSUE STATEMENT AND SUMMARY

Each year at the annual League of Oregon Cities (LOC) conference, LOC and CityCounty Insurance Services (CIS) present safety awards to cities with the lowest lost time injury frequency rates. For the 2015 – 2016 fiscal year, Roseburg earned the Gold award for Oregon cities with 150 – 399 employees.

BACKGROUND

A. Council Action History. None

B. Analysis. The purpose of the annual Employee Safety Awards is to encourage interest and participation of Oregon cities in loss prevention programs by giving special recognition to those cities demonstrating outstanding achievement in this area. All Oregon cities having regular full-time employees are eligible to participate. Cities are divided according to the number of regular employees into six groups. Winners are those with the lowest lost time injury frequency rates, based upon a sliding scale, within each group.

For the fiscal year running July 1, 2015 through June 30, 2016 the City had one on-job injury requiring time loss away from work compared to over 330,000 staff hours worked for the year, earning the City a 0.6% lost time incident rate and the Gold award for its group. This achievement highlights the hard work and safety focus of all departments and employees as well as management's commitment to a safe work environment. This is the 13th time in the last 14 years that the City has earned a Gold, Silver or Bronze award from LOC and CIS.

SUGGESTED MOTION

This memo is informational only and does not require any action by Council.

ATTACHMENTS

LOC/CIS safety award criteria

The Safety Award contest is held on an annual basis and corresponds to the fiscal year beginning July 1, 2015 and ending June 30, 2016. Contest entries will be accepted starting July 1, through August 12. Please complete this form and submit it by August 12.

PURPOSE: The purpose of the annual Employee Safety Awards is to stimulate the interest and participation of Oregon cities in loss prevention programs by giving special recognition to those cities demonstrating outstanding achievement in this area.

SPONSORSHIP: The annual Employee Safety Awards are sponsored by the League of Oregon Cities (LOC) and CIS (City/County Insurance Services).

ELIGIBILITY AND CONTEST GROUPS: All Oregon cities having regular, full-time employees are eligible to participate in the safety awards program. Employees of special city proprietary functions such as electric utilities or hospitals may be included in the city's count of regular employees for the contest. For the purpose of this competition, cities are divided according to the number of regular employees into six groups:

1. 1-14 employees
2. 15-29 employees
3. 30-79 employees
4. 80-149 employees
5. 150-399 employees
6. 400+ employees

DETERMINATION OF WINNERS: The winners are those with the lowest injury frequency rates, based upon a sliding scale, within each group.

CIS computes the accident frequency rates for each city to determine the winners in each group. A framed certificate of achievement will be presented to the winning cities in each contest group at the annual League of Oregon Cities Conference in September.

For purposes of this recognition, the following definitions will be used:

1. **Person-Hours:** Person-hours are computed by multiplying the average number of employees by the number of work days per year (260) multiplied by eight (hours). Volunteer fire fighter and part-time employees are not to be included in the average number of city employees. However, the hours which volunteer fire fighters are actually on duty and the number of hours which part-time employees worked for the city during the contest period should be included as part of the city's total person-hours worked.
2. **Lost-Time Injury:** An occupational injury that causes the disability of the worker to continue beyond the day of the injury and prevents the worker from returning to his/her job on the next regularly scheduled work day.
3. **Injury Frequency Rate:** The number of lost-time injuries per 200,000 person-hours worked.

Frequency = Number of lost-time injuries x 200,000 / Person-hours worked

CLC
10/18/16

INFORMATIONAL A
10/24/2016

ROSEBURG CITY COUNCIL AGENDA ITEM SUMMARY



ACTIVITY REPORT

Meeting Date: October 24, 2016
Department: City Manager
www.cityofroseburg.org

Agenda Section: City Manager Reports
Staff Contact: C. Lance Colley
Contact Telephone Number: 492-6866

ISSUE STATEMENT AND SUMMARY

At each meeting I will provide the City Council with a report on the activities of the City, along with an update on operational/personnel related issues which may be of interest to the Council. These reports shall be strictly informational and will not require any action on the Council's part. The reports are intended to provide a mechanism to solicit feedback and enhance communication between the Council, City Manager and City Staff. For your October 24, 2016, meeting, I provide the following items:

- Department Head Meeting Agendas
- Tentative Future Council Agenda Items
- City Manager Weekly Messages
- Municipal Court Quarterly Report - Quarter Ended September 30, 2016
- Quarterly Financial Report - Quarter Ended September 30, 2016



Agenda
Department Heads Meeting
October 17, 2016 – 10:00 a.m.

1. Review Tentative October 24, 2016 Council Meeting
2. Tentative Future Agenda
3. Document Signing/Grants
4. Auction of Tax Foreclosed Properties
5. Department Items

TENTATIVE FUTURE COUNCIL AGENDA

Unscheduled

- City Hall Entry/Finance Department Remodel
- Roadside Memorial Policy
- Playground Equipment Purchase
- Urban Services Agreement
- Amending RMC 5.04 Water Rules and Regulations

November 14, 2016

Special Presentation: Roseburg Disposal Company – Rate Reduction
Consent Agenda

- A. Minutes of October 24, 2016

Department Items

- A. The Partnership Annual Report

Informational

- A. Activity Report

Executive Session

- A. City Manager Annual Review

November 28, 2016

City Council Reports

- A. City Manager Contract

Consent Agenda

- A. Minutes of November 14, 2016

Department Items

- A. Umpqua Basin Urban Services Agreement

Informational

- A. Activity Report

Urban Renewal Agency Board Meeting

- A. Approval of Minutes
- B. Black Street Extension Engineering Design Contract

December 12, 2016

Mayor Reports

- A. Richard Weckerle Proclamation
- B. Election Results

Consent Agenda

- A. Minutes of November 28, 2016

Informational

- A. Activity Report

January 9, 2017

Mayor Report

- A. State of the City Address
- B. Commission Chair Appointments
- C. Commission Appointments

Council Ward Reports

- A. Election of Council President
- B. Planning Commission Appointments

Consent Agenda

- A. Minutes of December 12, 2016

Informational

- A. Activity Report

January 23, 2017

Consent Agenda

- A. Minutes of January 10, 2017

Informational

- A. Activity Report – Municipal Court Quarterly Report

February 13, 2017

Special Presentation

- A. CAFR Review – Auditor Scott Cooley
- B. Quarterly Financial Report – Quarter Ended December 31, 2016
- C. 2017-18 Budget Calendar

Consent Agenda

- A. Minutes of January 2, 2017

Informational

- A. Activity Report

Executive Session

- A. City Manager Quarterly Evaluation

February 27, 2017

Consent Agenda

- A. Minutes of February 14, 2017

Department Items

- A. The Partnership Annual Report

Informational

- A. Activity Report

March 13, 2017

Consent Agenda

- A. Minutes of February 28, 2017

Department Items

- A. Visitors Bureau Annual Report

Informational

- A. Activity Report

March 27, 2017

Consent Agenda

- A. Minutes of March 14, 2017

Informational

- A. Activity Report

April 10, 2017

Mayor's Report

- A. Volunteer Recognition Month Proclamation

Consent Agenda

- A. Minutes of March 28, 2017
- B. 2017 OLCC License Renewal Endorsement

Informational

- A. Activity Report – Budget Calendar Reminder

April 24, 2017

Consent Agenda

- A. Minutes of April 11, 2017

Informational

- A. Activity Report – Municipal Court and Financial Quarterly Reports

May 8, 2017

Consent Agenda

- A. Minutes of April 25, 2017
- B. U-TRANS Services Contract

Informational

- A. Activity Report

Executive Session

- A. City Manager Quarterly Evaluation

May 22, 2017

Consent Agenda

- A. Minutes of May 9, 2017
- B. Fee Amendment Resolutions

Informational

- A. Activity Report

June 12, 2017

Mayor Reports

- A. Camp Millennium Week Proclamation

Consent Agenda

- A. Minutes of May 23, 2017

Public Hearing

- A. Resolution No. 2017 – 2017/18 Budget Adoption

Informational

- A. Activity Report

Urban Renewal Agency Board Meeting

- A. Approval of Minutes
- B. Public Hearing – 2017/18 Budget Adoption

June 26, 2017

Consent Agenda

- A. Minutes of June 13, 2017

Informational

- A. Activity Report

Executive Session

- A. Municipal Judge Evaluation

July 10, 2017

Consent Agenda

- A. Minutes of June 27, 2017

Informational

- A. Activity Report

July 24, 2017

Consent Agenda

- A. Minutes of July 11, 2017

Informational

- A. Activity Report – Municipal Court and Financial Quarterly Reports

August 14, 2017

Consent Agenda

- A. Minutes of July 25, 2017

Informational

- A. Activity Report

Executive Session

- A. City Manager Quarterly Evaluation

August 28, 2017

Consent Agenda

- A. Minutes of August 8, 2017

Informational

- A. Activity Report

September 11, 2017

Council Reports

- A. Implementation of Annual City Manager Performance Evaluation

Consent Agenda

- A. Minutes of August 22, 2017

Department Items

- A. Downtown Roseburg Association Annual Report

Informational

- A. Activity Report

September 25, 2017

Mayor Reports

- A. Walk and Bike to School Day Proclamation

Consent Agenda

- A. Minutes of September 12, 2017

Informational

- A. Activity Report

October 9, 2017

Consent Agenda

- A. Minutes of September 26, 2017

Informational

- A. Activity Report

October 23, 2017

Consent Agenda

- A. Minutes of October 10, 2017
- B. Cancellation of December 26, 2017 Meeting

Informational

- A. Activity Report – Municipal Court & Financial Quarterly Reports

November 13, 2017

Consent Agenda

- A. Minutes of October 24, 2017
- B. Cancel December 25, 2017 Meeting

Informational

- A. Activity Report

Executive Session

- A. City Manager Annual Report

November 27, 2017

Council Report

- A. City Manager's Contract

Consent Agenda

- A. Minutes of November 14, 2017

December 11, 2016

Mayor Reports

- A. Election Results
- B. Outgoing Councilor Acknowledgements

Consent Agenda

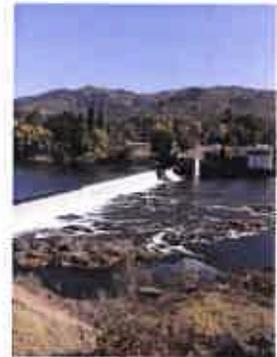
- A. Minutes of November 28, 2017

Friday October 7, 2017

Good Friday afternoon everyone. It appears that fall has arrived in the Umpqua Valley. Many of our construction projects will be wrapping over the course of the next month or so, but street and park maintenance really picks up. Winterizing the parks is an important component of our seasonal maintenance program, and some of our recreation fields, like the Fir Grove soccer fields, are at peak usage this time of year. Soon the majority of the trees in the area will begin losing their leaves and Public Works staff will begin the leaf pickup program. Generally they begin picking up leaves in early November and continue through the first week in January. As the program starts, location updates will be posted on the Public Works Department portion of the website.



Given all of the recent concerns surrounding lead levels found in water throughout the state, Public Works staff began proactively sampling and testing water outlets found in City facilities. Lead and copper sampling was conducted on water outlets that are regularly used by the public and staff for drinking, cooking, water fountains, break room sink faucets, kitchen faucets and bathroom sink faucets. All water samples collected came back below the Environmental Protection Agency's (EPA) action levels for lead and copper. It is reassuring to know that while our water system, which is tested regularly, continues to provide clean drinking water, the testing also assures us that water fixtures and outlets throughout our system are also within the standards and guidelines outlined by the EPA. Special thanks to our treatment plant Superintendent Andy Albee and water maintenance Superintendent Tony Dietrich as well as our plant operators and maintenance division staff for their professionalism and dedication to delivering high quality, safe and clean drinking water to our community. For information on the water system water quality required reporting on a system wide basis, please go to the link at:



[http://www.cityofroseburg.org/files/7914/6411/5644/2015 Water Quality Report.pdf](http://www.cityofroseburg.org/files/7914/6411/5644/2015%20Water%20Quality%20Report.pdf) .

Last weekend our community reached the one year mark of the October 1 tragedy at Umpqua Community College. On Friday, UCC students, staff and faculty observed a moment of silence with many of the victim's families and asked community members and supporters to initiate random acts of kindness throughout the County. On Saturday, a local non-profit, UmpquaStrong, organized what many believe is the largest run/walk event



ever in our area to raise awareness and funding for scholarships through the UCC Foundation in the name of each victim, and one additional scholarship to represent all others impacted by the tragedy. There was a tremendous outpouring of support both financial and emotional and acts of kindness and inspiration carried on throughout the race day. Initially, UmpquaStrong indicated that they had raised over \$60,000,

but it appears additional resources are continuing to come in to support the scholarship programs. In addition to the 9K/5K run and walk, UmpquaStrong coordinated a concert that was held at Legion Field, and the local faith based community held a candlelight service at the half shell area.

The GAPP German exchange students met with Mayor Rich on Monday to learn about City Government and then were escorted to the Public Safety Center for a Fire Tour with Chief Timm and to meet Police K9 Team Dingman and Iago. We always appreciate the opportunity to host exchange students and adults here at City Hall and provide some insight into how Oregon local government works.



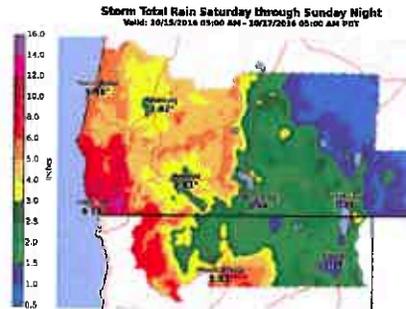
And speaking of exchanges, the delegation from our sister city, Kuki City, Japan, had a brief stop at City Hall this morning, hosted by Council President Tom Ryan and a number of department heads, along with Roseburg Sister City Representatives. After spending some time at City Hall, the delegation toured the PSC and then spent the rest of the day at local businesses and tourist opportunities. City Engineering Technician Noriko Corrado once again provided interpreter services throughout the time our visitors spent at the City. Without Noriko, conversations would be brief and the cultural understanding would be much more difficult. Special thanks to Noriko!



Don't forget that we start early Monday evening with two Planning Commission interviews beginning at 6:30 p.m. Have a great weekend everyone. See you all Monday!

Friday October 14, 2016

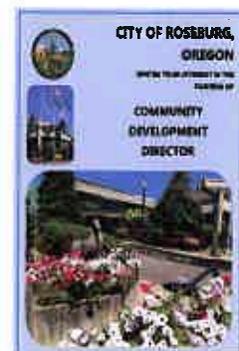
Good Friday afternoon everyone! It looks like we dodged a weather bullet yesterday, but please take good care this weekend as we are still anticipating pretty severe rain and wind at least on Saturday. Our Public Works crews have been hard at it the last couple of days preparing for rain as best they can. In addition to ensuring that folks will be available in short order if an emergency occurs over the weekend, they have been proactively cleaning out catch basins, staging equipment for easy access, staging sand bags, and pre-testing generators and other equipment. Mid-October is pretty early for a storm of this potential magnitude and I greatly appreciate staff's heightened awareness of the possible impacts on our community and their preparation in advance of the weather.



And while we may have dodged the weather bullet from an overall storm standpoint, it made for an interesting morning for our HR and Fire Department staff as they held outdoor testing for fire fighter candidates this morning at Stewart Park. Potential new hires perform physical agility and equipment usage testing prior to interviewing. We had 48 applicants this time around and 38 participated in the physical agility part of the process. This is a great turnout for the single position we are trying to fill after a recent relocation of one of our staff.



Community Development staff provided some “onboarding” as they held orientation for our two newest Planning Commission members. Brian Davis, Teresa Clemons, John Lazur and Sandy Cook met with the Elias Minaise and Christopher Griffith this week to provide them with the current work plan for the Commission and to share information on the more recent happenings in Community Development. The Planning Commission performs a critical function in local government and we are looking forward to our two newest members' participation. As you are all aware, Brian Davis will be



moving on to a new career opportunity in Federal Way and Human Resources is currently recruiting for Brian's replacement. Brian's last day will be at the end of October, so as we move forward with the recruitment, Associate Planner Teresa Clemons, who has been with the City's Community Development Department for over twenty years, will provide interim CDD administrative services. We once again wish Brian the best of luck in his new endeavor and look forward to completing the recruitment for Brian's successor.

At a recent City Council meeting, Council had the opportunity to "tour" the most recent addition to our Fire Department rolling stock. The delivery of the new Pierce engine to our fleet provided our department with a state of the art fire response vehicle, and for the first time in at least recent memory, all of our first line engines are now the same make and model of engine, with only updates for current technology. The new engine replaced a thirty year old Pierce engine that was then surplus to the needs of the City.

Fire Chief Gregg Timm has been working closely with professional teaching staff at UCC who provide for the Fire Science program at the college. It has been apparent for some time that one of the difficulties in providing direct training for some fire techniques was the lack of equipment that could be utilized for direct training. We recently determined that since the old engine no longer served a purpose for the City, that we would work with the college to turn



the engine over to their Fire science program to help in the further development of their program. Earlier this week, in accordance with RMC, we formally surplussed the engine and transferred the vehicle to UCC. This was a great opportunity to enhance our Fire Department's role in regional training and to significantly enhance the training capabilities of UCC. We look forward to continuing and expanding the positive relationship we have with the Fire Science program at the college. KPIC did a brief story on the transfer that can be found at

<http://kpic.com/news/local/roseburg-fire-department-donates-truck-to-ucc-for-educational-use> .

During this past week, the Fire Department joined departments nationwide in celebrating Fire Prevention Week. Fire prevention tips were shared throughout the week on social media. The department also participated in the Fire Prevention Week event at the Home Depot sponsored by the Douglas County Fire Prevention Co-Op. Over 1,500 people attended the event including over 700 children. Firefighters from the City of Roseburg Fire Department taught children how to "Stop, Drop, and Roll." The theme for this year's Fire Prevention Week was "Don't Wait - Check the Date! Replace Smoke Alarms Every 10 years."





I had an opportunity to meet with three Councilors this week in our “pre-evaluation” meetings and I believe each of the rest of you is now currently scheduled. Thanks to those who were able to come in this week and I look forward to meeting with the rest of you over the next couple of weeks. Have a great and safe weekend!

ROSEBURG CITY COUNCIL AGENDA ITEM SUMMARY



MUNICIPAL COURT QUARTERLY REPORT

Meeting Date: October 24, 2016
 Department: Municipal Court
www.cityofroseburg.org

Agenda Section: Department Reports
 Staff Contact: Ron Harker
 Contact Telephone Number: 492-6710

ISSUE STATEMENT AND SUMMARY

In accordance with the terms of Judge Madison's contract with the City, a report on the court's case volume and program revenues is to be presented to Council on a quarterly basis by Judge Madison.

BACKGROUND

A. Council Action History.

On July 23, 2012, the Council approved an amendment to the Judge's contract to include the presentation of a quarterly financial report to Council. This report is the latest of the quarterly reports to have been provided in fulfillment of the contract amendment and covers the quarter ending September 30, 2016.

B. Financial and/or Resource Considerations.

<u>COURT CASE TOTALS</u>	<u>1ST QTR</u>	<u>YTD TOTAL</u>	<u>PRIOR YEAR</u>
CRIMES	300	300	317
TRAFFIC CRIMES	27	27	64
TRAFFIC VIOLATIONS	611	611	1,329
NON-TRAFFIC VIOLATIONS	74	74	135
TOTAL	1,012	1,012	1,845

After the first quarter of the 2016-17 fiscal year, total cases were down 45.1% from the prior year. By category, crimes, traffic crimes, traffic violations, and non-traffic violations decreased by 5.4%, 57.8%, 54% and 45.2% respectively.

<u>COURT REVENUES</u>	<u>BUDGET 2016-17</u>	<u>1ST QTR 2017</u>	<u>YTD TOTAL</u>	<u>PRIOR YTD TOTAL</u>
FINES	\$ 507,000	\$ 84,341	\$ 84,341	\$ 116,547
COURT COSTS	25,000	2,787	2,787	4,889
CRT APPT ATTORNEY	7,000	465	465	1,538
TOTAL	\$ 539,000	\$ 87,593	\$ 87,593	\$ 122,974

After the first quarter of the 2016-17 fiscal year, total court revenues were down 28.8% from the prior year. Fines and collections revenue decreased by 56.4%, court costs revenues decreased by 42.9% and court appointed attorney decreased by 69.8%.

On a budgetary basis, revenues are 16.25% of budget after the first quarter of the fiscal year.

The municipal court recently migrated to new court software and while the transition went fairly smoothly court staff is still working on cleaning up converted case files. One benefit of the new software is opportunities to produce better analytical reports than was previously possible. As staff becomes more comfortable with the court data and reporting possibilities and constraints new court reports will be included in this quarterly report.

A new metric that will be tracked and assessed with each quarterly report is 'Collection of Monetary Penalties'. Over the past year, from October 1, 2015 through September 30, 2016, the total of fines imposed was \$753,329 and actual dollars collected on those cases was \$309,146 for a compliance rate of 41%. As we move forward, administrative actions will be explored and taken in an effort to increase the compliance rate and so tracking this metric will be a good indicator of how well the court is performing in this regard.

C. Timing Issues.

Quarterly reports are due to the City Manager on or before the last day of the month following the end of each calendar quarter. The report is to be received by Council by the following meeting.

COUNCIL OPTIONS

No Action is requested

STAFF RECOMMENDATION

n/a

SUGGESTED MOTION

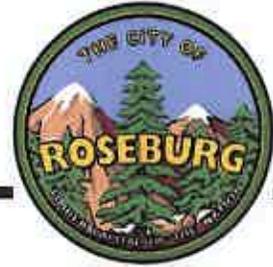
n/a

ATTACHMENTS

n/a

Quarterly Financial Report

1st Quarter, Fiscal-Year 2016-2017



September 2016

The *Quarterly Financial Report* summarizes the City of Roseburg's financial position for the General Fund, major operating funds, proprietary funds, and Urban Renewal funds through the 1st quarter of fiscal year 2016-2017.

All funds are presented on a budgetary basis. Although this is a quarterly financial report, the focus is on year-to-date activity.

Budgeted Fund Balance is comprised of Contingency, Reserves, and Ending Fund Balance.

Report Note: When reading these quarterly financial reports it is important to keep in mind the cyclical activity in revenues and expenditures. Examples would include property taxes, grants, capital projects, and charges for services. This report is unaudited and precedes final year end accruals.

This financial report includes the quarter ending September 2015 for comparison purposes.

OVERVIEW:

- \$4.3 million General Fund balance.
- 7.0% Douglas County unemployment rate.
- 1.03% state investment pool interest rate.
- 1.7% CPI Portland-Salem MSA.
- Awarded Cascade Court Storm Separation Project to Cradar Enterprises for \$236,500.
- Awarded West Harvard Storm Rehabilitation Project to Finaliner for \$347,229.
- Awarded West Harvard Storm Replacement Project to Cradar Enterprises for \$90,844.
- Urban Renewal Board, awarded Deer Creek Path & Parking Lot Project to Cradar Enterprises for \$172,850.
- Urban Renewal Board, awarded Garden Valley/Stewart Parkway intersection engineering contract to Century West Engineering for an amount not to exceed \$79,252.
- Awarded engineering design contract for ADA Transition Plan to Century West Engineering for an amount not to exceed \$98,356.

GENERAL FUND

General Fund	Budget	YTD Actual	%	Prior Year Actual
Revenues	\$ 20,054,286	\$ 1,611,398	8%	\$ 1,618,130
Expenditures	21,708,455	4,846,728	22%	4,672,900
Balance-July 1	7,344,603	7,550,925	103%	7,744,551
Balance YTD	\$ 5,690,434	\$ 4,315,595		\$ 4,689,781

Intergovernmental Revenues are primarily state collected taxes allocated to cities on a per capita basis and include revenue sharing, tobacco, and liquor, 37% of the \$773,755 budgeted for intergovernmental revenue has been collected during the current fiscal year.

Interest Revenue—Interest revenue of \$13,448 is \$5,973 more than the same period a year ago. The average portfolio rate is 1.03%.

GENERAL FUND REVENUE

General Fund Revenue	Budget	YTD Actual	%	Prior Year Actual
Property Taxes	\$12,823,550	\$ 89,058	1%	\$ 96,966
Licenses, Permits, Fees	2,701,788	325,614	12%	427,888
Charges for Services	3,711,193	866,226	23%	860,803
Intergovernmental	773,755	290,053	37%	196,489
Interest	44,000	13,448	31%	7,475
Miscellaneous	-	26,999	0%	28,509
Total Revenues	\$20,054,286	\$ 1,611,398	8%	\$ 1,618,130

Property Taxes — The majority of property tax revenue is collected in November and December. At the end of September 1% of the 12.8 million budgeted has been collected.

Property taxes are based upon assessed values (AV). With passage of Measure 50 in 1996 assessed values are limited to 3% annual increases unless the Real Market Value is less.

Licenses, Permits, and Fees—Includes utility franchise fees, planning fees, park fees, and various other fees. At the end of the quarter, 12% of the \$2.7 million budgeted annual revenue from licenses, permits and fees has been collected.

Charges for Services—Besides interdepartmental charges, charges for services includes: fines, service area fees, fire suppression and prevention fees, administrative and lien search fees. Year to date court fines total \$72,537, service area fees total \$88,476 and interdepartmental charges total \$696,326.

GENERAL FUND EXPENDITURES

The following tables detail expenditures by department and major categories. Current year General Fund expenditures of \$4,846,728 represent 22% of budgeted annual expenditures.

Year to date expenditures are \$173,828 more than the same period a year ago. The General Fund ending fund balance is \$4,315,595.

By Organizational Unit	Budget	YTD Actual	%	Prior Year Actual
City Manager	\$ 986,641	\$ 227,047	23%	\$ 220,002
Finance & Mgmt	1,277,463	285,119	22%	302,056
Community Develop	603,531	139,343	23%	115,086
Public Works	3,367,555	779,268	23%	706,246
Parks & Recreation	1,573,967	376,973	24%	354,105
Municipal Court	473,260	96,236	20%	96,169
Police	6,583,468	1,457,554	22%	1,475,269
Fire	6,038,570	1,478,336	24%	1,403,967
Capital & Other	804,000	6,852	1%	-
Total	\$21,708,455	\$ 4,846,728	22%	4,672,900

By Major Category	Budget	YTD Actual	%	Prior Year Actual
Personnel Services	\$ 17,057,814	\$ 4,114,994	24%	\$ 3,959,275
Materials & Service	3,846,641	724,882	19%	713,625
Capital & Other	804,000	6,852	1%	-
Total	\$ 21,708,455	\$ 4,846,728	22%	\$ 4,672,900

MAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

URBAN RENEWAL GENERAL FUND

Urban Renewal - General	Budget	YTD Actual	%	Prior Year Actual
Revenues	\$ 3,648,850	\$ 25,195	1%	\$ 27,047
Expenditures:				
Operations	2,080,000	-	0%	-
Transfers	1,481,500	-	0%	-
Balance-July 1	153,856	195,572	127%	354,719
Balance YTD	\$ 241,206	\$ 220,767		\$ 381,766

The Urban Renewal-General Fund accounts for the Agency's property tax revenues. Expenditures are primarily for qualified capital improvement projects.

CAPITAL PROJECTS FUNDS

EQUIPMENT REPLACEMENT FUND

Equipment	Budget	YTD Actual	%	Prior Year Actual
Revenues	\$ 664,500	\$ 1,656	0%	\$ 10,282
Expenditures:				
Operations	35,000	-	0%	-
Capital	762,000	56,348	7%	533,942
Balance-July 1	638,203	646,021	101%	1,052,316
Balance YTD	\$ 505,703	\$ 591,329		\$ 528,656

The Equipment Replacement Fund provides resources for major vehicle and equipment purchases. An annual funding level is established based upon equipment needs over a five year period. Resources are transferred from the General Fund to minimize budget fluctuations in tax supported funds.

Year to date purchases include \$9,236 for the financial/court system, \$47,112 for parks HD loader tractor.

FACILITIES REPLACEMENT FUND

Facilities	Budget	YTD Actual	%	Prior Year Actual
Revenues	\$ 1,366,500	\$ 9,086	1%	\$ 1,095
Expenditures:				
Operations	59,643	9,429	16%	9,496
Capital	1,690,000	4,721	0%	43,043
Balance-July 1	570,594	742,690	130%	815,724
Balance YTD	\$ 187,451	\$ 737,626		\$ 764,280

The Facilities Replacement Fund ending fund balance at September 30, 2016 is \$737,626.

TRANSPORTATION FUND

Transportation	Budget	YTD Actual	%	Prior Year Actual
Revenues	\$ 1,868,841	\$ 300,255	16%	\$ 314,639
Expenditures:				
Operations	1,668,827	234,578	14%	247,728
Capital	880,000	79,957	9%	-
Transfers	10,000	-	0%	10,000
Balance-July 1	3,493,375	3,496,457	100%	3,495,775
Balance YTD	\$ 2,803,389	\$ 3,482,177		\$ 3,552,686

Transportation Fund revenues are from state gas taxes, transportation SDC's, federal STP funds and franchise fees. Resolution #2011-04 adopted in 2011 directs 15% of utility franchise fees to the Transportation Fund for the City's pavement management program. \$446,697 is budgeted in the current year for franchise fee revenue.

URBAN RENEWAL CAPITAL FUND

Urban Renewal - Capital	Budget	YTD Actual	%	Prior Year Actual
Revenues	\$ 4,105,000	\$ 700,977	17%	\$ 3,133
Expenditures:				
Operation	449,092	94,558	21%	79,119
Capital	3,620,000	514,725	14%	530,738
Balance-July 1	90,064	194,015	215%	2,507,524
Balance YTD	\$ 125,972	\$ 285,709		\$ 1,900,800

The Urban Renewal Capital Fund accounts for the agency's major construction and improvements.

Capital expenditures totaling \$514,725 include \$104,716 for the Parking Garage Study, \$377,352 for the Spruce/Parrot Improvement, \$10,829 for pavement management, and \$9,898 for the 138 Corridor Project.

The City began to drawdown on the Line-Of-Credit to facilitate multiple Urban Renewal projects that are ongoing. During this quarter the City drew-down \$700,000 which constitutes the majority of the revenues to date. The Line-Of-Credit is a critical tool to ensure maximization of the Urban Renewal Agency's funding resources in providing the most capital enhancements possible prior to its expiration in 2019.

ENTERPRISE FUNDS

STORM DRAINAGE FUND

Storm Drain	Budget	YTD Actual	%	Prior Year Actual
Revenues	\$ 1,786,800	\$ 508,653	28%	\$ 416,760
Expenditures:				
Operations	632,157	150,939	24%	139,668
Capital	1,405,000	167,421	12%	54,727
Balance-July 1	1,924,966	2,048,384	106%	1,566,158
Balance YTD	\$ 1,674,609	\$ 2,238,677		\$ 1,788,523

The Storm Drain Fund accounts for the revenues and operations of the storm drainage system. Year to date user charges of \$452,259 are the principal source of revenues.

Year to date Storm Drain Fund capital expenditures include \$158,895 for the Fairmont/Garden Valley Storm Improvement, and \$2,334 for the Cascade Ct Storm Line.

WATER SERVICE FUND

Water	Budget	YTD Actual	%	Prior Year Actual
Revenues	\$ 5,657,780	\$ 1,830,892	32%	\$ 1,788,300
Expenditures:				
Operations	3,840,724	822,249	21%	889,484
Capital	1,665,000	109,536	7%	195,124
Balance-July 1	4,717,515	5,022,372	106%	4,160,611
Balance YTD	\$ 4,869,571	\$ 5,921,479		\$ 4,864,303

The Water Fund accounts for the City's domestic drinking water utility. Activities are totally supported by charges for services.

Year to date Water Fund revenues of \$1,830,892 is primarily from charges for services. Revenues are \$42,592 more than the prior year.

The ending fund balance at September 30th is \$5,921,479.

OFF STREET PARKING FUND

Off Street Parking	Budget	YTD Actual	%	Prior Year Actual
Revenues	\$ 130,500	\$ 7,403	6%	\$ 17,681
Expenditures:				
Operations	147,455	20,944	14%	21,072
Balance-July 1	104,901	101,780	97%	97,187
Balance YTD	\$ 87,946	\$ 88,239		\$ 93,796

Previously, Off Street Parking revenues came from parking fines, meters, and parking rental fees in City owned lots, however, beginning July 1, 2016 services

are being rendered under a new contract in which the City receives a flat monthly payment of \$3,542 or \$42,500 for the year. The ending fund balance at September 30th is \$88,239.

Effective November 1, 2012 the Downtown Roseburg Association, DBA Park-Smart, began providing parking enforcement services.

AIRPORT FUND

Airport	Budget	YTD Actual	%	Prior Year Actual
Revenues	\$ 446,185	\$ 91,342	20%	\$ 90,587
Expenditures:				
Operations	241,668	29,084	12%	44,760
Capital	110,000	-	0%	(10,089)
Debt Service	122,700	-	0%	-
Balance-July 1	210,184	201,941	96%	113,211
Balance YTD	\$ 182,001	\$ 264,199		\$ 169,127

Current year Airport revenues include user charges of \$89,154.

INTERNAL SERVICE FUND

WORKERS' COMPENSATION FUND

The worker's compensation fund was established in 1987 to provide financing for the City's self-insured worker's compensation program. Internal charges to other departments provide resources to administer claims management.

Worker's Comp	Budget	YTD Actual	%	Prior Year Actual
Revenues	\$ 377,000	\$ 94,440	25%	\$ 76,299
Expenditures:				
Operations	351,298	128,416	37%	152,875
Balance-July 1	343,891	142,144	41%	233,202
Balance YTD	\$ 369,593	\$ 108,168		\$ 156,626

An employee safety committee oversees safety and wellness programs for employees. The goal is to promote wellness and reduce work related accidents and injuries.

An actuarial review is completed every two years to ensure the program maintains reasonable reserves and funding levels.

ECONOMIC OUTLOOK

U.S. Economy

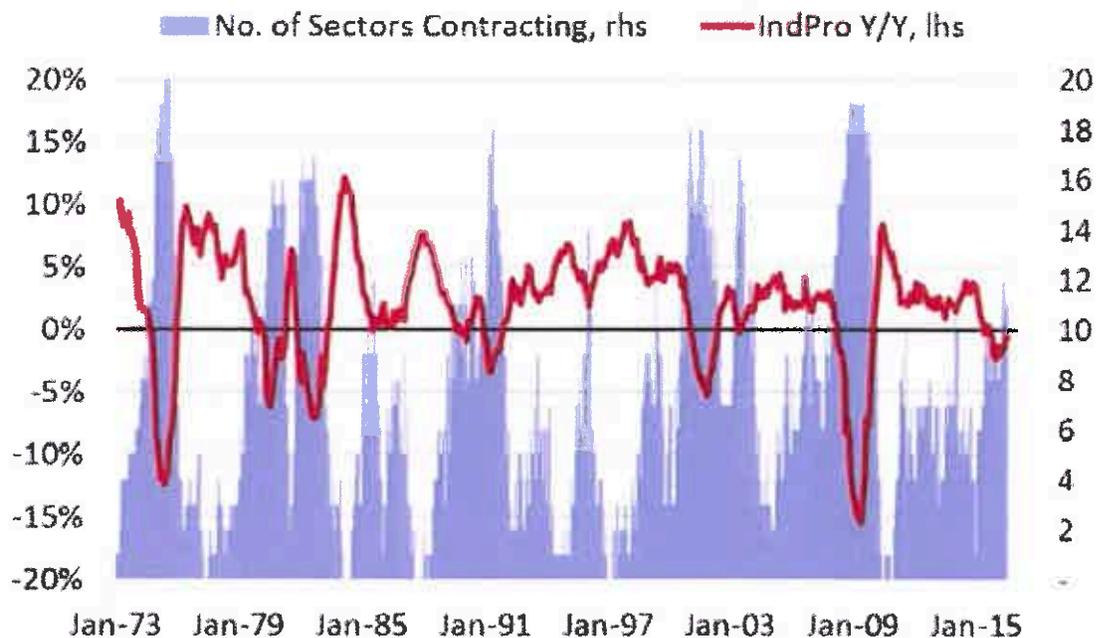
The opening of the September 2016 *Oregon Economic And Revenue Forecast* issued by the Office of Economic Analysis (OEA) states that “The economic expansion continues. However a few mounting concerns muddy the outlook with risks clearly tilted toward the downside. The good news is the nation continues to muddle through various headwinds with job growth strong enough to bring down headline unemployment and make some progress on underemployment. The strengthening labor market, better wage gains and strong household balance sheets continue to support the U.S. consumer, the only real economic bright spot in the past eighteen months.”

Despite the good news on the labor market, wage gains, strong household balance sheets and consumption, there are a couple of worrisome trends that have appeared in the data which are a cause of concern for some forecasters.

“First, industrial production continues to be weak. The initial production declines followed the oil and gas bust of 2014 and the appreciation of the U.S. dollar. Clearly the severe, industry-specific shock hit U.S. mining firms and their suppliers, like metal makers. The worsening terms of trade weighed on exports and export-dependent sectors like aerospace. These losses were

initially confined to just a handful of subsectors.” While the industrial production numbers in these initially affected subsectors have leveled off and maybe even growing again (it is a little too soon to tell) the underlying weakness has now spread to other subsectors. Reports over the last few months indicate that little more than half of all subsectors are seeing production declines over the last twelve months which is an increase from the handful from a year ago. “What makes a recession is when everything goes down together. Right now, producers of goods are somewhere in the middle between concentrated losses in a few industries and widespread losses across the board.”

Industrial Production and Recessions



20 Sectors within Industrial Production at the 3 Digit NAICS level

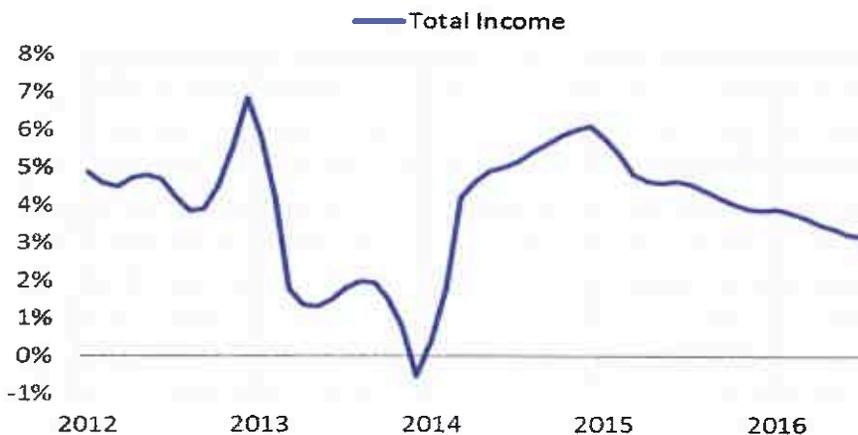
Latest Data: July 2016 | Source: Federal Reserve, Oregon Office of Economic Analysis

There is some good news for manufacturers in that the U.S. dollar appreciation has abated in 2016. Despite the leveling off of the U.S. dollar, it still remains approximately 20 percent stronger than major trading partners from two years ago. Of course a stronger dollar makes domestic goods and services more expensive for foreign buyers which lead to fewer exports and slower economic growth. OEA reports that “The ISM manufacturing purchasing managers’ index is still registering positive readings, but just barely. Manufacturing employment and hours worked are holding up so far, but no jobs have been added since late 2014”

The second concern is a national slowdown in personal income growth; the “. . . rate of growth is slower today than a year or two ago.” It is important to note that “. . . only about half the time does a recession immediately follow a significant slowing in personal income growth.” It is more likely that should income growth continue to slow that it would slow consumer spending which in turn would weaken one of the pillars of the nation’s recent growth.

U.S. Personal Income Slowing

Year-over-Year Percent Change, 3 Month Average



Latest Data: July 2016 | Source: BFA, Oregon Office of Economic Analysis

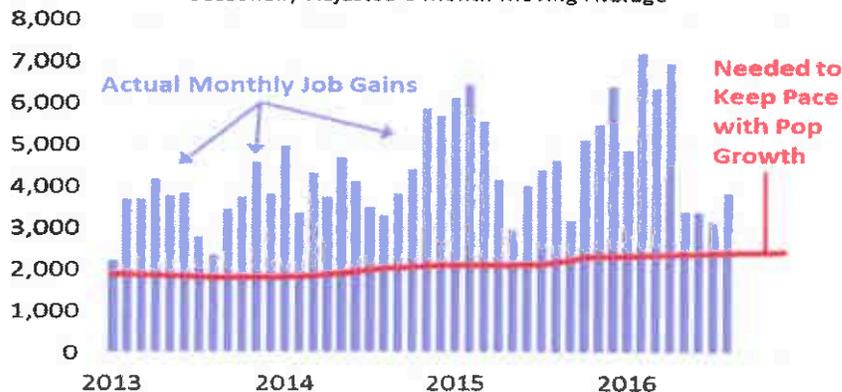
Currently, there is no clear signal yet of a recession, however, “The fact that business investment nationwide is essentially nonexistent today, manufacturing has stalled out and overall income growth is slowing point toward late business cycle behavior.” Despite the concerns, the outlook remains of continued growth as a strong consumer, housing demand, and the fact that the worst of the energy bust is already over, remains as drivers of growth.

Oregon Economy

Turning to the Oregon economy, “. . . Oregon’s expansion continues to see full-throttle rates of growth. Oregon is outpacing the typical state by a considerable margin today for both job and income gains.” While job growth has slowed a little in the last few months, job gains have been more than sufficient to keep pace with population growth. In the end the labor market continues to tighten across Oregon.

Oregon Job Gains

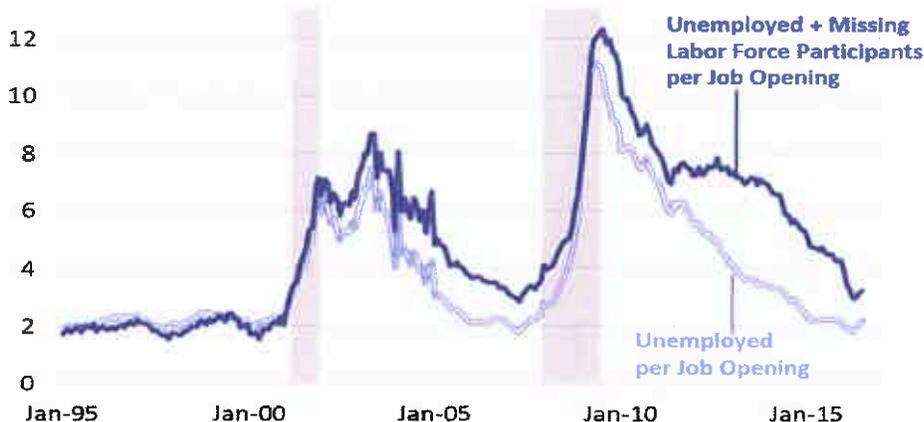
Seasonally-Adjusted 3 Month Moving Average



Latest Data: August 2016 | Source: Oregon Employment Department, Oregon Office of Economic Analysis

Currently, Oregon's labor market is experiencing all of the normal dynamics of a tightening market. Strong job growth has been diminishing slack in the labor market by reducing the pool of potential workers and as labor becomes scarce, businesses must compete for the best employees by increasing wages and benefits. As wages rise for the workers, more workers enter the workforce in search of more plentiful and better paying jobs.

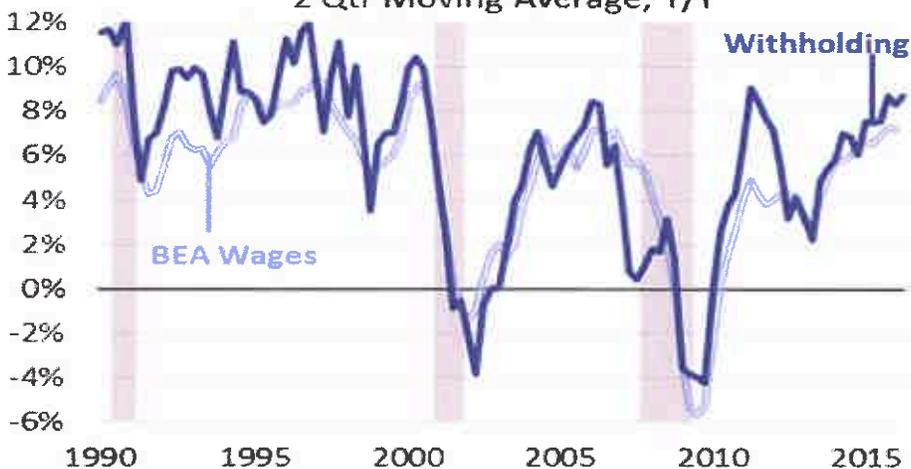
Oregon Job Openings and Available Labor
Number of Oregonians per Help Wanted Ad



Help wanted data is blended mix of Oregonian ads and the Conference Boards' Help Wanted Online Ads. Missing labor force participations are the difference between actual LFPR and demographically-adjusted full employment LFPR
Latest Data: July 2016 | Source: BLS, CBO, Census, Conference Board, Oregonian, Oregon Office of Economic Analysis

With the robust growth in the labor market, Oregon's economy is fast approaching full employment and wages are rising at a rate that outpaces the typical state. While Oregon's average wage is lower than the nation's, it is at its highest relative point since the mill closings in the 1980s, and the gains are broad based across economic sectors and geographic regions. ". . . [W]ages in Oregon are increasing at near double-digit

Oregon Wage Growth
2 Qtr Moving Average, Y/Y



Differences in 2007 and 2011 due to withholding table changes by Oregon Dept of Rev.
Source: BEA, Oregon Dept of Revenue, Oregon Office of Economic Analysis

rates, which is better than during the mid-2000s expansion but still a notch below the 1990s gains. Average wages per worker are currently increasing 3-4 percent per year, which is faster than inflation of 1-2 percent per year."

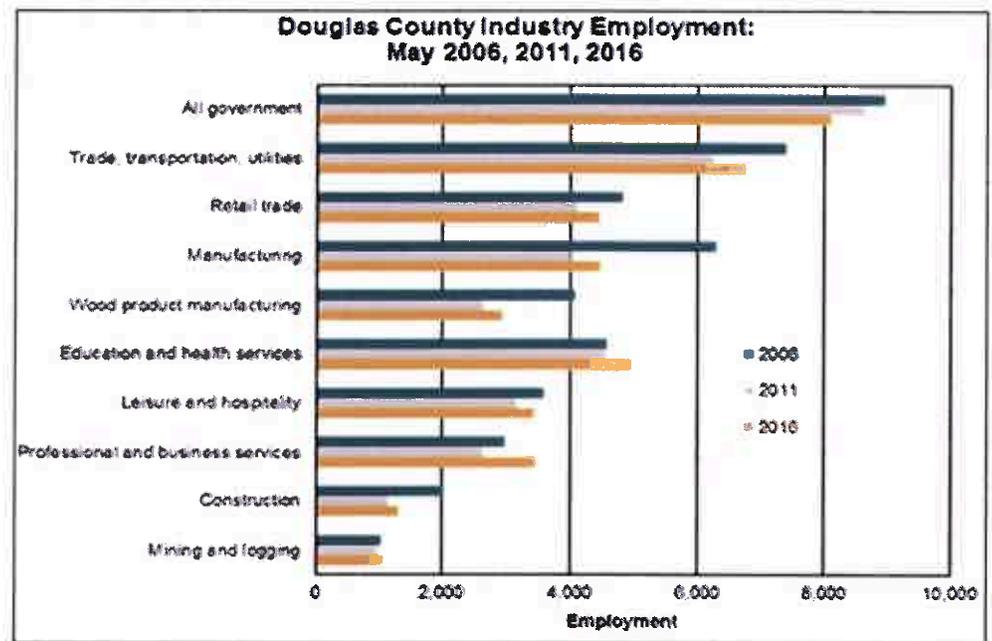
Since 2014, Oregon has added an average of 5,000 jobs per month which represent peak economic growth rates as these numbers are not sustainable but do indicate that the state is approaching full employment. Arizona State University's W.P. Carey School of Business's most recent job growth rankings placed Oregon third in the nation for job growth in July with over 56,600 jobs added over the past year; an increase of 3.2 percent. While there is not a definitive measure of full employment or economic slack, it is based upon assumptions, and while Oregon's unemployment rate is low, those working part-time for economic reasons are back to pre-recessionary levels, wages are rising and the participation rate is increasing as well, OEA believes Oregon to be near full employment.

Douglas County

While it was recently reported that Douglas County's seasonally adjusted unemployment rate rose to 7.0 percent in August from a revised 6.8 percent in July, it is important to note that the unemployment rate decreased 0.7 percent point year-over-year. Of greater importance, a review of the supporting data to the unemployment rate support a strengthening labor market over time. The civilian labor force has grown by 2,055 since August 2014, the number of employed has increased by 2,670 and the number of unemployed has decreased by 615 during the same period of time.

A recent study released September 1, 2016 by the Oregon Employment Department titled "Douglas County's Economy: The Last 10 Years, 2006-2016" allows us to zoom out and look at the County's recovery process to date. For Douglas County, the Great Recession came early and stayed late. Officially, the Great Recession started in December 2007 and ended June 2009, however, Douglas County's peak employment was in 2006 and bottomed out in 2012. "As with the nation and the state, the county's construction and manufacturing industries were the leading edge of the downward plunge and followed by the other business sectors."

"Douglas County's construction industry lost 43 percent of its employment between May 2006 and May 2011. Manufacturing lost over 36 percent of its employment, and the area's mainstay wood product manufacturing employment dropped 35 percent. Trade, transportation, and utilities lost more than 15 percent of its jobs; retail trade, which makes up two-thirds of that industry's employment, lost 15 percent of its jobs. Leisure and hospitality also shed jobs (12%)."



During the last five years, Douglas County has turned the tide and has been able to add jobs across all industry sectors. "Douglas County's leading job-adding industries include professional and business services, which includes staffing agencies, (31%); construction (14%); and manufacturing (12%; wood product manufacturing 11%). Other industries showing gains during the recovery include leisure and hospitality (9%) and private educational and health services (9%, primarily health services). In spite of these impressive growth rates, area construction employment is still 36 percent below pre-recessionary levels, and manufacturing is nearly 29 percent below. Overall, only professional and business services, private educational and health services, and mining and logging show job counts above pre-recessionary levels (16%, 8%, and 3%, respectively)."

Douglas County Employment Changes

	Percent Change 2006-2011	Percent Change 2011-2016	Percent Change 2006-2016
Construction	-43.3%	13.9%	-35.5%
Manufacturing	-36.3%	11.8%	-28.8%
Trade, transportation, utilities	-15.4%	7.8%	-8.8%
Leisure and hospitality	-12.0%	8.9%	-4.2%
Professional and business services	-11.1%	30.9%	16.4%
Mining and logging	-5.8%	9.3%	2.9%
All government	-3.7%	-6.1%	-9.6%
Education and health services	-0.4%	8.8%	8.3%

Looking forward, industry projections project an anticipated 9 percent employment growth rate for 2014-2024.

A FINAL NOTE

This quarterly report has been prepared to summarize and review the City's operations and financial position for the first quarter of the 2016-17 fiscal year as of the month ending September 30, 2016, provide management with a financial planning tool, and monitor compliance with budget policy and Oregon budget law.

If you have questions about the report or would like additional information please contact Ron Harker, Finance Director, at (541) 492-6710 or via email at finance@cityofroseburg.org. We encourage you to visit our website at cityofroseburg.org. The site is user friendly and contains information about the services we provide.

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