



*Home of the Tualatin River National Wildlife Refuge*

1. CALL TO ORDER
2. ROLL CALL
3. APPROVAL OF AGENDA
4. CITIZEN COMMENTS
5. NEW BUSINESS
  - A. Approval of April 23, 2024 Committee meeting minutes
  - B. Discussion of Charter and Potential Revisions
6. OTHER
7. ADJOURN

## MEETING AGENDA

Charter Review Committee

May 15, 2024, 6:00 pm

Sherwood City Hall  
22560 SW Pine Street  
Sherwood, OR 97140

In the Community Room

This meeting will be live streamed at  
<https://www.youtube.com/user/CityofSherwood>

### **How to Provide Citizen Comments and Public Hearing Testimony (remove if not applicable):**

Citizen comments and public hearing testimony may be provided in person, in writing, or by telephone. Sign-up forms will be available at the meeting for anyone who wishes to provide comments in person. Written comments must be submitted at least 24 hours in advance of the scheduled meeting start time by email to [cityrecorder@sherwoodoregon.gov](mailto:cityrecorder@sherwoodoregon.gov). To provide comment by phone during the live meeting, email or call [cityrecorder@sherwoodoregon.gov](mailto:cityrecorder@sherwoodoregon.gov) or 503-625-4246 at least 24 hours in advance of the meeting start time in order to receive dial-in instructions. In-person and telephone comments are limited to 4 minutes per person. Per Council Rules Ch. 2 Section (V)(D)(5), Citizen Comments, "Speakers shall identify themselves by their name and by their city of residence." Anonymous comments will not be accepted into the meeting record.

### **ADA Accommodations:**

If you require ADA accommodations for this public meeting, please contact the City Recorder at 503-625-4246 at least 48 hours in advance of the scheduled meeting time. Assisted listening devices available on site and upon request.



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## MEETING MINUTES

Charter Review Committee

April 23, 2024, 6:00 pm

Sherwood City Hall – Community Room

22560 SW Pine Street  
Sherwood, OR 97140

### 1. CALL TO ORDER

Chair Dave Grant, called the meeting to order at 6:02 pm.

### 2. ROLL CALL

**Committee Members Present:** Chris West (Police Adv Board Rep), Joy Kuczer (Parks & Recreation Adv Board Rep), Rick Woidyla (Planning Commission Rep), Mark Cottle (Citizen at large), Chair Dave Grant (Citizen at large), Vice Chair Neil Shannon (Citizen at large), Paul Mayer (Budget Committee Rep), Zana Mays (Senior Adv Board Rep), Deb Diers (Library Adv Board Rep), Michelle Nedwek (Cultural Arts Commission Rep), Lisa Patterson (Safety Committee Rep), and Council Liaison Keith Mays.

**Staff Present:** City Attorney Ryan Adams, Assistant City Manager Kristen Switzer, and City Recorder Sylvia Murphy.

### 3. APPROVAL OF AGENDA

Chair Grant addressed approval of the agenda. Motion was received from Mark Cottle to approve the agenda, seconded by Michelle Nedwek. Motion carried with all present members voting in favor.

### 4. CITIZEN COMMENTS

Chair Grant reminded the Committee that they received an email from Paul Wilcox that would be included into the meeting record. No other citizen comments were received.

### 5. NEW BUSINESS

Chair Grant addressed approval of the March 21, 2024, meeting minutes and asked for edits or a motion.

#### **A. Approval of March 21, 2024 committee meeting minutes.**

A motion was received from Chris West to approve the minutes, seconded by Mark Cottle. Motion carried with all present members voting in favor.

Chair Grant addressed item B on the agenda.

## **B. Discussion of Charter and Potential Revisions**

Chair Grant asked City Attorney Adams to address this item. Chair Grant stated that the Committee asked staff to address Charter Section 47 and data gathered from polling other cities regarding council compensation. City Attorney Adams referred to the compensation information provided to the Committee (page 41 of meeting packet). He stated the takeaway from the information collected was that it's rare that council members and mayors were compensated in Oregon. He stated the information provided came from the City of Newberg who had compiled the information they gathered from other cities. He noted Wilsonville was not listed in the data and stated they did compensate their Council, with the mayor receiving \$2,350 per month, the Council President receiving \$1,100 per month, and the general council members receiving about \$800 per month. Chair Grant asked the Committee if there was movement for this topic and asked what brought this forward for discussion. Chris West stated he brought the topic up as the topic was being discussed in many communities. He stated that the premise for his discussion was because it limited people that could participate. He stated he was not sure if it was applicable to Sherwood, but believed it was a hindrance. He added regarding the nuance of the use of credit cards by elected officials and they being fixed or dealt with in a charter. Mark Cottle clarified the issue being that mileage perks were earned from the use of credit cards and this being an ethical issue. City Attorney Adams added that this had been addressed by the Oregon Government Ethics Commission (OGEC) as compensation and said it was okay as long as your local charter or other compensation means allowed for that, otherwise it is not okay. Member Cottle asked and suggested language; Reimbursement for expenses paid including mileage or bonuses on credit cards is the compensation. Attorney Adams replied this could be done and stated he believed this would address the ethics issue. Lisa Patterson commented regarding the reimbursement and Attorney Adams clarified and stated that what the OGEC was saying was that if you used your personal credit card for a city trip, then you are taking advantage of a benefit that was not available to the general public. Discussion followed and Mr. Cottle stated that there had been previous attempts to compensate elected officials and the citizens did not support it and if there were other charter provisions to address then let's not address compensation. Ms. Diers addressed credit cards with benefits and asked if the city was open to scrutiny if there was not a clause in the charter. Attorney Adams informed the Committee that another option was to have staff book the travel on a city credit card and stated he did not see a lot of risk to the city, it was more of a risk to the individual. Mr. Shannon asked how the city was currently dealing with it and Attorney Adams explained. Comments were received regarding per diem and dealing with this and overall problems with perks and reimbursements. Mr. Shannon stated he did not believe it was worth putting it on the ballot. Council Liaison Mays shared his experiences with credit card use while on the City Council and stated he had a city credit card that was previously issued to him for city expenses. He said there were multiple avenues an elected could use and not violate ethics. He stated if there was interest in a compensation provision, then it could go into effect at a future date and to determine a process. Mr. Shannon reiterated that he understood economic factors but was not in favor of compensation other than reimbursement for actual costs and would not look at compensation. Zana Mays stated that she believes mayors should be compensated and commented regarding the amount of time a mayor invested in the community and said it was a considerable number of hours. Rick Woidyla addressed credit cards and ethics and asked if we could solve this with a policy and it not needing to be in the charter. Attorney Adams replied for employees it can be solved with policy, but not with Council members as it's clearly stated in the charter. Paul Mayer asked if this topic had been brought to the voters and Council Liaison Mays replied it had come before the voters twice in the past thirty years and a charter amendment was rejected both times and said the provision was to remove the charter language, not replace it. Chair Grant commented that having a compensation topic on the ballot could draw negativity to other proposed charter revisions.

Chair Grant asked Attorney Adams to address Section 47 of the charter. Attorney Adams read the provision as:

*After July 1, 2015, any ordinance, resolution or order approved by a majority of the City Council that imposes a new city tax, charge, or fee and/or increases by more than two percent annually any city utility tax, charge, or fee including but not limited to water charges, sewer and surface water charges, and street utility fees that are imposed on residential properties occupied by owners and/or occupants within the City of Sherwood boundaries, shall not be effective unless ratified by a majority vote of the City's qualified electors voting in an election where at least 50 percent of the registered voters cast a ballot, or the election is held in May of an even numbered year or November of any year.*

He outlined the issue that the city was dealing with, and provided an example with the city's sewer fund, and said with this charter provision it makes it difficult to replace and address maintenance and operations of the city's sewer infrastructure. He stated inflation has outpaced fees and the amount we are able to raise fees. He said our expenses outweigh our ability to increase services to the public in those areas. He asked for Committee questions and presented options for the Committees' consideration (see page 45 of the meeting packet). Options for discussion were presented and he reiterated these were not the only options available to the Committee.

- Remove "Sewer and Storm" from Section 47
- Tie increase to each utility's financial plan
- Tie any increase to CPI or ENR
- Raise from 2% to 4%
- Repeal Section 47

He stated with the exception of a total repeal of Section 47, any other options would be a repeal and replace due to how the charter language is worded. Council Liaison Mays added from his perspective as an elected, the status of the sewer fund was failing, as the city's General Fund was currently loaning the Sewer Fund \$600,000 to do a significant and critical maintenance project, as we didn't have the reserves in that fund. Mr. Shannon asked Attorney Adams if the city had increased the rates the maximum 2% since this provision was put in place? Attorney Adams replied yes, he believed so and stated a fee schedule was brought before the City Council annually. Council Liaison Mays informed the Committee that the City Council adopted a resolution indicating that there would be an annual increase of 2% so that there's no confusion, even though there was a zero-inflation rate, as we knew the fund was at risk. He stated the Water Fund was in decent shape today. He said the challenge with sewer and storm was inflation, and the fact that the city did not control the obligations that we must meet. He stated Clean Water Services (CWS) was responsible for a big part of the expense and charges to the city. He said the work that the city does requires that the CWS standards are met. He said the city does not have options to defer inspections, maintenance, or projects as we have specific requirements that must be met under contract. Mr. Cottle referred to the Water Fund as a comparison in which the city sets the rates, and Liaison Mays replied it's similar but not as extreme because we own so much of the infrastructure. He said when it came to the treatment plant, it's under contract. Mr. Cottle asked how much deferred maintenance was in storm water, sewer and water, that the city would have to pay back to the General Fund or we are delaying tasks. Liaison Mays replied he wasn't sure, but the Council received a critical project alert and obligated the \$600,000. Assistant City Manager Kristen Switzer added that it was done in 2021, and at that point, within ten years we would be about \$1 million short. Mr. Cottle added that it seemed like whatever we do we have to build in something that allows for us to make-up that money as the money has to go back to the General Fund and it's not an option to not pay it back. Ms. Switzer added that City Manager Pro Tem Sheldon indicated that at this point in time it's probably more than \$1

million from the 2021 projection. She stated in regard to the Water Fund, that the recommendation back then was to go to 3% rather than 2% and stated it's not nearly as bad, but we are still short to where we need to be to keep up. Mr. Cottle asked if the language of "No more than CPI, plus 2%, annually" could be added to the current text of Section 47 and maintain the current text as written, allowing for us to get annually whatever the average CPI is plus the 2% to pay for the deferred maintenance. City Attorney Adams replied he thinks that was an option. Mr. Cottle stated his concern with rewriting the section was the response from the public but believed any changes would prompt a significant public uprising. He stated if we target something to fix it, then he believed the public would be okay with it. Mr. Shannon noted that he ran some numbers and stated that we stayed fairly even until 2001. He further explained his research. He said that 2% worked, but that CPI was probably not the index we want to tie to construction. He asked what ENR was and City Attorney Adams replied it's the index tied to engineering. Mr. Shannon added that PPI was suggested, and it also included construction and that was almost double of what the CPI was over the last couple of years. He said he would certainly think about inflation plus a certain percentage and said that 2% probably worked as it would be recognized by the voters. Ms. Kuczer asked if we have other options for raising money for sewer replacement and said it seems like we can do a bond for major sewer replacement projects. A LID was suggested. Liaison Mays replied we can ask the community to tax themselves a certain amount to be paid out over 5-10 years for projected projects, we can do a local option levy, we can do a fixed amount per year for 5 years. He said the potential challenge with this is people asking the location of the projects and if not in close proximity to people would they care and vote for it. Ms. Patterson commented regarding compounding every year and addressing things separately and stated it seems like there was a reason for this being put into place. She said she would not want to lose the spirit of why this clause was put in place and separating it might be a good thing or doing a one-time jump to 5% for the first year and then back down to 2% to cover immediate needs. She said removing a limitation from the charter that people cared enough about to put in the charter feels a bit like we are changing the spirit of things, especially in a high-inflation time. Ms. Diers asked how the \$600,000 taken from the General Fund to pay for the sewer get repaid? Assistant City Manager Switzer replied it comes from the Investment Fund and it's a loan to be paid back. She added that we keep kicking the can down the road and it compounds the problem. Ms. Diers added that her concern with continually asking the public to vote for a bond is that it would be for one thing, which is fine, but what about the continuing maintenance that we are obligated to do? We don't want to be like cities that have failing water and sewer systems. She added we want to keep on top of things as this is the best for the public. Neil Shannon stated, echoing Zana Mays comments, that if we tie an increase to a cost of living, all we have done is stop digging the hole, we haven't filled the hole. He said as a Charter Committee he is not sure that it's our job to fill the hole but feels it's our job to stop making the hole bigger. Mark Cottle stated he thinks Mr. Shannon's comments were good on big projects. He referred to his 30 years of seeing projects that were considered "an emergency" where the city had to get bank loans or take money from other city funds. He referred to the deferred maintenance of \$600,000 and said his idea isn't that the city wouldn't always be able to get the 2% plus CPI, it would be the Council's discretion to say how much was needed. He said the city used to put away 10% of the city's budget for emergencies like this, for them to come up with a methodology, to say for example, that this year we need CPI, but we don't need the 2%. He said his concern with using something else was that very few in the community were going to know. He added that this is also part of a political issue for the Council to resolve on how to sell change. He suggested using the simplest language possible. Lisa Patterson commented regarding stopping the bleeding and not necessarily filling the hole and keeping it simple. She suggested doing a combination of an inflation rate, or 2% whichever is greater to give us flexibility when if the inflation goes below 2%, then we can still go up to 2%, but then we can at least meet inflation. She stated she believed this would seem reasonable to people when everything (costs) kept increasing, but not inflation plus 2%. She said she liked the idea of a bond or a public works fee, so it's not necessarily just for a specific sewer project. Chris West said he agreed with Neil that we needed

to stop the bleeding, and the separate issue was filling the hole. He said he knows the history of this charter amendment and part of the challenge with the electorate is their knowledge of the history. He said the community has newer members and we need to keep that in mind when we think about what we're putting before the electorate as it's different than in 2014-2015. He said he believes they need to address in the charter the means to fix the bleeding but have Council evaluate other ways to fill the hole. Paul Mayer stated that he was on the campaign that put this language into the charter and would be hard-pressed to change it, especially when he sees as a member of the Budget Committee, that 70% of the city's budget was coming from single family homes. He said over 16% of the community were senior citizens who were on fixed incomes, including himself. He said utility and property taxes are 41% of the revenues and referred to Ballot Measure 50 that controlled property tax limits. He said materials and services costs for Broadband, over a three-year period is \$37 million that we have budgeted for including this year's budget. He said \$600,000 is nothing compared to Broadband in the budget. He said he would propose cutting back and taking the money out of Broadband and putting it towards this and not affecting this ballot measure. Mark Cottle added that the problem with the 2% is that it's a hold-harmless fund, meaning that it has to be used for that. He said we have to be responsible enough to say it has to pay for itself, the sewer, water and storm water as they are separate budget items. He said the 2% kicker isn't mandatory and we have to fill the hole as well, and the only way to fill the hole is to authorize.... He asked the Committee if sewer and water should fill their own hole that we have dug for ourselves, or should we take it from some other aspect of the city? He commented that most of the city's budget is not controlled by the city and referred to PERS requirements and said there is not a lot of discretionary funds to raid. He said we have to stop the bleeding and give the ability to fill the hole. He said he doesn't know if 2% or .5% is the right number. Joy Kuczer commenting regarding a transparency clause and a pass-through and gave the example of CWS raising 4% and the city raising it 4% and asked can we have a clause of a straight "pass-through"? She commented about filling the hole and asked if that was a bond or a separate thing. She said at least then that type of stuff isn't baked into our sustaining rates. Mark Cottle added that he didn't think that anyone was suggesting giving them a cart blanche to raise CPI plus some percentage, this would be a discretionary function of the Council and they could be voted out if we didn't like what they were doing. Liaison Mays informed the Committee that the city has dedicated funds, and there's a variety of revenue that is collected for storm and sewer and new development that pays development charges towards new capital projects, not maintenance or replacement. He stated all the SDCs for storm and sewer go into a dedicated fund that cannot be spent on anything but that, and any revenue that is collected on a utility bill for storm or sewer must go to those storm and sewer funds, similar to water and parks. He said the General Fund is supporting these funds and best practice is to not have the General Fund supplement utility funds. He said if the city's General Fund ended up not getting repaid, then we'll need to take general funds from other obligations. He said Broadband is its own fund and the General Fund paid for police, parks, library, and other core services in the city. Paul Mayer recapped a previous Budget Committee meeting and recalled borrowing money from one of the funds to supplement the rest of the money for the bridge project and asked why can't we do that with this? Liaison Mays replied we are currently doing that and explained. Chris West asked Liaison Mays & Mark Cottle in looking back prior to 2015, were fees increased a different percentage if the need in sewer or water was 3 or 4% and something else was 2%, did you actually make those differences in what you did or did you just do an across-the-board. Liaison Mays replied that general best practices for any city is to do updated master plans and do projections on rate increases over time, so we have proper funds to address the needs of capital projects, building, and also maintaining. He said we can only guess what CWS does and shared the example of the current construction project on Tualatin-Sherwood Road that's a \$15 million project and said the city wasn't really consulted. He said we will be paying for it with rate increases. Mr. West clarified his question and Mr. Cottle replied. Mr. West added with the Section 47 limitations, it took away best practices. Liaison Mays confirmed and shared information regarding video filming requirements for sewer lines and using this data for master plans and maintenance plans. Mr.

Cottle commented regarding state mandates for water and sewer, federal mandates, and contractual mandates. Deb Diers asked if we remove the text of “sewer and storm” what does that mean, is it a separate section, a Section 48 indicating how sewer and storm is paid for? Attorney Adams replied if you took it out it doesn’t need to become a separate section. She asked how do we account for the sewer and storm charges? Assistant City Manager Switzer replied it’s accounted for in the city’s fee schedule and explained. Joy Kuczer asked what problem are we trying to solve with the rate increase? To be able to keep up with our vendor rates and other costs that get passed through, are we trying to keep up or trying to keep up and also build a maintenance fund out of this rate? She added that she wants to stay away from trying to solve a temporary problem with a permanent solution. Mark Cottle replied he thinks the answer is both and said you can’t do one without the other. He added there is always maintenance to be done and it should come out of this fund. He said this is a dedicated fund. Ms. Kuczer added you can always pass a bond to get this replaced and this is a temporary solution for a temporary problem. Mr. Cottle replied that the \$600,000 is in one area and we know there is deferred maintenance and there will be future maintenance and we can’t do a bond every time we need that. He said it has to come from this fund. Liaison Mays added that we are trying to solve both. Mr. Cottle said that he does not know what the percentage should be. He commented regarding CPI and not knowing if this is right, or we can say whatever the vendor charges us, plus some percentage for maintenance. He said when CWS charges the city those charges do not include maintenance, that’s for the city to figure out. He stated that he does not know if it’s language of a “pass-through, plus costs, and some sort of other percentage to take care of maintenance. Liaison Mays replied he appreciates the conversation and wants to continue it, but if the Committee formulates a recommendation, to keep it simple and transparent. Rick Woidyla asked when we look at the possible solutions with this document, if we are going to be back here in six years, removing water and street fees from this and asked are we solving the core problem by just taking these out? Mark Cottle replied and said we can’t do that and referenced the language in Section 47 and explained. City Attorney Adams confirmed that removing the language of “sewer and storm” from Section 47 would not be possible and this is what he meant when he previously spoke about repealing and replacing. Liaison Mays commented that residential rates have stayed at 2% since 2015 and commercial and industrial rates have increased. He said those increases did not prevent the current problem. He said that currently water funds aren’t bad but could be a problem if we continue with inflationary times. Brief discussion followed regarding water funds, water projects, cost of power (PGE rates) to operate our pumps, current operating city wells. Liaison Mays added that the nexus from his perspective are best practices, thinking long term, keeping overall rates low for everyone, and programs for those with financial needs. Paul Mayer asked about active wells and Liaison Mays replied. Discussion continued regarding city wells and use.

Chair Grant recapped and said what he is hearing is support for something of the nature of the third option, increase to some indicator plus an amount to cover past obligations and perhaps a reserve fund of some kind. He said we need to direct staff to come back with something to consolidate what’s happening here, with conversations revolving around CPI or CPI plus something. Liaison Mays commented regarding everyone on the Committee having an opportunity to comment, and comments were received from Michelle Nedwek. Michelle stated she believes it’s important to ensure that between now and six years from now that it’s something that will hold up before we do this review again. She stated that she doesn’t want to necessarily take the language out of the charter, and this is her hesitation to remove it with option 3. Chris West commented regarding the pass-through and said that he would like staff to look at another option, that instead of a CPI it has some level associated with, when we are not in charge of it, such as CWS, that there’s a language option that deals with addressing a pass-through. Paul Mayer stated if we do change it, that there be a clear explanation as to why it’s changing. Chair Grant commented regarding the Committee members talking to their respective committees and getting the word out that there is a legitimate reason for the change. He commented that the Committee

is making a recommendation to the City Council and the Council will also do public outreach if they decide to put this decision to the voters. Rick Woidyla stated to help him understand what the best option will be, is for him to have an understanding of CPI plus, ENR plus, etc. and what that looks like on a 10 year horizon or whatever the timeline is for solving this particular problem, and then comparing it to a rate increase of 2-3% or 2-4% and having all the materials in front of us and then choosing which option is best for the tax payers. Mark Cottle asked if we're aware of other cities having this issues and City Attorney Adams replied he is not aware. It was asked if Mr. Adams looked at the LOC and he replied this is unique to Sherwood. Neil Shannon added that this only addresses city fees and if CWS raises their rates by 10% that's a pass-through on the bill and the city doesn't have any control over it. Comments were received that that is not correct, and discussion followed regarding the city's ability to only raise fees up to 2%. Paul Mayer asked Liaison Mays to explain his comments from the prior Charter Review meeting regarding CWS. Liaison Mays recapped the city's history regarding sewer services, including the city's sewer facility previously located near Stella Olsen Park (currently the parking lot), Unified Sewer Agency, now Clean Water Services, the expansion of CWS infrastructure in Washington County and service agreements CWS has with jurisdictions they provided services to. Brief discussion followed and Liaison Mays provided background on the city's water system, regulatory requirements, CWS regulatory requirements regarding street sweeping and storm water systems, and increases in costs associated with maintaining required standards. Deb Diers addressed option 1 and asked what's the downside of pulling out all those third-party people who we don't seem to have any control over their increases but are impacted by them, pulling these out and making it a separate thing. Attorney Adams clarified the question and said he believes the problem with pulling out the language is the preparatory language, and Ms. Diers reiterated, pulling this language out and making it a pass-through. Attorney Adams replied he believe we could. Comments were received that the downside was the community's response and having to rewrite the entire section. Comments were received regarding project labor costs and those being more than 2%, project bidding and challenges. Paul Mayer asked if the city had a seat on CWS's Board and Liaison Mays replied that, no, that the city's representative was Roy Rogers who sits on the Washington County Board of Commissioners, and the CWS Board is made up of the four area County Commissioners and the County Chair. Discussion followed regarding pulling out the language regarding third parties and having passthrough language and having to rewrite the entire section. Comments were received that the Committee could, but they would have to rewrite the entire section as the city's tax, charges and fees are the qualifier and the water and sewer charges are the examples. Discussion followed regarding what the Committee would be providing to the Council as an advisory committee. City Attorney Adams stated that the city's code specifies that a memo is required from the board chair to the Council, and he would assist with that memo indicating the boards consensus. Discussion followed that the Committee would vote on the memo and a vote of six Committee members was required to pass the memo onto the Council. Chair Grant recapped that the Committee would ask staff to prepare language for the Committee to vote on and said the Committee appears to be leaning towards an indicator plus, whether that is CPI or whatever, and have staff confirm that one indicator was more appropriate than others according to the rate changes and come up with a few options for us to consider. Mark Cottle suggested staff prepare options to amend the language and also a complete rewrite and said he likes the "pass-through" language, a percent for future deferred maintenance, etc. He added that the Committee may like two options and can present both to the Council and have the Council make the final decision. Chair Grant recapped again asking staff to prepare an indicator plus 2%, one that would be a pass-through. Lisa Patterson commented regarding the pass-through language and if it was possible for it to be clean/specific and discussion occurred. City Attorney Adams said he and Assistant City Manager Switzer would speak with City Manager Pro Tem Sheldon to get additional insight and could also invite Mr. Sheldon to the next Committee meeting to weigh in. Chair Grant asked the Committee if they were comfortable with the direction provided to staff and no objections were received. Deb Diers commented regarding the language that refers to "50% of



voters” and said on a special election you’re never going to get 50% therefore you’re guaranteeing it’s going to fail and asked if this can be taken out. Comments were received that the language was intentional, and Paul Mayer stated that it was intentional as 5 years prior fees continued to increase. Neil Shannon added that he also recalls that back then there were a lot of issues with school bonds being presented in off-elections to ensure that bonds passed without a lot of people paying attention. Discussion followed. Joy Kuczer commented regarding compensation and getting rewards with the use of personal credit cards and this being an ethical issue, and asked if the city attorney could draft language that indicates if rewards are obtained that this is okay. Comments were received if other city charters had this type of language. Mr. Adams stated the problem with this in the policy question, is that the charter is very clear that the council shall receive no compensation and said you can’t go around the charter with policy that allows compensation. Comments were received with various language options. Mr. Shannon thanked staff for their work on the materials provided to the Committee and asked regarding state allowed debt, specifically, what’s the city’s current debt. Mr. Adams replied he believes the city currently has zero General Obligation bond debt and confirmed the state limit is \$5,000 and explained state statute. Mr. Shannon added that the City Council could pass an ordinance indicating we could have more debt than that and Mr. Adams said or adopt a budget. Mr. Shannon asked if the Committee wanted to discuss city debt language and commented regarding the charter language regarding parks, particularly the issue if the city wanted to sell a portion of a park. He asked staff to remind him of the current policy. City Attorney Adams replied if it’s more than five acres, it required a super majority vote of the Council, which is five. He asked if there was interest from the Committee to discuss. Joy Kuczer added that as a member of the Parks Board she also noticed this language and believes it’s a good idea to protect our parks. She referred to charter language of neighboring cities regarding public transit and if the Committee should consider this topic. Mr. Shannon replied that neighboring cities have language prohibiting public transit and feels the city is protected because of that. Mark Cottle added that he recalls wetlands being donated to the city for parks and development and maintenance of these parks (tot-lots, pocket-parks) was very expensive for the city. He added that he doesn’t know if he wants to limit the Council’s ability to say we don’t want these types of parks and we have decided to have more regional size parks and get rid of the pocket-parks because they are very expensive to maintain. He added that he doesn’t recall they Council threatening or considering selling any of our major parks. Mr. Adams added that he believes the current charter language regarding the five acres was due to the YMCA property. Paul Mayer referred to the data collected by Mr. Shannon and said he believes it would be a good resource. Mr. Shannon indicated he would provide the information to staff regarding CPI and PPI.

## 6. ADJOURN

Chair Grant adjourned at 7:35 pm.

Attest:

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Sylvia Murphy, MMC, City Recorder

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Dave Grant, Chair

### **Section 37—Original Text**

The council must authorize the compensation of City appointive officers and employees as part of its approval of the annual city budget. The mayor and councilors shall not be compensated but may be reimbursed for actual and reasonable expenses.

### **Section 37—Option 1**

The council must authorize the compensation of City appointive officers and employees as part of its approval of the annual city budget. The mayor and councilors shall not be compensated but may be ~~reimbursed~~ compensated for actual and reasonable expenses in accordance with the City of Sherwood's personnel and travel policies as may be amended from time to time.

## **Section 47—Original Language**

After July 1, 2015, any ordinance, resolution or order approved by a majority of the City Council that imposes a new city tax, charge, or fee and/or increases by more than two percent annually any city utility tax, charge, or fee including but not limited to water charges, sewer and surface water charges, and street utility fees that are imposed on residential properties occupied by owners and/or occupants within the City of Sherwood boundaries, shall not be effective unless ratified by a majority vote of the City's qualified electors voting in an election where at least 50 percent of the registered voters cast a ballot, or the election is held in May of an even numbered year or November of any year.

## Section 47—Option 1

After July 1, 2015, any ordinance, resolution or order approved by a majority of the City Council that imposes a new city tax, charge, or fee and/or increases annually by more than two percent plus the percentage equal to the CPI-W, West Index, for the year immediately preceding the ordinance resolution or order ~~two percent annually~~ any city utility tax, charge, or fee including but not limited to water charges, sewer and surface water charges, and street utility fees that are imposed on residential properties occupied by owners and/or occupants within the City of Sherwood boundaries, shall not be effective unless ratified by a majority vote of those voting in a given election. ~~the City's qualified electors voting in an election where at least 50 percent of the registered voters cast a ballot, or the election is held in May of an even numbered year or November of any year.~~

## Section 47—Option 2

After July 1, 2015, any ordinance, resolution or order approved by a majority of the City Council that imposes a new city tax, charge, or fee and/or increases annually by more than two percent plus the percentage equal to the annual average of the ENR-CCI index for the year immediately preceding the ordinance, resolution, or order ~~two percent annually~~ any city utility tax, charge, or fee including but not limited to water charges, sewer and surface water charges, and street utility fees that are imposed on residential properties occupied by owners and/or occupants within the City of Sherwood boundaries, shall not be effective unless ratified by a majority vote of those voting in a given election. ~~the City's qualified electors. voting in an election where at least 50 percent of the registered voters cast a ballot, or the election is held in May of an even numbered year or November of any year.~~

(NOTE: see, <https://www.enr.com/economics/faq>)

### Section 47—Option 3

After July 1, 2015, any ordinance, resolution or order approved by a majority of the City Council that imposes a new city tax, charge, or fee and/or increases by more than two percent annually any city utility tax, charge, or fee ~~including but not limited to~~ for water charges, ~~sewer and surface water charges, and or~~ street utility fees that are imposed on residential properties occupied by owners and/or occupants within the City of Sherwood boundaries, shall not be effective unless ratified by a majority vote of ~~those voting in a given election. the City's qualified electors. voting in an election where at least 50 percent of the registered voters east a ballot, or the election is held in May of an even numbered year or November of any year.~~ those voting in a given election.

**Section 47—Option 4 (delete entirely)**

~~After July 1, 2015, any ordinance, resolution or order approved by a majority of the City Council that imposes a new city tax, charge, or fee and/or increases by more than two percent annually any city utility tax, charge, or fee including but not limited to water charges, sewer and surface water charges, and street utility fees that are imposed on residential properties occupied by owners and/or occupants within the City of Sherwood boundaries, shall not be effective unless ratified by a majority vote of the City's qualified electors voting in an election where at least 50 percent of the registered voters cast a ballot, or the election is held in May of an even numbered year or November of any year.~~