



CITY COUNCIL STUDY SESSION DRAFT MINUTES

Monday, November 1, 2021

Held Electronically

View on Channel 9 or Channels 180 and 181 (for Charter Communications customers)
or live stream via rvtv.sou.edu select RVTV Prime.

Written and oral testimony will be accepted for public input. For written testimony, email public-testimony@ashland.or.us using the subject line: Ashland City Council Public Testimony. For oral testimony, fill out a Speaker Request Form at ashland.or.us/speakerrequest and return to the City Recorder. The deadline for submitting written testimony or speaker request forms will be on Monday, November 1st at 10 a.m. and must comply with Council Rules to be accepted.

Mayor Akins called the Study Session to order at 5:30 p.m.

Councilors' Graham, DuQuenne, Hyatt, Moran and Jensen were present. Seffinger arrived at 5:57 PM.

1. Public Input (15 minutes, maximum)

None.

2. Annexation Code Amendments

Community Development Director Bill Molnar and Planning Manager Maria Harris went over a PowerPoint Presentation (*see attached*).

Items discussed were:

- Annexation Criteria prior to 1995
- Project Objectives
- Focus Areas for Code Amendments
- Map of Verde Village
- Map of Bud's Dairy
- Exceptions and Variances
- Public Facility/Transportation Improvements
- Terminology
- Outstanding Issues
- Next Steps
- Annexation Code Amendments

Council discussed standard changes.

Councilor Seffinger arrived at 5:57 PM.

3. Fire District 5 Presentation

Fire Chief Charles Hanley of Jackson County Fire District 5 presented Council with alternative approaches for regionalization of fire services with the City of Ashland (*see attached*).

Items discussed were:

- Mutual Aid/Automatic Aid
- Special District
- Contract for Service
- Financial Benefits
- Personnel
- Apparatus & Equipment
- Facilities
- Regionalization
- Cross Training
- Fire Prevention
- Forestry
- Ambulance

Council discussed options.

4. Contract Wastewater Treatment Plant Presentation

Interim City Manager Gary Milliman introduced Jacobs Sean Haghghi and Paul Rheault.

Mr. Haghghi and Rhealt presented Council with a PowerPoint (*see attached*).

Items discussed were:

- Set the rates and make policy decisions
- Outsourcing
- Partnership
- Cost Savings

Council discussed options.

5. Look Ahead

Council and Staff discussed the Look Ahead.

6. Adjournment

The Study Session was adjourned at 7:33 PM

Respectfully submitted by:

City Recorder Melissa Huhtala

Attest:

Mayor Akins

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Administrator's office at (541) 488-6002 (TTY phone number 1-800-735-2900). Notification 72 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to the meeting (28 CFR 35.102-35.104 ADA Title I).

Annexation Criteria – Prior to 1995



18.108.190 Annexation.

A. The following Findings shall be required for approval of an annexation to the City:

1. That the land is within the City's Urban Growth Boundary.
2. That the proposed zoning and project are in conformance with the City's Comprehensive Plan.
3. That the land is currently contiguous with the present city limits.
4. That public services are available or can be made available to the site.
5. That a public need for additional land, as defined in the City's Comprehensive Plan, can be demonstrated.

Project Objectives



1. Address issues in appeal to LUBA
2. Provide clear standards for the evaluation of needed housing
 - 2021-2041 Housing Capacity Analysis
 - 2019 Housing Implementation Strategy
3. Provide clarity and responsiveness in Ashland's development process

Focus Areas for Code Amendments



1. Process for exceptions and variances to annexation standards
2. Consistency in terminology
3. Measurable standards for public utilities and transportation connections and improvements
4. Other



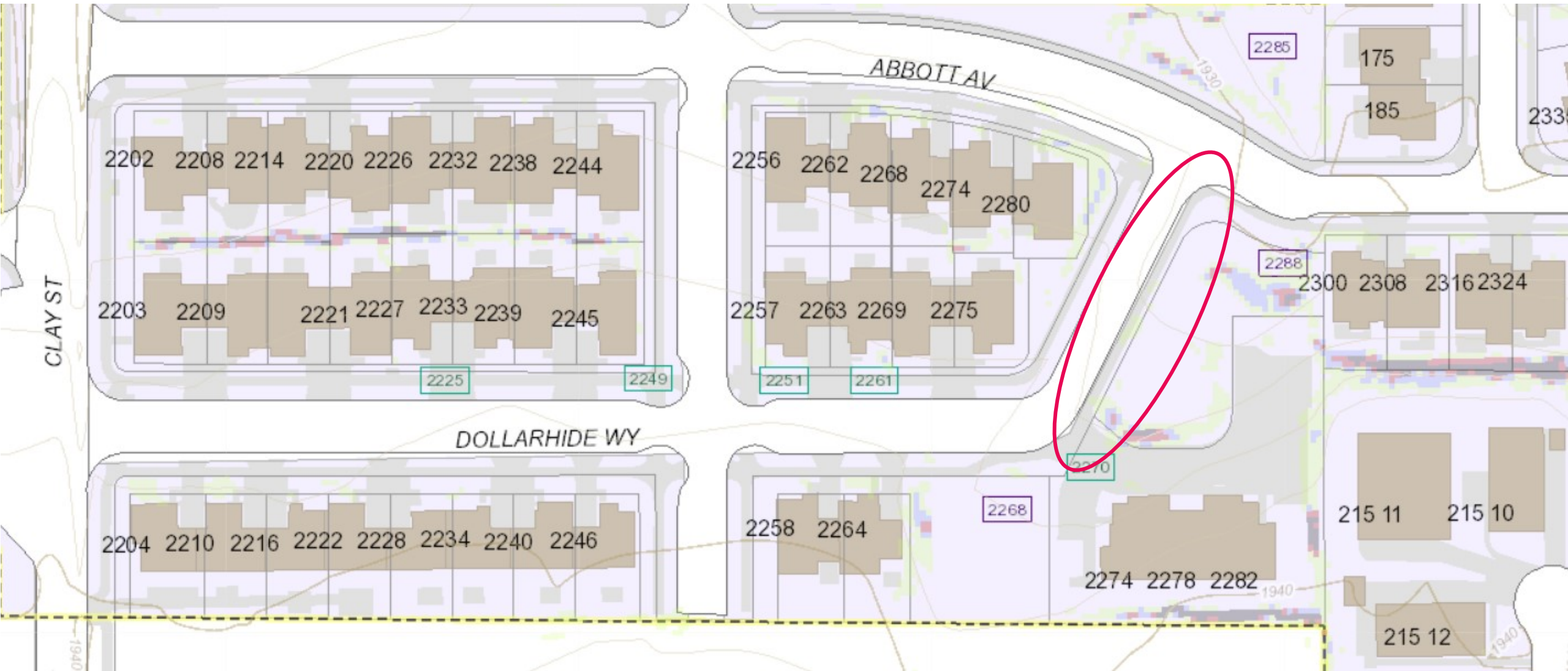
PENDING

FULL CIRCLE
Real Estate

Colin HULLANE
541.621.9994

3 2.5 2,057

Bud's Dairy





Exceptions and Variances



- City Council may grant exceptions and variances to the annexation standards
- Flexibility added to Exception to the Street Standards

Public Facility/Transportation Improvements



- Clarification added that City Council may require additional public facility improvements and grant exceptions and variances to annexation standards
- Requirements for transportation improvements reworded for clarity
 - Remove or replace undefined terms/requirements such as safe and accessible
 - Specify requirements bordering and in annexed area
 - Likely connections to destinations within $\frac{1}{4}$ of a mile

Terminology



- “Annexed area” replaces property, site, parcel, etc.
- Definition of “lot” revised to include lots and parcel
- New definitions – adjacent, contiguous, parcel and tract

Other



- Requires concurrent planning application for development of annexed area except for City-initiated
- “and” changed to “or” for Boundaries
18.5.8.060
- “currently contiguous”

Outstanding Issues



- “safe and accessible” requirement for bicycle and pedestrian facilities
- Standard discussed at 9/28/2021 Planning Commission study session
- Transportation Commission recommended retaining language with following edit:
 - “safe and accessible to transportation engineering standards”

Next Steps



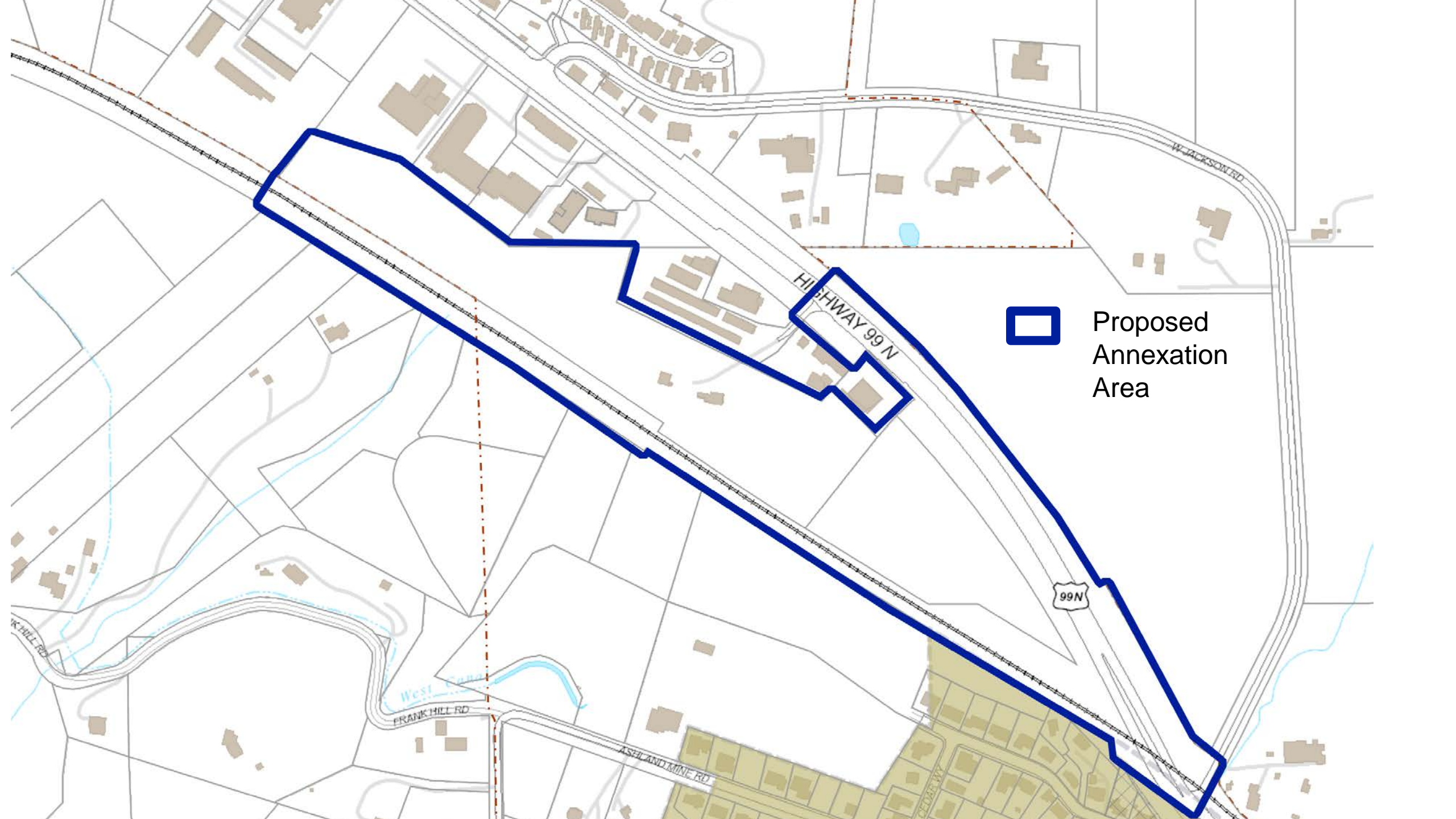
- **Nov 9** Planning Coms Public Hearing
- **Dec 7** City Council Public Hearing

Annexation Code Amendments



8/3/2021: Council initiated amendments to
Chapter 18.5.8 Annexations

- Evaluate and draft code amendments to address issues raised on appeal before Oregon Land Use Board of Appeals (LUBA)
- Address inconsistent and ambiguous language in annexation chapter

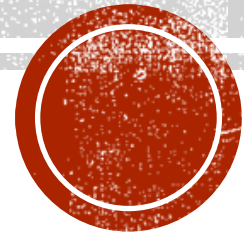


Proposed
Annexation
Area



PROPOSAL FOR FIRE PROTECTION SERVICES

DRAFT



MODEL

- Mutual Aid/Automatic Aid
 - Well Intended
 - Unenforceable
 - Organizational Priorities vs. Promises
- Special District (New)
 - Vote of the Public
 - Setting Tax Rate
 - No Service Improvements
- Contract for Service (Intergovernmental Agreement)
 - Immediate and Enforceable
 - City (Maintains Independent Tax Collecting Authority & Autonomy)
 - District (Single Function)
 - Guaranteed Service Level



FINANCIAL BENEFITS

- Efficiency
 - Reduces Waste
 - Cuts Red Tape
 - Leverages Opportunity
- Economy of Scale
 - Stable
 - Proportionate Cost Savings
 - Increased Productivity
- Equity
 - Service
 - Not Always Equitable
 - Benefits of the City and the District



SMOOTHING

- Daily Staffing
- Dynamic Deployment
- One System
- Uniformity
- Standardization
- Resource Sharing



PERSONNEL

- Opportunities
- Single Collective Bargaining Agreement
- Single Hiring Process
- Single Promotional Process



APPARATUS & EQUIPMENT

- Leverage
- Right Sizing
- Deployment
- Replacement Program
- Duplication of Efforts
- Specialty Apparatus



FACILITIES

- Settlement Lines
- Repair and Replacement
- Expansion
- Continuity of Operations
- Single Training Center



REGIONALIZATION

- Benefits
 - Grants
 - Appropriations
 - CWPP
 - Buying Power



CROSS TRAINING

- Generalization
- Specialization
- Redundancy



FIRE PREVENTION

- Uniform
- Accessible
- Public Outreach



FORESTRY

- Build on Success
- Fire Crew
- Partnerships



AMBULANCE

- Valuable Resource
 - Cornerstone
 - High Quality
 - Firefighter Safety
- $\text{Accounts Receivable (AR)} - \text{Accounts Payable (AP)} = \text{Cost Recovery (CR)}$
- Three Elements
 - Fully Burdened Costs (Personnel)
 - Durable Disposable EMS Supplies (Equipment)
 - Cost Per Mile (Maintenance & Replacement)
- Peak Staffing
 - Capacity
 - Expand
 - Contract





Innovative Service Delivery Through Public-Private Collaboration

City of Ashland, OR | November 1, 2021

Jacobs

Challenging today.
Reinventing tomorrow.



Workshop overview

- Definition of public-private partnerships (PPP)
- Reasons for considering a PPP
- Types of partnerships
- Benefits you can expect
- Questions

An aerial photograph of a canal system, overlaid with a semi-transparent blue filter. The canals are arranged in a grid-like pattern, with several main channels running diagonally from the top-left to the bottom-right. The water in the canals is a lighter shade of blue, contrasting with the darker blue of the surrounding land. The overall image has a textured, almost crystalline appearance due to the blue overlay.

Defining PPPs

What is a PPP?

A public-private partnership is a **contractual agreement** between a **public agency** and a **private-sector entity**. Through this agreement, the **skills and assets** of each sector **are shared** in delivering a service or facility for the use of the general public. In addition to the sharing of resources, **each party shares in the risks and rewards** potential in the delivery of the service and/or facility.

Source: www.ncppp.org

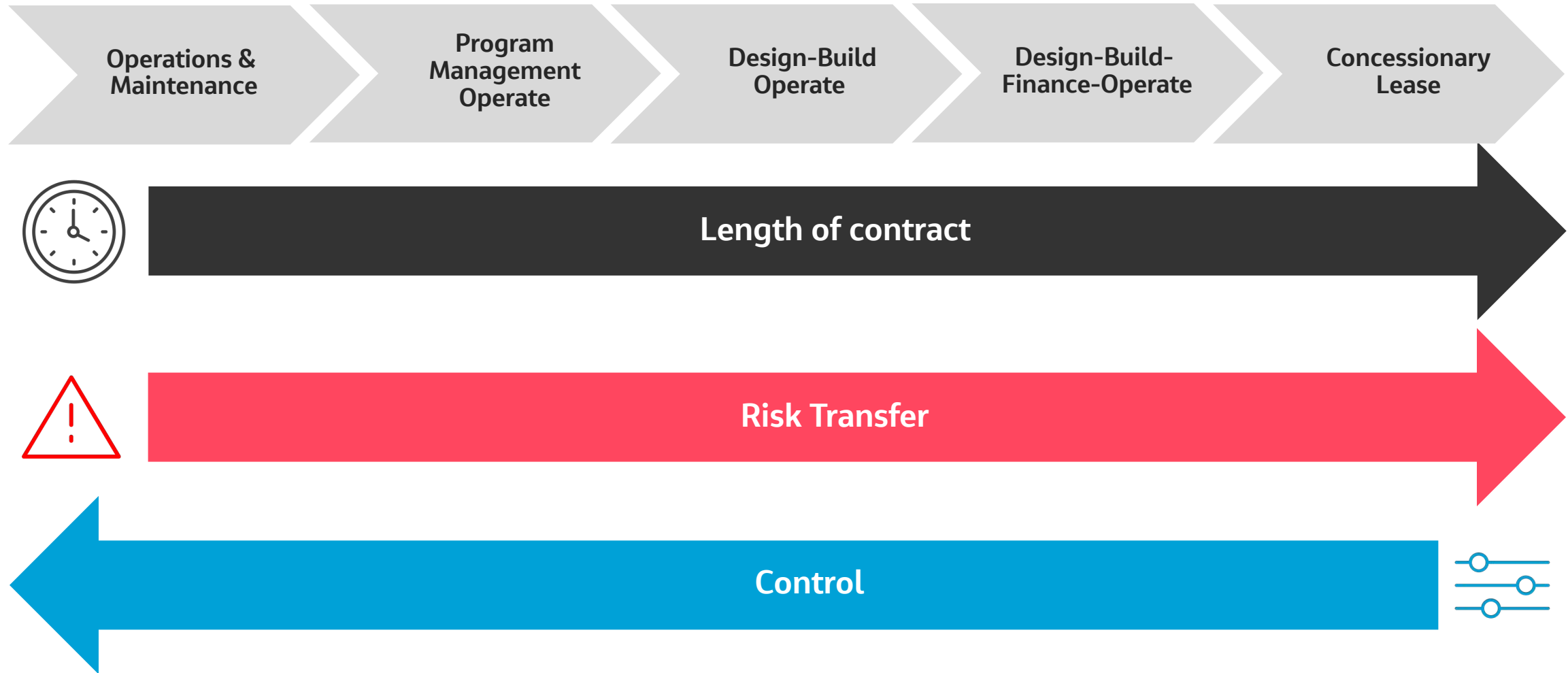


There are a broad range of drivers for considering PPPs

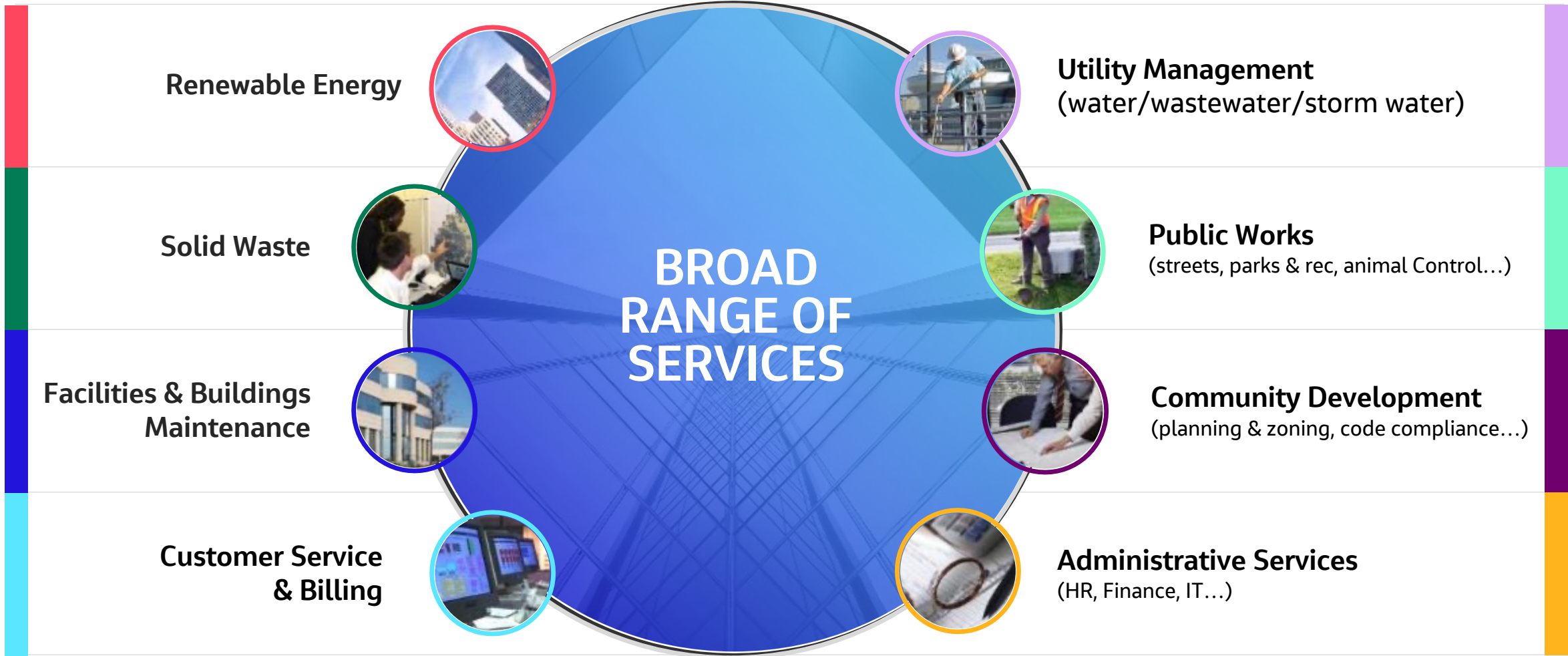
- Performance Optimization
- Cost Savings
- Rate Stabilization
- Core Competency
- Pension Liabilities
- Workforce Availability
- Technical Expertise
- Staff Augmentation
- Risk Transfer
- Increased Efficiency
- Funding Needs
- Regulatory Compliance



PPPs are highly adaptable to the owner's needs

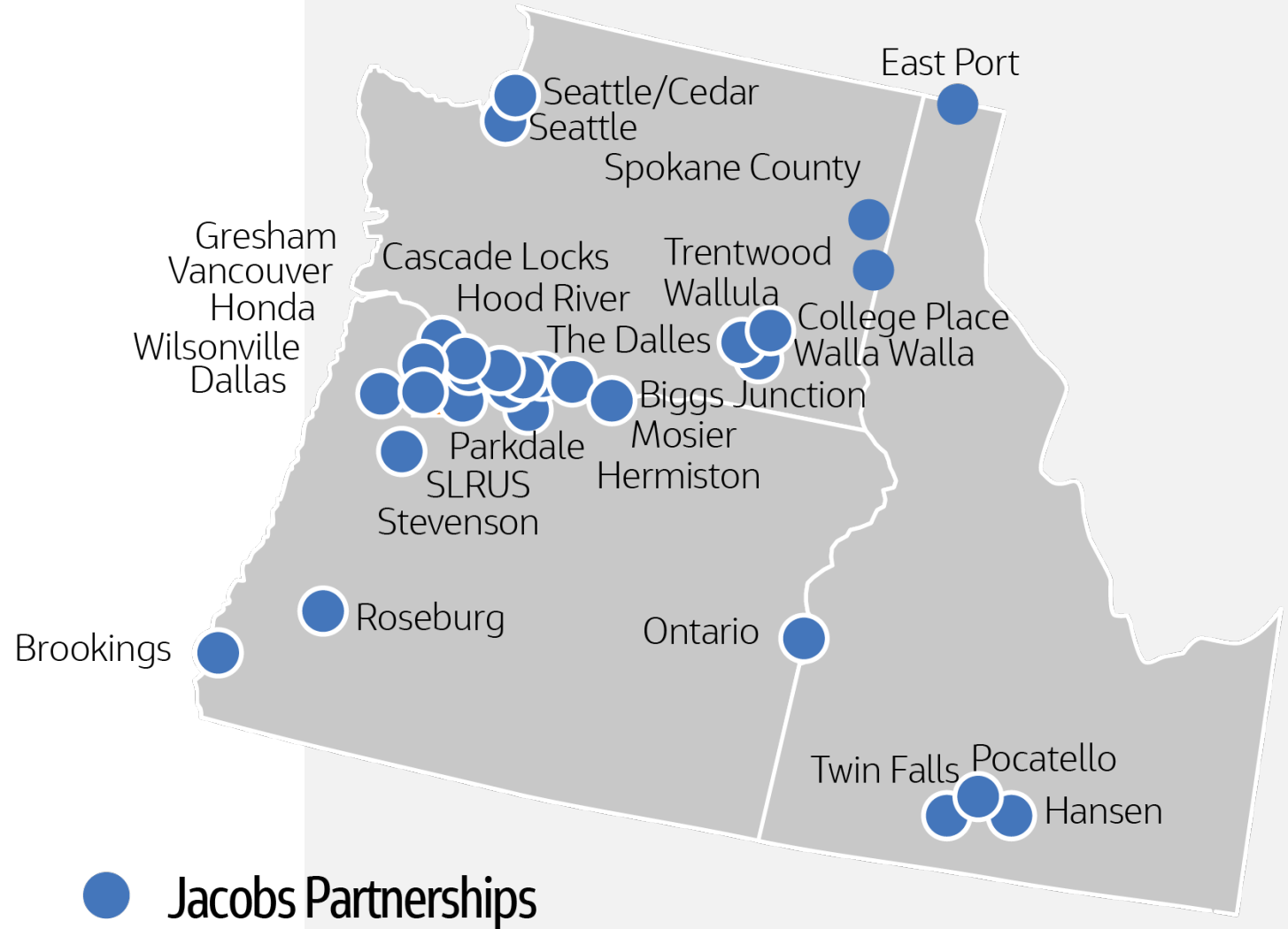


Sampling of services that can be considered for partnering



PPPs have a long and proven history in the region...

- Over 34 existing partnerships (water/wastewater)
- Vancouver in 1978 and Gresham in 1980
- PPPs include O&M, DBO and public works services



Map depicts water related partnerships only

City can expect to transfer significant O&M related risk to its partner...

Does the City Assume the Risk	If City Operates	If Jacobs Operates
Risk of regulatory compliance	Yes	No
Risks of fines and lawsuits	Yes	No
Risk of negligence (unintended mistakes)	Yes	No
Risk of hiring, training and retaining certified staff	Yes	No
Workers compensation risks	Yes	No
Pension obligations risk	Yes	No
Biosolids land application site availability risk	Yes	No
Risk of cost overruns (labor, supplies, under \$5K maintenance, etc.)	Yes	No
Chemical cost escalations risk	Yes	No
Electricity, chemicals and fuel usage overruns	Yes	No
Cost for technical support, staff augmentation, or emergency response	Yes	No

What about other risks?

- Ownership risks remain with City (change in law, unforeseen circumstances, acts of god...)
- Design/construction risk?
- Process risk?
- Efficacy risk associated with the new plant?



Perceived barriers to partnering

- ✓ Loss of control (privatization)
- ✓ Welfare of the existing staff
- ✓ Drop in service and quality
- ✓ Cost increase



Myths & Facts

The background of the slide is a solid blue color with a faint, light-colored technical drawing or blueprint overlaid. The drawing includes various geometric shapes, lines, and text, such as '17.000', 'C25/30', and '7.000', which are typical of architectural or engineering plans. The text 'Myths & Facts' is prominently displayed in white on the left side of the slide.

Myth

Loss of control

PPP's are not privatization. Public **maintains ownership** (rate setting and financing authority, capital expenditure decision making and policy making), and **has increased control** through a detailed contract

Loss of jobs or drop in pay & benefits

Private sector **relies on the existing staff** and their institutional knowledge. Staff will receive **industry's best training** and support through our regional projects

Myth

Decrease
in quality
of service

Fact

PPP's very core is **effective operations & maintenance**, an asset management approach to **maximize the life** of your City's assets

Cost
increase

Private sector **leverages buying power**, optimization expertise along with a fixed base fee and annual agreed-upon increases **provides budget certainty**

Keys to successful PPPs



First steps

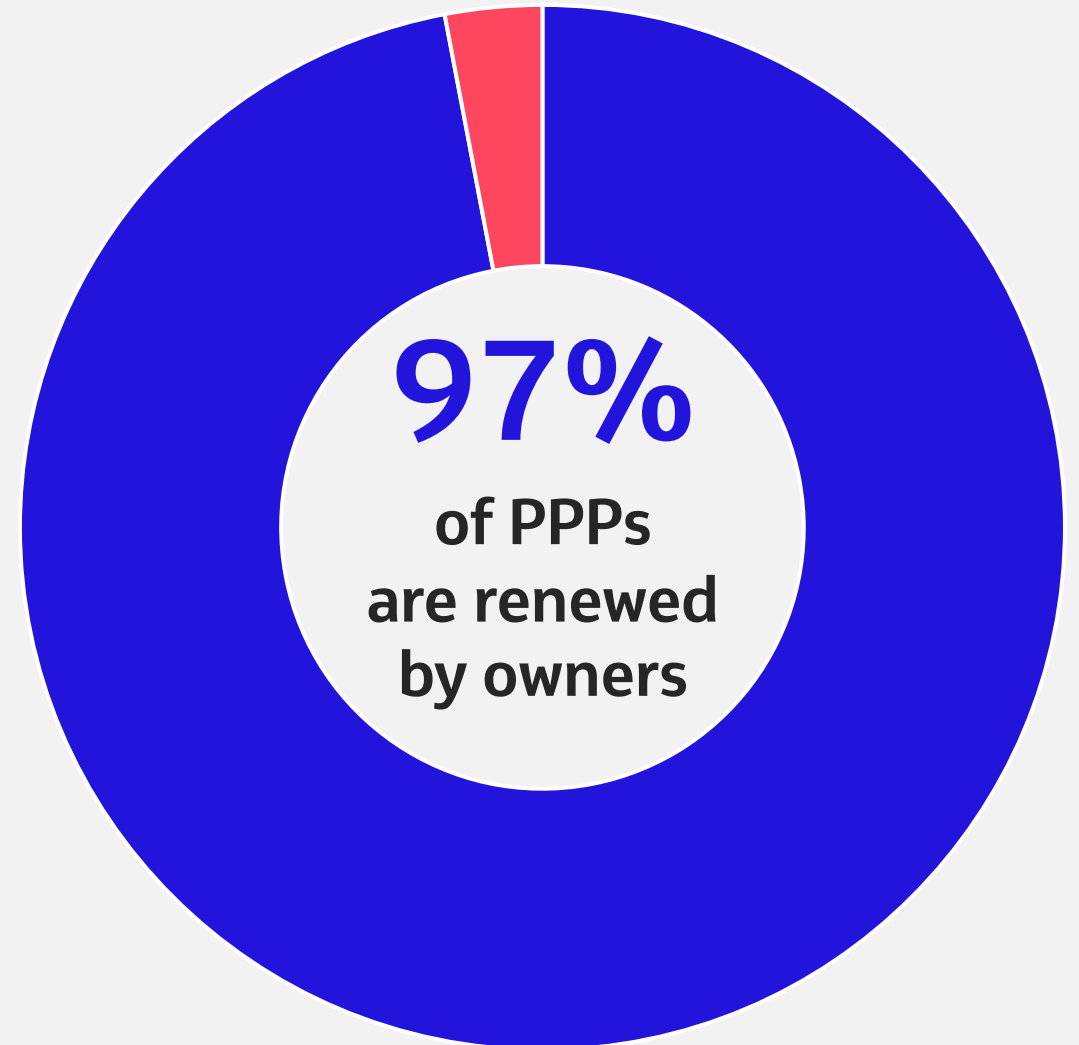
- ✓ Public sector champion(s)
- ✓ Clearly define the scope objectives
- ✓ Understand responsibility and risk
- ✓ Communication & transparency
- ✓ Secure stakeholder buy in
- ✓ Develop RFQ or RFP
- ✓ Pick your partner carefully



Benefits of PPPs

- ✓ Public ownership & control
- ✓ Cost savings
- ✓ Budget certainty
- ✓ Access to expertise
- ✓ Risk transfer:
 - Cost certainty
 - Regulatory & Contractual compliance
 - Staffing, training & certifications
 - Repair & maintenance
 - Pension liability
- ✓ Gain a community partner

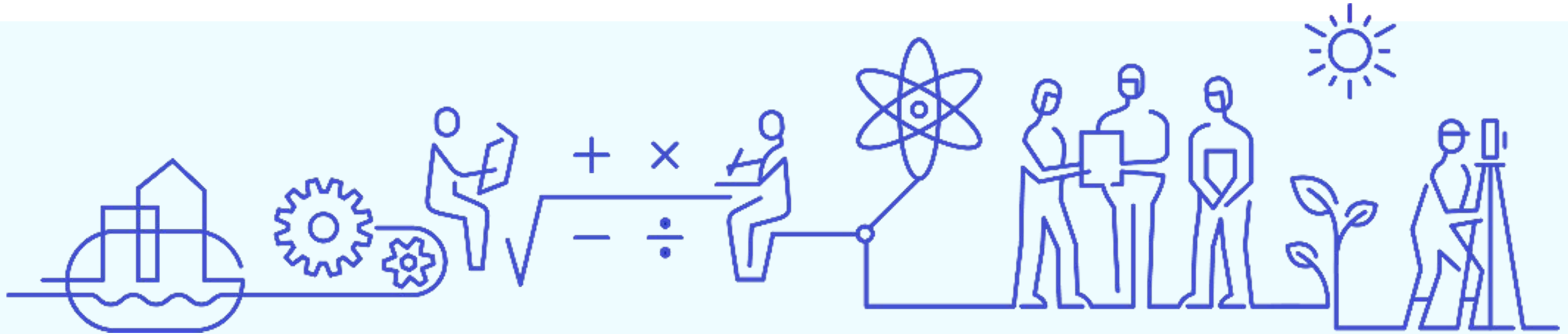
PPPs Are Proven to Work



An aerial photograph of a coastal town and beach, overlaid with a semi-transparent blue filter. The town is situated on a hillside overlooking a sandy beach and the ocean. The word "Questions" is written in white text on the left side of the image.

Questions

Outsourcing benefits go beyond dollars and efficiency



Operations/maintenance

- Compliance
- Standardization
- Longer equipment life
- Energy and materials efficiency
- Risk transfer
- Environmental stewardship

Technology

- Industry-leading practices/advancements
- Access to technology and expertise
- Sustainable practices
- Engineering and construction support
- Cybersecurity

People & Tools

- Specialized training
- Skilled operations leadership
- Competitive wages and benefits
- Network of expertise
- Emergency and contingency assistance
- Optimized staffing
- Labor and skilled workforce

Community involvement



**We live
where
we serve**

Promote **public education and awareness** about water and environmental management

Local community involvement demonstrates desire to **serve and contribute** as concerned citizens

Environmental stewardship



Rigorous environmental compliance

99.98% environmental compliance record for the past 20 years is one of the **best in the industry**

Our **team stays engaged** with state and federal regulators to ensure our client are aware and can properly prepare for upcoming changes

Risk transfer

Operating risk

- Jacobs assumes responsibility for compliance, personnel, facility operations

Financial risk

- Jacobs assumes responsibility for project financial management, payroll, supply chain and operating expenses
- Client retains input into overall management and direction; maintains ownership and administers OM contract



Achieving effective staff transition

- Multi-step process structured to ease concerns, keep staff informed, assess skills, match to function and desired career path.
- Recent staff surveys at Vancouver, Washington, and Ontario, Oregon, indicate staff members are up to **32 percent more satisfied** with Jacobs than with previous contract operator.



1

Conduct employee workshop

2

Interview incumbent employees

3

Employment offers

4

Begin contract and new employee orientation

5

Implement continuous training and development

The Jacobs advantage: Value and return on investment for contract OM services



Labor

- Successful staff transitions
- Client input and control
- Access to expertise and best practices
- Competitive wage/benefits

Staff members at newly won wastewater project Pembroke Pines, Florida were surveyed in October 2015. They scored Jacobs's management and administration approach 4.5 out of 5, indicating they were more than 75 percent more satisfied with our management than that of the previous operator, who scored 3.4.

Success with organized labor

- More than 140 union-represented staff at nearly a dozen projects across the U.S.
- Successful CB experience with all major unions in our industry—AFSCME, Operating Engineers, Teamsters, Communication Workers of America
- Transitioned all six union workforces to employment with Jacobs

“

The partnership between the Operating Engineers and Jacobs has not only been beneficial to our Union brothers and sisters and the company but also to the residents of the City of Farmington. We look forward to the continued relationship between the Operating Engineers and Jacobs, which is built upon mutual trust, respect and open communication.

Pat Vigil
Business Manager

IUOE Local 953, Farmington, New Mexico

Cost savings

- Negotiated agreements with national suppliers for materials, equipment, vehicles provide economies of scale
- Cost efficiencies from equipment and process optimization
- Reduced administrative burden for client—principal responsibility and support outsourced to Jacobs
- Contractor business success tied to ability to deliver service and satisfy needs for agreed fee



Vancouver, Washington

- Won OM contract in 2015, unseating 37-year incumbent operator.
- Built OM relationship on engineering-services partnership initiated in 1980s; continued engineering support of OM team.
- Wastewater treatment system OM – 44-mgd WWTP and associated utilities.
- Advanced asset-management and predictive maintenance program.
- Customizing SCADA systems for more effective control, reporting and reliability.





Jacobs Challenging today.
Reinventing tomorrow.