



**Tualatin Hills Park & Recreation District
Minutes of a Regular Meeting of the Board of Directors**

A meeting of the Tualatin Hills Park & Recreation District Board of Directors was held on Tuesday, June 11, 2019, at the HMT Recreation Complex, Dryland Training Center, 15707 SW Walker Road, Beaverton, Oregon. Executive Session 5:30 pm; Regular Meeting 7 pm.

Present:

Ali Kavianian	President/Director
Felicita Montebianco	Secretary/Director
Wendy Kroger	Secretary Pro-Tempore/Director
Todd Duwe	Director
John Griffiths	Director
Doug Menke	General Manager

Agenda Item #1 – Executive Session (A) Personnel

President Kavianian called executive session to order to consider the employment of a public officer, employee, staff member or individual agent. Executive Session is held under authority of ORS 192.660(2)(a), which allows the board to meet in executive session to discuss the aforementioned issue.

President Kavianian noted that the news media and designated staff may attend executive session. Representatives of the news media were directed not to disclose information discussed during executive session. No final action or final decision may be made in executive session. At the end of executive session, the board welcomed the audience into the room.

Agenda Item #2 – Call Regular Meeting to Order

A Regular Meeting of the Tualatin Hills Park & Recreation District Board of Directors was called to order by President Ali Kavianian on Tuesday, June 11, 2019, at 7 pm.

Agenda Item #3 – Action Resulting from Executive Session

There was no action resulting from Executive Session.

Agenda Item #4 – Presentations

A. LGBTQ Pride Month

The district’s management team read into the record a proclamation that the Tualatin Hills Park & Recreation District declares the month of June 2019 as LGBTQ Pride Month.

Agenda Item #5 – Audience Time

There was no testimony during Audience Time.

Agenda Item #6 – Board Time

Wendy Kroger provided an update regarding the most recent activities of the Parks & Facilities Advisory Committee, noting that topics covered at their most recent meeting included dog parks, dog runs, historical properties, vandalism in the parks, and an interpretive signage project update.

Felicita Montebianco noted that the Tualatin Hills Park Foundation Board of Trustees recently met and approved to move forward with the hiring of an executive director and hope to have someone hired by their August meeting.

John Griffiths provided an update regarding the most recent activities of the Nature & Trails Advisory Committee, noting that one of the topics covered at their most recent meeting included the Greenway Park Concept Plan.

President Kavianian referenced the public testimony received at the May 21, 2019 Budget Committee meeting regarding park development in the North Bethany area, as well as previous testimony received by the board regarding Greenway Park, and encouraged the public to continue to stay involved in these topics as well as any others, and to continue to reach out to board members and district staff about what is important to them.

Agenda Item #7 – Consent Agenda

Wendy Kroger moved that the board of directors approve consent agenda items (A) Minutes of May 14, 2019 Regular Board Meeting, (B) Monthly Bills, (C) Monthly Financial Statement, (D) Collective Bargaining Agreement, (E) Crowell Woods Park Construction Contract, (F) Raleigh Swim Center Pool Deck Construction Contract, and (G) Commonwealth Lake Park Inlet Bridge Replacement Contract. Felicita Montebianco seconded the motion. Roll call proceeded as follows:

Todd Duwe	Yes
John Griffiths	Yes
Felicita Montebianco	Yes
Wendy Kroger	Yes
Ali Kavianian	Yes

The motion was UNANIMOUSLY APPROVED.

Agenda Item #8 – Unfinished Business

A. Urban Service Agreement with City of Beaverton

General Manager Doug Menke introduced Jeannine Rustad, Planning manager, to provide an overview of the proposed urban service agreement (USA) with the City of Beaverton included within the board of directors' information packet. Updates on this topic were previously presented to the board at the December 2017 and February 2019 Regular Board meetings, including a draft agreement for the board's review at the February meeting.

Jeannine provided an overview of the draft USA being presented to the board of directors for consideration of approval this evening, noting that primary changes to the USA since the board's initial review in February 2019 include the following:

- A definition for Recreation Programming has been added, and definitions for Park and Recreation Services and Park and Recreation Facilities have been edited to remove redundancy.
- Section III.A. has been edited to remove the word "primary." The document now states that the "DISTRICT is the service provider of Park and Recreation Services within BEAVERTON'S Municipal Boundary."
- Section V.C.1 has been restructured to provide clarity of cooperation in serving new urban areas and to remove redundancy.
- Exhibit A has been added to show the existing and future service area of Beaverton and surrounding cities.

Jeannine explained that the only outstanding item for the agreement is determination of the necessary parties. Washington County staff is coordinating a meeting between the Cities of Beaverton, Hillsboro, Tigard and Portland, Metro, the county, and THPRD to discuss minor

amendments to the 1997 Cooperative Agreement for Parks, Recreation and Open Space in order to identify the necessary parties to the USA. Amendment to the Cooperative Agreement will require action from all of the jurisdictions' governing bodies. Before the USA can be executed, the cooperative agreement either needs to be amended to limit the necessary parties to only the City of Beaverton, THPRD, Washington County and Metro, or all jurisdictions must approve of the USA. Jeannine noted that, taking this upcoming process into consideration, the action requested of the board this evening is approval of a resolution approving the USA with the City of Beaverton and delegating authority to the General Manager to edit the USA to reflect the necessary parties to the agreement and to execute the agreement. Jeannine offered to answer any questions the board may have.

The board thanked district staff for their efforts in bringing this USA to fruition.

President Kavianian inquired whether district staff believes that the City of Beaverton council will approve the draft USA in its current form.

- ✓ Jeannine replied that City of Beaverton staff have expressed their satisfaction with the agreement language, noting that the hope is that the city council will adopt a similar resolution regarding the USA at their June 18, 2019 meeting.

Felicita Monteblanco expressed support for language contained within Section V of the USA regarding cooperation between the two agencies concerning each other's policy issues.

John Griffiths expressed satisfaction with the elimination of the word "primary."

Wendy Kroger moved that the board of directors approve the urban service agreement (USA) with the City of Beaverton, and, by the attached resolution, delegate authority to the general manager to edit the USA to reflect the necessary parties to the agreement and to execute the agreement. Todd Duwe seconded the motion. Roll call proceeded as follows:

John Griffiths	Yes
Felicita Monteblanco	Yes
Todd Duwe	Yes
Wendy Kroger	Yes
Ali Kavianian	Yes

The motion was UNANIMOUSLY APPROVED.

B. General Manager's Report

General Manager Doug Menke provided an overview of his General Manager's Report included within the board of directors' information packet, including the following:

- 2019 Summer Events Preview
 - Aisha Panas, director of Park & Recreation Services, provided an overview of upcoming summer events via a PowerPoint presentation, a copy of which was entered into the record.
- Dogs in Parks: Public Education Campaign Update
 - Holly Thompson, Communications director, and Keith Watson, Community Programs manager, provided an overview regarding a public education campaign currently underway to re-educate park users on the district's dogs-on-leash policy, via a PowerPoint presentation, a copy of which was entered into the record.
- Board of Directors Meeting Schedule

Doug offered to answer any questions the board may have.

Wendy Kroger asked whether dogs-on-leash signs have been posted at a specific area of concern along the Waterhouse Trail.

- ✓ Holly replied that the signs have been received and are in the process of being installed.

John Griffiths inquired whether Park Patrol will be focusing more on specific trouble spots.

- ✓ General Manager Doug Menke replied that dogs off leash is already the primary call Park Patrol receives and the hope is that this education campaign will reduce that load.

Felicita Monteblanco asked how success will be defined for the dog run pilot project.

- ✓ Keith acknowledged that it would be difficult to track actual statistics in this area, but he envisions success as neighborhoods that are happy with the options being provided, positive feedback received, followed by expansion of the dog run pilot project.
- ✓ Doug added that one concern is that the dog runs will become too popular and that people from other areas will drive to the neighborhoods to use them. The hope is that the dog runs will be well-used, but not so popular that neighborhoods become overwhelmed with parking issues. If the pilot project is successful, additional dog runs throughout the district could be duplicated, which should help spread out the usage.
- ✓ Holly expressed agreement with Doug's comments and added that success could also be measured by increased utilization of the park sites by people who are not using them due to the off-leash activity currently being experienced.

Agenda Item #9 – New Business

A. Management Team & General Manager's Compensation

President Kavianian noted that time has been set aside on this evening's agenda for board discussion regarding any desired changes to the general manager's and district management team's compensation packages.

Felicita Monteblanco moved that the board of directors accept the general manager's evaluation as presented and authorize a compensation increase of 5.8%. John Griffiths seconded the motion. Roll call proceeded as follows:

Todd Duwe	Yes
Wendy Kroger	Yes
John Griffiths	Yes
Felicita Monteblanco	Yes
Ali Kavianian	Yes

The motion was UNANIMOUSLY APPROVED.

President Kavianian commented that this motion reflects the general manager's annual evaluation conducted during this evening's Executive Session and General Manager Doug Menke's performance rating as Exceptional.

Wendy Kroger moved that the board of directors accept the general manager's evaluation as presented and authorize a bonus amount of 8% of salary. Todd Duwe seconded the motion.

Felicita Monteblanco commented that she agrees that General Manager Doug Menke's performance has been exceptional; however, as a reflection of the responsibility she feels toward the district's taxpayers, she does not believe that bonuses are appropriate for government positions. Her opinion is not a reflection of Doug's leadership, it is a personal value she holds.

Roll call proceeded as follows:

John Griffiths	Yes
Felicita Monteblanco	No
Todd Duwe	Yes
Wendy Kroger	Yes
Ali Kavianian	Yes

The motion was APPROVED by MAJORITY vote.

Wendy Kroger moved that the board of directors approve to fund the bonus pool at the amount specified within District Compiled Policies Chapter 4. Todd Duwe seconded the motion. Roll call proceeded as follows:

Todd Duwe	Yes
Felicita Monteblanco	No
John Griffiths	Yes
Wendy Kroger	Yes
Ali Kavianian	Yes

The motion was APPROVED by MAJORITY vote.

President Kavianian commented that discussion during Executive Session also included the general manager's employment agreement, for which there are some items requiring board consensus and adjustment prior to the agreement returning to the board for formal approval.

Wendy Kroger outlined the proposed adjustments as follows:

- A change in the effective date from January 1 to July 1 with a term of three years.
- A retention bonus of 20% of the final year's salary at the end of the three-year term.

President Kavianian inquired regarding board consensus for the items described by Wendy.

- ✓ Todd expressed agreement.
- ✓ Felicita commented that she is not in agreement with the retention incentive, noting that her opinion is not a reflection of the general manager's performance, but because there is already a yearly bonus program in place, a retention bonus in addition is too generous with taxpayer dollars.
- ✓ John Griffiths expressed support in light of the amount of transition expected over the next few years.
- ✓ President Kavianian expressed support as well, noting that he believes a retention bonus is important in ensuring consistency and continuity for the district, especially when considering upcoming board member transitions.

President Kavianian confirmed the consensus and requested that the general manager's employment agreement be brought back for board consideration of approval at the June 18, 2019 Regular Board meeting.

B. System Development Charge Indeed Rate Annual Cost Adjustment

Jeannine Rustad, Planning manager, provided a detailed overview of the memo included within the board of director's information packet requesting board guidance on the timing of implementation of the annual adjustment index to the district's system development charge (SDC) rates. She noted that annual adjustments are intended to account for the annual cost increases in land values and construction costs, and that the board has two options for consideration:

- Defer implementation of the annual adjustment index. The annual adjustment may be implemented at any time in the future.
- Implement the annual adjustment index.

Jeannine noted that the district's SDC Administrative Procedures Guide (SDC APG) was approved by the board in November 2017. The SDC APG provides for an annual adjustment of SDC rates based on adopted cost indices. Adjustments are calculated based on the change in average market value for the prior calendar year of undeveloped land in the district according to the County Tax Assessor, and the change in construction costs according to the Engineering News Record Northwest (Seattle, Washington) Construction Cost Index. The adjustment amount is then determined as follows: $\text{Change in Average Market Value} \times 0.50 + \text{Change in Construction Cost Index} \times 0.50 = \text{Parks and Recreation System Development Charge Adjustment Factor}$.

Jeannine noted that application of the cost adjustment formula yields an adjustment factor of 3.04%. This information has been shared with the Home Builders Association, as well as with developers the district commonly works with, but no feedback has been received to date. Jeannine provided a brief overview of the benefits and drawbacks to implementing the adjustment factor as noted within the memo and offered to answer any questions the board may have.

John Griffiths asked for clarification regarding whether the district's SDC rates truly keep pace with cost increases when factoring in only 50% of the change in average market value and construction cost index.

- ✓ Keith Hobson, director of Business & Facilities, confirmed that the rates are keeping pace and explained how the rates are essentially determined by taking the average of the cost increases for both land values and construction costs.

John asked if the SDC rates have ever failed to keep pace with inflation due to this formula.

- ✓ Keith replied not to his recollection, though there may have been other factors outside of this formula that have caused the rates to fall behind.
- ✓ General Manager Doug Menke commented that the function of updating the SDC Capital Improvement Plan (CIP) is a much more significant tool, especially when considering a time in the future when the district will be purchasing less land.
- ✓ Keith agreed, noting that it is appropriate to review the blend of the formula whenever the SDC Methodology is updated to ensure that it accurately reflects the SDC CIP.

Todd Duwe referenced the Engineering News Record Northwest Construction Cost Index for Seattle used and asked for confirmation that an index does not exist for Portland.

- ✓ Jeannine confirmed that no such index exists for Portland and noted that multiple indices were evaluated through the SDC Methodology update process. She noted that most other local jurisdictions have settled on this rate as well, although it can be reopened for further evaluation when the SDC Methodology is updated again.

Todd suggested looking at the Associated General Contractors indices, noting that he has a few other thoughts that he will share with district staff.

Felicita Montebianco encouraged the board to defer the increase for a few months in order to allow the district time to participate in some important affordable housing discussions and initiatives that are forthcoming, while also fully acknowledging that THPRD would not exist in its current state without its SDC program. She noted that there are also several new board members taking office for the district next month and that this was a hot topic over the past few months.

Todd Duwe stated that he does not want to see this adjustment deferred and that he believes that the board needs to protect the district's resources.

Wendy Kroger referenced the public testimony received during the May 21, 2019 Budget Committee meeting from people desiring increased park development within the North Bethany area. She asked whether deferral of the SDC annual cost adjustment could put pressure on or hamper the district's ability to serve the public in that regard.

- ✓ Jeannine confirmed that it is a risk.

President Kavianian described the district's past flexibility in its SDC program, such as through the implementation of decreased adjustment factors during certain years and discounts built into SDC rates for different areas of the district. He believes it is in the district's best interest to move forward in implementing the adjustment as noted this evening and would like to see the topic brought back for consideration of board approval at the June 18, 2019 Regular Board meeting.

- ✓ Jeannine confirmed and noted that she would conduct additional outreach to interested parties regarding this recommendation.

Agenda Item #10 – Adjourn

There being no further business, the meeting was adjourned at 7:50 pm.

President

Secretary

Recording Secretary,
Jessica Collins