



AGENDA

CANBY CITY COUNCIL REGULAR MEETING

February 16, 2011

7:30 PM

Council Chambers

155 NW 2nd Avenue

Mayor Randy Carson

Council President Walt Daniels

Councilor Richard Ares

Councilor John Henri

Councilor Brian Hodson

Councilor Jason Padden

Councilor Greg Parker

WORK SESSION

6:00-6:30 PM

City Hall Conference Room

182 N Holly

This Work Session will be attended by the Mayor and City Council to discuss the management letter comments regarding the CAFR audit.

Pg. 1

CITY COUNCIL REGULAR MEETING

1. CALL TO ORDER

- A. Pledge of Allegiance and Moment of Silence
- B. Iwo Jima Remembrance Day Proclamation
- C. Presentation by CAPRD

Pg. 6

2. COMMUNICATIONS

3. CITIZEN INPUT & COMMUNITY ANNOUNCEMENTS

(This is an opportunity for visitors to address the City Council on items not on the agenda. It is also the time to address items that are on the agenda but not scheduled for a public hearing. Each citizen will be given 3 minutes to give testimony. Citizens are first required to fill out a testimony/comment card prior to speaking and hand it to the City Recorder. These forms are available by the sign-in podium. Staff and the City Council will make every effort to respond to questions raised during citizens input before tonight's meeting ends or as quickly as possible thereafter.)

4. MAYOR'S BUSINESS

5. COUNCILOR COMMENTS & LIAISON REPORTS

6. CONSENT AGENDA

(This section allows the City Council to consider routine items that require no discussion and can be approved in one comprehensive motion. An item may be discussed if it is pulled from the consent agenda to New Business.)

- A. Approval of Minutes of the February 2, 2011 City Council Work Session and Regular Meeting
- B. Approval of Minutes of the February 3, 2011 City Council Work Session
- C. Appointment to Canby Public Library Board Pg. 7
- D. Appointment to Bike & Pedestrian Committee Pg. 8

7. RESOLUTIONS & ORDINANCES

- A. Res. 1087, Authorizing the Establishment of a Health Reimbursement Arrangement/Voluntary Employees' Beneficiary Association ("HRA VEBA") Plan Pg. 9
- B. Ord. 1341, Creating a New Chapter in Title 2 of the Canby Municipal Code and Amending Sections of Title 16 to Create a Public Art Mural Program Pg.12

8. NEW BUSINESS

9. CITY ADMINISTRATOR'S BUSINESS & STAFF REPORTS

10. CITIZEN INPUT

11. ACTION REVIEW

12. EXECUTIVE SESSION: ORS 192.660(2)(h) Pending Litigation; ORS 192.660(2)(i) Performance Evaluation of Public Officer; and ORS 192.660(3) Labor Negotiations

13. ADJOURN

*The meeting location is accessible to persons with disabilities. A request for an interpreter for the hearing impaired or for other accommodations for persons with disabilities should be made at least 48 hours before the meeting to Kim Scheafer at 503.266.4021 ext. 233. A copy of this Agenda can be found on the City's web page at www.ci.canby.or.us. City Council and Planning Commission Meetings are broadcast live and can be viewed on OCTS Channel 5. For a schedule of the playback times, please call 503.263.6287.

December 23, 2010

To the Honorable Mayor and City Council
City of Canby, Oregon

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Canby for the year ended June 30, 2010. Professional standards (for Certified Public Accountants) require that we provide you with the following information about our responsibilities under general accepted auditing standards and *Government Auditing Standards* and OMB Circular A-133), as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated June 24, 2010. Professional standards also require that we communicate to you the following information related to our audit.

Other Information in Documents Containing Audited Financial Statements

The auditor's responsibility for other information in documents containing the entity's financial statements and report does not extend beyond the financial information identified in the opinion letter titled the Independent Auditor's Report. The auditor does not have an obligation to perform any procedures to corroborate other information contained in these documents. We applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. Nothing came to our attention that caused us to believe that such information, or its manner of presentation, is materially inconsistent with the information, or manner of its presentation appearing in the financial statements.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by City of Canby are described in Note 1 to the financial statements. As described in Note 8 to the financial statements, the City of Canby changed its accounting policy related to other postemployment benefits by adopting Statement of Governmental Accounting Standards (GASB 45) in 2010. We noted no transactions entered into by the governmental unit during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because

of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

Management's estimate of the accumulated depreciation is based on historical cost or estimated historical cost if purchased or constructed and donated capital assets are recorded at estimated fair market value at the date of donation.

Management's estimate of the compensated absences payable is based on current wages.

Management's estimate of the allowance for doubtful accounts is based on receivables that are greater than 90 days old.

Management's estimate of the OPEB liability is based on the actuarial valuation dated August 8, 2008.

We evaluated the key factors and assumptions used to develop these estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were:

The disclosure of Capital Assets in Note 5 to the financial statements summarizes the changes in capital assets for the year ended June 30, 2010.

The disclosure of Debt in Note 7 to the financial statements summarizes the changes in debt for the year ended June 30, 2010.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. We noted misstatements in the amount of \$153,646. These misstatements are due to timing issues. Management has determined that its effect is immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction,

that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated December 23, 2010.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We noted certain matters that we reported to management of the City of Canby in a separate letter dated December 23, 2010.

We received the full cooperation of the City of Canby management and staff, and had unrestricted access to the financial records in the performance of the audit. We appreciate the many courtesies extended and assistance provided by both management and staff.

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the governmental unit's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

This information is intended solely for the use of the City Council and management of City of Canby and is not intended to be and should not be used by anyone other than these specified parties.

If you should have any questions or comments, we will be pleased to discuss this report with you at your convenience.

Very truly yours,



Merina & Company, LLP
Certified Public Accountants and Consultants

To the Honorable Mayor, City Council, and Management
City of Canby, Oregon

In planning and performing our audit of the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Canby as of and for the year ended June 30, 2010, in accordance with auditing standards generally accepted in the United States of America, we considered City of Canby's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Canby's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Canby's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses, and therefore there can be no assurance that all such deficiencies have been identified. In addition, because of inherent limitations in internal control, including the possibility of management override of controls, misstatements due to error or fraud may occur and not be detected by such controls. However, as discussed below, we identified certain deficiencies in internal control that we consider to be significant deficiencies.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency or combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We did not identify any deficiencies in internal control that we consider to be material weaknesses.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the following deficiencies in City of Canby's internal control to be significant deficiencies:

Finding 2010-1:

Inadequate segregation of duties – personnel who prepares the bank reconciliations also records deposits.

Management Response:

The finance department is in the process of cross-training for as many tasks as possible. There are too few positions to achieve complete separation of duties. Probably the best we can do is to rotate some duties between various individuals.

Finding 2010-2:

Inadequate controls over certain accounting functions – Currently there is no indication that the journal entries are reviewed on a monthly basis and there were instances of inadequate documentation attached to the journal entries.

Management Response:

We will make sure that journal entries will be signed by both the preparer and reviewer. Proper documentation will be attached.

Finding 2010-3:

Inadequate segregation of duties – The majority of the utility billing cycle is completed by one individual. This includes invoicing and receipting of payments in the billing system.

Management Response:

We are planning in the coming budget year to have a second full-time person in utility billing. In the meantime, we will try to separate the receipting part of the process at least on a rotating basis.

Finding 2010-4:

Inadequate controls over certain accounting functions – Currently the infrastructure is maintained in an excel spreadsheet and does not have the necessary internal controls for long-term use.

Management Response:

We plan to add infrastructure records to the Caselle Asset Manager System by June 30, 2011.

This communication is intended solely for the information and use of management, the City, others within the organization and is not intended to be and should not be used by anyone other than these specified parties.

Merina & Company

Merina & Company, LLP
West Linn, Oregon
December 23, 2010



Office of the Mayor

Proclamation

Iwo Jima Remembrance Day

WHEREAS, on February 23, 1945, this country's Armed Forces were engaged in one of the most strategic and bloodiest battles of World War II - the battle for Iwo Jima; and

WHEREAS, the Canby-Aurora Veterans of Foreign Wars Post and Auxiliary 6057 of the United States have deemed it fitting to erect a flagpole at the Canby Adult Center in remembrance of those who took part in this great battle; and

WHEREAS, each year the members of the Canby-Aurora Veterans of Foreign Wars Post 6057, their Auxiliary, and their fellow veterans organizations and service organizations i.e. Boy Scouts, Girl Scouts, Campfire, etc. conduct a ceremony to rededicate this memorial and replace the flags on the flagpole; and

WHEREAS, the flagpole located at the Canby Adult Center is the only memorial in the City of Canby dedicated to our veterans who made such significant personal sacrifices during World War II in defense of this great nation; and

WHEREAS, this year will be the 16th anniversary of the annual flag raising ceremony.

NOW, THEREFORE, I, Randy Carson, by virtue of the authority vested in me as the Mayor of the City of Canby, do hereby proclaim February 19, 2011 as

Iwo Jima Remembrance Day

and call upon individuals, schools, churches, organizations and business establishments in the City of Canby to proudly remember the sacrifices made by servicemen who fought so gallantly in this bloody and decisive battle. I further call upon all members of this community to join in commemorating this great event with the rededication of the flagpole at the Adult Center on February 19 at 10:00 A.M. to celebrate the 66th anniversary of the end of World War II.

Given unto my hand this 16th day of February 2011 in the City of Canby, Oregon.

Randy Carson
Mayor



**CITY OF CANBY
APPLICATION
BOARD/COMMITTEES/COMMISSIONS/COUNCIL**

Instructions: By using either your tab key or arrow keys, navigate to each field and type in your information. When complete, save the document to your computer and either mail, fax or email to the addresses listed below.

Date: January 21, 2011

Name: Sue Carson

Occupation: Legal Assistant

Home Address:

Employer: Clancy & Slininger, Attorneys

Position: Legal Assistance

sub-contract work - Estates and Trusts

Daytime Phone:

Evening Phone:

E-Mail Address:

For which position are you applying? Library Board

What are your community interests (committees, organizations, special activities)?

Canby Historical Society member and Board Director

OCTS Taping and Programming

Experience and educational background: Legal Assistant - 33 yrs.

Lewis-Clark Business College - 1972

Reason for your interest in this position: To promote community interest in and use of the Library

List any other City or County positions on which you serve or have served: President of Canby Historical Society - 2008-10

Information on any special membership requirements:

Referred by (if applicable): Penny Hummel

Feel free to attach a copy of your resume and use additional sheets if necessary

THANK YOU FOR YOUR WILLINGNESS TO SERVE CANBY

Please return to: **City of Canby**
Attn: City Recorder
182 N Holly Street
PO Box 930
Canby, OR 97013

Phone: 503.266.4021 Fax: 503.266.7961 Email: scheaferk@ci.canby.or.us

Note: Please be advised that this information may be made available to anyone upon a public records request and may be viewable on the City's web site.

12-4-07

RECEIVED

FEB 02 2011

CITY OF CANBY

**CITY OF CANBY
APPLICATION
BOARD/COMMITTEES/COMMISSIONS/COUNCIL**

Date: 2-2-11

Name: Sharon "Sheri" FERRIGNO Occupation: LMT

Home Address: _____

Employer: Self Position: _____

Daytime Phone: _____ Evening Phone: Same

E-Mail Address: none

For which position are you applying? Bike & Pedestrian Committee

What are your community interests (committees, organizations, special activities)?
business owner & Longtime resident (32 years)

Experience and educational background: B.A. in Liberal Arts w/ teaching certification / massage certification

Reason for your interest in this position: Longtime resident 32 years & pedestrian (walk 1-2 miles per day)

List any other City or County positions on which you serve or have served: Complete Communities / precinct committee person
poll watcher

Information on any special membership requirements: none

Referred by (if applicable): Vicki Pounds from Canby Kids

Feel free to attach a copy of your resume and use additional sheets if necessary

THANK YOU FOR YOUR WILLINGNESS TO SERVE CANBY

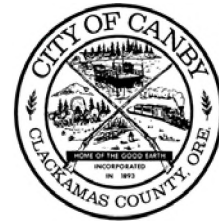
Please return to: **City of Canby**
Attn: City Recorder
182 N Holly Street
PO Box 930
Canby, OR 97013

Phone: 503.266.4021 Fax: 503.266.7961 Email: Scheaferk@ci.canby.or.us

Note: Please be advised that this information may be made available to anyone upon a public records request and may be viewable on the City's web site.

12-4-07

MEMORANDUM



To: Mayor Carson and Canby City Council
From: Amanda Klock, Human Resource Director
Date: February 16, 2011
Through: Greg Ellis, City Administrator
Re: Resolution No. 1087

Background Summary

The City of Canby currently offers a flexible spending benefit to eligible employees. The benefit is limited by an annual use-it-or-lose-it provision and no option to take the account with you upon separation from employment. The City would like to establish a Health Reimbursement Arrangement/Voluntary Employees' Beneficiary Association Plan (HRA/VEBA) which would offer an additional benefit to employees at a cost savings to the City.

The HRA/VEBA plan is a tax-free health reimbursement arrangement (HRA). VEBAs are a type of trust instrument used to hold plan assets for the purpose of providing employee benefits.

Employer contributions, earnings, and withdrawals (claims) are tax free (for the employee and the employer). Employees can use HRA funds to cover qualified healthcare expenses and premiums for themselves and their dependents. Employer contributions may include items such as a redirection of the employees' current salary, sick leave cash out upon retirement, all or a portion of a cost of living adjustment, etc. Staff would work with the bargaining units during negotiations to determine appropriate contributions.

Recommendation

Staff recommends that the Council approve Resolution 1087, *Authorizing the Establishment of a Health Reimbursement Arrangement/Voluntary Employees' Beneficiary Association ("HRA VEBA") Plan*

Attached

Resolution No. 1087

RESOLUTION NO. 1087

A RESOLUTION AUTHORIZING THE ESTABLISHMENT OF A HEALTH REIMBURSEMENT ARRANGEMENT/VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION ("HRA VEBA") PLAN

WHEREAS, the Internal Revenue Code Section 501(c)(9) allows for the creation of a voluntary employees' beneficiary association which is a tax-exempt health and welfare trust; and

WHEREAS, IRS regulations and guidelines allow an employer to offer health reimbursement arrangement (HRA) plans; and

WHEREAS, such HRA plans are available to governmental employers in the Northwest; and

WHEREAS, the Voluntary Employees' Beneficiary Association for Public Employees in the Northwest Trust ("Trust") offers and will administer an HRA entitled "Voluntary Employees' Beneficiary Association Medical Expense Plan for Public Employees in the Northwest" ("Plan") as amended and restated ; and

WHEREAS, the City of Canby has determined that establishing an HRA plan which provides a tax-free defined contribution account for employees to pay for medical, dental, vision and tax qualified long-term care premiums and non-covered healthcare expenses is in the best interest of the Employer and its employees; and

WHEREAS, the Employer desires to establish an HRA plan for its employees; and

WHEREAS, the Employer desires to use the services of the Trust to administer such Plan; and

WHEREAS, such HRA established by the Employer will be administered in accordance with the Plan documents provided by the Trust on file in the Employer's main office.

IT IS HEREBY RESOLVED by the City of Canby Council as follows:

1. Effective February 16, 2011 the City of Canby hereby elects to participate in the Plan and Trust as presently constituted or hereafter amended using the Trust as its plan administrator for the benefit of eligible employees as defined by Employer policies or collective bargaining agreements.
2. The Plan will be funded with Employer contributions in amounts determined from time to time pursuant to Employer policies and collective bargaining agreements.

3. The Human Resource Director is authorized to execute documents and establish procedures consistent with Plan and Trust provisions and applicable Employer policies and collective bargaining agreements necessary to effect the adoption and administration of the Plan.

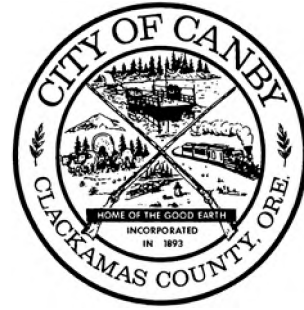
This resolution shall take effect on February 16, 2011.

ADOPTED this 16th day of February 2011, by the Canby City Council.

Randy Carson
Mayor

ATTEST:

Kimberly Scheafer, CMC
City Recorder



MEMORANDUM

TO: *Honorable Mayor Carson and City Council*
FROM: *Matilda Deas, AICP, Senior Planner*
DATE: *February 7, 2011*
THROUGH: *Greg Ellis, City Administrator*

Issue: Ordinance 1341: Adoption of TA 11-01, creating a new code chapter in Title 2 of the Canby Municipal Code, and amending selected sections of Title 16 of the Canby Municipal Code to implement the newly adopted Canby Public Art Mural Program.

Synopsis: This application contains a proposed new code section to Title 2 of the Canby Municipal Code and additional amendments to the City of Canby's Land Development and Planning Ordinance necessary to implement the Urban Renewal Agency's newly adopted Canby Public Art Mural Program.

Recommendation: The Planning Commission recommended by a vote of 5-0 that the City Council approve TA 11-01 by adopting Ordinance 1341.

Rationale: Staff has worked since January 2010 to develop a Public Art Mural Program that would embody the spirit of the City's economic development strategy to promote Canby as the "garden spot" in order to increase community identity and foster a sense of place and enclosure. The Canby Urban Renewal Agency adopted the Canby Art Mural Program at its October 27, 2010 Agency meeting. Adoption of Ordinance 1341 enables the Program to move forward.

Background: See attached Planning Commission staff report and accompanying documents listed below.

Attached:

1. Ordinance 1341
2. Exhibit A
3. Canby Public Art Mural Program
4. Planning Commission Staff report
5. Planning Commission signed findings, conclusion, and order.
6. Planning Commission Minutes

ORDINANCE NO. 1341

AN ORDINANCE CREATING A NEW CHAPTER IN TITLE 2 OF THE CANBY MUNICIPAL CODE AND AMENDING SECTIONS OF TITLE 16 OF THE CANBY MUNICIPAL CODE TO CREATE A PUBLIC ART MURAL PROGRAM, AND DECLARING AN EMERGENCY

WHEREAS, the Canby Urban Renewal Agency initiated and approved the Public Art Mural Program; and

WHEREAS, the Canby Planning Commission, after providing appropriate public notice, conducted a public hearing on the proposed new code and code amendments required to implement the Public Art Mural Program, during which the citizens of Canby were given the opportunity to come forward to present testimony on these proposed changes; and

WHEREAS, the Planning Commission found that the standards and criteria of Section 16.88.160 of the Land Development and Planning Ordinance, concerning Text Amendments were met, and recommended approval to the City Council on a 5-0 vote; and

WHEREAS, the City Council, after reviewing the record of the Canby Planning Commission regarding the subject new code and code amendments, concluded that the Planning Commission's findings of fact and the new code and code amendments itself are appropriate.

NOW, THEREFORE, THE CANBY CITY COUNCIL ORDAINS AS FOLLOWS:

- (1) TA 11-01 is hereby approved, and Chapter 2.80 of Canby Municipal Code is adopted; and Title 16 of Canby Municipal Code is hereby amended as detailed in Exhibit "A".

SUBMITTED to the Canby City Council and read the first time at a special meeting thereof on Wednesday, February 16, 2011 and ordered posted in three (3) public and conspicuous places in the City of Canby as specified in the Canby City Charter and to come before the City Council for final reading and action at a regular meeting thereof on Wednesday, March 2, 2011, commencing at the hour of 7:30 P.M. in the Council Meeting Chambers located at 155 N.W. 2nd Avenue, Canby, Oregon.

Kimberly Scheafer, CMC
City Recorder

PASSED on the second and final reading by the Canby City Council at a regular meeting thereof on March 2, 2011 by the following vote:

YEAS _____ NAYS _____

Randy Carson
Mayor

ATTEST:

Kimberly Scheafer, CMC
City Recorder

CHAPTER 2.80 PUBLIC ART MURAL PROGRAM**Section**

2.80.010	Purpose
2.80.020	Definitions
2.80.030	Guidelines
2.80.040	Ownership
2.80.050	Implementation

§2.80.010 Purpose

The purpose of this Title and the policy of the City of Canby are to permit and encourage Public Art Murals located within Canby's Urban Renewal District for acquisition by the Urban Renewal Agency. Public Art Murals are to be placed on public wall space and paid for in full or in part with Urban Renewal Funds administered by Canby's Urban Renewal Director. The City Council recognizes that public murals can increase community identity and foster a sense of place and enclosure if they are located at heights and scales visible to pedestrians, are retained for longer periods of time and include a neighborhood process for discussion.

§2.80.020 Definitions

A public art mural means an original, two-dimensional work of visual art comprised of paint, executed by hand directly upon an exterior wall of a building, which is accessible to the public, and which has been approved by the Canby Urban Renewal Agency Director upon recommendation by the Public Mural Advisory Committee (PMAC).

Public Art Mural Advisory Committee (PMAC) means a group responsible for reviewing proposed public art murals and making recommendations to the Canby Urban Renewal Agency Director on the selection of Public Art Murals. Committee membership shall include artists, art advocates and professionals, business owners, city staff, and a representative from Canby's Main Street Design Committee.

§2.80.030 Guidelines

The Canby Urban Renewal Agency Director in consultation with the Public Mural Advisory Committee and staff shall adopt guidelines to:

- A. Provide for annual reporting to the Agency;
- B. Provide a method for the appointment of representatives to the Public Mural Advisory Committee;
- C. Determine a method or methods of selecting and contracting with artists for the design, execution and siting of Public Art Murals;
- D. Determine a process for the ongoing care, maintenance and conservation of public art murals;

- E. Determine a process to deaccession public art murals;
- F. Set forth any other matter appropriate to the administration of this Chapter.

§2.80.040 Ownership

All Public Art Murals acquired pursuant to this Chapter shall be acquired in the name of the City of Canby Urban Renewal Agency, and title shall vest in the City of Canby Urban Renewal Agency.

§2.80.050 Implementation

The Canby Urban Renewal Agency Director in consultation with the Public Mural Advisory Committee and Mural Program Staff shall implement the provisions of this Chapter, in cooperation with all participating city departments.

DRAFT

16.42.025

B. Exemptions ~~Exempted Signs~~

9. Approved Public Art Murals as defined in CMC Chapter 2.80.020

16.49.030 Site and design review plan approval required.

2. The following are exempt from site and design review:

j. Approved Public Art Murals as defined in CMC Chapter 2.80.020

16.41.020 Applicability

C. The DCO does not apply to approved Public Art Murals as defined in CMC Chapter 2.80.020

16.38.025 Exemptions.

The following are exempt from the requirements of CMC 16.38.

A. Approved Public Art Murals as defined in CMC Chapter 2.80.020

CITY OF CANBY PUBLIC ART MURAL PROGRAM



A City of Canby Urban Renewal Agency Program

Acknowledgements

Canby Urban Renewal Agency

Melody Thompson
Walt Daniels
Robert Bitter
Brian Hodson
John Henri
Jason Padden
Richard Ayres

Canby City Council

Melody Thompson, Mayor
Walt Daniels, President
Robert Bitter, Councilor
Brian Hodson, Councilor
Richard Ayres, Councilor
John Henri, Councilor
Jason Padden, Councilor

Canby Planning Commission

Dan Ewert, Chairman
Janet Milne, Commissioner
Sean Joyce, Commissioner
Chuck Kocher, Commissioner
Misty Slagle, Commissioner
John Proctor, Commissioner
Randy Tessman, Chairman

Staff

Catherine Comer, Director Economic Development and Urban Renewal Agency; Greg Ellis, Canby City Administrator; Ami Kieffer, Canby Main Street Manager; Matilda Deas, AICP, Senior Long Range Planner/Mural Program Project Manager; John Kelley, City of Canby legal counsel, Barbara Jacobson, Canby Urban Renewal Agency Counsel.

With Assistance

Peggy Kendellen, Regional Arts & Culture Council

Guidelines

BACKGROUND

The Public Art Mural Program is a City of Canby Urban Renewal Agency Program administered by the Director of the Canby Urban Renewal Agency. Mural Projects are managed by the City of Canby's Senior Long Range Planner. Proposed murals are reviewed by the Public Mural Advisory Committee (PMAC), a standing committee of the Urban Renewal Agency. Committee membership includes artists, art advocates and professionals, business owners, city staff, and a representative from Canby's Main Street Design Committee. The program provides funding for murals that embody the spirit of the City's economic development strategy of promoting the City as "Canby, the Garden Spot". The mural program will fund murals that reflect diversity in style and media and encourages artists from diverse backgrounds and range of experience to apply. Murals approved through this program become part of the City of Canby's Urban Renewal Agency's public mural collection for as long as the Mural Art Easement remains in effect. All building owners must sign a Mural Art Easement form that will be recorded with Clackamas County.

All applicants are required to meet with the Mural Project Manager at least one month prior to submitting an application. To set up an appointment, contact Matilda Deas, AICP, Public Mural Project Manager, 503-266-7001 x223 or deasm@ci.canby.or.us

ELIGIBILITY AND FUNDING CRITERIA

Eligibility Criteria

Any individual or organization intending to create a mural on an exterior wall that is visible from the public right-of-way and within the boundaries of the City of Canby's Urban Renewal District can apply for funding through the Public Art Mural Program.

Applicants to the Public Art Mural Program may be:

1. An individual artist or a group of artists
2. Students enrolled in an art program at a degree granting institution
3. Building or business owner; or
4. "Not -for-profit" organization. This includes registered neighborhood associations, citizen based groups and organizations with IRS 501 (c) (3) status. However IRS 501 (c) (3) status is not required. The definition of a 'not-for-profit organization' is an organization whose primary purpose is to serve and to provide general benefit to the public and the organization's or group's net earnings are not distributed to those who control it.

Funding Criteria

The number of Public Art Murals awarded funding is dependent on the funds available and the number of applicants submitting each year. Applicants/artists may be funded one time only in each fiscal year (July 1 through June 30).

1. Public art murals approved through this program must be at a minimum partially funded with public funds.
2. Funds will be awarded based on the Public Mural Advisory Committee's evaluation of the mural projects based on:

Artistic quality: strength of the artist's concept and demonstrated craftsmanship;

Context: architectural, geographical, socio-cultural and historical;

Media: paint, collage, relief, etc.;

Scale: appropriateness of scale to the surrounding neighborhood;

Diversity: race, age, style, media, experimentation, range of professional experience;

Feasibility: budget, timeline, etc.;

Originality: uniqueness;

Structural and surface soundness: resistance to vandalism and weather;

Building owner's signed easement form: minimum 5 years unchanged, on site;

Building owner's signed agreement for maintenance: over life of mural;

Community Support: Key neighborhood representatives notified of PMAC review meetings and opportunity to provide comment;

Lighting provisions (if any): as allowed by city code;

Public Safety: meets city codes for safety;

Accessibility: meets city codes for accessibility

3. Projects that include cash and/or in kind contributions may be given priority over projects that do not provide for cash and/or in kind contributions
4. Items not eligible for funding through this program include operating costs for organizations; purchase of equipment; administrative costs of sponsoring

organization; costs related to projects that have already taken place; refreshments, meals and/or beverages.

Approval Process

1. At least one month prior to the deadline, meet with Public Art Mural staff for initial review of imagery, location, funding and building owner's approval. Applicants who fail to meet this requirement will not have their project reviewed and must wait until the next deadline to resubmit.
2. Complete the Public Art Mural Application
3. Provide all required supplementary materials, including
 - a. Jpg image of a color rendering of proposed mural
 - b. Jpg images of site and physical surroundings
 - c. Up to 6 jpg images of artist's past work: if more than one artist, submit 6 images per artist
 - d. Project timeline
4. Mural proposal reviewed by Public Mural Advisory Committee. A meeting notice is sent to adjoining business and property owners within 200 feet of project location. The committee's decision is based upon adopted review criteria for public art murals listed on page 4. If proposal is not approved, applicant may resubmit additional materials as requested. The applicant is not required to attend the meeting.
5. The Urban Renewal Agency Director and Mural Project Manager review/approve the Public Mural Advisory Committee recommendations for funding.

After Funding Approval

If awarded funding, the following will apply to all applicants.

1. Building owner provides a notarized Public Mural Art Easement agreement which is then signed by the City of Canby and recorded with Clackamas County.
2. Mural Project Manager sends applicant a contract outlining the terms of the mural project and the payment schedule. Once Mural Project Manager receives the signed agreement, processing of funding begins. Payment is generally made in two or three payments, depending on amount awarded and length of mural project. The final payment is made after the Final Report, documentation and evaluation form are received.
3. Artist signs form agreeing to terms of Public Art Mural Easement and the waiver of any rights covered in the federal Visual Artist Rights Act that would interfere with the performance of all rights under the Public Art Mural Easement agreement.
4. Applicant notifies Public Art Mural Project Manager of completion of mural.
5. Applicant submits a final report within 45 days of completion of the mural summarizing the completed project and detailing the use of Public Art Mural funds. Copies of invoices, receipts and checks are required documentation for the final report.
6. Applicant completes a Public Art Mural Evaluation Form.

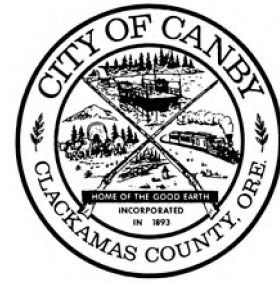
All grantees will acknowledge the support by Canby's Urban Renewal Agency Public Art Mural Program in all printed materials related to the mural project.

Deadlines: 5:00 p.m. Wednesdays

March 2, 2011 (for review in April)

May 4, 2010 (for review in June)

July 6, 2011 (for review in August)



STAFF REPORT

TITLE: Public Art Mural Program

APPLICANT: City of Canby

FILE #: TA 11-01

STAFF: Matilda Deas, AICP, Senior Planner

REPORT DATE: January 14, 2011

HEARING DATE: January 24, 2011

I. APPLICATION SUMMARY

This application proposes a new chapter in Title 2 of the Canby Municipal Code, and amends specific sections of chapter 16 of the Canby Municipal Code to create and implement a Public Art Mural Program for murals located within Canby's Urban Renewal District. The Public Art Mural Program will be administered by the Director of the Canby Urban Renewal Agency. Mural Projects are managed by the City of Canby's Senior Long Range Planner.

II. APPLICABLE CRITERIA

Section 16.88.160 Amendments to text of title

This is a legislative land use amendment. In judging whether or not this title should be amended, the Planning Commission and City Council shall consider:

1. The Comprehensive Plan of the city, and the plans and policies of the county, state, and local districts, in order to preserve functions and local aspects of land conservation and development;
2. A public need for the change;
3. Whether the proposed change will serve the public need better than any other change which might be expected to be made;
4. Whether the change will preserve and protect the health, safety and general welfare of the residents in the community;
5. Statewide planning goals.

The Planning Commission will hold a public hearing and make a recommendation to the City Council on this proposal. The City Council will make their decision based on the record of the Planning Commission's hearing and deliberations and may choose to hold its own hearing.

III- A. PROPOSED AMENDMENTS

The proposed text amendments are included towards the end of Attachment “A”. **Red** text is new code language, while text to be deleted is shown in ~~strike through~~.

III- B. PROPOSED NEW CODE

The proposed new code section 2.80 is included at the end of Attachment “A”. Attachment “A” is the complete packet of information presented and approved by the Urban Renewal Agency, and includes a complete description of Canby’s Public Art Mural Program and accompanying documents.

IV. FINDINGS AND CONCLUSIONS

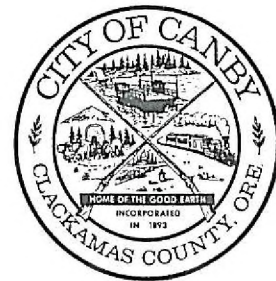
1. Staff concludes that the proposed new code and accompanying amendments comply with the Comprehensive Plan of the City, and the plans and policies of the County, State, and local districts, and will preserve functions and local aspects of land conservation and development;
2. Staff concludes that there is a public need for the change. *Changes are required in order to implement the City of Canby’s Public Art Mural Program within the City of Canby’s Urban Renewal District.*
3. Staff concludes that the proposed amendments will serve the public need better than any other change which might be expected to be made. *Having Canby’s Public Art Mural Program administered and funded all or in part with public Urban Renewal funds enables the City to solicit and select murals that embody the spirit of Canby’s Economic Development strategy of promoting the City as “Canby, the Garden Spot”. This specificity would not be possible with a City-wide mural program not funded all or in part with public funds.*
4. Staff concludes that the proposed amendments will preserve and protect the health, safety, and general welfare of the residents of the community; and
5. Staff concludes that the proposed amendments comply with the Statewide Planning Goals.

V. RECOMMENDATION

Based upon previous public meetings and the findings and conclusions stated in this report, and without benefit of a public hearing on the matter, staff recommends that the Planning Commission recommend approval of **TA 11-01** to the City Council.

VI. ATTACHEMENTS

- A. URA Packet



**BEFORE THE PLANNING COMMISSION
OF THE
CITY OF CANBY**

**A REQUEST FOR APPROVAL TO CREATE) FINDINGS, CONCLUSION & ORDER
A NEW CHAPTER IN TITLE 2 OF THE CANBY)
MUNICIPAL CODE, AND AMEND SECTIONS)
OF TITLE 16 OF CANBY'S MUNICIPAL CODE) TA 11-01
TO CREATE A PUBLIC ART MURAL PROGRAM) (City of Canby)**

NATURE OF APPLICATION

This application proposes a new chapter in Title 2 of the Canby Municipal Code, and amends specific sections of chapter 16 of the Canby Municipal Code to create and implement a Public Art Mural Program for murals located within Canby's Urban Renewal District.

HEARINGS

The Planning Commission held a public hearing to consider this application at its meeting of January 24, 2011.

CRITERIA AND STANDARDS

Section 16.88.160 – Amendments to text of title

This is a legislative land use amendment. In judging whether or not this title should be amended, the Planning Commission and City Council shall consider:

1. The Comprehensive Plan of the city, and the plans and policies of the county, state, and local districts, in order to preserve functions and local aspects of land conservation and development;
2. A public need for the change;
3. Whether the proposed change will serve the public need better than any other change which might be expected to be made;
4. Whether the change will preserve and protect the health, safety and general welfare of the residents in the community;
5. Statewide planning goals.

FINDINGS AND REASONS

The Planning Commission deliberated on all testimony presented at the January 24, 2011 public

**Findings, Conclusions & Order
TA 11-01
Page 1 of 3**

hearing and incorporates the January 14, 2011 staff report and Attachment “A” and Commission deliberations as support for its decision. The Planning Commission hereby accepts and incorporates the findings in the January 14, 2011 staff report and Attachment “A”, and finds:

1. That the proposed new code and accompanying amendments comply with the Comprehensive Plan of the City, and the plans and policies of the County, State, and local districts, and will preserve functions and local aspects of land conservation and development;
2. That there is a public need for the change. *Changes are required in order to implement the City of Canby’s Public Art Mural Program within the City of Canby’s Urban Renewal District.*
3. That the proposed amendments will serve the public need better than any other change which might be expected to be made. *Having Canby’s Public Art Mural Program administered and funded all or in part with public Urban Renewal funds enables the City to solicit and select murals that embody the spirit of Canby’s Economic Development strategy of promoting the City as “Canby, the Garden Spot”. This specificity would not be possible with a City-wide mural program not funded all or in part with public funds.*
4. That the proposed amendments will preserve and protect the health, safety, and general welfare of the residents of the community; and
5. That the proposed amendments comply with the Statewide Planning Goals.

CONCLUSION

The Planning Commission of the City of Canby concludes that based on the findings and conclusions contained in the January 14, 2011 staff report, testimony at the January 24, 2011 public hearing and Commission deliberations, TA 11-01 will comply with all applicable criteria.

ORDER

IT IS RECOMMENDED BY THE PLANNING COMMISSION of the City of Canby that the Canby City Council approve **TA 11-01**.

I CERTIFY THAT THIS ORDER recommending approval of **TA 11-01** to the Canby City Council was presented to and **APPROVED** by the Planning Commission of the City of Canby.

DATED this 24th day of January, 2011.



**Daniel K. Ewert, Chairman
Canby Planning Commission**



**Matilda Deas, AICP
Senior Planner**

ATTEST:

ORAL DECISION January 24, 2011

AYES: Ewert, Joyce, Kocher, Milne and Slagle

NOES: None

ABSTAIN: None

ABSENT: Proctor and Tessman

WRITTEN FINDINGS January 24, 2011

AYES: Ewert, Joyce, Kocher, Milne and Slagle

NOES: None

ABSTAIN: None

ABSENT: Proctor and Tessman

MINUTES
CANBY PLANNING COMMISSION
7:00 PM – January 24, 2011
City Council Chambers – 155 NW 2nd Avenue

PRESENT: Chair Dan Ewert, Vice Chair Jan Milne, Commissioners Sean Joyce, Chuck Kocher, and Misty Slagle

ABSENT: Commissioners John Proctor and Randy Tessman

STAFF: Bryan Brown, Planning Director; Matilda Deas, AICP, Project Planner; Markus Mead, Associate Planner; and Jill Thorn, Planning Staff

OTHERS PRESENT: Roger Skoe, Craig Lewelling, Paul Snegirev and Brian Hodson

1. **CALL TO ORDER**

2. **CITIZEN INPUT** None

3. **PUBLIC HEARINGS**

 a. **Canby Municipal Code Amendment TA 11-01** – Recommendation to City Council on an application that proposes a new chapter in Title 2 of the Canby Municipal Code, and amends specific sections of chapter 16 of the Canby Municipal Code to create and implement a Public Art Mural Program for murals located within Canby's Urban Renewal District. The Public Art Mural Program will be administered by the Director of the Canby Urban Renewal Agency. Mural Projects are managed by the City of Canby's Senior Planner.

Chair Ewert read the public hearing format.

Matilda Deas, AICP, Senior Planner entered the January 14, 2011 staff report into the record.

Commissioner Milne commended the staff for doing their homework on this project and said that public art enriches the community.

Commissioner Joyce asked how the program will be funded and what the minimum threshold was for a mural.

Ms Deas said the Urban Renewal Agency had budget \$15,000 in this year's budget and there was no minimum threshold. She also said that the agency would probably fund the first mural.

Chair Ewert opened the public hearing.

Proponents: None

Opponents: None

Neutral: None

Rebuttal: None

Chair Ewert closed the public hearing.

Commissioner Slagle added her support to the program and felt it was well focused.

Commissioner Kocher thought it was a great idea.

Commissioner Ewert said the program was well put together.

Commissioner Milne moved to recommend to the Canby City Council the adoption of TA 11-01 creating a Public art Mural Program. It was seconded by Commissioner Slagle. The motion passed 5-0.

4. NEW BUSINESS Extension of Development Agreements and Decisions -
Request by Staff to extend six existing land use approvals (including one Development Agreement) for three years (respective to their current status) or when substantial code changes occur. Economic conditions outside the control of the applicants have caused these projects to be delayed.

Markus Mead, Associate Planner entered the January 24, 2011 staff report into the record and noted that correspondence had been received from Craig Harris, Terry Tolls, Allen Patterson and Amy Nguyen all favoring this decision.

Commissioner Ewert asked about DR 08-01 and would any decision change the subdivision approval that had been given.

Mr. Brown responded that the original application had included a subdivision for four lots, but since the applicant had decided to build a four-plex on one lot, thus the subdivision was not needed and had expired.

Commissioner Milne asked what the options were for extending and/or collapsing the dates.

Mr. Mead said that this action would be to extend for three years from the meeting tonight.

Commissioner Milne said the process was very much one of common sense.

Commissioner Ewert asked how other jurisdictions were handling situations like this.

Mr. Brown said they were doing a variety of things. Most were changing their code to extend the timeline. However, after discussion by staff it was felt that this way would benefit Canby better.

Craig Lewelling thanked the staff and Commission. He felt this one of the best things the City could do to help property owners.

Commissioner Ewert felt the action would be prudent and flexible.

Commissioner Kocher moved to that the Planning Commission approve extend existing land use approvals (including one Development Agreement) SUB 05-12, MLP 08-05, DR 08-01/SUB 08-01, CPA 08-01/ZC 08-01, SUB 08-03 and DR 09-02 for an additional three years or when substantial code or other applicable regulatory changes occur. It was seconded by Commissioner Milne. The motion passed 5-0.

FINAL DECISIONS

a. **TA 11-01 – Municipal Code Amendment** - It was moved by Commissioner Milne to approve the written findings for TA 11-01 – Municipal Code Amendment – as presented. It was seconded by Commissioner Slagle. The motion passed 5-0.

5. MINUTES

November 29, 2010 - Commissioner Slagle moved to approve minutes of November 29, 2010 as presented. Motion seconded by Commissioner Milne and passed 6-0.

6. ITEMS OF INTEREST FROM STAFF Mr. Brown updated the Commission on several pre-applications the staff was working with applicants.

Ms Deas gave an update of several grants received and the upcoming development of the park in the Northwood subdivision.

7. ITEMS OF INTEREST/GUIDANCE FROM PLANNING COMMISSION **None**

8. ADJOURNMENT at 7:45 PM.

Management Team Meeting Minutes
January 31, 2011
2:00 PM
City Hall Conference Room

In attendance: Greg Ellis, Bryan Brown, Darvin Tramel, Amanda Klock, Sue Engels, Julie Wehling, and Kim Scheafer.

Darvin Tramel

- Had loss of power at plant on Thursday night resulting in 1/3 of treatment plant going off-line. Currently using a generator and hope to have repairs done on Friday to main conduit.

Amanda Klock

- Handed out compensation reports that went out to staff last week
- Handed out evaluation schedules
- CIS approved distribution credits
- CIS deductible is changing from \$2,500 to \$5,000
- Will be putting a VEBA resolution on the February 16 CC Agenda
- Bret Smith out of office until Friday

Bryan Brown

- Working out specifics on Hope Village Annexation application
- Getting lots of requests for pre-application meetings. May need to look at how meetings are scheduled.

Sue Engels

- A policy needs to be written to clarify non-overnight per diem meal reimbursements. Amanda and Greg will develop a policy.
- Will provide a list of Suzan's and Lisa's duties so inquiries can be directed to the correct person. Lisa is only doing AP. Suzan still doing all of her other duties.
- Budget calendar has been finalized
- Budget worksheets will be handed out by February 11
- Detail sheets must be completed for every line item
- Revenues have been holding steady

Greg Ellis

- Construction Manager has been selected for police department
- Applications for an architect/engineer for the police department have been narrowed down to three
- Applications for an architect/engineer for 1st Avenue redevelopment were received on Friday

Julie Wehling

- Transit Advisory Committee received letters from Kurt Schrader's office inviting them to attend a round table meeting
- Will be out of office on February 18

Kim Scheafer

- City Council Goal Setting has been scheduled for Saturday, March 5 from 9 AM – 2 PM; from 9 AM – 11 AM the Directors will be giving 15- minute presentations about current and future projects

Minutes taken by Kim Scheafer

Management Team Meeting Minutes
February 7, 2011
3:30 PM
City Hall Conference Room

In attendance: Greg Ellis, Bryan Brown, Darvin Tramel, Amanda Klock, Sue Engels, Julie Wehling, Bret Smith, Eric Laitinen, John Kelley, Penny Hummel, and Kim Scheafer.

Kim Scheafer

- Reviewed Agenda for February 16 City Council and URA Meetings
- City Council Goal Setting has been scheduled for Saturday, March 5 from 9 AM – 2 PM; from 9 AM – 11 AM the Directors will be giving 15- minute presentations about current and future projects

Bryan Brown

- Darvin recommended and Greg supported decision that the tree at the Vietnam Memorial not be removed
- Received inquiry from someone wanting to connect to City sewer by Holly and Territorial
- Approved a residential home plat on Friday
- Will be having the pre-application meeting for Hope Village this week

Amanda Klock

- Conditional offers have been made to the Police Administrative Assistant, Bi-Lingual Librarian, and Police Officer candidates
- Will be interviewing three Public Works Director candidates on Wednesday
- Need to know if any departments want New Horizon vouchers

Greg Ellis

- Robert is working on getting new building ready and there may be extra furniture available after the move
- City staff need to start using the railroad parking lot instead of downtown streets

Bret Smith

- Met with School District regarding notification process when there is a student incident.
- Interviewing new Police Department architect/engineers this week
- Will work with City Attorney on public records request on personnel complaints

Eric Laitinen

- Attended CAPRD and City Council Work Session last Thursday

Darvin Tramel

- Will be working on establishing fees for labor and equipment in the Public Works Department
- Winter storage lagoons will be emptied in March
- Birch and Territorial drainage project is completed
- Signed a PSA to have a rate study done
- Stormwater Committee has met two times
- Will work with Curt on seeing how much money is available in the Federal Fund Exchange

Sue Engels

- Budget calendar is finalized
- Budget worksheets will be emailed out next Monday
- Master Fee Schedule needs to be updated. Please let her know of any fees that need to be changed for your department.

Penny Hummel

- Installing a self-check machine
- Working on library financing presentation at March 9 URA Meeting
- Working on grant application for the National Endowment for Humanities

Minutes taken by Kim Scheafer



Oregon

John A. Kitzhaber, MD, Governor

Department of State Police
Criminal Justice Information Services
PO Box 14360
Salem, OR 97309-5074
(503) 378-3055
Fax: (503) 364-2661

February 4, 2011

Canby Municipal Court
Attn: Honorable Rodney Grafe
150 N Holly St.
Canby, OR 97013

Re: LEDS/NCIC Triennial System Use Audit – ORI OR003011J

The Law Enforcement Data System is designated as Oregon's CJIS Systems Agency (CSA) for the Federal Bureau of Investigation's National Crime Information Center (NCIC). As such, we are required to conduct an audit of each agency in the state with a terminal accessing LEDS and NCIC at least once every three years. The goal of our audit program is to improve the quality of records in LEDS and NCIC and assist your agency in reducing potential problem areas relating to the use of these systems.

On December 21, 2010, we conducted an audit of your agency's systems used to access LEDS and NCIC records. The audit also included an assessment of your agency's compliance with LEDS and NCIC policy and procedures in the areas of administration, training, security, quality control, record maintenance and validation, and use of criminal history information. The Canby Municipal Court was found to be in compliance with LEDS and NCIC policies and procedures.

I would like to thank you and especially Kathy Mashek for the assistance and cooperation provided in conducting the audit. Please contact me at 378-3055 ext 55007 or e-mail dan.malin@state.or.us if you have any questions.


Dan Malin, Auditor
Law Enforcement Data System

