

**CANBY CITY COUNCIL  
WORK SESSION MINUTES  
May 2, 2012**

**Presiding:** Mayor Randy Carson.

**Council Present:** Rich Ares, Traci Hensley, Brian Hodson, Walt Daniels, Greg Parker, and Tim Dale.

**Staff Present:** Greg Ellis, City Administrator; Joseph Lindsay, City Attorney; Julie Wehling, Transit Director; Sue Engels, Finance Director; and Kim Scheafer, City Recorder.

**Others Present:** None.

Mayor Carson called the Work Session to order at 6:30 p.m. in the City Hall Conference Room to discuss an interfund loan to Transit and future capital purchases.

Julie Wehling, Transit Director, explained the proposal for an interfund loan of \$500,000 from the Sewer Reserve Fund to the Transit Fund. Transit would pay it back over five years with interest. She explained the reasons for the loan. She then discussed purchasing two Gillig buses through a grant and how she was planning to repay the interfund loan.

Sue Engels, Finance Director, further clarified how the loan would help the Transit department not have a negative balance, would stop paying interest to other departments, and would pay interest to the Sewer Reserve Fund. In five years they would be debt free and would have working capital and the match for the two proposed buses. The Sewer Fund could sustain the loan and currently the fund was being built up for future capital improvement projects.

There was discussion regarding the proposed purchase of the Gillig buses. The grant would expire in June 2012, but it could be extended. There was further discussion regarding how the interfund loan would work and other funding options for the Transit Department.

The Council consensus was to move forward with an interfund loan for the Transit department.

Councilor Dale would vote no because he was not persuaded on the need for the \$500,000 loan.

Mayor Carson adjourned the Work Session at 7:20 p.m.

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**CANBY CITY COUNCIL  
REGULAR MEETING MINUTES  
May 2, 2012**

**Presiding:** Mayor Randy Carson

**Council Present:** Rich Ares, Traci Hensley, Brian Hodson, Walt Daniels, Greg Parker, and Tim Dale.

**Staff Present:** Greg Ellis, City Administrator; Joseph Lindsay, City Attorney; Julie Wehling, Transit Director; Sue Engels, Finance Director; Bret Smith, Chief of Police; Melody Thompson,

Administrative Specialist; Bryan Brown, Planning Director; Eric Laitinen, Aquatic Program Manager; Dan Drentlaw, Urban Renewal Project Manager; and Kim Scheafer, City Recorder.

**Others Present:** Patricia House, Barbara & John Peterson, Bob Cornelius, Scott Sasse, Erin & Brant Walker, Mack Woods, Doug Sprague, Mike Cerbone, and Tony Roos.

**CALL TO ORDER:** Mayor Carson called the Regular Meeting to order at 7:20 p.m. in the City Hall Conference Room.

**\*\*Councilor Daniels moved to go into Executive Session pursuant to ORS 192.660(2)h) Pending Litigation. Motion was seconded by Councilor Ares and passed 6-0.**

**OPENING CEREMONIES:** Mayor Carson reconvened the Regular Meeting at 7:30 p.m. in the City Council Chambers followed by the flag salute.

Water Safety Month Proclamation – Mayor Carson read a proclamation proclaiming the month of May 2012 as Water Safety Month and presented it to Eric Laitinen, Aquatic Program Manager. Mr. Laitinen invited citizens to sign up for swimming lessons and attend the Gator Grinder Triathlon.

Poppy Days in Canby Proclamation – Mayor Carson read a proclamation proclaiming the month of May 2012 as Poppy Month and the week of May 27 through June 2, 2012 as Poppy Days in the City of Canby. He presented the proclamation to Patricia House, Poppy Chair of the Canby Legion Post 122. Ms. House expressed appreciation for the donations received for disabled veterans.

NALC Food Drive Day Proclamation – Mayor Carson read a proclamation proclaiming May 12 as the 2012 National Association of Letter Carriers National Food Drive Day and presented it to John Peterson, Mail Carrier. Mr. Peterson thanked the citizens for their continued support of the Canby food bank.

**COMMUNICATIONS:** None.

**CITIZEN INPUT & COMMUNITY ANNOUNCEMENTS:** None.

**MAYOR'S BUSINESS:** Mayor Carson attended a ribbon cutting at Pioneer Pump on April 22 to commemorate their new building addition and attended the Candidate's Forum on May 1.

**COUNCILOR COMMENTS & LIAISON REPORTS:** Councilor Ares said the Rotary Club had cleaned up 99E and the Logging Road trail.

Councilor Hensley had also attended the ribbon cutting at Pioneer Pump, Candidate's Forum, and the last 1776 discussion group at the Library.

Councilor Daniels said the last Community Concert was held last night. Information would be coming out about the new season soon.

Councilor Parker said the Ford Leadership Program came to the Bike and Pedestrian Committee about bike rack designs. The Bike Rodeo would be held on June 2. Final interviews were being conducted for the Main Street Manager position. First Friday would be held on May 4.

Councilor Dale also attended the ribbon cutting, Chamber lunch, and Candidate's Forum. Canby Utility would be purchasing a new generator for the SW 13<sup>th</sup> reservoir. Their last quarterly report showed Canby Utility continued to perform far better than industry standards.

**CONSENT AGENDA: \*\*Councilor Daniels moved to adopt the minutes of the April 18, 2012 City Council Regular Meeting and a Change of Ownership Liquor License for Marvel's Lone Elder Pizza. Motion was seconded by Councilor Hodson and passed 6-0.**

**PUBLIC HEARINGS:** Sewer Rate Increase – Mayor Carson opened the public hearing at 7:52 p.m.

Greg Ellis, City Administrator, explained the proposed fee changes and schedule. The sewer and storm rate would be increased by 5%.

Public Comments: None.

Mayor Carson closed the public hearing at 7:53 p.m.

Mr. Ellis clarified the planning/building permit fees had been increased significantly to recover the costs.

Councilor Dale was in favor of the substantial reduction in temporary vendor renewals for non-profits.

Update to City of Canby Master Fee Schedule – Mayor Carson opened the public hearing at 7:58 p.m.

Public Comment: Erin Walker, asked why the sewer fees were going to be increased if there was enough money for an interfund loan to the Transit Department.

Mr. Ellis explained money had to be put away every year for capital improvements in the storm water and sewer master plans. This was an internal loan that would be paid back in five years and Transit would pay interest on it.

Brant Walker, asked why they were going with a 5% increase if the study recommended 4%.

Mr. Ellis replied the increase would help with the in lieu of franchise fee to manage the City's rights of way.

Mayor Carson closed the public hearing at 8:06 p.m.

**RESOLUTIONS & ORDINANCES:** Resolution 1124 – **\*\*Councilor Daniels moved to adopt Resolution 1124, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CANBY, OREGON, SETTING FEES FOR SERVICES INCLUDING UPDATED FEES FOR SANITARY AND STORM SEWER SERVICE. Motion was seconded by Councilor Ares and passed 6-0.**

Resolution 1125 – Bret Smith, Chief of Police, discussed the updates to the City's Emergency Operations Plan. This was not a policy change, but clarification of the roles of the many agencies involved in emergencies.

**\*\*Councilor Ares moved to adopt Resolution 1125, A RESOLUTION OF THE CITY OF CANBY ADOPTING THE CITY OF CANBY EMERGENCY OPERATIONS PLAN AND REPEALING RESOLUTION NO. 724. Motion was seconded by Councilor Hensley and passed 6-0.**

Resolution 1126 – Kim Scheafer, City Recorder, explained this was a housekeeping issue. The City followed the Oregon State Archives' retention schedule for City documents.

**\*\*Councilor Daniels moved to adopt Resolution 1126, A RESOLUTION OF THE CITY OF CANBY RELATING TO THE RECORDS OF THE CITY OF CANBY AND PROVIDING FOR THEIR RETENTION AND PRESCRIBING TIME PERIODS. Motion was seconded by Councilor Hodson and passed 6-0.**

Resolution 1127 – Sue Engels, Finance Director, said this would be a formal policy to define eligibility and low income so City staff would have a procedure and way to explain to people what the reduced sewer rate was.

**\*\*Councilor Ares moved to adopt Resolution 1127, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CANBY, OREGON, ADOPTING A POLICY FOR REDUCED SEWER RATE ELIGIBILITY. Motion was seconded by Councilor Hodson and passed 6-0.**

Resolution 1128 – Julie Wehling, Transit Director, said Canby Area Transit had not had an operating capital since its inception. It had been operating at a deficit and this would solve the problem and the accounts would balance.

Mayor Carson said it was an operating loan that would be paid back in five years with interest.

Councilor Ares confirmed the Transit Department would be able to pay back the loan.

**\*\*Councilor Ares moved to adopt Resolution 1128, A RESOLUTION AUTHORIZING AN INTERFUND LOAN OF \$500,000 FROM THE SEWER FUND TO THE TRANSIT FUND. Motion was seconded by Councilor Daniels and passed 5-1 with Councilor Dale opposed.**

Ordinance 1354 – **\*\*Councilor Ares moved to adopt Ordinance 1354, AN ORDINANCE AUTHORIZING THE MAYOR AND CITY ADMINISTRATOR TO EXECUTE A CONTRACT WITH JEFF KERSEY CONSTRUCTION, INC. IN THE AMOUNT OF \$356,653.15 FOR NE 4th AVENUE IMPROVEMENTS, PHASE II; AND DECLARING AN EMERGENCY. Motion was seconded by Councilor Daniels and passed 6-0 by roll call vote.**

Ordinance 1355 – **\*\*Councilor Hensley moved to adopt Ordinance 1355, AN ORDINANCE ADDING SECTION 2.05.020 TO THE CANBY MUNICIPAL CODE TO AUTHORIZE SUBMISSION OF EXPLANATORY STATEMENTS BY THE CITY OF CANBY FOR INCLUSION IN THE CLACKAMAS COUNTY VOTERS PAMPHLET FOR MATTERS SUBMITTED TO THE VOTERS RELATING TO MUNICIPAL LEGISLATION UNDER**

**THE REFERENDUM OR INITIATIVE POWERS BY PETITION. Motion was seconded by Councilor Dale passed 6-0 by roll call vote.**

Ordinance 1356 – Mr. Ellis said several councilors suggested that this be in effect for two years and he had a revised ordinance for approval.

Councilor Ares requested to amend the ordinance that where it said “City owned right of way,” it would be changed to say “publicly owned right of way.” He wanted the wording included in all future franchise agreements for consistency.

**\*\*Councilor Ares moved to approve revised Ordinance 1356, AN ORDINANCE AMENDING THE CITY OF CANBY MUNICIPAL CODE BY ADDING A NEW SECTION 13.12.065, CREATING AN IN-LIEU OF FRANCHSE FEE FOR THE USE OF PUBLICLY OWNED RIGHTS-OF-WAY FOR SEWER SERVICE to come up for second reading on May 16, 2012. Motion was seconded by Councilor Daniels.**

Councilor Hodson appreciated the two year time limit, but was still concerned with the 7% increase.

**Motion passed 6-0 on first reading.**

Ordinance 1357 – Chief Smith appreciated Melody Thompson’s role in the Police Department and cleaning up policy and code language.

Melody Thompson, Administrative Specialist, said in implementing some new policies and software they came across some glitches and interpretations that needed to be cleaned up for alarm permits.

There was discussion regarding how the revisions would affect current permits.

**\*\*Councilor Hodson moved to approve Ordinance 1357, AN ORDINANCE AMENDING CANBY MUNICIPAL CODE (CMC) CHAPTER 8.20 REGARDING EMERGENCY ASSISTANCE ALARMS to come up for second reading on May 16, 2012. Motion was seconded by Councilor Hensley and passed 6-0 on first reading.**

**NEW BUSINESS:** Amendment to City Administrator Employment Agreement –

**\*\*Councilor Daniels moved to amend Greg Ellis’ current Employment Agreement to reflect a 7% salary increase to the base salary, and an increased vacation accrual rate to 160 hours annually with the option to cash out up to 80 hours of accrued vacation once per fiscal year. Motion was seconded by Councilor Ares.**

Councilor Ares explained the City Administrator evaluation process and how Mr. Ellis met all the expectations by the Council and City staff. This was a compensation adjustment for a two year period.

**Motion passed 6-0.**

**CITY ADMINISTRATOR'S BUSINESS & STAFF REPORTS:** Mr. Ellis reported on an electrical retrofit at the Wastewater Treatment Plant that would save \$1,600 per year in power costs. He would be going on vacation at the end of May.

**CITIZEN INPUT:** None.

**ACTION REVIEW:**

1. Approved the Consent Agenda.
2. Adopted Resolution 1124.
3. Adopted Resolution 1125.
4. Adopted Resolution 1126.
5. Adopted Resolution 1127.
6. Adopted Resolution 1128.
7. Adopted Ordinance 1354 on second reading.
8. Adopted Ordinance 1355 on second reading.
9. Amended wording in Ordinance 1356 to come up for a second reading on May 16, 2012.
10. Approved Ordinance 1357 to come up for second reading on May 16, 2012.
11. Amended the Employment Agreement with the City Administrator.

Mayor Carson thanked Bob Tanner from OCTS for his camera work for the City.

There was no Executive Session.

Mayor Carson adjourned the Regular Meeting at 8:55 p.m.



Kimberly Scheafer, MMC  
City Recorder



Randy Carson  
Mayor

Assisted with Preparation of Minutes - Susan Wood