

**CANBY CITY COUNCIL
WORK SESSION MINUTES
April 30, 2007**

Presiding: Mayor Melody Thompson

Council Present: Paul Carlson, Teresa Blackwell, Wayne Oliver, Walt Daniels, and Tony Helbling. Councilor Randy Carson was absent.

Staff Present: Mark Adcock, City Administrator; John Williams, Community Development & Planning Director; Kim Scheafer, City Recorder Pro-Tem

Others Present: Bev Doolittle, Tom Scott, Bob Backstrom, Jack Pendleton, Jason Padden, Dan Leischner, and Charles Blackwell.

Mayor Thompson called the Work Session to order at 7:30 p.m. in the Council Chambers.

The purpose of the Work Session was to hear the recommendation from the Street Maintenance Task Force.

John Williams, Community Development & Planning Director, said the Street Maintenance Task Force had met six times. The group had come to consensus on several issues but felt they needed to check in with the Council to review the direction prior to finalizing recommendations and conducting public outreach. Street funding was not keeping pace with inflation. The gas tax had not gone up at the State level in a long time. Canby received less money for roads than it did 10 years ago and road conditions continued to decline. There was no solution on the horizon from the State, so a local gas tax and street maintenance fee needed to be implemented.

The task force was recommending the moderate improvement scenario, which would bring the street system's average condition up 10 points over 20 years, bringing it up from 49 to 60. It was a combination of a \$.03 per gallon local gas tax and street maintenance fee. The street maintenance fee was a utility fee. It would use the same methodology as the system development charges. It was a fee and not a tax and was based on usage. A single family home would cost \$5 per month. This level of funding did not solve the whole problem and fix every street. Two different consultants had documented the street conditions. City facilities and schools would also pay this fee.

Bev Doolittle asked how the usage fee was calculated. Mr. Williams said they used national average tables and the City had been using them for the SDCs.

Councilor Helbling asked if someone lived and worked in town would they be double charged.

Mr. Williams said yes, but it would be divided between the business and the individual.

Bob Backstrom asked if an eye doctor and fast food drive thru had the same square footage would they pay the same.

Mr. Williams said fast food was in its own category.

Mr. Williams said all the scenarios were the best use of the money. They would not do treatments that did not last. That was why some streets would still be failed after 20 years because they would not be addressed. It would not be worthwhile to do a quick fix that would only last a few years.

Councilor Blackwell asked what the percentage of the gas tax was in relation to the fee.

Mr. Williams said the gas tax netted \$150,000 per year and the street maintenance fee would bring \$340,000 a year.

Mayor Thompson asked what type of public relations concern this moderate approach generated from citizen expectations of fixing streets when there would be a certain group of streets that would never be addressed.

Tom Scott said they picked the lowest scenario that moved them forward.

Dan Leischner said he would like to see them do more but to make a significant improvement, the price was high and the voters would not approve it. They also wanted to early on make some improvements so people could see progress. They needed to be honest with citizens.

Jason Padden said that the public needed to be educated about what this was about and how their money was being spent.

Mr. Williams said that almost every City that adopted an ordinance put in exactly where the money was going.

A discussion took place regarding the task force being converted into a permanent oversight committee that met annually and reviewed the revenues.

Mayor Thompson wanted to know how they would handle administrative costs that would go up.

Mr. Williams said the excess would be taken out of streets or general fund. Their intention was to do the work by contracts and only do street related repairs. In regards to publicity, they would get a loan or bond to start projects right away. For implementation/public process, they would do the usual work they did for public process. It was recommended for ease of administration and collection, that the street maintenance fee be put on the utility bill. They would use as many other street funding sources as possible to do projects. There would be a street cutting moratorium, review of street design standards, and plan for traffic calming.

Bob Backstrom said the neighborhood associations wanted to have some input on traffic calming.

Mayor Thompson said her concern was about the other neighborhoods that may be left out because they did not have a formalized association.

Mr. Backstrom said his association would take on the role of identifying spots around the City. He thought it would be a good job for the Traffic Safety Commission.

Mr. Williams said the task force had discussed having an increased cost for truck generation, but had decided to appropriately sign, design, and enforce truck routes. They wanted to focus where possible to improve arterial and collector streets.

Charles Blackwell asked if the State would reduce funding at the onset of adopting this program.

Mr. Williams said all of the State money was distributed per capita. If there was money in excess, they would have to decide to return the money, put it on the loan, or use it to fix more streets. They could lower the rate for the next year or increase it if there was a short fall.

Jack Pendleton suggested capping the fee at \$5.00 for a certain number of years. It would need to go up for inflation.

Mr. Scott said if they were willing to go up, they needed to be willing to go down.

Councilor Helbling said they should be writing an ordinance that said it was their goal to bring streets up to a certain level and if they did receive excess, the streets would be improved to a higher standard.

Mr. Leischner said he would be in favor of a fixed rate for the first three years.

There was discussion regarding raising the fee for inflation and the process of how and when they would raise it.

Mr. Williams said the next steps would be finalizing the ordinances with specific language on how it would work, develop public relations materials, and hold open houses.

Councilor Blackwell wondered if they could increase the fee and not have the gas tax.

Mr. Williams said the reason they had a combination of funding was to capture different users.

Ms. Doolittle said this would hurt businesses, especially those who were struggling.

The consensus of the Council was to go with the moderate improvement rate.

Mr. Scott said he was voting for a certain amount of revenue and he did not think it should automatically be adjusted for inflation.

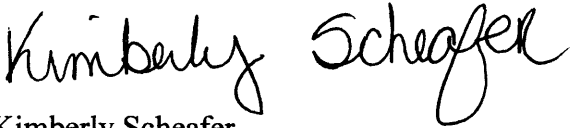
Councilor Helbling said they should not set a top limit of money they were trying to collect, they should say they needed to maintain their roads and they were trying to get to 60 and if they had the opportunity, they would do more.

The consensus of the Council was to try to get as much road improvement as they could with the money collected.

The consensus of the Council was to allow for adjustment in inflation if needed.

Mr. Williams suggested that the group work on the details and meet with the Council again in the future. They were not planning to put a sunset on the fee.

Mayor Thompson adjourned the Work Session at 9:40 p.m.

Handwritten signature of Kimberly Scheafer in black ink.

Kimberly Scheafer
City Recorder Pro Tem

Handwritten signature of Melody Thompson in black ink.

Melody Thompson
Mayor

Assisted with Preparation of Minutes – Susan Wood.