

CANBY CITY COUNCIL
WORKSHOP
JANUARY 16, 2002

Present: Mayor Terry Prince, Council members Walt Daniels, Shirley Strong, Patrick Johnson, Randy Carson, and Teresa Blackwell, City Administrator Mark Adcock, Library and Parks Director Beth Saul, Marty Moretty, Bob Rapp, Leonard Walker, Ryan Oliver, Randy Tessman, Craig Finden, Jeff Snyder, Frances Meew, Rick Maier, Carolyn Ann Carson Graybill, David Howell, and Blue Heron Board Representatives Joe Driggers, Don Morgan, Tom Keenan, Rachelle Butcher. Teresa Blackwell also serves as a Blue Heron Board member.

Mayor Prince called the session to order at 6:34 p.m. A light dinner was served.

The Council met in workshop session with representatives of the Blue Heron Recreation District Board.

Mayor Prince adjourned the session at 7:22 p.m.

CANBY CITY COUNCIL
REGULAR SESSION
JANUARY 16, 2002

Mayor Terry Prince presiding. Council members present: Walt Daniels, Patrick Johnson, Shirley Strong, Randy Carson, and Teresa Blackwell.

Also present: City Administrator Mark Adcock, Community Development and Planning Director John Williams, Marty Moretty, Library and Parks Director Beth Saul, Finance Director Chaunee Seifried, Finance Operations manager Laura Dornbusch, Leonard Walker, Curtis and Lila Gottman, Chief Ken Pagano, Dick and Myra Bennett, Lee P. Weigand, Jamie Johnk, Craig Finden, Joe Driggers, Randy Tessman, Ron Berg, Keith Stewart, David Howell, William Joung, Chris Lee, Ray Burden, Lisa Weygandt, G. Winfree, Brian Smith, Owen Smith, Carolyn Anne Carson Graybill, Jim Newton, Georgia Newton, and Wayne Scott.

Mayor Prince called the regular session to order at 7:38 p.m., followed by the opening ceremonies and a moment of silence for members of the armed forces.

CITIZEN INPUT ON NON-AGENDA ITEMS: Lee Weigand, representative of the First Baptist Church in Canby, stated that he believed the Council and Mayor were placed in a position of authority by God and he and his church members wanted to encourage, support, and pray for them. He thanked them and told them to keep up the good work and they would be praying for them.

CONSENT AGENDA: **Councilor Strong moved to approve the minutes of the regular session of January 2, 2002, and accounts payable of \$207,532.39. Motion was seconded by Councilor Johnson and passed 5-0.

The Council said that it was good to have Councilor Strong back and feeling better.

CONTINUATION OF PUBLIC HEARING: Smoke 4 Less Liquor License - City
Administrator Adcock said this was in reference to the request for an on-premise liquor license from Smoke 4 Less. At the last Council meeting, they heard from the applicant and Chief Pagano. The Council then requested that the Chief make a visit to the store and meet with the applicant and they asked the applicant to come back and show them plans for how he planned to segregate certain areas of the store to prohibit minors to have access to alcohol. The Chief met with the applicant, and even after the meeting, the Chief still maintained his position to recommend denial of the application.

Attorney John Kelley reviewed the application and the process that needed to be followed for the public hearing along with the standards and criteria for evaluating an application. The criteria Chief Pagano felt was not met in this case was demand by public interest or convenience. If the Council recommended approval, they simply needed a motion of approval and advise the Chief to contact OLCC with the recommendation. If they recommended denial, they had to produce findings of fact that they needed to adopt and forward to OLCC and Attorney Kelley had findings prepared because OLCC wanted the recommendation by February 1.

APPLICANT: Mr. Joung passed out the proposed drawing of the floor plan for his store. He said through his interpreter, Mr. Lee, that he understood everyone's concern with the serving of alcohol, but the point of obtaining this liquor license was not to serve alcohol but the Oregon Lottery required them to have a liquor license in order to obtain video poker. He was just trying to meet the minimum requirement. He referred to the floor plan where there would be a wall which enclosed the area where alcohol would be served with an entrance on the side and no one under 21 was allowed to enter and all the serving would be done in that space.

Councilor Strong asked since they were just doing this to meet the minimum, did they still intend to serve alcohol? Mr. Joung said he was required to serve it.

Councilor Johnson asked if in the code, congestion meant inside or outside the premise. Attorney Kelley said the intent was to mean outside, but the code was intended for public nuisance situations, which was not the case here.

Mr. Lee said that they were intending to do away with the knives and sword displays in the store.

Councilor Carson asked about the dimensions of the counters and displays and the walkways, how much room was there to walk between them? Mr. Lee said the walkway would be about 7 feet. Councilor Carson was wondering about access and the plans that they received that night.

Mayor Prince asked if Council could interfere in the layout of the store and Attorney Kelley said

that could be part of the criteria they considered for approval or denial, but the Chief thought the reason for denial was because of the sufficient licensed premises already in the area.

Mr. Lee said in regards to the issue of allowing anyone under 21 to be in the premises, one area would be for minors and the other would be for adults because Mr. Joung didn't want to make the store a tavern.

OPPONENTS: None.

PROPONENTS: None.

REBUTTAL: None.

DISCUSSION: Mayor Prince said that the Council had opportunity to hear and read all the materials regarding this issue and asked for their response.

Councilor Johnson said this application needed to stand on its own, but in looking at the criteria the police chief selected, and in reviewing this criteria for the second liquor license application they had coming up, he didn't see how they could discriminate between either application based on the criteria. If the number of establishments around this application equaled the number of establishments around the next application, but the Chief supported one and not the other, how could they determine this? Attorney Kelley said they had to make a decision based on the Council's interpretation of the criteria. Also all they were doing was making a recommendation to the OLCC.

Councilor Daniels said these were two different applications, one was a restaurant and the other was a store serving alcohol.

Councilor Johnson thought they were supposed to make their decision based on the criteria, and it did not say if they were different types of establishments then they could approve one and not the other.

****Councilor Johnson moved that the Council adopt staff's proposed findings of fact and forward a recommendation of denial for the on-site liquor license application of Smoke 4 Less to the OLCC. Motion was seconded by Councilor Daniels and passed 5-0.**

COMMUNICATIONS: Appointments to the General Canby Day Committee - Administrator Adcock said they received a letter from Donna Borges, the acting chair of the General Canby Day Committee, recommending the appointment of three people, and one reappointment, to serve on the committee.

Councilor Carson asked if this would bring the Committee back up to full staff, and Ms. Moretty answered in the affirmative.

Councilor Blackwell said the committee was trying to get going as soon as possible, and their first

meeting would be January 17. It would be good to make the appointments that night.

****Councilor Johnson moved to appoint Janie Hahn, Tim Mulcahy, and Betty Fish-Ferguson to the General Canby Day Committee and reappoint Nancy Murphy, all to three year terms ending December 31, 2004. Motion was seconded by Councilor Blackwell and passed 5-0.**

NEW BUSINESS: Marco's Restaurant Liquor License Application - Administrator Adcock said this was an application for limited on-premise sales of liquor. Chief Pagano reviewed the application and recommended approval.

Chief Pagano said he spoke with Mr. Marcos and his business was set up to be a nine-table restaurant and it was a more environment-friendly setting than the previous application. Also there were not as many on-site premises in the area as the last application. The restaurant would be located behind the bowling alley and across from the Gold Dragon.

Councilor Strong asked how many on-site premises there were in the area and Chief Pagano said there were three.

****Councilor Daniels moved to forward a recommendation of approval for the on-site liquor license application of Marco's Restaurant to the OLCC. Motion was seconded by Councilor Carson.**

Councilor Johnson referred to the last discussion where the applicant had a greater number of on-site premises in the vicinity, but not as many in the same shopping center as this application had. He thought they couldn't deny one application and not the other.

Councilor Daniels said if people wanted to consume alcohol during a meal time, that was different than the other application. Mayor Prince agreed.

Councilor Carson said because this was a restaurant, the application was different.

Councilor Blackwell said in the first application, they had to have a criteria to justify a denial. In this application, if they approved it they did not have to have a condition. Each application was looked at on its own merit. She thought they should approve this application because it was a dinner establishment.

Councilor Johnson said it didn't make any sense to deny one and not the other. If they were going to turn one down based on the number of establishments around the application, and this one had more in closer proximity, they needed to deny this one as well.

Councilor Strong said she did not think the first application proved public demand, where most restaurants were expected to serve alcohol, which showed public demand.

****The motion passed 4-1, Councilor Johnson opposed.**

Discussion re: Planning Commission Review of the Urban Renewal Plan - Planning Commission Chair Keith Stewart introduced Mr. Randy Tessman who was present also from the Commission. Over the last two years he had asked several planning commissioners to present ideas and recommendations concerning urban renewal to the City Council. The Council asked the Planning Commission to prepare a list of recommendations regarding urban renewal. They held a workshop on January 7th, and the document that emerged from that discussion was signed by the five members that were present that night. Although only five members were present, he was confident that the recommendation had the support of the entire Commission. He gave a brief historical review of the process when in 1999 the Planning Commission voted 6-1 against urban renewal. Unfortunately many believed the Planning Commission was anti-growth, anti-development, and anti-business, which was not true then nor was true now. The Planning Commission remained focused on the input and the details.

He reviewed the specific recommendations agreed upon and forwarded to the Council by the Planning Commission. First, the City of Canby should not be applicant on any land use application regarding urban renewal as it took away essential checks and balances. Second, the Urban Renewal Agency should be separate from, but responsible to and receive oversight from, the City Council. Third, the reconstituted Urban Renewal Agency should be chartered and codified in appropriate City documents with the same authority to hold public hearings, render decisions, and/or make recommendations as the Planning Commission enjoyed. Fourth, the Urban Renewal Agency should consist of nine members, appointed for specific terms and comprised of the following: four citizens, a member from Canby Business Revitalization, a member from the Fire District, two Industrial Area Association land owners, and one City Councilor. He thought they should take a year to smooth the process out and allow the community to become comfortable with urban renewal and how it was going to work. Fifth, a firm date should be established when the Council would hand over day to day responsibility for urban renewal to the new agency. This should occur not later than December 31, 2002. Sixth, written documentation was required to justify annexation of more industrial land than that listed in Canby's land needs analysis. Seventh, land should be acquired, sold, and redeveloped based on its fair market value, not the fair re-use value, because there was no clear definition of what fair re-use value was. The eighth recommendation needed some explanation. The Planning Commission and Fire Department had a close, professional working relationship. On the issue of Urban Renewal, however, they parted company with the Fire District Board of Directors and they saw the Fire District's veto of urban renewal as a disservice to the community. Their concern about tax-increment financing and its potential negative effect on the Fire District was withdrawn. Ninth, they also withdrew the issue of sending urban renewal to the voters. It would go to the voters in the form of annexation requests. Tenth, the urban renewal project list should do two things, regionalize and diversify the Canby economy and support and strengthen downtown revitalization. They recommended that the first project should be Sequoia Parkway to 4th. The second should be the downtown growers market which was potential for superb mixed use development, and third was to repair Wait Park minus the restrooms. More specifically, they wanted to repair the sidewalks, curbs, and streets around the park. Eleventh, the Council should establish a policy for actively seeking public/private partnerships. Only those projects which could demonstrate that they were in the best interest of the citizens should be undertaken. Tax increment financing came with a cost, and that cost was lost opportunity. Some projects outside

of urban renewal which might have been accomplished would not be. Because of this, citizens had a right to expect that urban renewal projects funded by tax increment financing would be in their best interest.

Councilor Johnson asked for more clarification regarding the nine member committee the Planning Commission recommended. Mr. Stewart explained that they envisioned allowing the members to be involved in the guidelines for how they would operate and as they moved forward with projects to be given a staff report, hold their own public hearings, etc. The only difference would be they could not make their own decisions, they would come to the Council for that. He thought they should take a year to work on the process because they were going to have it for a number of years. While they were working out the process, they could still do projects, such as Sequoia and 4th or the downtown projects.

Councilor Daniels appreciated Mr. Stewart's comments, and the process questions were ones that the Council and Agency were going to undertake. He did not think this was rushed into, two years ago they were trying to save on power rates. He did not think that the Council thought they were going to be the Agency permanently, but they were the ones setting it up at that time, they did not feel they could make a change. The changes in the Council and not knowing if they were going to have a district had put things on hold. Now that they established the district, many process questions would be dealt with.

Councilor Johnson said in other urban renewal agencies that did have the agency separate from a city council, they didn't get a year to develop the process. Why should they take another year to slow things down instead of giving it to the agency and let them establish their own rules? Mr. Stewart said the power for an advisory committee emanated from the Council, they set the rules and the committee followed the rules. They thought it would be more effective that way, and it wouldn't slow down the projects. There should be a process for turning it over and the process should encompass downsizing the current urban renewal advisory committee, taking the time to look at projects, and move ahead with them. The Planning Commission wanted to make it clear they were pro Urban Renewal.

Mayor Prince supported the idea of setting up the agency similar to the Planning Commission, where they would be clear about what their role was. He thought reducing the number of members was more reasonable as well. He thought they could come together sometime in the future with the Fire District and that they would. He thought that this could be codified within 6 months. He appreciated all the work the Planning Commission put into this recommendation.

Councilor Blackwell thanked Mr. Stewart for stating clearly the Planning Commission's position and she wanted some time to look at the recommendations.

Councilor Carson said the advisory committee had been going in this direction the whole time. As an agency they did not direct the advisory committee to look at some of these specific items, and now they had the process down, they could finish this in a short time period.

Mayor Prince said the Council would review this before they accepted the recommendation.

Mayor Prince adjourned the meeting for a short break at 8:37 p.m. and reconvened at 8:44 p.m.

Recommendation from the Budget Committee re: Public Safety Levy and Swim Center Levy for the May 2002 Election - Budget Committee Chairman Walt Daniels said that the Budget Committee was recommending the levies. Mr. Adcock explained the public safety 5 year levy plan, which was \$1.40 per 1,000 assessed valuation and would increase personnel and equipment for the Police Department.

Mayor Prince asked what staffing level they were operating on now? Chief Pagano said that the Police Department was staffed at the 1998 level and a few thousand citizens had moved to Canby since then. At present, there was need for more due to increased population and crime, and they wanted to stay ahead of the criminal element instead of trying to catch up. This was an adequate plan for the City and would give Canby a strong Police Department.

The second presentation was for a swim center levy and Mr. Adcock explained the five year levy proposal which was \$.32 per 1,000 assessed valuation and would increase personnel and provide building maintenance and enhancements.

Councilor Johnson said they had talked about the Canby Gators volunteering some of their time to make up some of the increased fees, what would happen with the money for the office specialist position if the Gators agreed to that proposal? Ms. Saul said if they decided that was an in-kind way they'd like to help pay their fee, that would enable them to reduce the number of hours of office specialist they might need, or possibly eliminating that position for the first year or two. There were other needs that money could be applied to. Councilor Johnson wondered if they could use the money to keep the pool open extended hours or for new programming. Ms. Saul said that was a possibility.

Administrator Adcock said these would be two separate levies. He displayed comparison slides of other cities in cost per 1,000 so that the Council could see where Canby fit. He compared the cities of Tualatin, Canby, Sandy, Gladstone, Oregon City, Molalla, and Milwaukie.

****Councilor Daniels moved that the Council accept the recommendation of the Budget Committee and forward the public safety and swim center levies to the voters in the May 2002 election. Motion seconded by Councilor Johnson.**

Councilor Johnson appreciated the slide presentation and thanked staff for their work on this.

Councilor Daniels said that the Council has tried to keep the taxes down, and when you looked at the comparison chart among other cities, it showed that they had done so. Currently, however, they were in desperate need of some improvements, particularly funding of the swim center, and they encouraged citizens to support the levies.

Councilor Strong said due to her absence, she would not be voting.

Councilor Carson said they were in dire straits regarding the budget, the costs for personnel,

utilities, etc. had gone up 30%-40% over the last few years and the revenues hadn't been coming in to balance the increase and that was why they needed the levies to be passed.

Councilor Johnson said he didn't get on the Council to raise taxes nor to shut things down, but he could honestly say he didn't know where to cut. These levies came at a time when people might not have the desire to vote for them, but with the current property tax limitation measures people voted for, and the fact that the property rate was kept low in Canby, now they were stuck. While property taxes skyrocketed, under measure 50, they could only increase the assessed value by 3%, but the city's expenditures increased 5%-8%. He thought if they wanted services, they were going to have to pay for them. He encouraged citizens to support the services that they wanted.

Mayor Prince said there were times when they had to pay for services, and they were to that point. Every bit of money that came in covered less and less. These two levies were very important, and were not frivolous plans, they were plans to cover expenses and keep services going. He encouraged people to vote in May.

****The motion passed 4-0 with Councilor Strong abstaining.**

UNFINISHED BUSINESS: Appointments to Canby Public Transportation Advisory Committee - Administrator Adcock said at their last meeting they made some appointments to the Canby Public Transportation Advisory Committee, and Mr. Williams said there were additional applications. Mr. Williams was recommending that the three additional candidates be appointed to the committee, making it a committee of nine.

****Councilor Carson moved to accept the staff recommendation to appoint Steve Allen, Michael Calvert, and Steven Willis to the Canby Public Transportation Advisory Committee and the length of terms to be determined by drawing lots at the first meeting. Motion seconded by Councilor Blackwell.**

Councilor Daniels said Steve Allen was the operations manager for public transit in Wilsonville and had been through this process, and had 25 years experience in public transit. He appreciated Mr. Allen's willingness to serve on the committee. His experience would be invaluable.

Councilor Strong clarified that this would be a committee of nine. Mayor Prince said that was correct, they were hoping to have a youth representative, but these candidates were very well received and would bring a lot to the group and well worth increasing the committee number.

****The motion passed 5-0.**

ORDINANCES & RESOLUTIONS:

Ordinance 1088 - Administrator Adcock said that they were requesting the Council to table any action on the ordinance that night in its present form. Staff identified some issues they needed clarification and guidance on from the Council, and once they got direction from the Council they would bring the ordinance back in a revised form for their action.

Finance Operations Manager Laura Dornbusch said they wanted to table the ordinance because the way it was written, the assessed values within the ordinance could vary depending on the guidance the Council provided that night.

Curt McLeod gave a history of the Third and Baker LID which was a project that began in 1997. The Council at that time was requested to initiate a district by a property owner in that area. The construction contract was awarded and construction started in 1998-1999. The project was completed in early 2000, and final assessments were slightly less than the estimated assessments. This project had been on hold, and they were at the stage where they needed to adopt the actual assessments and have them placed in the lien docket for the City, have a notice published, and property owners made aware of their assessments and given the opportunity for long-term finance for the projects.

Ms. Dornbusch said there were three issues to discuss: the interim finance interest, the interest rate set for the installment loans if the property owner chose to go with installment payments, and the city funds for the portion of the park and street right of way.

Regarding the interim interest, typically they would charge as part of the project cost a portion for the interest for the interim of the project. In the original projected estimated cost for the project, it was projected \$40,000 would be for interest interim finance charges and \$35,000 for bond costs. They chose not to go forward with the bonds. She needed to know at what dates should they assess the interim interest, whether upon completion of the project or did they include everything up to date? The City provided the money up-front on this project, and the property owners had not had to make payments for the last two years.

Mr. McLeod said when they started the project in 1997, all of the funds were borrowed from the sewer capital reserve fund. They had to pay that fund back with interest, so they had to be careful of arbitrarily limiting the collection of interest, because they would still need to pay that fund back with interest. The contractors actually completed the work in September of 1999, and they spent the next few months working with them to close it out, and that was where they got the May 2000 date of completion.

Councilor Strong asked what was the interest rate they had to pay back the sewer fund? Mr. McLeod said they hadn't established an interest rate, it was the discretion of the Council. They needed to establish a formal repayment agreement and the Council would determine what that rate would be.

Councilor Johnson clarified that the difference between the May 2000 completed project and today was \$43,808. That was the cost the property owners would have to pay in the LID depending on how they decided that night. Ms. Dornbusch said the original interim interest charge was \$35,600 and to date was the \$43,000 which would make the whole interim interest charge to date around \$75,000.

Councilor Johnson said in other cities where this happened, what was the standard operating procedure? Administrator Adcock could not speak to other cities, but the policy issue was what

the Council thought was reasonable. Attorney Kelley said there were standard procedures for assessments for LIDs, it followed a specific order of completion. Between the completion of the project and the assessment ordinance, a substantial amount of time had elapsed that normally would not have happened. The Council had to decide if the interim costs should be passed on to the property owners because it was a cost of doing business and it was a cost they did not have to pay, they had the benefit of improvements for the two year period, but hadn't had to pay for it. There was also argument that if they sent it to the property owners in a timely manner, they wouldn't have had to pay the interim interest at the time if they chose to pay it all off.

Councilor Daniels asked what the downside was if they charged it from the May 2000 date? Mr. McLeod said they would have \$43,800 that they would need to determine how it would be funded because that was the interest expense in-house they needed to pay the sewer reserve fund. Mr. McLeod said it was very rare that a city would be able to self finance a project of this magnitude. Typically they had the cash to complete the interim financing and upon completion of the project, they would adopt the assessments and give the property owners the potential to Bancroft bond and would sell bonds. The interest rate that would be charged would be the cost of the bond issue plus an administrative charge. The interest rate they pay back the sewer fund would be the same rate they would charge the assessed property.

Councilor Daniels said if they went out for bonding compared with what they were looking at now, was there a difference since they did it internally, was it less costly? Mr. McLeod said that was a positive point as to why they waited because the interest rates are several points less now than they were in May 2000. Over the life of the assessment, they would be assessing less dollars in interest than they would have two years ago.

Mayor Prince said by waiting, they inadvertently made a better deal for the bonding. Attorney Kelley said their current LID ordinance provided an interest rate of 10%. What Mr. McLeod was saying is he'd like them to offer that interest rate at 5.25%, the same as the interim interest. In order to do that, they would have to amend the current ordinance which required them to charge 10%.

Councilor Carson said for the inter-fund loans, did they go back to 1998 when they first borrowed the money or did they start as of today in regard to when the interest would be due. Mr. McLeod said it went back to the date of every check they wrote, from the date they borrowed the money and for every payment. They were accumulating interest right now, and the \$43,808 was calculated at 5.25%.

Laura Dornbusch said one option was assessing this in full to date and offering a cash discount payment terms if a property owner wanted to pay their assessment in full. This would roll theirs back to what they would have paid cash for in May 2000.

She also said if they changed the LID from 10% to 5.25%, it would change it for the future as well.

Councilor Carson said he thought 5.25% was a little high, and he wouldn't want it to go higher

than that. He also liked the option Ms. Dornbusch gave of giving them a discount if they paid their assessment in full.

Mayor Prince asked if they would get the money back to the sewer fund at the rate using that formula. Mr. McLeod said no, not if they allowed the discount. They would have to find a different source for the difference. Another thing to consider was there was a different duration of repayment terms, there was a five year limitation for inter-fund loans, and a minimum ten year repayment on an assessment. The typical way these were handled was they sold bonds, which would allow them to pay their fund back immediately and the property owner payments would repay the bond issue.

Mayor Prince asked if any of the residents affected were there that night. There were none.

Mayor Prince said the Council would need to decide whether to change the LID to 5.25%.

Councilor Johnson said it seemed like they were penalizing the property owners because they didn't have the staff to get the LID done in a timely manner. He also understood that they didn't have \$43,000 to give back to the sewer fund. He asked if they went with less than 5.25%, were they going to be short in the sewer fund? Mr. McLeod said yes, if that was the same rate they charged on the assessments they paid into the funds, then there would be a shortage of revenue to pay the fund back fully with interest.

Mr. McLeod said they could bring back an ordinance that addressed the interest rate to state the Council would select an interest rate that was appropriate at the time of adoption and the final assessment. With that wording, they wouldn't establish a 5.25%, they would establish that the Council selected the interest rate at the time they adopted the assessment ordinance. He suggested they brought an ordinance back that gave them the discretion to identify the interest as opposed to identifying 5.25%.

Councilor Strong thought that was a good idea because they didn't know what the rates would do and they wouldn't want to keep changing their ordinance.

Councilor Carson said if they did the 5.25% on the invoicing for the properties and paid the current rate of 2.25% back on the inter-fund loan, would that be acceptable? Mr. McLeod said it would depend on how many people elected to pay it off up-front, and how many elected to long term finance. They might want to establish their inter-fund interest rate after they adopted the assessment ordinance and after they offered the option to the property owners to long term financing. Then they would know exactly what that would generate.

Councilor Carson wondered if they could give them a rebate up to the 8% which would get it back to the May 2000 cost, or should they say they needed the money that had been collecting and was owed. Mr. McLeod said they should consider their interest rate right now and the climate for interest was quite a bit lower, and they could probably offer a very attractive rate that would not feel like a penalty for having waited two years. The 5.25% rate was the rate in place a year and a half ago, now the rates they could borrow money at were lower than two years ago.

Councilor Blackwell asked what the likelihood of people paying this up-front was? Ms. Dornbusch said they were only talking about 9 tax lots, it was quite a sum of money. Mr. McLeod said if they charged 10% they would prompt a lot of people to pay cash because they would finance it, if they charged 4-2%, he thought most of them would ask the City to finance it.

****Councilor Strong moved to establish an ordinance that allowed the Council the discretion to select the interest rate each time on the formation of a local improvement district. Motion was seconded by Councilor Blackwell and passed 5-0.**

MANAGERS' REPORT: Park Master Plan Update - Library and Parks Director Beth Saul said the Park Master Plan and Acquisition Plan were in their final drafts, and they wanted to hold a joint meeting with the Council and Planning Commission to look towards adopting those documents.

There was Council consensus for a joint workshop with the Planning Commission at 6:30 p.m. on February 6, 2002.

Conservation Easement for Log Boom Property - Library and Parks Director Beth Saul said that a public hearing was scheduled for January 22, 2002 at 10 a.m. at the Canby Adult Center to take public input on the proposed conservation easement for the property at the end of the log boom. A huge portion of grant money they were getting for that project was from the BPA and the habitat restoration and mitigation for fish was conditioned on the public hearing.

Attorney Kelley said the Utility Board was not interested in the log boom property site for their water intake any longer. They were looking at the piece they already owned, which did not have a conservation easement on it, so they did not have to have anyone's approval, or possibly a portion of the fish eddy property. The fish eddy property went before the state parks board tomorrow, and they would know then whether they were going to give the City that property or not. So far it looked like they would get both properties, although there would be some conditions attached.

Councilor Carson said that the Utility Board would still like to see less of a conservation easement for a pipeline at a later date for a water intake. Mayor Prince said they could work that out later. Ms. Saul said it did appear that the Utility Board was satisfied with alternatives to their original plan.

Engineering Award Plaque - Ms. Saul said that when the skate park was being built, it was built on top of a portion of a land fill and they had to have special engineering to make it work. The engineering firm who worked on this project was GRI, and they applied for an engineering award for the skate park and won an Engineering Excellence Honor Award.

City Administrator Adcock pointed out a service award that was presented to Matilda Deas from the Canby School District for all of her outstanding service in collaborative projects and assisting them with joint projects and efforts. She received this award on December 17, 2001 and Mr. Adcock thanked her publically and recognized her for all of her hard work.

City Administrator Adcock said that a communication had been received from Ron Yarbrough with the Canby Fire District inviting the Council to take part in Emergency Operations Training. He wanted to do this prior to a Council meeting and probably the second meeting of whatever month they picked.

There was Council consensus to have the training at 6 p.m. prior to the February 20, 2002 Council meeting.

City Administrator Adcock spoke of the outstanding job that the Police Department had been doing and referred to a letter of commendation for Officer Jeremy Holstad for his excellent work on Christmas Day in response to a suspicious person call and arrested a person responsible for 24 separate cases of mail theft. Mr. Adcock wanted to publically recognize those kinds of activities.

CITIZEN INPUT: None.

COUNCILORS' ISSUES: Councilor Johnson asked about the process to set up interviews with the prospective candidates for the Council vacancy and the selection committee decided to meet on January 19th and February 2nd starting at 9 a.m. at thirty minute intervals. The interviews could be held at City Hall in Mr. Adcock's office.

ACTION REVIEW:

1. Approving the consent agenda.
2. Approving appointments to the Canby Public Transportation Advisory Committee.
3. Approving appointments to the General Canby Day Committee.
4. Recommending denial of Smoke 4 Less Liquor License application and to forward Findings of Fact to OLCC.
5. Approving new Liquor License application for Marco's Restaurant.
6. Setting interviews with Council vacancy applicants.
7. Receiving the Planning Commission's Recommendations for Urban Renewal Plan.
8. Approving the Budget Committee's recommendations re: Public Safety Levy and the Swim Center Levy for the May 2002 Election.
9. Scheduling a joint workshop with the Planning Commission for a briefing and update presentation on the Park Master Plan and Acquisition Plan for February 6, 2002 at 6:30 p.m.
10. Scheduling EOC Training for the Council at the Fire Station on Feb 20, 2002 at 6 p.m.

There was no Executive Session.

Mayor Prince adjourned the regular Council session at 10:10 p.m.

Chaunee F. Seifried

Chaunee F. Seifried
City Recorder pro-tem

Terry L Prince

Terry L Prince
Mayor

Susan Wood

Prepared by Susan Wood
Office Specialist