

CANBY CITY COUNCIL
REGULAR SESSION
AUGUST 7, 2002

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

Also present: Community Development and Planning Director John Williams, City Attorney John Kelley, Transit Director Margaret Yochem, Police Chief Ken Pagano, Clint Chiavarini, Marty Moretty, Finance Director Chaunee Seifried, Nancy Wilmes, Demaree Raveux, Keiko Kawanishi, Tatsuya Takahashi, Kazuyuki Muto, Maniko Suzuki, Megumi Yamada, Erika Kasai, Dee Harbison, Ann Anderson, Ken Schuh, Kay Pollack, Christy Pruitt, Melody Thompson, Leonard Walker, Wayne Oliver, Bob Pete, Larry Krettler, Ron Tatone, David Howell, Randy Sebastian, Tony Weller, Tom Ferrin, Aubree Crascum, Teri Youce.

Mayor Prince called the regular session to order at 7:32 p.m., followed by the opening ceremonies and a moment of remembrance for our troops.

WELCOME TO KURISAWA SISTER CITY DELEGATION: Mayor Prince welcomed the visiting students and the adult leader from the tour group from Canby's sister city Kurisawa. He introduced Nancy Wilmes who coordinated the trips every year. Ms. Wilmes said this was the thirteenth exchange visit. Demaree Raveux, their Japanese/English teacher and a Portland native who was now living in Japan, introduced the group leader, Kawanishi Keiko. Ms. Keiko gave condolences on the September 11 events that happened last year and hoped it would never happen again. She continued by saying that there were six of them on this trip and it was their first visit to America. She said this exchange program had enriched their lives, and she hoped their relationship would last long. She also thanked those who organized the program and the home stay families. The students individually introduced themselves and gave their ages. There were three girls and two boys all ranging in age from 13-15 years.

Mayor Prince read a letter from Masao Tani, the Kurisawa Superintendent of Schools, to Nancy Wilmes commending her for her work. The Mayor also thanked Ms. Wilmes and the home stay families for participating in this program. The whole delegation had their pictures taken with the Mayor and Council. The Mayor presented Ms. Keiko with a gift of a transit t-shirt and hat for them to take back to Kurisawa's Mayor. He then presented each of the delegates with a Certificate of Welcome which bestowed them as Honorary Canby Citizens. Ms. Keiko passed out Kurisawa mascot key chains to the Mayor and Council.

CITIZEN INPUT ON NON-AGENDA ITEMS: None.

CONSENT AGENDA:

Mayor Prince asked the Council for consensus to remove the agreement with the Canby Swim Club off of the Consent Agenda until they had further discussion on the contract changes. The Council concurred.

****Councilor Strong moved to approve the Minutes of the workshop and regular session of July 17, 2002; Accounts Payable of \$272,892.84; Kiwanis Street Closure Request for Kiddie Capers Parade; Street Closure Request for Heritage Park Block Party; IGA with Clackamas County for Street Maintenance Database Development; Agreement with OCTS for FY 2002-2003; and Agreement with Canby Adult Center for FY 2002-2003. Motion was seconded by Councilor Tallman.**

Councilor Johnson asked if the money going to the County on the street maintenance data base could be used for other things or would it be primarily for that? He didn't think that a street maintenance fee would go anywhere in light of the fact that the City was asking voters to approve the Police levy for an additional \$1.40 per thousand. Community Development Director John Williams answered it would be primarily for the street maintenance fee but the information would be useful to have.

****Motion passed 6-0.**

COMMUNICATIONS: Presentation by Clackamas County on Green Corridor Project - Community Development Director John Williams introduced Kay Pollack with Clackamas County who explained the background of the green corridor concept and passed out a handout. This was a transportation and growth management grant secured for the 2002-2003 fiscal year. The concept was that there would be a distinct separation between the Portland metropolitan urban growth boundary and the urban growth boundaries of the neighboring cities and that there would be rural reserves between those cities. Also ODOT was interested in maintaining the highways of the green corridors as highly mobile transit corridors. This project consisted of routine inventorying and analysis of the land uses and existing regulatory measures that existed along 99E and Highway 213. It also consisted of a visual assessment. They were in the process of forming a citizens advisory committee. They would be holding two open houses and meeting with various city councils and other interested groups. They also set up a web site.

At the end of the process, they would be creating IGAs among the County, Metro, ODOT, and various affected cities.

She requested a letter of understanding from the City that indicated they understood the components of the project, what the expected outcome was, and how they would participate. She additionally asked for a City staff representative to serve on the project management team as well as appoint a member from the Council to sit on a citizens advisory committee.

Councilor Tallman asked where the City's project fit in with what the County was doing since there was already a signed intergovernmental agreement. Ms. Pollack said that agreement had been signed by all parties except ODOT, but that agreement instructed them to proceed with the work she was talking about now, it was the next step.

Councilor Carson asked if the width of the corridor would remain in the same dimensions on either side of the right of way. Ms. Pollack said that had not been determined yet. The restrictions for building would also be determined in this project.

Mayor Prince mentioned that Metro had discussed an extension of the urban growth boundary along this corridor. Ms. Pollack said that would affect it.

****Councilor Teresa Blackwell volunteered to serve on the Advisory Committee and Project Planner Matilda Deas would be the staff representative from the City on the management team.**

The first citizens advisory committee meeting would be probably the third week in September.

The project management meeting would be held September 3rd.

Discussion re: Willamette Valley Country Club Request for Temporary License Agreement for Continued Logging Road Access - Ron Tatone, resident of 1127 NW 12th Avenue, represented the WVCC Board. He said the Willamette Valley Country Club since the 1960s enjoyed the use of the Logging Road, granted permission at the time of construction, and over the years had numerous easements on the road. The first several hundred feet of Territorial Road north to the entrance of the Country Club held maintenance sheds that were used by the club's personnel and during the summer months, there were about 15 vehicle trips a day to the sheds. They also used a portion of land near the Willamette River which was the source of the water supply and occasionally vehicles needed to get to that area. He said sometimes there was construction that required fill material to be stock piled along the Logging Road as well. He asked the Council for a continued agreement, such as an easement, for use of the road as they had used it in the past.

Mayor Prince asked Attorney John Kelley to summarize his memorandum who stated that the City had just purchased the 15 acres along the golf course, and part of the condition of getting that property was a conservation easement with the State and BPA as well as the creation of a management plan governing the use of the property. Because of that, they had to wait for their comment as far as access to the road. Mr. Kelley said that Mr. Tatone was aware that they were bound by this conservation easement and they did not know what their plans for the Logging Road were. He thought the Council could allow them to continue with a license agreement, which was revocable, until that plan was solidified.

Councilor Carson asked if the WVCC actually owned the property where the pumps were located. Mr. Tatone said that it did own that property. There were a few small parcels of land along the Logging Road that were privately owned. Councilor Carson asked what access they would have to the storage area or sand area if they did not grant this. Mr. Tatone said the transporting of sand for stockpiling could not be routed if the City were not to allow it, because the trucks were large. There were times when they needed a large quantity where they would use the road heavily for a few days, but normal use was minimal except for the entrance from Territorial Road to the maintenance sheds. Attorney Kelley said they did have an easement for water intake from the Willamette River, but there was no written grant of maintenance to that property. This was one of the things they wanted to clear up.

Mayor Prince was concerned about the safety of the citizens using the road. He wanted to make sure they decided the speeds for the truck traffic.

Councilor Tallman asked what the condition was of the road to use for those larger trucks. Parks Director Beth Saul said they had an agreement with Doug Sprague of Canby Excavating who used that road to take fill down to Maple Street. The surface was heavy compacted gravel and it seemed to be holding up well to dump truck use. Also in that agreement, Mr. Sprague periodically filled pot holes and kept the road looking nice as well as helped block off the end of Maple to prevent unauthorized

people to have access to the property. The purpose of the upcoming management plan would be to determine in the future how much of that kind of access they wanted to have and where it would be. There was currently not a problem, and it helped keep the trucks off of Maple Street.

****Councilor Carson moved to allow Willamette Valley Country Club to continue use of the Logging Road as they had been under a license agreement with the City until such time as a management plan was worked out and to have a member from the Country Club sit as a member to assist with the plan. Motion was seconded by Councilor Daniels.**

Councilor Johnson was not sure about the location with the mention of the gate. His understanding was that people were not supposed to go down the trail that far, and if trucks were already using the road, then there really was no safety issue. Since other trucks were using it, why not allow the Country Club to use it as well?

****Motion passed 6-0.**

Agreement with Canby Swim Club for FY 2002-2003 - Councilor Tallman didn't think that she had enough information to make a decision that night. Councilor Carson thought they needed more discussion with the Parks and Recreation Advisory Committee.

Councilor Johnson thought it was great that people were coming up with creative ways to pay this fee, but they were already a month into this fiscal year, and if they sent it back to the Parks and Rec Committee, it would take even longer. He felt that this new proposal should be something for next year.

Christy Pruitt, representative of the Canby Swim Club, said that they had been assessed by the City for \$15,285 and they wanted to make a proposal that each swimmer would purchase a swim pass and that amount would make up the \$15,285. They were willing to pay the amount, it was just one way to do it.

Councilor Blackwell said they had reviewed the proposal, but they already had a contract.

Councilor Johnson felt that they had many volunteers and they had already agreed to the contract. He thought it would be great to look at for next year, as he felt the turn around had to be too quick to change it for this year.

Councilor Daniels wanted the Park and Recreation Advisory Committee to take a look at this and come back with a recommendation for next year.

****Councilor Johnson moved to approve the Agreement with Canby Swim Club for FY 2002-2003 as presented in the Consent Agenda. Motion was seconded by Councilor Strong and passed 6-0.**

PUBLIC HEARING: Tofte Farms Annexation 02-01 -

Mayor Prince opened the public hearing at 8:28 p.m. and read the public hearing format.

The applicant's representative, Tony Weller, consultant with CES/NW Inc., and the applicant Randy Sebastian of Renaissance Development were present. Also present were the owners of the property, Harvey and D'Anne Tofte.

A proponent and several opponents were on hand who wished to speak.

CONFLICT OF INTEREST:

Councilor Tallman - No conflict, plan to participate.

Councilor Daniels - No conflict, plan to participate.

Councilor Johnson - No conflict, plan to participate.

Mayor Prince - No conflict, plan to participate.

Councilor Strong - No conflict, plan to participate.

Councilor Carson - No conflict, plan to participate.

Councilor Blackwell - No conflict, plan to participate.

EX'PARTE CONTACT:

Councilor Tallman - She had spoken to the chairman of the Planning Commission who felt the Council should not care about overturning the Planning Commission decision. She also had a conversation with Superintendent Deborah Sommer in regards to the statement that the tax money that would be generated by 142 new houses would alleviate the situation in the public schools. This comment wasn't true. Mr. Weller said he'd like to ask questions about that statement later after their presentation.

Councilor Daniels - He had no ex'parte contact and had drawn no conclusions.

Councilor Johnson - He had conversations with the chairman of the Planning Commission who felt they should deny this application and ignore the Planning Commission's recommendation, several people at Cutsforth's in which he said he could not discuss the issue, and residents of the Tofte subdivision discussing how they felt about the additional housing.

Mayor Prince - He had visited the site, but drew no conclusions. He also had a discussion with the chair of the Planning Commission about details such as where they could build and how many children it would add to the schools and the information in the staff report. Christy Pruitt asked if they were estimating 280 new students and that they would attend Trost Elementary? The Mayor said that number was correct, but there was a mix as to where they would go.

Councilor Strong - She had visited the site, but drew no conclusions.

Councilor Carson - He had visited the site, but drew no conclusions.

Councilor Blackwell - She had visited the site, but drew no conclusions.

STAFF REPORT: Associate Planner Clint Chiavarini stated that the applicant was seeking to annex two tax lots (Tax Lot 2300 of Tax map 4-1E-03 and Tax Lot 1200 of Tax Map 4-1E-04D) totaling 49 acres into the City of Canby. The property was located on the south side of SE 17th Avenue, north of the Molalla River and east of S. Ivy Street. If approved by the Council, it would go to the voters on the November 5, 2002 election. Both tax lots were currently vacant and used for agricultural purposes. The applicant intended to subdivide the property to provide approximately 142 single family homes, two parks, and a private neighborhood swimming pool. The Planning Commission voted 3-2 to recommend approval of this annexation to the City Council. This land was divided between Priority A,

B, and C, the majority being Priority C. The Planning Commission decided that despite the property being mostly Priority C that this annexation was appropriate in terms of timing for the growth and development of the City. There would be a special benefit offered the City as a result of the annexation that would not occur should the phase prioritization system be followed and the annexation would not result in an adverse impacts on the City's planned provision of public facilities and services. One of the benefits was the dedication of park lands. The other benefit was that the applicant agreed to re-zone 7 acres of property to medium density residential. Canby had a surplus of low density land, but a deficit of both medium and high density. They would build smaller single family home sites on those 7 acres. They also agreed to development phasing in which the City would issue no more than 36 building permits per year.

A major topic discussed by the Planning Commission was the potential of adding additional students to both Trost and Eccles elementary schools and it would require modular classrooms until the new middle school, scheduled to open in 2006, was constructed. The other issue was the construction of new public streets without a funding mechanism in place for long term road maintenance. The Planning Commission said despite these concerns, the significant benefit of having the area master planned and controlling the pace of development and dedication of park lands outweighed them. In regard to need, the City's code specified a sufficient supply of land as 3 years, the City was below that earmark at 2 years and 1 month of buildable lands. This was larger farm land, but they planned to develop small chunks of it at a time and phase it out of agricultural production slowly. There were no significant problems with any of the intersections or street grid in the area and access would be adequate.

Mayor Prince asked about a failing road and Mr. Chiavarini said that there was one, Township at the left turn onto S. Ivy. It still operated safely, however people had to wait a long time to make that turn due to regional growth.

Mr. Chiavarini went on to say that adequate public facilities and services would be available. The applicant would be required to install a sewage pump station. This application did comply with other City ordinances and state statutes. There was no risk of natural hazards. The applicant would be required to protect the bank of the Molalla River. There were no adverse affects economically, socially, or physically.

There was some citizen testimony at the Planning Commission hearing. The applicant held a neighborhood meeting, and many showed to voice some concerns, questions, and objections. The objections were from those who lived in the County on the other side of the river who had problems in the past with people crossing over the river at that site and trespassing on their property. Two residents from Tofte Farms testified in favor of the application.

QUESTIONS: Councilor Tallman said that they did not have to have 3 years of buildable lands, it was sufficient, but it could be more or less.

Mayor Prince asked about the 200 feet rule and where did it start. Mr. Chiavarini thought it was 100 feet from the top of the bluff that could not be built on. They were working out a development agreement where they would actually put all the promises in writing and record them with the

properties so if they sold the property in the future, whoever bought it would also be bound by them.

Councilor Strong asked if the park would be furnished or were they just giving the land. Mr. Chiavarini said that they were just going to dedicate the land, but once the land came into the City they would ask for SDC credits if they were required to develop the parks.

PUBLIC TESTIMONY:

APPLICANT: Tony Weller, representative for CES/NW, said one of the things they were trying to achieve was a master plan. They planned for a connection to Ivy as required by the transportation plan which would be at 18th Place and Redwood. All of the set backs met or exceeded the 100 foot rule. The pedestrian connection was envisioned as an extension of the "Emerald Necklace" path along the river. There was a second pool that would be a private one for the residents, and they would be providing a sanitary pump station. They also would give 7 acres to the higher density zoning.

Mayor Prince was concerned that they would cut off those east of this for access to Ivy, and he thought the main road could have an extension off to the east to keep that from happening otherwise everyone on that side would have to go to Township. John Williams responded to the Mayor's question that they had discussed going east from Redwood and if they would ever expand the Urban Growth Boundary in that direction there would be a problem. He remembered that the applicant proposed one in a future phase at 15th which was outside the UGB at this time. Right now they were talking about annexing the land, and the specific design and lot sizes would be addressed by the Planning Commission.

Mr. Weller said in regard to the property mainly being Priority C, they did an inventory of all the Priority A and B lands and did an analysis for their potential development. Location was important as well as a willing seller, purchaser, and someone to finance them and the timing of all those things. There were 69 parcels within the Priority A land, over 157 acres, and of those only 28 parcels, or 70 acres, had both water and sewer adjacent to the property. If they removed any parcel less than an acre, the list dropped from 69 to 25 parcels with 68 acres and of those, only 3 parcels that were 5 acres or greater. There were 46 Priority B lands, or 154 acres, and of those only 9, or 23 acres, had access to water and sewer. If they again removed anything less than an acre, it dropped to 8 parcels and 22 acres and of those, only one was 5 acres or greater. There were only a few lots that could be combined to achieve close to 5 acres. When they looked at the prioritization schedule and how they met the housing needs, there were other issues involved besides the priority coding.

Mayor Prince asked about the Priority A land and how most appeared to be next to developed housing.

Mr. Weller said that only 28 had water and sewer next to them, and would require extension of those facilities, and if the parcels were too small to bear that cost that would be a problem. Mayor Prince did not think the extensions would be very long. Mr. Weller said a few key pieces of land brought in out of order could help provide some utilities to help the parcels that would have the higher annexation priority come in sooner because they would have the proper infrastructure.

Mr. Weller said they were willing to commit to the park dedications, which some land was outside the Urban Growth Boundary and attach it to the existing greenway that was planned. The biggest benefit was their willingness to commit to a deed restriction for how the property would develop. Looking at

the timing of the new proposed annexation, the first building permit wouldn't be pulled until January of 2004 and according to the time table they would do three lots a month and this wouldn't be completed until 2008. They would only develop 8-10 acres a year, and the rest would be in farm activity until it was developed.

The access was adequate and public facilities would be built by the development. The road maintenance fee was a City-wide issue, and in regard to the school issue, the school district acquired property and planned to have the new school available in 2006. Schools always lagged behind development, but they had a plan in process. The way they would be phasing in this development would help them continue to plan for the growth. The school district told them they planned on one student per home, but though there were usually more than that, they were split between grades. The City's ordinances and policies were complied with, there were no identified natural hazards, and urbanization did not have a negative impact.

In response to Councilor Tallman's question about the taxes and the schools, the schools got paid a per student cost so as student numbers went up, so did that contribution. The property tax portion might get reallocated, but they did get additional revenue for each new student.

There were no economic, social, or physical impacts. He felt their plan met a lot of their needs.

Applicant Randy Sebastian of Renaissance Homes said the Toftes bought their farm in 1958-59 and had been very responsible and good stewards of the land and this was the continuation of that. It was very responsible development and was planned development. They would only be developing three lots per month. His company bought the property about 1½ years ago, and they were used to slow, planned development. The parks and pool were added benefits and they wanted to be in Canby through 2008.

Councilor Johnson clarified that the plans they had were changeable, if the Planning Commission wanted things in different locations, they would be willing to work with them. Mr. Sebastian said they absolutely would.

Mayor Prince recessed the public hearing for a short break at 9:26 p.m. and reconvened at 9:35 p.m.

PROPOSERS: Bruce Holte, resident of 1190 SE 16th, Canby, said he was not there as the chair of the homeowners association, but as a citizen who lived in Tofte Farms. He commended Renaissance Homes and the Toftes for a fantastic layout that he felt addressed all the concerns the City had. The 36 homes a year took care of the school issues, the addition of the parks was great, and he thought they should approve the annexation.

OPPOSERS: Christy Pruitt, resident of Township Village, said in regard to the comment that schools seemed to be lagging behind, she thought if they developed Priority C land before Priority A and B were taken care of, what opportunity did the schools have? She thought the City did not have the money to build a park in that area and she thought the builder should have included it anyway, not just as a special benefit. She thought they did not have the money to help with the overcrowding of their schools. She thought Priority A and B should be built first so the schools were not lagging behind.

Betty Rickard, resident of Tofte Farms, said they chose to live in Canby because when they were in Oregon City, it took them 27 years to pass their school bond. She didn't see how the 36 homes a year would take care of the school problem. She was a teacher and knew the down side of too many children per classroom when numbers became an issue. There was not responsible leadership in the legislature to provide them with a plan and until there was a plan, she thought it was irresponsible of them to annex more territory to become homes. She was not even sure that the promise of modular units would happen. Another concern was traffic, as it would be greatly increased in the neighborhood and there would be noise issues.

REBUTTAL: Tony Weller stated that the traffic study was done, and the only intersection identified was the one they had already discussed as having capacity issues and it was only at the left turn. Regarding the school issue, the School District said that they had the capacity within the District, just not within the schools in Canby. So until the new school would be built, there was a solution outside of modulars, that they either have modulars or the kids would be redistricted. These 36 lots were only 20% of the annual need if they looked at a typical growth rate. It did not address the need to maintain that supply, which would continue to get smaller even with this project.

Randy Sebastian said Canby fit his market and it was not another Oregon City. He requested they send this annexation to the ballot.

Mayor Prince closed the public hearing at 9:45 p.m.

DISCUSSION:

Councilor Tallman addressed the Priority C and if they opened this up before annexing the Priority A and B, they would open up all the land for immediate development because they would not be able to turn anyone else down. It was going against the Comp Plan. She felt that this was irresponsible and not a benefit to the whole community. The only time they allowed Priority C land to be developed was when Trost School was built because they could find no other land. She did not think they had adequate public facilities, as the school problem was a big issue. Adding 142-280 children to the system before a new school would be built was not good. Who would pay for the modules and the teachers needed? This project was before its time. She would be voting against it because it was bad for the community.

Councilor Daniels felt that there was enough Priority A and B land that should be considered before the Priority C.

Councilor Strong was concerned with the increased traffic and felt that it would have an adverse effect especially on Ivy Street. She said the intersection of Ivy and 99E was due to fail in 4 years. She wanted to see 13th built out to take the load off the other roads before more homes were put out there.

Councilor Johnson thanked everyone for coming out to speak. He appreciated the responsible act of Renaissance Homes offering to change the 7 acres into medium residential density to fulfill their needs. He thought it was wise to limit the number of buildings put up per year. He wanted the Council to remember how hard it was to get parks in other areas of the City and with this project, they were offering one in the "Emerald Necklace" and another big park. He thought it met the special benefit to

the City by donating the parkland and they were willing to develop the parks with SDC credits. He also appreciated the neighborhood meetings that they held.

He also had concerns about the schools, they were already bussing children to 91 and Carus, and it was not a great environment for learning. He had grave concerns about losing roads due to the lack of ability and funding to maintain them. The Planning Commission recommended approval, and it was important to listen to their advisory boards. Also, the prioritizations needed to be redone since it had been many years since they were established. He thought this was a hard decision and one the citizens of Canby should make.

Councilor Carson addressed the prioritization. He showed on a 1998 map where the A, B, C lands were and how many of the A and B lands had been turned down for annexation mostly because of a lack of infrastructure. Much of the Priority C land was planned for the industrial park. They had not done anything with the A, B, C land in approximately 15 years, and he thought it needed revisiting. Renaissance was willing to build out in a 4 year period, which was about 10 acres a year, and was willing to put it in writing. He did not think they would pick up 10 acres a year around the rest of the City as there were no other annexations on the table. The parkland was free and they paid \$75,000 in SDCs for a small lot in Holly Corners. They were also willing to put in a sewer pump, but it wouldn't be feasible if the entire area couldn't be worked into their master plan. The City had two years of buildable lands, and he thought three years was a good average to keep ahead of things. Traffic would be a problem down the road, especially Berg Parkway and Sequoia which should be brought back for further discussion. If new children didn't come into the area, there was no reason to build a new school. Modularity for the schools did not hurt the education of the students and were necessary to have 50% of the students in them to make it pay to bring in teachers and staff for a new school. They did need more R1.5 land and this 7 acres would help with the density problem. The master plan for the area was a great thing and was a long-term goal.

Councilor Blackwell felt that they had a Comp Plan and did not need to go after Priority C land. This project had positives and negatives and she thought that the citizens must decide through the voter approved annexation.

Mayor Prince thought that if it were anywhere else in the City, it would be a good plan in regard to phasing and park dedication. He was concerned that it was Priority C land and the prioritization forced them to build from the inside out rather than filling in later. He thought farmland should be kept in production as long as possible. He did not think they needed additional property at this time. He considered it a larger plot of farmland and smaller plots were to have precedence over larger. He thought the dedication of park land did not outweigh the fact that it was Priority C. He thought that the traffic issues would add to the existing problems as two roads would fail by 2004—Ivy and 99E and Township at the left turn signal. As far as schools went, they had the potential to add 326 students to the school district and Trost would exceed capacity in 2003-2004. He was not in favor of this annexation even though this was a well planned project.

Councilor Daniels thought that if it were given to the voters, they would think that the Council had been in favor of this development.

Councilor Johnson said it wasn't right for them to ding a developer because they hadn't updated their Comp Plan and prioritization system, nor had they discussed with the School District to know if they wanted 50% of their new school filled before they put out a bond.

****Councilor Carson moved to approved ANN 02-01, a request to annex two tax lots totaling 49 acres into the City Limits, and direct staff to return with written findings and ballot language for placement on the ballot for the November 5, 2002 election at the next available regular meeting of the City Council on August 21, 2002. Motion was seconded by Councilor Johnson and failed 4-3 with Councilors Tallman, Daniels, and Strong voting nay. Mayor Prince cast a nay vote breaking the tie.**

****Councilor Tallman moved to deny the application of ANN 02-01 and to direct staff to return with written findings based on Criteria Numbers 1-priority, 2-need, 3-farmland, and 5-adequate public facilities. Motion seconded by Councilor Strong and passed 4-3 with Councilors Johnson, Carson, and Blackwell voting nay. Mayor Prince cast a yes vote breaking the tie.**

NEW BUSINESS: Discussion re: Selection Process for Planning Commission Vacancies - Community Development Director John Williams stated they had two vacancies on the Planning Commission and they had two applicants who would like to fill those seats. A few members on the Council usually interviewed applicants. It was decided that the interview committee would consist of Councilor Blackwell, Mayor Prince, and Planning Commission Chair Keith Stewart. The applicants would be contacted to set up interviews.

UNFINISHED BUSINESS: None.

ORDINANCES & RESOLUTIONS:

Ordinance 1102 -

****Councilor Carson moved to pass adopt Ordinance 1102, AN ORDINANCE AUTHORIZING THE MAYOR AND CITY ADMINISTRATOR TO EXECUTE A CONTRACT WITH BEAUDRY MOTORSPORTS OF POST FALLS, IDAHO FOR THE PURCHASE OF A BMW POLICE MOTORCYCLE, R1150RT-P FOR THE CANBY POLICE DEPARTMENT. Motion was seconded by Councilor Strong and passed by roll call vote 6-0.**

Resolution 807 - Community Development Director John Williams said the Council held a public hearing on April 3 for construction of sanitary sewer improvements on Locust Street. The Council directed staff to prepare an advanced financing resolution. The final cost was \$16,424 which would be allocated to 4 or 5 owners. The property owners would pay for the services if they connected to them.

****Councilor Daniels moved to adopt Resolution 806, A RESOLUTION DESIGNATING THE SOUTH LOCUST STREET SANITARY SEWER PROJECT AS AN ADVANCE FINANCED IMPROVEMENT AND PROVIDING FOR ADVANCED FINANCED REIMBURSEMENT FROM BENEFITTING PROPERTIES. Motion was seconded by Councilor Johnson and passed 5-0 with Councilor Strong abstaining due to a conflict of interest.**

MANAGERS' REPORT: John Williams commented that on the 2nd Avenue and Ivy project, the first concrete had been poured at Wells Fargo. He thanked the businesses for bearing with the project.

John Williams also asked permission for a street closure on Holly Street for the transit dedication ceremony. It would be held outside of City Hall on August 20 from 3:45 p.m. - 5:15 p.m.

****The Council gave consensus for the street closure for the transit celebration.**

Councilor Johnson asked if there was another area for the festivities, perhaps at Wait Park, as this would be an hour and a half during rush hour. Mr. Williams said that the invitations had gone out and felt that it would be difficult to change the location too far from the original site.

CITIZEN INPUT: Ken Schuh, resident of 778 NE 17th Avenue, Canby, stated that he tried to stay active in the community through the schools and the Swim Club. Two of his children were in the Swim Club and he came there that night in hopes that the Council would consider the Club's request. He was disappointed with the decision not to consider the proposal especially because of the bad economy. He wanted to clarify that the Club would be willing to pay their full share, they just wanted to change their method of payment. This pool pass system could potentially bring in more money to the City over what their contract stated and they should not turn down the possibility. It would be beneficial to both sides. Even City staff had agreed that the proposal was viable and a good idea and the motivation of the Club was to strengthen the community resource of their swimming pool. He asked that the Council not close the door to the additional resources that were possible.

Mayor Prince said in the report he received from the swim center, it only had the \$13,000 figure that would be generated by the pool passes. Mr. Schuh said that \$13,000 figure in the proposal was the worst case scenario.

Councilor Blackwell clarified that the Council knew the Swim Club would pay the amount in the contract.

Councilor Carson felt that there needed to be a contract in place that night. It needed to go back to staff and the Parks and Recreation Advisory Committee and it could be revisited at a later time without rushing through it. Mr. Schuh said that he had not understood that was the decision that night. He thought it should be accepted for this year because it benefitted the pool and community. Mayor Prince said they could always modify a contract and there needed to be a contract made that night. There were still some things to be worked out in the proposal.

Councilor Johnson supported this proposal, but he had questions about it. He wanted this to go through the proper process before making a decision on it. He did not think the City could wait to get a contract for the current fiscal year.

COUNCILORS' ISSUES:

Councilor Daniels announced the Kiddie Capers Parade on August 13 which was the first day of the Clackamas County Fair. Judging started at 9 a.m. and the parade started at 10 a.m. He also reminded

citizens to watch the paper for changes to the parade route due to street construction.

Councilor Daniels wanted to set up a Budget Meeting on August 28th which was an off-meeting Wednesday. A notice of the meeting would be sent out.

Councilor Johnson asked staff to set up a meeting with the School District to discuss growth, specifically the impact of development.

Councilor Johnson also asked when the Priority issue would be re-evaluated. Mr. Chiavarini said that a grant for their comp plan review had been obtained and he started the staff time on it already and within the next two months, someone would be on board to start the real work. Neighborhood meetings would be scheduled and a focus group would be established; the grant would run through June 2003. The discussion of the priority classifications would not be until the end of the process, probably late Spring or early Summer of next year.

Councilor Johnson asked what would happen if an application came through and under the current system it was Priority C, but when they went through the process it became Priority A, what would that do? Mr. Williams said the applications were judged by the code and comp plan of the time. If they changed the priority, they would have to come back with a new application.

Councilor Tallman said she had many people complaining about the City spending so much money on the 2nd Avenue project. Mr. Williams said that none of the money was coming out of the general fund. The 2nd Avenue project was coming out of SDCs which were dedicated transportation dollars for street reconstruction and that fund was used for this project. For the Ivy Street project, federal pass-through dollars from ODOT were being used. Neither of those monies could be used for street maintenance. Mayor Prince asked that perhaps the *Herald* could inform the public of this information.

Councilor Blackwell said she attended a neighborhood association meeting in her area and they talked about by-laws. She was excited that neighborhood associations were starting to take root. She encouraged everyone to check out the ones in their area.

Councilor Carson said that the agreements passed in the Consent agenda were for the OCTS and Canby Adult Center. They had \$16,000 set aside for OCTS and \$15,000 to the Adult Center and the money was now available to them since they passed the contracts.

Councilor Strong invited everyone to the last Slice of Summer concert this coming Sunday from 6-8 p.m.

ACTION REVIEW:

1. Approving the consent agenda.
2. Approving Res. 807.
3. Approving Ord. 1102 on final reading.
4. Denying ANN 02-01 and directing staff to bring back findings for August 21, 2002 meeting.
5. Directing staff to draft a licensing agreement with WVCC for continued Logging Road access.
6. Setting up a meeting with the School Board and Council.

7. Setting up interviews for the Planning Commission applicants.
8. Councilor Teresa Blackwell would represent the Council on the Green Corridor Project with Clackamas County.
9. Approving the Canby Swim Club Agreement for FY 2002-2003 and working with the Parks and Recreation Advisory Committee to continue discussions on the Swim Club's proposal.
10. Approving the street closure on August 20, 2002 for the dedication of the Transit System.
11. Setting up a Budget Committee meeting for August 28, 2002.
12. Composing an article for the *Canby Herald* regarding street and park project funding.

There was no Executive Session.

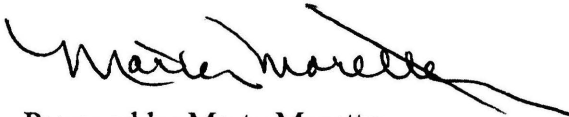
Mayor Prince adjourned the regular Council meeting at 11:05 p.m.



Chauncey F. Seifried
City Recorder pro tem



Terry L Prince
Mayor



Prepared by Marty Moretti
and Susan Wood
Office Specialists