

CANBY CITY COUNCIL
WORKSHOP
MAY 16, 2001

PRESENT: Mayor Terry Prince, Council members Walt Daniels, Corey Parks, Randy Carson, Shirley Strong, Patrick Johnson, and Teresa Blackwell, City Administrator Mark Adcock, Finance Director Chaunee Seifried, Recreation Services Director Beth Saul, Police Chief Jerry Giger, Community Development Director Jerry Pineau, Peter Moy, Curtis and Lila Gottman, and David Howell.

Mayor Prince called the session to order at 6:37 p.m. A light dinner was served.

The Council met in workshop session to discuss entering into a consulting services agreement with Financial Consulting Solutions Group of Redmond, Washington to conduct a cost of service study and user fee analysis.

Mayor Prince adjourned the session at 7:20 p.m.

CANBY CITY COUNCIL
REGULAR SESSION
MAY 16, 2001

Mayor Terry Prince presiding. Council members present Walt Daniels, Corey Parks, Patrick Johnson, Shirley Strong, Randy Carson, and Teresa Blackwell. Also present: City Administrator Mark Adcock, City Attorney John Kelley, Recreation Services Director Beth Saul, Finance Director Chaunee Seifried, Community Development Director Jerry Pineau, Police Chief Jerry Giger, Planning Director John Williams, Canby Police Officers Jason Deason, Tim Sommer, and Chris Mead, David Howell, Susan Wood, Ben Settecasse, Linda Runyon-Finden, Jamie Johnk, Ralph Netter, Ed Netter, Craig Finden, Karl Hansen, Jack Gustafson, Michael and Gretchen McCallum, Tom Scott, Gary and Judy Anderson, Max Derungs, and Curtis and Lila Gottman.

Mayor Prince called the regular session to order at 7:33 p.m., followed by the opening ceremonies.

CITY COUNCIL COMMENDATION: Officer Jason Deason was introduced by Canby Police Chief Jerry Giger in recognition of his actions taken during a domestic disturbance that had been reported to the Police Department. Officers Deason, Sommer, and Mead came forward. Mayor Prince read the Council commendation and presented it to Officer Deason. Chief Giger thanked the Mayor and Council and thought it was an honor for the whole department when they recognized one or several. This was the job they were supposed to do and it quite often went unnoticed.

CITIZEN INPUT ON NON-AGENDA ITEMS: Craig Finden, president of Canby Business Revitalization, said he had two items to discuss. One was improved signage, which was critical to a thriving commercial area and CBR had been working on identifying and improving the needs of the City in that area. The new larger and clearer directional signs along Grant, Ivy, and Elm were the result of a combined effort of CBR and the City. CBR wished to present a paid invoice for those signs as an example of the great partnership between the City and CBR. Mr. Finden presented City Administrator Adcock with the paid invoice. The second item was in regards to hiring a new executive director. For the last few weeks they had been reviewing applications and interviewing candidates, and it was very encouraging to see how many people felt the desire to contribute to the vitality of Canby. Many applicants were local to the area and involved in the area, and he thanked all of the applicants and invited them to continue to contribute and participate in any of their committees or task force efforts. He introduced the new director, Jamie Johnk. He said she would be a great asset and a team builder. Ms. Johnk said she wanted to take the opportunity to introduce herself and invited any and all of them to come see her and looked forward to working with all the groups in the community.

Linda Runyon-Finden, president of the Chamber of Commerce, announced the next Chamber luncheon would be June 5 at Cutsforth's Old Town Hall and the speaker was going to be one of the Leadership Canby graduates. She reminded them that tomorrow night would be the graduation for Leadership Canby and the Mayor was going to join them for that.

CONSENT AGENDA: **Councilor Strong moved to adopt the consent agenda: minutes of the workshop and regular meeting, May 2, 2001 and accounts payable in the amount of \$225,727.15. Motion seconded by Councilor Johnson.

Councilor Johnson said staff had done an excellent job on the minutes, there had been some tough meetings lately and the minutes were perfect.

The motion passed 6-0.

PUBLIC HEARING:

System Development Charges Review - Mayor Prince opened the public hearing at 7:43 p.m.

STAFF REPORT: Planning Director John Williams said he and City Engineer Curt McLeod were there to talk about the changes in Canby's system development charges. Mr. McLeod would present the project list and had more information about the numbers. Mr. Williams said as part of the Periodic Review, one of the tasks was to look at the capital improvement plan and the SDCs. In the last month or two, they had combined their infrastructure project lists with their population estimates that came out of the buildable lands study and produced the growth estimates for residential, commercial, and industrial. Those two pieces have combined to produce the numbers assembled in the System Development Charge Periodic Review document.

Previously they had not changed all four SDCs at one time, so the numbers were a dramatic increase as to what had been looked at in the past. They did provide public notice for this hearing according to state law. Some people did not find out about this until recently, and they apologized for that. This was the first meeting on the system development charges. The Planning Commission discussed them at their meeting on Monday, but they did not have a formal recommendation role on SDCs which were adopted by the Council by resolution. They had in the resolution a clause that indicated automatic increases without resolution to account for inflation annually, but that was not what was intended. They wanted to have a review of the effects of inflation on an annual basis and adopt any change that was required annually by resolution. He had a new version of the resolution which changed that language.

Councilor Parks asked if that was to baseline the fees, provide a regular increase based on inflation, but it wouldn't preclude that they did not revisit another step increase. John Williams said it would be an annual review based on the construction cost estimates. They had not done that in the past, and as an example, the storm drain SDC had not been raised in seven years and there had been no accounting for inflation in that seven years, and they fell behind.

Mr. Williams went on to say that this was a dramatic change in SDCs and would have a significant impact on residential and industrial builders. He included a few options if the Council wanted to soften the impact of the change. If they adopted a resolution that night, it would go into effect tomorrow, so any application for a building permit or connection to sewer starting at 8 a.m. tomorrow morning would be covered by the full range of the new SDCs. Any other implementation option would require them to rewrite the resolution, which they could certainly do. The other options were phasing in the SDCs over time. They could do 50% of each one now, and 50% later. There could be a waiting period before they were adopted so they could adopt the full range, but allow people time to get in applications that may have been in process. Another possibility was to grandfather projects in that had been in land use process but may not have the building permits done. Properties that could be grandfathered in were ones like Matt Grady who had put in an application for Denny's, and the folks who had been on the annexation ballot that passed yesterday who would have been building by now if not for the 5 or 6 month delay the annexation required. Anything like that could be done, but the downside would be they would not be collecting the full value of the SDC for that period or for those projects. If they wanted to know the impact estimate on how much money would be forgone under those possibilities they could provide that, he just wanted to get the idea on the table and get some feedback. They had a public hearing that night for the Council to hear from the folks who would be affected before they implemented the change.

Councilor Johnson asked how many people were surprised about the hearing that night. Mr. Williams said by law they were required to provide notice to people who told them they wanted notice of SDC increases. They also compiled a list of everyone who had taken out a residential building permit in the last two years, but they missed the commercial and industrial builders. A lot of those were taken care of through an article in the *Herald*. Councilor Johnson asked if he

thought they would have come to the public hearing had they known about it, he wanted to make sure they were being fair. Mr. Williams said it was the Council's choice, but they had gone well above the legal requirement. Councilor Carson asked if it got in the Homebuilders Association newsletter. Mr. Williams said they definitely sent them notice about a month and a half ago, but he didn't know if it was put in the newsletter.

Curt McLeod explained that system development charges were a charge for a new connection to buy into existing facilities. They did not impact local existing residents, they did not impact user fees or monthly charges for sanitary sewer. They built facilities that had capacities to serve the future users and future connections in Canby they projected to see in the next 20 years. Those improvements were being funded through bond levies or monthly rates charged to users. The SDCs gave them a mechanism to have a new user buy his prorated equitable share of that in a lump sum, which was comparable to a building permit. The basis for SDCs was Oregon Revised Statute number 223, which states it needed to be an equitable fee that did not charge more than the impact on the system for that user.

The general reasons they were increasing SDCs were inflation continued to increase all of their costs, their fees had not been increased in many years, the population projections had increased, they had project lists, capital improvement plans had been modified, and they modified who were the allocated properties. The specific reasons were based on capital improvement plans that were prepared for each utility, and in those master plans they had lists of capital improvements that were projected to be needed for the next 20 years, and were based on existing improvements and inflation rates to bring the cost of existing improvements to current value. He gave the Council a handout that listed the cost changes for each utility.

A SDC was made up of two charges, one was an improvement fee, which was identified to accumulate costs for a system they knew they would need to add but had not yet been built, basically the capital improvement plans from each of the master plans. There was also a reimbursement fee, which was the public utilities they had built that had excess capacity to serve additional users, the existing users had been supporting financially the excess capacity, so a new connection would reimburse the city for the portion of capacity they would use. Canby Utility handled water, the City had sanitary sewer, transportation, storm, and parks SDCs. The sanitary sewer SDC was last updated in 1999, and a new capital improvement plan identified 2.68 million dollars worth of improvements would be needed by the time Canby reached a population of 21,000 project at the year 2020. They divided the improvement fee by the average gallons per connection they experienced at the Wastewater Treatment plant, which equaled 76 gallons per person per day. The improvement fee was assessed at \$550 per equivalent dwelling unit. The reimbursement fee, because of the unique capacities of each component, was broken down to cost per gallon. Between the improvement and reimbursement fee, the total was \$1,785, the current fee was \$1,020.

The biggest change in all the SDCs was using a value that equated to replacement costs today. In previous SDC reports, they used a depreciated value where they took the initial cost of the facility and spread it out over a 50 year depreciation and allocated that remaining portion of costs. That did not account for inflationary impacts and they also had to maintain the facilities so they would last. In charging a depreciated value, at the end of a 20 year period when they collected all of the capacity, they were only going to collect a small portion of the cost of that facility. And when they built a new plant, the fee would jump 100% because it hadn't been depreciated at all the first year, and it created some major disparities in what they charged for connections.

Councilor Johnson asked for clarification regarding depreciation. Mr. McLeod said the old SDC depreciated the value of existing facilities. As opposed to being able to allocate 50%, state law allowed them to use the impacts of inflation and existing rate payers, which allowed them to continually inflate the value of that facility, because they continually improved that facility and they were paying interest costs. By the time they had sold all of the connections, they would have collected 100% of the costs to pay for that facility including the cost of inflation. The sanitary sewer SDC was about a 75% increase, which was primarily based on using an inflated value, a current replacement value rather than a depreciated value.

Regarding the transportation SDC, there was substantial reworking of the Transportation System Plan this year, and they generated a capital improvement plan. They had a total of \$45,146,000 of needed transportation improvements to serve a 21,000 population. There were basic services for a subdivision, they were required to put in a 36 foot street with curb and sidewalk, but those costs were not considered to have excess capacity and were not eligible for SDC funding, but anything above a basic service was eligible. There were \$18,555,000 of improvements that had a component of oversizing. Transportation costs were allocated by a cost per trip basis. ODOT prepared studies to quantify how many trips were associated with each type of land use. They projected 104,000 new trips at the time the capital improvement plan was prepared in 1994, and they would always use 1994 as a basis for allocating costs and the trip number would not change unless they changed their urban growth boundary or population projections. Taking the SDC eligible cost divided by the number of trips, they came up with the cost of \$176 per trip, the old fee was \$100 per trip. It was about a 100% increase. The existing fee was \$947, the new fee would be \$1,837 for a single family residential connection.

Regarding the storm drainage SDC, the storm drainage capital improvement plan was prepared in 1994. There were three phases of improvements, the first one was primarily for deficiencies, the second was for treatment and permitting, and the third phase was if EPA prohibited the continued use of dry wells. At the time they adopted the SDC, they only implemented the first phase of improvements. They were still waiting for the EPA mandate for that second phase, but saw it coming just around the corner. They recommended they pick up the second phase of the storm drain plan. What would ultimately happen was they would be required to get permitting for all of the discharge points and required to begin monitoring and ultimately build some regional

treatment facilities which would mean large detention just for sedimentation and pull nutrients out of the water before they discharged into the Molalla or Willamette rivers. At the time they adopted the SDC in 1994, they only adopted phase one which had a fee of \$4 per single family residential. They were proposing to incorporate phase two and adjusted the cost of remaining portions of phase one. The improvement fee had a total of \$464,000 of improvements that would be needed. The common unit of measure was trips, because storm drainage was 100% dependent on the roadway system. It was Canby's policy that no storm water running off of a private residence went into the street, so in essence the storm water improvements were street run off. They allocated the cost of storm water SDCs on a per trip basis, so it was allocated by who used the street. They had \$464,000 of eligible cost and they had 91,000 number of trips for 1999. This was different from the transportation SDC that had 104,000 trips which was determined in 1994. The closer they got to buildout of the urban growth boundary, the lower the number of trips. As they got down to the last year, they were looking at 100 trips remaining and by that time they would have collected the fees they needed and the fees would still be proportionate on the last few trips. In this case, they ended up with \$5 per trip improvement fee. As for the reimbursement fee, there were only a few improvements on the storm water that had excess capacity, which equated to \$177,000, and dividing by the number of trips came to \$2 for the reimbursement fee. The fees became \$7 per trip, and on a per house basis, became \$70 per single family residence.

Regarding the parks and recreation SDC, similar to the other plans, the improvement fee was a summary of improvements they were going to need through buildout of the urban growth boundary. They had a total cost of \$7,703,000 for park improvements that would be needed over the next 20 years. The common unit of measure for parks was the number of bedrooms in a building permit application. They then equated the number of bedrooms to population, and population to people who used the parks. They had 10,600 additional bedrooms they projected through buildout of the urban growth boundary and divided by the cost of improvements, came up with \$724 per bedroom. Regarding the reimbursement fee, they had eight improvements they made since the preparation of the Park Master Plan. Those equated to a total value of \$1,109,000 and divided by the same number of bedrooms, was \$104 per bedroom. The total fee would be \$828 per bedroom, which for a single family residence equated to \$3,312 for a four bedroom home verses \$1,388 they would have paid under the current fee. This did not have a component that was allocated to commercial or industrial, it was strictly for residential. This was a 150% increase.

If they postponed the implementation, they would lose a portion of their revenues to cover the expenses. A portion of that revenue would be picked up by existing users. They were pushed between a rock and a hard spot, if they implemented the entire fee, it was a very expensive jump, which is why they should do this every other year or annually to avoid the 100% increases, but if they didn't implement these, it penalized the existing users in having to pick up the costs or the City would be in need of finding supplemental funding to be able to cover the costs of these projects.

Mayor Prince said regarding the transportation capital improvement plan, they showed approximately \$45,000,000 for projects, yet they were only charging SDCs for \$18,500,000, that was only a 40% charge. Mr. McLeod said the other components were charges allocated to other responsible parties, Clackamas County had a component of the costs for their streets, ODOT had some costs for improvements along the highway, and the bulk of that was going to be the basic unit that was needed to serve the subdivision, the first 36 feet of a street improvement was paid for by the developer, the oversized component only was allocated in the SDC. Mayor Prince said the overall percentages were lower than some other cities and he wondered if they were being conservative. Mr. McLeod said they did not have a lot of large streets, so the improvements they identified were 40 to 44 feet, and the basic unit required was 36, and then they had some big projects they were projecting costs for.

Councilor Carson asked if the water fee was going to stay the same? Mr. McLeod said he did not think there were going to be any changes now, the fee was \$1,800 and had been for a few years. Karl Hansen, Canby Utility Assistant General Manager, said the Board of Directors were not addressing increases in SDC for water service. They were doing an updated water master plan to anticipate looking at what those costs were going to be next year. Right now they were engaged in the wholesale power cost issues, so they were trying to get a good handle on what their projected costs were going to be and would be addressing it next year. Mr. McLeod said that information had been included to give them a comparison to surrounding communities. Currently Canby charged the lowest package of system development charges in Clackamas County, the only lower fee was rural Clackamas County connections. When they implemented the increases, they would go toward the middle of the pack.

Mayor Prince said the component of the inflation fee was not in the figures. Mr. McLeod said the new figures included the replacement value, which meant they inflated the value of improvements they made to account for either the financing costs the local residents were paying or for the opportunity costs if they paid cash for that facility.

PUBLIC TESTIMONY: Ben Settecase, from Mountain West Investment Corporation, said they were the applicant for Annexation 3-37 that passed yesterday. They had been in the land use process since last fall, preparing and submitting an annexation application. He found out about this public hearing through the *Canby Herald*. He said they could not afford an increase like this, and he hoped there was an opportunity to grandfather in their project because they had been in the process for the last six to eight months. At that time, he inquired about any proposed fee increases, and there were none. Had they known they were going to double, they would have ceased to proceed at that time. They had spent considerable amount of money, and would like the Council's consideration for that. Councilor Johnson did not want them to have a job floating out there that they signed papers on saying they could build it for a certain amount, and the City changed the fees, and because they were already locked in, they would lose their shirt on a job. Mr. Settecase said if they passed these fees and Mountain West approached the City of Canby next week and discovered the fees for their project would cost \$400,000 not \$200,000, they

would not pursue the project. In terms of multi-family SDCs, he had come across many communities that were much lower. Maybe it was just bad timing for them, but doubling the fees was a big hit. Any kind of increase would not make his project feasible, since Canby Telephone also raised their fees. He especially liked the grandfathering in option.

Councilor Parks asked what communities were cheaper? Mr. Settecase said from the figures in the *Herald*, their single family SDCs were increasing from \$3,000 to about \$7,000, and Salem's were about \$10,000, but he developed a 66 unit project in Salem last year and his SDCs were \$56,000. He built 88 units in a coastal town that were \$63,000 in SDCs, and communities in Washington were similar. Councilor Parks asked if multifamily projects were generally more profitable than single family? The parcel on which he proposed to develop was multifamily, and even though the dollar figure was larger, the property did not become undevelopable, did it? Mr. Settecase said in this case it might, multifamily land values in Canby were commensurate to what they were in Portland. Councilor Parks said that was true across the metro area, there was no cheap multifamily property. Mr. Settecase said if a developer could pay twice the SDC fees and the price for the land and develop the same number of units, and could make it work, he commended them. He was not there to argue about the fees, he was sure the City was due for an increase in fees. Councilor Parks said he was of the opinion that they did need to increase fees, but he didn't want to have any unfair impact on people who were 95% down the way on their project, but at the same time, they should have raised them a little bit in the past and he was all for sharing the cost. Mr. Settecase said he did ask about increases in fees, and was told there weren't any in the foreseeable future, and they decided to proceed. They had gone through a lot of hurdles, and this was an unexpected one.

Councilor Blackwell asked if Planning Director John Williams knew how many grandfathered situations there would be should they go that route? Mr. Williams said it would depend on what they chose to exempt. Mr. Settecase just had his annexation approved yesterday, he didn't have a design review land use application in yet. They had three annexations approved yesterday, and that could be a package. They had 5 to 10 land use applications that were in the various stages of final approval process that hadn't taken a building permit yet. It was up to them where they wanted to draw the line and then he could come back and give them hard numbers.

Councilor Carson said any of the area that had already been platted and built out for the streets, but had not gotten design plans would be another issue. Mr. Williams said the area around Tofte Farms paid SDCs on each house as they came in, so that subdivision was platted under one SDC, and the majority of the houses would pay the increased one. There was a lot of grandfathering they could do. There were people who annexed in last year, but hadn't developed yet. Mayor Prince said he believed the increases were needed, especially with the impact on their budget. It was unfortunate that they had to do it all at once, he had always been in favor of phasing in these type of increases, especially for projects that were already on the horizon.

Tom Scott, a local builder, developer, and citizen of Canby, said this would impact him personally as well as the consumers, those who would buy the houses or rent the retail space. He was not going to spend more money on a permit and not turn it over to the consumer. Projects took a long time to develop, and they had been in the works for several months, even years, on projects and if they were in negotiations with some people to build a new house, and they had several thousands of dollars invested in it, and all the sudden the costs went up, it was tough to swallow. He thought it was good from the City's perspective to raise the fees, but to do it all at once was tough. They should have been looking at the SDCs yearly and increased them yearly to cover inflation costs, and they should do that every year from here on out. He thought phasing in was a wise choice to be fair to the people trying to do business in Canby. He knew the Council appreciated those doing business in Canby, and everyone that did business in Canby appreciated Canby. They were not trying to be like other cities, but to be their own community, and they couldn't follow other city's fees and structures. He also happened to be one of the annexations that passed yesterday. They had been working on this project for two years, and they could only sell the property for so much money. They were very pleased last night that their annexation passed, today they were discussing raising the fees, and then tomorrow their project could be nothing, and that was a difficult situation. He thought they should look at phasing and maybe grandfathering in.

Ralph Netter, a local builder, said he had been building in this area for about 12 years. The idea that the profit margin for builders was increasing was mistaken, because the cost of housing had gone up, the profit margin had actually gone down. Ten years ago on the north side of Canby, he was paying \$15,000 a lot, the last lots he bought were \$60,000 on the south side of Canby. The fees also increased substantially. There were additional things people wanted in houses, such as gas fireplaces, tile work, fancier design, etc., which also increased costs. There came a point where they could not keep passing the costs on to the consumer, especially a big hit like this. He also thought they should do some kind of phasing in.

Gary Anderson, a resident of Canby, said he had a burning question. The urban growth boundary was developed how many years ago? Mayor Prince said 1984. Mr. Anderson asked if it was at that point they thought there would be 21,000 people living in Canby by 2020? Mayor Prince said at that time it was 20,000 people within 20 years of that date, but they didn't make that. Mr. Anderson said it seemed the lots were smaller than they used to be, and were there going to be more than the projected 21,000 people by the time the plan was to be finished, and if so, there would be a lot more people paying into the system than there was originally anticipated, and would the cost be divided and have it less per connecting unit? Planning Director Williams said they did it the other way around, they made the population projections and went back from there. This didn't affect time, they looked at what they thought the buildout of the urban growth boundary would be and it was not a time line. Whenever they hit the number of people, then they hopefully would have balanced out at the end, that could be 2040 or could be three years from now. The population projections were based on their best estimate, so over time as development happened, they would have the opportunity to revise the SDCs if it looked like they

were going in a different direction. If they did update this on a more frequent basis, hopefully it would keep better track of what was actually happening. Mayor Prince said their numbers were based on Portland State University averages about population estimates. Mr. Williams said soon they would have the 2000 census data they could use.

City Engineer McLeod said that none of the SDCs were predicated entirely on population. Some of them were impacted more if the population projections were wrong, but some of them had no impact based on population. For example, the Wastewater Treatment Plant had a fixed number of gallons that could flow through those pipes into the plant, and the parks costs were predicated by acres per thousands of people. Population by itself didn't impact costs, it was the geographic orientation of the City. Transportation and storm drain would have the greatest impact if the population projections were off, because they had the major arterials, highways, etc. Mayor Prince said the reason why they hadn't increased fees in the last few years was because of some state-wide measures that would have had a very drastic affect on their ability to collect those. John Williams said one of the pieces that had recently been completed was the buildable lands study, which gave them the land projections. Councilor Johnson said he remembered in Aurora that they built a new sewer plant, and the fees went through the ceiling. If they didn't raise the SDCs, and ten years down the road they needed to build a new sewer plant, did they look at hitting people with higher fees, he was wondering if it was an SDC verses fees issue. Mr. McLeod said it was an SDC verses fees, but recognize if they didn't collect SDCs, ultimately when they did have to expand, it had to be paid by all the rate payers, either they had a tax levy that covered the entire City or they had revenue that came in the enterprise fund so the monthly sewer rates would go up. They were attempting to stay on top of it and charge accurate costs.

Councilor Johnson said they were having a fee survey done to find out what kind of costs recuperation they were getting and what they wanted to get with their fees, and raising the SDCs while they were doing that seemed like a preemptive strike. He wanted to see where they were with the fees before they charged SDCs. City Administrator Mark Adcock said the user fee analysis would not address SDCs, SDCs were reviewed as a separate entity. The user fee analysis was not a rate study, it was stand alone in terms of kinds of discretionary services the City provided the public. There was less connectivity to justify not dealing with SDCs now. Mr. Williams said regarding SDCs, under state law they could capture all of the charges that would be required for infrastructure and assess it to that development specifically, and that was basically what was being proposed, and to the best of their ability they figured out the growth and its impacts and costs, and it was a Council policy decision as to how much of that to capture. When they talked about phasing, or maybe not doing the full rate, that was a policy decision. In 20 years, they were going to need a light at Territorial and 99E, and they either had captured the cost for it out of the growth or they needed to get the cost from some other source.

Mayor Prince asked if the Council wished to continue the public hearing or make a decision that night. Councilor Parks said his preference would be to take some time to look at the information. Councilor Carson said they could also leave the public testimony open as well, in case some

other people who did not know about the hearing could come and talk to them at the next meeting. He also wanted time to look at the grandfathering ideas. Councilor Strong agreed, they needed to leave the public hearing open. Councilor Parks asked when this would be effective once they passed it? John Williams said immediately, but they could reword it to include an effective date.

Mayor Prince said he wanted to give staff some direction as to what information the Council wanted to have for the next meeting. One of the things they wanted was the number of properties that were going to break ground, or already had broken ground. He also wanted to discuss the annexation issue as far as the three annexations that just happened. Mr. Williams clarified that the Council wanted them to put together a cost estimate based on all the properties that had land use applications in. Councilor Daniels wanted to make sure they would make a decision on this at the next Council meeting so they would not postpone projects. Councilor Parks asked the developers in the audience for a ballpark figure under the current SDC structure, what percentage of their project costs were these fees? They said about 5 to 8%. Councilor Blackwell asked the developers in the audience what percentage of increase could they bear? Mr. Settecase said quite honestly his project couldn't bear any increase. Councilor Johnson said they did need the fees increased, but if they were dinging folks and not telling them ahead of time that this was coming, he did not think this was particularly fair. Councilor Carson said it was a policy decision, Mr. Williams could not say they were or they weren't raising fees until they made the decision. Mr. Settecase said in all fairness, Mr. Williams did not say there were no fee increases, he told them not in the foreseeable future. They did take a risk as a developer, but they based their project on those figures. If they were going to put a time limit on this, their project was locked into a land use process and the next step was to submit an application for design review, so they couldn't hurry the process along more than the City allowed. Councilor Blackwell thanked Mr. Settecase for answering her question because it helped her see clearer that there might be a need for some grandfathering. City Attorney John Kelley said they were using the terms grandfathering and phasing interchangeably, they were two separate concepts. Grandfathering was they did not pay at all, and then the issue was where in the process did they draw the line verses phasing which meant they would pay something, but they weren't going to pay it all right now. They were going to pay a little bit now, and a little more down the road. Did the Council want Mr. Williams to come back with information about grandfathering, where the line should be drawn and how much they were going to lose, or did they want him to come back with information on phasing and what percentage over what period of time, or did they want both. The Council wanted to look at both.

Mayor Prince asked if the Council could give some direction as to a cut-off. Councilor Parks said in his opinion, you didn't grandfather in an annexation, they had to be further along in the process before they were completely inside the structure of the old fees. This wasn't money they were losing, this was money they had the opportunity to collect and were they going to forego that opportunity for a period of time or not. He was supportive of both the grandfathering and

phasing aspect, he wanted to make it fair. Mayor Prince said the Council did not want to kill projects, he liked the idea of phasing.

Mayor Prince continued the public hearing to the next Council meeting on June 6, 2001.

Mayor Prince recessed for a short break at 9:15 p.m., and resumed the meeting at 9:27 p.m.

COMMUNICATIONS: Uncertified Election Results - Mayor Prince gave the unofficial count of votes for the three annexations on the May ballot. Regarding Measure 3-36, annexing 1.6 acres located at 1773 N Redwood, yes votes were 1,301, and the no votes were 932. Regarding Measure 3-35, annexing 14.49 acres located in the west side of N Redwood, yes votes were 1,275, no votes 955. Regarding Measure 3-37, annexing 4.47 acres located on the east side of N Pine Street near 19th Court, yes votes were 1,093, no votes were 1,041. All three passed, though narrowly.

NEW BUSINESS: Canby Utility Water Service Extension to New Life Foursquare Church - Administrator Adcock said they received a request from New Life Foursquare Church for an extension of City water service to their location, which was outside the corporate city limits. For this request to be facilitated, it required Council approval of the extension of that water service. The church was willing to pay for the extension. Canby Utility was designated as the provider of that service, and they needed Council approval before they could move forward in extending this service. Community Development Director Jerry Pineau said in conjunction with this, there was an agreement with Clackamas County, in order to make that extension into the County they had to get the Board of Commissioners concurrence. Councilor Daniels asked if they were going to extend a 14 inch line? Canby Utility Assistant General Manager Karl Hansen said that was correct, in their master plan it showed that to encircle for flows around the projected urban growth area of Canby it needed to be a 14 inch main with interconnect 12 to 8 inch. In this project, they would ask the developer to put in a 14 inch, at which time they would be eligible to apply for SDC credits for cost to up size the pipe. Councilor Daniels asked if they would be the only ones restricted to use that line? Mr. Hansen said they would have the option to come before the Canby Utility Board of Directors to establish an Advanced Financing District to recoup costs, and allowing other entities to attach to it. Councilor Daniels was concerned that many people would hook up to it instead of coming into the City, and because it was outside of the City, who would do the repairs? Mr. Hansen said under an AFD, they would have to do it under Canby Utility's codes and requirements so that would not happen. Councilor Carson asked if they had to ask for an annexation within a certain amount of time? Attorney Kelley said no. Councilor Carson asked if they were going to ask for a sewer line? Jack Gustafson, project manager at the church, said they were asking for water only. Their water situation was such it gendered this request, but in terms of septic, they had plenty of drain field and were well served in that area. They were not thinking of requesting annexation into the City, someday they hoped to, but for now it was not in their thinking. Councilor Carson asked if the water line would go in, but there would be no curbs or sidewalks or improvements to the road between Vine Meadows and the

railroad tracks. Mr. Pineau said that was correct. Mayor Prince asked if this fell under all county rules as far as development codes? Mr. Pineau said that was correct, this particular development had gone through the County planning and building permit process. Councilor Parks asked what the incremental cost of the addition of a sewer line was, could they save money to do it at the same time? Mr. Pineau said the problem with the sewer was they could not extend it outside the City limits, it was prohibited by law, but they could do the water. Attorney Kelley said there was statutory authority that allowed them to extend the water outside, the only way they could extend the sewer was if they had a health hazard situation.

****Councilor Blackwell moved to approve the extension of water service by Canby Utility to the New Life Foursquare Church development located at 2350 NE Territorial Road, Canby, Oregon and authorize the Mayor to convey a letter to the board of County Commissioners indicating the Council's approval. Motion seconded by Councilor Strong.**

Councilor Johnson said just to clarify, the church was paying for the installation of this, and the City was not subsidizing it in anyway. He also appreciated that they were including fire sprinklers. Mr. Pineau said a typo was just brought to his attention, it should be 2350 SE Territorial.

The motion passed 6-0.

Mayor Prince moved to the street light request agenda item under Unfinished Business.

Street Light Request in 1300 Block of N. Oak - Administrator Adcock said the Council requested staff to evaluate this request for a street light, and that request came from a number of citizens who felt there was a need for a street light in that location. Mike McCallum, resident of 1315 N. Oak, was there on behalf of a number of neighbors in the N. Oak neighborhood. In the last six to eight months, they had very significant vandalism, car thefts, drug related breaking and entering, and robbery. The police came out and told them that it was dark in the neighborhood. The neighborhood also came together twice and had the police and fire department talk to them about security issues. The neighborhood demonstrated their concern about security and were ready to do their part in terms of keeping the neighborhood safe. A few months ago, Jack Romaine, one of his neighbors, asked for a street light to be placed there. It was estimated to cost in excess of \$3,000. The street lamp cost \$720, and to trench it cost \$2,312, a bid from Canby Utility. They were talking about 185 feet, 160 of that crossed the very back edge of Maple Street Park. It would be very easy to build a trench there verses having it bored which was what the bid called for.

If the City dug the trench, the cost would only be \$720. The neighbors proposed to split the cost of the light with the City, and they thought it was reasonable to ask the City to dig the trench to hook it up to the electricity. Mr. Pineau said the City's recommendation had to do more with timing, since they were talking about an active softball field and their concern about trenching

was the equipment, loose dirt, etc. out there during the season. Whether or not to put the light in was not the issue, they certainly would do that. Their preference would be to wait until the ball season was over. They also preferred to trench as opposed to bore, because the boring cost would make a shortage in the budget and they would have to give up another project to do this one. Councilor Strong asked if the cost was right, Mr. Pineau said that was what they gave him, they were going to use their crew and equipment. To get the easement against the property was not a problem. The issue was trenching or boring. Councilor Carson said there was the cost of staff time to dig the trench plus the \$720 to buy the light, it was money out of the street budget to put it in. Councilor Carson thought it did need to be done, but maybe it could wait a little longer. Had Mr. Pineau talked to Canby Kids regarding the timing of this? Mr. Pineau said this was a very active season for them, and it could create a difficult situation which was why they preferred to wait. Mayor Prince said he agreed that because of liability reasons they should wait. Councilor Johnson asked how long it would take to do this? Mr. Pineau said the problem was filling it back in and making it a safe footing. They could put a barricade across it, there were some safety things they could do. Councilor Strong asked when Canby Kids was done using that field? Mr. Pineau was not sure. Library and Parks Director Beth Saul said the season virtually never ended, and then soccer began. They probably could do it sometime in September. Ms. Saul said the problem with the trench in the back was that outfielders were going to be back there and could fall in the trench. Mr. McCallum said this trench would be 20 feet behind the fence that bordered the ballfield, it was not in the ballfield. They would dig it four feet from a six foot cyclone fence that was 20 feet beyond the fence they would put up that bordered the outfield. Ms. Saul said he meant the small soft fence. The neighbors did not care when it was done, they wanted the streetlight up prior to when it started getting dark at 6 p.m. again. Councilor Carson said it did need to be done, but if the street and park departments got together with Canby Kids to work out an equitable time in the next several months, he would like to see that. He asked where the money for the light would come from? Administrator Adcock said it would come from the street fund, and he asked Mr. Pineau if the street fund could absorb that cost? Mr. Pineau said in the next fiscal year they could do it.

****Councilor Carson moved to provide a streetlight at no more than \$360 to be installed as soon after July 1 as the street and park departments and Canby Kids could work out an equitable time. Motion seconded by Councilor Parks.**

Councilor Johnson asked Police Chief Jerry Giger if there was a burglary in that neighborhood where people were home and the burglars were in the house? Chief Giger said that was the neighborhood. Councilor Johnson said he thought security came before softball. He preferred to see this done sooner rather than later. Councilor Strong said she agreed, but it needed to go into next year's budget so they had to wait until after July 1. She thought staff had been given direction to do this as soon as possible.

The motion passed 6-0.

Mayor Prince said he had gone to one of the neighborhood meetings and was encouraged how the whole neighborhood had pulled together on this, and especially the community policing that was being done in the area.

Mayor Prince returned to New Business on the agenda.

Discussion re: Parks Acquisition Plan - Library and Parks Director Beth Saul said they were going through the comprehensive plan periodic review, and in conjunction with that, they had done a park master plan update. They had a review of the plan in a joint meeting with the Council, Planning Commission, and Park and Recreation Advisory Board and in that meeting they decided to pursue a policy of leading with land dedication rather than leading with SDCs. In order to do that, they needed a land dedication ordinance, but before they could do that, they needed an underpinning of a land acquisition plan. The ordinance authorized staff to contract with CPW, the graduate students from University of Oregon that did their park master plan update, to develop the land acquisition plan through a series of up to 12 public meetings. This would finish the park master plan update and give the Planning Commission the teeth they needed to acquire land needed for open space and parks. From the park standpoint, they were interested in being able to acquire as much open land as possible to meet the standards and goals they set in the park master plan before it got away from them. Councilor Carson said this was a good way to go, one of the main words in this was mandatory parks dedication policy, and if they didn't start to determine where they wanted some park lands, they would be losing the opportunity to get the available land.

****Councilor Daniels moved to adopt Resolution 1075, AN ORDINANCE AUTHORIZING THE MAYOR AND CITY ADMINISTRATOR TO EXECUTE A CONTRACT WITH COMMUNITY PLANNING WORKSHOP (CPW) FOR PROFESSIONAL SERVICES FOR THE DEVELOPMENT OF A PARKS ACQUISITION PLAN; AND DECLARING AN EMERGENCY be posted and come up for second reading on June 6, 2001. Motion seconded by Councilor Johnson.**

Councilor Johnson said this project would be funded through the park development fund which had sufficient funds available for this project. Ms. Saul said this was a dedicated fund that could not be used for any other purpose.

The motion passed 6-0.

Discussion re: Criteria for Home Town Hero Award - Councilor Carson asked if they could table this issue until the next meeting, he had not had time to review it. Mayor Prince thought that would be a good idea, especially since they had a full agenda that night.

****Councilor Carson moved to table the hometown hero discussion until their next Council meeting on June 6, seconded by Councilor Daniels, and passed 5-1, Councilor Johnson opposed.**

UNFINISHED BUSINESS:

Codification of Park Rules - Administrator Adcock said back in January Councilors Blackwell and Johnson brought forward some concerns about the City's ability to enforce the rules, regulations, and ordinances relating to park facilities and this was the follow-up to that discussion. Chief Giger said in their agenda packet they had attached City, but not State, regulations because the State regulations were multiple pages and not all of them applied. He also brought their attention to the background letter from City Attorney John Kelley and the State information in regards to the Oregon Revised Statutes park rules and enforcement. Canby's city ordinance said that whatever reference was made to State parks should mean City parks. They found that the majority of the rules were found through the State ORS which included bicycles and pets, uses for parks, etc. The way they needed to officially recognize those for the public was to sign the parks and properly notify the public of those regulations. They also had an animal-at-large ordinance. There wasn't anything that needed to be done except they needed to better recognize where they got the rules and regulations they enforced, which was through the language in the State ORS, division 10 and 15. There were fines that could be levied for certain violations, but for juveniles, the juvenile department did not want a whole bunch of citations regarding helmets. This would be run through Canby's juvenile accountability program. The number one problem was not complying, and by not complying, they could cite them for trespass which was a State law and that way they did not have to have a specific law with a violation and penalty for minor offences. Bicycles, skateboards, and users of similar devices had to comply with motor vehicle and bike regulatory signs posted in the park areas.

There was also a section regarding pets in the State statutes, such as keeping them on a leash, cleaning up after them, etc. They were going to compact these rules and laws into easy to carry information sheets for their officers and would also give them to the park department employees, and make them available to the public to better educate citizens. Councilor Strong wondered if they could publish that information in the *Canby Herald*. Chief Giger said they could do a summary, and put the things of greatest concern in the paper, however he would hate to pick and choose out of a document that was in itself a complete set of regulations for parks use. The only thing in their ordinance that had a specific violation in regards to parks was alcohol in the park. Councilor Johnson asked if at some point they would like to have ordinances? Chief Giger said they used to list a lot of things that were covered by state and county, but found they were better off to adopt those rules and regulations. It was a lot of work, and something they had to go back to continually and make sure it complied with state law.

Councilor Daniels asked what they did in the case of the skate park and people wearing no helmets? Chief Giger said they had them leave the park, juveniles they could cite under the

bicycle law if they were riding their bicycles without a helmet, but if they were on a skateboard, they had them leave the park. Under the bicycle law, 16 years and younger had to wear helmets, and because it was posted, they could cite adults for not wearing their helmets as well. Councilor Carson said by citing them, he meant taking them to juvenile court? Chief Giger said juvenile court would not handle these minor offenses, so they would give it to the local accountability board. They were working with the juvenile department in regards to a progressive penalty. Councilor Carson asked for an adult, it would come into municipal court? Attorney Kelley said that was correct, the problem would arise when the kid did not do what he was told by the juvenile diversion court. If they got noncompliance, they were left with no remedy for those kids because the juvenile court did not want to take on the problem other than sending them to diversion. They had no authority over anyone 17 or under, they would need juvenile court to remand the helmet laws to municipal court. Chief Giger said they were working on two programs through their community policing projects, one was finding out if those that were skating in fact did not have helmets and working with them to get helmets, and the other was through the juvenile accountability process, they would be required to go to a headbanger class which showed exactly what happened when a person smacked their head on concrete without a helmet. They were also working on educational programs.

Attorney Kelley wanted to know the Council's policy for adults, they had two options for adults who skated in the park with no helmet. They could tell them to leave the park, or they could be cited, which carried a fine not to exceed \$600, into municipal court and treat them as they would any other traffic or bicycle offender. Councilor Johnson said he would get fined for not wearing a seatbelt, and this was a similar situation. Councilor Parks thought they should tell them to leave the park, why send adults to the court for helmet violations when they were not going to send kids. Councilor Daniels said if the adults were not doing it, the kids could say why should they since the adults weren't. They could try asking them to leave and see how that program worked. Councilor Parks thought they should ask them to leave, and if it became a big problem, then they could cite them. He was not a "more regulation" guy, and this sounded like more regulation. Mayor Prince said he was a big believer in helmets, and by state law they had to wear a helmet and anything they could do to promote people to accept a safer lifestyle was worth it. He wanted to do something to enforce those laws for adults, even though they could not do anything for juveniles, but he would like to give them a warning, and if there were multiple offenses, then they would cite them.

Chief Giger said they could start with what they had available now that they were better educated on the State rules and regulations and maybe revisit it after the summer to see if they needed stricter rules. Councilor Blackwell thought the intent of the discussion was to hear Chief Giger tell them about these ordinances and they were starting an education program. She thought there was a danger about making a decision about helmet law when she wanted to thank the Chief for finding out what was applicable to the parks in Canby. Attorney Kelley said they had a rule on a sign at the skate park that said they had to wear a helmet, and they had the authority to enforce that in one of two ways. The question he wanted to know was if the Council wanted to give

them any policy direction on whether they wanted the officers to write tickets into the municipal court or merely expel people from the park, and if they refused to go, they could cite them for criminal trespass.

The consensus of the Council was to remove violators from the park, and if there was a problem, come back later to discuss citation options.

ORDINANCES & RESOLUTIONS:

Ordinance 1070 –

****Councilor Johnson moved to adopt Ordinance 1070, AN ORDINANCE AMENDING THE ZONING MAP OF THE CITY OF CANBY, CLACKAMAS COUNTY, OREGON AND THE COMPREHENSIVE PLAN MAP DESIGNATION FOR TAX LOT 400 OF TAX MAP 4-1E-03BB on second reading. Motion seconded by Councilor Strong and passed 4-0, by roll call vote with Councilors Parks and Carson abstaining.**

Ordinance 1071 - Community Development Director Jerry Pineau said the representative from IMR Inc., Max Derungs, was there if they had any questions and he gave them a handout about what the costs savings would be for technical services as a result of awarding this contract. This issue was to execute a two year contract with Integrated Management Resources, Inc. subject to the City Council fiscal year appropriations to provide computer technical services in an amount not to exceed \$40,000. They had been working for about seven months on outsourcing their computer services to enhance the system, stabilize it, and increase technical services ability and customer service. This was the second time they went out for bids. The first time was in September and they received no responses to the RFP. The second time, they issued an RFP on March 5, and they got two responses, one from Integrated Management Resources, Inc. of Canby, Oregon and the other from JWW Consulting of Tigard, Oregon. The first RFP proposal asked the potential vendors to replace all of their personnel and take over the complete operation with staff on duty. The second one they did a lot preparatory work, they got some performance evaluations, worked to stabilize the system, so when they went out the second time, the vendors had all of that information. The second one also asked for three different scenarios, one was to take over the computer services for the City, the second was asking the vendor how they would provide service to the City and give them a proposal, and the third was the City would keep a technical service person on staff and the consultant would take care of the backbone of the network and provide services as needed.

The proposal they received from IMR Inc. was the better of the two. They conducted telephone interviews with the five business references they gave, and all of them gave them excellent rating both in technical ability and customer service. Prior to the start of any work under this agreement, the City and IMR would develop a protocol policy and a protocol implementation plan agreement so they knew how they were going to operate. They also would only get

compensated for the work that the City requested, and there would only be a few people who had authority to ask for their services and they had a schedule of compensation they would be following. The total amount to be paid to IMR during the next fiscal year was unknown, they didn't know what they would require. They negotiated a budget of \$40,000, knowing full well that they might not go near that amount, but IMR felt comfortable with that amount in case they ran into a problem. They had a budget line item entitled Technical Consultant with the proposed \$40,000 specifically earmarked for this agreement. The staff recommendation was to adopt the ordinance and award the contract.

Councilor Johnson said in the RFP, when there was a non-scheduled emergency no matter what hour, they would get paid two times the going rate, did that include business hours and how many of these non-scheduled emergencies had they had in the last twelve months and could this throw their accounting off? Mr. Pineau said that was basically for weekends and evenings. They did not anticipate having downtime, the system had been pretty stable over the last four to five months. They were not anticipating downtime, but if it did happen, they had to pay them what was fair. Councilor Johnson said he was only concerned if the network had an emergency every day. Mr. Pineau said one of the things they were doing in setting up the protocol was to go around to all the users so they got an understanding of how they were going to set it up and if they had to schedule downtimes.

****Councilor Johnson moved to adopt Ordinance 1071, AN ORDINANCE AUTHORIZING THE MAYOR TO EXECUTE A TWO-YEAR CONTRACT WITH INTEGRATED MANAGEMENT RESOURCES, INC., SUBJECT TO CITY COUNCIL FISCAL YEAR APPROPRIATIONS, TO PROVIDE COMPUTER TECHNICAL SERVICES FOR THE CITY OF CANBY; AND DECLARING AN EMERGENCY be posted and come up for second reading on June 6, 2001. Motion seconded by Councilor Strong.**

Councilor Parks said he had one modification to Exhibit A, the ordinance said that it was subject to appropriations, and he wanted to amend the contract to clarify that the rights under the contract would expire upon the failure to fund. He wanted to change the language in paragraph 7 A to read as follows: "*failure of the City Council to fund the compensation for fiscal year 2002-2003 in its discretion*". Councilors Johnson and Strong agreed to this language change. Councilor Carson said regarding the reliability of 98%, was that an industry standard? Should that be at 99% in the second year to keep gaining on their system? Mr. Pineau said based on their research, that percentage was quite high. From what he could gather, they usually ran between 90 to 94%. They would certainly work towards making that higher. Councilor Johnson said he was very happy to find a local company and in the consulting service agreement, they agreed to come and talk to them about their service levels and make sure they were happy, which was refreshing to see. He was happy to support a small local business.

The motion passed 6-0.

Ordinance 1074 - Administrator Adcock said this was the consulting services contract relating to the cost of service study and user fee analysis with Financial Consulting Solutions Group in Redmond, Washington which was the subject of their workshop earlier that night.

****Councilor Daniels moved to adopt Ordinance 1074, AN ORDINANCE AUTHORIZING THE CITY ADMINISTRATOR TO EXECUTE A CONTRACT WITH FCS GROUP TO CONDUCT A COST OF SERVICES/USER FEE ANALYSIS WITHIN THE ADMINISTRATIVE DEPARTMENTS OF THE CITY OF CANBY; AND DECLARING AN EMERGENCY be posted and come up for second reading on June 6, 2001. Motion seconded by Councilor Carson and passed 6-0.**

Resolution 748 - This resolution was continued to the next Council meeting on June 6, 2001.

MANAGERS' REPORT: City Administrator Mark Adcock said Planning Director John Williams was going to give the Council a briefing on the TMG grant which might have an impact on the City specifically with the neighboring cities agreement that had been stalled for some period of time. Mr. Williams said they were working to get a green corridor agreement in place, which was an interjurisdictional agreement with Canby, Clackamas County, METRO, and ODOT to protect the character of some of the corridors leading from the metro area to the surrounding cities, theirs being along Highway 99E. The grant application the County was putting in was to expand work on this project and get some funds to do some planning work. He was not sure if the adoption of the agreement was to be put off until this planning was done, or if the planning was going to be second. Mayor Prince thought it would be second, it addressed some of the problems ODOT had in that the County wasn't doing its share of the work. Mr. Williams said the County applied for a grant and they had a letter of support from the Council to be forwarded to the County that the County would submit as part of their package to the State for the next funding cycle. Mayor Prince thought this would be paving the way for the agreement. Administrator Adcock said if the Council agreed to support this, they had a prepared letter for the Council to sign. The Council signed the letter.

CITIZEN INPUT: None.

COUNCILORS' ISSUES: Councilor Johnson called attention to the letter from Mr. Pineau to Mr. Adcock that said the New Life Foursquare Church development was approved by Clackamas County with no requirement to fund or contribute to the funding of the intersection at Territorial and Highway 99E. He thought that was horrible, something had to be done with that light.

Councilor Parks said he wanted the Council to consider what to do with water usage, and what the summer was going to bring in regards to a water shortage in the region. He did not have a very good handle from Canby Utility on what that would mean to this community in terms of lawn and garden watering and water use in general. He proposed that they engage and assist the Utility Board in developing a conservancy plan that they could implement sooner rather than

later before they needed to. It was going to take some getting used to in a community that never really paid much attention to its water usage. He would like it to be a directive from the Council to the citizens. Councilor Carson said as liaison to Canby Utility, there had been some conversations regarding water, but right now they were still waiting on some studies. Everyone believed the water would be less than previous years, but it was not at the stage where Canby Utility wanted to make any directives. He would take Councilor Parks' comments back to them and discuss it with them. Councilor Parks said it would take some time to get people to pay attention to this issue and largely with discussion he had, people thought because they were on a river, and only they were pulling water from the river, they were going to be insulated, and that was not accurate.

Councilor Parks also asked if they could schedule a meeting between now and their next Council meeting. They had so much on their plate, and June 6 would be a fairly long meeting and he was hoping to have an Urban Renewal District meeting on June 6 as well. He did not think that was a good idea now, he wanted to schedule a special meeting to clean some of these things off their plates so June 6 was primarily a budget meeting. He suggested having the meeting two weeks from now, on May 30. Administrator Adcock asked what particular items they wanted to calendar on May 30? Councilor Parks said he would like to have an Urban Renewal Agency meeting, maybe pushing the budget meeting on May 23 to May 30 and doing it all at once. Administrator Adcock said that meeting had already been noticed, and budget law may preclude them from doing that. Councilor Carson wanted to leave that budget meeting where it was. Mayor Prince said they would leave the budget meeting where it was, and they were going to have an Agency meeting on June 14. Councilor Parks wanted to have an Agency meeting before then, he had some motions to bring regarding the Urban Renewal District that he wanted to get going on. Councilor Johnson agreed.

Councilor Carson said the Urban Renewal Advisory Committee wanted to be a part of what was going on, and they only had one meeting so far to get going. Councilor Parks said his sense of that meeting from listening to the tapes was they were lacking some direction they thought the Council gave them pretty clearly. Councilor Carson said they wanted one more meeting to see where they wanted to go and what they thought the projects should be from their side. Mayor Prince said the charge of the Council was for them to look at downtown projects. Councilor Carson said the committee believed their charge was to look at the whole URD. Councilor Parks said he knew that was what the committee believed and he wanted to make their charge very clear. Councilor Johnson said he would like to set some policy on where they wanted to go with this. Councilor Parks said they were not asking them to set policy, they were asking them to prioritize the project list and what he heard back was they wanted to talk about policy issues. He wanted to give them very clear direction, their role was to advise them on things they needed help with, they were not asked to go out and come back to them with policy recommendations. He got the impression that some of the members thought that was what their charge was. Councilor Carson said he believed the whole group felt that way, there was a disconnect between what an advisory group did and what they wanted out of this. If they were going to make policy

issues with no input from the committee, then they might not want to be involved in it. Councilor Johnson thought they needed some policy direction as it seemed they were ignoring the direction of the Council. Councilor Parks said they were not in 100% agreement on the Council on where they were going to go, and maybe it was their mistake for not making this decision earlier, at least making it clear as to what the decision should be. He was tired about this issue of what they were going to do first, they had plenty of discussions and they needed to make a very clear determination on what they were going to do.

Councilor Daniels said they needed to discuss what an advisory committee was and if they gave them an agenda to operate their meetings. Councilor Parks said they needed to make a decision, and he wanted to do that sooner rather than later. Councilor Strong said they had not given them a clear direction, and until they truly knew where they were going, the committee didn't know where they were going either. They should be making policy, but the committee could make recommendations. Councilor Carson asked if they were going to have a joint meeting with the committee. Councilor Parks said his preference was they set the course and ask the committee to assist them.

The consensus of the Council was to have an Urban Renewal Agency meeting on May 30 at 6:30 p.m. and the agenda item was discussion regarding the clarification of the role and charge of the committee.

Mayor Prince wanted to have that meeting televised. Administrator Adcock said this was not a joint meeting, but if the purpose of this was to clarify the role of the advisory committee, it was appropriate to notify them. The Council agreed.

ACTION REVIEW: None was given due to the lateness of the evening.

****Council President Strong moved to go into Executive Session under ORS 192.660 1(d) labor negotiations, and 192.660 1(e) real property transaction. Motion seconded by Councilor Carson and passed 6-0.**

Mayor Prince recessed the regular session at 11 p.m.

Mayor Prince reconvened the regular session at 12:45 p.m. and immediately adjourned.

EXECUTIVE SESSION
MAY 16, 2001

Present: Mayor Terry Prince, Councilors Corey Parks, Walt Daniels, Patrick Johnson, Shirley Strong, Randy Carson, and Teresa Blackwell, City Administrator Mark Adcock, City Attorney

John Kelley, Finance Director Chaunee Seifried, Recreation Services Director Beth Saul, and Mike Swanson.

Mayor Prince called the session to order at 11:07 p.m.

ORS 192.660 1(d) - The Council discussed labor negotiations.

ORS 192.660 1(e) - The Council discussed real property transaction.

Mayor Prince adjourned the session at 12:40 p.m.



Chaunee F. Seifried
City Recorder pro tem



Terry L Prince
Mayor



Prepared by Susan Wood
Office Specialist

PROCLAMATION

WHEREAS, the City of Canby, County of Clackamas, Oregon, held a Special on May 15, 2001, to consider the following measure:

MEASURE NO. 3-37

Shall 4.47 acres located at on the east side of N. Pine Street near NE 19th Court be annexed into Canby?

WHEREAS, the Clackamas County Elections Department offers the following as an unofficial count of votes for the Special Election as of MAY 16, 2001.

YES - 1093

NO - 1041

NOW, THEREFORE, I, Terry L Prince, Mayor of the City of Canby, Oregon, do hereby proclaim the foregoing to be a true and accurate accounting as presented by the Clackamas Election Division as of May 16, 2001.

Dated this 16th day of May, 2001.


Terry L Prince, Mayor

PROCLAMATION

WHEREAS, the City of Canby, County of Clackamas, Oregon, held a Special on May 15, 2001, to consider the following measure:

MEASURE NO. 3-36

Shall 1.66 acres located at 1773 N. Redwood Street be annexed into Canby?


WHEREAS, the Clackamas County Elections Department offers the following as an unofficial count of votes for the Special Election as of MAY 16, 2001.

YES - 1301

NO - 932

NOW, THEREFORE, I, Terry L Prince, Mayor of the City of Canby, Oregon, do hereby proclaim the foregoing to be a true and accurate accounting as presented by the Clackamas Election Division as of May 16, 2001.

Dated this 16th day of May, 2001.


Terry L Prince, Mayor

PROCLAMATION

WHEREAS, the City of Canby, County of Clackamas, Oregon, held a Special Election on May 15, 2001, to consider the following measure:

MEASURE NO. 3-35

Shall 14.49 acres located on the west side of N. Redwood Street be annexed into Canby?

WHEREAS, the Clackamas County Elections Department offers the following as an unofficial count of votes for the Special Election as of MAY 16, 2001.

YES - 1275

NO - 955

NOW, THEREFORE, I, Terry L Prince, Mayor of the City of Canby, Oregon, do hereby proclaim the foregoing to be a true and accurate accounting as presented by the Clackamas County Election Division as of May 16, 2001.

Dated this 16th day of May, 2001.

A handwritten signature in black ink, appearing to read "Terry L Prince", written in a cursive style.

Terry L Prince, Mayor



City of Canby, Oregon

Commendation

OFFICER JASON DEASON

ON APRIL 19, 2001 AT 12:48 P.M., YOU AND OFFICERS CHRIS MEAD AND TIM SOMMERS RESPONDED TO A CALL AT AN APARTMENT COMPLEX IN THE CITY OF CANBY. INITIAL INFORMATION RELAYED FROM THE POLICE DISPATCHER INDICATED THAT YOU AND YOUR FELLOW OFFICERS WERE RESPONDING TO WHAT APPEARED TO BE A DOMESTIC DISTURBANCE. ADDITIONAL INFORMATION REVEALED THAT THE DISTURBANCE INVOLVED A MALE SUBJECT BEATING A FEMALE AND MAKING LOUD VERBAL THREATS THAT HE INTENDED TO KILL THE FEMALE.

WITH PRIMARY CONCERN FOR THE WELFARE AND SAFETY OF THE FEMALE AT THIS LOCATION AND WITH LITTLE REGARD FOR YOUR OWN PERSONAL SAFETY, YOU ENTERED THE APARTMENT IN QUESTION AND NEUTRALIZED WHAT WAS A HIGHLY VOLATILE AND POTENTIALLY LIFE THREATENING SITUATION.

YOUR SWIFT ENTRY INTO THE APARTMENT AND CONTROL OF THE SITUATION, WITHOUT KNOWING WHETHER OR NOT THE PERPETRATOR OF THE DOMESTIC DISPUTE WAS ARMED, REPRESENTS THE TYPE OF COURAGEOUS ACTION THAT IS OFTEN NECESSITATED BY POLICE OFFICERS OF THIS COMMUNITY AND ACROSS THE NATION ON AN ALL TOO FREQUENT BASIS.

THANKS TO YOUR PROFESSIONALISM AND WITH THE SUPPORT AND ASSISTANCE OF YOUR FELLOW OFFICERS - OFFICERS MEAD AND SOMMERS - THIS HAZARDOUS AND VOLATILE INCIDENT WAS RESOLVED WITHOUT INJURY OR LOSS OF LIFE TO THE CIVILIANS OR OFFICERS AT THE SCENE.

ACCORDINGLY, IT IS WITH GREAT PRIDE THAT THE MAYOR AND CITY COUNCIL COMMEND YOU FOR YOUR ACTIONS OF APRIL 19, 2001. THOSE ACTIONS REFLECT GREAT CREDIT ON YOURSELF, THE LAW ENFORCEMENT PROFESSION AND ARE IN KEEPING WITH THE HIGHEST TRADITIONS OF THE CANBY POLICE DEPARTMENT.

PRESENTED THIS 16TH DAY OF MAY, 2001 ON BEHALF OF THE MAYOR, CITY COUNCIL AND CITIZENS OF CANBY.

TERRY L. PRINCE
MAYOR