

CANBY CITY COUNCIL
REGULAR MEETING
MARCH 6, 1996

Mayor Scott Taylor presiding. Council members present: Walt Daniels, Shirley Strong, Terry Prince, Roger Harris and Dennis Nolder. Absent: Cheryl Stark.

Also present: Administrator Michael Jordan, City Attorney John Kelley, City Recorder Marilyn Perkett, Assistant to Administrator Sarah Jo Chaplen, Scott Nelson, Curt McLeod and Carol Samuels.

Mayor Taylor called the session to order at 7:30 p.m., followed by the flag salute and a moment of silence.

MINUTES OF PREVIOUS SESSION: **Councilman Prince moved to approve as distributed the minutes of regular session, February 21, 1996. Motion seconded by Councilman Harris and approved 5-0.

CITIZEN INPUT ON NON-AGENDA ITEMS: DEQ Grand Opening - Mayor Taylor reported that the DEQ Test Station at the City Shops had a grand opening on Saturday, March 2, 1996. 130 cars were tested, 103 passed and the event was a great success.

Councilman Nolder, who was instrumental in working with the State of Oregon to establish the test station in Canby, thanked everyone for their help and said the day was "fun." He encouraged the public to use the facility to insure the test site will stay in Canby.

PUBLIC HEARING: 1995-96 Supplemental Budget - Mayor Taylor briefly reviewed the criteria for the public hearing process. Mayor Taylor opened the hearing at 7:38 p.m.

STAFF REPORT - Sarah Jo Chaplen informed the Council that she would answer questions regarding the proposed Supplemental Budget.

Mayor Taylor asked if anyone from the audience wished to address the subject. No one came forward.

DISCUSSION - Councilman Prince asked about the computer network expenses for six months. Ms. Chaplen reported that the expenses were to bring the City-wide computers up to an appropriate "even-keel" operating level. Councilman Prince asked if \$48,00 was for hardware. Ms. Chaplin replied that this process has been on-going for a few years and she was not totally sure of the individual break-down of costs,

however, she offered the following as what she believed the computer network costs to be:

installation -	\$43,000
maintenance	17,700
depreciation	8,700.
TOTAL	\$69,400

Councilman Nolder asked how the maintenance expenses were calculated for the departments. Ms. Chaplen explained that it was based upon the number of work stations for each individual department.

Mayor Taylor closed the hearing at 8:44 p.m.

****Councilwoman Strong moved to adopt Resolution No. 602, A RESOLUTION ADOPTING A SUPPLEMENTAL BUDGET FOR THE 1995-1996 FISCAL YEAR. Motion seconded by Councilman Nolder and approved 5-0.**

COMMUNICATIONS: Letter regarding Use of SP Parking Lot - Administrator Jordan reviewed a letter from Donnie Thompson, Youth Paster of the Canby Assembly of God Church, requesting use of the corner of the SP Parking Lot near N. Ivy Street. He reported that this is the third year the organization has requested use of the parking lot for a fireworks stand. Both the Police and Fire Departments have approved the request.

****Councilman Daniels moved to grant the request of the Assembly of God Church to use the SP Parking Lot near N. Ivy Street for a fireworks stand. Motion seconded by Councilwoman Strong and approved 5-0.**

NEW BUSINESS: Accounts Payable - ****Councilman Daniels moved to approve payment of accounts payable in the amount of \$123,696.22. Motion seconded by Councilman Prince and approved by roll call vote, 5-0.**

ORDINANCES & RESOLUTIONS: Resolution No. 603 - Administrator Jordan stated that this resolution was to transfer funds in the Community Services Department from Personal Services to Capital Outlay to pay for remodeling and a computer. The total transfer is \$8,600.

****Councilman Prince moved to adopt Resolution No. 603. A RESOLUTION AUTHORIZING TRANSFER OF FUNDS IN BUDGET LINE ITEMS TO BALANCE THE 1995-1996 BUDGET. Motion seconded by Councilwoman Strong and approved 5-0.**

Resolution No. 604 - Administrator Jordan reminded the Council that in 1992 Revenue Bonds for improvements at the Wastewater Treatment Plant were issued in the amount of 4.1 million dollars. At this time, the City may refinance those bonds and

save a money due to the low interest rate. He noted that the savings must be 3% in order to comply with the State Treasurer requirements.

Carol Samuels, representing Seattle-Northwest Securities, informed the Council that this is the beginning of the process and the resolution tonight actually authorizes the City to request permission from the State Treasurer to proceed. She noted that the estimated savings for the City on an aggregate basis is about \$180,000 over the life of the issue; and on a present value basis approximately \$100,000. She added that the money saved goes back into the system and can be used to reduce rates or whatever the City want to use it for in their operations. She added that the City can wait for more savings, hoping the interest rates will continue to drop. Ms. Samuels pointed out that the City is limited to one opportunity only to refinance, so it is kind of a gamble that the City makes in determining if this is the time they wish to refinance, hoping this is as low as the interest rates will be within the forcible future.

Councilman Prince asked how much it will cost the City to refinance; and what interest rate we are currently paying. Ms. Samuels said the cost to refinance is estimated between \$80,000 and \$100,000 dollars. The average interest rate on the bonds is 6.25% and at this time, refinancing would save about one percent (1%).

Councilman Daniels asked if it is a formality to request permission f rom the State to proceed. Ms. Samuels said it is, however, it will cost the City \$5,000.

Ms. Samuels said the savings amounted to between \$5,000- \$10,000 a year.

Administrator Jordan stated that when the second phase of improvements at the Wastewater Treatment Plant is started, the plan is to proceed on a cash basis and this would allow for that opportunity.

****Councilman Daniels moved to adopt Resolution No. 604, A RESOLUTION OF CITY OF CANBY, CLACKAMAS COUNTY, OREGON, AUTHORIZING SUBMISSION OF AN ADVANCE REFUNDING PLAN TO THE OREGON STATE TREASURER AND PROVIDING FOR RELATED MATTERS. Motion seconded by Councilman Prince and approved 5-0.**

UNFINISHED BUSINESS: Municipal Court Judge's Contract - **Councilman Nolder moved to authorize the Mayor and City Recorder to execute a contract for Municipal Court Judge Services as submitted in the Council packet. Motion seconded by Councilman Prince and approved 5-0.

Special Public Works Amendment #2, Logging Road Industrial Park - Curt McLeod informed the Council that there were left over funds in the Logging Road Industrial Park Project and to use these funds, plus the OEDD interest of approximately \$2,800

an amendment must be executed to change the grant agreement with the Oregon Economic Development Department. He added that the project was initiated in 1992, and there is approximately \$50,000 left in the fund. The proposed use would be to complete a half street on S. Pine off of Third Avenue of approximately 600 feet.

Administrator Jordan reiterated that the request for the half street is the remainder of our grant money plus the interest. Mr. McLeod said that was correct.

****Councilman Prince moved to authorize the Special Public Works Fund Amendment No. 2, Project B94003, for improvements to S. Pine for \$30,000, including \$2,881 interest. Motion seconded by Councilwoman Strong and approved 5-0.**

MANAGER'S REPORT: Administrator Jordan reported on the following:

- * the Business Revitalization Group (formally the Downtown Revitalization Group) is a sub-committee of the Chamber Economic Development Committee and they meet regularly on the second Thursday of each month in the conference room at North Willamette Telecom.

Mayor Taylor suggested that the Planning Commission be invited to participate in meetings. Mr. Jordan added that the Chamber planed an "information day" on April 4th. Also, this group will be making an application with the Rural Investment Fund for revenues to hire a manager to promote their revitalization project.

- * Mr. Jordan noted that he is serving on the County Children/Family Task Force, which plans to develop programs that helps them the County accomplish three of their bench marks: how to increase neighborhood involvement; decreasing the number of children abused or neglected; and increasing the percent of eighth graders free from alcohol and tobacco. He said they are primarily looking how to development neighborhood/community centers that can offer family services.

- * the County Charter Committee still meets every Thursday, and the next three meetings will be at Gladstone City Hall. He said the group is still "struggling" with the Commissioner issues: how many Commissioners, will they be paid, will they be non-partisan, will they come from districts or elected at large.

Councilman Prince commented that he had hoped the Commissioners would be elected from districts due to the diversity of Clackamas County.

- * Mr. Jordan announced that Jim and Kim Wheeler welcomed a son, Michael born March 5, weighing 7lbs. 10 ounces.

* Sarah Jo Chaplen reported on the tour with the FEMA inspectors regarding flood damages: \$1,700 Police Department; Community River Park, including erosion of the road and excluding the river bank erosion, \$301,000; to stabilize the bank near Knights Bridge Road, \$200,000; and \$6,000 to repair a lift station at Willow Creek, for a total of approximately \$508,000. Ms. Chaplen said FEMA will cover 75% with a 25% match City match. She also noted that City insurance coverage and any work

done by the Army Corp of Engineers would be deducted prior to FEMA coverage.

Councilman Prince asked about insurance coverage. Ms. Chaplen noted that there is a \$50,000 deductible shared by 12-14 cities in our insurance pool. The insurance will cover some of the park equipment and many claims are being processed at this time.

Councilman Prince commented that the bank near Knights Bridge Road is eroding everyday. Mr. Jordan said this was of great concern and would probably cost more than the estimated \$200,000. He added that the homes on the bank are the primary concern.

Councilman Daniels stated that the bank off of Baker Drive has been eroding for several years.

Administrator Jordan mentioned that the access road off of Sixth Avenue and Baker Drive to the water intake has entirely eroded away, leaving one access off of Third.

Councilman Harris asked a philosophical question, "---the course of a river changes, that is part of nature, and there is erosion. At what point is it the local government's obligation to try to maintain the course of a river the way it was in the past. Why do we spend hundreds of thousands of dollars to try to stabilize a hillside that God is taking away from us, it is a normal approach of events that such things erode."

Mayor Taylor suggested that if we own the property from the top of the bank to the river, perhaps we must maintain it due to liability.

Administrator Jordan stated that the City does not have the resources to deal with the problem. He added that the Corp of Engineers will deal with the bank. He further added that he had not researched the issue of whether the City owned the bank and what the City is liable for legally.

Mr. Jordan informed the Council that the City of Molalla is utilizing their CIS insurance for 2.5 million dollars for a new water system due to the flood, in lieu of FEMA because of the 25% match required.

Administrator Jordan reminded the Council that the Oregon Ethics Commission statements have a new penalty of \$5.00 per day if they are not filed by April 15, 1996.

COUNCILORS' ISSUES: Councilman Prince informed the Council that he attended the Planning Commission workshop presented by Ardis Stevenson regarding planning issues, and came away with worthwhile information.

Mr. Jordan reported that the League of Oregon Cities will be offering a planning training session in the future.

Mayor Taylor suggested that staff research a couple marketing issues for the DEQ Test Station site. The possibility of non-profit groups holding car washes on test days, and perhaps a coffee stand for patrons waiting to be tested.

Councilwoman Strong extended thanks to the community and service organizations that sponsored the spaghetti dinner for flood victims.

ACTION REVIEW

1. Implement the Supplemental Budget and Transfer in accordance with Resolutions 602 and 603.
2. Coordinate with the Youth Pastor of the Church of God for their annual fireworks stand.
3. Proceed with the Bond Refund process as per Resolution 604.
4. Invite Planning Commission to Business Revitalize meetings.
5. Implement a new contract for the Municipal Judge.
6. Implement Amendment #2, regarding the OEDD loan for the Logging Road Industrial Park.

Mayor Taylor adjourned the session at 8:44 p.m.



Marilyn K. Perkett
City Recorder



Scott Taylor
Mayor