

**CANBY CITY COUNCIL
REGULAR MEETING
MARCH 18, 1992**

WORKSHOP: The Council first held an advertised workshop session at 7:00 p.m., regarding a request to permit "social gaming."

Mayor Shawn P. Carroll presiding. Council members present: Scott Taylor, Keith Stiglbauer, Maureen Miltenberger, Walt Daniels, Terry Prince and Robert Smith.

Also present: Administrator Michael Jordan, City Attorney John Kelley, Public Works Director Rusty Klem, Swim Center Director Scott Nelson, City Recorder Marilyn Perkett, Tammy Maher, Harry & Kim LeeKwai, Cam Sivesind, Betsy Ross, Lisa Gipe and Mike Dawson.

Mayor Carroll called the regular session to order at 7:35 p.m., followed by the flag salute and meditation.

MINUTES OF PREVIOUS SESSION: **Councilman Daniels moved to approve as distributed the minutes of regular session, March 4, 1992. Motion seconded by Councilman Smith and approved 6-0.

CITIZEN INPUT ON NON-AGENDA ITEMS: Harry LeeKwai addressed the Council regarding the City Video Newsletter. He presented a short video which had segments of all the past newsletters. Mr. LeeKwai felt this was a very successful project and noted that more people were involved in the production. He introduced Kim LeeKwai, who is the producer of the newsletter. Mike Dawson, a new full time employee of OCTS, was introduced. Mr. Dawson films, edits and acts as a co-producer. Lisa Gipe, a volunteer, is the host for the series. Mayor Carroll presented Lisa Gipe a certificate of appreciation and a plant on behalf of the City for her volunteered services.

The Council expressed appreciation to Mr. LeeKwai for his presentation and for the work put into the newsletter.

COMMUNICATIONS: Letter from Canby Art Association - Administrator Jordan reviewed a request from Diane Anderson, President of the Canby Arts Association, for funding to pay for the liability insurance for the General Canby Day Parade. Mr. Jordan noted that this was the major event in Canby each year.

Councilman Daniels asked if insurance would have to meet the tort requirements. Attorney Kelley said that private organizations are not under the tort requirements and if they are not incorporated, even the individuals of the organizations can be sued. Diane Anderson informed the Council that their organization was incorporated.

Councilman Prince asked if the Chamber was a sponsor of the event. Mrs. Anderson indicated that they are not, however, they do help with the funding. She also explained that in lieu of seeking corporate funding for the event, they are trying to keep it entirely local, with local fund raising. She said the intent is to keep General Canby Day local and "fun".

Councilman Prince asked what the group had learned from the unfortunate incident of last year. Mrs. Anderson said the parade form asks if they have insurance for themselves only, this form needs to be reviewed. Also, they intend on keeping the horses and trailers about three blocks away from the site.

Councilman Prince noted that the request for funding from the Chamber last year for fireworks was to be for only one year. Mrs. Anderson said she felt this was because they wanted the City to become more involved and become a co-sponsor.

Mayor Carroll asked if they had discussed the issue of possible danger to children from candy being thrown from the parade entries. Mrs. Anderson said it was discussed this year and it was a concern, however, no decisions were made.

Councilman Taylor felt the one unfortunate incident should not deter the volunteer organization and he strongly urged the City's involvement and support of the entire event.

Administrator Jordan suggested the City act as a sponsor.

Attorney Kelley said we should do further research to see if Canby Arts Association still required liability, even if we were a co-sponsor.

Councilwoman Miltenberger asked Mrs. Anderson how they felt about the City as a sponsor. Mrs. Anderson noted that they don't want to lose their identity of handling the event and she asked who would run it if the City were the sponsor. She indicated that they wanted moral and financial support from the City.

Administrator Jordan requested Mrs. Anderson to meet in his office tomorrow morning to discuss the issue further. Also, they will review it with Dennis Nolder, our insurance agent, and return to the Council with additional information.

NEW BUSINESS: Accounts Payable - **Councilman Daniels moved to approve payment of accounts payable in the amount of \$100,622.99. Motion seconded by Councilman Prince and approved by roll call vote, 6-0.

ORDINANCES & RESOLUTIONS: None presented.

UNFINISHED BUSINESS: Franchise Fees: Telephone and Northwest Natural Gas - Administrator Jordan informed the Council that both the telephone and gas companies indicated that any raise in franchise fees would be passed on to the consumer. Also, the fee would show on their respective bills as a "City Privilege Tax." This is in compliance with OAR 860-22-040.

Councilman Taylor asked if there are any type of fees we could impose with the business licensing process to raise additional revenue from these type of entities. Administrator Jordan said there are various alternatives for business license fees, in fact, the City of Portland levies a percentage of the total revenues of a business as the City license fee.

Councilman Prince suggested we raise the franchise fees and have the increased revenue that is generated from the increase be designated for a specific expenditure. He specifically designated OCTS and Canby Kids as recipients of such fees.

Councilman Taylor agreed with Mr. Prince and felt the increased fees should go to a specific program and make the citizens aware of how these fees are disbursed.

Councilwoman Miltenberger asked why only the two organizations were specified when we have several agencies that ask for City funding. Councilman Prince felt these two fit the need, however, he was open to discussion on implementing this proposal to other agency funding requests.

Councilman Smith said he is not in favor of raising the franchise fees, however, if they are raised he felt it should be printed on the bills where the money is designated as a City expenditure.

Councilman Daniels pointed out that any raise in fees would be designated as a "City privilege Tax", and this would not be favorable with citizens and he felt it would take a real

selling job. He suggested moving the tax base up to generate the revenue rather than funding through the utilities companies.

Attorney Kelley asked if we were going to give the ninety (90) notice to raise the franchise fee.

Administrator Jordan felt this should go to the budget committee, however, if the Council did not want to proceed at all with an increase, this would save staff work of preparing a packet on the issue.

Councilman Taylor said he essentially is not in favor of raising the fees and the franchise increase would only generate about \$14,000 for the City. He questioned whether the amount generated would be worth it considering the problems involved.

Administrator Jordan pointed out that the additional revenue could make the difference in balancing the budget or in perhaps replacing a roof that is needed on a building.

Councilman Taylor felt they did not have enough information to pick and choose on budget issues and the Budget Committee should review this matter.

Councilman Smith concurred entirely with Mr. Taylor.

Councilman Prince reiterated his idea of making this be a new funding vehicle for the outside agencies and wanted the budget committee to review the issue.

Councilors Stiglbauer and Miltenberger felt the issue should go to the budget committee.

Councilman Daniels said he was opposed to a "pass thru" to the citizens if we increase the fee and felt we would lose citizen support on the overall budget. He said the political aspects would be devastating.

Councilman Taylor said we should slow down on going forward with a "pass thru"; ask staff to put together a report forecasting proposed revenue it would generate; and have the budget committee review it along with the entire budget, based on our needs.

Administrator Jordan said they would take this to the budget committee.

Attorney Kelley reminded us that we had to give the gas company 60 days notice. Mr. Jordan said he could not find anything in the statutes or our ordinances that required the 60 day notice, however, he will contact them with our decision to review it further.

Contract for Labor Negotiation Services - Administrator Jordan reviewed the contacts that were made, as requested by the Council, for additional quotes on professional services. He noted that the ultimate cost would not vary a great deal between the various agencies that responded. Also, the rate increase by LGPI was basically so they could balance their budget. Mr. Jordan recommended that we continue with LGPI and specifically Don Schaefer who has represented us since at least 1985, or longer.

Administrator Jordan said we budget approximately \$2,000 each year for labor negotiations, and usually that amount is not strained.

Councilman Taylor thanked staff for the additional information and since Police negotiations are coming up, he felt it would be cost effective to have someone who is familiar with us to continue the process.

****Councilman Daniels moved to instruct the City Administrator to enter into an agreement**

with LGPI for professional services for labor negotiations. Motion seconded by Councilman Stiglbauer and approved 6-0.

OTHER REPORTS OR ANNOUNCEMENTS: Mayor Carroll reminded everyone of our first budget meeting on Monday, March 23, at 7:00 p.m.

Administrator Jordan requested that a Special Meeting be set for Wednesday, March 25th, regarding the sewer issue that is on the March 24th ballot. Mr. Jordan said if the measure passes, we will need to implement a rate increase and give our users a month's notice. If the measure fails, we will have some critical issues to discuss. The meeting was scheduled as requested for March 25, 1992, 7:00 p.m.

Scott Nelson reminded everyone of the additional swims next week during Spring Break. Also, the Spring and Summer swim lesson registration has started.

ACTION REVIEW: 1. Continue the workshop on April 1st for social gaming.
2. Meet with Diane Anderson, Dennis Nolder and John Kelley regarding the City's involvement in General Canby Day.
3. Prepare information for the budget committee regarding franchise fee increases.
4. Implement an agreement with LGPI for professional services for labor negotiations.

Chief Giger informed the Council that Juanita Gunder had to resign her position from the Traffic Safety Committee. Chief Giger suggested the position be offered to Don Molinsky, Manager of School Bus Services. He felt Mr. Molinsky's job experience would be an asset to this committee.

****Councilman Daniels moved to appoint Don Molinsky to the Traffic Safety Committee, with his term expiring in July, 1993. Motion seconded by Councilman Smith and approved 6-0.**

****Councilman Taylor moved to go into Executive Session under ORS 192.660 (1)(h), regarding litigation. Motion seconded by Councilman Prince and approved 6-0.**

Mayor Carroll recessed the regular session at 9:10 p.m. to go into Executive Session. The regular session was reconvened at 9:30 p.m.

Councilman Prince noted that we have \$119,510 that has not been appropriated, which was set aside for decision packages. Mr. Prince pointed out that \$88,598 has been spent for attorney fees on the Rinkes case, not including the last court issue. Most of the expenses were covered with Sewer Reserve Funds. Mr. Prince reminded the Council that the budget committee requested that all of the Rinkes expenses be paid without having to return to the budget committee for approval. Mr. Prince suggested that amount of money be transferred back to the Sewer Reserve Fund in lieu of funding decision packages.

Administrator Jordan said the transfer could take place at the end of the year with a Supplemental Budget process.

Councilman Prince suggested that the remaining \$30,000 be used for purchase of a sewer TV camera since it has the ability to save us money.

Administrator Jordan said the TV camera is a maintenance item and was a little reluctant to spend General Fund money for this sewer item even though the Sewer Fund is strained at this time. Mr. Jordan suggested waiting until we accumulate revenue in the sewer fund in a few months and look at buying the TV camera from that fund then. Mr. Jordan

pointed out that the \$10,000 for remodeling the Community Service office is an extreme need since everyone is "tucked" into various corners.

Mayor Carroll suggested that we assess our needs now and the primary one being the Community Service area.

Administrator Jordan said he was not trying to advocate any one of the decision packages, however, the Council must review them and make a decision on what can be funded as a priority.

Councilman Taylor supported putting money back into the Sewer Fund. He did indicate that he was not prepared to delegate the remaining funds.

Councilman Prince requested a consensus on how much to transfer back to the Sewer Reserve Fund.

Councilman Taylor said he'd like to know how much more to anticipate in expenditures.

Mr. Jordan informed them that we did receive a check for \$18,000 for interest, after the arbitration hearing.

Councilman Taylor suggested putting \$100,000 back into the Sewer Fund which would leave \$19,000 to review for additional expenditures.

Councilman Prince asked if everyone would be ready by next meeting to make a decision on how much to fund. The Council agreed to discuss it on April 1st.

Mayor Carroll adjourned the meeting at 9:50 p.m.


EXECUTIVE MEETING
MARCH 18, 1992


Present: Mayor Carroll, Councilor's Taylor, Miltenberger, Daniels, Smith, Prince and Stiglbauer, Administrator Jordan, Attorney Kelley and Cam Sivesind.

Mayor Carroll opened the session at 9:17 p.m. in the Police Department Conference Room.

ORS 192.660 (1)(h) - The Council was given an update on the Rinkes case by Attorney Kelley.

The meeting was adjourned at 9:26 p.m.


Marilyn K. Perrett
City Recorder


Shawn P. Carroll
Mayor