

**CANBY CITY COUNCIL  
WORK SESSION MINUTES  
February 7, 2024**

**PRESIDING:** Brian Hodson.

**COUNCIL PRESENT:** James Davis, Jason Padden, Traci Hensley, Scott Sasse, and Daniel Stearns.

**COUNCIL ABSENT:** Herman Maldonado.

**STAFF PRESENT:** Eileen Stein, City Administrator; Maya Benham, Administrative Director/ City Recorder; Scott Schlag, Finance Director; and Eric Kytola, Previous Finance Director.

**CALL TO ORDER:** Mayor Hodson called the Work Session to order at 6:05 p.m.

**MID YEAR BUDGET REVIEW:** Scott Schlag, Finance Director, presented the FY 22-23 City and Urban Renewal audit. They had received an unmodified opinion for both audits. He explained the City's responsibility for financial statements, expenditures that were in excess of appropriations in the General Fund for Court, federal single audit for ARPA funds, and governance letter with identified risks and corrections.

There was discussion regarding the extension for the audit and how staff were working to meet the deadline with no extension this year. There was further discussion regarding the overage in Court, department heads knowing how much was in their budgets, Oregon state local government investment pool, statement of net position, and value of the City's assets.

Eric Kytola, Previous Finance Director, gave a budget review. Finance had accumulated the financial data through the end of December 2023, halfway through the fiscal year. For property tax, 96% had been received. Cemetery, Court, and Police exceeded expectations in collecting revenue. Finance and Economic Development were right on track. Cable franchise fee still needed to be watched as it was lower than it should be. Planning and Building revenues were down. Parks had \$3.6 million in SDC revenue but none had been transferred. Economic Development had unexpected \$200,000 come in, otherwise right on track. All departments were in good shape and appeared to be on track for expenditures. He then provided the status of each department, budget vs. actual comparison, highlighted positive results and identified "on track" results, identified areas to monitor more closely over last half of fiscal year, and suggested areas to focus on during the next budget process. He was waiting to do the training with Mr. Schlag before any SDCs were transferred to the departments.

Mayor Hodson adjourned the Work Session at 6:53 p.m.

**CANBY CITY COUNCIL  
REGULAR MEETING MINUTES  
February 7, 2024**

**PRESIDING:** Brian Hodson.

**COUNCIL PRESENT:** James Davis, Jason Padden, Traci Hensley, Scott Sasse, Herman Maldonado, and Daniel Stearns.

**STAFF PRESENT:** Eileen Stein, City Administrator; Maya Benham, Administrative Director/ City Recorder; David Doughman, City Attorney (attended virtually); Todd Wood, Transit & Fleet Director; Heidi Muller, Transit Coordinator; Jerry Nelzen, Public Works Director, Scott Schlag, Finance Director; Eric Kytola, Previous Finance Director; and Jamie Stickel, Economic Development Director/ Communications Specialist.

**CALL TO ORDER:** Mayor Hodson called the meeting to order at 7:04 p.m.

**IWO JIMA REMEMBRANCE DAY PROCLAMATION:**

Mayor Hodson read the proclamation declaring February 17, 2024, as Iwo Jima Remembrance Day and presented it to Pat Schauer of Canby VFW.

Irene Breshears and Larry Holmberg, American Legion Auxiliary, invited everyone to the memorial rededication event on February 17 at the Adult Center.

**CANBY HISTORICAL SOCIETY UPDATE & ANNOUNCEMENT:** Carol Palmer gave a presentation and update on Canby Historical Society. She discussed the board of directors, financial background/challenges, grant opportunities, 2023 accomplishments, collaborations and planning, finances, work in progress, and May Historic Preservation Month initiative. To kick off the new year, there would be an Open House on March 3, 2024, from 1:00–4:00 p.m.

**CITIZEN INPUT AND COMMUNITY ANNOUNCEMENTS:**

Greg Perez, representing Knights of Columbus, announced their 27<sup>th</sup> annual crab dinner and auction on February 24.

Miguel Cholula, Executive Director of Bridging Cultures, spoke about better collaboration with the Latino community and upcoming events.

**CONSENT AGENDA:** **\*\*Council President Hensley moved to approve the minutes of the January 10 and January 18, 2024, City Council Regular Meetings. Motion was seconded by Councilor Padden and passed 6-0.**

Mayor Hodson said the Council would now receive the rest of the mid-year budget update that was started at the Work Session.

Eric Kytola, Previous Finance Director, continued to update the Council on the status of each department budget. He discussed a trend in capital expenditures, where only about 52% of the funds that were allocated for capital projects over the last five years had been spent. It was important to have accurate estimates and capital expenditure plans. He explained the areas in capital expenditures that should be reviewed in the future and each department's capital expenditures. He thought a renewed focus on capital planning would be beneficial. In summary, the audit outcomes and results from the mid-year budget review were positive. The ARPA allocations would trigger the need for a supplemental budget before the end of the year. A review of the capital spending trend revealed that the gap should be narrower between what got adopted and what was spent. There was a new "capital projects & SDC team" to monitor estimated versus actual expenditures, to monitor project timelines, to plan and allocate funding streams for individual projects, and to complete long range project planning.

There was discussion regarding why projects weren't getting done, discrepancy in street maintenance fee revenue, hiring a grant writer, and charges to the Parks SDC.

Mr. Kytola discussed the long-range forecast. Finance had updated the FY2024 beginning balances and accounted for the ARPA allocations. A revised model was shared.

**ORDINANCES:** Ordinance 1616 –

**\*\*Council President Hensley moved to adopt Ordinance 1616, AN ORDINANCE AUTHORIZING THE CITY ADMINISTRATOR TO EXECUTE A CONTRACT WITH ANGELTRAX, LLC, OF DOTHAN, AL, IN THE AMOUNT OF \$86,263.28 TO PROVIDE CAMERA SYSTEMS FOR CANBY AREA TRANSIT VEHICLES. Motion was seconded by Councilor Davis and passed 6-0 by roll call vote.**

Ordinance 1617 – Jerry Nelzen, Public Works Director, said this was a long-awaited project supported by the Parks and Recreation Advisory Board. The ordinance would allow staff to move forward with the design work in order to build the park.

**\*\*Councilor Davis moved to approve Ordinance 1617, AN ORDINANCE AUTHORIZING THE CITY ADMINISTRATOR TO EXECUTE A CONTRACT WITH HARPER HOUF PETERSON RIGHELLIS INC. IN THE AMOUNT OF \$148,500 FOR CONSTRUCTION PHASE ENGINEERING SERVICES FOR THE CANBY AUBURN FARMS PARK DEVELOPMENT to come up for second reading on February 21, 2024. Motion seconded by Councilor Sasse and passed 6-0 on first reading.**

Councilor Hensley asked how the historical site designation of the Depot Museum would affect the realignment of Pine Street.

Jamie Stickel, Economic Development Director, said the museum was added to the local register. Changing the road around it would not interfere with the building.

**OLD BUSINESS:** City Attorney Recruitment – No update.

**MAYOR'S BUSINESS:** Mayor Hodson attended the memorial service for Frank Cutsforth as

well as a memorial service for the mayor of Durham. At the last C4 meeting they looked at the long-range plan for Tri-Met and Clackamas County transit service. The Region 1 Area Commission on Transportation discussed chair and vice chair appointments and updates from the Region 1 manager. The project on 99E would not be done this year. The Council's goals and priorities meeting was on February 16 and the State of the City Address would be held at the Chamber Luncheon on March 5, 2024.

### **COUNCILOR COMMENTS & LIAISON REPORTS:**

Council President Hensley also attended the memorial for Frank Cutsforth. She encouraged everyone to follow his example and volunteer the Canby Way.

Councilor Padden attended the Chamber luncheon and Community Summit. He thought there needed to be separate meetings for the landowners and community at large regarding the Comprehensive Plan update.

Ms. Stickel said there would be separate meetings for the two groups running concurrently.

Councilor Padden attended the Clackamas Cities Association Dinner hosted by Canby and enjoyed the program. He thought there should be a button or direct link on the City's website for community members to make a work order directly to ODOT regarding road conditions on 99E. He discussed expanded recycling services through Recycle Plus, a Clackamas County recycling program.

Councilor Sasse attended the Heritage and Landmark Commission meeting who discussed updating the 2009 master plan. A local grant was helping to fund a survey of historic properties. There were several vacancies on the Commission. The Library would be open later as of March 4.

Councilor Stearns had a meeting scheduled with Bridging Cultures to be their official liaison. He attended a Transit Advisory Committee meeting. The next Bicycle and Pedestrian Safety Committee meeting was next week. He discussed the need for more safety on South Locust.

Councilor Davis said the Canby Adult Center meeting was next week. They served lunch on Mondays and all their special event luncheons were full as well as most of their tours. The Parks and Recreation Advisory Board received a presentation on volunteer blackberry clean up at Community Park. There was a boy scout project at Community Park to plant native plants and the new bathrooms at the park were looking good. The Maple Street Park project would be coming to Council soon for approval as well as a paid memorial program for the parks. CoGeo had completed renderings of the proposed athletic park.

**CITY ADMINISTRATOR'S BUSINESS:** Ms. Stein scheduled the Council's ethics training for February 27, 2024, from 6-8 p.m. She had been working on grants for homeless programs and the Adult Center improvements. She discussed the liquor license and food carts. Staff found that the state liquor license process was sufficient to address any issues. There were several vacancies on the Budget Committee.

Ms. Stickel gave an update on First Thursday.

**CITIZEN INPUT AND COMMUNITY ANNOUNCEMENTS:** None.

**ACTION REVIEW:**

1. Approved the Consent Agenda.
2. Adopted Ordinance 1616.
3. Approved Ordinance 1617 to a second reading on February 21, 2024.

Mayor Hodson adjourned the Regular Meeting at 9:01 p.m.



Maya Benham  
City Recorder



Brian Hodson  
Mayor

Assisted with Preparation of Minutes - Susan Wood