

**CANBY CITY COUNCIL
REGULAR MEETING MINUTES
June 20, 2018**

PRESIDING: Mayor Brian Hodson.

COUNCIL PRESENT: Tyler Smith, Greg Parker, Traci Hensley, Tracie Heidt, and Sarah Spoon. Councilor Tim Dale was absent.

STAFF PRESENT: Rick Robinson, City Administrator; Joseph Lindsay, City Attorney; Julie Blums, Finance Director; Jennifer Cline, Public Works Director; Spencer Polack, Maintenance Worker; Jerry Nelzen, Public Works Lead; and Kim Scheafer, City Recorder.

OTHERS PRESENT: Syble & Frank McQuirk, Roger Steinke, Carol Rosen, Chris Waffle, Shawn Varwig, and Tom Vandehey.

CALL TO ORDER: Mayor Hodson called the Regular Meeting to order at 7:30 p.m. in the Council Chambers followed by opening ceremonies.

Fill the Boot Proclamation – Mayor Hodson read a proclamation proclaiming July 28, 2018 as Canby Fire District #62 “Fill-the-Boot” Day.

Recognition of Public Works Employee – Jennifer Cline, Public Works Director, said a couple months ago Spencer Polack was cleaning the storm lines and noticed an unusual high flow of water. He took it upon himself to question this flow and discovered that there was a leak in the system.

Mayor Hodson presented Mr. Polack with a Certificate of Appreciation for his initiative.

COMMUNICATIONS: None.

CITIZEN INPUT & COMMUNITY ANNOUNCEMENTS: None.

MAYOR’S BUSINESS: Mayor Hodson attended the Parks and Recreation Advisory Board meeting. They were working on recommendations to bring to the Council. The C4 retreat would be next week. He reported on a County Commission/ODOT meeting regarding tolling of I-5 and I-205.

COUNCILOR COMMENTS & LIAISON REPORTS:

Councilor Parker said there would be a Bridging Cultures lunch at Locust Street Park on Saturday.

Councilor Hensley reported on the Canby Ferry Feasibility Study Open House. There were citizens who came to the Traffic Safety Commission meeting concerned with traffic impacts from the Beck development. They were referred to the Planning Commission. Another citizen had requested a four way stop at Elm and NE 2nd Avenue. Julie Wehling, Transit Director, also discussed where the bus stop on 2nd Avenue should be located. The Suicide Prevention Task Force met and had a presentation by the ER Department of Providence. A resource card on how to start a conversation with someone at risk was being created that could be distributed to various locations. A parent support group had been set up.

Councilor Dale said Canby Utility had approved their budget for 2018-2019. They had a job opening for a journeyman lineman position. The opening of their new building would be in July. There had been a

power outage in SE Canby in May due to a breaker popping at the Westcott sub-station. The City of Salem had been having problems with toxins in their water. Canby Utility had a policy that whenever a neighbor had a problem that they did the same water testing. The test showed that Canby had no toxins in their water. The State had no regulations at this time for testing the water for these toxins.

Councilor Heidt attended the Canby Ferry Feasibility Study Open House and explained the interactive process at the meeting. The Library Board would be issuing a patron survey in August. She discussed the Maker Space at the Library and other STEM activities. The Slice of Summer concerts would begin in July.

Councilor Spoon said CTV5 would be broadcasting the Canby Independence Day parade live. They were looking for high school volunteers. The Canby Adult Center had passed their budget. They partnered with the Fire District to be an emergency shelter in a disaster situation. More volunteers were needed for the Independence Day event. Movies in the Park would begin in July. She announced today was World Refugee Day and read a statement about immigration policy changes. She asked the Mayor to take into consideration a resolution stating the Council's objection to the immigration policy that separated children from their parents.

CONSENT AGENDA: **Councilor Dale moved to adopt the minutes of the May 16, 2018 City Council Regular Meeting. Motion was seconded by Councilor Hensley and passed 6-0.

PUBLIC HEARING: State Revenue Sharing Funds – Mayor Hodson read the public hearing format.

Julie Blums, Finance Director, presented the staff report. This public hearing was to allow the public to address how the City should spend the State shared revenue that the City received. The Budget Committee held a public hearing on state revenue sharing funds on May 17. This was the second public hearing on these funds.

Rick Robinson, City Administrator, said cities in counties with a population of 100,000 or more were eligible for these cigarette, gas, and liquor taxes if they met certain criteria. The City provided five of the seven services as required and met the criteria.

Mayor Hodson opened the public hearing at 8:12 p.m.

Public Testimony: None.

Mayor Hodson closed the public hearing at 8:12 p.m.

2018-2019 FY Budget as Approved by Budget Committee – Mr. Robinson recognized Ms. Blums for developing all the documents and budget that the Council would be voting on. The City had focused over the last three years on delivering critical core services. In the 2018-19 budget, a high priority had been placed on succession planning with a proposal for five new positions. These positions would help develop future leadership for the Planning, Police, Public Works, and Transit departments. They would also support the service levels citizens had come to expect. The budget would also fund programs that supported the Council Goals to have a safe, family-friendly environment within the Canby community. The budget would expand parks staffing based on increased revenue from the Parks Maintenance Fee and the City would continue to discuss long term strategies to support park and recreation activities. The budget continued to financially support community-wide activities such as Canby's Big Weekend, the Independence Day event, and Light Up the Night event. The budget continued to support tourism and

economic development activities and embraced a new focus on the Library as a community resource and gathering place. A contribution from the General Fund of \$50,000 would be made to the Library Fund as the County-wide library tax was not enough to continue current levels of service. The total number of employees proposed was 97.7 FTE, an increase of 6% from the current budget. The proposed budget for 2018-19 expenditures totaled \$29.4 million, an increase of 5%, and the personnel services budget was \$11.6 million, an increase of 6.5%. Personnel services made up 74% of the City's General Fund and 44% of the total budget. The ending fund balance in the General Fund was projected to increase by 4%. The undesignated fund balance was 22% of operational expenses, which was a healthy reserve. He thought this was a conservative budget and the recommendations presented in this budget were sustainable into the future.

Ms. Blums said that budget meetings were held in May. A public hearing on the budget was held and the Budget Committee approved the budget on May 17 with no changes. Staff was bringing the budget to Council for final adoption tonight.

Mayor Hodson opened the public hearing at 8:23 p.m.

Public Testimony: None.

Mayor Hodson closed the public hearing at 8:23 p.m.

There was discussion regarding the additional staff and reserves.

RESOLUTIONS & ORDINANCES: Ms. Blums said that staff had done a wonderful job of staying within their budgets this year. The supplemental budget was due to the fact development was booming and there were additional expenses of \$30,000 in the Planning budget. There was revenue to support it. An additional \$5,000 would be used to buy equipment in the PEG Fee Fund. There were additional revenues and expenditures in the Sewer Fund as well.

Resolution 1286 – ****Councilor Hensley moved to adopt Resolution 1286, A RESOLUTION ADOPTING A SUPPLEMENTAL BUDGET FOR THE 2017-2018 FISCAL YEAR. Motion was seconded by Councilor Smith and passed 6-0.**

Resolution 1287 – ****Councilor Spoon moved to adopt Resolution 1287, A RESOLUTION VERIFYING THAT THE CITY OF CANBY HAS MET THE REQUIREMENTS TO RECEIVE STATE-SHARED REVENUE MONEY. Motion was seconded by Councilor Smith and passed 6-0.**

Resolution 1288 – ****Councilor Spoon moved to adopt Resolution 1288, A RESOLUTION DECLARING THE CITY'S ELECTION TO RECEIVE STATE REVENUE FOR FISCAL YEAR 2018-2019. Motion was seconded by Councilor Smith and passed 6-0.**

Resolution 1289 – ****Councilor Heidt moved to adopt Resolution 1289, A RESOLUTION ADOPTING THE BUDGET, MAKING APPROPRIATIONS, AND IMPOSING AND CATEGORIZING TAX FOR THE 2018-2019 FISCAL YEAR. Motion was seconded by Councilor Spoon and passed 6-0.**

Resolution 1290 – Ms. Blums said the purchasing rules had been in place for a decade and needed to be updated. The changes followed the State's procurement rules and the Department of Justice's rules. They would be using State contracts whenever possible and staff would have the authority to purchase items up to \$10,000. For items over \$10,000, they would need to be approved by the City Administrator.

****Councilor Spoon to adopt Resolution 1290, A RESOLUTION ADOPTING UPDATED PUBLIC PROCUREMENT AND CONTRACTING RULES; AND REPEALING RESOLUTION NO. 897. Motion was seconded by Councilor Hensley and passed 6-0.**

Resolution 1291 – Ms. Blums said the Council had adopted a Transient Room Tax program and this resolution would create the fund for the taxes that were collected. This fund was not included in the 2018-19 fiscal year budget. The tax would be collected in the next fiscal year, and would be appropriated in the 2019-20 budget.

****Councilor Heidt moved to adopt Resolution 1291, A RESOLUTION CREATING A NEW SPECIAL REVENUE FUND FOR TRANSIENT ROOM TAXES. Motion was seconded by Councilor Spoon and passed 6-0.**

Resolution 1292 – Ms. Blums said the library had used up its reserves and to keep it operating at current levels, this resolution would authorize a loan until the bulk of their tax revenue came through in January/February. The loan would be paid back at that time with interest.

****Councilor Hensley moved to adopt Resolution 1292, A RESOLUTION AUTHORIZING AN INTERFUND LOAN FROM THE CEMETERY PERPETUAL CARE FUND TO THE LIBRARY FUND IN THE AMOUNT OF \$500,000 AND AUTHORIZING REPAYMENT OF THE INTERFUND LOAN IN FISCAL YEAR 2018-19. Motion was seconded by Councilor Heidt and passed 6-0.**

Resolution 1293 – Ms. Blums said the resolution was a result of a GASB requirement and ODOT review that required the City to have a policy in place for how they administered federal funds.

****Councilor Hensley moved to adopt Resolution 1293, A RESOLUTION ADOPTING RULES FOR ADMINISTRATION OF FEDERAL AWARDS. Motion was seconded by Councilor Heidt and passed 6-0.**

Ordinance 1484 – ****Councilor Heidt moved to adopt Ordinance 1484, AN ORDINANCE AUTHORIZING THE MAYOR AND CITY ADMINISTRATOR TO EXECUTE A CONTRACT WITH MASTER CLEEN, INC. FOR JANITORIAL SERVICES FOR VARIOUS CITY FACILITIES, NOT TO EXCEED \$57,787.00; AND REPEALING ORDINANCE 1452. Motion was seconded by Councilor Hensley and passed 6-0 by roll call vote.**

Ordinance 1485 – Joseph Lindsay, City Attorney, said this ordinance was an attempt to clean up the code in relation to parking. There was another code chapter that dealt with abandoning vehicles. He pointed out there was a 24 hour parking restriction currently, and he recommended that it be changed to 72 hours. He added the word “therein” to address the personal property in the abandoned vehicle as well. Chapter 819 of the Oregon Revised Statutes was the operative chapter. The City’s code said where local law was not congruent with State law, State law trumped. He thought the extra days would give people a chance to be warned before their vehicles were towed. This was a complaint driven process, and after the 72 hours, it would be another 72 hours before the car was towed.

****Councilor Hensley moved to approve Ordinance 1485, AN ORDINANCE AMENDING CANBY MUNICIPAL CODE (CMC) CHAPTER 10.04.100 REGARDING STORAGE OR ABANDONING OF VEHICLES ON STREETS to come up for second reading on July 18, 2018. Motion was seconded by Councilor Parker and passed 6-0 on first reading.**

NEW BUSINESS: Selling of CBD and Hemp Products in the City of Canby – Mayor Hodson said a business license had been denied because the Council passed an ordinance that prohibited marijuana dispensaries in the City. This was a different type of CBD/hemp product, which other places were selling in Canby. They needed to clean this up in the code so that it was the same for everyone.

Councilor Smith asked why they thought the current ordinance banned the sale of CBD/hemp products.

Mr. Lindsay explained the current definition of marijuana in the ordinance encompassed all of the plants in the cannabis family. His suggestion was to amend Ordinance 1427 stating that the definition of marijuana did not include industrial hemp or its derivatives or products.

There was discussion regarding industrial hemp products, what federal law allowed, and how this definition change was only for the purposes of how the ban operated in Canby.

Syble McQuirk, Canby resident, said she had voted no for marijuana to be sold in the City of Canby. It did not matter to her whether it was CBD or not. She thought her vote was being ignored.

There was consensus to have staff bring back the recommended language change.

Findings, Conclusions & Final Order APP 18-01 –

****Councilor Heidt moved to adopt the Findings, Conclusion & Final Order APP 18-01. Motion was seconded by Councilor Hensley.**

Councilor Dale would be abstaining since he was absent at the last meeting.

Councilor Spoon had voted against the appeal at that last meeting, however this vote was about the findings for the decision and she would be voting in favor.

Motion passed 5-0 with Councilor Dale abstaining.

Cancellation of July 5, 2018 City Council Meeting – There was Council consensus to cancel the July 5 City Council meeting.

ADMINISTRATOR’S BUSINESS & STAFF REPORTS: Mr. Robinson said he had been in communication with Clackamas County Public Health regarding a County tobacco tax. They would come to Council in August to discuss the issue further.

CITIZEN INPUT: None.

ACTION REVIEW:

1. Approved the Consent Agenda.
2. Adopted Resolutions 1286, 1287, 1288, 1289, 1290, 1291, 1292 and 1293.
3. Adopted Ordinance 1484.
4. Approved Ordinance 1485 to come up for second reading on July 18, 2018.
5. Approved the Findings, Conclusions & Final Order for APP 18-01.
6. Staff would cancel the July 5 meeting.

There was no Executive Session.

Mayor Hodson adjourned the Regular Meeting at 9:33 p.m.

Kimberly Scheafer, MMC
City Recorder

Brian Hodson
Mayor

Assisted with Preparation of Minutes - Susan Wood