

**CANBY CITY COUNCIL
REGULAR MEETING MINUTES
June 17, 2020**

Due to COVID-19 Pandemic, the Mayor and City Councilors attended the meeting virtually. The public was asked to view the meeting live on CTV Channel 5 or on YouTube. Seating was available in the Council Chambers in compliance with the Governor's Executive Order regarding social distancing measures to be taken.

PRESIDING: Mayor Brian Hodson.

COUNCIL PRESENT: Trygve Berge, Tim Dale, Greg Parker, Sarah Spoon, and Shawn Varwig.

COUNCIL ABSENT: Traci Hensley

STAFF PRESENT: Amanda Zeiber, Interim City Administrator; Joseph Lindsay, City Attorney; Julie Blums, Finance Director and Melissa Bisset, City Recorder.

OTHERS PRESENT: None.

CALL TO ORDER: Mayor Hodson called the Regular Meeting to order at 7:02 p.m.

COMMUNICATION: City Recorder Melissa Bisset stated the Mayor & four Council positions would be on the November 3, 2020 ballot. The filing period had opened for the positions. Candidates first turn in a Candidate Filing form to the City Recorder along with the SEL Candidate Signature Sheet. Candidates may not begin collecting signatures until the City Recorder has reviewed and approved in writing, the filing and signature sheets. Interested candidates should email or call the City Recorder to schedule an appointment.

CITIZEN INPUT & COMMUNITY ANNOUNCEMENTS: It was publically noticed that Council would be attending the meeting virtually and written comments and input on agenda items were accepted until 5:00 p.m. on Wednesday, June 17.

Paul Ylvisaker, Canby Resident, expressed concern with Ordinance No. 1489. He asked if it was the Canby School District that made the decision to use fireworks for graduation. Mayor Hodson understood it to be a High School/ School District decision. Mr. Ylvisaker read language from Ordinance No. 1489, #4. "Sounds produced by sound-amplifying equipment at activities, including fireworks and other explosive devices at football games, sponsored by Canby School District..." Mr. Ylvisaker thought that meant a singular thing, fireworks could be used at just the football games. He asked if his interpretation was incorrect and Mayor Hodson responded that it was not. Mr. Ylvisaker asked if a variance had been requested for using the fireworks at the graduation. No noise variance request had been submitted.

He then read from Section 2. "Inasmuch as it is in the best interest of the citizens of Canby, Oregon, to enact this ordinance as soon as possible due to events scheduled in early September, an emergency is hereby declared to exist and this ordinance shall therefore take effect immediately upon its enactment after final reading." He noted that the Ordinance was approved in August 2018. He felt that there was a problem. He asked for further discussion.

Mayor Hodson stated he had conversation with the City Attorney about the firework piece that coincided with graduation events for the High School. There would be a follow up and conversation with the School District and the School Board.

Mayor Hodson stated he appreciated the challenges considering the current circumstances.

Mr. Ylvisaker stated it wasn't the first time it had happened and it had been an ongoing problem and damage had been done and it needed to stop.

Councilor Spoon stated that she had a discussion with Mr. Ylvisaker on the phone about the situation and she appreciated hearing that the Police Department stopping by to give Mr. Ylvisaker notice of the fireworks. Mr. Ylvisaker noted that he and his family support the Police Department.

Councilor Spoon felt it was kind of the Police to notify Mr. Ylvisaker of the fireworks but felt there was an inconsistency with a rule that was expected to be followed and the School District did not request a variance and the enforcement agency notified a citizen that a rule was not going to be followed. She wanted all citizens to be treated fairly in the process.

Mr. Ylvisaker responded that he appreciated the notice and supported the Police Department.

Councilor Spoon noted that the Canby Police Force was courteous and looks out for their people. She wants the Police to enforce the rules.

MAYOR'S BUSINESS: Mayor Hodson announced there would be construction along Highway 99. There would be rut repair and paving during the following two nights. It was a precursor to a larger paving project in 2021-2022. Governor Brown put out new guidance related to reopening. She had tied Clackamas County to Multnomah and Washington County. This meant that Clackamas County would not be able to apply for Phase 2 until the other counties were also ready to go into Phase 2. It would also be mandatory for masks to be worn in public places. He stated there were still a lot of questions about what it means for Canby and enforcement. He did not see Canby Police enforcing the mask requirement but would confirm with the City Attorney. He stated that there are many spikes of coronavirus in the state.

City Attorney Lindsay clarified that the mask requirement was for indoor public spaces.

Mayor Hodson shared there had been a Parks and Recreation virtual meeting on Monday and they discussed the Splash Pad, Wayside Master Plan, and Locust City Park. There would be money for redoing playground equipment at Locust City Park. They discussed work at pond located in Community Park. They were also looking at Maple Street Park upgrades.

Councilor Spoon shared there was a resignation on the Transit Advisory Board. A few applications had been received. She encouraged citizens to apply for the Board.

Councilor Spoon sent her thoughts and prayers to Hope Village as they had 69 people infected with coronavirus and there had been seven deaths. She noted that many were longtime members of the community.

Councilor Spoon had ideas about action items related to current events and asked if she could have coffee with the Mayor to further discuss. Mayor Hodson stated that he would see what he could with scheduling a meeting with Councilor Spoon.

Councilor Parker stated that the Fair Board had received sufficient donations to proceed with a permanent drive-in Movie Theatre. A touchless ticket program had been purchased and they were working with Canby Cinema. It was moving forward and they were hoping to be ready by August.

The Adult Center had started having meetings again. There was still no on-site programming. He noted that the Meals on Wheels was being operated and it was important. He expressed thanks to the drivers and kitchen staff. The Adult Center had a weekly check-in program with those who normally attend their events.

Councilor Parker appreciated that the Wayside Park planning was still moving forward. He reread the 17 year old Master Plan and the Phase One still held up. There were cost projections in the Plan. He felt that they should dedicate a modest amount of money to bring someone in and take a look at the costs and move forward with project. He reminded Council that in the visioning session with the community the number one thing citizens said was that they wanted more trails.

Councilor Parker expressed empathy for the people who at Hope Village and for first responders. He noted that it was hard times.

Council President Dale shared that Canby Utility Board had just approved their next fiscal year budget. The Utility was in good financial shape. They work with the City on their growth projections. They budgeted based on 85 new homes across three subdivisions, one apartment complex and two commercial buildings in the industrial park. He shared there were a couple of server farms served by Canby Utility which had resulted in half a million dollars in annual power revenue. There should be a modest water rate increase in the fall. Canby Utility had done a land sale and shift. The power side had sold their interest to the water side which would secure a

place for a future water treatment plant. They were moving forward with Phase 2 of the on construction of the 4th and Pine headquarters and shops. Canby Utility was turning 50 years.

Councilor Varwig stated the Library Board had a virtual meeting the previous night. Canby Fire Board was also meeting virtually.

Councilor Berge expressed thanks to Planning Director Sandy Freund. She had been awarded a \$50,000 grant from the Department of Land Conservation and Development to conduct an Economic Opportunities Analysis. They would be contracting with consultants and there would be a project advisory committee.

Interim City Administrator Zeiber asked that two councilors to participate on the project committee. She would be sending an email to the Council for two volunteers.

COUNCILOR COMMENTS & LIAISON REPORTS:

CONSENT AGENDA: **Council President Dale moved to adopt the Minutes of the June 3, 2020 City Council Work Session and Regular Meeting and the reappointment of Mark Triebwasser to the Parks and Recreation Advisory Board. Seconded by Councilor Varwig and passed 5-0.

PUBLIC HEARING REGARDING STATE REVENUE SHARING FUNDS.

Mayor Hodson read the Public Hearing statement.

He stated that all interested persons in attendance would be heard on the matter. In compliance with Executive Order No. 20-16 related to public meetings during Coronavirus Outbreak - opportunity was given to sign up or provide testimony by 5:00 p.m. today. No request for comment or testimony was received by the City Recorder and no one from the public was present in the Council Chambers.

Finance Director Blums stated that the Resolution was to allot State Revenue Sharing Funds. Every municipality was required to affirm that they would like to receive the funds from the State. The Public Hearing was an opportunity for the Public to weigh in if there was something specific they would like the funds to be used on.

Mayor Hodson opened the Public Hearing at 7:40 p.m.

There were no comments.

Mayor Hodson closed the Public Hearing at 7:41 pm

PUBLIC HEARING REGARDING 2020-2021 FY BUDGET AS APPROVED BY BUDGET COMMITTEE

Finance Director Blums stated that Council must approve a Resolution in order to adopt the Budget. The Budget Committee met twice and reviewed the proposed budget that the Staff had prepared. There was one change to where a position would be funded. The Council had the opportunity to review the budget and make any changes.

Mayor Hodson noted that the budget was available publically on the website.

Finance Director Blums stated there were revenue projections that had to be revised once COVID-19 hit. It was a fairly status quo budget. There was a position that would be filled that had been budgeted for over the last couple of years but had not yet been filled. Capital projects would still be done. There would be an impact to revenues due to the impact of COVID. There has been approximately a 25 percent reduction and it may need to be reevaluated depending on how long the pandemic continued.

Mayor Hodson commended Finance Director Blums, the City Staff and Council. He noted that reserves were ran pretty low in 2008 and 2009 and the City worked hard to build the reserves back up. It had put the City in a position to financially weather the COVID storm. He thanked the City Team for keeping things moving forward.

Mayor Hodson opened the public hearing at 7:49 p.m.

There were no comments.

Mayor Hodson closed the public hearing 7:49 p.m.

RESOLUTIONS & ORDINANCES

Resolution No. 1334: A Resolution adopting a Supplemental Budget for the 2019-2020 Fiscal Year.

Finance Director Blums explained there was a situation related to the PERS Employer Incentive Fund Program that arose in the last couple of weeks. The money that was allocated for the matching funds through the Employer Incentive Fund Program may not be available on July 1. The State may un-appropriate them for that purpose and use somewhere else. If the City were to make the contribution by June 30 then the City would receive the matching funds. If the City were to wait until July 1, there would be a risk that the City would not receive the matching funds. Ms. Blums was not sure that it was a risk the City would want to take. The City could wait but Ms. Blums was concerned that the opportunity would be defunded and the City would lose the chance of the 25 percent match.

There was additional money to appropriate from the SDC Fund to transfer to the Sewer Fund for the pump station and it was a timing issue. It was thought that the project would carry over into the follow year, but it was going to be completed thin the current year. There was some additional money on the S. Ivy Street pump project and an additional \$5,000 for COVID line items where the City was accumulating all of the expenditures. \$15,000 had already has been spent. Ms. Blums received notification that through the CARES Act, the funds had been approved to be reimbursed.

Mayor Hodson stressed the aspect of the PERS contribution and that it would be a substantial savings.

Councilor Varwig stated that he just wanted to make sure that the \$300,000 would go back into the reserves. It was noted that those funds wouldn't be spent the following year.

Council President Dale stated that he would like the funds to be reflected in the adopted budget.

Mayor Hodson agreed that it should be memorialized.

Ms. Blums explained that there was money sitting in an internal reserve that had been put away for several years and that money would be taken to put into an account directly with PERS where it will over time earn better interest than what the City could earn in the City's bank account and in return, the City would receive a 25 percent match on the funds from the State that would be used to offset future rate increases to PERS rates.

****Councilor Varwig moved to adopt Resolution 1334, A RESOLUTION ADOPTING A SUPPLEMENTAL BUDGET FOR THE 2019-2020 FISCAL YEAR. Motion was seconded by Councilor Berge and passed 5-0.**

Resolution No. 1335: A Resolution declaring the City's election to receive State Revenue for Fiscal Year 2020-2021.

Ms. Blums explained that it was an annual resolution that needed to be approved by the City Council in order to receive State Revenue.

****Council President Dale moved to adopt Resolution 1335, A RESOLUTION DECLARING THE CITY'S ELECTION TO RECEIVE STATE REVENUE FOR FISCAL YEAR 2020-2021. Motion was seconded by Councilor Varwig and passed 5-0.**

Resolution No. 1336: A Resolution adopting the Budget, making Appropriations, and imposing and categorizing taxes for the 2020-2021 Fiscal Year.

Ms. Blums provided a revised resolution. She explained that it changed the total appropriations for all funds from \$32,212,195 and \$31,724,293. She noted that the portion that imposes and categorizes the tax is a requirement by the State that the permanent rate must be designated for

both the City's and the local option rate. The City's permanent rate is 3.4886 per \$1,000 and the local option levy for the Swim Center is 0.49 per \$1,000 of assessed property value. She noted that there is no debt on it and the City's rates are part of the general government limitation which is a total of \$10 per \$1,000 of real market value.

Mayor Hodson stated City Staff starts working on the budget at the beginning of the calendar year. A proposed budget is typically received by the Budget Committee members at the end of April. One of the graphs he found interesting was on page 52; it was a breakdown where a dollar of property taxes goes – the City received 25 percent. Other revenue was from utility fees, intergovernmental fees and taxes, charges for services, grants and donations, franchise fees, infrastructure fees, transient room taxes, and interest.

****Councilor Berge moved to adopt Resolution 1336, A RESOLUTION ADOPTING THE BUDGET, MAKING APPROPRIATIONS, AND IMPOSING AND CATEGORIZING TAXES FOR THE 2020-2021 FISCAL YEAR. Motion was seconded by Councilor Spoon and passed 5-0.**

Resolution No. 1337: 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 2020-2021.

Ms. Blums explained that the Library runs on a tight budget and there was not enough cash flow between July 1st and January to keep the Library open because they did not receive their big source of revenue until January from the County. The loan was done from the Perpetual Care Fund to keep them afloat and then it was paid back once their tax revenue is received from the County.

Councilor Parker shared that it used to be that the Library Fund would carry a balance in reserves to cover the expense. Ms. Blums responded that there was no reserve to use in the Library Fund.

Council President Dale noted that the loan earned interest.

****Councilor Berge moved to adopt Resolution 1337, 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 2020-2021. Motion was seconded by Councilor Varwig and passed 5-0.**

Resolution No. 1338: A Resolution extending Workers Compensation coverage to volunteers of the City of Canby and repealing Resolution 1313.

Interim City Administrator Zeiber stated each year a resolution is done to extend workers compensation coverage to volunteers. It covers Boards and Commission members and other volunteers that work on projects such as events, parks projects and Library volunteers. It was a

standard form that was used every year. She noted that the Independence Day Celebration was still listed but it was a placeholder for an event that we may have, it did not necessarily have to be that specific event. The hours and events were tracked and are reported back to City County Insurance Services (CIS) at the end of the year.

Councilor Parker commented that the Fair Board just adopted their budget and the insurance rates when down by about 40 percent because they projected that there would not be many events. He asked about future assessments. Ms. Zeiber responded that at the beginning of each fiscal year and actual is reported at the end of the year. It was anticipated that there would be reductions in the rate.

Ms. Zeiber clarified that the resolution was required by CIS and must be in place for them to extend coverage Workers Compensation Coverage. It was noted that CIS provides full coverage.

****Councilor Varwig moved to adopt Resolution 1338, A RESOLUTION EXTENDING WORKERS COMPENSATION COVERAGE TO VOLUNTEERS OF THE CITY OF CANBY AND REPEALING RESOLUTION 1313. Motion was seconded by Councilor Berge and passed 5-0.**

ORDINANCES

Ordinance No. 1528: An Ordinance authorizing the Mayor and Interim City Administrator to execute a contract with Master Cleen, Inc. for Janitorial Services for various City Facilities, not to exceed \$60,583.00; and repealing Ordinance 1509. *(Second Reading)*

****Council President Dale moved to adopt Ordinance 1528, AN ORDINANCE AUTHORIZING THE MAYOR AND INTERIM CITY ADMINISTRATOR TO EXECUTE A CONTRACT WITH MASTER CLEEN, INC. FOR JANITORIAL SERVICES FOR VARIOUS CITY FACILITIES, NOT TO EXCEED \$60,583.00; AND REPEALING ORDINANCE 1509. Motion was seconded by Councilor Varwig and passed 6-0 by a roll call vote.**

Ordinance No. 1529: An Ordinance authorizing the Mayor And Interim City Administrator To Execute A Contract With Kintechnology, Inc. To Continue To Provide Computer Technical Services For The City, Not To Exceed \$110,000.00; And Repealing Ordinance 1506 *(Second Reading)*

****Council President Dale moved to adopt Ordinance 1529, AN ORDINANCE AUTHORIZING THE MAYOR AND INTERIM CITY ADMINISTRATOR TO EXECUTE A CONTRACT WITH KINTECHNOLOGY, INC. TO CONTINUE TO PROVIDE COMPUTER TECHNICAL SERVICES FOR THE CITY, NOT TO EXCEED \$110,000.00; AND REPEALING ORDINANCE 1506. Motion was seconded by Councilor Berge and passed by a roll call vote 5-0 with one abstention (Councilor Varwig).**

CANCELLATION OF JULY 1, 2020 CITY COUNCIL MEETING

There was a consensus by the Council to cancel the July 1, 2020 City Council Meeting.

ACTION REVIEW:

1. Approved the Consent Agenda.
2. Approved Resolution No. 1334.
3. Approved Resolution No. 1335.
4. Approved Resolution No. 1336.
5. Approved Resolution No. 1337.
6. Approved Resolution No. 1338.
7. Approved Ordinance No. 1528.
8. Approved Ordinance No. 1529.
9. Cancelled the July 1, 2020 City Council Meeting.

The meeting adjourned at 8:35 p.m.

Mayor Hodson stated the City Council would convene into Executive Session pursuant to ORS to ORS 192.660 (2)(d), which allows the Agency to meet in Executive Session to discuss those topics. They would not reconvene into open session.



Melissa Bisset, CMC
City Recorder



Brian Hodson
Mayor

