CANBY CITY COUNCIL
WORK SESSION MINUTES
JUNE 17, 2026

PRESIDING: Traci Hensley

COUNCIL PRESENT: Jason Padden, James Davis, and Daniel Stearns

COUNCIL ABSENT: Brian Hodson, Herman Maldonado, and Paul Waterman

STAFF PRESENT: Randy Ealy, Interim City Administrator; Emily Guimont, City Attorney; Maya Benham, Administrative Director/ City Recorder; Peter Wood, Human Resources Director; Denise LaRue, Finance Director; and Jámie Stickel, Economic Development Director/Communications Specialist.

CALL TO ORDER: Council President Hensley called the meeting to order at 6:10 p.m.

CHARTER DISCUSSION: Councilor Padden gave some background information on what was discussed at the last Charter Review Subcommittee meeting. They had decided to take two items to the voters in November, the updates to Canby Utility and removing the residency restriction for the City Administrator. They wanted to hold off on updating the signing authority amount of the City Administrator until a different election.

Emily Guimont, City Attorney, said Canby Utility's proposed revisions were to put the water and electric functions of Canby Utility on the same footing. The changes were sent to Canby Utility for their review. She hoped in the next couple of weeks to get approval for a resolution to put the changes on the ballot. For the City Administrator residency, they could discuss the language for the ballot tonight and staff could bring a resolution back. There were a few policy decisions in Chapter 10 to discuss regarding Canby Utility. These included changes to the last line in Section 1, striking the phrase "revenue producing," striking the current Section 2 and folding the language into the proposed Section 1 and 2 to keep water and electric on the same footing, adding language in the section on Canby Utility Board to put a practical process in place for dividing liability and state that the Board's insurance would cover all liabilities arising from the department and its conduct, changing the word "energy" to "water and electric" in Subsection H Bond Issues, adding a new subparagraph B under quarterly budget reports to require a joint meeting with Canby Utility Board, and increasing the terms of office from no more than two successive terms to no more than three successive terms.

There was discussion regarding the fees for the EV charging stations and what was allowed in the Charter, concerns about the 5-year borrowing limit for projects, and public outreach needed for these changes.

There was consensus to move forward with the changes to Chapter 10 as proposed.

Ms. Guimont explained the changes for the City Administrator's residency. Currently the City Administrator had to reside in the City, and the change would allow Council to waive or alter that requirement.

There was discussion regarding having the Council policy in place before the election.

Ms. Guimont reviewed the signing authority change, which would increase the amount from $50,000 to $100,000 and then increase that $100,000 by the CPI at the beginning of every fiscal year.

ADJOURN: Council President Hensley adjourned the Work Session at 6:57 p.m.

CANBY CITY COUNCIL
MEETING MINUTES
JUNE 17, 2026

PRESIDING: Brian Hodson

STAFF PRESENT: Randy Ealy, Interim City Administrator; Maya Benham, Administrative Director/ City Recorder; Peter Wood, Human Resources Director; Denise LaRue, Finance Director; and Jamie Stickel, Economic Development Director/Communications Specialist.

CALL TO ORDER: Mayor Hodson called the meeting to order at 7:05 p.m.

ROLL CALL: Councilor Padden present; Councilor Maldonado absent; Council President Hensley present; Mayor Hodson present; Councilor Davis present; Councilor Stearns present; and Councilor Waterman absent.

STAFF INTRODUCTION: None

PROCLAMATIONS/SPECIAL PRESENTATIONS: Heritage and Landmarks Commission Presentation Update – Carol Palmer, Chair of the Heritage and Landmarks Commission, provided an update on the Commission's accomplishments, including their renewal as a certified local government, submission of a National Register application for the old city hall building, completion of eight intensive level surveys, development of HLC goals and HLC handbook, collaboration with Planning to integrate the Historic Preservation Plan (HPP) into the Comprehensive Plan, consultations with owners of designated properties on proposed alterations, design review training, initiated meeting of Planning and Economic Development with the Confederated Tribes of the Grand Ronde, and updated their webpage. She then discussed the Commission's project plans for 2026-2027. These included submitting an application for an Oregon Heritage Tree designation for the pine grove at the Fairgrounds, quarterly design review training, adopt and adapt design guideline material from other communities and include them in a mailing to designated site owners, conduct windshield surveys of areas recommended in the HPP, developing a historic preservation award/recognition plan, exploring historic district option for the Fairgrounds, leveraging opportunities for community events, applying for a cemetery grant to finish marker cleaning at Zion Cemetery, and creating a project plan for the 2027 CLG grant. Requests of Council were: improve volunteer recruiting, application, and onboarding, timely notification of changes to rules and requirements, supply property owner information, and get public input on the budget earlier in the process.

Councilor Padden acknowledged the Commission's work and mentioned that improvements to the board and commission application process would be coming, with input from current members to be included in the updates.

CITIZEN INPUT AND COMMUNITY ANNOUNCEMENTS: Olivia Behrendt, Canby resident, spoke about Fourth of July parade crowd control and sidewalk fall lawsuits/claims.

Staff would look at the site and come back with some options.

ITEMS REMOVED FROM THE CONSENT AGENDA: None.

CONSENT AGENDA: **Council President Hensley moved to approve the Consent Agenda that included approval of the May 6 and May 20, 2026, City Council Meeting minutes. Motion was seconded by Councilor Padden and passed 4-0.

APPOINTMENTS: None.

PUBLIC HEARINGS:

State Shared Revenue – Mayor Hodson opened the public hearing and read the hearing statement.

Denise LaRue, Finance Director, said the estimated amount of state shared revenue for the next fiscal year was $215,000.

There was no public testimony.

Mayor Hodson closed the public hearing.

****Council President Hensley moved to adopt Resolution 1457, A RESOLUTION CERTIFYING AND DECLARING THE CITY'S ELIGIBILITY AND ELECTION TO RECEIVE STATE REVENUE FOR FISCAL YEAR 2027. Motion was seconded by Councilor Davis and passed 4-0.**

2026-2027 Fiscal Year Budget – Mayor Hodson opened the public hearing and read the hearing statement.

Ms. LaRue said the City passed a local option levy of $0.49 per $1,000 of assessed property value to fund Swim Center operations. The City also levied the taxes provided for in the adopted budget at the permanent rate of $3.4886 per $1,000 of assessed property value. In May of 2026, the Budget Committee met three times to deliberate on the proposed budget, and it was approved.

There was no public testimony.

Mayor Hodson closed the public hearing.

There was discussion regarding the ending balances and results from the current fiscal year, which would be completed by December 31.

Councilor Padden said the total appropriation for next fiscal year budget was $52,862,796 and $37,517,612 in unappropriated reserves.

****Councilor Padden moved to adopt Resolution 1458, A RESOLUTION ADOPTING THE BUDGET, MAKING APPROPRIATIONS, AND IMPOSING AND CATEGORIZING TAXES FOR THE 2027 FISCAL YEAR. Motion was seconded by Councilor Davis and passed 4-0.**

Setting Fees for Services and Repealing Resolution 1450 – Mayor Hodson opened the public hearing and read the hearing statement.

Randy Ealy, Interim City Administrator, discussed the 2027 Master Fee Schedule and tying the fees to an inflationary index. All the Department Directors had reviewed the existing fees to make sure they were being used and valid as well as covered costs. Some fees had a considerable jump in price, and he asked if the Council wanted to consider a phased approach.

There was discussion regarding some fees that had not been changed in years and an automatic inflationary adjustment every year on all the fees.

Jamie Stickel, Economic Development Director/Communications Specialist, explained the consultant was working on recommendations for the Street Maintenance Fee to be brought back to the Task Force and City Council. Staff met with the Task Force in April to review the proposed changes to the Municipal Code. The business classifications had been modernized and consolidated from 14 to 7 classifications. Staff had initiated a structural review to align billing rate descriptions with customer classifications and eliminate reporting inconsistencies. The consultants and staff were also working on refining the cost allocation framework to equitably distribute infrastructure costs among designated truck routes, arterials, collectors, and local streets. The Council would meet with the Task Force in July to discuss the fee further.

There was discussion regarding cost recovery and how some of the fees were still not capturing costs, adjusting these fees in a phased approach, timing for updating the Street Maintenance Fee, and how it needed to be done as soon as possible.

There was no public testimony.

Mayor Hodson closed the public hearing.

There was discussion regarding separating out the fees, especially the Street Maintenance and Park Maintenance fees.

****Council President Hensley moved to table Resolution 1459 to a later date. Motion was seconded by Councilor Padden.**

There was further discussion regarding splitting out the fees, especially those that were increased and included in the next fiscal year's budget and approve those on July 1 and wait on the ones that had not been changed and were still being researched.

Mr. Ealy explained the fees that had been increased in the next year's budget were the cemetery and the sewer rates.

Motion failed 2-3 with Councilors Padden and Davis opposed and Mayor Hodson breaking the tie.

****Councilor Padden moved to adopt the fees in the Master Fee Schedule related to sewer increases, cemetery increases, and fees set by State and other regulatory agencies outside the purview of the Council. Motion was seconded by Councilor Davis.**

It was clarified the motion did not include the Park Maintenance Fee increase.

Councilor Stearns thought staff should bring back which fees were included for clarity and they could vote on it on July 1.

****Councilor Padden amended the motion to adopt fees related to sewer increases, cemetery increases, fees set by State and other regulatory agencies outside the purview of the Council, and the Park Maintenance Fee. The amendment was seconded by Council Davis. Motion passed 3-2 with Council President Hensley and Councilor Stearns opposed and Mayor Hodson breaking the tie.**

ORDINANCES & RESOLUTIONS:

<u>Ordinance 1676</u> – ****Council President Hensley moved to adopt Ordinance 1676, AN ORDINANCE AUTHORIZING THE INTERIM CITY ADMINISTRATOR TO EXECUTE THE FIRST AMENDMENT TO THE PERSONAL SERVICE AGREEMENT WITH HEARD FARMS FOR WASTEWATER SLUDGE HAULING SERVICES; AND DECLARING AN EMERGENCY. Motion was seconded by Councilor Davis. Motion passed 4-0 by roll call vote.**

Councilor Padden suggested next time making this a multi-year agreement.

<u>Resolution 1460</u> – Mr. Ealy explained this was a loan to allow the Library to operate until it received its first distribution of the Library District funding at the end of the calendar year. They would not be charging interest for the loan.

Councilor Padden did not think they should collect the interest for this fiscal year.

****Councilor Davis moved to approve Resolution 1460, 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 2026-2027. Motion was seconded by Councilor Padden and passed 4-0.**

<u>Resolution 1461</u> – Pete Wood, Human Resources Director, said SAIF required the City to do this every year to cover all the City's volunteers.

****Council President Hensley moved to approve Resolution 1461, A RESOLUTION EXTENDING WORKERS COMPENSATION COVERAGE TO VOLUNTEERS OF THE CITY OF CANBY AND REPEALING RESOLUTION 1439. Motion was seconded by Councilor Davis and passed 4-0.**

<u>Resolution 1462</u> – Ms. LaRue said this was an appropriation transfer due to a pass-through grant from the County to the Canby Center for $218,000 that was not recorded in the budget.

****Councilor Stearns moved to approve Resolution 1462, A RESOLUTION APPROVING AMENDED APPROPRIATIONS FOR THE 2025-2026 FISCAL YEAR. Motion was seconded by Councilor Padden and passed 4-0.**

There was consensus to continue the meeting to 9:30 p.m.

OTHER BUSINESS: None.

CITY ADMINISTRATOR'S BUSINESS & STAFF REPORT: <u>Ms. Stickel</u> reported on the downtown business pressure washing program and Independence Day celebration.

Mr. Ealy gave updates on the Police Chief and Public Works Director recruitments and interims for those positions.

Don Hardy, Planning Director, discussed recent legislation effective July 1 for more expedited housing. Subdivisions, planned unit development subdivisions, and residential projects like townhomes and apartments would now be reviewed as a Type II administrative review with notice instead of a Type III Planning Commission hearing process. The City could still develop their own path in the code update process, but developers could choose the State path.

There was discussion regarding discouragement with the new legislation and the need to update the code.

Mr. Ealy said there was a listening session on the Urban Growth Boundary expansion on June 24. The School District was holding a Work Session on June 23 regarding the bond failing and how they would move forward. There was a Council Work Session scheduled for July 8 to discuss the Street Maintenance Fee, illegal fireworks, and E-bikes. The Parks and Recreation Advisory Board voted to name the new park at Auburn Farms Daphne Glen Park. The Human Resources Director and Interim Public Works Director talked to OSHA about a settlement agreement and negotiated a $2,000 fine.

There was discussion regarding the explosion at Kittyhawk and liability to the City for rebuilding the facility.

MAYOR'S BUSINESS: Mayor Hodson attended the Clackamas County Coordinating Committee's annual retreat. The Region 1 Area Commission on Transportation discussed upcoming summer maintenance and repairs. He thanked Council and staff for the Police Chief candidate meet and greet.

COUNCILOR COMMENTS & LIAISON REPORTS:

Council President Hensley said there was a vacancy on the Traffic Safety Commission.

Councilor Davis asked the citizens to be aware of starting fires, especially as the 4th of July approached.

Councilor Stearns attended the Canby Utility Board meeting where the new charging station was discussed.

Councilor Padden attended the Police Chief meet and greet and Pride in the Park event.

CITIZEN INPUT: None.

ACTION REVIEW:

1. Approve the Consent Agenda.
2. Adopted Ordinance 1676.
3. Approved Resolution 1459 for all fees related to sewer, cemetery, fees set by other agencies, and the Park Maintenance Fee.
4. Adopted Resolutions 1457, 1458, 1460, 1461, and 1462.

Mayor Hodson adjourned the meeting at 9:25 p.m.

Maya Benham

Maya Benham, CMC
City Recorder

Brian Hodson
Mayor

Assisted with Preparation of Minutes – Susan Wood