



MINUTES

Coburg City Council

Regular Session

December 11, 2007 - 7:00 P.M.

Coburg City Hall

91069 North Willamette - Coburg

COUNCILORS PRESENT: Mayor Judy Volta; Jerry Behney, John Fox, Bill Judd, John Thiel, Mike Watson

COUNCILORS ABSENT: Brian Pech

STAFF PRESENT: Don Schuessler, John Bosley, Jack Detweiler, Sammy Egbert, Craig Gibbons, Jack Harris, Karen Jefferis, Milo Mecham, Petra Schuetz

RECORDED BY: Dan Lindstrom

I. CALL TO ORDER

Mayor Judy Volta called the meeting of the Coburg City Council to order at 7:00 p.m.

Minutes Recorder Dan Lindstrom called the roll, noted the absence of Councilor Brian Pech, and stated that a quorum was present.

Councilors joined in the Pledge of Allegiance.

II. COMMENTS FROM CITIZENS

Chalmers Blatch, 91110 Austin Street, recommended that the Council schedule a special informational meeting on the proposed Septic Tank Effluent Pump (STEP) wastewater treatment system. He said that many who attended the November 27 Open House shared his opinion that its format had not produced satisfactory answers to questions. He asked if consideration had been given to installing a "real" sewer system. He said he believed it was important for the Council to listen and respond to input from citizens.

Don Nelson, 91099 Austin Street, asked if the Councilors who served during his tenure as a member continued to resist the high cost of the proposed sewer system. He said he did not believe the November 27 was a "Town Hall," as advertised, because it had not afforded an opportunity for citizens to ask questions of "experts." He said he believed that the proposed system would only benefit those who wished to develop properties and the "industrial complex" in Coburg. He suggested that since the Coburg water system did not have dangerous concentrations of nitrates, preservation of groundwater was an inappropriate reason for developing a wastewater treatment system.

Daniel Lindstrom, 2439 Quince Street, Eugene, read a hyperbolic statement in which he warned of the danger of trivialization in dealing with important issues. He suggested that concentrating solely on naïve or insignificant questions and legitimizing self-serving objections could jeopardize a greater good.

III. AGENDA CHANGES

City Administrator Don Schuessler identified changes to the Agenda:

- Add consideration of an Employee of the Year award to his Report.
- Add a report of Gas Tax receipts to his Report.
- Postpone the Public Hearing scheduled for SR-05-07, "Serenity Lane Master Planning," until a recommendation regarding it was received from the Planning Commission.
- Move consideration of "Final Principal Program Payment" from the Finance Report to the Consent Calendar.
- Add "Court Revenue Reporting" to Consent Calendar.
- Incorporate additional "Bills for Approval" into the Consent Calendar.

Mayor Volta determined there was no objection to the proposed changes and the Agenda was amended.

IV. MAYOR COMMENTS

Mayor Volta reported that the recently held Coburg "Check Presentation" ceremony had been impressive with the participation of a U.S. Senator, U.S. House of Representatives member, and other federal and state representatives.

Mayor Volta reported that supportive citizen response to the family of a recent victim of a hit and run auto accident in Coburg was an example of the positive value of living in a small community.

Mayor Volta expressed appreciation for the many volunteers who contributed time and effort in the recently held "Christmas in Coburg" celebration.

V. DEPARTMENT REPORTS

A. Planning Department

City Attorney Milo Mecham referred to a printed report of Planning Commission activities and reviewed information it contained about the approval of a Sign Permit, the conditioned approval of a Minor Partition application, and the continuation of a Public Hearing regarding an application for a Master Plan overlay submitted by Serenity Lane. He said Commissioners planned to finalize a recommendation about the Master Plan application at its January 2 meeting and that it would be presented to the Council at its Regular Meeting on January 8.

Councilor John Fox requested that support material for the recommendation regarding the Master Plan application include detailed area and site plans.

B. Public Works Department

Mayor Volta referred to a December 6 memorandum from Public Works Supervisor Jack Harris providing a report on continued preparation of an emergency response protocol for a chemical spill in Coburg.

Finance Director Craig Gibons referred to Agenda support material regarding bid specifications for a major element of the water system upgrade. He reviewed a document entitled "City of Coburg Well #1 System Improvements – Invitation to Bid." He explained that the notice of the bidding invitation would be published as soon as possible and that the date for the pre-bid conference had been changed to December 19, because it had been judged to be better able to attract potential bidders than one held later in the month. He noted that the bid submission deadline was January 10.

Councilors discussed the bidding process.

Councilor Bill Judd moved, seconded by Councilor Fox, to authorize the City Administrator to bid out the project known as Well #1 System Improvements. The motion was adopted unanimously, 5:0.

C. Police Department

Mayor Volta noted that Agenda support material reporting Police Department activity and officer training had been received.

D. Wastewater Project

Mayor Volta explained that an Agenda item regarding the Wastewater project would henceforth be routinely included at Regular Meetings of the Council.

Mr. Schuessler referred to a document entitled "Wastewater Open House - November 27, 2007 – Additional Questions – Public Comments." He explained that responses to issues raised would be gathered from the Wastewater Project Team, City Council, and Finance Director/Project Manager. He said preliminary evaluation of the Open House agreed with public comment made earlier in the meeting that the format and setting had limited its effectiveness as a tool to educate citizens.

Mayor Volta said she appreciated the continued recognition by staff of the need to increase public awareness and understanding of the project. She suggested that answers to questions raised be distributed to citizens as an enclosure with water bills.

Mr. Schuessler said he appreciated the suggestion and reported that it was intended that the information be published on the City website.

Councilor Mike Watson said he believed the Open House had been an honest effort to inform citizens and that much helpful information had been available, but that holding it in City Hall had limited its usefulness. He said he thought responses to the questions raised should be provided "sooner than later" and that a follow-up session would be helpful.

Councilors Fox and Judd said they agreed with Councilor Watson and asked how soon a follow-up session could be held. Mr. Gibons replied that adequate prepara-

tions and holiday activities might delay the ability of staff to provide such a meeting until as late as February.

Councilor Watson said he was concerned that unless quick responses were provided for issues raised, it could be interpreted as a lack of concern or transparency on the part of the City.

Mr. Gibons referred to Agenda support material entitled "Wastewater Project Update" and reviewed information it contained, highlighting a "funding scorecard" and its record of pending applications for grants and loans for the project.

Mayor Volta observed that valid questions about the project were not whether it should be continued, but how it should be built and financed. She said Town Hall meetings about the project had been held since the decision to create a sewer system was made in 2000 with increasing public response. She suggested that most of the delay in gaining momentum on it was due to the growing diminution of federal funding for such infrastructure projects, not lack of commitment on the part of the City. She said she did not believe that it was a realistic option to not build the system.

Mayor Volta reviewed the protocol and requirements for a Public Hearing and determined that no Councilor had a conflict of interest or participated in *ex parte* discussion regarding Ordinance A-215, AN ORDINANCE OF THE CITY OF COBURG, LANE COUNTY, OREGON, AUTHORIZING THE ISSUANCE OF WASTEWATER REVENUE BONDS. She read the Ordinance by title and opened the Public Hearing.

Mr. Mecham presented the Staff Report. He referred to Agenda support material regarding the proposed Ordinance and explained that the financial awards from the U.S. Department of Agriculture (USDA) for the wastewater project included an obligation for the City to be prepared to issue revenue bonds to back the debt. He described the use of the bonds in the loan process and reported that the proposal had been developed with the advice of the previously authorized Coburg Bond Counsel.

Mr. Mecham explained that the Coburg Charter provided that Second Readings required of proposed Ordinances could be waived by unanimous agreement of the Council.

Mayor Volta invited public testimony.

Chalmers Blatch, 91110 Austin Street, asked why waiving a Second Reading of the proposed Ordinance would be considered. Mr. Gibons replied that the USDA had set the deadline for completing its loan process as within 2007. He said not waiving the requirement for a Second Hearing could jeopardize receiving the loans.

Mayor Volta determined that there were no further requests to testify and closed the Public Hearing. She invited Councilors to deliberate.

Councilor Fox said he believed it was important for the Council to listen to its constituents, but that it was important that a decision to ensure the receipt of the USDA loans be made in a timely manner.

Councilor Judd asked if the Coburg Urban Renewal Agency (URA) would have to approve the proposed Ordinance. Mr. Gibons replied that although it would be a major source of funding for the project, it had already authorized \$9 million in debt. He

added that it was the City which would issue the revenue bonds authorized in the proposed Ordinance.

Councilor John Thiel moved, seconded by Councilor Jerry Behney, to adopt Ordinance A-215, AN ORDINANCE OF THE CITY OF COBURG, LANE COUNTY, OREGON, AUTHORIZING THE ISSUANCE OF WASTEWATER REVENUE BONDS.

Before the vote on the motion was taken, Mayor Volta determined that there were no objections for a unanimous vote on the motion also to be indication that the Council waived the Second Reading of the Ordinance.

The motion was adopted unanimously, 5:0.

Mr. Gibons referred to Agenda support material regarding USDA Loan/Grant Wastewater Financing Package 2. He reviewed information it contained about a \$4 million wastewater facility financing package from the USDA Rural Utilities Service and explained its requirements for a Loan Resolution, Construction Financing, Revenue Bond, City Reserve, and Grant Contract.

Mr. Mecham added that the City already had contracts from the Oregon Department of Environmental Quality for loans to build the wastewater treatment facility and that the recommended resolutions would increase the amount of federal grants in the package, thereby reducing its required loans.

Councilor Judd moved, seconded by Councilor Behney to adopt Resolution 2007-16 authorizing and providing for the incurrence of indebtedness for the purpose of providing a portion of the cost of acquiring, constructing, enlarging, improving and/or extending the City of Coburg sewer facility to serve an area lawfully within its jurisdiction. The motion was adopted unanimously, 5:0.

Councilor Fox moved, seconded by Councilor Behney, to authorize the Mayor to enter into an agreement with the Department of Agriculture, Rural Utilities Service to accept a grant of \$2 million to be used in the design and construction of the City's wastewater treatment system. The motion was adopted unanimously, 5:0

Mr. Gibons referred to Agenda support material regarding an extension of the contract of Kennedy/Jenks as Coburg Wastewater Engineers. He explained the need to extend the contract and that its cost would be \$26, 700.

Councilors discussed the proposed contract extension.

Councilor Fox moved, seconded by Councilor Behney, to authorize the Mayor to sign a contract extension with Kennedy/Jenks Consulting Engineers to continue environmental analysis required for the outfall permit for the Wastewater System. The motion was adopted unanimously 5:0.

Mayor Volta explained that Councilor Behney had extensive experience in overseeing the implementation of sewer systems and recommended that he be appointed as Council Liaison to the Sewer Team.

Councilor Watson moved, seconded by Councilor Fox, to designate Jerry Behney as Council Liaison to the Coburg Sewer Team. The motion was adopted, 4:0:1, with Councilor Behney abstaining from voting because, although he was willing to serve, he wanted to avoid and suggestion of a conflict of interest in the vote.

Mr. Gibons referred to Agenda support material regarding a Request for Proposals for System Development Charges (SDCs) consulting services. He reviewed the process used in issuing and receiving proposals. He said each of the respondents was well qualified to perform the needed services and that subtle differences, especially in the highly enthusiastic support of one firm in reference checks conducted that led to his recommendation to accept the proposal of Galardi Consulting.

Councilors discussed the recommendation.

Councilor Thiel moved, seconded by Councilor Watson, to authorize the Mayor to sign a contract with Galardi Consulting for development of a Coburg Sewer System Development Charges methodology, and to authorize the City Administrator to negotiate of price for the service of no more than \$11,500 for the contract. The motion was adopted unanimously, 5:0.

E. City Administrator/City Recorder

Mr. Schuessler reviewed Agenda support material regarding vacancies and expiration of terms on the Budget Committee.

Councilor Judd moved, seconded by Councilor Behney, to appoint Chad Minter and Bob Myers to new three-year terms on the Budget Committee, expiring June 30, 2010; and to extend the deadline to receive applications for appointment to fill vacancies on the Budget Committee and Planning Commission to January 8, 2008. The motion was adopted unanimously, 5:0.

Mr. Schuessler reported that the application to the Federal Emergency Management Agency (FEMA) to establish new floodplain designations in the Coburg area had again been delayed with requests for further information. He said a deadline of the end of February had been established for submission of the information and that the work would easily be completed by that time under the contract with Branch Engineering.

Mr. Schuessler described his intention to change the City practice of awarding the employee designated as "Employee of the Year" a \$50 gift certificate to an opportunity to receive two extra vacation days credit.

Councilors discussed the proposal and appeared to reach consensus to support the intention.

Mr. Schuessler reported that \$4,769.39 had been received from the State of Oregon as proceeds from the newly established City gasoline sales tax. He explained that the annual administrative fee that would be charged had been taken from the receipts of the first month.

F. Finance

Mr. Gibons referred to the Month End Financial Report distributed as Agenda support material. He reviewed highlights and pointed out that property tax receipts were \$10,000 above 2006, and that the Water Fund debt services was paid by City funds for the first time in several years. He also pointed out that year-to-date personnel costs had been reduced by \$83,000 and that the reported bank account balance was misleading in that checks for \$276,000 written during November were outstanding at the end of the month.

Mr. Gibons referred to Agenda support material regarding requested information about Municipal Court revenue. He said lower than average revenue during November had resulted from only one court session being held and the involvement of police in numerous non-traffic issues.

Mr. Gibons referred to Agenda support material regarding proposed Resolution 2007-17, increasing System Development Charge by a construction cost inflation factor of 2.29 percent, as directed by a 2006 Council Resolution. He explained that the recommendation would not be applied the Parks SDC because it had only been adopted in September and the change since that time was negligible.

Councilor Behney moved, seconded by Councilor Fox, to adopt Resolution 217, A RESOLUTION OF THE COUNCIL OF THE CITY OF COBURG APPLYING A CONSTRUCTION COST INFLATION FACTOR TO EXISTING SYSTEM DEVELOPMENT CHARGES. The motion was adopted unanimously, 5:0.

Mr. Schuessler referred to Agenda support material regarding new revenues and reviewed seven sources of new and increased revenue enacted by the Council in the last year. He also reviewed a recommendation it contained to discontinue consideration of Ordinance 210 that would impose a fee on sales of recreation vehicles and manufactured housing in Coburg.

Councilors discussed the recommendation, with varied opinions. Mayor Volta determined no Councilor wished to make a relevant motion and that there was a consensus to consider the recommendation at the Council Retreat scheduled on January 26.

Mr. Gibons referred to Agenda support material providing information for reconsideration of previously adopted Fire Suppression water rates as requested by Councilor Thiel. He reviewed information about the reasons for such rates and the options of capturing needed revenue through charges on buildings having such systems or to charge all commercial buildings on a square footage basis.

Councilor Thiel discussed his reasons for wanting to reconsider the rates.

Mayor Volta determined there was no Council desire to change the previously adopted rates.

G. City Attorney

Mayor Volta said the Council would consider a proposal to adopt Ordinance 209A, which would repeal Ordinance 209 that established a General Business License set up to run by the fiscal year of the City and reestablish the same License set up run by the calendar year. She read the Ordinance by title.

Mayor Volta determined that no Councilor had a conflict of interest regarding the Ordinance and opened the Public Hearing.

Mr. Mecham explained the purpose and effect of the replacement Ordinance.

Mayor Volta determined that there was no one present wishing to provide testimony regarding the Ordinance and closed the Public Hearing.

Councilor Watson moved, seconded by Councilor Fox, to adopt Ordinance No. 209A, AN ORDINANCE PROVIDING FOR THE REGISTRATION AND LICENSING OF BUSINESSES OPERATING OR PROVIDING SERVICES IN THE CITY OF COBURG, COLLECTING A FEE, REPEALING ORDINANCE 209, AND DECLARING AN EMERGENCY TO EXIST.

Before the vote on the motion was taken, Mayor Volta determined that there were no objections for a unanimous vote on the motion also to be indication that the Council waived the Second Reading of the Ordinance.

The motion was adopted unanimously, 5:0.

VI. CONSENT AGENDA

Mayor Volta noted that the Consent Agenda included the following actions:

- Acceptance of minutes of the September 25 and November 13 Council meetings.
- Approval of Accounts Payable.
- Authorization of the final \$5,000 payment to School District 4-J in support of the Coburg Elementary School.

Councilor Behney moved, seconded by Councilor Fox, to adopt the Consent Agenda. The motion was adopted unanimously, 5:0.

VII. COUNCIL BUSINESS

In response to a request from Mayor Volta, Councilors Behney and Fox volunteered to serve on an *ad hoc* committee to plan the Council Retreat. It was announced that it would be held at the Countryside Christian Fellowship church from 9:30 until Noon.

Councilor Watson suggested that consideration be given to reducing the cost of the sewer system by postponing installation of infrastructure in certain areas until the second phase of the project.

The meeting adjourned at 9:00 p.m.

ACCEPTANCE

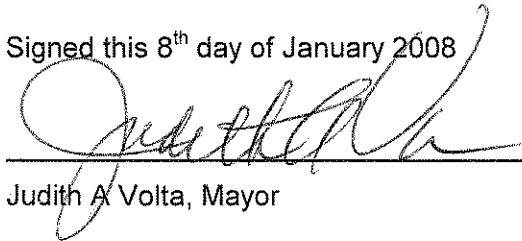
Yes: 5

No: 0

Abstained: 0

Passed: Yes Rejected:

Signed this 8th day of January 2008



Judith A Volta, Mayor

Attest:



Donald Schuessler, City Recorder

