



## MINUTES

### Coburg City Council

Regular Session

January 22, 2008 - 7:00 P.M.

Coburg City Hall

91069 North Willamette - Coburg

COUNCILORS PRESENT: Mayor Judy Volta; Jerry Behney, Bill Judd, Brian Pech, John Thiel

COUNCILORS ABSENT: John Fox, Mike Watson

STAFF PRESENT: Don Schuessler, Jack Detweiler, Sammy Egbert, Craig Gibons, Jack Harris, Milo Mecham,

RECORDED BY: Dan Lindstrom

#### I. CALL TO ORDER

Mayor Judy Volta called the meeting of the Coburg City Council to order at 7:05 p.m.

Councilors joined in the Pledge of Allegiance.

Minutes Recorder Dan Lindstrom called the roll, noted the absence of Councilors John Fox and Mike Watson, and stated that a quorum was present.

#### II. PUBLIC COMMENT

Don Nelson, 91099 Austin Street, distributed copies of a January 19 letter which he said gave him "power of attorney" to present a letter on behalf of Chalmers Blatch. The letter stated that Mr. Blatch was opposed to the Coburg Wastewater Reclamation project because it would obligate citizens to an unreasonable financial burden. It raised specific questions about how much the project would cost individual property owners and pleaded that a Town Hall meeting be held that would provide answers to his questions and slow the process.

Mr. Nelson stated that his research had revealed that a contract was signed by City officials on March 25, 2003, for the purchase of property that was proposed as the site for the Coburg Wastewater Treatment facility. He said the purchase was carried out under the "threat of eminent domain." He asked what "settled amount" was paid for the transaction.

Mr. Nelson referred to the contract to which he had referred and noted that the agreement property owner had agreed to transfer the property to the City in exchange for two parcels of other property totaling 26.87 acres. He said the agreement stipulated that the

properties would be exempt from inclusion in a Local Improvement District (LID) "in perpetuity." He said the property could be divided into 107 quarter-acre lots for residential development. He asked how much tax had been lost through the agreement and what effect the agreement would have on other assessments in a LID.

Mr. Nelson asked when a Town Hall meeting would be held where sewer project assessments would be explained to citizens.

### III. AGENDA ADJUSTMENTS

Mayor Volta determined that Councilors agreed to add a short time to the Agenda for responses to be made to questions raised during the Public Comment period.

City Attorney Milo Mecham stated that he did not have, but would provide information about the appraised value of properties exchanged in the acquisition of the property to be used for the treatment facility. He explained that the agreement exempted the property from being included in a LID, but did not provide for exemption from the imposition of Service Development Charges (SDC) at the time of its development. He said the arrangement was the same as existed for any other undeveloped property and that the ultimate recovery of taxes would likely be the same as generated by developed property included in a LID within the City.

Mayor Volta explained that it had been reported on several occasions that a "Town Hall" meeting to provide information about assessments would not be able to be scheduled until the information was known. She said a number of policy decisions were required to be made before specific assessment information could be calculated. She said potential times for such a meeting would be discussed at the Council Retreat scheduled on January 26. Mr. Mecham added that the Coburg Code required that public hearings be held before creation of a LID at which time information would also be available and testimony would be received.

Finance Director requested that the Agenda be adjusted to include consideration of the awarding of a contract for improvements included in the City Water System upgrade. Mayor Volta determined there was agreement to do so.

Mayor Volta announced that she was required to leave the meeting at 8:00 p.m. and that Councilor John Thiel had agreed to preside in her absence.

### IV. DEPARTMENT REPORTS

#### A. Wastewater Project

Mr. Mecham referred to Agenda support material regarding methods of LID assessments related to the Wastewater project. He reviewed information it contained about the advantages and disadvantages of having different assessment methodologies for different parts of the City. He said the basic decision was whether staff should be directed to prepare a report on the Wastewater project and proposed methods of assessment for the Council to review and adopt or modify.

***Councilor Brian Pech moved, seconded by Councilor Jerry Behney, to authorize staff to prepare reports on the several concurrent wastewater projects for collection and treatment systems and return to the Council at the earliest date with a report on the projects ready to be initiated and the proposed methods of their assessment.***

Councilor Bill Judd said he did not favor establishment of more than one LID because they would inherently be unfair to some portions of the City. He said it would encourage businesses to support the proposal if it was clear from the start that they would pay at the same rate as residential property owners.

Mayor Volta observed that adoption of the motion would not settle any questions about the number of LIDs or assessment processes.

Mr. Mecham observed that current Coburg businesses might be wary of establishing different assessments, but that with the imposition of SDC on future development would equalize all assessments. He also suggested that properties that enabled receiving of grants should be given special consideration in assessments.

Councilor Thiel said he supported the motion would give flexibility and allow for amendment in the future.

***The motion was adopted, 3:1, with Councilor Judd voting no, and Councilor John Fox having not yet joined the meeting.***

Mayor Volta attempted to determine if there was a preference regarding the number of LID that would be preferable. Councilors appeared evenly split between available options.

Mayor Volta determined there was consensus preferring the use of mixed assessment methodology systems that would use parcel square footage for the calculation of assessments for the collection system and the number of Equivalent Dwelling Units (EDU) on a parcel used for the calculation of assessments for the treatment system.

***Councilor Pech moved, seconded by Councilor Behney, to authorize amendment of the contract with Kennedy-Jenks for engineering services for the Wastewater system to include no more than \$5,000 for engineering costs involved in estimating the cost of extending access to the system to incorporated areas on the east side of Interstate 5. The motion was adopted unanimously, 4:0.***

## **B. Well Head Improvements**

Finance Director Craig Gibbons referred to Agenda support material regarding improvements to City Well Head #1 which contained a recommendation to accept a bid for work on the project. He reviewed information it contained regarding previous Council authorization of a Request for Proposals to alter system piping and upgrad-

ing electric motors and controls. He noted that November 2006 estimates by the City Engineer had been significantly lower than the three actual bids that had been received. He reviewed issues involved in the project – the significant difference between earlier estimates and actual bids, the payment of the cost of the project from loan proceeds, the potential of reducing the cost of the project by eliminating its control element, and that rejecting the project would terminate the remainder of the water system upgrade.

Mayor Volta asked if the cost of the project was included within the budget of the water system upgrade. Mr. Gibbons replied that the expense of across the freeway elements of the project had not been included, but that they were possible with loans made available for it.

In response to questions from Councilors, Public Works Director Jack Harris explained that inspections on the project would be conducted by the City Engineer from Weber-Elliott and contractor Building Inspector, but not by State agencies. He emphasized the importance of the control elements of the project.

***Councilor Judd moved, seconded by Councilor Pech, to award a contract to Mountain State Contracting for completion of Wellhead #1 upgrade at the bid price of \$423,324; that the City Engineer negotiate value engineering charges that would provide the best product at the lowest long-term value for the City; and that the award shall be subject to Mountain State provide adequate insurance, bonding and other provisions, all as specified in the Bidding Documents.***

Several Councilors expressed disappointment in how disparate the bids received had been from the estimates of the City Engineer.

***The motion was adopted unanimously, 4:0.***

Mayor Volta left the meeting at 7:55 p.m. Councilor Thiel assumed the role of presiding officer.

Councilor John Fox joined the meeting at 7:55 p.m.

### **C. Meeting Schedule**

City Administrator Don Schuessler referred to Agenda support material regarding guidelines and schedule of 2008 City Council meetings. He reviewed information it contained about the purpose, format, and ground rules of Wastewater Work Sessions. He noted that bimonthly were regularly scheduled and that meetings of the Budget Committee that included all Councilors would add a third meeting in March, April, and May.

Presiding Officer Thiel determined that there was consensus to approve the ground rules and meeting schedule.

The meeting adjourned at 8:00 p.m.

ACCEPTANCE

Yes: 4

No: 0

Abstained: 0

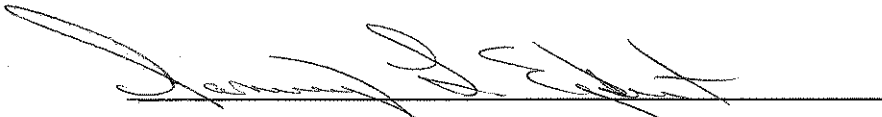
Passed: X Rejected: \_\_\_\_\_

Signed this 12th day of February 2008



Mike Watson, Council President

Attest:



Sammy L. Egbert, City Recorder