



## **MINUTES**

### **Coburg City Council**

Regular Session

February 13, 2007 - 7:00 P.M.

Coburg Municipal Court

32694 East Pearl Street - Coburg

**COUNCILORS PRESENT:** Mayor Judy Volta; Bill Judd, Don Nelson, Brian Pech, Michelle Sunia, John Thiel, Mike Watson

**COUNCILORS ABSENT:** None

**STAFF PRESENT:** Don Schuessler, John Bosley, Gary Darnielle, Jack Detweiler, Sammy Egbert, Craig Gibons, Clark Hanson, Jack Harris, Scott Olson, Petra Schuetz

**RECORDED BY:** Dan Lindstrom

#### **I. CALL TO ORDER**

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

Minutes Recorder Dan Lindstrom called the roll, noted that Councilor Michelle Sunia had not yet joined the meeting, and stated that a quorum was present.

#### **II. AGENDA CHANGES**

City Administrator Don Schuessler reviewed a February 13 memorandum from Kelly O'Neill regarding additions, deletions, clarifications, and handouts regarding changes to the Agenda.

Mayor Volta determined there agreement to make the changes recommended.

Councilors joined in the Pledge of Allegiance.

#### **III. COMMENTS FROM CITIZENS**

None.

#### **IV. MAYOR'S COMMENTS**

Mayor Volta reported that the Annual Council Retreat session had been productive and that several of the items discussed were included on the Agenda. She thanked Councilors and staff for their participation, and Country Christian Fellowship for providing its Coffee Shop for the meeting.

Mayor Volta announced that the Coburg Food Pantry would begin operating on February 26, providing emergency food for families and individuals in the area.

Mayor Volta said she would join other elected officials from Lane County in the United Front lobbying effort in Washington D.C. at the end of the month. She said her main goal would be to secure federal support for the Coburg Wastewater project, but that she would also participate in the efforts of other agencies.

#### **V. PRESENTATIONS**

Terry Cole stated that he represented the Oregon Department of Transportation (ODOT) and would provide an update on the Coburg/Interstate 5 Interchange Area Management Plan (IAMP). He explained that recent delays in completing the plan were caused by a need to have the most current relevant data. He said traffic counts and other data were being updated and that a tentative plan would be submitted for approval to the Oregon Transportation Committee by the end of the month.

Mr. Cole said ODOT would support efforts to prepare an update of the Coburg Transportation System Plan (TSP) and other needed documents.

Councilor Michelle Sunia joined the meeting at 7:10 p.m.

Mayor Volta said she had heard at a meeting of the Metropolitan Planning Committee (MPC) that data previously gathered for the IAMP was no longer valid. Mr. Cole replied that such a comment could have been based on a need to make it consistent with current Coburg planning documents. He said the management strategy continued as previously agreed.

Mayor Volta said she was concerned that the added planning required would inordinately increase the cost of the project.

Councilor Mike Watson asked why population projections in the IAMP were not the same as those used in the Region 2050 Project and Periodic Review recently completed. Mr. Cole replied that the figures would be amended now that the Coburg Comprehensive Plan had been officially approved by the Board of County Commissioners.

Councilor Don Nelson asked if the recently announced intention of Truck 'N Travel to change its business focus from long-haul trucking services to a broader emphasis on general tourist trade would be incorporated into the IAMP. Mr. Cole replied that no specific traffic impacts were available, but that the evolution suggested by the tentative master plan was being included in the discussion.

ODOT representative Candice Stich reported that an aerial survey and conceptual design of the interchange area had been completed. She said the scope of the project was being refined to bring its high cost within budget. She said traffic studies would be completed by the end of February, structural design plans completed by March or April, and

stakeholders were being identified to enable official acceptance of the plan by the end of summer.

## **VI. URBAN RENEWAL AGENCY**

Mayor Volta stated that the terms of four members of the Board of Directors of the Coburg Urban Renewal Agency had expired on December 31 and that the members needed to be reappointed before a meeting to be held following the Council meeting.

***Councilor Bill Judd moved, seconded by Councilor John Thiel, to appoint Judy Volta to a two-year term as a member of the Coburg Urban Renewal Agency Board of Directors, beginning January 1, 2007. The motion was adopted unanimously, 6:0.***

***Councilor Judd moved, seconded by Councilor Thiel, to appoint Mike Watson to a two-year term as a member of the Coburg Urban Renewal Agency Board of Directors, beginning January 1, 2007. The motion was adopted unanimously, 5:0:1, with Councilor Watson abstaining from voting.***

***Councilor Judd moved, seconded by Councilor Thiel, to appoint Brian Pech to a two-year term as a member of the Coburg Urban Renewal Agency Board of Directors, beginning January 1, 2007. The motion was adopted unanimously, 5:0:1, with Councilor Pech abstaining from voting.***

***Councilor Judd moved, seconded by Councilor Pech, to appoint John Thiel to a two-year term as a member of the Coburg Urban Renewal Agency Board of Directors, beginning January 1, 2007. The motion was adopted unanimously, 5:0:1, with Councilor Thiel abstaining from voting.***

## **VII. DEPARTMENT REPORTS**

Mayor Volta introduced Gary Darnielle, an attorney with Lane Council of Governments. She said he was substituting as Counsel for City Attorney Milo Mecham, who was on a three-week trip to China.

### **A. Municipal Court**

Mayor Volta encouraged Councilors to study a report of the activities of the Municipal Court and a comprehensive set of Court financial reports that had been distributed at the beginning of the meeting, as follows:

- FY 2006-07 Budget Comparison to Estimated Court Expenses
- Reconciliation Summary (Fines and Bail Checking)
- Fine Revenue and Distribution (July through January 2007)
- Fine Revenue and Distribution (Compared to Last Year)
- Aging Charts and Detail on revenue Collected (FY 2005-06)
- Aging Charts and Detail on Revenue Collected (FY 2006-07)
- New Misdemeanor and Violation Cases (January 2007)

### **B. Police Department**

Chief John Bosley reviewed information included in a Police Department report to the Council dated February 13. He described recently uncovered illegal drug activities in a nearby campground and said the Police were aggressively pursuing enforcement activities in the area.

### **C. Planning Department**

City Planner Petra Schuetz referred to a Planning Department report dated February 13. She noted that it requested Council actions, reported activities of the Planning Commission, and contained attachments, as follows:

- Vacation Staff report and Final Order
- Draft Master Planning Code Amendments Proposals
- Planning Commission Agenda, February 7, 2007
- Historic Depot Sign Photo

Ms. Schuetz reviewed the Final Staff Report regarding an application to Vacate the easternmost portion of East Delaney Street located adjacent to Featherland Farms (VAC-01-06). She said delays in processing the application made a State mandated deadline of 120-days for action on an application occur before the next regularly scheduled meeting of the Council.

Ms. Schuetz reported that the Planning Commission had fulfilled its duties regarding the application and voted on February 7 to recommend its denial, based on an unresolved Oregon Department of Environmental Quality (DEQ) violation issued to a tenant of the applicant on property abutting the Vacation location. She noted that the violation related to having installed a pollution control system in 2004 without submitting a plan for approval.

Ms. Schuetz stated that she had attempted, but been unable to develop Findings supporting the recommendation of the Planning Commission. She referred to the Proposed Findings and Final Order supporting a staff recommendation to tentatively approve the application. She reviewed Conditions for Approval it contained, as follows:

1. The entire width and length of vacated right-of-way shall remain open to use for emergency vehicles or provide a turnaround area adequate for emergency vehicles.
2. The applicant shall provide an irrevocable utility easement and maintenance agreement, providing legal access to the City that shall be retained over the existing full right-of-way width. This easement/agreement shall be submitted to review and approval by City staff prior to filling the Vacation documents.
3. All conditions prescribed in SR-09-06 shall be met prior to final approval which includes the engineering report recommendation from both Branch Engineering and Weber Engineering that:
4. That Featherland Farms curb the trash area so that organic waste should be redirected to an on-site wastewater system.

5. All DEQ non-conformance and/or violations on all abutting property to the Vacation request shall be concluded and documented prior to filing the Vacation documents.
6. Thee applicant has one-year after tentative approval to meet the conditions of this Vacation application.

Ms. Schuetz explained that the Council could deny the application, but would need to develop adequate findings of fact to support the action.

Mayor Volta asked if it would be possible for the Council to withdraw its tentative approval of the application, if it was determined that the Conditions for Approval were not met. Ms. Schuetz replied that the applicant had one-year in which to satisfy all of the Conditions.

Mayor Volta asked if the DEQ violation citation was relevant to the Vacation application. Ms. Schuetz replied that she believed it and previous violations related to the property were an indication that concern should be raised about the application.

Councilor Watson asked if the applicant had been appraised of the DEQ violation citation. Ms. Schuetz replied that the applicant had initially said he had not been informed, which was contended by DEQ representatives. She said the applicant had subsequently been fully informed and was cooperating in having it resolved.

Councilor Judd asked what facts the Planning Commission had used to make its determination to recommend denial of the application. Ms. Schuetz replied that resolved non-compliance issues from the past and the current DEQ violation had been of most concern. She said the vote of the Commission to recommend denial had not been unanimous. She explained that she continued to recommend tentative approval because of the lack of relevant Findings to support a denial in Oregon or Coburg codes. Acting City Attorney Darnielle added that the DEQ violation was not likely legally relevant to the Vacation application.

Councilor Judd asked what liability the City would incur in granting or denying the application. Ms. Schuetz replied that it was not normally in the interest of a city to vacate public property for private use, but that it had been anticipated in the Coburg Transportation System Plan. She explained that approximately \$2,500/mile was received from the State for maintenance of City streets and the vacation would result in a minimal loss of Road Fund revenue. She also explained that the loss would not likely be fully recouped by an anticipated increase in property tax on the property.

Councilors continued to discuss the application, Findings proposed for its approval, and outcomes of its approval or denial.

***Councilor Judd moved, seconded by Councilor Watson, to grant tentative approval of VAC-01-06, an application for Vacation of the easternmost portion of East Delaney Street. The vote on the motion was evenly split, 3:3, with Councilors Judd, Thiel, and Nelson voting for its adoption. Mayor Volta cast a deciding vote and the motion was adopted, 4:3, with Councilors Pech, Sunia, and Watson voting no.***

Ms. Schuetz reviewed information contained in the Planning Department Report regarding development of a Master Planning code amendment. She said the proposal

was prepared in anticipation of several applications for phased development of large parcels in Coburg. She noted that the Planning Core Team had refined the proposal and the Planning Commission had begun a review of it at its February meeting. She said the Council would become involved in the process following a recommendation by the Commission.

#### **D. Public Works Department**

Public Works Supervisor Jack Harris reported that the Oregon Forestry Department had agreed to conduct, at no charge, the inventory of Coburg street trees discussed at the January Council meeting. He said he expected the survey to be completed by the end of February and a recommendation would be presented to the Council as soon as possible.

Mr. Harris referred to a January 23 letter from Debby Corey, ODOT Traffic Investigations Coordinator, and attachments to it regarding a speed zone investigation conducted on Industrial Way. He noted it recommended that its speed limit be reduced from 55 to 40 miles per hour.

***Councilor Judd moved, seconded by Councilor Pech, to direct the Public Works Department to accept recommendations of the Oregon Department of Transportation to reduce the speed limit on Industrial Way and to authorize posting of signs regarding it. The motion was adopted unanimously, 6:0.***

Mr. Harris stated that a full report would be made in March of actions taken to resolve concerns regarding groundwater and drainage problems on Abby Road, reportedly caused by debris and settlement in pipes in the City Park.

#### **E. Administration/City Recorder**

Councilor Nelson referred to an Agenda Item Summary regarding a need to reappoint members of the Coburg Park/Tree Committee. He reported that the Committee had recommended reappointment of current members in the positions. He said that all were faithful in their participation, none had asked not to be reappointed, and there were no new applications for appointment.

***Councilor Pech moved, seconded by Councilor Nelson, to appoint Karen Coury, John Critelli, Nanci Johnson, Bill Judd, Joe Morneau, and Margaret Norman as members of the Coburg Park/Tree Committee for 2007. The motion was adopted unanimously, 6:0.***

Mr. Schuessler referred to three Volunteer Appointment Applications for positions on the Budget Committee distributed with the Agenda. He said two of the applicants were currently serving and that the terms of each of the vacant positions were for three years. He said he had learned that another member of the Committee was considering resignation because he was unable to participate fully.

***Councilor Sunia moved, seconded by Councilor Watson, to reappoint Jerry Behney and David Schull, and to appoint John Fox to the Coburg Budget Com-***

**mittee for terms to expire June 30, 2009. The motion was adopted unanimously, 6:0.**

Mr. Schuessler referred to an Agenda Item Summary regarding a contract to replace a water line to Pioneer Valley Estates. He said the project was included in the adopted Water Master Plan Upgrade and that he and the Water System Engineer Scott Olson recommended that the Council accept the lowest bid and authorize the Mayor to sign a contract with Professional Underground Services.

Councilor Judd asked why the estimated cost of Hydropneumatic Tank Improvements in the bid of Professional Underground Services was significantly lower than that of the other two bidders. Mr. Olson replied that the discrepancy had been noted and it had been determined that the low bidder had fixed its estimate based on costs provided by one supplier, but the other two had used costs provided by a different supplier.

Councilor Nelson asked why a fire hydrant in Pioneer Valley Estates was included in the project. Mr. Olson explained that the water line replacement would eliminate frequent repairs required by a contract with the development and the hydrant was needed to conduct flushing of the system.

**Councilor Pech moved, seconded by Councilor Judd to accept the low bid from Professional Underground Services and to authorize the Mayor to sign a contract with them for the Pioneer Valley Estates Water Line Replacement project.**

Councilor Thiel asked if other Public Works issues related to Pioneer Valley Estates were pending. Mr. Olson replied that he was not aware of any and that the project would replace the last asbestos piping in the Coburg system.

Councilor Nelson said he did not believe the City should be responsible for repairs to the water system outside the City Limits. Mr. Olson replied that the Water Capital Project Fund had received a \$500,000 grant in the past, in part, because of a commitment to upgrade the elements of the system serving Pioneer Valley Estates.

**The motion was adopted, 5:1, with Councilor Nelson voting no.**

## **F. Finance**

Finance Director Craig Gibbons referred to an Agenda Item Summary providing a Wastewater System Update. He reviewed information it contained about the Septic Tank Effluent Pump (STEP) and Membrane Bio Reactors (MBR) treatment elements. He noted that the option had been renamed the "Water Reclamation" option. He explained that an amendment to the contract with the Kennedy-Jinks engineering firm authorizing design work would not be recommended until a letter from DEQ was in hand confirming its support of the system that had been verbally expressed by its representatives in an earlier meeting. He said the Council would likely be asked to authorize the action at its March meeting.

Councilors discussed the report.

Mr. Gibons referred to an Agenda Item Summary regarding purchase of water line easements. He reviewed information it contained.

***Councilor Judd moved, seconded by Councilor Pech, to authorize the purchase of the water line easement from Cheryl and Troy Brost as presented in the December 14, 2006, recommendation from Right of Way Associates. The motion was adopted, 5:1, with Councilor Nelson voting no.***

Mr. Gibons referred to an Agenda Item Summary providing a Finance Department Update. He expanded on information it contained regarding staff involvements, the need to prepare for a review of City water rates, and consideration of a significant increase in the premium for the City employee health insurance plan.

Mr. Gibons referred to an Agenda Item Summary regarding fund structure revision. He reviewed previous Council discussion of the complexity in the current system and described a proposal for its simplification in the Summary. He said he recommended adoption of proposed Ordinance A-205 attached.

Councilors discussed aspects of the Ordinance – continuation of the ability to track specified revenue and expenditures in the General Fund, impacts of consolidating or separating Drug Abuse Resistance Education (DARE) resources, and the effects of the recommendation on the Budget planning process.

***Councilor Pech moved, seconded by Councilor Thiel, to approve Ordinance A-205, AN ORDINANCE CONCERNING THE CONSOLIDATION OF CERTAIN CITY OF COBURG FUNDS AND THE ESTABLISHMENT OF NEW FUNDS WITH THE PURPOSE OF SIMPLIFYING THE CITY'S ACCOUNTING FUND STRUCTURE AND REPEALING CONFLICTING ORDINANCES. The motion was adopted unanimously, 6:0.***

Mr. Gibons referred to an Agenda Item Summary entitled “January 31, 2007, Financial Reports” and distributed an Account Statement of the Corporate Credit Card used by the City. He highlighted information they contained.

Mr. Gibons referred to an Agenda Item Summary regarding expenditure reductions and reviewed information it contained about projected City expenditures being \$80,000 over anticipated revenue. He explained the bases of the problem in terms of unbudgeted expenses, inaccurate budget projections, and revenue shortfalls.

Mr. Schuessler reviewed information in the Summary about reduction possibilities. He described its recommendation to eliminate staff positions in the Municipal Court and the angst it created. He explained the reasoning for proposing an interfund loan of \$75,000 from the Water Reserve Fund to the General Fund.

Councilor Judd said he was concerned that not all of the pertinent information regarding the proposed staff reductions was available. He said an example was that revenue produced by the Probation Officer would be lost, in addition to the expenditure savings. He said the position produced more revenue than it cost and that it enforced community service sentences which was a benefit not considered. He said the expenses of laying off employees were also not accounted for in the proposal. He suggested that the Council would benefit from input from the Judge of the Municipal Court. He said he believed the shortfall should be considered in the context of the Budget planning process.

Councilor Sunia asked if increasing revenue received from City franchise fees discussed at the Council retreat could affect the projected deficit. Councilor Nelson replied that his discussions with relevant persons suggested that no changes were possible before the next fiscal year.

Councilor Sunia asked if an immediate decision about the recommended actions was required. Mr. Gibons replied that the alternative option to borrow needed funds to cover the shortfall had not been recommended because it would only postpone dealing with the basic problem of the City living beyond its means.

Councilor Sunia asked if it would be possible to make a decision about the recommended actions in March when additional information could be available. Mr. Gibons replied that doing so would postpone providing lay-off notices to staff and reduce resultant saving. He said the Council had been struggling with the issues involved since July 2006 and that the time had arrived to make a decision.

Councilors discussed municipal services provided by Coburg in comparison to neighboring communities of similar size.

Jeb Reay, Post Office Box 7427, Eugene, requested permission to speak. He said he believed the recommended termination of a position that produced more revenue than it cost was unwise.

Councilor Pech said he believed it would be important to “draw a line” and stop spending more than what is available.

Councilor Watson said he did not fully understand the ramifications of questions raised about eliminating the position of Probation Officer in the Municipal Court. He asked if information about the funds generated by the position was available. Mr. Gibons replied that he had no data to verify the revenue contention.

Mayor Volta stated that the Municipal Court had generated significant income for the City in the last five years. She said the Council had been seeking data to evaluate whether court revenue exceeded its expense. She said she was not comfortable having the City rely on court revenue. She said the Coburg Municipal Court operations were significantly larger than other cities of similar size.

Cherie Nelson stated that she was the Coburg Municipal Court Probation Officer. She said that when Coburg cases were referred to the Circuit Court, there often was no prosecution because of its dwindling resources. She said the Probation Officer was responsible for enforcing penalties imposed by the Municipal Court. She said eliminating the position would reduce the likelihood of fines being paid and community service sentences being carried out.

Councilor Judd asked for an explanation of why it was recommended to eliminate Municipal Court positions and to borrow \$75,000 from the Water Reserve Fund when the anticipated budget shortfall was estimated to be \$80,000. Mr. Gibons replied that borrowing was needed to provide a hedge, in case revenue anticipated in May and June did not meet budgeted expectations. He said borrowed funds would be repaid to the Water Reserve Fund, if it were not used. He said it was most important for the City to do something “to live within its means.”

***Councilor Watson moved, seconded by Councilor Pech, to direct the City Administrator to issue layoff notices to staff in the Court Administrator and Probation Officer positions; to prepare an appropriate interfund loan ordinance; and to prepare a Supplemental Budget implementing the recommendations in the in the February 13, 2007, staff memorandum.***

Councilor Thiel stated that would reluctantly vote for the motion, but that it was important that its passage not be interpreted as dissatisfaction with the work performance of any staff.

***The motion was adopted, 4:2, with Councilors Judd and Sunia voting no.***

Mayor Volta expressed appreciation to staff for its efforts in preparing for the difficult-to-make decision.

## **VII. COMMENTS FROM COUNCIL**

None.

## **VIII. APPROVAL AGENDA**

Mayor Volta noted that the Approval Agenda included acceptance of the minutes of the January 9 and 13, 2007, Council meetings; acceptance of the report of Invoices Paid; and approval of Invoices to be Paid dated February 12 and February 13, 2007.

***Councilor Nelson moved, seconded by Councilor Pech, to adopt the Approval Agenda.***

Councilor Nelson requested that Sentence 1 in Paragraph 5 on Page 9 of the Minutes of the January 9 meeting be changed, as follows:

Councilor Nelson reported that in reaction to receiving notification from ~~Chamber~~ Charter Communications that it was raising its rates for cable service in Coburg, he had discussed with local management its willingness to discuss selling its franchise to another service provider.

Mayor Volta determined there was no objection and the Minutes were amended.

***The amended motion was adopted unanimously, 6:0***

## **X. FUTURE MEETINGS**

Mayor Volta announced that the Council Work Session on new revenue sources scheduled for February 27 was postponed. She noted that the Agenda list of future meetings also included Budget Committee meetings on March 6 and 20, and the regular Council session on March 13. She encouraged Councilors to participate in an educational forum on March 7 in Florence. She said it was designed to help elected officials better understand Oregon Budget Law requirements.

The meeting adjourned at 9:40 p.m.

ACCEPTANCE

Yes: \_\_\_\_\_

No: \_\_\_\_\_

Abstained: \_\_\_\_\_

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

Signed this 13th day of March 2007

\_\_\_\_\_  
Judith Volta, Mayor

Attest:

\_\_\_\_\_  
Donald Schuessler, City Recorder