



MINUTES

Coburg City Council

Regular Session

May 8, 2007 - 7:00 P.M.

Coburg Municipal Court

32694 East Pearl Street - Coburg

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

COUNCILORS ABSENT: None.

STAFF PRESENT: Don Schuessler, John Bosley, Sammy Egbert, Craig Gibons, Jack Harris, Karen Jefferis, Milo Mecham, Kelly O'Neill, Petra Schuetz

RECORDED BY: Dan Lindstrom

I. CALL TO ORDER

Mayor Judy Volta called the meeting of the Coburg City Council to order at 7:10 p.m.

Minutes Recorder Dan Lindstrom called the roll and stated that a quorum was present.

Councilors joined in the Pledge of Allegiance.

II. AGENDA CHANGES

City Administrator Don Schuessler requested that the Agenda be reordered to permit consideration of a Grant Writing report by City Intern Dave Stockdale as the first item under Department Reports. He noted that additional Invoices for Approval, and Planning Department material had been distributed at the beginning of the meeting. He said various other written material anticipated in the Agenda was not provided.

City Attorney Milo Mecham requested that the Mayor add to her comments a report of a meeting held in Salem earlier in the day.

Mr. Mecham asked to be allowed to raise questions about developing a construction excise tax as part of the City Administrator report.

Mayor Volta said she had asked the Chairperson of the Budget Committee Jerry Behney to report on its activities during her comments.

Mayor Volta determined there was no objection to the requests and the Agenda was changed.

III. COMMENTS FROM CITIZENS

Don Nelson, 91099 Austin Street, stated that he was concerned that providing water service to residents of Pioneer Valley Estates was inordinately costly, illegal, and continued an arrangement that homeowners living within the city limits were required to subsidize.

Mr. Nelson said he did not believe the City Council had authority to approve providing water outside the city limits when the arrangements were originally approved in 1953. He said, at the time, there were allegations that Councilors voting on the agreement had conflicts of interest. He reviewed relevant documents that showed the arrangement included retaining the right of the City to access the Pioneer Valley Estates system, establishing System Development Charges to pay for it that never took place, and a recent contract let by the City for its repair. He said the City had the right to impose differential water rates and requested that any budget action to reduce the deficit in the Water Fund by establishing new rates be postponed until the impact of setting a higher rate for Pioneer Valley Estates was determined.

Mr. Nelson said he was also concerned that no effort had been made to determine why the City water system produced 18 percent more water than was recorded used by meters. He suggested that a campaign to eliminate leaks and increase the rates of Pioneer Valley Estates customers would produce enough additional revenue for the City to forego a general water rate increase. He said a rate study completed in 1998 should be adequate for determining if any changes were needed.

Joe Morneau, 91430 Stallings Lane, stated that he was Chairperson of the Coburg Park and Tree Committee. He asked that consideration be given to authorizing the use of Tourism resources to purchase picnic tables for the City Park. He said there was a need for six to eight tables that would cost approximately \$350 each. He said the tables would be used by Coburg School students and the general public.

Councilors discussed the proposed project. Mayor Volta said she believed the Council would consider allocation of the needed funds when it acted on the Public Works budget.

Bill Judd, 32763 East Dixon, referred to a document publicizing the "Coburg Colossal Clutter Clean Out" sponsored by the Coburg Chamber of Commerce on May 19. He described the event and encouraged participation by Councilors and the public.

IV. MAYOR'S COMMENTS

Mr. Behney expressed appreciation to the Finance Director, City staff, and members of the Budget Committee for their work in preparing the 2007-08 Budget Proposal. He reviewed Committee meetings and its final recommendation. He said he hoped its work would result in more citizen involvement and was a good first step back to financial stability for the City.

Mayor Volta referred to Agenda support material regarding the resignation of Don Nelson from the City Council. Councilors discussed the resignation, expressing disappointment and appreciation for his service.

Councilor Michelle Sunia moved, seconded by Councilor Brian Pech, to accept the resignation of Councilor Nelson with appreciation for his year of service. The motion was adopted unanimously, 5:0.

Mayor Volta explained that Mr. Nelson had been appointed to fill the Council position previously held by Mr. Schuessler in May 2006 and that its term expired December 31, 2008. She said the vacancy would be officially posted with an invitation for citizens to apply for appointment to it. She determined there was agreement to set a deadline for applications to be received in time to make a decision about an appointment at the June 12 meeting. She encouraged recruitment of qualified applicants.

On the invitation of Mayor Volta, Mr. Mecham reported that he, Mayor Volta, and Mr. Gibbons had attended a “One-Stop Meeting” of funding agencies sponsored by the Oregon Economic and Community Development Department in Salem earlier that day. He said they had met with representatives of the sponsor, US Department of Agriculture Rural Utilities Agency, US Department of Commerce Economic Development Administration, Oregon Department of Environmental Quality, and the Governor’s Office.

Mr. Mecham said contacts made during recent United Front efforts had paved the way for the positive reception given to requests for funding of the Coburg Wastewater Reclamation system project. He said they had received assurance that over \$5 million in grants and at least \$3 million in low interest loans would be provided. Mayor Volta added that a check had not been received, but a promissory note was in hand.

Mayor Volta asked the Council to approve her request to provide funding for three \$50 US Saving Bonds to be used as prizes in a “Day as Mayor” contest for Coburg middle and high school students. She explained that encouragement to sponsor such a contest had been given by the Oregon League of Cities.

Mr. Gibbons stated that there was no budget line for such an expense. Mr. Mecham replied that since the proposal would benefit Coburg citizens, use of funds designated as contingency could be legitimately used.

Councilor Pech moved, seconded by Councilor Sunia, to authorize the purchase of three \$50 US Savings Bonds to be used as prizes in a “Day as Mayor” contest for Coburg students in middle and high school. The motion was adopted unanimously, 5:0.

V. DEPARTMENT REPORTS

A. Grant Writing

Mr. Stockdale referred to Agenda support material regarding grant-writing opportunities. He reviewed information it contained about a US Department of the Interior National Park Service grant that could be used to acquire park land. He explained that Coburg met all of its qualification requirements and suggested that it could be used to acquire property between the City Hall and Park, which had potential to be used for an extension of City Hall, if a community recreation center or other type of park facility were also constructed.

Mr. Stockdale reviewed opportunities for other federal grants that could be used in the creation of community facilities.

Councilors discussed using grant funding to develop City facilities – the possibility of identifying employees at local manufacturing facilities and senior citizens to increase the Coburg eligibility, various opportunities for facility enhancements, concerns about required matching funds, and establishing priorities for development through the City Park Plan.

Councilor Judd moved, seconded by Councilor Pech, to request that the Coburg Park and Tree Committee study information regarding grant-funded opportunities to enhance and expand City facilities and make recommendations for further action. The motion was adopted unanimously, 5:0.

B. Planning

Mayor Volta opened the second Public Hearing on PA-01-07, a City-initiated request to amend the Coburg Zoning Code by adding Article X, Administration and Enforcement, and Article X.1, Master Planned Developments. She noted that the first Public Hearing had been held at the April 10 Council meeting. She explained that the amendment would be implemented through adoption of Ordinance A-200A. She read the proposed ordinance by title.

Mayor Volta determined that neither she nor any Councilor had a conflict of interest regarding the proposed ordinance. She reviewed the criteria, procedures, and appeal processes for public hearings.

Coburg Planner Petra Schuetz referred to her Staff Report regarding Ordinance A-200 and reviewed the purpose of the request and its background. She referred to the Ordinance and Exhibits A and B attached to the Agenda. She noted that staff recommended approval of the proposed ordinance.

Mayor Volta determined that there was no one present wishing to present testimony in support or opposition to the proposed ordinance and closed the Public Hearing.

Councilors asked clarifying questions about the impact of commercial or private open space on public open space requirements and about other specific pending development projects. Councilor Watson commended staff and Planning Commission for their timely development and processing of the proposed amendment.

Councilor Thiel moved, seconded by Councilor Watson, to approve Ordinance A-200A, AN ORDINANCE AMENDING THE COBURG ZONING CODE ORDINANCE ARTICLE X: ADMINISTRATION AND ENFORCEMENT; AND ADDING ARTICLE X.1: MASTER PLANNED DEVELOPMENTS, in substantial similar form to what was presented, but with draft, cross references, and editorial comments removed. The motion was adopted unanimously, 5:0.

C. Police

Mayor Volta noted that a written Police Department report had been received.

D. Public Works

Public Works Lead Utility Worker Jack Harris reported that a recent analysis had been conducted of how long chlorine remained in Coburg drinking water after it was introduced. He said the State-mandated test had shown the City to be within established parameters. He said the final report would be provided to the Council. He said testing for bacteria would be conducted monthly at both City wells for one year and if current low levels were maintained, a special certification would be awarded.

Mr. Harris said the annual Water Quality Report to users would be sent with the next water bills.

Mr. Harris reported that repairs to the water line to Coburg Pioneer Estates had been completed at a cost of approximately \$6,000.

Mr. Harris reported that a representative of the State Forest Service was conducting a survey of Coburg park and street trees at no cost to the City. He said it appeared that approximately one-third of those for which the City was responsible would require repair and/or trimming.

Mr. Harris reported that approximately 100 trees had been planted with the help of Coburg school children in observance of Arbor Day 2007, maintaining the City's designation as a Tree City USA.

Mr. Harris said he would be speaking with the Finance Director about the availability of appropriate funds to repair the roof on the park restroom. He said six animal waste disposal stations had been installed in various locations.

Mr. Harris said he supported the request of the Park and Tree Committee to purchase park tables. He estimated that cost of the purchase to be closer to \$250 for each table, plus the cost of their installation.

Councilor Pech moved, seconded by Councilor Sunia to authorize the City Administrator to spend up to \$2,500 of appropriately designated funds to purchase picnic tables for the City park. The motion was adopted unanimously, 5:0.

E. City Administrator/Recorder

Mr. Schuessler reported that remodeling of City Hall in preparation for the return of the Municipal Court and meeting facilities had begun. He said it had been determined that the project would be significantly less expensive than had originally been estimated because of the use of movable room dividers purchased from State surplus instead of permanent walls. He said the use of volunteer labor and donated equipment would likely allow the project to be completed for less than \$5,000.

Mr. Schuessler referred to Agenda support material regarding the City personnel policy that allowed non-exempt employees to accrue comp time in lieu of overtime. He reviewed information it contained about limitations placed on the total number of hours allowed to be accrued and his recommendation to increase the limit from 40 to 120 hours.

Councilors discussed the purpose and implementation of the recommendation.

Councilor Thiel moved, seconded by Councilor Watson, effective immediately, to amend the Coburg Personnel Manual by increasing the total number of comp time hours a non-exempt employee could accrue to 120 hours.

Councilors discussed the effects of adopting the motion.

Councilor Watson moved, seconded by Councilor Pech, to amend the motion to reduce the proposed increase to 80 hours.

Mayor Volta determined that Councilors Thiel and Watson were willing to accept the proposed change and their motion was amended.

The motion was adopted unanimously, as amended, 5:0.

Councilor Sunia described the possibility offered by the newly acquired City employee health insurance policy of allowing individuals to request not to be provided coverage, if they are already included in coverage provided by the employer of a spouse. She said at least one employee had expressed interest in such an option.

Councilor Sunia said eliminating the cost of insurance for an employee who accepted the option raised for her the question of whether the Council should consider paying the resulting policy premium savings to the employee to maintain equality in staff benefits.

Councilors discussed the possibility.

Mayor Volta determined there was consensus to request further information regarding employees opting out of the City health insurance coverage and make a decision about it at the next Regular Meeting.

Mr. Schuessler referred to Agenda support material regarding changes to the City Engineering contract. He explained that the contract with Branch Engineering to provide City Engineer services and water system upgrade engineering services had expired. He said Branch no longer had the necessary staff expertise to provide water system upgrade engineering. He reviewed options for acquiring the necessary services:

1. Continue using Branch for City Engineer services.
2. Conduct an emergency recruitment for replacement engineering firm(s).
3. Do a formal Request for Proposals (RFP) process.
4. Establish a contract with another public agency to provide engineering services.
5. Hire a City Engineer as an employee.

In response to questions from Councilors, Mr. Schuessler explained that when the water system upgrade contract had been established, it had been for a specific period, regardless of whether the project had been completed. He said it would be possible to establish a single new contract for both services or continue to have separate contracts. He said neither option appeared to be more fiscally prudent.

Mr. Gibons explained that much engineering work still needed to be done on the water system upgrade project and that it would be important to acquire the services as soon as possible. He said that additional payments would be made to Branch Engineering for services already rendered. He said an RFP process would likely take 60

days and that lending officers overseeing the loans for the upgrade project had been informed and had agreed to the potential delay.

Councilor Pech moved, seconded by Councilor Judd, to authorize the City Administrator to establish a contract with Branch Engineering to finish un-completed City Engineering projects; and to begin a Request for Proposals process to provide City Engineering Services and Water System Upgrade Engineering Services, either together or separately. The motion was adopted unanimously, 5:0.

Mr. Schuessler referred to a draft document entitled City of Coburg Organizational Chart. He explained that having such an established structure would be helpful and that he was seeking feedback regarding it.

Mayor Volta said that she believed it was important to identify that Coburg Citizens were in a higher place than the City Council and Mayor on the draft chart.

Councilor Judd said he believed the chart erroneously implied that the City Engineer supervised the Public Works Department and its employees. Mr. Schuessler replied that the City Engineer technically had the final say on Public Works issues.

Councilor Sunia suggested that the chart identify that the work of all contract employees was supervised by the City Administrator.

Mayor Volta suggested that a way be devised for the chart to show the difference between contractors and employees.

Mr. Schuessler asked the Council to establish deadlines for the submission of applications for appointment to fill City Council and Planning Commission vacancies.

Mayor Volta determined there was consensus to set June 7 as the deadline for receiving applications for appointment to the City Council and that the Council fill the vacant position at its June 12 meeting.

Mayor Volta determined there was consensus to set May 30 as the deadline for receiving applications for appointment to the Planning Commission, allowing the Commission to review the applications at its June 6 meeting and make a recommendation to the Council for action at its June 12 meeting.

Mr. Mecham reported that he was researching the Construction Excise Tax as a potential new revenue source for Coburg. He said other Oregon municipalities had established such a tax that it was normally dedicated for a specific purpose.

Mr. Mecham explained that the 2007 Oregon Legislative Session was currently considering legislation that would prohibit establishing a construction excise tax unless it was already in place, or had held a Public Hearing about having one before June 1. He said he would be able to draft an ordinance establishing the tax in time for a Public Hearing to be held about it at the Special Council Meeting scheduled for May 29. He said a decision about establishing the tax could be made later.

Mayor Volta determined there was consensus to accept the suggestion of Mr. Mecham regarding holding a Public Hearing about establishing a construction excise tax on May 29.

F. Finance

Mr. Gibons referred to the April Financial Reports and reviewed highlights of their contents. He explained that a Supplemental Budget proposal would be needed to enable continued funding of services nearing the cap on their budgeted expenditures.

Councilors discussed specific items included in the Reports.

Mr. Gibons referred to Agenda support material regarding a three-day City Accountant training class on government accounting presented in Salem by the Oregon State Fiscal Association. He emphasized the importance and value of such training and recommended that the Council authorize sending the Coburg accountant to it.

Councilor Sunia moved, seconded by Councilor Watson, to authorize the City Administrator to send Karen Jefferis to the May 22-24 Government Accounting Seminar at a cost to not exceed the estimate provided.

Councilor Watson asked and received assurance that resources were available in the budget to pay for the seminar.

The motion was adopted unanimously, 5:0.

Mr. Gibons referred to Agenda support material regarding authorizing the City Attorney to research 1963 and 1995 agreements between Coburg and Pioneer Valley Estates (PVC) about the City maintaining and operating water service for the development. He explained that was possible that the agreement not to charge PVC residents a different rate than residents inside the City limits did not apply to the current situation. He said the request of the Attorney would likely result in his services exceeding the average bill for the next month and needed the approval of the Council. He said the cost the investigation could legitimately be paid from the Water Fund.

Councilors discussed the proposal.

Councilor Pech moved, seconded by Councilor Thiel, to authorize the City Administrator to direct the City Attorney to investigate the potential for clarifying the City's obligations under the 1963 Conveyance Agreement and the 1995 Settlement Agreement between the City and Pioneer Valley Estates. The motion was adopted unanimously, 5:0.

Mr. Gibons referred to Agenda support material providing a Wastewater System project update. He reviewed information it contained about wetlands delineation, preliminary design and facilities planning, water samples, and financing.

Mr. Gibons referred to Agenda support material regarding a proposed contract for a Wetlands Plan. He reviewed information it contained about the purpose and components of developing a Coburg Wetlands Concept Plan required for completion of the Wastewater Reclamation system project. He explained that Lane Council of Governments had staff expertise to develop such a plan and had proposed an intergovernmental agreement for it at a cost of \$11,080. He said the expense was a legitimate sewer system disbursement and could be paid by Urban Renewal Agency funds.

Councilors discussed the proposal.

Mayor Volta determined there was agreement to postpone action on the proposal until the next Regular meeting of the Council when Mr. Mecham would provide additional information.

Mr. Gibons referred to Agenda support material regarding arbitrage analysis of loans obtained for upgrading the water system. He reviewed information it contained, noted that the City was required to perform the analysis every three years and that it had last been conducted in 2002, and explained that his research uncovered one Oregon firm familiar the state agency and bond/loan program used by Coburg. He said the cost of the work would be paid for with loan proceeds.

Councilor Pech moved, seconded by Councilor Watson, to authorize the City Administrator to enter into a contract with Bond Logistix to perform an arbitrage compliance study as required by the lending agency for the water system improvement loans, with a cost not to exceed \$6,000. The motion was adopted unanimously, 5:0.

Mr. Gibons referred to Agenda support material regarding accounts payable report format. He noted that reports automatically generated by the accounting software used by the City would eliminate one and a half hours of tedious reformatting and condensing work by the accountant.

Councilors discussed the proposed report format.

Councilor Pech moved, seconded by Councilor Watson to approve the use of automatically generated reports of accounts payable. The motion was adopted unanimously, 5:0.

VI. COMMENTS FROM COUNCIL

Councilor Judd asked that the City Council receive copies of the minutes of meetings of the Park and Tree Committee.

VII. APPROVAL AGENDA

Mayor Volta noted that the Approval Agenda included acceptance of the minutes of the April 10 Council meeting, receiving the report of bills paid, and approval of bills submitted for approval.

Mayor Volta requested that Sentence 1 in Paragraph 9 on Page 4 of the minutes be changed, as follows:

Mr. Schuessler referred to an architectural drawing of potential City Hall remodeling ***professionally*** prepared ~~gratis~~ ***for \$73*** by retiring Planning Commission member Pat Greenwell.

Mayor Volta determined that there was no objection to her request and the minutes were amended.

Councilor Thiel moved, seconded by Councilor Pech, to approve the Approval Agenda. The motion was adopted unanimously, 4:0:1, with Councilor Sunia ab-

staining from voting to accept the minutes because she had been absent from the meeting.

Mayor Volta announced that a Special Meeting of the City Council would likely be called for May 29.

The meeting adjourned at 9:30 p.m.

ACCEPTANCE

Yes: _____

No: _____

Abstained: _____

Passed: _____ Rejected: _____

Signed this 12th day of June, 2007

Judith A. Volta, Mayor

Attest:

Sammy L. Egbert, Assistant City Recorder