



**Coburg City Council**  
Regular Session  
October 11, 2016 – 7 P.M.  
Coburg City Hall  
91136 North Willamette St., Coburg

**COUNCILORS PRESENT:** Ray Smith, Mayor; Jerry Behney, Patti Gianone, Patrick Kocurek, Chris Page, Steve Stearns, Councilors.

**COUNCILORS ABSENT:** Sharyl Abbaspour.

**STAFF PRESENT:** Anne Heath, Finance Director; Sammy Egbert, City Recorder; Milo Mecham, City Attorney; Petra Schuetz, City Administrator.

**GUESTS PRESENT:** Brian Harmon, New Public Works Director; Phillip M. Williams, New Coburg Municipal Presiding Judge; Larry Larson, Police Chief.

**RECORDED BY:** Hannah Parks, LCOG

**1. CALL TO ORDER:**

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

**2. PLEDGE OF ALLEGIANCE:**

Council conducted the Pledge of Allegiance.

**3. ROLL CALL FOR QUORUM:**

Petra Schuetz called the roll.

**4. MAYOR COMMENTS:**

Mayor Smith stated he looked forward to the communications work session on the 25<sup>th</sup> of the month. He asserted the importance of the communications work session for the committees and counselors. He described the work session as a discussion on the committees' job descriptions and to obtain clarity on their vision and goals. He further commented that that he envisioned the meeting to encourage focus and efficiency with specific goals for both the committees and counselors.

**5. AGENDA REVIEW:**

Ms. Schuetz stated there were two items in the red folder for the Agenda Review. First item was that the potential Judge temp was present; she recommended that be part of the agenda.

Secondly, noted that a correction was needed for the resolution number on Tab 5. The correction was to change Resolution 2016-15 to Resolution 2016-18 A RESOLUTION ADOPTING THE AMENDMENT #2 TO SEWER LOAN #R23044 THEREBY ACCEPTING DEPARTMENT OF ENVIRONMENTAL QUALITY PRINCIPAL FORGIVENESS.

Mayor Smith placed judge appointment at the top of the agenda.

## 6. CONSENT AGENDA

**Minutes September 13, 2016 City Council: Tab 1**

*Councilor Gianone moved, seconded by Councilor Page, to approve the September 13, 2016 minutes. The motion carried unanimously, 5:0.*

## 7. CITIZEN'S TESTIMONY:

Ms. Schuetz declared there was none.

## 8. DEPARTMENT ACTIONS & UPDATES

Sammy Egbert introduced Phillip M Williams, stating that Mayor Smith interviewed Mr. Williams and that Mayor Smith recommended that the City Council appoint him as Coburg Municipal Court Presiding Judge consistent with the City Charter

Mayor Smith said he took input from the Court Clerk, the Police Chief, and the Prosecuting Attorney, with all giving their recommendations for Phillip M. Williams. He added that Mr. Williams' schedule works well with the City. He reiterates his recommendation for appointing him.

*Councilor Stearns moved, seconded by Councilor Behney, to elect Phillip M. Williams as Coburg Municipal Presiding Judge. The motion carried unanimously, 5:0.*

Mayor Smith declared Mr. Williams as Judge and congratulates him.

Mr. Mecham swore Mr. Williams in.

- **City Administration Introduction of New Public Works Director:**

Petra Schuetz introduced Brian Harmon, the New Public Works Director. She stated that he was qualified for the position and that he began his work the previous week.

Brian Harmon introduced himself.

Councilor Behney asks about Mr. Harmon's plans for the Treatment Plant.

Mr. Harmon confirmed that he will continue working with the Treatment Plant, that he will train the crew under his certification.

Harmon replied that he had enjoyed working for small communities and looks forward to the work.

Mayor Smith thanked and congratulated Mr. Harmon.

Councilor Gianone asked if the City still needed to hire another person.

Petra Schuetz confirmed that one more person would be hired, and the position would be redefined this fiscal year.

Councilor Kocurek requested for clarification on the email sent out as to whether it was about the new hire for Public Works.

Ms. Schuetz confirmed the email was not for that position, but was for the Part-Time Parks Maintenance and Facilities position that City Council approved for this fiscal year. She said the hiring process was complete with the hiring of Jason Crume, who has experience in maintenance and infrastructure.

Mayor Smith asked if the computer that measures the water meters would still function through the fiscal year.

Harmon stated that it would last through the fiscal year. He added that the handheld unit is outdated and no longer in production, so that if the unit does receive any damages or if an accident happens, an upgrade would be necessary.

Mayor Smith asked if there was a plan for replacement.

Harmon replied that he hoped to have a plan laid out by spring.

- **City Administration Monthly Update Tab 2:**

Ms. Schuetz reminded the Council of the work session occurring on October 25, of the November elections, and of the participation in the Oregon Shake-Out Drill, the State-wide Earthquake preparation drill. She stated that City Hall would be closed for 20 minutes at the designated time which is October 20, at 10:20. She said that City Hall must discuss responsibilities of staff and where the potential meeting place would be to discuss public safety. She further stated that the Fire District would be joining to discuss what their responsibilities would be in the community-wide event. She stated that Coburg would be on their own for a very long time in the case of an earthquake. She said they would continue working on the City's emergency planning and the outreach to the community this upcoming year.

Councilor Gianone requested clarification on what it would mean for "Coburg to be on its own for a very long time".

Ms. Schuetz clarified that in the case of a major earthquake, the modeling suggests liquefaction and that many of the structures would collapse which would result in not having access to emergency services. In the worst-case scenario the Williams pipeline that runs a few feet from the fire station would lead to vulnerability to the fire station. She further stated that in the worst-case scenario the entire valley would be at risk and could include damages such as the collapse of bridges, landslide issues, and inaccessibility to ambulances. She recommended that the city needs to do a better job at informing the public to not panic, but that they must be prepared to be on their own for some time and to keep stores of food. She stated that she thought the workshop was beneficial, although lightly attended. She communicated hope that they would hold another workshop sometime later this fiscal year.

Mayor Smith shared that he had participated in the Regional Multi-State Drill as one of the Event Coordinators, and that in one of the scenarios, transportation came up as a main issue.

Councilor Gianone asked what the city's job was beyond giving citizens information.

Mayor Smith answered that life safety, portable water, shelter, and the coordination of the community's existing resources during such a period of isolation would be the City's primary concerns.

Council Gianone asked for an example of a resource the community has.

Mayor Smith replied that if the fire station remained intact, the community would have several fire engines and EMTs. He listed the facilities at Public Works for the cleaning and repairing of roads, and on isolating water that the city has in case water lines are broken. He also listed generators for light and heat.

Ms. Schuetz added that the city received a Homeland Security Grant to create a reusable space heater for the assembly room and a hybrid generator for the Coburg City Hall building which would supply three days worth of power.

Councilor Stearns added that Newport was moving their Operation Center to higher ground since they are in a tsunami zone, which would be part of the same earthquake that would potentially affect Coburg. Mr. Stearns said he attended a training day with Newport staff, and in many of the scenarios included landslides and liquefaction which would lead to blocked roadways and changing courses of rivers.

Mayor Smith added that the Red Cross has many resources online to help with creating a survival kit.

- **Planning: Tab 2.5**

Ms. Schuetz stated that the Community Visioning is a standing update and that is a written recourse meaning that it is information only. She commented that it went through successful negotiations and that she had her final comments for the contract and is just waiting to hear back from the consultants. She said that that it would be complete in a week.

Councilor Behney asked for the status of UGB appeal process.

Ms. Schuetz responded that Attorney Milo Mecham would be defending it tomorrow.

Mr. Mecham confirmed that the final step in the process was to present it to the Court of Appeals tomorrow at 1:30 in Salem. He explained that under the law, the court has 90 days to issue a decision, so a response should be expected in 92 days. If the Court decided to affirm without an opinion, that should only take a day or two.

Councilor Page asked who was on the panel.

Mr. Mecham responded that Devour was presiding.

- **Finance – Financial Monthly Update: Tab 3**

Finance Director Anne Heath commented that the Financial Update was for the months of July and August. She reminded the council that many of the debt payments are due in August, many of which are substantial payments that were made. She noted that when looking at percentages to keep in mind that

issues come up and the percentages could skew because it is the budget for the whole year. She gave an example of the police contract for dispatch which is paid on the quarter occurs throughout the year. She noted that there was not any significant things to point out, and added that expenses are currently below budget, but that there are still some large items that they have not gotten to yet. She concluded that the audit is complete; however, the city URA audit is not done.

Councilor Gianone asked for clarification on what the URA is.

Ms. Heath responded that it is the Urban Renewal Agency, and that she manages the finances for the URA and that the council is the Board of Directors for the URA.

Councilor Gianone asked about the replacement of the committee member who left the Finance Committee.

Mayor Smith said he asked the Finance Committee to make recommendations, and he would make the final appointment.

Ms. Heath responded that the Finance Committee had put forward a few suggestions, but that she wanted confirmation from Mayor Smith since it is also part of the Mayor Committee. She concluded that now that she has Mayor Smith's direction, that the Finance Committee would bring some recommended names forward.

Council Behney took a moment to commend Finance Director Anne Heath for her work over the years.

**Audit Report through June 30, 2015 to Council : Tab 4**

**Financial Monthly Update: Tab 5**

Ms. Heath said that the city was contacted in September and was offered some debt relief for the sewer loan #R23044 in the amount of \$666,687.00. She said that the council must make a decision on how the money is to be used. She listed two options, either to continue to make the payments as is, with the current amortization schedule, or ask for an updated amortization schedule that spreads the payments out with the reduction. She recommended the second option. She also noted the figures in the second graph in Attachment B, pointing out that between the years of 2021-2025 the amount of money that they have and the amount they need to pay would still be tight. She said in comparison, if they were to spread the payments out with the reduced payment, which she cited in the third graph, they would be allowing themselves a cushion.

Councilor Kocurek asked what the interest rates would be under the new payment schedule.

Ms. Heath responded that she had not done the calculations for that, but had calculated the overall savings. Ms. Heath commented that although they would save on the interest, they would still have the problem of payments being tight between the years of 2020-2025 which would cause a rise in sewer bills.

Mayor Smith stated that he liked Ms. Heath's proposal, saying he preferred paying more upfront and having more breathing room later.

Councilor Page asked if the third graph assumed the sewer rate increasing.

Ms. Heath responded that the graph still assumes that city will continue to increase the rate.

Councilor Gianone asked for a clarification on Councilor Page's question on the sewer rate increase.

Ms. Heath provided that there is a \$4/a year increase in the 20-year projection model. She clarified that in the third graph it is assumed that this would not change. Because of the projected cushion room it would allow the council to have the discussion earlier than they would have been able to.

Councilor Gianone shared that she would like to prepare citizens for the increasing rates.

Mayor Smith commented that in 2016 the rate was increased \$5.10/a year. This is assuming that the council would have to review the costs each year.

Councilor Gianone questioned how citizens are supposed to know about the sewer rate increase.

Mayor Smith replied that there was a public hearing with all information disclosed.

Councilor Page further explained that the annual review would make an estimate check in the hopes that there would be city reserves so that the rates could be decreased.

Mayor Smith expounded that the situation is dynamic and that there were still many issues not taken into consideration. He said he believed that they were conservative when putting the numbers together, listing that other expenses may come up such as equipment replacement, which gives another reason for the annual review.

Councilor Gianone asked where the debt forgiveness sum came from.

Ms. Heath explained there was money for debt forgiveness for different communities. One community failed in their project, so the money that would have been given to the initial community was redistributed to other communities and that Coburg was one of the communities chosen.

Ms. Heath reminded the council of the items that impacts the 20-year analysis which was city development and annual debt-service contribution from the URA. She further stated that if the URA successfully collects taxes than it would be better for the sewer. Debt payments weigh in for the expenses of running the sewer and collecting the sewer fees. All these items impact and are part of the annual review.

Mayor Smith added that it may allow ease to discuss it a few years down the road, but not for this fiscal review. He further reminded the council that they had to wait to see the results from the URA.

***Councilor Behney moved, seconded by Councilor Gianone, to accept Resolution 2016-18 A RESOLUTION ADOPTING THE AMENDMENT #2 TO SEWER LOAN #R23044 THEREBY ACCEPTING DEPARTMENT OF ENVIRONMENTAL QUALITY PRINCIPAL FORGIVENESS. The motion carried unanimously, 5:0.***

## **9. Upcoming Agenda Items Budget Committee Appointments**

Councilor Kocurek cited the article in the newspaper about the PERS, and asked if the information on the impact to the city would be available to the council.

Ms. Schuetz responded that Ms. Heath had done some preliminary work on it, and that there was an expected increase of \$24,000 next year which is a 4% increase from the current number.

Councilor Behney shared his appreciation for the chamber and their work over the summer, considering the concert in the park to be a great success with more people in attendance than he had ever seen. He continued by congratulating all staff and volunteers who worked on the summer projects.

Councilor Page asked about the fuel tax being on a fact sheet.

Ms. Schuetz responded that she had the information on a more simplified fact sheet.

Mayor Smith adjourned the Regular Session at 7:54pm.

**APPROVED** by the Council President and Council of the City of Coburg this 8th day of November, 2016.

  
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Council President, Sharyl Abbaspour

ATTEST:

  
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Sammy L. Egbert, City Recorder