

**MINUTES**  
Coburg City Council  
91136 North Willamette Street—Coburg, Oregon

November 12, 2014  
7:00 p.m.

COUNCILORS PRESENT: Jae Pudewell, Mayor; Sharyl Abbasapour, Jerry Behney, Jeffrey Kaliner, Donald Nelson, Ray Smith

COUNCILORS ABSENT: Brian Pech

STAFF PRESENT: Petra Schuetz, Anne Heath, Milo Mecham, Sammy Egbert, Bob Butler

RECORDED BY: Janis McDonald

**I. CALL THE CITY COUNCIL MEETING TO ORDER**

Mayor Jae Pudewell called the meeting of the Coburg City Council to order at 7:01 p.m.

**2. PLEDGE OF ALLEGIANCE**

Mr. Pudewell led the Pledge of Allegiance.

**3. ROLL CALL**

Minutes Recorder Janis McDonald called the roll; a quorum was present.

**4. CITIZEN TESTIMONY**

**5. RESPONSE BY CITY COUNCIL**

**6. COUNCIL AGENDA REVIEW**

Ms. Schuetz noted that Department of Environmental Quality (DEQ) Interim Loan Amendment was added to the Agenda and Lane County Election results were available.

Mr. Kaliner arrived at 7:04.

**7. MAYOR COMMENTS**

Mayor Pudewell noted that the Thanksgiving holiday was this month and was an opportunity to give thanks, reach out to family and friends, and be grateful for everything we are fortunate to have.

**8. DEPARTMENT ACTIONS & UPDATES**

- **City Administration**

City Administration Monthly Update (September & October)

Ms. Schuetz referred to a Department Report: *City Administration Summary*, dated November 12, 2014. She asked the Council to consider what level of detail was wanted under Police Department reporting.

Mr. Pudewell expressed concern about Coburg Chamber of Commerce membership issues. A Chamber of Commerce was a vital and important part of overall business strength. He asked the Council to view this an opportunity to reassess what was best for the community. He asked the Council and community members to reach out to the business community and encourage potential community leaders to join the Chamber.

In response to Mr. Pudewell, Ms. Schuetz clarified that there were three subdivision pre-application meetings as shown under the Planning Department, in the areas of Christian Way, Van Duyn Street, and south of Serenity Lane.

Ms. Schuetz reported that, related to the proposed Urbanization Study, Urban Growth Boundary expansion, and transportation system planning, a meeting was held last week, discussions were very positive and not issues were identified. The Lane County Planning Commission had scheduled a public hearing on December 2 at the Lane County Public Works Department at 3050 N. Delta Hwy, and 1,000 Friends of Oregon were expected to testify. Mr. Pudewell encouraged Councilors to attend if possible.

In response to Mr. Pudewell, Ms. Schuetz said that there were areas of possible archeological significance or cultural value in Segment 3 of Coburg as identified in the Urbanization Study. She indicated that an archeologist would look at the area and future excavation would be observed by the State.

Mr. Nelson commented that there were issues with the printing of Council documents. He asked that issues covered by the lease and maintenance of the copier be taken care of.

Election Results

Ms. Egbert referred to a document distributed at the meeting, *Summary Report, Lane County, Oregon, General Election November 4, 2014, Results as of 5 p.m. November 12, 2014*. Official results would be available on November 24; all candidates will be notified and asked to indicate their intent to accept positions. The Mayor and Council members elected will take an Oath of Office on January 13, 2015.

Bike Friendly Business Program

Mr. Schuetz referred to a packet document entitled *Travel Oregon Bike Friendly Business Program*, dated November 12, 2014. As a free economic development project, the State's Travel Oregon program focused on helping businesses along Scenic Bikeways participate in Oregon's growing \$400 million per year bike tourism industry. The City submitted an application and received a welcome packet, which included a toolkit, stickers and window clings. Businesses will be encouraged to participate and benefit from free promotion and

advertising provided. Coburg and local businesses would also be eligible for small grants to fund secure bike parking and other projects.

Mr. Pudewell said Coburg experienced a high volume of visiting bikers because of the bikeway and bike races the area. He would like to see promotion efforts include the Chamber of Commerce.

- **Finance**

#### Financial Monthly Update

Ms. Heath referred to documents entitled Finance Department Monthly Report, dated November 12, 2014, Bank Statements as of September 30, 2014; a new spreadsheet entitled *General Fund Budget Performance Analysis As of September 30, 2014*; and *Resolution 2014-16 related to updated Procedures and Bylaws of the Finance/Audit Committee*.

In response to Mr. Pudewell, Ms. Heath noted that column titles on the colored pie chart for Expenses, *Year to Date Revenue and Expenses Summary* should be titled Expenses, not Revenue.

Referring to Attachment E, Budget Status Reports - General Ledger (page 34), Mr. Pudewell questioned why there was a negative beginning fund balance in the wastewater capital improvement project (CIP) fund under budgeted amount. Ms. Heath said she was aware of the negative beginning fund balance; the total budgeted revenue expense also included a beginning fund balance.

Referring to Attachment E, Budget Status Reports - General Ledger (page 42), Ms. Heath said the total fund revenue and budgeted amount was \$4.3 million. Mr. Pudewell questioned if the wastewater CIP fund would eventually equal \$4.3 million. Ms. Heath said there would be an ending fund balance equal to revenue, less construction costs. Payments to the Department of Environmental Quality and the US Department of Agriculture would be paid from the sewer debt fund. When construction was complete and all the bills were paid, funds remaining (except systems development charges) would be transferred to the debt service fund. She expected that process to be completed by the end of December 2014.

Mr. Nelson asked for clarification on a reference to payroll processing contracted to an outside vendor, other than Springbrook, beginning in July. He noted in the September Check Register, Springbrook continued to receive payments and the budgeted amount was \$8,000. Ms. Heath said Springbrook consisted of a number of modules. Initially, the complete Springbrook system was a purchase made over several years and included software support and maintenance. Use of the payroll module began in June and did not work for the City of Coburg, so it was discontinued. After further analysis, it was determined it was much less expensive to outsource the payroll function than to do it manually in-house. The City continued to use Springbrook modules for general ledger, cash receipts, accounts payable, utility billing, fixed assets, and special assessments, all of which worked well. A credit for the payroll module was requested. The outsourced payroll system allowed employees to load time information into a Cloud-based system. After Ms. Heath reviewed and authorized payment, and the process was completed in a

substantially reduced time. The sewer debt fund paid for local improvement district assessment (LID) processing as appeared in the Accounts Payable ledger.

In response to Mr. Nelson's question about other specific payments, Mr. Butler said after project completion, a second sewer line was discovered at a single residence. It had to be connected immediately. The least expensive way to connect it was through an outside contractor, in this case, Baxter Plumbing and Rooter. A repair under the existing contract required a change order and addendum to the drawings; the contract included an emergency clause that allowed the City to manage emergency situations through other contractors. The cost was charged to the sewer fund. A payment to Marshalls Heating Equipment & Sales was for repair of a broken water line, which was no longer under warranty. It had previously been repaired by the contractor, but was damaged and became disconnected.

In response to Mr. Nelson, Ms. Heath indicated that both payments to Emerald People's Utility were for pump station power and the account name would be corrected. She clarified that check marks indicated completion of those items recommended in the audit (Observations—Accounting, Budget, Finance Report).

Mr. Behney said he appreciated the "high points" and "areas of concern" included in the *Finance Department Monthly Report*. Ms. Heath explained that Fines and Bails under "high points" were those that went to collection in collaboration with collection agencies, of which 79% had been collected. As an incentive, the judge allowed people who pay one-third of their bail to retain their licenses; those that did not, lost their licenses. Fines and Bails under "areas of concern" were actual tickets written.

#### Wastewater LID Status

Ms. Heath referred to a document entitled *Wastewater LID Status Report*, dated November 12, 2014. Ms. Heath was happy to report that over \$2 million, or 51.49 percent of the \$3,866,539 levied assessment had been paid. Of the 500 properties in the LID, owners of 110 properties had not responded. Lien notices have been sent to delinquent owners. Most commercial property owners had responded; one large trust property owner had not responded. One commercial property was going into foreclosure and the attorney involved had been in contact. Since the report was written, 20 additional property assessments had been paid. She said some owners thought they had until December 1 to pay and had come in promptly when that was clarified.

Mr. Pudwell expressed the Council's appreciation to the community for its support. It had been a tough year and everyone was moving forward.

#### **RESOLUTION 2014-16: A RESOLUTION APPROVING THE UPDATED PROCEDURES AND BYLAWS OF THE FINANCE/AUDIT COMMITTEE**

Mr. Pudwell requested that a quarterly or semi-annual report be received from the Finance/Audit Committee. He said if the Committee had any concerns, he expected the Committee Chair to provide a report at the next possible Council meeting so the issue may be discussed.

Mr. Mecham suggested that additional wording be added to Article II (j) to that effect.

Ms. Schuetz emphasized that the Committee was not limited to reporting included in the Bylaws. Additional requests by the Council would be honored.

Mr. Nelson suggested that application for Committee membership allow nomination from all Council members.

Mr. Pudewell said that the application process would allow careful review of potential candidates by all Council members.

Mr. Behney emphasized how important the Committee members' role was. He thanked all Committee members for their contribution and said their continued commitment was vital to the City's future financial health.

**MOTION: Mr. Nelson moved, seconded by Mr. Smith, to amend Procedures and Bylaws of the Finance/Audit Committee, Resolution 2014-16, by adding the following sentence:**

**Article III, Section 1: Interested parties may submit an application for the Committee. The Mayor shall consider such applications.**

**The motion passed unanimously 5:0.**

**MOTION: Mr. Smith moved, seconded by Ms. Abbasapour, to amend Procedures and Bylaws of the Finance/Audit Committee, Resolution 2014-16, by adding the following sentence:**

**Article II, Section (j): ..... The Committee shall submit a written report to the Council semiannually at a minimum.**

**The motion passed unanimously 5:0.**

**MOTION: Mr. Smith moved, seconded by Mr. Nelson, to approve the Procedures and Bylaws of the Finance/Audit Committee, Resolution 2014-16, as amended. The motion passed unanimously 5:0.**

#### DEQ Interim Loan Amendment

Mr. Mecham reviewed a document distributed at the meeting entitled *DEQ Interim Loan Amendment*, dated November 12, 2014. He indicated the USDA bond counsel had requested Amendment No. 2 to DEQ's Clean Water State Revolving Fund Loan R23043, to extend the Effective Repayment Date to February 1, 2015, as indicated in the Loan Agreement and Appendix A: Repayment Schedule. This Amendment was required to allow additional time following completion of the project for preparation and issuance of the bond and USDA loan processing, and was largely a housekeeping measure. The City was paying 1.7 percent interest until the DEQ loan was paid; interest on the future USDA loan would be 4.5 percent; this amendment represented a small savings. At the December meeting, the Council will be asked to approve a Resolution for bond issuance.

**MOTION: Mr. Kaliner moved, seconded by Mr. Nelson, to approve Amendment No. 2 to the Clean Water State Revolving Fund Loan R23043 to extend the effective repayment date, and to authorize the Mayor to sign the Amendment. The motion passed unanimously 5:0.**

- **Planning**

Cramer Waiver for Survey cost Share

Ms. Schuetz referred to a packet document entitled *Cramer Waiver for Land Survey Cost Share*, dated November 12, 2014. She said the new property requested to remove private ownership of the prescriptive easement on a portion of Skinner Street, which would relieve her of property tax obligation on that portion of her property, and that the City reimburse the owner for a portion of land survey costs. Staff recommended that a specific contribution be made if the survey resulted in a recorded lot line adjustment and public land dedication as described, consistent with existing Skinner Street alignment and right-of-way width.

The property owner, Alison Cramer, was present and indicated the survey work was estimated to cost \$1500 to \$2500.

Mr. Nelson questioned if the action would create any precedence or future issues. He does not want the City to be drawn into any property line disputes with the adjacent owners. Ms. Schuetz said the Council's action was limited only to issues in the prescriptive easement area.

A prescriptive easement, which meant property that had been used for more than ten years, prevented the property owner from denying public use of the property. The Council discussed processes for obtaining public right-of-way in general.

**MOTION: Mr. Nelson moved, seconded by Mr. Smith, to reimburse the property owner up to 50 percent of cost of a land survey, not to exceed \$1,000, if it resulted in a recorded lot line adjustment and public land dedication of the portion of 91099 N. Skinner Street (Assessor's Map and Tax Lot number 1603-3323-01500) that extends into the alignment of Skinner Street.**

Ms. Schuetz confirmed the Tax Lot Number and recommended that "recorded lot line adjustment" be deleted from the language, as the application may not be a part of the application.

Ms. Cramer expressed concern that the survey would confirm the width of the dedication necessary, that the size of the prescriptive easement may be much wider. She does not want to create building setback issues on her property along the City right-of-way.

Mr. Nelson noted that the dedication width would also be dependent on alignment with adjacent street width.

Mr. Butler confirmed that water meters and sewer boxes were located within the City easement.

**ACTION: Mr. Nelson withdrew his motion and the second, Mr. Smith, approved.**

**MOTION: Mr. Nelson moved, seconded by Mr. Smith, to approve reimbursement of the property owner, Alison Cramer, 50 percent of land survey costs, not to exceed \$1,000, if it results in a public land dedication of the portion of 91099 N. Skinner Street (Assessor's Map and Tax Lot Number 16-03-33-23-01500) that extends into the alignment of Skinner Street. The motion passed unanimously.**

### HEAL Cities Initiative

Ms. Schuetz referred to a document entitled *HEAL Cities Campaign*, dated November 12, 2014. She highlighted that this was a new League of Oregon Cities national campaign in partnership with the Governor's Office and the Oregon Public Health Institute to encourage incorporation of healthy eating and living, access to healthy food, and promotion of active lifestyles, into city Comprehensive Plan policies. The benefits of participation included recognition, advertising and eligibility for grant funding to support bike paths and related infrastructure, and school projects that would help kids become more mobile. Ms. Schuetz said the school would like City support to pursue projects that would improve bike safety, such as a contribution to sidewalks on both sides of the street, bikes and helmets, and classes on bicycle mechanics and maintenance for 8<sup>th</sup> graders. The bikes would also be used for community service projects and for a summer bike rental program for Coburg kids during the summer months.

Mr. Smith expressed concern about the amount of staff time required to qualify compared to the relative benefit. It may be easier to achieve some of the goals using other resources.

Ms. Schuetz said at this time staff recommended passage of a resolution; there was no cost associated with becoming part of the program. At this time, the only requirement was to commit to considering amendments as part of the 10-year Comprehensive Plan update. Grants were between \$10,000 and \$15,000 and would require some staff time.

Mr. Pudewell suggested that the school complete grant writing and the City would sponsor the application.

Mr. Nelson said he researched HEAL cities and found that 22 of 241 Oregon cities were participating, three of which were Coburg's size or smaller. He objected to having Comprehensive Plan policies or the City advising citizens on eating and health, but would support school efforts to participate in the program.

Mr. Smith said, although he agreed with the principles of health eating and healthy lifestyles, City government should not be involved in farm-to-table issues. The community should address those issues.

Mr. Kaliner expressed agreement with Mr. Smith and did not support involvement in family and community health decisions. In response to his question, Ms. Schuetz said grant funding for this program came from the health care and sports industries. Mr. Kaliner said he fully supported making biking routes to school safer.

Ms. Schuetz recommended a focus on infrastructure and transportation, not the social areas. She said her motivation for looking into the program was to meet Coburg's economic development goals and to obtain funds and leverage existing programs.

Mr. Pudewell said there was a wide range of options and if the City chose to continue to build on existing Comprehensive Plan goals, he supported the option to focus on bike and pedestrian improvements in collaboration the school.

Mr. Smith said out of the four goals of the program, he was in agreement with being actively fit, but not other ideals promoted by the program. He supported active living, transportation and parks and recreation related goals, but not projects that related to groceries, produce or eating habits.

Mr. Nelson noted that the campaign letters, HEAL, referred to healthy, eating, and active living, which were not included in Coburg's Comprehensive Plan policies. Within a narrow application, he supported pursuing bike safety projects.

There was Council consensus to move forward within the limited framework discussed.

#### Scenario Planning Update

Mr. Schuetz referred to a document entitled *Central Lane Scenario Planning, Scenario Planning Update*, dated September/October 2014. She noted that scenario planning was a federally mandated process to reduce carbon emissions from light vehicles. She reviewed highlights of the document, including the options and possible outcomes of three planning scenarios in the areas of public health, transportation, biking and fuel consumption, and household costs. None of the scenarios resulted in direct personal impacts, so elected officials did not support increased costs in personal transportation related to the reduction of emissions, and all policies must consider equity. The region continued to benefit from having a compact urban form; increased biking and mass transit, good alternative choices, and improved road system efficiency. Current discussions focused on additional areas of possibility: education and marketing programs, pay-as-you drive insurance, and further adjustments to existing policies in the areas of transit, biking, driving taxes and fees and parking. Members included the Lane County Board of Commissioners, Eugene City Council, Springfield City Council, Coburg City Council, as well as Lane Council of Governments, Lane Transit District, and Oregon Department of Transportation. The time Mr. Schuetz spent on the project was reimbursed and \$8,000 had been received to date. Information on future workshops, the continued process, and a new public interactive website would be shared with the Council. A scenario plan was required to be adopted before Fall 2015.

#### Planning commissioner Reappointment

Ms. Schuetz referred to a document entitled *Planning Commissioner Reappointment*, dated November 12, 2014. John Marshall was a current member of the Coburg Planning Commission and the Commission recommended reappointment for the next two-year term.

**MOTION: Ms. Abbasapour moved, seconded by Mr. Smith, to reappoint John Marshall to Planning Commission consistent with the Planning Commission recommendation made on October 15, 2014. The motion passed unanimously 5:0.**

- **Police**

Mr. Pudewell referred to a document entitled *Diamond Hills Public Safety Fee Feasibility*, dated November 12, 2014. It was noted that the correct name of the area was Diamond Ridge. The residents of the area were interested in increased public safety service in the form of routine patrol time.

Mr. Smith reported that factors investigated included legal standing, true costs of patrolling and potential City benefits. In summary, sworn police officers within the State of Oregon, would respond to life-threatening situations anyway. City of Oakridge maintained contracts with Lowell and West Fir for patrol time, plus additional charges for policing. Basic financial requirements for Coburg to provide contract services had been reviewed, which would utilize existing and reserve staff and acquire an additional vehicle, based on the Oakridge model. Further discussion with the neighborhood association was needed. Diamond Ridge was a gated, but not secured, community.

Mr. Behney questioned if added services would affect the City's insurance rates.

Ms. Schuetz commented that revenue from citations written outside the City went to Lane County.

There was discussion of how the Oakridge model managed possible scenarios, such as major incidents, and coordination with Lane County Sheriff's Office.

- **Public Works**

Pioneer Valley Estates (PVE) Remaining Rate Increase

Ms. Schuetz noted that there was not a written report in the Council's packets.

Mr. Butler indicated that previously, the Council had approved a \$5.00 per month rate increase, and consideration of a full rate of \$129 per month prior to 2015, based on the rate study. Mr. Behney and Mr. Butler had reviewed financial considerations further and determined the following options: a rate of \$85 per month addressed minor maintenance, minor repairs, meters changes and staff time, but did not replace the failing system; a rate of \$109 per month provided for system replacement, and the level of accumulation assumed a 40-year period.

Because of the small number of users, maintenance and replacement costs per residence were high. That portion of the line from Coburg school property to PVE was 3500 feet and was not included in the rate borne by the residents because it supplied fire protection for the wastewater facility.

Mr. Pudewell said if there was a catastrophic failure, the project would become an infrastructure finance authority (IFA) problem. The goal for the City financially was to just break even, not lose money, and fix a public health issue. He expressed frustration that Lane County was not participating in a solution; however, he wanted the citizens of PVE to know that the City of Coburg continued to evaluate options. A rate of \$109 per month was an improvement from the \$129 previously discussed.

Mr. Pudewell emphasized a need to begin accumulating funds to pay for capital improvements, even though the system may continue to function. The more accumulation achieved, the lower the cost for everyone when financing became necessary; \$109 per month represented a best estimate at this point in time, and bond rates and other factors would determine the actual cost of financing and monthly rates.

Mr. Behney emphasized the importance of a dedicated account; there was \$700 paid toward a replacement system that was not accounted for. A \$200,000 replacement system would not provide adequate fire suppression, which might double the cost. This factor must be made clear to PVE residents.

Mr. Butler said there were two existing fire hydrants. They may be able to put out a fire and lower the residents' fire insurance rates, but they would not supply the capacity required for City residential areas. It was important that the residents understood this.

Mr. Smith said insurance rates may consider the distance to a hydrant to calculate insurance rates, but did not consider the importance of volume.

Mr. Mecham said the City of Coburg had no obligation to address fire suppression, but the fire district may.

Mr. Smith said it was important that the PVE residents understood they had to pay for an upgrade in fire suppression capability because the property was outside the city limits of Coburg.

In response to Mr. Behney, Mr. Butler confirmed six residences used private wells. Nitrate tests at the City's wastewater plant well in April showed 25 parts per million. Less than 10 parts per million was the maximum allowed by the State. After water had ran continuously for six months, testing at the wastewater plant showed 17.5 parts per million.

In response to Mr. Behney, Mr. Pudewell said the reason PVE had not formed its own improvement district was because the rates would be over \$200 per month.

Mr. Butler said some residents continued to think the City wanted to force PVE onto City water to generate more revenue. He has told them to buy bottled water for drinking.

In response to Mr. Nelson, Mr. Mecham said the pending lawsuit with PVE was appealed to the Court of Appeals and it could be a year or more before court arguments were scheduled.

## **9. CONTINUED BUSINESS**

### Parks/Tree Committee-Initiated Public Event Planning Policy

Mr. Kaliner referred to a document entitled *Public Events Planning By Committees*, dated October 2014. He had worked with Claire Smith and Petra Schuetz to finalize a document that clarified timelines, procedures and expectations for both City staff and registered committees, and for both informal and formal events. He asked the Council to endorse the document.

Mr. Pudewell and other Councilors thanked Mr. Kaliner for contributing his time. His efforts had resulted in a good process and workable guidelines for Coburg, which also invigorated the Parks/Tree committee volunteers.

There was Council consensus and staff support for the endorsement of the Public Events Planning By Committee guidelines as presented,

## **10. COUNCIL COMMENTS**

Mr. Behney noted that Lane County cities could benefit from a vehicle registration fee addition. Mr. Pudewell confirmed there would be a presentation to the Council in December regarding the fee and formula to distribute funds.

## **11. CONSENT AGENDA**

Mr. Behney moved, seconded by Mr. Nelson to approve the Consent Agenda as presented. The motion passed unanimously.

## **12. FUTURE MEETINGS/DATES TO REMEMBER**

Mr. Pudewell directed Councilors to future meetings and dates to remember.

Planning Commission—November 19  
Parks/Tree Committee—December 3

**13. UPCOMING AGENDA ITEMS**

Lane County Driver's Registration Fee  
Future of the Coburg Chamber of commerce

**14. ADJOURNMENT**

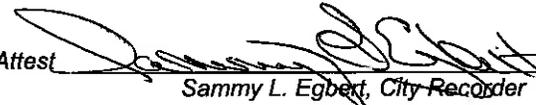
The meeting adjourned at 9:31 p.m.

ACCEPTANCE

Approved: December 9, 2014

Yes: 4      No: 0      Abstained: None

 Date: 12/11/14  
Ray Smith, Council President

Attest  Date: 12/11/14  
Sammy L. Egbert, City Recorder