



MINUTES

Coburg City Council Meeting

July 12th at 7:00 P.M.

91136 N Willamette Street

Hybrid Meeting in-person or via Zoom

MEMBERS PRESENT: Mayor Ray Smith, John Fox (via Zoom/phone), Nancy Bell, John Lehmann, Patty McConnell

MEMBERS ABSENT: Mark Alexander, Kyle Blain

STAFF PRESENT: City Administrator Anne Heath, Finance Director Tim Gaines, City Recorder Sammy Egbert, Public Works Director Brian Harmon, Chief of Police Larry Larson, City Attorney Anne Davies, and Megan Winner, Coburg Planning

RECORDED BY: Angela Kern, Lane Council of Governments (LCOG)

CALL TO ORDER

Mayor Smith called the meeting to order at 7:05 pm.

ROLL CALL

Ms. Egbert called roll. No quorum was present.

PLEDGE OF ALLEGIANCE

Mayor Smith led the Pledge of Allegiance.

AGENDA REVIEW

Ms. Egbert informed the Council that there were additions to Agenda Item #12, the Administration Monthly Update, as well as bullet lists from the planner. Charter Review and Discussion was also added as Agenda Item 10.5.

MAYOR COMMENTS

Mayor Smith gave a brief health update and announced that he would not be running for re-election.

CITIZEN TESTIMONY

None.

RESPONSE(S) BY CITY COUNCIL

None.

SPECIAL GUEST

Coburg Main Street

Russ Hayworth and Tracey Pugh presented the Council with completed Main Street brochures. Ms. Pugh shared that non-profit status had been filed with the IRS. She detailed the work that had been done to the website (<https://www.coburgchamber.com/>), including the addition of listed events and a catalog of local businesses.

Ms. Pugh mentioned that the Art Committee had painted the bike hub. She noted that a city and bike map would soon be in place. She thanked Ms. McConnell for painting wildflower and autumn murals.

Mayor Smith praised the Main Street team for their dedication and impressive achievements.

As there was no quorum, Mayor Smith moved on to non-action items.

ADMINISTRATIVE INFORMATION REPORTS

8. Public Works Annual Water Reports Total Daily Maximum Load (TMDL) and Consumer Confidence Report (CCR)

Mr. Harmon requested that the TMDL and CCR reports be delayed until August. Hearing no objections, Mayor Smith consented.

9. Industrial Noise

Ms. Heath explained that residents of Sarah Lane complained of noise from the industrial zone where the water tanks reside. After a study, a sound expert made recommendations for a three-phase solution, with each phase to be implemented separately to determine if the issue had been resolved. The total cost for all three phases would be \$33,000.

Ms. Heath cautioned the Council that this was a policy consideration, as implementing a noise control barrier in one area might encourage other neighborhoods with noise complaints to demand the same solutions.

Mayor Smith asked what percentage of the noise would be lessened by the barriers. Ms. Heath did not have an answer.

Mr. Lehmann noted that private property owners could be asked to put up sound walls. He further suggested that a clause could be added to the bid contract stipulating that a certain percentage of noise reduction be guaranteed by the sound experts.

Council gave staff direction to obtain a sound study to determine the effects of the industrial noise when it bounces off of the water tower, and to determine if the City had any responsibility in reducing the noise.

10. Utility Rates Update

Ms. Heath presented. She stressed that the economy was extremely volatile and that staff could not predict future rates, but could only provide projections. She noted that there had been an 8% CPI increase in construction costs in June. Ms. Heath was concerned that the 3% annual increase in water rates and 1.5% increase in sewer rates might not meet the City's budgetary needs.

Ms. Heath stated that certain projects were priorities. The top three were putting in a third well, connecting main lines to the well, and replacing the main lines. She said the current plan was to replace the main lines during upcoming road reconstruction. She indicated that the engineer was preparing new cost projections..

Ms. Heath pointed out that the reservoir project was no longer included in the budget. She reminded the Council that Urban Renewal Agency (URA) support would end in 2034.

Mayor Smith compared the situation to the Transportation Utility Fee (TUF). Councilor Lehmann shared that Salem was raising its rates by 5% annually and suggested a similar course of action, perhaps with rebates. He thought that residents would accept 5% as Cost of Living (COL) rate increases. Mayor Smith noted that rates had only been raised once during his time in office, and when growth offset the need, the raised rate was rescinded. He found it commendable that the city had maintained its rates.

Ms. Heath conveyed that a work session would be required to determine rate amounts.

Councilor Lehmann wanted the idea of a 5% annual rate raise posed to the Council. Mayor Smith suggested a rate raise of 5% for a limited number of years rather than 3% every year. Councilor Fox joined briefly via Zoom and stated that he preferred the idea of rebates to raising and lowering rates.

Ms. Heath inquired if the Council members were comfortable shelving the topic until September. The Councilors indicated that they were.

11. Finance Monthly Report

Mr. Gaines presented the finance report for May, 2022 and called for questions. Ms. Heath mentioned that the month of June included large revenue items. Councilor Lehmann noted that water and sewer fees on pages 97 and 100 differed due to the inclusion of revenue.

Councilor Fox joined via telephone, creating a quorum.

Mayor Smith moved on to action items.

CONSENT AGENDA

1. Minutes June 14, 2022 City Council

MOTION: Councilor Lehmann moved, seconded by Councilor McConnell, to approve the **Consent Agenda** as presented. The motion passed unanimously, 4:0:0

ORDINANCES AND RESOLUTIONS

2. Public Hearing | First Reading

ORDINANCE A-163-T AN ORDINANCE ADOPTING THE OREGON CRIMINAL CODE, OREGON UNIFORM CONTROLLED SUBSTANCES, OREGON LIQUOR CONTROL ACT, AND THE OREGON MOTOR VEHICLE CODE; REPEALING CONFLICTING ORDINANCES.

Mayor Smith opened the public hearing at 8:02 pm. Chief Larson noted that the word “liquor” was misspelled in Addendum A. With no input from the public, the hearing was closed at 8:03. The second reading was scheduled for August 9th, 2022.

3. Public Hearing | First Reading

ORDINANCE A-254 AN ORDINANCE DECLARING A BAN OR TEMPORARY BAN ON PSILOCYBIN SERVICE CENTERS AND THE MANUFACTURE OF PSILOCYBIN PRODUCTS

Mayor Smith opened the public hearing at 8:03 pm.

Ms. Heath explained that the ordinance pertained to State Measure 109. She relayed that the Council had several options, including: Offering voters an ordinance for a full ban, offering voters a temporary ban which would entail a two-year moratorium, or doing nothing, which would bypass voters and automatically allow psilocybin service centers and manufacturing.

Mayor Smith inquired about state mandates. City Attorney Anne Davies responded that no rules had been adopted yet. Councilor McConnell asked if a full ban could later be reconsidered. Ms. Davies confirmed that it could. After lengthy discussion of how the substances would be managed, it was determined that they were to be prescribed by physicians in a medical setting.

Public Testimony: Janel McPherson of 90942 S. Coleman St., Coburg, argued in favor of a full ban.

Discussion ensued. Councilors Lehmann and McConnell were in favor of a temporary ban. Mayor Smith cautioned that the public needed to be educated on the meaning of a temporary ban, as it might be voted down due to the misunderstanding that it precluded a permanent ban.

Mayor Smith closed the public hearing at 8:31 pm. He announced that the second reading of Ordinance A-254 was scheduled for July 26th, 2022. Ms. Heath clarified that the Council had agreed on a temporary ban. Council confirmed.

5-Minute Recess: From 8:32 to 8:37

4. RESOLUTION 2022-18 A RESOLUTION AUTHORIZING GRANT FUNDING APPLICATIONS TO THE CENTRAL LANE MPO AND DELEGATING AUTHORITY TO THE CITY ADMINISTRATOR TO SIGN APPLICATION COUNCIL ACTION ITEMS

Ms. Winner explained that the resolution pertained to three funding applications to the Central Lane Metropolitan Planning Organization (MPO) for three separate transportation projects: North Coburg Industrial Way Pavement Preservation, additional funding for Phase 4 of the Coburg Loop Path, and a feasibility study for an East/West freight commuter connector road, for a total cost of \$1,077,950.

Councilor McConnell inquired as to the location of Phase 4 of the Coburg Loop Path. Ms. Winner responded that it ran from the pedestrian path on Sarah Lane to Trail's End.

MOTION: Councilor Bell moved, seconded by Councilor McConnell, to adopt Resolution 2022-18 as presented. The motion passed unanimously, 4:0:0

5. Auditor Service 2022-2024

Mr. Gaines reminded Council that staff were tasked with developing a request for proposal (RFP) for auditing services. Only one company had responded. Mr. Gaines spoke highly of Umpqua Valley Financial and recommended retaining the company for auditing services.

MOTION: Councilor Bell moved, seconded by Councilor McConnell, to approve and renew a two-year auditing contract with Umpqua Valley Financial CPA DC for FY 2022-2024. The motion passed unanimously, 4:0:0

6. Water Easement Buy Back Options

Ms. Heath asked Council for direction on the matter of water easement buybacks. She presented three possible options: Getting appraisals, using the same percentage as the original rate, or selling at the same price as the original cost. After some discussion, Councilor Lehmann suggested selling at not less than the current market value.

MOTION: Councilor Lehmann moved, seconded by Councilor Fox, to approve the sell-back of water easements purchased by the City of Coburg for the Water Project at not less than the current assessed market value. The motion passed unanimously, 4:0:0

7. Douglas Fast Net Ground Lease Agreement

Ms. Heath relayed that Douglas Fast Net (DFN) had leased fiber optic lines from the Fiber Consortium to the City of Coburg. DFN would construct a 10 x 12 hut at the Sarah Lane Water Booster Station, with construction beginning in September and completion expected by November. DFN anticipated providing service to City Hall in November. Service to communities would be provided to those with overhead lines first. Monthly service would have introductory pricing of \$50 for 250 Mb, increasing to \$65 after 12 months. In exchange for the ground lease, DFN would provide City Hall with free broadband and equipment. The City would also receive franchise fees of 5% of the annual gross.

Mayor Smith asked for clarification as to the location of the hut. Ms. Heath responded that it would be in the southeast corner of the lot.

Councilor Bell wondered what the cost of the power would be. Ms. Heath said it would be \$125 per month, offset by the \$300 worth of broadband service.

Councilor Lehmann pointed out that under the termination clauses, language in C and E left the city at risk for expenses related to removing equipment. He requested a clause be added requiring DFN to reimburse the City of Coburg for any costs incurred. Council agreed to amend the contract. Ms. Heath and Ms. Davies agreed that they would remove C and change the language of E.

MOTION: Councilor McConnell moved, seconded by Councilor Bell, to approve the City Administrator to sign a ground lease agreement with DFN to place a hut at the Sarah Lane Water Booster Station, as amended. The motion passed unanimously, 4:0:0

10.5 Charter Review and Discussion

Ms. Heath relayed that after discussion, staff had decided the best course of action was to create a new Charter and repeal the old one. She reminded the Council that they had a week to review the new Charter and requested that any questions or comments be emailed to her (Anne.Heath@ci.coburg.or.us). She defined the terms charter and officers. She noted that the City Attorney should probably not be an officer, as officers could be named in lawsuits.

Councilor Lehmann asked for clarification that officers were elected officials. Ms. Heath confirmed that they were.

Ms. Heath noted that the new charter removed the treasurer and added the City Administrator, aligned with Ordinance A-250. She requested that the Council consider whether to repeal A-250 or leave it in place.

Ms. Heath established that Judge Williams had been consulted. His recommendation was that the Charter give him the ability to appoint a pro tem judge.

Ms. Heath noted that language prohibiting a salary for the Mayor and Councilors had been removed.

Councilor Lehmann wondered if City Council members were paid in other cities. Ms. Heath affirmed that yes, it was common for councilors to receive a stipend. There was discussion about compensation versus stipends. Ms. Egbert reminded the Council that the language did not establish a policy of pay, but merely allowed for the possibility.

Ms. Heath stated that the first reading would take place during the July 26th Special Meeting and a second reading and adoption were scheduled for August 9th, putting the ordinance on the November 8th ballot. She expressed that there would be a resolution to be passed as well as the ordinance.

Mayor Smith praised the format of the new Charter.

12. Administration Monthly Update

Ms. Heath announced that a presentation had been given for the Parks grant and that more would be known in September.

Ms. Heath reminded Council that everything she had sent out during the month was in the packet provided and called special attention to the legislative priorities. She asked that they be submitted by the deadline.

Mayor Smith appreciated the Councilors' time and thanked Councilor Fox for the extra effort made to attend.

UPCOMING AGENDA ITEMS

- **1992 Charter Amendment**
- **General Elections**
- **Zoning Code Amendment**

FUTURE MEETINGS

- July 13, 2022 Heritage Committee
- July 19, 2022 Park Tree Committee
- July 20, 2022 Planning Commission
- July 26, 2022 City Council Special Meeting
- July 27, 2022 Finance Audit Committee
- August 9, 2022 City Council

ADJOURNMENT

Mayor Smith adjourned at 9:43 pm.

APPROVED by the City Council of the City of Coburg on this ____ day of _____, ____.

Ray Smith, Mayor of Coburg

ATTEST:

Sammy L. Egbert, City Recorder