



## MINUTES

### City Council Meeting

March 12, 2024 at 6:00 PM

Coburg City Hall

91136 N Willamette Street

**MEMBERS PRESENT:** Nancy Bell; Mayor, John Fox, Alan Wells, Cathy Engebretson, Claire Smith, John Lehmann, ~~Brandon Rhodes~~

**MEMBERS ABSENT:** none

**STAFF PRESENT:** Adam Hanks; City Administrator, Sammy Egbert; City Recorder, Brian Harmon; Public Works Director, Greg Peck; Finance Director, Larry Larson; Chief of Police

**RECORDED BY:** Madison Balcom; Administrative Assistant

#### CALL TO ORDER

Mayor, Nancy Bell called the meeting to order at 6:00pm.

#### ROLL CALL

City Recorder, Sammy Egbert called roll. A quorum was present.

#### MAYOR COMMENTS

##### 1. City Council Vacancy – *Consider Appointment*

**MOTION:** Councilor Fox, seconded by Councilor Lehmann, moved to appoint Brandon Rhodes as City Councilor, the term of office ending December 31st, 2024.

***The motion passed unanimously — 5:0. (RESCINDED on APRIL 9, 2024)***

**\*Upon further investigation, Brandon Rhodes, does not reside within the City limits, therefore he is not eligible to be a Coburg City Councilor. Mr. Rhodes' resigned and Council rescinded the motion to appoint at the April 9, 2024 City Council Meeting. These minutes and the vote count reflect the appointment being rescinded.**

#### PLEDGE OF ALLEGIANCE

Mayor Bell led the Pledge of Allegiance.

#### PUBLIC COMMENT

There were no request(s) made to publically speak. There were no written statement(s) received.

## SPECIAL GUEST

City Administrator, Adam Hanks introduced the special guest, Carolyn Connelly, Attorney with Local Government Law Group. Hanks said she has been a great asset in putting together the public contracting ordinances and resolutions. The objective is to revise and update the contracting rules they operate in, and the provided packet is a mechanism to do that throughout several meetings. This meeting is the first reading of the ordinance that authorizes the ability to use the resolution process for the contracting rules packet and for the spending authority in public contracting.

Ms. Connelly gave a preliminary overview of the Public Contracting Rules. Connelly explained that she noticed Coburg's rules were slightly out of date, having been adopted in 2005. A lot of the existing ordinance could be taken out, replacing it with rules adopted via resolution. In this process, they are also updating those rules to reflect the changes since 2005.

Ms. Connelly explained that they are continuing Coburg's City Administrator as the purchase manager, but removing the spending authority thresholds from the Ordinance, proposing they be adopted by resolution, along with her proposed rules and associated findings that support the exemptions. Ms. Connelly goes on to explain the rules and their divisions.

Mr. Lehmann asked for more clarification on the 4<sup>th</sup> whereas on page 10. Ms. Connelly provided some more explanation on what the model rules are. She has pulled out provisions that don't apply to the city, only to the state, as well as overly detailed oriented procedures not required by statute.

Ms. Connelly also explains that they can opt out of the AG Model rules and replace them with their own set of adopted rules that still comply with the state statute. When the City opts out, they must look at their goals and decide if they need to be updated every time the legislature updates statute.

Mr. Hanks mentioned that this structure works really well and helps limit the errors and frustration that might come up, and improves communication because everyone is on the same page. Hanks clarifies that this ordinance allows the city to adopt the rules by resolution.

### 1. Public Hearing | First Reading

#### **ORDINANCE A-255 AN ORDINANCE REPEALING ORDINANCE A-91-C AND AUTHORIZING THE ADOPTION OF PUBLIC CONTRACTING RULES AND STAFF SPENDING AUTHORITY BY RESOLUTION**

Mayor Bell opened the Public Hearing and held the first reading of Ordinance A-255 at 6:29pm.

There were no questions or comments.

Mayor Bell closed the Public Hearing and the first reading of Ordinance A-255 at 6:30pm.

The second reading of Ordinance A-255 is scheduled for April 9<sup>th</sup>, 2024.

Mr. Hanks explained that their current spending authority is \$10,000. The maximum by state statute is \$250,000. Most cities range from \$25,000-150,000. Mr. Hanks believes the \$50,000-75,000 range is a good balance between operational efficiency and council oversight.

On page 120, *section 2, City Administrator Authority*, highlights those various spending amounts. *Section 2, Department Head Authority*, shows the department heads spending authority, and *section 3, Other Staff Authority*, shows theirs.

Mr. Hanks said he is looking for direction from council on the \$50,000 vs. \$75,000 spending authority.

Ms. Engebretson mentioned that for fiscal year 2023-24, there was a general fund budget of \$3.4 million. If they did a \$75,000 spending authority that would be about 2% of that budget, which she feels is reasonable.

Mr. Lehmann asked that if they increase the spending authority, would council still be made aware of the contracts at council meetings. Mr. Hanks said yes, he can make it a section in the monthly report.

Mr. Wells asked what fund the money for emergencies would come out of. Mr. Hanks explained what would count as an emergency and the process of that spending.

Mr. Wells then asked if an emergency contract surpassed the \$150,000, what would be the next step. Ms. Bell said that it would have to be brought to council for approval before any decisions were made.

Mr. Lehmann mentioned the possibility of getting a declaration of emergency by the Mayor if it were to come up, and not having to go through the entire formal process and having council approve it. Mr. Hanks said he would check on that and see what they could do.

Mr. Fox asked for Mr. Hanks' opinion on the Department Head Authority. Mr. Hanks said he thinks \$10,000 is appropriate and leads to less delays.

Council made the direction of a \$75,000 spending authority, a \$150,000 emergency spending authority, and a \$10,000 department head spending authority.

## **AGENDA REVIEW**

There were no changes made to the agenda.

## **CONSENT AGENDA**

Mayor Bell briefly reviewed the items on the Consent Agenda and there were no requests to remove an item for separate consideration.

### **1. Minutes February 13, 2024 – City Council**

*Councilor Wells stepped out (6:42pm).*

**MOTION:** Councilor Fox, seconded by Councilor Smith moved to approve the Consent Agenda as presented.

***The motion passed unanimously — 5:0 4:0.***

## **ORDINANCES, RESOLUTIONS AND CONTRACTS**

### **1. Wastewater Planning Professional Service Agreement with Kennedy Jenks**

*Councilor Wells returned (6:45pm).*

Mr. Hanks said, In January, they asked to allow for a sole source contracting procurement process. At that time, they were expecting a \$50-55,000 contract. The consultant told them it would actually be

quite a bit more. Kennedy Jenks also suggested that they do not need to do some of it yet. The scope provided to Council is slightly reduced from what they thought they'd be doing, but they feel it is right sized for what they need now to make some future decisions and defer the next tasks.

The contract is now just over \$33,000. That provides capacity analysis which then drives future analysis and decision making on capital improvements. Mr. Hanks reminded them that there is a similar contract on the water side. This contract is allowing the same thing for wastewater. Once these are done, they'll end up with quality capacity analysis for both major systems.

**MOTION:** Councilor Engebretson, seconded by Councilor Fox moved to approve the proposed wastewater capacity planning assistance contract between the City of Coburg and Kennedy Jenks in the amount of \$33,398 and authorize the City Administrator to execute the contract.

***The motion passed unanimously — 6:0 5:0.***

## **2. Springbrook Contract for Payroll Software**

Mr. Hanks introduced Springbrook and explained that the City uses it for almost everything, excluding payroll, which was outsourced and done as a third party. In front of them is a contract, which they've worked with Springbrook on for a while to ensure it can be done at a price point that both parties deem reasonable. The City currently pays Springbrook a little over \$22,000, annually, which would rise to a little over \$28,000, to add the payroll module annual support services. The implementation cost, a one-time cost which includes building, training, and set up, is \$16,500.

Finance Director, Greg Peck, explained that in the year that he has been with the City, he has realized that with the way they are doing payroll and the company they're using, it would be more beneficial to do payroll in house. Some reasons for that include PERS, better integration of systems, direct control, efficiency & accuracy, employee access, and flexibility, as listed in the staff report.

Mr. Hanks added that this will put all payroll processes together on one site, which will eliminate errors with the current time sheet entry site and provide more control over hours, approvals and time accruals. Springbrook makes this process much more smooth and less time consuming.

Ms. Bell acknowledged how much time and effort software implementations take. She said they are well worth the resources that are put into it, and allows all data to be more easily accessible to staff.

Mr. Wells asked how many employees the City has. Mr. Peck said 18. Mr. Wells wondered if they'd ever considered a payroll service. Mr. Hanks said that is what they are currently using. Mr. Wells then asked if Springbrook payroll services would be less expensive in the long run. Mr. Hanks said they would have to do some cost analysis on that, but the payroll service only offers a portion of payroll operations, which means a lot of processes are being done outside of that cost. Springbrook will be a little under \$3,000 more a year, but provides much more in terms of services, analysis and integration.

Ms. Smith asked if they'd be able to customize reports to Coburg specifically, as needed. Mr. Peck said it does have the ability to do that which is a big advantage of the Springbrook system.

Ms. Engebretson mentioned that in past years, city staff weren't happy with Springbrook, but that has changed in recent years because Springbrook has changed the way they operate and have improved. She then asked how Mr. Peck felt about the amount of time it would take to implement the system. Mr. Peck said that is hard to gauge, but they would still access to the current payroll service if needed. Mr. Hanks mentioned that the number of hours was one of the main negotiating points.

Mr. Lehmann asked if the suggested motion should read that it was \$28,279 instead of \$22,387. Mr. Hanks said that the contract includes the first year, and they have to prepay the support. \$28,279 is the combined total for all support fees. \$22,387.50 is the implementation and year 1 support fee.

**MOTION:** Councilor Lehmann moved and the motion was seconded to approve the proposed Springbrook Payroll software module contract of \$22,387.50.

***The motion passed unanimously — 6:0 5:0.***

### **3. Finance Professional Service Agreement with Principal, Plan+Results, LLC**

Ms. Bell reminded council that Cindy Hanks has been working with Mr. Peck for the last 6 months on a 6 month contract, and this is a request to continue that contract.

Mr. Peck said that with Cindy Hanks' 30 years of experience in Local Government working in finance, she was able to do a total assessment of the city's financial systems, including how they operate, how they record data, how they present the data, transparency, and more. They picked out a few areas they could focus on that would provide more accuracy and efficiency.

Council was directed to page 2, which lists the items that they've worked on the last 6 months, which includes monthly reconciliation process, payroll set up in Springbrook, chart of accounts, creation of new funds for SDC's and a cash control fund, budget consultations/support and adopted budget into Springbrook, quarterly financial reports, and conversations of systems to allow for biennial budget. Mr. Peck explained these projects, and why making these changes will help things run more efficiently.

Mr. Hanks added that the contract is 8 hours (1 day) a week of highly experienced local government financial assistance. The projects listed above are the operational pieces that needed to be addressed in order to get to where they want to be, which is listed in the next 4 bullets below, and not fall behind.

Ms. Bell talked about the importance and complexity of Mr. Peck's role, and how Cindy Hanks' expertise and help has been really great to have.

Mr. Wells asked if Mr. Peck saw this role as an ongoing thing, year to year, or if working with her for the next year would bring him enough knowledge and they won't have to keep continuing the contract. Mr. Peck said yes, he hopes to complete all these items this year, and they are pretty confident they can. He explains that this 1 year stint is what Mr. Peck and the City needs.

Ms. Bell said that they are utilizing internal and external expertise to address the very finite issues, instead of depending on LCOG and other contractors, which provides more specific guidance. Mr. Hanks explained that after this year, it may be that they have Financial Professional Services work with the City on debt services. Hanks does not foresee this current style of services as an ongoing contract.

**MOTION:** Councilor Wells, seconded by Councilor Lehmann moved to approve a Financial Consulting Professional Services contract with Cindy Hanks (Plan + Results LLC) for a period of one year consistent with the scope, oversight and terms proposed and presented and not to exceed a total expense of \$36,000 over the contract term.

***The motion passed unanimously — ~~6:0~~ 5:0.***

Ms. Bell reminded council that filing for SEI reports open on March 15<sup>th</sup> and closes on April 15<sup>th</sup>, 2024. She explained what would happen if SEI reports are not filed on time, according to ORS 344.3504.

***Councilor Wells left the meeting (7:30pm).***

## **COUNCIL ACTION ITEMS**

### **1. Council Goals “Framework for Continued Progress”**

Mr. Hanks stated that this was the main conversation at the Council Retreat. The framework document contains 20 initiatives or objectives under a few different categories. This is the framework to start building up to a strategic plan. The next steps to work on over the next year would be to add onto each item, put some timelines together, and have some sort of work session to prioritize them. Mayor Bell was pleased with the list of items they came up with.

**MOTION:** Councilor Fox, seconded by Councilor Smith, moved to adopt the City of Coburg Framework for Continued Progress as the common Goals and Objectives to be utilized as the basics for future Council, staff and financial planning over the course of the upcoming 2024-25 fiscal year.

***The motion passed unanimously — ~~5:0~~ 4:0.***

## **ADMINISTRATIVE INFORMATION REPORTS**

### **1. Administrative Monthly Report**

Mr. Hanks briefly mentioned that the work done on the Veterans Memorial Project turned out really nice. The Fiber Grant for the operation center was executed recently, which will facilitate connecting both facilities to the network and lay groundwork for future network and security.

Ms. Bell mentioned that DFN was chosen to take their network out to surrounding cities that were considered underserved or unserved, in many places that were hit hard by the storm and left without service for a while. They have done some good work and are a much more robust network than some.

Mr. Hanks explained that they got a grant from the Regional Fiber Consortium, then signed a contract with DFN using those funds to execute the project.

Mr. Hanks touched on the Rare Opportunity. He said Public Works Director, Brian Harmon, was just at a meeting with the Muddy Creek Irrigation Board to verify that they are interested in collaborating on

the project. Majority of the work on the grant will be Coburg centric, but will be a good collaboration. Hanks explained that it is a competitive grant, and if received, it is paid directly and the city will not have any money going in or out. This will move forward a lot of the storm water and water quality regulatory requirements. They will be applying within the next two weeks.

Mayor Bell thanked Mr. Harmon and Public Works for putting warning signs on the unimproved trails. Ms. Bell and Mr. Hanks touched on the legislation for recreational immunity.

Mayor Bell mentioned her excitement about the Facebook post on the newly hired officer. They were fortunate enough to get him into the academy at an earlier date, and he is currently on week 2.

## **2. Finance Monthly Report**

Ms. Bell and Mr. Fox both think this format is much easier to read and follow.

Mr. Fox pointed out under “Franchise Fees” the difference between the \$125,000 and \$279,000 is not a 10% difference. Mr. Hanks and Mr. Peck said that he is correct, the numbers are right but the math got messed up somewhere.

Mr. Fox then pointed out, on page 3, under “Bond Proceeds” it shows a 0% difference between \$748,348 and \$500,000.

Mr. Fox asked, on page 4 under “Administrative Department”, how they only spent \$885,021 of the budgeted \$6,163,172. Mr. Hanks said the full loan proceeds of \$4.6 million were allocated in the budget year for water projects, but they have moved slower than what they initially projected on those projects. They are going to propose to show that expenditure differently next year, and break it up. Mr. Hanks explained more on why they are well under budget.

## **COUNCIL COMMENTS AND LIAISON UPDATES**

### **1. Child Abuse Awareness Proclamation**

Mayor Bell read the Child Abuse Prevention Month Proclamation.

I, Nancy Bell, Mayor of the City of Coburg, do hereby proclaim April 2024 as “Child Abuse Prevention Month” and call upon all citizens, community agencies, faith groups, and businesses to increase their participation in our efforts to support children and their families in living safe and healthy lives, therefore, preventing child abuse and strengthening the communities in which we live.

### **2. Arbor Day Proclamation**

Mayor Bell explains a little about Tree City USA, and how this is Coburg’s 25<sup>th</sup> year as a Tree City USA. Ms. Bell read the Arbor Day Proclamation. There are several ways the City upkeep the trees in Coburg.

In keeping up with the spirit of Sterling Morton’s dream, I, Nancy Bell, Mayor of the City of Coburg, do hereby proclaim April 26, 2024 as Arbor Day in the City of Coburg, and I urge all citizens to celebrate Arbor Day and to support efforts to protect our trees and woodlands; and I urge all citizens to plant trees to gladden the heart and promote the well-being of this and future generations.

### 3. Council Liaison Appointments

Mayor Bell went over the appointed Liaison's for 2024.

Finance Audit Committee – Councilor Wells

Heritage Committee – Councilor Fox

Lane Act Committee – Councilor Fox and Councilor Engebretson

Parks & Tree Committee – Councilor Smith

Planning Commission – Councilor Lehmann

MPC – Mayor Bell

Ms. Bell mentioned that the Roles & Responsibilities for the Councilor Liaisons are in the packet.

Mr. Lehmann asked what the quasi-judicial function is. Ms. Bell said that Planning Commission is a quasi-judicial role, meaning that the things discussed and decided in Planning Commission cannot be openly discussed with the public. Mr. Hanks provided some more context on this.

Mr. Fox clarified that Planning Commission is the only quasi-judicial committee. Mr. Hanks confirmed.

Mr. Hanks explained that part of the Liaison updates will be explaining what the committee's discussed in their meetings, and providing Council with updates from the meeting each Liaison attended.

Ms. Smith had a report from the Parks & Tree Committee meeting. She said that they have chosen Johnny Diamond Park for Arbor Day, planting about 5 smaller trees along the inside of the fence line. They worked hard on the rose garden. They wanted to know if Council had any feedback on their goals. They are always looking for volunteers at the work parties, which need to fill out the volunteer forms.

Ms. Bell asked if there were any recommendations in regards to the trees at the Veterans Memorial area. Ms. Smith said there was nothing said at the meeting, but another cherry tree was mentioned.

### ADJOURNMENT

Mayor Bell adjourned the meeting at 8:17 pm.

**APPROVED** by the City Council of the City of Coburg on this 14th day of May, 2024.

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Nancy Bell, Mayor of Coburg

**ATTEST:** \_\_\_\_\_  
Sammy L. Egbert, City Recorder