

**CANBY CITY COUNCIL
REGULAR MEETING MINUTES
July 15, 2020**

Due to COVID-19 Pandemic, the Mayor and City Councilors attended the meeting virtually. The public was asked to view the meeting live on CTV Channel 5 or on YouTube. Seating was available in the Council Chambers in compliance with the Governor's Executive Order regarding social distancing measures to be taken.

PRESIDING: Mayor Brian Hodson.

COUNCIL PRESENT: Trygve Berge, Tim Dale, Traci Hensley, Greg Parker, Sarah Spoon, and Shawn Varwig.

COUNCIL ABSENT: Traci Hensley

STAFF PRESENT: Amanda Zeiber, Interim City Administrator; Joseph Lindsay, City Attorney; and Melissa Bisset, City Recorder.

OTHERS PRESENT: None.

CALL TO ORDER: Mayor Hodson called the Regular Meeting to order at 7:01 p.m.

PRESENTATIONS

Swearing in of New Police Officer – Brett Smith, Police Chief, introduced new Police Officer David Wohlers.

Jon Henricksen, Municipal Court Judge, administered the oath of office to Officer Wohlers.

Canby Disposal Rate Increase Proposal – Andy Kahut and Steve Donovan from Canby Disposal gave a presentation on solid waste and recycling rates. They discussed the current status of recycling markets, proposal for the implementation of rate increases for solid waste and recycling, and neighboring community rates. In September 2019 they informed Council about their intent to request a special rate review under Section 7.5 of the franchise. In fiscal year 2019, Canby Disposal lost 5.70% before taxes; the net loss from Canby operations was \$181,576 on total revenues of \$3,186,673. They were requesting a general rate increase to be phased in on September 1, 2020 and on March 1, 2021. It cost \$130 per ton to dispose of recyclable materials collected from the curbside recycling program in September of 2019. Since that time, the cost of disposal rose to \$138 per ton. They expected to see that number increase to \$150 per ton by the end of 2020. The comparable tipping fee for solid waste at any Metro franchised transfer station was \$97.45 per ton. The Chinese government passed a domestic law forbidding Chinese processors from accepting foreign recyclables. Based on revenue requirements, they were requesting a 20.11% general rate increase. This translated to \$4.95 per month to the average

single family residential customer (32 gallon cart with recycling and yard debris). Recognizing the magnitude of this increase, they were proposing to phase the increases over one year as follows: on September 1, 2020 implement one half of the increase which was \$2.47 per month to the average single family customer and then on March 1, 2021 implement the other half of the increase which would be \$2.48 per month to the average single family customer. They displayed a graph of neighboring communities' rates that showed how Canby was lower than most other cities even with the increases.

Mayor Hodson said they were a great community partner and he appreciated the information. He asked if there were companies in the U.S. or Canada that would do the recycling that China used to or if recycling would just need to go into the trash.

Mr. Kahut said there was a paper mill in Washington that accepted the paper recycling, however several mills in Oregon had shut down in the last decade. Several small cities had dropped their recycling programs because of the transportation costs to get the materials to the market. It was changing every month and he was not sure how it would end up.

Mr. Donovan said several other cities were throwing it away currently.

Councilor Dale asked what the increase would be for 65 gallon users. Mr. Donovan did not have the specific number, but it would be the same 20 percent increase.

Mayor Hodson said if the recycling program was removed, people would have to use larger garbage containers. How much longer would they be able to do the recycling program? Mr. Kahut did not think it would completely go away anytime soon. If it did, people would have to upsize their containers.

Councilor Parker thought it was interesting that there was more garbage being generated by people staying home due to COVID. He thought they could only respond to the world market and recyclables issue. He asked if they could project the expenses and adjust the rates accordingly.

Mr. Donovan said they could change the franchise to be more forward looking, but they could not have predicted the recycling market to take this down turn.

Mr. Kahut said that was the biggest hit he had ever seen in his career and they were hoping it was a one-time increase and they would not have to come back like this again.

Mayor Hodson emphasized the need for communication with rate payers about this increase. He thought they should come back with an update in March to let them know where things were at.

Councilor Parker was in support of changing the franchise and the need for consumer education about the costs of recycling.

There was discussion regarding changing the franchise to allow for more gradual rate increases on a regular cycle.

Councilor Berge asked what fee they were trying to shoot for. Mr. Donovan said the revenue requirements set a 12% pre-tax profit and that was the bar they set for revenue requirements. They had a negative 5% and up to the 12% pre-tax, so it was a 6% after tax as the net. There were four diesel trucks that showed up every garbage day to people's homes, which was a lot of equipment, labor, and fuel and once it was collected it had to go to the transfer station and transported to Eastern Oregon for the landfill.

COMMUNICATIONS: None.

CITIZEN INPUT & COMMUNITY ANNOUNCEMENTS: It was publically noticed that Council would be attending the meeting virtually and written comments and input on agenda items were accepted until 5:00 p.m. on Wednesday, June 15.

Paul Ylvisaker, Canby resident, said last month he had discussed the use of fireworks at the graduation ceremony and this was a follow up to that discussion. The School District did not have the authority to use fireworks at graduation. It violated his environment and harassed him with the unwanted explosions. He stated the Council knew about the fireworks, but did nothing to stop it which did not promote public trust and confidence in the Council. He reviewed the Council's values and goals and how this violated them for an inclusive community and exceptional public services. He thought it violated the ordinances of the City, which was law that should be followed.

Mayor Hodson planned to have a conversation with the City Attorney and School District about the process for the fireworks because it should have come to Council for approval.

Councilor Varwig clarified he did not know about the fireworks prior to graduation.

Valerie Bird, Canby resident, said some of the major players on social media platforms had all banned discussions on 5G and the effects on human health. Many companies were advertising the benefits of 5G, but nothing about the studies on health. Many countries and cities had halted the implementation of 5G. She explained what she had found in multiple scientific sources and books about the effects. The 5G antennas were going up everywhere and there was a proposal to put them on residential homes. She thought more investigation needed to be done before a blanket roll out.

Joe Lindsay, City Attorney, clarified the City had not permitted any of these sites yet.

Brad Clark, Canby resident, discussed the cost of law enforcement which was 60% of the City's budget, especially when compared with other cities. He thought Canby's was high in comparison and he wanted to make sure they were not missing other opportunities by disproportionately spending the budget.

Amanda Zeiber, Interim City Administrator, said that number was reflective of the General Fund budget rather than the overall City budget. The Police Department was about 55% of the General Fund budget.

Mr. Clark had combined the Police and Court for the 60%.

Mr. Lindsay said the Police and Court were different branches of government and the Court made money for the City.

Mayor Hodson would look into it further and get back with him.

MAYOR'S BUSINESS: Mayor Hodson reported on the City Administrator recruitment. Interviews were currently being conducted and the final candidates would come to town. The Parks and Recreation Advisory Board would meet next week. In June they selected a new Chair. Regarding tolling and I-205 expansion, he had been invited to meet with a group of potentially impacted cities. C4 would meet in August. The last meeting they discussed the work plan for the year. Regarding COVID, Clackamas County had remained steady between 18-24 cases. He asked people to wear masks when they were going into businesses.

COUNCILOR COMMENTS & LIAISON REPORTS: Councilor Spoon welcomed the new Transit Advisory Committee members. She would like to discuss the Diversity, Equity, and Inclusion Strategic Plan she had proposed.

Councilor Varwig welcomed the new Library Board member. The Library Director was retiring. The Fire Department was remodeling the main fire station. The new ladder truck had arrived.

Councilor Dale said the last two Canby Utility meetings had dealt with yearly housekeeping issues.

CONSENT AGENDA: **Council President Dale moved to adopt the minutes of the June 17, 2020 City Council Regular Meeting, new limited on-premises OLCC liquor license for B's Bake Shoppe, appointment of Jessica Hines to the Library Board, and appointments of Warren Holzem, Alex Vice, and Paul Waterman to the Transit Advisory Committee and passed 5-0.

RESOLUTIONS & ORDINANCES

Resolution No. 1339: A Resolution authorizing a rate increase and establishing a new rate schedule for garbage collection by Canby Disposal within the City of Canby.

****Councilor Varwig moved to adopt Resolution 1339, A RESOLUTION AUTHORIZING A RATE INCREASE AND ESTABLISHING A NEW RATE SCHEDULE FOR GARBAGE COLLECTION BY CANBY DISPOSAL WITHIN THE CITY OF CANBY. Motion was seconded by Council President Dale and passed 5-0.**

Resolution No. 1340: A Resolution to ratify the contract between the City of Canby (City) and the Local 350-6 AFSCME Council 75 AFL-CIO (Union) for the period from July 1, 2020 through June 30, 2021; and repealing Resolution No. 1273.

Ms. Zeiber said the AFSCME contract expired on June 30, 2020. The negotiation process had started and then had to postpone meetings and hold virtual meetings due to COVID-19. They decided to do a one year contract because of all the unknowns. The contract would be retroactive to July 1, 2020 and would expire on June 30, 2021. Next spring there would be another negotiation process. The contract included a 2.5% COLA and legislative updates related to additional pay during emergency closures. There was agreement to limit employees having additional pay when city offices were closed if they were considered essential and had to come in for a two week period.

Councilor Parker clarified the Council had discussed the contract in Executive Session.

****Councilor Varwig moved to adopt Resolution 1340, A RESOLUTION TO RATIFY THE CONTRACT BETWEEN THE CITY OF CANBY (CITY) AND THE LOCAL 350-6 AFSCME COUNCIL 75 AFL-CIO (UNION) FOR THE PERIOD FROM JULY 1, 2020 THROUGH JUNE 30, 2021; AND REPEALING RESOLUTION NO. 1273. Motion was seconded by Councilor Berge and passed 5-0.**

Ordinance No. 1530: An Ordinance authorizing the Mayor and Interim City Administrator to execute a contract with CURRAN-McLEOD, Inc. Consulting Engineers for engineering services to complete improvements to N Locust Street Reconstruction; and declaring an emergency.
(First Reading)

Ms. Zeiber said Locust Street had intermittent old curbs and sidewalks and a deteriorating surface. This project was a complete rebuild of the curbs and sidewalks on one side and parking on both sides from NE 4th to NE 10th. Improvements would also be made to N Knott between NE 3rd and 4th. They were receiving \$374,000 in federal funds for the project and the rest would be funded through street and sewer SDCs. The reason for the emergency language was because this was a high priority project to connect the new splash pad, library, and fairgrounds with safe pedestrian routes and due to the timing of a power extension project at the fairgrounds.

Councilor Varwig asked if this project included pedestrian crosswalks across 10th Avenue. Ms. Zeiber said they were looking into additional crosswalks and locations.

****Councilor Berge moved to adopt Ordinance 1530, AN ORDINANCE AUTHORIZING THE MAYOR AND INTERIM CITY ADMINISTRATOR TO EXECUTE A CONTRACT WITH CURRAN-MCLEOD, INC. CONSULTING ENGINEERS FOR ENGINEERING SERVICES TO COMPLETE IMPROVEMENTS TO N LOCUST STREET RECONSTRUCTION; AND DECLARING AN EMERGENCY to come up for a second reading on August 5, 2020. Motion was seconded by Councilor Varwig and passed 5-0 on first reading.**

Ordinance No. 1531: An Ordinance granting a nonexclusive franchise to Canby Telephone Association (DirectLink) to provide telecommunication services within the City of Canby; and establishing an effective date. *(First Reading)*

Mr. Lindsay said the franchise agreement with Canby Telephone for telecommunication services had expired. There was a brief renegotiation and the new agreement was mostly an extension of the last agreement because it was a good agreement and similar to other telecommunication agreements with other providers. It was a ten year agreement with 5% of gross revenues paid to the City. It would also allow CTV5 to continue with their PEG fees in the same way.

Jim Hunsaker, Canby Telephone, was there to answer any questions. He said Canby Telephone prided itself in being involved in the community.

Mayor Hodson clarified they would be going from 7% to 5% in anticipation of the regulations regarding 5G.

Mr. Lindsay stated it was due to the legal need for 5G and the intent to have a level playing field.

Councilor Dale asked if there would be a significant budget impact to take into account. Mr. Lindsay did not think it was that significant.

Councilor Dale said the franchise fee was a pass through to the customer. Mr. Hunsaker said they were permitted to pass it through, but they did not pass the entire fee through.

Councilor Dale asked if the FCC had decided 5G would count for telephone, cable TV, and internet. Mr. Hunsaker said it was a fast data source that would bridge between internet and traditional telephone.

Councilor Dale was in support of reducing it to 5%. He asked if they needed to change the Wave franchise agreement as well. Mr. Lindsay would look into it.

****Council President Dale moved to adopt Ordinance 1531, AN ORDINANCE GRANTING A NONEXCLUSIVE FRANCHISE TO CANBY TELEPHONE ASSOCIATION (DIRECTLINK) TO PROVIDE TELECOMMUNICATION SERVICES WITHIN THE CITY OF CANBY; AND ESTABLISHING AN EFFECTIVE DATE to come up for a second reading on August 5, 2020. Motion was seconded by Councilor Spoon and passed 5-0 on first reading.**

Ordinance No. 1532: An Ordinance granting a nonexclusive franchise to Canby Telephone Association (DirectLink) to provide cable television service within the City of Canby; and establishing an effective date. *(First Reading)*

Mr. Lindsay said the previous discussion related to this franchise agreement, only this was for cable service. It also allowed for PEG fees for CTV5.

****Council President Dale moved to adopt Ordinance 1532, AN ORDINANCE GRANTING A NONEXCLUSIVE FRANCHISE TO CANBY TELEPHONE ASSOCIATION (DIRECTLINK) TO PROVIDE CABLE TELEVISION SERVICE WITHIN THE CITY OF CANBY; AND ESTABLISHING AN EFFECTIVE DATE to come up for a second reading on August 5, 2020. Motion was seconded by Councilor Varwig and passed 5-0 on first reading.**

CITY ADMINISTRATOR'S BUSINESS & STAFF REPORTS: Ms. Zeiber updated the Council on the splash pad project which was moving along successfully and would be completed by the end of August. The Ivy Street sewer project was out to bid and they were getting a good response.

Mayor Hodson said PGE was putting in a new power transfer line on Elm Street for the quiet zone project. The bi-monthly reports from staff were available in the Council packet.

ACTION REVIEW:

1. Approved the Consent Agenda.
2. Approved Resolution No. 1339.
3. Approved Resolution No. 1340.
4. Passed Ordinance No. 1530 to a second reading on August 5th.
5. Passed Ordinance No. 1531 to a second reading on August 5th.
6. Passed Ordinance No. 1532 to a second reading on August 5th.

The meeting adjourned at 9:00 p.m.



Melissa Bisset, CMC
City Recorder



Brian Hodson
Mayor

Assisted with Preparation of Minutes - Susan Wood