



**City Council Work Session
April 17, 2017 - 6:00 PM
Public Safety Building 401 East Third Street**

I. CALL MEETING TO ORDER

II. ROLL CALL

III. REVIEW OF THE COUNCIL AGENDA AND MEETING

IV. COUNCIL BUSINESS ITEMS

IV.A. February 2017 Financial Statements

[RCA Information Financial Reports - 2017-02 Feb.pdf](#)

V. COMMITTEE CHAIR REPORTS

VI. ADJOURNMENT

PUBLIC COMMENT

WORK SESSIONS ARE INTENDED FOR DISCUSSION. NO ACTION WILL BE TAKEN ON THE AGENDA ITEMS AND NO DECISIONS WILL BE MADE. NO ORAL OR WRITTEN TESTIMONY WILL BE HEARD OR RECEIVED FROM THE PUBLIC.

REQUEST FOR COUNCIL ACTION

DATE ACTION REQUESTED: April 17, 2017

Order ____ No.	Ordinance ____ No.	Resolution ____ No.	Motion ____	Information <u>XX</u>
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**SUBJECT: Newberg Financial Report for
February 2017**

**Contact Person (Preparer) for this
Item: Matt Zook
Dept.: Finance**

EXECUTIVE SUMMARY:

Included with this report are the financial summary statements for February 2017. The financial statements represent the City's ongoing commitment at all levels of the organization to monitor financial status and make adjustments on a monthly basis. These are provided for your information and review, as well as an opportunity for you to ask questions and keep abreast of the financial health of the City. As you review these statements, please feel free to contact me directly in advance of the meeting with questions or comments. This will provide me with an opportunity to come to the Council Work Sessions with sufficient information to answer your questions. No formal action is required at the meeting.

SUMMARY REPORT

FEB 2017

SUMMARY REPORT			FEB 2017			Current YTD	
FUNDS	2016-17 BUDGET	MONTH OF FEB 2017	2016-17 YTD	Compare to Budget	2015-16 PRIOR YTD		
				67%			
City Budget Totals							
Total Beg Fund Balance	\$ 39,824,304	\$ 39,824,311	\$ 39,824,311	100%	25,876,261		
Total Revenues	49,623,445	3,033,999	32,312,876	65%	44,609,649		
Total Beg Fund Bal & Revenues	89,447,749	42,858,310	72,137,186		70,485,910		
Total Expenses	58,664,884	3,119,860	31,394,627	54%	29,470,747		
Total Contingencies / Reserves	30,782,865	-	-	0%	-		
Total Exp & Contingen / Reserves	89,447,749	3,119,860	31,394,627	35%	29,470,747		
Total Monthly Activity Net Gain / (Loss)						\$ 39,738,450	
Total Ending Fund Balance			\$ 40,742,560		41,015,163		
City Services							
General Fund							
Beg Fund Balance	\$ 3,313,032	\$ 3,313,037	\$ 3,313,037	100%	2,797,675		
Revenues							
General Government	-	-	-	0%	-		
Municipal Court	16,500	327	7,936	48%	17,166		
Police	1,068,355	77,440	729,562	68%	703,612		
Fire	338,212	500	102,535	30%	238,526		
Communications	44,896	-	29,631	66%	44,681		
Library	132,888	24,500	68,470	52%	62,123		
Planning	623,000	216,954	546,700	88%	333,508		
Property Taxes	7,513,136	178,750	7,353,771	98%	6,883,395		
Other Taxes	41,400	800	65,854	159%	825		
Franchise Fees	1,513,662	93,607	246,885	16%	209,571		
Intergovernmental	1,323,991	82,863	898,060	68%	860,833		
Miscellaneous	4,700	97	8,828	188%	5,639		
Interest	10,000	2,536	13,697	137%	6,621		
Transfers	1,004,117	28,184	605,046	60%	354,681		
Revenue Total	13,634,857	706,559	10,676,974	78%	9,721,180		
Expenses							
General Government	208,748	12,788	158,025	76%	123,612		
Municipal Court	377,138	29,251	239,821	64%	237,081		
Police	6,389,677	504,610	4,066,010	64%	3,756,184		
Fire	3,829,075	318,115	2,551,153	67%	2,365,736		
Communications	1,146,827	106,222	693,087	60%	702,336		
Library	1,533,145	113,510	1,008,321	66%	876,300		
Planning	924,562	54,129	602,497	65%	399,852		
Transfers	194,813	13,039	120,720	62%	12,323		
Contingency	1,243,904	-	-	0%	-		
Unappropriated Ending Balance	1,100,000	-	-	0%	-		
Total Expenses	16,947,889	1,151,663	9,439,633	56%	8,473,424		
Monthly Activity Net Gain / (Loss)		\$ 2,867,933					
Ending Fund Balance			\$ 4,550,378		4,045,431		

SUMMARY REPORT

FEB 2017

SUMMARY REPORT

FEB 2017

FUNDS					Current YTD	2015-16 PRIOR YTD		
	2016-17 BUDGET	MONTH OF FEB 2017	2016-17 YTD	Compare to				
				Budget 67%				
<u>Public Safety Fee</u>								
Beg Fund Balance	\$	163,549	\$	163,546	\$	163,546	100%	197,858
Revenues		530,600		41,079		328,875	62%	324,070
Expenses		597,936		11,116		374,258	63%	338,149
Contingencies / Reserves		96,213		-		-	0%	-
Monthly Activity Net Gain / (Loss)			\$	193,510				
Ending Fund Balance					\$	118,164		183,779
<u>EMS</u>								
Beg Fund Balance	\$	1,245,744	\$	1,245,742	\$	1,245,742	100%	806,952
Revenues		327,500		1,882		337,443	103%	1,513,685
Expenses		1,511,695		94,851		1,115,376	74%	1,184,963
Contingencies / Reserves		61,549		-		-	0%	-
Monthly Activity Net Gain / (Loss)			\$	1,152,773				
Ending Fund Balance					\$	467,809		1,135,674
<u>911 Emergency</u>								
Beg Fund Balance	\$	10,713	\$	10,713	\$	10,713	100%	20,940
Revenues		196,100		-		108,743	55%	103,086
Expenses		193,770		18,309		136,227	70%	143,579
Contingencies / Reserves		13,043		-		-	0%	-
Monthly Activity Net Gain / (Loss)			\$	(7,596)				
Ending Fund Balance					\$	(16,770)		(19,552)
<u>Civil Forfeiture</u>								
Beg Fund Balance	\$	24,302	\$	24,302	\$	24,302	100%	20,146
Revenues		100		21		863	863%	4,097
Expenses		24,402		-		-	0%	-
Contingencies / Reserves		-		-		-	0%	-
Monthly Activity Net Gain / (Loss)			\$	24,322				
Ending Fund Balance					\$	25,165		24,242
<u>Library Gift & Memorial</u>								
Beg Fund Balance	\$	92,551	\$	92,550	\$	92,550	100%	86,434
Revenues		102,400		865		16,450	16%	25,335
Expenses		142,000		1,700		28,527	20%	21,056
Contingencies / Reserves		52,951		-		-	0%	-
Monthly Activity Net Gain / (Loss)			\$	91,715				
Ending Fund Balance					\$	80,473		90,713

SUMMARY REPORT

FEB 2017

SUMMARY REPORT			FEB 2017			Current YTD	2015-16 PRIOR YTD	
FUNDS	2016-17	MONTH OF	2016-17	Compare to				
	BUDGET	FEB 2017	YTD	Budget				
				67%				
<u>Building Inspection</u>								
Beg Fund Balance	\$	746,431	\$	746,431	\$	746,431	100%	620,378
Revenues		492,110		59,469		538,957	110%	332,865
Expenses		600,636		47,216		358,864	60%	301,152
Contingencies / Reserves		637,905		-		-	0%	-
Monthly Activity Net Gain / (Loss)			\$	758,684				
Ending Fund Balance					\$	926,523		652,090
<u>Streets (Operating)</u>								
Beg Fund Balance	\$	816,245	\$	816,245	\$	816,245	100%	798,186
Revenues		2,208,138		141,040		900,216	41%	854,991
Expenses		2,594,228		104,895		1,594,318	61%	988,525
Contingencies / Reserves		430,155		-		-	0%	-
Monthly Activity Net Gain / (Loss)			\$	852,390				
Ending Fund Balance					\$	122,143		664,652
<u>Water (Operating)</u>								
Beg Fund Balance	\$	7,784,120	\$	7,784,122	\$	7,784,122	100%	3,773,455
Revenues		5,772,948		379,491		4,096,568	71%	9,255,733
Expenses		5,245,102		279,500		2,985,411	57%	3,904,435
Contingencies / Reserves		8,311,966		-		-	0%	-
Monthly Activity Net Gain / (Loss)			\$	7,884,113				
Ending Fund Balance					\$	8,895,279		9,124,753
<u>Wastewater (Operating)</u>								
Beg Fund Balance	\$	12,445,970	\$	12,445,970	\$	12,445,970	100%	4,944,662
Revenues		7,806,021		727,470		5,412,605	69%	11,293,101
Expenses		11,567,935		417,332		5,227,731	45%	4,014,409
Contingencies / Reserves		8,684,056		-		-	0%	-
Monthly Activity Net Gain / (Loss)			\$	12,756,108				
Ending Fund Balance					\$	12,630,844		12,223,354
<u>Stormwater (Operating)</u>								
Beg Fund Balance	\$	1,169,140	\$	1,169,140	\$	1,169,140	100%	731,487
Revenues		1,438,300		123,086		914,487	64%	1,520,653
Expenses		1,797,728		106,408		1,036,892	58%	964,629
Contingencies / Reserves		809,712		-		-	0%	-
Monthly Activity Net Gain / (Loss)			\$	1,185,819				
Ending Fund Balance					\$	1,046,735		1,287,510

SUMMARY REPORT

FEB 2017

SUMMARY REPORT

FEB 2017

FUNDS					Current YTD	2015-16 PRIOR YTD
					Compare to Budget	
	2016-17 BUDGET	MONTH OF FEB 2017	2016-17 YTD			
					67%	
Administrative Support						
Beg Fund Balance	\$ 474,294	\$ 474,296	\$ 474,296	100%		588,457
Revenues	4,323,345	361,879	2,893,980	67%		2,444,249
Expenses						
City Manager	556,462	44,031	321,781	58%		467,923
Human Resources	214,877	19,001	115,943	54%		-
City Recorder	-	-	-	0%		-
Emergency Management	-	-	-	0%		-
Finance	704,390	49,655	442,242	63%		421,090
Gen Office(Postage/Phones)	149,000	10,602	92,584	62%		94,340
Utility Billing	317,465	23,416	203,261	64%		181,721
Information Technology	1,006,726	104,594	690,734	69%		466,257
Legal	534,570	28,249	255,989	48%		285,883
Fleet Maintenance	189,976	14,804	118,866	63%		116,187
Facilities Repair/Replacement	519,876	33,780	255,031	49%		310,618
Insurance	391,060	-	289,899	74%		302,711
Transfers	27,536	2,295	18,357	67%		-
Contingencies / Reserves	185,701	-	-	0%		-
Total Expenses	4,797,639	330,426	2,804,686	58%		2,646,731
Monthly Activity Net Gain / (Loss)		\$ 505,749				
Ending Fund Balance			\$ 563,590			385,975
Capital Improvement Projects						
Streets CIP's						
Beg Fund Balance	\$ 165,647	\$ 165,646	\$ 165,646	0%		164,209
Revenues	1,625,783	52,214	1,031,441	63%		639,524
Expenses	1,624,883	51,995	1,029,233	63%		638,705
Contingencies / Reserves	166,547	-	-	0%		-
Monthly Activity Net Gain / (Loss)		\$ 165,865				
Ending Fund Balance			\$ 167,854			165,028
Water / Wastewater / Stormwater CIP's						
Beg Fund Balance	\$ -	\$ -	\$ -	0%		(89,751)
Revenues	6,049,649	156,646	1,702,363	28%		2,495,050
Expenses	6,049,649	156,646	1,702,363	28%		2,405,299
Contingencies / Reserves	-	-	-	0%		-
Monthly Activity Net Gain / (Loss)		\$ -				
Ending Fund Balance			\$ 0			-
Street SDC						
Beg Fund Balance	\$ 2,824,983	\$ 2,824,984	\$ 2,824,984	100%		2,574,473
Revenues	907,435	24,667	249,857	28%		443,049
Expenses	386,542	29,602	271,320	70%		173,995
Contingencies / Reserves	3,345,876	-	-	0%		-
Monthly Activity Net Gain / (Loss)		\$ 2,820,049				
Ending Fund Balance			\$ 2,803,520			2,843,527

SUMMARY REPORT

FEB 2017

SUMMARY REPORT

FEB 2017

FUNDS						Current YTD	2015-16 PRIOR YTD	
	2016-17 BUDGET	MONTH OF FEB 2017	2016-17 YTD	Compare to Budget 67%				
<u>Water SDC</u>								
Beg Fund Balance	\$	821,631	\$	821,631	\$	821,631	100%	1,239,405
Revenues		429,439		37,875		395,721	92%	263,302
Expenses		1,027,635		34,181		862,030	84%	758,182
Contingencies / Reserves		223,435		-		-	0%	-
Monthly Activity Net Gain / (Loss)			\$	825,325				
Ending Fund Balance					\$	355,322		744,526
<u>Wastewater SDC</u>								
Beg Fund Balance	\$	4,527,496	\$	4,527,496	\$	4,527,496	100%	4,175,483
Revenues		519,000		56,697		708,269	136%	405,648
Expenses		815,619		38,046		411,084	50%	286,718
Contingencies / Reserves		4,230,877		-		-	0%	-
Monthly Activity Net Gain / (Loss)			\$	4,546,148				
Ending Fund Balance					\$	4,824,681		4,294,413
<u>Stormwater SDC</u>								
Beg Fund Balance	\$	167,566	\$	167,567	\$	167,567	100%	131,416
Revenues		27,650		2,077		23,698	86%	29,610
Expenses		112,792		6,562		93,947	83%	1,574
Contingencies / Reserves		82,424		-		-	0%	-
Monthly Activity Net Gain / (Loss)			\$	163,082				
Ending Fund Balance					\$	97,317		159,453
<u>Debt</u>								
<u>Debt Service (General Op)</u>								
Beg Fund Balance	\$	216,729	\$	216,728	\$	216,728	100%	215,171
Revenues		650,293		19,053		552,501	85%	782,392
Expenses		829,996		174,335		654,998	79%	551,022
Contingencies / Reserves		37,026		-		-	0%	-
Monthly Activity Net Gain / (Loss)			\$	61,446				
Ending Fund Balance					\$	114,231		446,542
<u>City Hall</u>								
Beg Fund Balance	\$	509,076	\$	509,076	\$	509,076	100%	535,601
Revenues		87,300		47,447		107,496	123%	51,280
Expenses		106,718		-		98,718	93%	95,224
Contingencies / Reserves		-		-		-	0%	-
Unappropriated Ending Balance		489,658		-		-	0%	-
Monthly Activity Net Gain / (Loss)			\$	556,523				
Ending Fund Balance					\$	517,854		491,657

SUMMARY REPORT

FEB 2017

SUMMARY REPORT

FEB 2017

FUNDS						Current YTD	2015-16 PRIOR YTD
	2016-17 BUDGET		MONTH OF FEB 2017	2016-17 YTD	Compare to Budget		
					67%		

Reserves

PERS Stabilization Reserve

Beg Fund Balance	\$	-	\$	-	\$	-	0%	-
Revenues		179,255		14,995		119,612	67%	-
Expenses		-		-		-	0%	-
Contingencies / Reserves		179,255		-		-	0%	-
Monthly Activity Net Gain / (Loss)			\$	14,995				
Ending Fund Balance					\$	119,612		-

Vehicle / Equipment Replacement

Beg Fund Balance	\$	1,176,383	\$	1,176,384	\$	1,176,384	100%	1,362,426
Revenues	\$	825,956	\$	74,060	\$	564,375	68%	495,114
Expenses								
General Government		1,375		-		1,373	100%	-
City Manager's Office		1,453		-		-	0%	140
Human Resources		1,003		-		-	0%	-
City Recorder/Clerk		-		-		-	0%	-
Finance		17,328		-		-	0%	284
Information Technology		141,797		750		109,231	77%	72,711
Legal		419		-		-	0%	-
Municipal Court		4,074		-		-	0%	560
Police		404,946		348		131,581	32%	323,771
Fire		141,869		11,417		91,333	64%	217,912
Communications		133,122		-		-	0%	2,694
Library		11,107		272		1,382	12%	2,863
Planning		2,947		-		-	0%	-
Building		23,774		-		-	0%	280
PW Administration		948,486		8,503		41,935	4%	57,143
Fleet Maintenance		9,682		54		311	3%	232
Facilities Repair/Replacement		158,957		-		56,893	36%	97,958
Contingencies / Reserves		-		-		-	0%	-
Total Expenses		2,002,339		21,342		434,040	22%	776,548
Monthly Activity Net Gain / (Loss)			\$	1,229,102				
Ending Fund Balance					\$	1,306,719		1,080,992

Fire & EMS Equip Fee

Beg Fund Balance	\$	371,152	\$	371,152	\$	371,152	100%	246,483
Revenues		-		100		1,226	0%	98,081
Expenses		371,152		31,378		251,022	68%	11,179
Contingencies / Reserves		-		-		-	0%	-
Monthly Activity Net Gain / (Loss)			\$	339,875				
Ending Fund Balance					\$	121,357		333,385

SUMMARY REPORT

FEB 2017

SUMMARY REPORT

FEB 2017

FUNDS					Current YTD Compare to Budget 67%	2015-16 PRIOR YTD
	2016-17 BUDGET	MONTH OF FEB 2017	2016-17 YTD			
Community Projects						
Cable TV Trust						
Beg Fund Balance	\$ 37,504	\$ 37,504	\$ 37,504	100%	37,339	
Revenues	170	31	238	140%	124	
Expenses	37,674	-	-	0%	50	
Contingencies / Reserves	-	-	-	0%	-	
Monthly Activity Net Gain / (Loss)		\$ 37,536				
Ending Fund Balance			\$ 37,742		37,413	
Economic Development						
Beg Fund Balance	\$ 570,189	\$ 570,191	\$ 570,191	100%	646,472	
Revenues	461,010	3,297	44,170	10%	43,878	
Expenses	630,587	895	12,407	2%	143,476	
Contingencies / Reserves	400,612	-	-	0%	-	
Monthly Activity Net Gain / (Loss)		\$ 572,593				
Ending Fund Balance			\$ 601,954		546,874	
Transient Lodging Tax						
Beg Fund Balance	\$ 149,857	\$ 149,857	\$ 149,857	100%	-	
Revenues	1,028,086	1,998	585,748	57%	547,431	
Expenses	1,177,943	11,462	471,539	40%	446,546	
Contingencies / Reserves	-	-	-	0%	-	
Monthly Activity Net Gain / (Loss)		\$ 140,392				
Ending Fund Balance			\$ 264,065		100,886	



**City Council Business Session
April 17, 2017 - 7:00 PM
Public Safety Building 401 East Third Street**

I. CALL TO ORDER

II. ROLL CALL

III. PLEDGE OF ALLEGIANCE

IV. PRESENTATIONS

IV.a. Proclamation - Historic Preservation Week
[RCA Motion - Historic Preservation Month 2017.pdf](#)

IV.b. Design Stars presentation
[RCA Design Stars](#)

V. CITY MANAGER'S REPORT

VI. PUBLIC COMMENTS

(30 minutes maximum which may be extended at the mayor's discretion; an opportunity to speak for not more than five (5) minutes per speaker allowed)

VII. CONSENT CALENDAR

VII.a. A resolution to authorize the City Manager to enter into a construction contract with Michels Pipe Services for the lining of 4949 feet of wastewater pipe and grouting of 92 lateral connections in the amount of \$245,332.00
[Res 2017-3367.pdf](#)
[I&I MAP.pdf](#)

VII.b. Council Minutes for March 20, 2017
[RCA Council Minutes March 20.](#)

VIII. PUBLIC HEARINGS

VIII.a. Reconsideration of the North College Street
Advanced Financing Agreement with Veritas School
[Res 2017-3357 AFA Veritas School Reconsideration.pdf](#)

IX. NEW BUSINESS

IX.a. NERPS Investment Allocation Ratio Change
[2017-04-17 RCA Motion NERPS Investment Allocation.pdf](#)

X. COUNCIL BUSINESS

XI. ADJOURNMENT

COMMENTS

Council accepts comments on agenda items during the meeting. Fill out a form identifying the item you wish to speak on prior to the agenda item beginning and turn it into the City Recorder. Speakers who wish the Council to consider written material are encouraged to submit written information in writing by 12:00 p.m. (noon) the day of the meeting.

ADA STATEMENT

ACCOMMODATION OF PHYSICAL IMPAIRMENTS: In order to accommodate persons with physical impairments, please notify the City Recorder's Office of any special physical or language accommodations you may need as far in advance of the meeting as possible and no later than two business days prior to the meeting. To request these arrangements, please contact the City Recorder at (503) 537-1283. For TTY services please dial 711.

ORDER

The Mayor reserves the right to change the order of items to be considered by the Council at their meeting. No new items will be heard after 11:00 p.m., unless approved by the Council.

REQUEST FOR COUNCIL ACTION

DATE ACTION REQUESTED: April 17, 2017

Order ___ Ordinance ___ Resolution ___ Motion XX Information ___
No. No. No.

SUBJECT: Approve a proclamation declaring May 2017 as Newberg Historic Preservation Month.

**Contact Person (Preparer) for this
Item: Steve Olson
Dept.: Community Development
File No.: NA**

RECOMMENDATION: Approve a proclamation declaring May 2017 as National Historic Preservation Month in Newberg.

EXECUTIVE SUMMARY: The National Trust for Historic Preservation established May as Historic Preservation Month in 1973 as a way to promote historic places as a source of community pride, promote tourism, and show the social and economic benefits of historic preservation. Newberg has proclaimed May as National Historic Preservation Month in Newberg in previous years as a way to show support for historic preservation. Staff recommends that the city continue to show support for historic preservation by approving this proclamation.

FISCAL IMPACT: None.

STRATEGIC ASSESSMENT (RELATE TO COUNCIL PRIORITIES FROM MARCH 2016): NA



PROCLAMATION

A PROCLAMATION FOR NATIONAL HISTORIC PRESERVATION MONTH 2017

WHEREAS, The National Trust for Historic Preservation established May as Historic Preservation Month in 1973, as a way to promote historic places for the purpose of instilling national and community pride, promoting heritage tourism, and showing the social and economic benefits of historic preservation; and

WHEREAS, The City of Newberg recognizes May as Historic Preservation Month and supports events in the community to instill awareness and promote the historic assets in Newberg; and

WHEREAS, Historic Preservation Month can instill awareness of the local historically significant buildings and landmarks to the residents of Newberg and surrounding communities; and

WHEREAS, Historic Preservation Month can promote Newberg's locally designated historic landmarks and landmarks listed on the National Register of Historic Places; and

WHEREAS, Historic preservation can be a community discussion; uniting residents behind an important cause; and

WHEREAS, Historic preservation has been shown as a great way to create jobs, stabilize property values, and preserve existing housing stock;

NOW, THEREFORE, IT IS PROCLAIMED, by the Mayor and City Council, and on behalf of the citizens of the City of Newberg, Oregon, that **we proclaim May 2017 as National Historic Preservation Month in Newberg.**

IN WITNESS WHEREOF, I have hereunto set my hand and cause the Seal of the City of Newberg to be affixed on this 17th day of April, 2017.

Bob Andrews, Mayor

REQUEST FOR COUNCIL ACTION

DATE ACTION REQUESTED: April 17, 2017

Order ____ No.	Ordinance ____ No.	Resolution ____ No.	Motion ____	Information <u>XX</u>
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SUBJECT: Design Stars Presentation

**Contact Person (Preparer) for this
Item: Doug Rux
Dept.: Community Development**

Mountain View Middle School Students will attend the Council meeting to deliver their annual presentations.

REQUEST FOR COUNCIL ACTION

DATE ACTION REQUESTED: April 17, 2017

Order ____	Ordinance ____	Resolution <u>XX</u>	Motion ____	Information ____
No.	No.	No. 2017-3367		

SUBJECT: A resolution to authorize the City Manager to enter into a construction contract with Michels Pipe Services for the lining of 4959 feet of Wastewater pipe and grouting of 92 lateral connections in the amount of \$245,322.00.

Contact Person (Preparer) for this Motion: Kaaren Hofmann, P.E., City Engineer
Dept.: Public Works Engineering
File No.:

RECOMMENDATION:

Adopt Resolution No. 2017-3367

EXECUTIVE SUMMARY:

Inflow and infiltration (I&I) is a major issue for the city's wastewater collection system. Inflow is water that enters the pipe through cross connections. Infiltration is groundwater that enters the wastewater system through defective pipe joints, broken pipes, manhole walls or root intrusions. I&I reduction over time will reduce the wastewater influent volume into the conveyance system and then for treatment at the city's wastewater treatment plant, and will produce an overall long term maintenance, operations and energy cost savings for the city.

As a part of the City's attempt to reduce the I&I, staff determined that the next project should be lining public wastewater main lines and grouting lateral connections on Aquarius Street, Vittoria Way, Madrona Dr. and Coffey Lane that are allowing infiltration into the wastewater system.

This project was solicited for bid on March 17, 2017 to three contractors specializing in the lining of live wastewater lines. On March 28, 2017, the city received and opened one bid from Michels Pipe Services. SAK Construction along with PEC Inc were contacted for estimates but both companies elected not to submit bids. Engineer's estimate was \$225,000.00 to \$275,000.00.

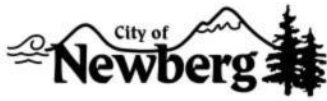
The submitted bid is reasonable. Michels Pipe Services is the lowest responsible bidder.

FISCAL IMPACT:

Funding for the wastewater mainline lining and lateral connection grouting is under account numbers 04-5150-706301.

STRATEGIC ASSESSMENT:

Replacing the wastewater laterals will prevent further I & I from entering the wastewater system.



RESOLUTION No. 2017-3367

A RESOLUTION TO AUTHORIZE THE CITY MANAGER TO ENTER INTO A CONSTRUCTION CONTRACT WITH MICHELS PIPE SERVICES FOR THE LINING OF 4949 FEET OF WASTEWATER PIPE AND GROUTING OF 92 LATERAL CONNECTIONS IN THE AMOUNT OF \$245,322.00.

RECITALS:

1. Inflow and infiltration (I&I) is a major issue for the city's wastewater collection system.
2. Inflow is water that enters the pipe through cross connections.
3. Infiltration is groundwater that enters the wastewater system through defective pipe joints, broken pipes, manhole walls or root intrusions.
4. I&I reduction over time will reduce the wastewater influent volume into the conveyance system and then for treatment at the city's wastewater treatment plant, and will produce an overall long term maintenance, operations and energy cost savings for the city.
5. As a part of the City's attempt to reduce the I & I, staff determined that the next project should lining public wastewater main lines and grouting lateral connections on Aquarius Street, Vittoria Way, Madrona Dr. and Coffey Lane that are allowing infiltration into the wastewater system.
6. The City of Newberg solicited for bids on March 17, 2017 to three contractors specializing in the lining of live wastewater lines.
7. One bid was received on March 28, 2017. The bid was from Michels Pipe Services in the amount of \$245,322.00. SAK Construction along with PEC Inc were contacted for estimates but both companies elected not to submit bids.
8. The Engineer's estimate was \$225,000.00 to \$275,000.00.

THE CITY OF NEWBERG RESOLVES AS FOLLOWS:

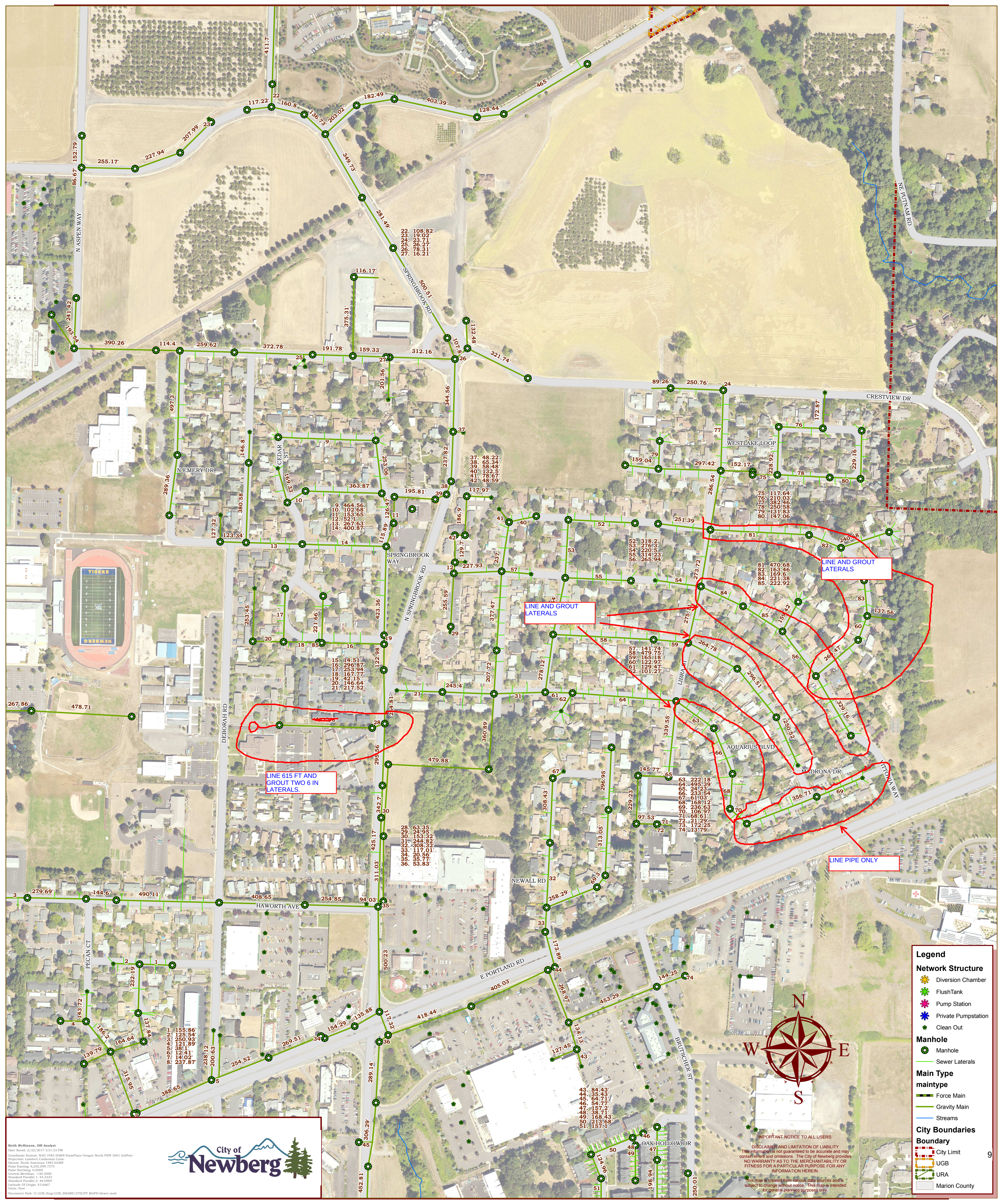
1. The City Council, acting as contract review board for the city, does hereby authorize the City Manager to enter into a construction contract with Michels Pipe Services to complete the lining of the wastewater main line and grouting of the lateral connections in the amount of \$245,322.00.
2. The City Manager, is authorized to negotiate and approve any needed construction change orders not to exceed 10 percent of the original contract amount.

➤ **EFFECTIVE DATE** of this resolution is the day after the adoption date, which is: April 18, 2017.
ADOPTED by the City Council of the City of Newberg, Oregon, this 17th day of April, 2017.

Sue Ryan, City Recorder

ATTEST by the Mayor this 19th day of April, 2017.

Bob Andrews, Mayor



REQUEST FOR COUNCIL ACTION

DATE ACTION REQUESTED: April 17, 2017

Order ____ No.	Ordinance ____ No.	Resolution ____ No.	Motion <u>XX</u>	Information ____
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SUBJECT: Minutes

**Contact Person (Preparer) for this
Motion: Sue Ryan, City Recorder
Dept.: Administration**

RECOMMENDATION:

Approve City Council minutes from March 20, 2017.

NEWBERG CITY COUNCIL MINUTES

REGULAR SESSION

March 20, 2017, 7:00 PM

PUBLIC SAFETY BUILDING (401 E. THIRD STREET)

A work session was held at 6:00 p.m. preceding the meeting. Present were Mayor Bob Andrews, Councilors Denise Bacon, Stephen McKinney, Patrick Johnson, Scott Essin and Mike Corey. Councilor Hayley Delle was absent. Staff present were Joe Hannan, City Manager, Truman Stone, City Attorney, Doug Rux, Community Development Director and Matt Zook, Finance Director.

Mayor Andrews called the meeting to order. An Executive Session was added to the end of the business session pursuant to ORS 192.660(2)(h).

Community Development Director Rux presented on the Transient Lodging Tax ad hoc committee, established in December 2016 with 13 members. The committee had been working on small and large grant programs application packets and criteria. The budget for small grants was \$20,000 and six applications had been received with 5 recommended for approval. They just formed the large grant program and were working on marketing. There was discussion on how applications were weighted against criteria. All of the applicants received at least 60% of the funding requested, and the one they did not recommend to fund was eligible for the upcoming large grant program.

The subcommittees were working on marketing using resources from both the Chamber of Commerce and Travel Oregon. Funds could be spent during a five-year period.

CALL MEETING TO ORDER

The Mayor called the business session to order at 7:00 p.m.

ROLL CALL

Members Present: Mayor Bob Andrews Scott Essin
Stephen McKinney Denise Bacon
Patrick Johnson Mike Corey

Members Absent: Hayley Delle

Staff Present: Joe Hannan, City Manager DawnKaren Bevill, Acting City Recorder
Matt Zook, Finance Director Truman Stone, City Attorney
Doug Rux, Community Development Director
Jay Harris, Public Works Director Kaaren Hofmann, City Engineer

PLEDGE OF ALLEGIANCE: The Pledge of Allegiance was performed.

CITY MANAGER'S REPORT:

City Manager Joe Hannan reported on current activities across the City including speaking with County Emergency Management about a partnership, one-on-one department budget meetings, ADEC regarding future expansion, employee and student training and employee housing assistance, meeting on skinny houses and how they might be used for affordable housing and/or downtown infill, reviewing a draft plan for a City trolley, Future Focus group meeting, attending the Chamber Board meeting, attending the Downtown Coalition Board meeting, holding a Veterans Administration telephone conference, introduction and grant possibilities for Minthorn House and George Fox Museum initiative, meeting the new Cultural Center Director and Board members, meeting with the Mayor and Doug Rux with a prospective business sponsored by Oregon Business, meeting with Newberg Veterans to discuss their idea of installing banners on city owned poles honoring veterans, facilitating a speaking date for Roy Gathercoal regarding challenges of persons in wheel chairs in

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Newberg, attending the Mid-Willamette Valley Council of Governments, telephone conference calls related to WCCCA and Dispatch and radio upgrade, attending the Parkway Committee meeting, attending two Chamber Greeters meetings, attending the Villa Road Project progress meeting, following up with US Army liaison for emergency preparedness to seek surplus equipment or funding.

PUBLIC COMMENTS:

Roger Grahn, Newberg resident, spoke on affordable housing. There had not been an affordable apartment as defined by the Affordable Housing Commission in Newberg for quite some time. The biggest reason was because of costs He proposed reducing SDC and permit fees and changing how the fees were paid, such as paying some at the time of the issuance of the permit, paying more at the time of the occupancy certificate, and the balance would be taken out of a percentage of the operating income until it was completely paid.

If it was necessary to charge interest, it should be like the interest in an LID, 1 to 2%. It should be non-transferable and if it was sold, the balance would need to be paid off. There should be a provision that it be paid within 10 years and there should be an exemption from rent control. He would like to develop 60 apartments on Wynooski at the old Lewis Academy site. He explained the costs associated with that development and how it would help him if he could make payments. If affordable housing was a goal, the City was going to have to step up but continuing to raise costs would exclude the people they were trying to include.

Bryan Stewart, Newberg resident, announced the Camellia Festival and Run on April 8. He thanked everyone who worked on the grant. The American Camellia Society would holding their national convention in Newberg. He talked about a plant -- #1007, a camellia that would be known as the City of Newberg Camellia. The State Senate adopted Resolution #26 which recognized Newberg as the official Camellia City of Oregon.

Councilor Bacon asked how they had allowed SDC payments for the apartments on Church Street. CDD Rux would have to research it. City Attorney Stone said there was Code provision to allow SDC payments, but not for permit fees.

NEW BUSINESS: Resolution 2017-3362: Awarding Transient Lodging Tax Small Grant Funds

CDD Rux said last year the Council started the Transient Lodging Tax program and an ad hoc committee. The committee reviewed grant applications in March. Six applications were received: \$2,500 for the Oregon Camellia Society Convention, \$8,000 for the Camellia Festival and Run/Walk, \$1,400 for the Hoover-Minthorn House Museum signs, \$5,000 for the Old Fashioned Festival fireworks, \$7,500 for Light the Fire Benefit, and \$10,000 for Tunes on Tuesday semi-permanent fencing plan. The committee evaluated these applications on March 15. There was a total of \$34,400 requested and \$20,000 in available funding. The committee thought the Tunes on Tuesday proposal could meet the requirements of the large grant program that had been developed. The committee recommended awarding \$2,000 for the Oregon Camellia Society Convention, \$6,550 for the Camellia Festival, \$1,400 for the Hoover-Minthorn House, \$3,500 for the Old Fashioned Festival, and \$6,550 for the Light the Fire Benefit. There was discussion on how the applications had met the match requirement and had met the state definitions for tourism promotion.

MOTION: Essin/Corey moved to adopt Resolution 2017-3362, A Resolution awarding Transient Lodging Tax Small Grant funds to the Oregon Camellia Society, Chehalem Cultural Center, Newberg Old-Fashioned Festival, Hoover-Minthorn House Museum owned and operated by the National Society of Colonial Dames of America in the State of Oregon, and Yamhill County Community Action Partnership. (6 Yes /0 No/1 Absent [Delle]).

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Resolution 2017-3361: Master Fee Schedule:

Finance Director Zook said staff assembled the fees except for pass through and franchise fees. The schedule had a standard Consumer Price Index of 2.1 %. Most fees in the resolution would not increase. He asked the Council keep the Public Works fee for the Memorial Park gazebo in the schedule, which had originally been taken off.

MOTION: Corey/Bacon moved to adopt Resolution 2017-3361, A Resolution updating the Master Fee Schedule. (6 Yes /0 No/1 Absent [Delle]).

Riverfront Master Plan Update: CDD Rux said the current Riverfront Master Plan was adopted in 2002. New bypass construction now went through the middle and no other work on the plan had been done since 2002. The SP Fiber mill, which was in the area was sold to WestRock, which closed the facility in 2016. The City was working on updating the plan using grant money. Under the current plan the area of the Riverfront Master Plan boundaries were Knight Street as the northern boundary, Chehalem Creek as the western boundary, Wynooski as the eastern boundary and the Willamette River as the southern boundary. To date, the scope of work was finalized with an RFP done for a consultant. The next steps involved establishing committees and there was a year-and-a-half of planning work ahead. The City had been working with other agencies on the mill closure and the impacts to the City planning process. There was discussion on how most of the Westrock mill site was in Yamhill County and not in the City, the grant and work being done using the state money.

TLT destination development and marketing materials: CDD Rux said the committee worked on developing materials for the Destination Development Marketing grants. Future work would include solicitation, committee review and recommendation to Council. \$250,000 was available for this grant program. It could be used for tourist related facilities or marketing. The proposed timeline was to solicit from March 31 until June 30. Matches would be required. For nonprofits, it would be \$1-to \$1 either cash or in-kind. For profits was the same amount but matches had to be cash only. Some items were not available for the TLT funding including salaries, and operating costs. There was discussion on how target markets were identified, staff resources and the evaluation process, refining future frameworks and other suggestions to improve the processes.

Capital Improvement Plan (CIP) presentation: City Engineer Hofmann said the CIP was a five-year program for capital projects of more than \$25,000 that were funded by utility funds. Next fiscal year's projects include: Inflow and Infiltration, 5th Street rehabilitation, Wastewater Master Plan, Wastewater Treatment Plant oxidation ditches, Dayton Avenue pump station, Chehalem wastewater extension, lift station coatings, oxidation ditch rotor replacements, dehydration unit rebuilding, Blaine Street stormwater project, Villa Road improvements, pavement rehabilitation, Crestview Drive/99W to Springbrook Road, College Street bike lanes, sidewalks from Aldercrest to Foothills, LED streetlight conversion, water rights review and reconfiguration, West Illinois fire flow project, Chehalem water extension, seismic resiliency of the Wastewater Treatment Plant, College Street waterline relocation, Water Treatment Plant hypochlorite generator, Well # 8 emergency generator, and maintenance yard improvements.

Staff identified needs through master plans, Council goals, operational needs and regulatory obligations. There was discussion on sidewalks that would be installed on Villa Road, 5th Street, Crestview Drive and College Street; the inflow & infiltration funds from utility bills; and the impact of the Transportation Utility Fee (TUF) if it passed. City Engineer Hofmann said if the TUF passed in April it would be implemented July 1 but this list did not include those projects.

There was additional discussion on the renovation of the Public Works maintenance yard and compost sales.

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COUNCIL BUSINESS: Mayor Andrews announced an American Legion pancake breakfast. He said the Senate Resolution #26 to name Newberg the Camellia City was moving forward. Councilor Essin reported on the Parkway Committee.

EXECUTIVE SESSION – ORS 192.660 (2) H

Council entered Executive Session at 8:55 p.m. to discuss pending litigation.

Staff present included City Manager Hannan and City Attorney Stone.

Council exited Executive Session at 9:10 p.m.

ADJOURNMENT: The meeting was adjourned at 9:10 p.m.

ADOPTED by the Newberg City Council this 17th day of April, 2017.

DawnKaren Bevill, Acting City Recorder

ATTESTED by the Mayor this ____ day of April, 2017.

Bob Andrews, Mayor

REQUEST FOR COUNCIL ACTION

DATE ACTION REQUESTED: April 17, 2017

Order No.	Ordinance No.	Resolution <u>X</u> No. 2017-3357	Motion	Information ____
SUBJECT: Reconsider adoption of an advanced financing agreement with Veritas School for the construction of a 10-inch public wastewater line and an 8-inch public water line along North College Street			Contact Person (Preparer) for this Motion: Sonja Johnson, Engineering Associate Dept.: Engineering Services Department	

RECOMMENDATION:

Adopt Resolution No. 2017-3357 approving an advanced financing agreement with Veritas School for the construction of public improvements along North College Street.

EXECUTIVE SUMMARY:

On May 5, 2003, the City of Newberg (“City”) and North Valley Friends Church (“NVF”) entered into a development agreement in response to the NVF’s application for a Conditional Use Permit with Yamhill County. The Development Agreement is a covenant running with the land and Veritas School became a party to the agreement when it purchased Tax Lot R3208 02702 from North Valley Friends Church. In accordance with the development agreement, Veritas School constructed an 8-inch public water mainline and a 10-inch public wastewater mainline along College Street to the City of Newberg’s Design and Construction Standards and was accepted by the City on June 11, 2015 (see Exhibit B). Veritas School submitted costs associated with constructing the public improvements to the City on June 25, 2015 which was within 6 months of acceptance of the project by the City as required by Newberg Municipal Code (NMC) §3.20.020 (see Exhibit C, Appendix A).

All of the intervening properties that would be affected by the proposed advanced financing agreement were outside of City limits at the time of the project acceptance by the City. In accordance with NMC §3.20.020, an application for an advanced financing agreement could not be submitted until one of the intervening properties was annexed into the City; on April 4, 2016, property owned by Mr. Bill Rourke at 4016 N College St (Tax Lot R3208 02900) was annexed into the City.

On June 3, 2016, Veritas School submitted an application for an advanced financing agreement (see Exhibit C, Appendix B) which was within the 6-month deadline required by NMC §3.20.020. Veritas School seeks to recuperate some of the costs associated with this project through an Advanced Finance Agreement. Intervening properties along North College Street will benefit from the construction of the public water and wastewater lines at the time of their development.

An Engineering Report (see Exhibit C) was prepared in response to the Advanced Financing application. Of the 15 properties identified as benefitting from the construction of the public mainlines, one property is a tract and not developable (TL R3208BC 0200), two properties are zoned as R-1, six properties are in the comprehensive plan as low density (assumed R-1 at annexation to the City), and six properties are designated as quasi-public. The zoning of quasi-public properties is determined when annexation occurs and, for the purposes of this AFA, it is assumed that they will mirror the surrounding area and be zoned as R-1 when they are annexed into the City. Given these assumptions, the properties will have similar constraints, e.g. maximum lot size, placed on their ability to impact the capacity of the public mainlines during development.

Two methods of apportionment, acreage and frontage, were considered for the AFA (see Table 1). If the frontage method is used for the AFA, 5 of the 9 property owners would pay substantially more of the construction cost. Of these 5 property owners, 3 have properties that are less than 1 acre; whereas of the 4 properties that would realize a savings using the frontage method, 3 are over 2 acres.

Table 1. Methods of Apportionment Evaluated for the Advanced Finance Agreement.

Property Owner	Water Acreage	Wastewater Acreage	Water Frontage, ft	Wastewater Frontage, ft	Method of Apportionment		% Difference (Acreage vs Frontage)
					Acreage	Frontage	
* North Valley Friends Church	19.0	19.0	948	927	\$ 170,441	\$103,831	-40%
** Veritas	5.0	5.7	216	605	\$ 48,027	\$43,449	-10%
* Bill Rourke	2.3	2.3	444	444	\$ 20,527	\$49,124	+139%
* John Wardin	0.0	2.6	0	180	\$ 12,011	\$9,046	-25%
DebraLyn Evans	0.8	0.8	10	0	\$ 7,171	\$604	-92%
Jim Fettig	1.2	1.2	194	194	\$ 10,756	\$21,464	+100%
Jerry Brown	0.8	0.8	300	300	\$ 7,171	\$33,192	+363%
John Milroy	0.0	0.8	0	344	\$ 3,484	\$17,289	+396%
Larry McWilliams	0.0	0.5	0	80	\$ 2,430	\$4,021	+66%
Totals	29.1	33.7	2,112	3,074	\$282,019	\$282,019	

*These properties have been exempted from the Advanced Financing Agreement at the request of Veritas School (see Exhibit C, Appendix F).

Staff determined that acreage would be the most equitable method because it is a better model of the potential impact to the capacity provided by the public improvements and because of the non-linear shape of the parcels as they relate to the public improvements. After removing Veritas-owned properties and exempted properties, the remaining properties will reimburse Veritas School \$31,012 through this AFA (see Table 2).

Table 2. Veritas School Reimbursement

Property Owner	Acreage	Water	Wastewater	Reimbursement
DebraLyn Evans	0.8	\$ 3,503	\$ 3,668	\$ 7,171
Jim Fettig	1.2	\$ 5,255	\$ 5,501	\$ 10,756
Jerry Brown	0.8	\$ 3,503	\$ 3,668	\$ 7,171
John Milroy	0.8	\$ 0	\$ 3,484	\$ 3,484
Larry McWilliams	0.8	\$ 0	\$ 2,430	\$ 2,430
Totals		\$ 12,261	\$ 18,751	\$ 31,012

FISCAL IMPACT:

There is no fiscal impact to the City.

STRATEGIC ASSESSMENT:

The advanced finance mechanism allows recovery of off-site improvement costs and promotes development.

RESOLUTION No. 2017-3357

A RESOLUTION AUTHORIZING AN ADVANCED FINANCING AGREEMENT BETWEEN THE CITY AND VERITAS SCHOOL FOR THE CONSTRUCTION OF A 10-INCH PUBLIC WASTEWATER LINE AND AN 8-INCH PUBLIC WATER LINE ON NORTH COLLEGE STREET

RECITALS:

1. On May 5, 2003, the City of Newberg (“City”) and North Valley Friends Church (“NVF”) entered into a development agreement. Veritas School became a party to the agreement when it purchased Tax Lot R3208 02702 from North Valley Friends Church.
2. In accordance with the development agreement, Veritas School constructed an 8-inch public water mainline and a 10-inch public wastewater mainline along College Street to the City of Newberg’s Design and Construction Standards and was accepted by the City on June 11, 2015 (see Exhibit B).
3. Veritas School submitted costs associated with constructing the public improvements to the City on June 25, 2015 which was within 6 months of acceptance of the project by the City as required by Newberg Municipal Code (NMC) §3.20.020 (see Exhibit C, Appendix A).
4. All of the intervening properties affected by an Advanced Financing Agreement (AFA) were outside of the City limits at the time of the project acceptance by the City. An application for an advanced financing agreement could not be submitted until one of the intervening properties was annexed into the City (see NMC §3.20.020).
5. On April 4, 2016, property owned by Bill Rourke at 4016 N College St (Tax Lot R3208 02900) was annexed into the City.
6. On June 3, 2016, Veritas School submitted an application for an advanced financing agreement (see Exhibit C, Appendix B). Veritas School seeks to recoup some of the costs associated with the construction of the 8-inch public water mainline and the 10-inch public wastewater mainline through an Advanced Finance Agreement.
7. During easement negotiations with Veritas School, John Wardin and North Valley Friends Church were exempted from a future AFA (see Exhibit C, Appendix F).
8. The City Council considered the adoption of the North College AFA at their February 21, 2017 hearing and denied the application.
9. At their March 6, 2017 meeting, the City Council voted to reconsider the AFA application on April 17, 2017.
10. On March 24, 2017, the City received a letter from Veritas exempting the property at 4016 N College St from a future AFA.
11. Removing the exempted properties from the AFA results in a potential reimbursement of \$31,012 to Veritas School for the construction of the North College Street public wastewater and water mainlines.

12. The City Council has the authority to approve an advanced financing agreement for a period of 10 years and set reimbursement amounts according to an equitable method of apportionment per NMC §3.20.

THE CITY OF NEWBERG RESOLVES AS FOLLOWS:

1. The City Council incorporates the recitals set forth above, adopts the April 2017 Engineer's Report, and finds that it is in the public's interest and the City's interest to approve an Advanced Financing Agreement with Veritas School for a period of 10 years.
2. The City Council finds that an equitable method of apportionment is the acreage benefitting from the public improvements.
3. The City Council authorizes the City Manager to execute an advanced financing agreement between Veritas School and the City for a period of 10 years (April 18, 2027).
4. Veritas School shall guarantee the public improvements until June 11, 2017 (a period of two years after acceptance by City) as stipulated by the City of Newberg's Design and Construction Standards.
5. The properties identified in Exhibit A shall reimburse Veritas School for the listed amount as a condition of annexation and/or prior to connection to the public improvements. The City shall collect and disburse the amounts in accordance with the Advanced Financing Agreement.
6. Veritas School shall defend, indemnify and hold harmless the City in accordance with the Advanced Finance Agreement and NMC §3.20.
7. A potential total of \$31,012 for the construction of the public water and wastewater mainlines may be reimbursed to Veritas School.

➤ **EFFECTIVE DATE** of this resolution is the day after the adoption date, which is: April 18, 2017

ADOPTED by the City Council of the City of Newberg, Oregon, this 17th day of April 2017.

Sue Ryan, City Recorder

ATTEST by the Mayor this 17th day of April 2017.

Bob Andrews, Mayor

EXHIBIT A

Table 1. Summary of Intervening Properties and the Reimbursement Amount

Tax Lot ID	Property Description	Property Owner	Reimbursement Amount
R3208 02900	Instrument No. 2005-2945	Bill Rourke	\$ 0*
R3207AA 00200	Instrument No. 2015-8292	DebraLyn Evans	\$ 7,171
R3207AA 00300	Instrument No. 2015-17859	Jim Fettig	\$ 10,756
R3207AA 00400	Instrument No. 307-1229	Jerry Brown	\$7,171
R3207AD 00100	Instrument No. 2015-17074	John Milroy	\$3,484
R3207AD 00200	Instrument No. 2015-13030	Larry McWilliams	\$ 2,430
R3208 02700	Instrument No. 2006-25768	North Valley Friends Church	\$0*
R3208 02800	Instrument No. 2006-25768	North Valley Friends Church	\$0*
R3208 02702	Instrument No. 2005-4185	Veritas School	\$0**
R3208 02802	Instrument No. 90-176	North Valley Friends Church	\$0*
R3208 02701	Instrument No. 90-176	North Valley Friends Church	\$0*
R3208 02703	Instrument No. 2006-25768	North Valley Friends Church	\$0*
R3208BC 00100	Instrument No. 2012-14268	Veritas School	\$0**
R3208BC 00200	Instrument No. 2012-14268	Veritas School	\$0**
R3207AD 00700	Instrument No. 2013-393	John Wardin	\$0*

*Adjustment made during easement negotiations between applicant and property owner

** Veritas-owned property

Interest may apply on the above amounts. Contact the City of Newberg at 503.537.1240 for the correct amount.

Table 2. Full Legal Description of Intervening Properties

Tax Lot ID	Property Description
R320802900	Instrument No. 2005-2945 Beginning at an iron pipe at the East boundary of Hillsboro-Silverton Highway, said point being South 00°02.5' East 1320.0 feet and East parallel to the North boundary of Section 8, a distance of 869.85 feet from the Northwest corner of William T. Wallace Donation Land Claim, Township 3 South, Range 2 West of the Willamette Meridian, Yamhill County, Oregon; thence East parallel to the North boundary of Section 8, a distance of 355.13 feet to an iron pipe; thence North 00°02.5' West parallel to the West boundary of Donation Land Claim, 405.73 feet; thence West parallel with South boundary, distance of 178 feet, more or less, to the East boundary of State Highway; thence Southwesterly along State Highway, a distance of 447 feet, more or less to the place of beginning. ALSO a non-exclusive easement for roadway purposes over a strip of land described as follows: Beginning at the most Northwest corner of the above described tract; thence East 60 feet; thence North 00°02.5' West 60 feet; thence West 50 feet, more or less to the Easterly boundary of Hillsboro-Silverton Highway; thence Southwesterly along the Easterly boundary of said Highway, 60 feet, more or less, to the place of beginning.
R3207AA00200	Instrument No. 2015-8292 A tract of land in the William T. Wallace Donation Land Claim in Sections 7 and 8 in Township 3 South, Range 2 West of the Willamette Meridian in Yamhill County, Oregon, more particularly described as follows: BEGINNING at the Northwest corner of said Claim; and running thence South along the Claim line a distance of 80 rods; thence East 43.85 rods to the Southwest corner of that certain tract conveyed to J.H. Peters and Ada Peters by deed from George Livingston recorded December 24, 1924 in Book 91, Page 291, Deed Records; thence North 260 feet to the Northwest corner of that certain tract of land conveyed to J.H. Peters, et ux to Lawrence C. Fran, et ux by deed recorded December 16, 1952 in Book 168, Page 148, Deed Records; thence North along the West line of the Peters tract, 200 feet to the True Place of Beginning; thence North 125.2 feet; thence East 281.8 feet to the West right of way of the Newberg-Hillsboro Highway; thence Southerly along the right of way 125.3 feet to a point East of the point of beginning; thence West 275.7 feet to the Place of Beginning. ALSO a tract of land located in Section 3, Township 3 South, Range 2 West of the Willamette Meridian in Yamhill County, Oregon, being more particularly described as follows: All that tract of land described in deed to David A. Sprecher and Janice L. Sprecher in Film Volume 113, Page 1991, Yamhill County Deed Records, lying northerly of the following described line: Commencing at an iron rod at the northeast corner of Lot 13 of CHEHALEM TERRACE SUBDIVISION; thence North 00°03'00" East 10.01 feet to an iron rod; thence North 00°09'18" East 12.00 feet to an iron rod and the True Point of Beginning; thence South 85°02'13" East 272.03 feet to a point on the west margin of College Street (Oregon State Highway No. 219) that is 35.00 feet distance from, when measured at right angles to the centerline of said street, from which an iron rod bears South 85°02'13" East 5.01 feet. TOGETHER WITH an easement for access and utilities purposes, 30 feet in width, lying 15 feet each side of the following described line: Commencing at an iron rod at the northeast corner of Lot 13 of CHEHALEM TERRACE SUBDIVISION; thence North 00°03'00" East 10.01 feet to an iron rod; thence North 00°09'18" East 12.00 feet to an iron rod; thence South 85°02'13" East 246.83 feet to the True Point of Beginning; thence South 10°51'39" East 53.04 feet; thence South 32°06'45" East 15.65 feet to a point on the west margin of College Steet (Oregon State

	Highway No. 219) and the end of said described line, the sidelines of said easement to extend and shorten with said west margin.
R3207AA 00300	Instrument No. 2015-17859 A tract of land in the William T. Wallace Donation Land Claim in Section 8 in Township 3 South, Range 2 West of the Willamette Meridian in Yamhill County, Oregon, more particularly described as follows, to-wit: Beginning at the Northwest corner of said Claim; and running thence South along the Claim line, a distance of 80 rods; thence East 43.85 rods to the Southwest corner of that certain tract conveyed to J.H. Peters et ux., by Deed from George Livingston, recorded December 24, 1924 in Book 91, Page 291, Deed Records; thence North 260 feet to the Northwest corner of that certain tract of land conveyed by J.H. Peters ex ux. to Lawrence C. Frank et ux., by Deed recorded December 16, 1952 in Book 168, Page 148, which point is the True Point of Beginning of the tract herein described; thence North along the West line of the Peters tract, a distance of 325.2 feet; thence East 287.3 feet to a point on the West line of the Hillsboro-Newberg Highway; thence Southerly along the West line of said Highway to the Northeast corner of the Frank property above referred to; thence West along the North line of the Frank property 232.8 feet to the Point of Beginning. SAVE AND EXCEPTING THEREFROM that portion conveyed to Michael D. Tilden and Deborah L. Tilden, as tenants by the entirety, by Deed recorded July 3, 2008, as Instrument No. 200811466, Deed and Mortgage Records of Yamhill County, Oregon. FURTHER SAVE AND EXCEPTING THEREFROM that portion conveyed to Michael D. Tilden and Deborah Tilden, as tenants by the entirety, by Deed recorded June 12, 2015, as Instrument No. 201508291, Deed and Mortgage Records of Yamhill County, Oregon.
R3207AA 00400	Instrument No. 307-1229 Part of the William T. Wallace D.L.C. #47 in Township 3 South, Range 2 West of the Willamette Meridian in Yamhill County, Oregon, described as follows: Beginning 80 rods South and 43.85 rods East of the Northwest corner of said Claim; thence East 80 feet to the West margin of the county road for the true place of beginning; thence West 80 feet to the Southwest corner of the J.M. Peters tract; thence North 260 feet; thence East 250 feet to the West margin of said road; thence Southwesterly along the road to the true place of beginning. EXCEPT that portion conveyed to State of Oregon by and through its State Highway Commission by deed recorded January 30, 1956 in Book 179, Page 499, Deed Records. FURTHER EXCEPTING the West 8.48 feet of even width.
R3207AD 00100	Instrument No. 2015-17074 Part of the William T. Wallace D.L.C. #47 in Township 3 South, Range 2 West of the Willamette Meridian in Yamhill County, Oregon, more particularly described as follows: Beginning at a point 20.10 chains South and 622 feet South 89°59' East from the Northwest corner of said claim; thence North 6.6 feet more or less, to a point on the South line of Lot 14 in Chehalem Terrace Subdivision in Yamhill County, Oregon; thence East along said South line extended 178.0 feet, more or less, to a point on the Westerly right of way line of State Highway #219; thence Southwesterly along said right of way line 9.30 feet, more or less, to a point that is South 89°59' East of the point of beginning; thence North 89°59' West 165.43 feet to the place of beginning.

R3207AD 00200	Instrument No. 2015-13030 Part of the William T. Wallace Donation Land Claim No. 47 in Township 3 South, Range 3 West, Willamette Meridian, in Yamhill County, Oregon, described as follows: Beginning at the Northwest corner of said Claim; thence South 20.10 chains to an iron rod set in Yamhill County Survey P-4677; thence South 89 deg. 55 min. East 521.68 feet to an iron rod set South 6.6 feet from South line of Chehalem Terrace Subdivision; thence South 00 deg. 00 min. 48 sec. West 216.08 feet to an iron rod set in the line of the Northerly right-of-way of the Hillsboro to Silverton Highway; thence Southwesterly along the Highway to a point on the Northeasterly line of a dedicated public road described in Book 19 Page 990, thence Northwesterly along the right-of-way to the Northeast corner, thence West along the right-of-way 33.83 feet to the East line of Parcel one of that tract of land conveyed to Harold Severson, et al by deed recorded October 31, 1994 in film Volume 318, Page 791, thence North along the Severson tract 150 feet to the Northeast corner thereof; thence south 89 deg. 55 min. East to the point of beginning.
R3208 02700	Instrument No. 2006-25768 Part of the William T. Wallace Donation Land Claim #47, in Sections 7 and 8, Township 3 South, Range 2 West of the Willamette Meridian Yamhill County, Oregon, described as follows: Beginning at a point 80 rods South and 116 rods East of the Northwest corner of said Wallace Donation Land Claim, said point being situated on the North line of a certain tract of land conveyed to Lloyd A. Petrie and wife by deed recorded November 1, 1950 in Book 159, Page 465, Deed Records, said point also being the Southwest corner of a certain tract of land conveyed to Earl E. Walker and wife by deed recorded March 16, 1954 in Book 172, Page 579, Deed Records,; thence North 80 rods along the West line of said Walker tract; thence West 41.60 rods to the Northeast corner of a certain tract of land conveyed to J.H. Peters and wife by deed recorded December 24, 1924 in Book 91, Page 291, Deed Records; thence South 80 rods along the East line of said Peters tract to the Southeast corner of said Peters tract; thence East 42.40 rods to the place of beginning. SAVE AND EXCEPT that portion of the above describe real property to J. William Rourke, Jr., Paul Strait and Al Lehman by warranty deed recorded May 12, 1972, in Film Volume 89 on Page 700, Deed and Mortgage Records, Yamhill County, Oregon. SAVE AND EXCEPT that portion in Deed recorded March 1, 2005 as Instrument No. 200504184, Deed and Mortgage Records, Yamhill County, Oregon
R3208 02800	Instrument No. 2006-25768 Being a part of the William T. Wallace Donation Land Claim #47, Notification No. 1477, in Sections 7 and 8, Township 3 South, Range 2 West of the Willamette Meridian Yamhill County, Oregon, the beginning point for land conveyed being 80 rods South and 64.60 rods East of the Northwest corner of said William t. Wallace Donation Land Claim; thence East 10 rods; thence North 80 rods; thence West 10 rods; thence South 80 rods to the place of beginning. EXCEPTING THEREFROM the tract conveyed to Harlin M. Huffman and wife by deed recorded September 18, 1968 in Film Volume 72, Page 644, Deed and Mortgage Records, Yamhill County, Oregon. SAVE AND EXCEPT that portion of the above describe real property to J. William Rourke, Jr, Paul Strait and Al Lehman by warranty deed recorded May 12, 1972, in Film Volume 89 on Page 700, Deed and Mortgage Records, Yamhill County, Oregon.
R3208 02702	Instrument No. 2005-4185 A tract of land in Section 8, Township 3 South, Range 2 West of the Willamette Meridian in

	Yamhill County, Oregon, being more particularly described as follows: Beginning at a point that is South 80 rods (1320.00 feet) and East 116 rods (1914.00 feet) from the Northwest corner of the William T. Wallace Donation Land Claim No. 47; thence North 465.46 feet to the TRUE POINT OF BEGINNING; thence North 422.17 feet; thence North 89°56'45" West 515.74 feet; thence south 422.17 feet; thence South 89°56'45" East 515.74 feet to the true point of beginning.
R3208 02802	Instrument No. 90-176 A tract of land in the William T. Wallace Donation Land Claim #47 in Section 8, Township 3 South, Range 2 West of the Willamette Meridian in Yamhill County, Oregon, more particularly described as follows: Beginning 64.60 rods East of the Northwest corner of the William T. Wallace Donation Land Claim in said Section, Township and Range; thence East 105 feet; thence South 105 feet; thence West 105 feet; thence North 105 feet to the place of beginning.
R3208 02701	Instrument No. 90-176 A tract of land in the William T. Wallace Donation Land Claim #47 in Section 8, Township 3 South, Range 2 West of the Willamette Meridian in Yamhill County, Oregon, more particularly described as follows: Beginning at a point on the Easterly margin of State Secondary Highway #219 (Hillsboro-Silverton Highway) 1320 feet South and 869.85 feet East of the Northwest corner of said Donation Land Claim; thence East 355.13 feet to the true point of beginning, said point also being the Southeast corner of that certain tract of land conveyed to Harlin M. Huffman, et ux, by deed recorded September 18, 1968 in Film Volume 72, Page 644, Deed and Mortgage Records; thence East parallel to the North line of Section 8, a distance of 400 feet; thence North 00°02.5' West 465.73 feet ; thence West 580 feet, more or less, to the Easterly margin of said highway; thence Southwesterly along said Easterly margin, 60 feet, more or less, to the Northwest corner of said Huffman tract; thence East along the North line of said Huffman tract, 178 feet to the Northeast corner thereof; thence South 00°02.5' East along the East line of said Huffman tract, 405.73 feet to the true place of beginning.
R3208 02703	Instrument No. 2006-25768 Part of the William T. Wallace Donation Land Claim #47, in Sections 7 and 8, Township 3 South, Range 2 West of the Willamette Meridian Yamhill County, Oregon, described as follows: Beginning at a point 80 rods South and 116 rods East of the Northwest corner of said Wallace Donation Land Claim, said point being situated on the North line of a certain tract of land conveyed to Lloyd A. Petrie and wife by deed recorded November 1, 1950 in Book 159, Page 465, Deed Records, said point also being the Southwest corner of a certain tract of land conveyed to Earl E. Walker and wife by deed recorded March 16, 1954 in Book 172, Page 579, Deed Records;; thence North 80 rods along the West line of said Walker tract; thence West 41.60 rods to the Northeast corner of a certain tract of land conveyed to J.H. Peters and wife by deed recorded December 24, 1924 in Book 91, Page 291, Deed Records; thence South 80 rods along the East line of said Peters tract to the Southeast corner of said Peters tract; thence East 42.40 rods to the place of beginning. SAVE AND EXCEPT that portion of the above describe real property to J. William Rourke, Jr., Paul Strait and Al Lehman by warranty deed recorded May 12, 1972, in Film Volume 89 on Page 700, Deed and Mortgage Records, Yamhill County, Oregon. SAVE AND EXCEPT that portion in Deed recorded March 1, 2005 as Instrument No. 200504184, Deed and Mortgage Records, Yamhill County, Oregon.

R3208BC 00100	Instrument No. 2012-14268 Parcel 2 of Partition Plat 99-49, recorded December 14, 1999 as Instrument No. 199924034, Deed and Mortgage Records, Yamhill County, Oregon.
R3208BC 00200	Instrument No. 2012-14268 Tract "A", THE SUMMT AT OAK KNOLL NO. 3, in the City of Newberg, Yamhill County, Oregon.
R3207AD 00700	Instrument No. 2013-393 A part of the donation Land Claim of William T. Wallace, being Claim No. 47 in Township 3 South of Range 2 West of the Willamette Meridian in Yamhill County, State of Oregon, and said part being more particularly bounded and described as follows: Beginning at a point on the West boundary line of said Claim, 30.10 chains South of the Northwest corner of said Claim; thence running South 89°55" East 22 chains; thence running North 10 chains; thence running North 89°55' West to a point on the East Boundary line of the Highway right of way conveyed to Yamhill County, Oregon by deed duly recorded and now of record in Volume 105 at page 507 of Deed Records of Yamhill County, Oregon; thence running in a Southwesterly direction following the East boundary line of said highway right of way to a point in the center of the present market Road No. 22 and on the West boundary line of said Donation Land Claim; and thence running south on the West boundary line of said Donation Land Claim to the place of beginning. EXCEPT that portion conveyed to the State of Oregon by and through its State Highway Commission by deed recorded February 8, 1956, in Book 179, Page 606, Deed Records and ALSO EXCEPTING that portion conveyed to Earl E. Sandager and wife by deed recorded April 17, 1957 in Book 184, Page 78, Deed Records. ALSO EXCEPTING Beginning at an iron pipe set South 1980 feet and South 89°39' East 989.5 feet from the Northwest corner of the William T. Wallace Donation Land Claim in Township 3 South, Range 2 West of the Willamette Meridian in Yamhill County, Oregon; thence South 89°39' East a distance of 462.5 feet; thence North 359 feet to the Southeast corner of the tract conveyed to Earl E. Sandager et ux by deed recorded April 18, 1957 in Book 184, Page 78; thence Westerly along the South line of the Sandager tract a distance of 460.38 feet ; thence South 00°22' West a distance of 368.64 feet to the place of beginning. FURTHER EXCEPTING Beginning at a point on the West line of the William T Wallace Donation Land Claim in Section 8, Township 3 South, Range 2 West of the Willamette Meridian, Yamhill County, Oregon, and being 30 chains South of the Northwest corner of said claim; thence South 89°39' East 989.5 feet to an iron pipe at the true point of beginning for this tract description; thence North 00°22' East 60 feet to an iron pipe; thence North 89°39' West 376.63 feet to an iron pipe; thence North 00°36' East 282.11 feet to an iron pipe; thence North 89°39' West 150.26 feet to the Southeasterly margin of State Highway No. 219; thence South 61°58' West along said Highway margin a distance of 217.5 feet; thence on a curve to the left on said highway margin to a point 50 feet East of the West line of said Wallace Claim; thence south 89°39' East 939.5 feet to the true point of beginning.

Exhibit B. Letter of Acceptance from the City to Veritas

Exhibit C. Engineer's Report

Newberg City Hall
503.537.1240
www.newbergoregon.gov



Public Works Department
Engineering Services
503.537.1273

ADVANCED FINANCING IMPROVEMENT NORTH COLLEGE WATER AND WASTEWATER SYSTEMS

ENGINEER'S REPORT APRIL 2017

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1. BACKGROUND

On May 5, 2003, the City of Newberg ("City") and North Valley Friends Church ("NVF Church") entered into a development agreement in response to the NVF Church's application for a Conditional Use Permit with Yamhill County. The Development Agreement is a covenant running with the land and Veritas School became a party to the agreement when it purchased Tax Lot R3208 02702 from North Valley Friends Church.

In accordance with the development agreement, Veritas School constructed an 8-inch public water mainline and a 10-inch public wastewater mainline along College Street that complied with the City of Newberg's Design and Construction Standards. The lines were accepted by the City on June 11, 2015.

Veritas School seeks to recuperate some of the costs associated with this project through an Advanced Finance Agreement (AFA). Intervening properties along North College Street will benefit from the construction of the public water and wastewater mainlines when development occurs.

Veritas School submitted costs associated with constructing the public improvements to the City on June 25, 2015 which was within 6 months of acceptance of the project by the City as required by Newberg Municipal Code (NMC) §3.20.020 (see Appendix A).

According to NMC §3.20.020, an application for an AFA cannot be submitted until at least one of the properties that would benefit from a public improvement is within the city limits. At the time that the City accepted the public mainlines from Veritas, none of the benefitting properties were within the city limits.

On April 4, 2016, property owned by Mr. Bill Rourke at 4016 N College St (Tax Lot R3208 02900) was annexed into the City. On June 3, 2016, Veritas School submitted an application for an advanced financing agreement (see Appendix B) which was within the 6-month deadline required by NMC §3.20.020.

2. IMPROVEMENT DESCRIPTION AND COST

The proposed public improvements included in the Advanced Financing application are an 8-inch water mainline and a 10-inch wastewater mainline. As shown in Figure 1, the 8-inch ductile iron public water line extends from the northern section of Tax Lot R3208BC 00200 (owned by Veritas School) to Hwy 219/College St where it follows Hwy 219/College St to the southern boundary of Tax Lot R3208 02800 (owned by NVF Church). It then turns east and terminates at the western boundary of Tax Lot R3208 02703 (owned by NVF Church).

The 10-inch PVC public wastewater line extends from the manhole in front of 825 Alexandra Dr. running along the western edge of Tax Lot R3207AD 00700 (owned by Mr. John Wardin) north to Hwy 219/College St where it follows Hwy 219 until the northern boundary of Tax Lot R3208

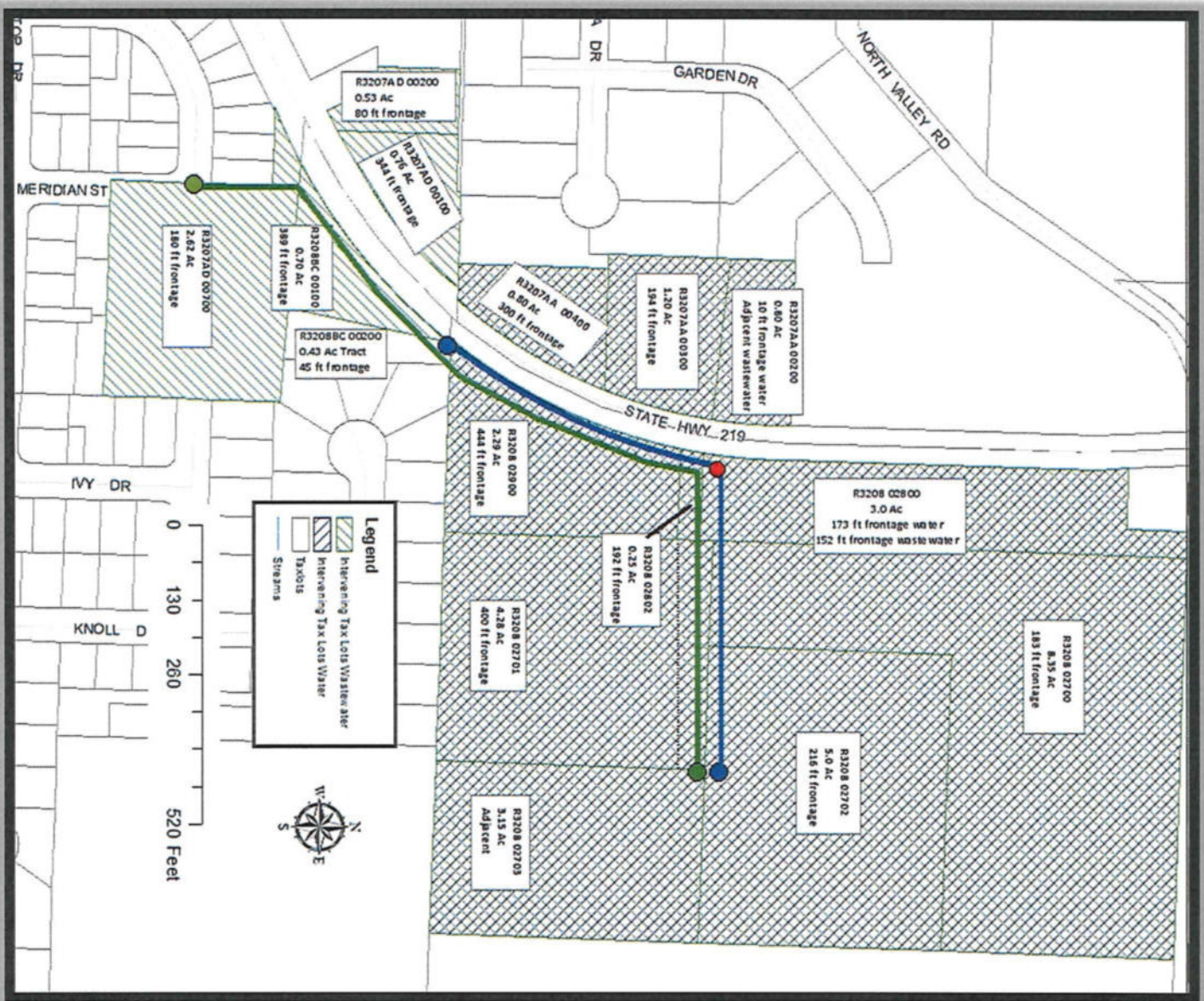


Figure 1. Intervening Properties and Public Improvements

02802 (owned by NVF Church). It then turns east and terminates at the western edge of Tax Lot R3208 02703 (owned by NVF Church).

The total cost to design and construct the public water and wastewater lines was \$282,019 (see Appendix C). The cost for engineering services was within the standard engineering practice of 15% of the construction and permitting costs.

3. DESCRIPTION OF INTERVENING PROPERTIES

The definition of "Intervening Properties" in NMC §3.20.010 is "Property abutting, contiguous to, benefiting from, or serviced by an advanced financed public improvement but does not include the development of public rights-of-way." Properties that meet this definition for the public water line are listed in Table 1.

Table 1. Intervening Properties for the North College Street Public Water Mainline

Tax Lot		Site Address	Owner	Acres	% of Total Acreage
R3208	02800	4020 N College St	North Valley Friends Church	19.0	65.4
R3208	02700				
R3208	02802				
R3208	02701				
R3208	02703				
R3208	02702		Veritas	5.0	17.2
R3208BC	00100				
R3208BC	00200				
R3208	02900	4016 N College St	Bill Rourke	2.3	7.9
R3207AA	00200	4009 N College St	DebraLyn Evans	0.8	2.7
R3207AA	00300	3993 N College	Jim Fettig	1.2	4.1
R3207AA	00400	3909 N College St	Jerry Brown	0.8	2.7
Total Acreage				29.1	100.00%

Properties that meet the definition of "intervening property" for the public wastewater mainline are listed in Table 2. In general, the properties that were intervening properties for the public water mainline are also intervening properties for the public wastewater mainline. There are four additional tax lots that met the definition of an intervening property for only the wastewater mainline because it extends further south.

Tax Lot 320BC 00200 was designated as open space in the NW Newberg Specific Plan and as a tract in the Oak Knoll subdivision plat. As a tract, it cannot be developed and is therefore not a benefitting property for either of the public mainlines.

Table 2. Intervening Properties for the North College Street Public Wastewater Mainline

Tax Lot		Site Address	Owner	Acreage	% of Total Acreage
R3208	02800	4020 N College St	North Valley Friends Church	19.0	56.4
R3208	02700				
R3208	02802				
R3208	02701				
R3208	02703				
R3208	02702		Veritas	5.7	16.9
R3208BC	00100				
R3208BC	00200				
R3208	02900	4016 N College St	Bill Rourke	2.3	6.8
R3207AD	00700	3720 N College St	John Wardin	2.6	7.8
R3207AA	00200	4009 N College St	DebraLyn Evans	0.8	2.4
R3207AA	00300	3993 N College	Jim Fettig	1.2	3.6
R3207AA	00400	3909 N College St	Jerry Brown	0.8	2.4
R3207AD	00100	3855 N College St	John Milroy	0.8	2.3
R3207AD	00200	3735 N College St	Larry McWilliams	0.5	1.6
Total Acreage				33.7	100.00%

4. RECOMMENDED REIMBURSEMENT

Acreage was chosen as the most equitable method of assessment for the AFA given the irregular parcel shapes; variation between frontage access and acreage; and the ability to utilize the capacity of the public mainlines. The total acreage subjected to the Advanced Financing Agreement was determined to be 29.1 acres for the water mainline and 33.7 acres for the wastewater mainline.

The total amount being proposed for reimbursement to Veritas School as a result of the AFA is \$31,012 (see Table 3). Easement agreements negotiated between certain benefitting property owners and Veritas School contained language exempting them from a future Advanced

Financing Agreement (see Appendix F) and a letter dated 3/24/2017 from Veritas School exempted an additional property at 3016 N College St. The result is that only 5 of the 14 benefitting properties are subject to this AFA.

Table 3. Reimbursable Costs Due from Non-Exempted Intervening Properties

Tax Lot		Site Address	Owner	Water	Wastewater	Total Cost
R3207AA	00200	4009 IM College St	DebraLyn Evans	\$ 3,503	\$ 3,668	\$ 7,171
R3207AA	00300	3993 N College	Jim Fettig	\$ 5,255	\$ 5,501	\$ 10,756
R3207AA	00400	3909 N College St	Jerry Brown	\$ 3,503	\$ 3,668	\$ 7,171
R3207AD	00100	3855 N College St	John Milroy	\$ -	\$ 3,484	\$ 3,484
R3207AD	00200	3735 N College St	Larry McWilliams	\$ -	\$ 2,430	\$ 2,430
Total				\$ 12,261	\$ 18,751	\$ 31,012

5. ADVANCED FINANCING AGREEMENT IMPLEMENTATION

With the exception of Tax Lot R3208 02900, the intervening properties are not currently within the City Limits. It is recommended that the execution of the Advanced Financing Agreement be established as a future Condition of Approval when these properties apply for annexation and if it is within the 10-yr timeframe of the Agreement. The term of the Advanced Finance Agreement would be limited to the period of time remaining in the original 10-year term at the time of annexation unless an extension of the original agreement is approved by the City Council.

NMC§3.20.070 allows for a simple interest rate to be applied annually to the reimbursement costs on the anniversary date of the agreement. The interest rate is the prime rate at the time the agreement is executed. The interest accrual will cease for an intervening property when either 1) the property owner applies for a City permit which uses or increases the use of the public improvement(s) or 2) when the term of the Advanced Financing Agreement is completed. The advanced finance reimbursement is immediately due and payable upon utilization of the public utility lines. No City permit will be issued until the advanced finance reimbursement is paid in full for the affected property.

If the City Council adopts Resolution 2017-3357 approving the advanced financing agreement, notice letters of its adoption along with a copy of the resolution will be sent to the intervening property owners. The advanced financing agreement document (see Appendix E) and a copy of the resolution will be sent to Veritas School to be signed, recorded with Yamhill County against the intervening properties, and returned to the City.

6. APPENDICES

Appendix A. IMewberg Municipal Code §3.20 Advance Financing of Certain Public Improvements

- 3.20.010** Definitions.
- 3.20.020** Application.
- 3.20.030** Advance financing report.
- 3.20.040** Public hearing.
- 3.20.050** Notification.
- 3.20.060** Advance financing resolutions and agreements.
- 3.20.070** Advance financed reimbursements.
- 3.20.080** Disposition of advance financed reimbursements.
- 3.20.090** Recording.
- 3.20.100** Public improvements.
- 3.20.110** Contesting the advance financing resolution.
- 3.20.120** Advance financed reimbursements on public improvements funded by city.

3.20.010 Definitions

For the purpose of this chapter and for the purposes of any advance financing agreement entered into pursuant hereto and for any actions taken as authorized pursuant to this chapter or otherwise, the following definitions shall apply unless the context clearly indicates or requires a different meaning:

"Advance financing" means a developer's payment for the installation of one or more public improvements installed pursuant to this chapter which intervening property owners may utilize upon reimbursing a proportional share of the cost of such improvement.

"Advance financing reimbursement" means the payment made by an intervening property owner to the city for utilization of an advance financed public improvement.

"Advance financing resolution" means a resolution passed by the city council designating a public improvement to be an advance finance public improvement and containing provisions for financial reimbursement by intervening property owners who eventually utilize the improvement, provisions for an advance financing agreement between the developer and the city, and such other provisions as determined in the best interest of the public.

"Intervening property" means that real property abutting, contiguous to, benefiting from, or serviced by an advance financed public improvement but does not include the development of public rights-of-way.

"Public improvement" means the following:

1. The design, construction, reconstruction or upgrading of any wastewater or stormwater system improvements;
2. The design, illumination, grading, graveling, paving or other surfacing of any street, including bicycle lanes, or opening, laying out, widening, extending, altering, or changing the grade for construction of any street;
3. The design and construction or reconstruction of curb, gutter or sidewalks;
4. The design and undergrounding of public utilities; and
5. The design and installation of traffic control devices.

"Utilize" means to apply for a building or other permit which shall use or increase the use of an advance financed public improvement, to connect to an advance financed public improvement, or to otherwise increase the use of an advance financed public improvement.

"Increase the use" means:

1. For wastewater or stormwater lines, to make a physical change requiring a building or development permit on the intervening property which increases the volume discharged into the line.
2. For water lines, to make a physical change requiring a building or development permit on the intervening property which increases the amount of water used.
3. For public streets, to make a physical change requiring a building or development permit on the intervening property which increases the trips on the street or creates a new entrance onto the street. [Ord. [2680](#) § 1, 9-17-07; Ord. [2406](#), 5-1-95. Code 2001 § 36.65.]

3.20.020 Application.

A. Filing and Fee. The city manager or designee shall receive application for advance financing from the developer. A fee, sufficient to cover the cost of administrative review, notification of property owners, recording costs, and any other related expenses, shall accompany the application. The fee is established in the amount of \$1,000 and may be increased in individual cases to cover the expenses as indicated above. The fee may be amended by resolution at any time.

B. The City as Developer. When the city is the developer, the city council will, by motion, direct the city manager to submit the application without fee.

C. Property within City Limits. When the intervening property is within the corporate limits of the city at the time the public improvement was accepted by the city, the city manager shall not accept applications that are submitted more than six months after the public improvement is accepted by the city.

D. Property outside the City Limits. When the intervening property is outside the corporate limits of the city at the time the public improvement was accepted by the city, the city manager shall not accept any application(s) that are submitted prior to the property being annexed. The city manager shall not accept an application after the intervening property is annexed unless: (1) the cost of the

public improvement was submitted to the city within six months of acceptance by the city; (2) the public improvement that was constructed was accepted by the city within the last 10 years. This 10-year period for initial application cannot be extended. The application must be filed within the first six months following the annexation of the intervening property; provided, however, that the application may be filed if conditions (1) and (2) are met when the intervening property owner(s) files for annexation. The application may be processed concurrently with the annexation application. The acceptance by the intervening property owner(s) of the reimbursement obligation may be a condition of annexation.

E. Information in Application. The city manager will develop an application form which requires any information deemed by the city manager to be necessary for the processing of the application. The application shall include:

1. Description of the location, type, size, and cost of the public improvement to be advance financed.
2. A map depicting intervening properties, both front footage and total area computation of intervening properties, the development, and a list of intervening property owners with current mailing addresses.
3. The completion date of construction and acceptance by the city for the estimated proposed reimbursement amount from each intervening property.
4. An acknowledgement by the developer that it is the developer's duty to defend and indemnify the city from any and all losses, claims, damages, judgments, or other costs, expenses, and attorneys' fees arising as a result or related to this application.

F. Maintenance Bond. For the purpose of this section, acceptance of a facility does not include any maintenance bond period. [Ord. [2680](#) § 1, 9-17-07; Ord. [2558](#), 12-3-01; Ord. [2406](#), 5-1-95. Code 2001 § 36.66.]

3.20.030 Advance financing report.

Upon receipt of the advance financing application, the city manager shall make an analysis of the advance financing proposal and shall prepare a report to be submitted to the city council for review, discussion and public hearing. Such report shall include a map showing the location and front footage of the development and intervening property. The report shall also include the city engineer's analysis of whether or not the submitted costs, by using the "standard engineering practices" method, of the public improvement is reasonable and the estimated advance finance reimbursement due from each intervening property owner. [Ord. [2680](#) § 1, 9-17-07; Ord. [2406](#), 5-1-95. Code 2001 § 36.67.]

3.20.040 Public hearing.

Within a reasonable time after the city manager has completed the analysis, an informational public hearing shall be held in which all parties and the general public shall be given the opportunity to express their views and ask questions pertaining to the proposed advance financed public improvement. Since advance financed public improvements do not give rise to assessments, the public hearing is for informational purposes only, and is not subject to mandatory termination due

to remonstrances. The city council has the sole discretion after the public hearing to decide whether or not an advance financing resolution shall be passed. [Ord. [2680](#) § 1, 9-17-07; Ord. [2406](#), 5-1-95. Code 2001 § 36.68.]

3.20.050 Notification.

Not less than 10 days nor more than 30 days prior to any public hearing being held pursuant to this chapter, the developer, all intervening property owners, and all potential intervening property owners shall be notified of such hearing and the purpose of the hearing. Such notification shall be accomplished by mail, and notice shall be made on the date that the letter of notification is posted. Failure of any owner to be so notified shall not invalidate or otherwise affect any advance financing resolution or the city council's action to approve or not approve the same. [Ord. [2680](#) § 1, 9-17-07; Ord. [2406](#), 5-1-95. Code 2001 § 36.69.]

3.20.060 Advance financing resolutions and agreements.

A. Resolution. After the public hearing held pursuant to NMC [3.20.040](#), if the city council desires to proceed with advance financed public improvements, it shall pass an advance financed resolution accordingly. The resolution shall:

1. Designate the proposed public improvement as an advance financed improvement and set forth the final cost if the final cost is known;
2. Identify with full legal description the development and intervening properties;
3. Provide for the advance financed reimbursement by intervening property owners;
4. Acknowledge any payment by an intervening property owner or an agreement between the intervening property owner and the developer if known to the city;
5. If the developer is not the city, instruct the city manager to enter into an agreement between the developer and the city pertaining to the advance financed improvement, requiring such guarantee or guarantees, as the city deems best to protect the public and intervening property owner; and
6. Provide such other provisions as the city council determines necessary and proper.

B. Agreement. The agreement shall be signed by both parties. The agreement shall contain the following provisions:

1. The total advance financed reimbursements shall not exceed actual costs of the public improvements.
2. The developer shall guarantee the advance financed public improvement for a period of 18 months from the date of acceptance by the city.
3. The developer shall defend, indemnify, and hold harmless the city from any and all losses, claims, damages, judgments, or other costs and expenses associated with the advance financed resolution and agreement, including any city costs, expenses, and attorneys' fees related to collection of the reimbursement fee should the city council decide to pursue collection of an unpaid reimbursement fee under this chapter.

4. The developer shall acknowledge that the city is not obligated to collect the advance financed reimbursement from intervening property owners.

5. Other provisions as the city council or city manager determines necessary and proper to carry out the provisions of this chapter.

C. Notice of Adoption of Resolution. The city shall notify all intervening property owners and the developer of the adoption of an advance financing resolution. The notice shall be sent by first class mail and include a copy of the resolution, the date it was adopted, and a short explanation.

[Ord. [2680](#) § 1, 9-17-07; Ord. [2406](#), 5-1-95. Code 2001 § 36.70.]

3.20.070 Advance financed reimbursements.

A. Advance Financed Reimbursement Imposed. An advance financed reimbursement shall be imposed on all intervening properties at such time as an intervening property owner or agent, employee, or independent contractor of the intervening property owner utilizes the advance financed improvements.

B. Rates.

1. Amounts. The intervening property owner shall pay advance financed reimbursement calculated as follows: The total actual cost of the advance financed public improvement multiplied by a percentage of the unit of assessment being front frontage, area, or whatever other method is determined by the city council to be the most equitable method of assessment for the intervening property owner.

2. Interest Rates. Interest is added to the financed reimbursements annually using simple interest calculations. The interest rate is the current prime rate set upon the anniversary date of the execution of the agreement. The city council may set such other percentage rate from time to time by resolution as they determine is fair and reasonable.

3. Odd-Shaped Lots. Advance financing reimbursements for odd-shaped lots shall be individually established and consistent with the benefit received by the lot and the reimbursement required of other lots in the area. If inequities are created through the strict implementations of the above formulas, the city council may modify its impact on a case-by-case basis.

C. Collection.

The advance financed reimbursement is immediately due and payable to the city by intervening property owners upon utilization of an advance financed public improvement. If connection is made or construction commenced without required city permits, then the advance financed reimbursement is immediately due and payable upon the earliest date that any such permit was required. No city permit of any kind for the intervening property shall be issued until the advance financed reimbursement is paid in full. As an alternative to payment through the city, an intervening property owner may pay the developer directly, provided both the intervening property owner and developer report the payment to the city.

D. Public Hearing for Unpaid Advance Financed Reimbursement.

1. Whenever the full advance financed reimbursement has not been paid and collected for any reason after it is due, the city manager shall report to the city council the amount of the

uncollected reimbursement, the legal description of the intervening property on which the reimbursement is due, the date upon which the reimbursement was due and the intervening property owner's name or names.

2. The city council shall then, by motion, set a public hearing date and direct the city manager to give notice of the hearing to each of the identified intervening property owners, together with a copy of the city manager's report concerning the unpaid advance financed reimbursement. Such notice may be either by certified mail or personal service.

3. At the public hearing the city council may accept, reject or modify the city manager's report.

4. If the city council accepts or rejects the city manager's report and determines that the advance financed reimbursement is due but has not been paid for whatever reason, the city may take any action including all legal or equitable means necessary to collect the unpaid amount.

5. The city council, by motion, may direct the city manager to docket the unpaid and uncollected reimbursement in the city record of liens and upon completion of the docketing, the city council shall have a lien against the described land for reimbursements, interest, and the city's actual cost of serving notice upon the intervening or future property owners. The lien shall be enforced in the manner provided by ORS Chapter [223](#).

6. An unpaid advance financing reimbursement shall prohibit any issuance of permits by the city for the intervening property.

E. Interim Connections. Upon receiving a valid application for advance financing of a facility, the city shall prohibit connections to that facility until the city council takes final action on the application. As an alternative to prohibiting connections, the city may allow a connection, provided the connection applicant deposits an estimated reimbursement, determined by the city engineer, into a city trust account. The connection applicant shall also sign an agreement to pay the actual reimbursement, up to 150 percent of the estimate, when the city council determines the actual reimbursement amount. [Ord. [2680](#) § 1, 9-17-07; Ord. [2558](#).12-3-01; Ord. [2406](#), 5-1-95. Code 2001 § 36.71]

3.20.080 Disposition of advance financed reimbursements.

A. Payment to Developer. Developers who have an advance finance agreement with the city shall receive the advance financed reimbursements collected by the city pertaining to their advance financed public improvements. Such reimbursements shall be delivered to the developer for a period of 10 years from and after the date the applicable advance financing agreement has been executed. Such payments will be made by the city within 90 days of receipt of the advance financed reimbursements.

B. Extension of Payment Period for an Additional 10 Years. At the end of the 10-year period, the developer may request that the city council authorize reimbursements for an additional period of a maximum of 10 years, but in no event shall the period of reimbursement be beyond the twentieth year of the date of acceptance of the improvement by the city. The request must be made between six months and one year prior to the end of the first 10 years. The city council has the discretion to approve or deny the request. The city council shall take into consideration the condition of the improvement, the public's interest, and the city's interest.

C. City's Liability. The city shall incur no liability for its failure to remit advance financed reimbursements pursuant to the requirements of this section. [Ord. [2680](#) § 1, 9-17-07; Ord. [2558](#), 12-3-01; Ord. [2406](#), 5-1-95. Code 2001 § 36.72.]

3.20.090 Recording.

All advance financing resolutions shall be recorded by the city in the deed records of Yamhill County, Oregon. The city may choose to record a notice of the city's action in the deed records instead of the resolutions. The notice shall contain the full legal description of the development and intervening properties, as well as any other provisions the city deems appropriate. The notice shall be approved as to form and content by the city attorney. Failure to make such recording shall not affect the legality of an advance financing resolution or agreement. [Ord. [2680](#) § 1, 9-17-07; Ord. [2406](#), 5-1-95. Code 2001 § 36.73.]

3.20.100 Public improvements.

A. Ownership of Improvements. Public improvements installed pursuant to an advance financing agreement shall become and remain the sole property of the city pursuant to the advance financing agreement.

B. Multiple Improvements. More than one public improvement may be the subject of an advance financing agreement or resolution. [Ord. [2680](#) § 1, 9-17-07; Ord. [2406](#), 5-1-95. Code 2001 § 36.74.]

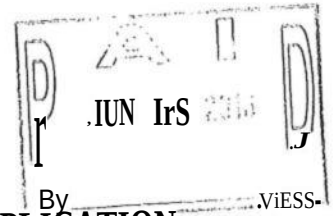
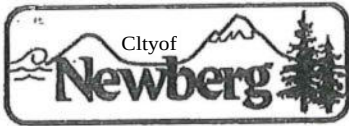
3.20.110 Contesting the advance financing resolution.

No legal action intended to contest the advance financing reimbursement, including the amount of the charge designated for each parcel, shall be filed after 60 days following the adoption of an advance financing resolution and any such legal action shall be exclusively by writ of review pursuant to ORS [34.010](#) through [34.102](#) contesting the advance financing resolution. [Ord. [2680](#) § 1, 9-17-07; Ord. [2406](#), 5-1-95. Code 2001 § 36.75.]

3.20.120 Advance financed reimbursements on public improvements funded by city.

In the event the city is the developer for the construction, at its own expense, of public improvements for which advance financed reimbursements are permissible pursuant to this chapter, the city may, pursuant to the direction of the city council, authorize advance financing agreements which include terms at variance with terms otherwise required by this chapter. The city council may authorize lower interest rates, may permit installment payments, and may extend the time period during which advance financed reimbursements may be required. [Ord. [2680](#) § 1, 9-17-07; Ord. [2406](#), 5-1-95. Code 2001 § 36.76.]

Appendix B. Application for Advanced Financing of Public Improvements



ADVANCED FINANCING OF
PUBLIC IMPROVEMENTS APPLICATION

FILE #:

DATE: Aruvia

APPLIC. FEE: 1250.00

RECEIPT #: 902401

OFFICE
USE ONLY

APPLICANT INFORMATION:

APPLICANT: 1/2 N Z R / 7 S 2 b / ? E / P /

ADDRESS: 4 N / J 7 J / S A / D A / 7 N A & u j t i / o o r S / ? ? 1 / 3 5 A

PHONE: 1 A * E 3 % / 9 f s j t MOBILIKS: 1 A * 3 / J 2 * 6 8 8 2 4 x

OWNER/DEVELOPER (if different from above):

PHONE:

ADDRESS: S l A r r a x A S A B O V E

GENERAL INFORMATION:

PROJECT LOCATION: o r (R 3 2 0 8 B C / o a s j t w / j f y k p \$ ' S u m m i t A t a & k f l / p t Z f / N S

COST FOR PUBLIC IMPROVEMENTS (ENGINEER'S ESTIMATE ATTACHED): 3 S y * 6 3 . Q A

DESCRIBE THE

IMPROVEMENTS THAT WERE MADE (BE SPECIFIC): P h a s e S e e A W M S I A i t r u r i / ^ - ^ P I P J O y j /

S M b m j f M P ? z f s / 0 f p Y n e d b y t h e A i t y ~ N > 3 A A ^ 0 / 6 V

SPECIFIC REQUIREMENTS ARE ATTACHED

The application must include a current title report for the property. All property owners of the property must sign below.

Owners Signature

S L U
Q 0

Print Name

L K M n W K f / k
r f M f f % k r * f

Address

i f Q i M i s s i o n 4 V r M & i / w J

The above statements and information herein contained are in all respects true, complete, and correct to the best of my knowledge and belief. All owners must sign the application. Incomplete or missing information may delay the approval process.

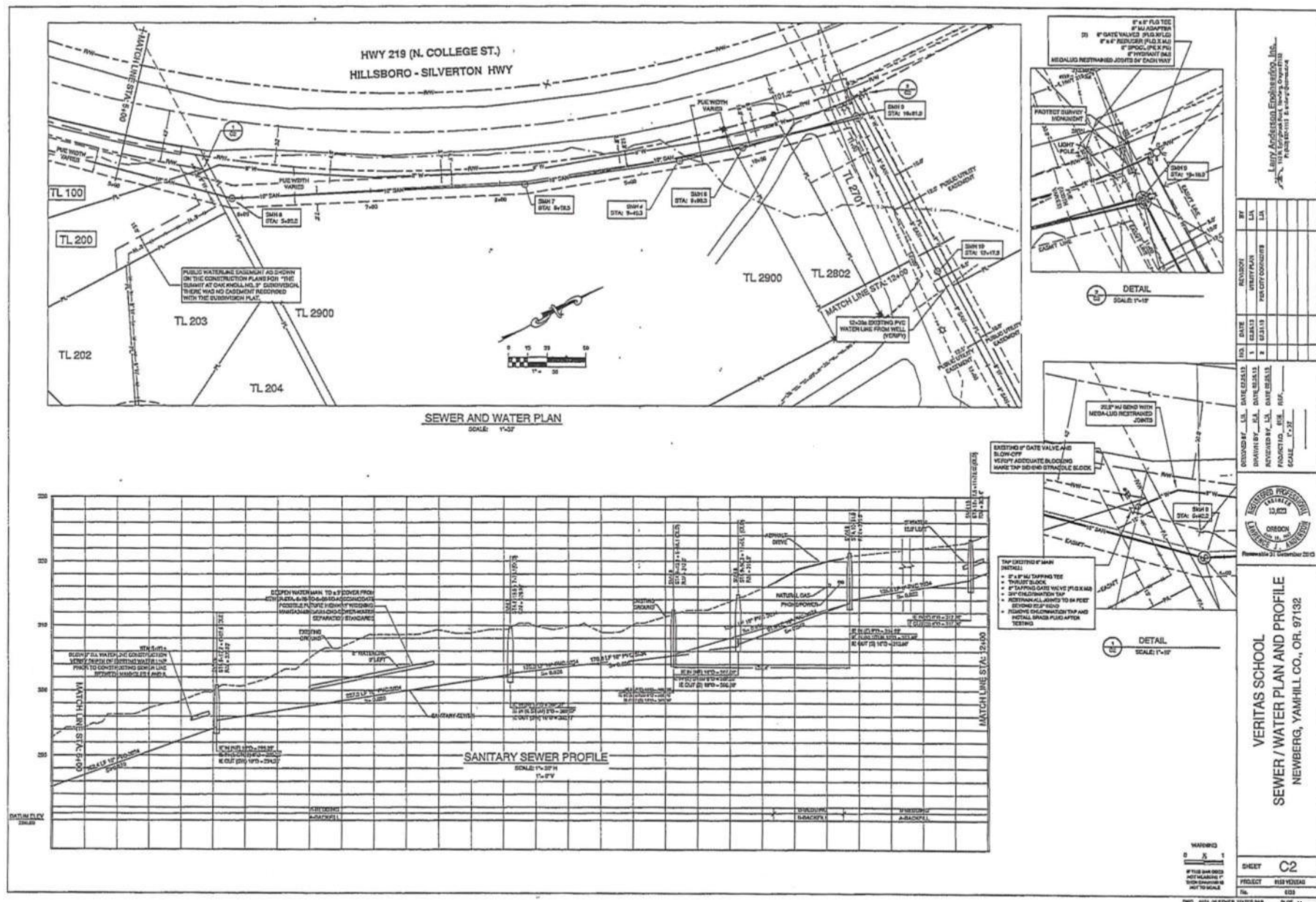
Applicant/Title HgltW Scontract Purchaser Signature

Print Name

Bryan Lynch (Head of Scontract)

Date

6 / 3 / 1 & b





June 25, 2015

Brian Kershaw and Kaaren Hofmann,

As requested, here are the documents that represent our build-out cost for the sewer and water project. I have provided the check number and date of payment for each invoice. Please give me a call after you have reviewed these documents so that we can discuss the next steps to create an Advanced Financing Agreement. You can reach me on my cell phone at 503-312-6882 or by email at mstice@veritasschool.net

Thank You,

Mike Stice
Director of Development
Veritas School

Cell: 503-312-6882
401 Mission Dr
Newberg, OR 97132

Installation Cost		Veritas Sewer & Water Project			
Item	Description	Date			
Ratigust Excavation				Rauganst Excavation - Equipment & Labor	\$ 130,900.00
	Check Number				
Material	296	9/10/13	Pd	Raugust - 1st Material Invoice #13411 Pd	\$ 26,604.32
Material	298	10/7/13	Pd	Rangust - 2nd Material Invoice #13457 Pd	\$ 45,465.04
Material	301	10/27/13	Pd	Rangust - 3rd Material Invoice #13489 Pd	\$ 26,506.68
Material	304	5/26/14	Pd	Rangust - 4th Material Invoice #13714 Pd	\$ 8,465.67
Material	306	8/21/14	Pd	Rangust - 5th Material Invoice # 13801 Pd	\$ 8,781.00
Material	314	11/20/14	Pd	Rangust - 6th Material Invoice # 13923 Pd	\$ 4,540.00
				Total Material Invoices Pd As Of 1/1/15	\$ 120,362.71
				Sewer and Water Installation Cost	\$ 251,262.71
Civil Engineering Services	290	11/13/12	Pd	Invoice # 2882 Pd	\$ 10,898.75
Anderson Engineering	295	5/13/13	Pd	Invoice # 2919 Pd	\$ 3,935.00
	299	10/4/13	Pd	Invoice# 2963 Pd	\$ 5,570.00
	316	1/20/15	Pd	Invoice # 3002 Pd	\$ 1,194.00
				Engineering Project 1/20/15	\$ 21,598.00
City of Newberg					
		4A9/13	Pd	2% of \$183,174 bid submitted with plans	\$ 3,663.00
		5/2/13	Pd	3% of \$183,174 bid submitted with plans	\$ 5,495.00
				City Fees and Permits	\$ 9,158.00
				Actual Project Cost	\$ 282,018.71

RAUGUST EXCAVATING INC
PO BOX 267
NEWBERG, OR 97132

Invoice

Bill To
VERITAS CHRISTIAN SCHOOL
BELL RD SEWER AND WATER MAINS

Date	Invoice No.	P.O. Number	Terms	Project
09/10/13	13411			

Item	Description	Quantity	Rate	Amount
PIPE MATERIALS	PIPE MATERIALS FOR SEWER	1	17,648.41	17,648.41
CLEARING	CLEARING OF TREES FOR JOHN WORDINE AS PER AGREEMENT	1	525.00	525.00
MANHOLE	PARTIAL BILL FOR MANHOLES FOR SEWER LINE	1	5,495.00	5,495.00
ROCK	DELIVERED TO JOB SITE FOR SEWER LINE	1	2,935.91	2,935.91
<i>Pl check # 296</i>				
			Total	\$26,604.32

RAUQUEST EXCAVATING INC
PC BOX 267
NEWBERG, OR 97132

Invoice

OCT 17 2013

Bill To:
VERITAS CHRISTIAN SCHOOL
BELL RD SEWER AND WATER MAINS

Date	Invoice No.	P.O. Number	Terms	Project
10/07/13	13457			

Item	Description	Quantity	Rate	Amount
PIPE MATERIALS	PIPE MATERIALS FOR WATER	1	35,280.21	35,280.21
FILL MATERIAL	CDF FILL FOR MR WORDIN'S DRIVEWAY	1	500.00	500.00
MANHOLE	PARTIAL FOR MANHOLES FOR SEWER LINE	1	3,175.00	3,175.00
ROCK	DELIVERED TO JOB SITE FOR SEWER	1	6,509.83	6,509.83
<i>Pd check # 298</i>				
			Total	\$45,465.04

RAUGUST EXCAVATING INC
PO BOX 267
NEWBERG, OR 97132

Invoice

Bill To:
VERITAS CHRISTIAN SCHOOL

BELL RD SEWER AND WATER MAINS

Date	Invoice No.	P.O. Number	Terms	Project
10/27/13	13489			

Item	Description	Quantity	Rate	Amount
MANHOLE	MATERIAL TO FINISH SEWER OVER BUDGET/BID (\$2859 DUE TO ADDED MANHOLE AND CHANGED ELEVATIONS OF SEWER REQUIRING MORE MANHOLE RISERS	(3J-B) sa 1	4,817.00	4,817.00
'CK	DELIVERED TO JOB SITE	(1+2) 'ZZZ 1	8,611.64	8,611.64
riPE	REMAINDER OF PARTS FOR WATERLINE	(1+D+E) = 1	12,828.04	12,828.04
MATERIALS				
STRAW	FOR EROSION CONTROL REQUIRED BY CITY	1	250.00	250.00
 & 333 13#1				
Total				\$26,506.68

RAUGUST EXCAVATING INC
PO BOX 267
NEWBERG, OR 97132

Invoice

MAY 28 1&V

Bill To:
VERITAS CHRISTIAN SCHOOL
BELL RD SEWER AND WATER MAINS

Date	Invoice No.	P.O. Number	Terms	Project
05/26/14	13714			

Item	Description	Quantity	Rate	Amount
FIRE HYDRANTS WATER TAP MANHOLE GRADE RINGS TEST PUMP	MANHOLE LIDS GRADE RINGS FOR MANHOLE HEIGHTS WATER LINE TEST PUMP RENT	1 1 1 1	3,350.67 2,990.00 1,175.00 750.00 200.00	3,350.67 2,990.00 1,175.00 750.00 200.00
<i>Pd Check # 3024</i>				
			Total	\$8,465.67

Invoice

RAUGUST EXCAVATING INC
PO BOX 267
NEWBERG, OR 97132

Bill To:
VERITAS CHRISTIAN SCHOOL

BELL RD SEWER AND WATER MAINS

Date	Invoice No.	P.O. Number	Terms	Project
08/03/14	13801			

Item	Description	Quantity	Rate	Amount
MANHOLE	POUR MANHOLE CHANNELS	1	2,815.00	2,815.00
VIDEO	VIDEO TESTING OF SEWER LINES	1	1,191.95	1,191.95
VACUUM	VACUUM TESTING OF MANHOLES	1	1,650.00	1,650.00
TESTING				
PAVING	PAVING OF TRENCH LINES (LAST INVOICE FROM ME!)	1	3,125.00	3,125.00
<i>kk check # a&cc</i> <i>s///jrf</i> ok <i>Mike Steele</i>				
			Total	\$8,781.95

A EXCAVATING INC
 BOX 267
 WEWBERG, OR 97132

Invoice

Bill To:
VERITAS CHRISTIAN SCHOOL
BELL RD SEWER AND WATER MAINS

Date	Invoice No.	P.O. Number	Terms	Project
11/20/14	13923			

Item	Description	Quantity	Rate	Amount
HYDROSEED	HYDROSEED APPROX 42,000 SQUARE/FEET OF GROUND FOR VERITAS PROPERTY	42,000	0.07	2,940.00
HYDROSEED	HYDROSEED APPROX 26,000 SQUARE/FEET OF GROUND FOR NORTH VALLEY FRIENDS CHURCH	20,000	0.08	1,600.00
<i>Pd check # 314</i>				
Thank you for your business.			Total	\$4,540.00

ON (2- 'S Invoice

RAUGUST EXCAVATING INC
PO BOX 267
NEWBERG, OR 97132

Bill To:
VERITAS CHRISTIAN SCHOOL
BELL RD SEWER AND WATER MAINS

Date	Invoice No.	P.O. Number	Terms	Project
07/17/14	13774			

Item	Description	Quantity	Rate	Amount
LABOR	WORK ON SITE INSTALLING WATER MAIN	1	14,300.00	14,300.00
EQUIPMENT	EQUIPMENT FOR INSTALLING WATER MAIN	1	32,100.00	32,100.00
	LABOR AND EQUIPMENT PROVIDED AS GIFT IN KIND FOR 2014			
			Total	\$46,400.00

RAUGUST EXCAVATING INC
PO BOX 267
NEWBERG, OR 97132

Invoice

Bill To:
VERITAS CHRISTIAN SCHOOL
BELL RD SEWER AND WATER MAINS

Date	Invoice No.	P.O. Number	Terms	Project
12/31/13	13648			

Item	Description	Quantity	Rate	Amount
LABOR	WORK ON SITE INSTALLING SEWER MAIN	1	25,600.00	25,600.00
EQUIPMENT	EQUIPMENT FOR INSTALLING SEWER MAIN	1	58,900.00	58,900.00
	LABOR AND EQUIPMENT PROVIDED AS GIFT IN KIND FOR 2013			
			Total	\$84,500.00



First American

First American Title Company of Oregon
 525 NE Evans Street
 McMinnville, OR 97128
 Phn - (503)376-7363
 Fax - (866)800-7294

YAMHILL COUNTY TITLE UNIT
 FAX (866)800-7294

Title Officer: **Clayton Carter**
 (503)376-7363
 ctcarter@firstam.com

LOT BOOK SERVICE

Veritas School Attn: Mike Stice
 401 Mission Dr
 Newberg, OR 97132

Order No.: 1039-2664877
 June 01, 2016

Attn: MikeStice
 Phone No.: - Fax No.:
 Email: mstice@veritasschool.net

Re:

Fee: \$125.00

We have searched our Tract Indices as to the following described property:

The land referred to in this report is described in Exhibit A attached hereto,

and as of 05/27/2016 at 8:00 a.m.

We find that the last deed of record runs to

Veritas School, an Oregon non-profit corporation.

We find the following apparent encumbrances within ten (10) years prior to the effective date hereof:

NONE

1. The rights of the public in and to that portion of the premises herein described lying within the limits of streets, roads and highways.
 (Affects Parcel 1)
2. Easement as shown on the recorded plat/partition
 For: Ten foot public waterline easement
 Affects: Parcel 1
3. Easement as shown on the recorded plat/partition

First American Title

Lot Book Service

Guarantee No.: 1039-2664877

Page 2 of 3

For: Fifteen foot pedestrian access
Affects: Parcel 2

4. Easement as shown on the recorded plat/partition
For: Fifteen foot public utility easement
Affects: Parcel 2
5. Easement, including terms and provisions contained therein:
Recording Information: September 24, 2013, Instrument No. 201315145, Deed and Mortgage Records
In Favor of: City of Newberg, a municipal corporation
For: public utility

We have also searched our General Index for Judgments and State and Federal Liens against the Grantee(s) named above and find:

NONE

We find the following unpaid taxes and city liens: NONE

NOTE: Taxes for the year 2015-2016 PAID IN FULL

Tax Amount: \$599.51
Map No.: R3208BC 00200
Property ID: 25877
Tax Code No.: 29.0

NOTE: Taxes for the year 2015-2016 PAID IN FULL

Tax Amount: \$95.98
Map No.: R3208BC 00100
Property ID: 515917
Tax Code No.: 29.0

THIS IS NOT a title report since no examination has been made of the title to the above described property. Our search for apparent encumbrances was limited to our Tract Indices, and therefore above listings do not include additional matters which might have been disclosed by an examination of the record title. We assume no liability in connection with this Lot Book Service and will not be responsible for errors or omissions therein. The charge for this service will not include supplemental reports, rechecks or other services.

First American Title

Lot Book Service

Guarantee No.: 1039-2664877
Page 3 of 3

Exhibit "A"

Real property in the County of Yamhill, State of Oregon, described as follows:

PARCEL 1:

Parcel 2 of Partition Plat 99-49, recorded December 14, 1999 as Instrument No. 199924034, Deed and Mortgage Records, Yamhill County, Oregon.

PARCEL 2:

Tract "A", THE SUMMIT AT OAK KNOLL NO. 3, in the City of Newberg, Yamhill County, Oregon.

NOTE: This Legal Description was created prior to January 01, 2008.

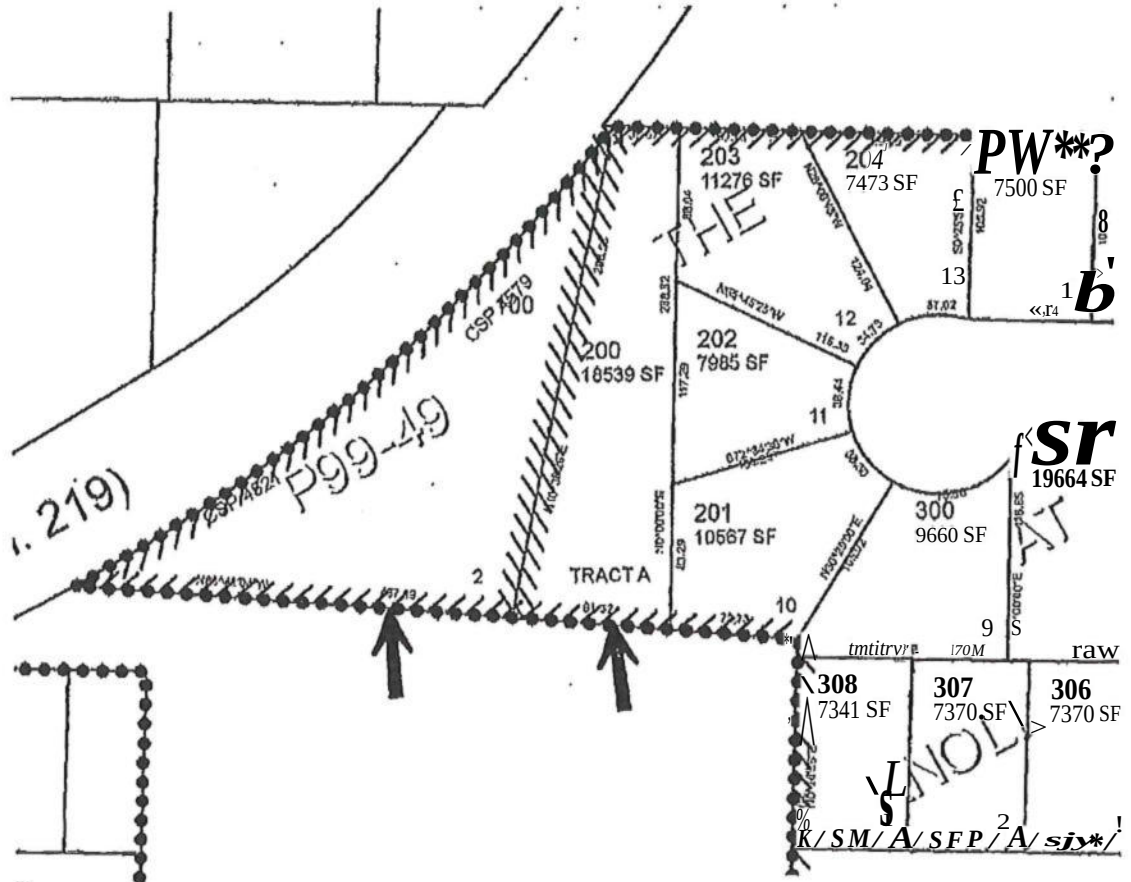
First American Title



First American



This map is furnished for illustration and to assist in property location. The company assumes no liability for any variation in dimensions by location ascertainable by actual survey



Appendix C. Project Costs for the Public Wastewater and Water Lines

		Water	Wastewater	Total
City Permit and Review Fees*		\$4,141	\$5,017	\$9,158
Materials:	Invoice			
Wastewater Line Materials (pipe)	13411	\$-	\$17,648	\$17,648
Manholes	13411	\$-	\$5,495	\$5,495
Rock	13411	\$-	\$2,936	\$2,936
Water Line Materials (pipe materials)	13457	\$35,280	\$ -	\$35,280
Manholes	13457	\$-	\$3,175	\$3,175
Rock	13457	\$ -	\$6,510	\$6,510
Wastewater Line Materials	13489	\$ -	\$4,817	\$4,817
Rock	13489	\$ 8,612	\$ -	\$8,612
Water Line Materials (pipe materials)	13489	\$12,828	\$ -	\$12,828
Erosion Control	13489	\$125	\$125	\$250
Fire Hydrants	13714	\$3,351	\$ -	\$3,351
Manhole Lids	13714	\$ -	\$1,175	\$1,175
Manhole Rings	13714	\$ -	\$750	\$750
Water Line Test Equipment	13714	\$200	\$ -	\$200
Manhole Pour	13801	\$ -	\$2,815	\$2,815
Wastewater Line Video	13801	\$ -	\$1,192	\$1,192
Wastewater Line Vacuum Test	13801	\$ -	\$ 1,650	\$1,650
Trenchline Paving	13801	\$ 1,562	\$ 1,562	\$3,124
Erosion Control Hydroseed Veritas	13923	\$1,470	\$1,470	\$2,940
Erosion Control Hydroseed NVF Church	13923	\$800	\$800	\$1,600
Donated Expenses				
Installation of Water Line – Labor	13774	\$ 14,300	\$ -	\$ 14,300
Installation of Water Line – Equipment	13774	\$ 32,100	\$ -	\$ 32,100
Installation of Wastewater Line – Labor	13548	\$ -	\$ 25,600	\$ 25,600
Installation of Wastewater Line – Equipment	13548	\$ -	\$ 58,900	\$ 58,900
Easement-Negotiated Expenses				
Tree Clearing for John Wordin	13411	\$ -	\$ 525	\$ 525
Driveway Fill for John Wordin	13457	\$ -	\$ 500	\$ 500
Water Tap for North Valley Friends Church	13714	\$ 2,990	\$ -	\$ 2,990
Total Project Cost		\$117,759	\$142,662	\$ 260,421
Engineering Services**		\$ 9,766	\$11,832	\$ 21,598
Total Cost		\$ 127,525	\$ 154,494	\$ 282,019

*Proportional Cost

**Engineering Services = 15% of Project Cost, Not to Exceed Actual Cost of \$21,598

Appendix D. Proportionate Costs for the Public Water and Wastewater Lines

Tax Lot		Site Address	Owner	Acres	Water	Wastewater	Total Cost
R3208	02800	4020 N College St	North Valley Friends Church	19.0	\$ 83,338	\$ 87,103	\$ 170,441 *
R3208	02700						
R3208	02802						
R3208	02701						
R3208	02703						
R3208	02702		Veritas	5.7	\$ 21,896	\$ 26,131	\$ 48,027 *
R3208BC	00100						
R3208BC	00200						
R3208	02900	4016 N College St	Bill Rourke	2.3	\$ 10,029	\$ 10,498	\$ 20,527 *
R3207AD	00700	3720 N College St	John Wardin	2.6	\$ -	\$ 12,011	\$ 12,011 *
R3207AA	00200	4009 N College St	DebraLyn Evans	0.8	\$ 3,503	\$ 3,668	\$ 7,171
R3207AA	00300	3993 N College	Jim Fettig	1.2	\$ 5,255	\$ 5,501	\$ 10,756
R3207AA	00400	3909 N College St	Jerry Brown	0.8	\$ 3,503	\$ 3,668	\$ 7,171
R3207AD	00100	3855 N College St	John Milroy	0.8	\$ -	\$ 3,484	\$ 3,484
R3207AD	00200	3735 N College St	Larry McWilliams	0.5	\$ -	\$ 2,430	\$ 2,430
Total					\$ 127,525	\$ 154,494	\$ 282,019

* Properties exempted through the easement agreements or are owned by Veritas School

Appendix E. Draft Advance Financing Agreement

AFTER RECORDING RETURN TO:

City of Newberg – Public Works Department

PO Box 970 ~ 414 East First Street

Newberg, OR 97132

503.554.7705

ADVANCE FINANCING AGREEMENT

(NEWBERG MUNICIPAL CODE SECTION 3.20)

THIS AGREEMENT is entered into this 18th day of April 2017 by and between the City of Newberg, a municipal corporation of the State of Oregon, hereinafter called “**City**”, and Veritas School, hereinafter called “**Developer**”. This agreement was authorized by the City Council on April 17, 2017 by Resolution No. 2017-3357.

RECITALS:

1. Developer constructed public improvements further described as an 8-inch public water mainline and a 10-inch public wastewater mainline. These improvements shall remain the sole property of the City.
2. Said public improvement will benefit not only Developer's property but other adjoining properties as well. Those benefitted properties should reimburse their fair share of the cost of those public improvements.
3. Developer shall guarantee the advanced financed public improvement until June 11, 2017.
4. Developer shall be entitled to reimbursement from properties connecting to the afore-described public improvement in the manner and to the amount prescribed in this agreement. The reimbursement shall be based upon actual costs which were determined to be \$282,019.

5. Exhibit A, attached hereto and by reference incorporated herein, shows the properties that are obligated to reimburse the Developer.
6. Exhibit B, attached hereto and by reference incorporated herein, sets forth in the amounts assigned to each property that benefits from the public improvements. The amounts in Exhibit B are in addition to any required connection charges, including but not limited to, permits and City assessments.
7. The reimbursement obligation shall be due and payable by the intervening property owners upon their application for a Site Development Permit for development activities which include a connection(s) to the public improvement(s).
8. The City shall transfer any reimbursements received by intervening property owners within 90 days of receiving the reimbursement.
9. The developer acknowledges that the city is not obligated to collect the advance financed reimbursement from any intervening property owner.
10. The developer shall defend, indemnify, and hold harmless the City from any and all losses, claims, damages, judgments, or other costs and expenses associated with the advance financed resolution and agreement, including any city costs, expenses, and attorneys' fees related to the collection of the reimbursement fee should the City Council decide to pursue collection of an unpaid reimbursement fee.
11. This agreement shall be for a ten (10) year period from the date the Council enacts the Reimbursement Resolution.
12. The Developer may request that the City Council authorize reimbursement for an additional term that does not go beyond June 11, 2035. The request must be made between 6 months (October 18, 2026) and 1 year prior (April 18, 2026) to the end of the first 10 year term. The City Council has the discretion to approve or deny the request and shall consider the condition of the improvement, the public interest, and the interest of the City.
13. This agreement shall be recorded in the Yamhill County Deed Records with Developer paying all recording costs and fees.
14. This agreement is an instrument affecting the title or possession of the property. It shall be binding upon the property and the successors of interest of the City and shall act as a covenant and restriction running with the land.

IN WITNESS WHEREOF, the parties have executed this Agreement on the date first set forth above.

STATE OF OREGON)

)s.s.

County of _____)

OWNER

«Owner_1_Full_Name»

This instrument was acknowledged before me this day of _____ 2017 by «Owner_1_Full_Name».

Notary Public for Oregon

My Commission Expires: _____

STATE OF OREGON)

)s.s.

County of _____)

OWNER

«Owner_2_Full_Name»

This instrument was acknowledged before me this day of _____ 2017 by «Owner_2_Full_Name».

Notary Public for Oregon

My Commission Expires: _____

CITY OF NEWBERG APPROVED AS TO FORM AND CONTENT

Joe Hannan, City Manager

Truman A. Stone, City Attorney

EXHIBIT A

Legal Description of Properties Benefitting from the Public Improvements

Tax Lot	Property Description
R3208 02900	Instrument No. 2005-2945 Beginning at an iron pipe at the East boundary of Hillsboro-Silverton Highway, said point being South 00°02.5' East 1320.0 feet and East parallel to the North boundary of Section 8, a distance of 869.85 feet from the Northwest corner of William T. Wallace Donation Land Claim, Township 3 South, Range 2 West of the Willamette Meridian, Yamhill County, Oregon; thence East parallel to the North boundary of Section 8, a distance of 355.13 feet to an iron pipe; thence North 00°02.5' West parallel to the West boundary of Donation Land Claim, 405.73 feet; thence West parallel with South boundary, distance of 178 feet, more or less, to the East boundary of State Highway; thence Southwesterly along State Highway, a distance of 447 feet, more or less to the place of beginning. ALSO a non-exclusive easement for roadway purposes over a strip of land described as follows: Beginning at the most Northwest corner of the above described tract; thence East 60 feet; thence North 00°02.5' West 60 feet; thence West 50 feet, more or less to the Easterly boundary of Hillsboro-Silverton Highway; thence Southwesterly along the Easterly boundary of said Highway, 60 feet, more or less, to the place of beginning.
R3207AA 00200	Instrument No. 2015-8292 A tract of land in the William T. Wallace Donation Land Claim in Sections 7 and 8 in Township 3 South, Range 2 West of the Willamette Meridian in Yamhill County, Oregon, more particularly described as follows: BEGINNING at the Northwest corner of said Claim; and running thence South along the Claim line a distance of 80 rods; thence East 43.85 rods to the Southwest corner of that certain tract conveyed to J.H. Peters and Ada Peters by deed from George Livingston recorded December 24, 1924 in Book 91, Page 291, Deed Records; thence North 260 feet to the Northwest corner of that certain tract of land conveyed to J.H. Peters, et ux to Lawrence C. Fran, et ux by deed recorded December 16, 1952 in Book 168, Page 148, Deed Records; thence North along the West line of the Peters tract, 200 feet to the True Place of Beginning; thence North 125.2 feet; thence East 281.8 feet to the West right of way of the Newberg-Hillsboro Highway; thence Southerly along the right of way 125.3 feet to a point East of the point of beginning; thence West 275.7 feet to the Place of Beginning. ALSO a tract of land located in Section 3, Township 3 South, Range 2 West of the Willamette Meridian in Yamhill County, Oregon, being more particularly described as follows: All that tract of land described in deed to David A. Sprecher and Janice L. Sprecher in Film Volume 113, Page 1991, Yamhill County Deed Records, lying northerly of the following described line: Commencing

	at an iron rod at the northeast corner of Lot 13 of CHEHALEM TERRACE SUBDIVISION; thence North 00°03'00" East 10.01 feet to an iron rod; thence North 00°09'18" East 12.00 feet to an iron rod and the True Point of Beginning; thence South 85°02'13" East 272.03 feet to a point on the west margin of College Street (Oregon State Highway No. 219) that is 35.00 feet distance from, when measured at right angles to the centerline of said street, from which an iron rod bears South 85°02'13" East 5.01 feet. TOGETHER WITH an easement for access and utilities purposes, 30 feet in width, lying 15 feet each side of the following described line: Commencing at an iron rod at the northeast corner of Lot 13 of CHEHALEM TERRACE SUBDIVISION; thence North 00°03'00" East 10.01 feet to an iron rod; thence North 00°09'18" East 12.00 feet to an iron rod; thence South 85°02'13" East 246.83 feet to the True Point of Beginning; thence South 10°51'39" East 53.04 feet; thence South 32°06'45" East 15.65 feet to a point on the west margin of College Street (Oregon State Highway No. 219) and the end of said described line, the sidelines of said easement to extend and shorten with said west margin.
R3207AA 00300	Instrument No. 2015-17859 A tract of land in the William T. Wallace Donation Land Claim in Section 8 in Township 3 South, Range 2 West of the Willamette Meridian in Yamhill County, Oregon, more particularly described as follows, to-wit: Beginning at the Northwest corner of said Claim; and running thence South along the Claim line, a distance of 80 rods; thence East 43.85 rods to the Southwest corner of that certain tract conveyed to J.H. Peters et ux., by Deed from George Livingston, recorded December 24, 1924 in Book 91, Page 291, Deed Records; thence North 260 feet to the Northwest corner of that certain tract of land conveyed by J.H. Peters ex ux. to Lawrence C. Frank et ux., by Deed recorded December 16, 1952 in Book 168, Page 148, which point is the True Point of Beginning of the tract herein described; thence North along the West line of the Peters tract, a distance of 325.2 feet; thence East 287.3 feet to a point on the West line of the Hillsboro-Newberg Highway; thence Southerly along the West line of said Highway to the Northeast corner of the Frank property above referred to; thence West along the North line of the Frank property 232.8 feet to the Point of Beginning. SAVE AND EXCEPTING THEREFROM that portion conveyed to Michael D. Tilden and Deborah L. Tilden, as tenants by the entirety, by Deed recorded July 3, 2008, as Instrument No. 200811466, Deed and Mortgage Records of Yamhill County, Oregon. FURTHER SAVE AND EXCEPTING THEREFROM that portion conveyed to Michael D. Tilden and Deborah Tilden, as tenants by the entirety, by Deed recorded June 12, 2015, as Instrument No. 201508291, Deed and Mortgage Records of Yamhill County, Oregon.
R3207AA 00400	Instrument No. 307-1229 Part of the William T. Wallace D.L.C. #47 in Township 3 South, Range 2 West of the Willamette Meridian in Yamhill County, Oregon, described as follows: Beginning 80 rods South and 43.85 rods East of the Northwest corner of said Claim; thence East

	80 feet to the West margin of the county road for the true place of beginning; thence West 80 feet to the Southwest corner of the J.M. Peters tract; thence North 260 feet; thence East 250 feet to the West margin of said road; thence Southwesterly along the road to the true place of beginning. EXCEPT that portion conveyed to State of Oregon by and through its State Highway Commission by deed recorded January 30, 1956 in Book 179, Page 499, Deed Records. FURTHER EXCEPTING the West 8.48 feet of even width.
R3207AD 00100	Instrument No. 2015-17074 Part of the William T. Wallace D.L.C. #47 in Township 3 South, Range 2 West of the Willamette Meridian in Yamhill County, Oregon, more particularly described as follows: Beginning at a point 20.10 chains South and 622 feet South 89°59' East from the Northwest corner of said claim; thence North 6.6 feet more or less, to a point on the South line of Lot 14 in Chehalem Terrace Subdivision in Yamhill County, Oregon; thence East along said South line extended 178.0 feet, more or less, to a point on the Westerly right of way line of State Highway #219; thence Southwesterly along said right of way line 9.30 feet, more or less, to a point that is South 89°59' East of the point of beginning; thence North 89°59' West 165.43 feet to the place of beginning.
R3207AD 00200	Instrument No. 2015-13030 Part of the William T. Wallace Donation Land Claim No. 47 in Township 3 South, Range 3 West, Willamette Meridian, in Yamhill County, Oregon, described as follows: Beginning at the Northwest corner of said Claim; thence South 20.10 chains to an iron rod set in Yamhill County Survey P-4677; thence South 89 deg. 55 min. East 521.68 feet to an iron rod set South 6.6 feet from South line of Chehalem Terrace Subdivision; thence South 00 deg. 00 min. 48 sec. West 216.08 feet to an iron rod set in the line of the Northerly right-of-way of the Hillsboro to Silverton Highway; thence Southwesterly along the Highway to a point on the Northeasterly line of a dedicated public road described in Book 19 Page 990, thence Northwesterly along the right-of-way to the Northeast corner, thence West along the right-of-way 33.83 feet to the East line of Parcel one of that tract of land conveyed to Harold Severson, et al by deed recorded October 31, 1994 in film Volume 318, Page 791, thence North along the Severson tract 150 feet to the Northeast corner thereof; thence south 89 deg. 55 min. East to the point of beginning.
R3208 02700	Instrument No. 2006-25768 Part of the William T. Wallace Donation Land Claim #47, in Sections 7 and 8, Township 3 South, Range 2 West of the Willamette Meridian Yamhill County, Oregon, described as follows: Beginning at a point 80 rods South and 116 rods East of the Northwest corner of said Wallace Donation Land Claim, said point being

	situated on the North line of a certain tract of land conveyed to Lloyd A. Petrie and wife by deed recorded November 1, 1950 in Book 159, Page 465, Deed Records, said point also being the Southwest corner of a certain tract of land conveyed to Earl E. Walker and wife by deed recorded March 16, 1954 in Book 172, Page 579, Deed Records,; thence North 80 rods along the West line of said Walker tract; thence West 41.60 rods to the Northeast corner of a certain tract of land conveyed to J.H. Peters and wife by deed recorded December 24, 1924 in Book 91, Page 291, Deed Records; thence South 80 rods along the East line of said Peters tract to the Southeast corner of said Peters tract; thence East 42.40 rods to the place of beginning. SAVE AND EXCEPT that portion of the above describe real property to J. William Rourke, Jr., Paul Strait and Al Lehman by warranty deed recorded May 12, 1972, in Film Volume 89 on Page 700, Deed and Mortgage Records, Yamhill County, Oregon. SAVE AND EXCEPT that portion in Deed recorded March 1, 2005 as Instrument No. 200504184, Deed and Mortgage Records, Yamhill County, Oregon
R3208 02800	Instrument No. 2006-25768 Being a part of the William T. Wallace Donation Land Claim #47, Notification No. 1477, in Sections 7 and 8, Township 3 South, Range 2 West of the Willamette Meridian Yamhill County, Oregon, the beginning point for land conveyed being 80 rods South and 64.60 rods East of the Northwest corner of said William t. Wallace Donation Land Claim; thence East 10 rods; thence North 80 rods; thence West 10 rods; thence South 80 rods to the place of beginning. EXCEPTING THEREFROM the tract conveyed to Harlin M. Huffman and wife by deed recorded September 18, 1968 in Film Volume 72, Page 644, Deed and Mortgage Records, Yamhill County, Oregon. SAVE AND EXCEPT that portion of the above describe real property to J. William Rourke, Jr, Paul Strait and Al Lehman by warranty deed recorded May 12, 1972, in Film Volume 89 on Page 700, Deed and Mortgage Records, Yamhill County, Oregon.
R3208 02702	Instrument No. 2005-4185 A tract of land in Section 8, Township 3 South, Range 2 West of the Willamette Meridian in Yamhill County, Oregon, being more particularly described as follows: Beginning at a point that is South 80 rods (1320.00 feet) and East 116 rods (1914.00 feet) from the Northwest corner of the William T. Wallace Donation Land Claim No. 47; thence North 465.46 feet to the TRUE PONT OF BEGINNING; thence North 422.17 feet; thence North 89°56'45" West 515.74 feet; thence south 422.17 feet; thence South 89°56'45" East 515.74 feet to the true point of beginning.
R3208 02802	Instrument No. 90-176 A tract of land in the William T. Wallace Donation Land Claim #47 in Section 8, Township 3 South, Range 2 West of the Willamette Meridian in Yamhill County, Oregon, more particularly described as follows: Beginning 64.60 rods East of the Northwest corner of the William T. Wallace Donation Land Claim in said Section,

	Township and Range; thence East 105 feet; thence South 105 feet; thence West 105 feet; thence North 105 feet to the place of beginning.
R3208 02701	Instrument No. 90-176 A tract of land in the William T. Wallace Donation Land Claim #47 in Section 8, Township 3 South, Range 2 West of the Willamette Meridian in Yamhill County, Oregon, more particularly described as follows: Beginning at a point on the Easterly margin of State Secondary Highway #219 (Hillsboro-Silverton Highway) 1320 feet South and 869.85 feet East of the Northwest corner of said Donation Land Claim; thence East 355.13 feet to the true point of beginning, said point also being the Southeast corner of that certain tract of land conveyed to Harlin M. Huffman, et ux, by deed recorded September 18, 1968 in Film Volume 72, Page 644, Deed and Mortgage Records; thence East parallel to the North line of Section 8, a distance of 400 feet; thence North 00°02.5' West 465.73 feet ; thence West 580 feet, more or less, to the Easterly margin of said highway; thence Southwesterly along said Easterly margin, 60 feet, more or less, to the Northwest corner of said Huffman tract; thence East along the North line of said Huffman tract, 178 feet to the Northeast corner thereof; thence South 00°02.5' East along the East line of said Huffman tract, 405.73 feet to the true place of beginning.
R3208 02703	Instrument No. 2006-25768 Part of the William T. Wallace Donation Land Claim #47, in Sections 7 and 8, Township 3 South, Range 2 West of the Willamette Meridian Yamhill County, Oregon, described as follows: Beginning at a point 80 rods South and 116 rods East of the Northwest corner of said Wallace Donation Land Claim, said point being situated on the North line of a certain tract of land conveyed to Lloyd A. Petrie and wife by deed recorded November 1, 1950 in Book 159, Page 465, Deed Records, said point also being the Southwest corner of a certain tract of land conveyed to Earl E. Walker and wife by deed recorded March 16, 1954 in Book 172, Page 579, Deed Records; thence North 80 rods along the West line of said Walker tract; thence West 41.60 rods to the Northeast corner of a certain tract of land conveyed to J.H. Peters and wife by deed recorded December 24, 1924 in Book 91, Page 291, Deed Records; thence South 80 rods along the East line of said Peters tract to the Southeast corner of said Peters tract; thence East 42.40 rods to the place of beginning. SAVE AND EXCEPT that portion of the above describe real property to J. William Rourke, Jr., Paul Strait and Al Lehman by warranty deed recorded May 12, 1972, in Film Volume 89 on Page 700, Deed and Mortgage Records, Yamhill County, Oregon. SAVE AND EXCEPT that portion in Deed recorded March 1, 2005 as Instrument No. 200504184, Deed and Mortgage Records, Yamhill County, Oregon.
R3207AD 00700	Instrument No. 2013-393 A part of the donation Land Claim of William T. Wallace, being Claim No. 47 in Township 3 South of Range 2 West of the Willamette Meridian in Yamhill County,

State of Oregon, and said part being more particularly bounded and described as follows: Beginning at a point on the West boundary line of said Claim, 30.10 chains South of the Northwest corner of said Claim; thence running South 89°55" East 22 chains; thence running North 10 chains; thence running North 89°55' West to a point on the East Boundary line of the Highway right of way conveyed to Yamhill County, Oregon by deed duly recorded and now of record in Volume 105 at page 507 of Deed Records of Yamhill County, Oregon; thence running in a Southwesterly direction following the East boundary line of said highway right of way to a point in the center of the present market Road No. 22 and on the West boundary line of said Donation Land Claim; and thence running south on the West boundary line of said Donation Land Claim to the place of beginning. EXCEPT that portion conveyed to the State of Oregon by and through its State Highway Commission by deed recorded February 8, 1956, in Book 179, Page 606, Deed Records and ALSO EXCEPTING that portion conveyed to Earl E. Sandager and wife by deed recorded April 17, 1957 in Book 184, Page 78, Deed Records. ALSO EXCEPTING Beginning at an iron pipe set South 1980 feet and South 89°39' East 989.5 feet from the Northwest corner of the William T. Wallace Donation Land Claim in Township 3 South, Range 2 West of the Willamette Meridian in Yamhill County, Oregon; thence South 89°39' East a distance of 462.5 feet; thence North 359 feet to the Southeast corner of the tract conveyed to Earl E. Sandager et ux by deed recorded April 18, 1957 in Book 184, Page 78; thence Westerly along the South line of the Sandager tract a distance of 460.38 feet ; thence South 00°22' West a distance of 368.64 feet to the place of beginning. FURTHER EXCEPTING Beginning at a point on the West line of the William T Wallace Donation Land Claim in Section 8, Township 3 South, Range 2 West of the Willamette Meridian, Yamhill County, Oregon, and being 30 chains South of the Northwest corner of said claim; thence South 89°39' East 989.5 feet to an iron pipe at the true point of beginning for this tract description; thence North 00°22' East 60 feet to an iron pipe; thence North 89°39' West 376.63 feet to an iron pipe; thence North 00°36' East 282.11 feet to an iron pipe; thence North 89°39' West 150.26 feet to the Southeasterly margin of State Highway No. 219; thence South 61°58' West along said Highway margin a distance of 217.5 feet; thence on a curve to the left on said highway margin to a point 50 feet East of the West line of said Wallace Claim; thence south 89°39' East 939.5 feet to the true point of beginning.

EXHIBIT B

Properties Obligated to Reimburse Developer and the Reimbursement Amounts

Tax Lot		Site Address	Owner	Mailing Address	Water	Wastewater	Total to be Reimbursed
R3208	02900	4016 N College St	Bill Rourke	1201 Fulton St #13, Newberg, OR 97132	\$ -	\$ -	\$ -
R3207AA	00200	4009 N College St	DebraLyn Evans	4009 N College St, Newberg, OR 97132	\$ 3,503	\$ 3,668	\$ 7,171
R3207AA	00300	3993 N College St	Jim Fettig	PO Box 1381, Tualatin, OR 97062	\$ 5,255	\$ 5,501	\$ 10,756
R3207AA	00400	3909 N College St	Jerry Brown	1180 SW 9 th St, Dundee, OR	\$ 3,503	\$ 3,668	\$ 7,171
R3207AD	00100	3855 N College St	John Milroy	17890 Kings Grade, Newberg, OR 97132	\$ -	\$ 3,484	\$ 3,484
R3207AD	00200	3735 N College St	Larry McWilliams	1826 Carol Ann Dr, Newberg, OR 97132	\$ -	\$ 2,430	\$ 2,430
R3208	02700	4020 N College St	North Valley Friends Church*	4020 N College St, Newberg, OR 97132	\$ -	\$ -	\$ -
R3208	02800	4020 N College St	North Valley Friends Church*	4020 N College St, Newberg, OR 97132	\$ -	\$ -	\$ -
R3208	02802	4020 N College St	North Valley Friends Church*	4020 N College St, Newberg, OR 97132	\$ -	\$ -	\$ -
R3208	02701	4020 N College St	North Valley Friends Church*	4020 N College St, Newberg, OR 97132	\$ -	\$ -	\$ -
R3208	02703	4020 N College St	North Valley Friends Church*	4020 N College St, Newberg, OR 97132	\$ -	\$ -	\$ -
R3207AD	00700	3720 N College St	John Wardin*	3720 N College St, Newberg, OR 97132	\$ -	\$ -	\$ -
Total					\$ 12,261	\$ 18,751	\$ 31,012

* Adjustment made by applicant at the request of the property owner

Interest may apply on the above amounts. Contact the City of Newberg (503.537.1240) at the time of connection(s) to the public improvement(s) for the exact amount.

Appendix F. Easement Agreements



MEMO: July 29, 2013

VERITAS AGREEMENT WITH NORTH VALLEY FRIENDS CHURCH

TERMS AND CONDITIONS FOR GRANTING A PUBLIC SEWER EASEMENT TO THE CITY OF NEWBERG ACROSS THE PROPERTY OF NORTH VALLEY FRIENDS CHURCH.

In exchange for North Valley Friends Church agreement to provide the sewer easement identified on the engineering drawings of Lany Anderson Engineering as approved by the City of Newberg and depicted in attached Exhibit A, Veritas school agrees to the following:

1. A lateral will be added to the plan that will allow water access for a home that is tentatively planned below the Veritas parking lot. It will be in about the same location as the existing lateral shown for the sewer hookup. In addition, a 3/4" corp stop will be added for the house and a water tap and valve for the church property. The size and location to be determined.
2. The plan will show a site for a possible driveway to the home.
3. Veritas School is responsible for all costs associated with constructing the sewer and water main across North Valley Friends Church property. Should Veritas School request that the City of Newberg form an Advance Financing or Reimbursement District so as to recover some of Veritas' cost for construction of the sewer main from future users and other benefiting properties, Veritas agrees that North Valley Friends Church property shall be exempt from making a reimbursement payment. This applies to the costs of construction of the main line sewer and water by Veritas, only. North Valley Friends Church understands that they will be responsible to pay City fees and construction costs associated with the future extension of the sewer and water into their property for service to their church location or other buildings considered as part of the development of their property.

4. Veritas School has had the planned route flagged and we will flag any trees that will be potentially harmed by the excavation.
5. Veritas will provide and maintain the minimum legal separation distances for the water and sewer.
6. The back fill for the trench will be compacted appropriately to minimize settling, especially where the driveway is impacted. The applicable DEQ Health Department and Newberg Public Standard Sewer and water specifications have been followed.
7. The Veritas plan for bringing other utilities (gas, electric, cable, etc.) will use either the existing road easement or the new utility easement and not another easement to be requested later.
8. Veritas School will provide advance notice when there may be an interruption in any services and the contractor will repair any damage done as quickly as possible.
9. Veritas School will assure North Valley Friends Church that any disruption of the area near the Church's existing sign will be returned to the original configuration or to your satisfaction

10. The final grading of all the excavation will be such that re-seeding as lawn or the planting of trees will be accommodated, especially in the area where the school parking lot and building site interface with North Valley Friends Church property. All excavation mentioned above will be seed ready by Sept. 15, 2013 and planted by Oct. 15, 2013. Contractor will insure that there will not be any open trenches when he is not working on site.

11. North Valley will be assured of having a pre-construction meeting with the excavator and will be provided with at least one week's notice of any meeting scheduled with the City of Newberg.

Mark Hall, Veritas Chairman of the Board
Date 7/29/13

JWL
Date 7-29-13

AFTER RECORDING RETURN TO:
 City of Newberg - Engineering Division
 PO Box 970 - 414 E. First Street
 Newberg, OR 97132

PUBLIC UTILITY EASEMENT

In consideration of the sum of \$0.00 and other valuable consideration, NORTH VALLEY FRIENDS CHURCH, AN OREGON NON-PROFIT CORPORATION, herein called Grantor, does hereby convey to the City of Newberg, a municipal corporation, hereinafter called Grantee, a perpetual and permanent easement, for the purposes of constructing, installing, using, repairing, and maintaining a public sanitary sewer line and a public water line and across the following described real property:

Situated in the William T. Wallace Donation Land Claim #47, in Section 8, Township 3 South, Range 2 West of the Willamette Meridian in Yamhill County, Oregon;

A strip of land 10 feet in width, across that certain tract of land conveyed to North Valley Friends Church by deed recorded in instrument #200625768, Yamhill County Deed Records, said easement as depicted on map marked Exhibit A:

TO HAVE AND TO HOLD said easement to said Grantee, for the use and purpose herein above described.

It is further understood that:

1. The Grantor(s) hereby release(s) the City of Newberg, its agents and employees, assigns and successors of any and all liability for damage to the remaining lands resulting from this conveyance and further absolves the Grantee from any damage not controlled by their actions.
2. The rights granted herein shall not be construed to interfere with or restrict use of the premises by Grantor(s), their heirs or assigns, with respect to the construction and maintenance of property improvements along and adjacent to the premises herein described, so long as the same are so constructed as to not impair or interfere with the use and maintenance of access of utilities herein above authorized.
3. The Grantee hereby agrees to restore the easement to its original condition, as close as is practical to do so, upon completion of the construction.

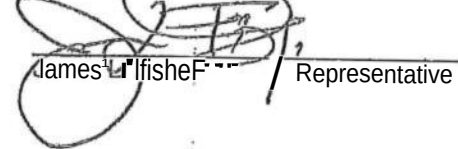
BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 6 TO 11, CHAPTER 424, OREGON LAWS 2007. THIS INSTRUMENT DOES NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY THAT THE UNIT OF LAND BEING TRANSFERRED IS A LAWFULLY ESTABLISHED LOT OR PARCEL, AS DEFINED IN ORS 92.010 OR 215.010, TO VERIFY THE APPROVED USES OF THE LOT OR PARCEL, TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES, AS DEFINED IN ORS 30.930, AND TO INQUIRE ABOUT THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007.

IN WITNESS WHEREOF, the parties have executed this document on this 17 day of July (A ty: <A> B

NORTH VALLEY FRIENDS CHURCH


 William Bouyejr, Representative


 Rawleh Smith, Representative

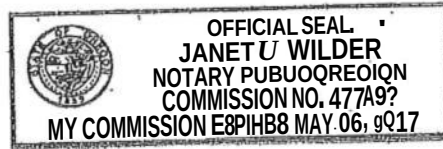

 James L. Fisher, Representative

AFTER RECORDING RETURN TO;
City of Newberg – Engineering Division
PO Box 970 - 414 E. First Street
Newberg, OR 97132

STATE OF Oregon)
 County of MMIAIJL) s.s.

This instrument was acknowledged before me this 28th day of July, 0, by J. William Rourke, Jr., Rawlen Smith and James L. Fisher.

Janet U Wilder Janet L. Wilder
 Notary Public
 My Comm. aeassssag skdmt

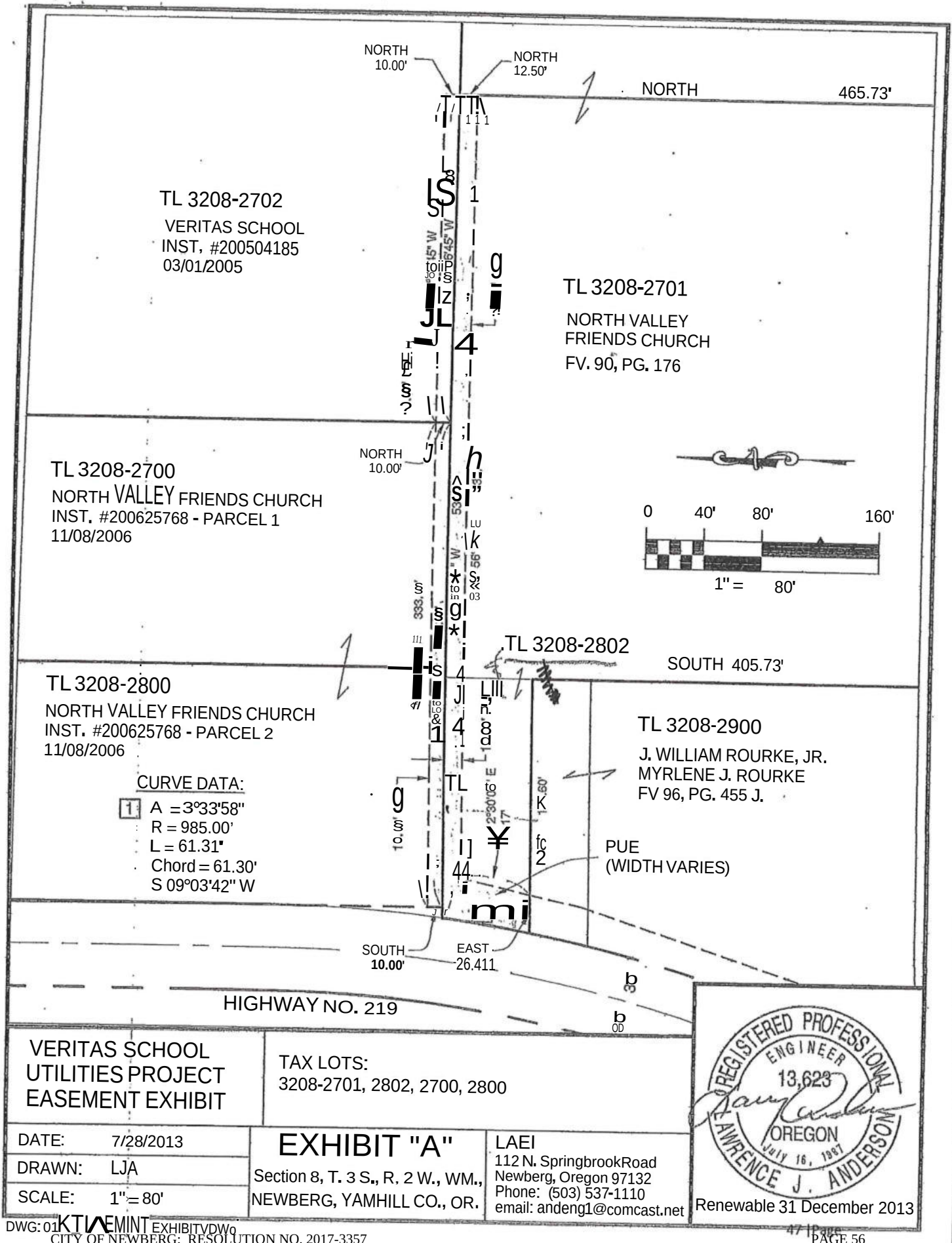


CITY OF NEWBERG
 ACCEPTED:

APPROVED AS TO FORM

Norma I. Alley, City Recorder
 Dated: _____

Terrence D. Mahr, City Attorney
 Dated: _____





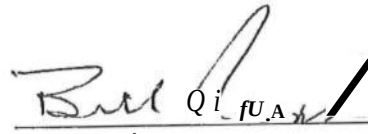
March 24, 2017

Veritas School is responsible for all costs associated with constructing the sewer and water main across North Valley Friends Church property. Veritas School has completed an Advance Financing or Reimbursement District application with the City of Newberg so as to recover some of Veritas' cost for construction of the sewer main from future users and other benefiting properties.

Veritas agrees that Bill Rourke's property shall be exempt from making a reimbursement payment in exchange for the perpetual and permanent easement, for the purposes of constructing, installing, using, repairing, and maintaining a public sanitary sewer line and a public water line which run across his property.

This applies to the costs of construction of the main line sewer and water by Veritas, only. Bill Rourke understands that he will be responsible to pay City fees and construction costs associated with the future extension of the sewer and water into his property for service to a location or other buildings considered as part of the development of his property.

 3/27/17
Veritas Chairman of the Board Date

 3-27-17
Bill Rourke Date

AFTER RECORDING RETURN TO:
 City of Newberg – Engineering Division
 PO Box 970 - 414 E. First Street
 Newberg, OR 97132

PUBLIC UTILITY EASEMENT

In consideration of the sum of \$0.00 and other valuable consideration, NORTH VALLEY FRIENDS CHURCH, AN OREGON NON-PROFIT CORPORATION, herein called Grantor, does hereby convey to the City of Newberg, a municipal corporation, hereinafter called Grantee, a perpetual and permanent easement, for the purposes of constructing, installing, using, repairing, and maintaining a public sanitary sewer line and a public water line and across the following described real property:

Situated in the William T. Wallace Donation Land Claim #47, in Section 8, Township 3 South, Range 2 West of the Willamette Meridian in Yamhill County, Oregon;

A strip of land of varying width, across that certain tract of land conveyed to North Valley Friends Church by deed recorded in Film Volume 90, Page 176, Yamhill County Deed Records, said easement as depicted on map marked Exhibit A:

TO HAVE AND [TO HOLD said easement to said Grantee, for the use and purpose herein above described.

It is further understood that:

1. The Grantor(s) hereby released the City of Newberg, its agents and employees, assigns and successors of any and all liability for damage to the remaining lands resulting from this conveyance and further absolves the Grantee from any damage not controlled by their actions.
2. The rights granted herein shall not be construed to interfere with or restrict use of the premises by Grantor(s), their heirs or assigns, with respect to the construction and maintenance of property improvements along and adjacent to the premises herein described, so long as the same are so constructed as to not impair or interfere with the use and maintenance of access of utilities herein above authorized.
3. The Grantee hereby agrees to restore the easement to its original condition, as close as is practical to do so, upon completion of the construction.

BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007. THIS INSTRUMENT DOES NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS: BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY THAT THE UNIT OF LAND BEING TRANSFERRED IS A LAWFULLY ESTABLISHED LOT OR PARCEL, AS DEFINED IN ORS 92.010 OR 215.010, TO VERIFY THE APPROVED USES OF THE LOT OR PARCEL, TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES, AS DEFINED IN ORS 30.930, AND TO INQUIRE ABOUT THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007.

IN WITNESS WHEREOF, the parties have executed this document on this 2nd day of Aug, 2013

NORTH VALLEY FRIENDS CHURCH


 William Rowice Jr. Representative


 Harold Smith Representative


 Oarrfes L. Fisher Representative

AFTER RECORDING RETURN TO:
City of Newberg - Engineering Division
PO Box 970 - 414 E. First Street
Newberg, OR 97132

STATE OF dam
County of Yamhill } S.S.

This instrument was acknowledged before me this 28th day of July, 2013, by J. William Rourke, Jr., Rawlen Smith and James L Fishpr,

camUMMWA
VJMI WinMI
Notary Public for Oregon
My Commission expires: 5/1/2017



CITY OF NEWBERG
ACCEPTED:

APPROVED AS TO FORM

Norma I. Alley, City Recorder
Dated: 1

Terrence D. Mahr, City Attorney
Dated: _____

RESOLUTIONS OF THE BOARD OF GOVERNORS
OF
VERITAS SCHOOL

The regular meeting of the Board of Governors of the above designated Oregon non-profit and Public Benefit Corporation, also known Veritas, was held in Newberg, Oregon, on the 12th day of August, 2013.

The following Board of Governors currently serving Veritas and constituting a quorum, were present:

Mark David Hall, Chairman
Kasi Woidyla, Vice Chair
David M. Blair, Secretary
Chad Krober
Steve Streimer
Cliff Schroeder

Excused absent:

Jeff Jones

The Board of Governors present waived notice of the regular meeting both orally and by their written assent below signed.

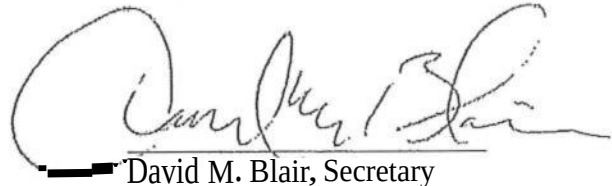
The first item of business before the Board of Governors is the approval of a Public Utility Easement as Grantor to the City of Newberg, a municipal corporation, as Grantee, for purposes of constructing, installing, repairing, and maintaining a public sanitary sewer line and/or public water line to Veritas Tax Lot 3208-2702. A copy of Exhibit "A" of what is known as the Veritas School Utilities Project Easement dated July 28, 2013, is attached hereto and incorporated into these minutes. The Board duly considered the matter and agreed as follows:

RESOLVED, that pursuant to the Bylaws of Veritas School, the Board of Governors agreed to accept the Public Utility Easement as Grantor to the City of Newberg, a municipal corporation, Grantee, for purposes of constructing, installing, repairing, and maintaining a public sanitary sewer line and/or public water line to Veritas Tax Lot 3208-2702. The legal description of said easement is referenced on Exhibit "A" of what is known as the Veritas School Utilities Project Easement dated July 28, 2013, which is attached hereto and incorporated into these minutes.

The second item of business before the Board of Governors is the authorization of a representative from the Board of Governors to execute the above noted easement and related documents on behalf of Veritas School for the purpose of developing the Veritas School campus located on Tax Lot No. 3208-2702. The Board duly considered the matter and agreed as follows:

RESOLVED, pursuant to Article XI, Section 1 of the Bylaws of Veritas School and consistent with Board Policy 4.2.6, the Board of Governors hereby authorize Mark David Hall as Chairman of the Board of Governors for Veritas School to (i) sign all necessary Agreements, Returns, Easements, Receipts, Undertakings, Affidavits, Correspondence, etc., with the City, State and Central Government Departments, Statutory Authorities, Private Organizations and Persons whether incorporated or not, Suppliers & Vendors and any contracting Party with Veritas School as may be required to promote and effectuate the development of the Veritas School campus located on Tax Lot No. 3208-2702, and (ii) to appear and represent before them for and on behalf of the School, relating to all matters for the conduct of the day-to-day management and business of the School, specifically including the development of the Veritas School campus located on Tax Lot No. 3208-2702 and any associated easements thereto.

There being no further business before the Board, the meeting was adjourned.



David M. Blair, Secretary

August 08, 2013

VERITAS SCHOOL SITE
UTILITY EASEMENT DEDICATION

LEGAL DESCRIPTION – For a Public Utility Easement across Tax Lots 3208-2702.

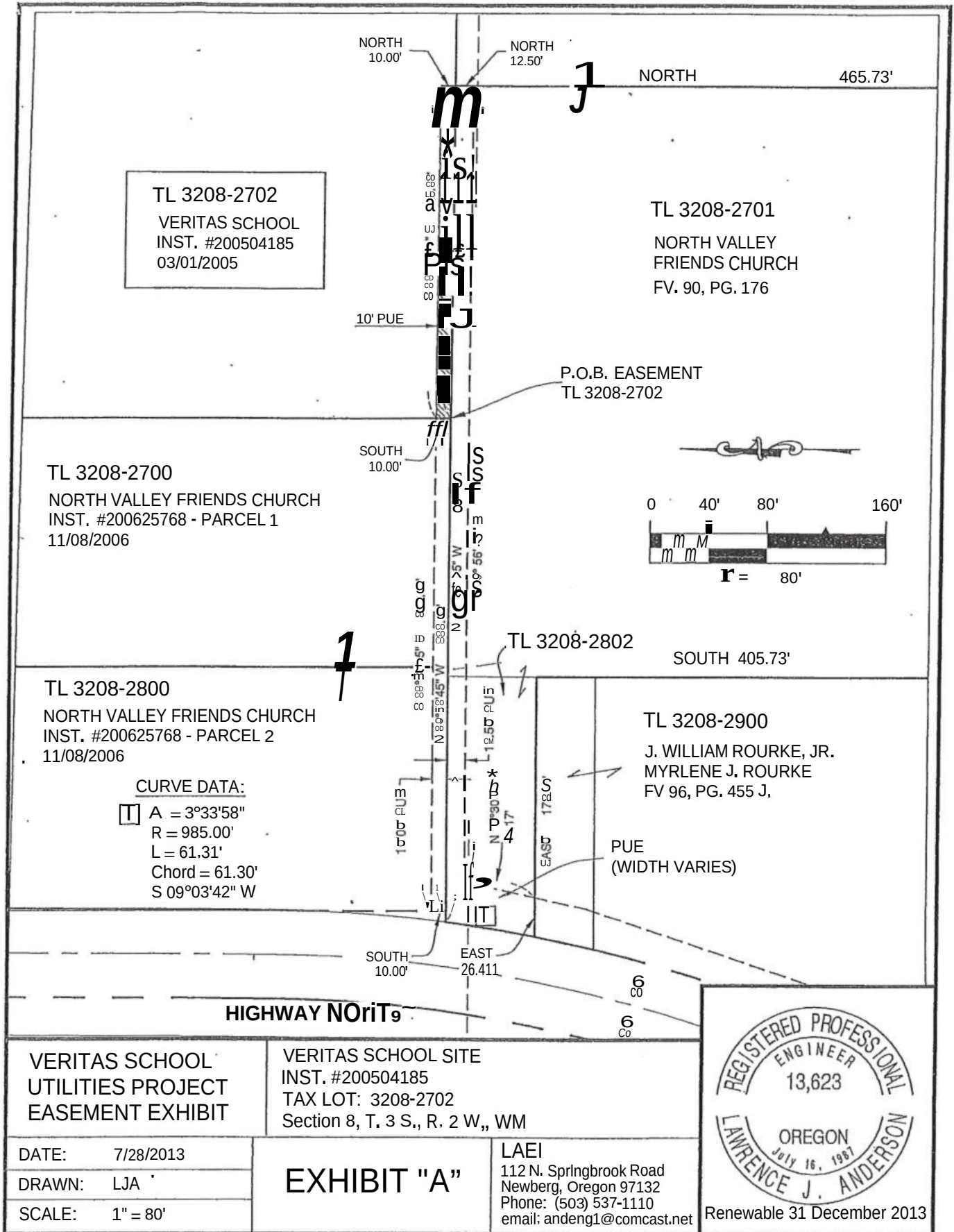
Situated in the Northwest Quarter of Section 8, Township 3 South, Range 2 West, Willamette Meridian, Yamhill County, Oregon.

A strip of land, 10.00 feet in width across that certain property described in deed to Veritas School, recorded March 1, 2005, as Instrument No. 200504185, Yamhill County Deed Records, said strip being more particularly described as follows:

Beginning at the southwest corner of said Veritas School property - instrument No. 200504185; thence along the south line of the Veritas School property, South $89^{\circ}56'45''$ East 225.63 feet; thence North 10.00 feet; thence parallel with and 10.00 feet distant from the south line of said Veritas School property, North $89^{\circ}56'45''$ West 225.63 feet to the west line of said Veritas School property; thence South 10.00 feet to the southwest corner of said Veritas School property and the Point of Beginning.

The intent of this description is to create a 10-foot wide utility easement along the south boundary of the school property from the west boundary of the school property to a line 225.63 feet east.

EXHIBIT "A"



AFTER RECORDING RETURN TO:
City of Newberg - Engineering Division
PO Box 970 - 414 E. First Street
Newberg, OR 97132

PUBLIC UTILITY EASEMENT

In consideration of the sum of \$0.00 and other valuable consideration, VERITAS SCHOOL, AN OREGON NON-PROFIT CORPORATION, herein called Grantor, does hereby convey to the City of Newberg, a municipal corporation, hereinafter called Grantee, a perpetual and permanent easement, for the purposes of constructing, installing, using, repairing, and maintaining a public sanitary sewer line and/or a public water line and across the following described real property:

See attached Exhibit A

TO HAVE AND TO HOLD said easement to said Grantee, for the use and purpose herein above described.

It is further understood that:

1. The Grantor(s) hereby releases the City of Newberg, its agents and employees, assigns and successors of any and all liability for damage to the remaining lands resulting from this conveyance and further absolves the Grantee from any damage not controlled by their actions.
2. The rights granted herein shall not be construed to interfere with or restrict use of the premises by Grantor(s), their heirs or assigns, with respect to the construction and maintenance of properly improvements along and adjacent to the premises herein described, so long as the same are so constructed as to not impair or interfere with the use and maintenance of access of utilities herein above authorized.
3. The Grantee hereby agrees to restore the easement to its original condition, as close as is practical to do so, upon completion of the construction.

BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007. THIS INSTRUMENT DOES NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY THAT THE UNIT OF LAND BEING TRANSFERRED IS A LAWFULLY ESTABLISHED LOT OR PARCEL, AS DEFINED IN ORS 92.010 OR 215.010, TO VERIFY THE APPROVED USES OF THE LOT OR PARCEL, TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES, AS DEFINED IN ORS 30.930, AND TO INQUIRE ABOUT THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007.

IN WITNESS WHEREOF, the parties have executed this document on this 13 day of CL\$. city/3

VERITAS SCHOOL

S. Hall, Chairman
Representative

STATE OF OR)
County of Yamhill) s.s.

This instrument was acknowledged before me this 13th day of Aug, 2015 by Mark D. Hall

Notary Public for Oregon
My Commission expires: 7/14/15

Rosita Pay Seibel, Notary



CITY OF NEWBERG
ACCEPTED:

APPROVED AS TO FORM

Norma I. Alley, City Recorder
Dated: _____

Terrence D. Mahr, City Attorney
Dated: _____



MEMO: July 10, 2013

VERITAS AGREEMENT WITH JOHN AND ILA WARDIN

TERMS AND CONDITIONS FOR GRANTING A PUBLIC SEWER EASEMENT TO THE CITY OF NEWBERG ACROSS THE PROPERTY OF JOHN AND ILA WARDIN (TAX LOT 3207AD-700), AT 3720 N. COLLEGE ST., NEWBERG, OREGON.

In exchange for Wardin's agreement to provide the sewer easement identified on the engineering drawings of Larry Anderson Engineering as approved by the City of Newberg and depicted in attached Exhibit A, Veritas school agrees to the following:

1. Raugust Excavation agrees to top several trees that Mr. Wardin has identified and remove the large tree located at the entrance of his driveway to a nearby area for Mr. Wardin to cut for firewood.
2. Veritas will provide a standard one year warranty for restoration of the disturbed areas. Raugust Excavation will inspect the grounds with Mr. Wardin at eleven months and make any repairs to Mr. Wardin's satisfaction.
3. Veritas School is responsible for all costs associated with constructing the sewer main across Wardin's property. Should Veritas School request that the City of Newberg form an Advance Financing or Reimbursement District so as to recover some of Veritas' cost for construction of the sewer main from future users and other benefiting properties, Veritas agrees that Wardin's property shall be exempt from making a reimbursement payment. This applies to the costs of construction of the main line sewer by Veritas, only. Wardin understands that they will be responsible to pay City fees associated with the future extension of the sewer into their property for service to their home and/or for the development of their property.

WCP 7/22/13
Veritas Chairman of the Board Date

John / f ? / ardin / Ola G. W 10-10-13
John and Ha Wardin Date

< "Awibn RECORDING EESUKN 20:
City of Newberg - Engineering Division
PO Box 970 - 414 E. First Street
Newberg, OR 97132

PUBLIC SANITARY SEWER EASEMENT

In consideration of the sum of \$0.00 and other valuable consideration, Ila J. Wardin and John K. Wardin, as Trustees of the Ila J. Wardin Trust, herein called Grantors, does hereby convey to the City of Newberg, a municipal corporation, hereinafter called Grantee, a perpetual and permanent easement, for the purposes of constructing, installing, using, repairing, and maintaining a sanitary sewer line across real property depicted in attached Exhibit A and further described as follows:

A strip of land 16 feet in width, being a portion of a tract of land conveyed to Ila J. Wardin and John K. Wardin or Successors, as Trustees of the Ila J. Wardin Trust, by deed recorded as Instrument No. 2013-06393, Yamhill County Records, said strip situated in the William T. Wallace Donation Land Claim No. 47, in Section 7, Township 3 South, Range 2 West, of the Willamette Meridian, Yamhill County, Oregon, and more particularly described as follows:

Beginning at a point on the western boundary of the Wardin Trust tract, Instrument No. 2013-00393, at the intersection of the centerline of right-of-way of Alexandra Drive, a public street as platted in "Cottages at Oak Knoll" subdivision in the City of Newberg, Yamhill County, Oregon; thence along the western boundary of said Wardin Trust tract and the eastern boundary of "Cottages at Oak Knoll", South 0°39'48" West, 10.00 feet; thence South 89°20'12" East, 15.00 feet; thence parallel with and 16.00 feet distant from the western boundary of said Wardin Trust tract and its northerly extension, North 0°55'48" East, 189.16 feet to the northern boundary of said Wardin Trust tract; thence along said northern boundary, North 86°40'04" West, 15.02 feet; thence South 0°39'48" West, 44.80 feet to a 3/4" Iron pipe marking the corner of said Wardin Trust tract and being also the most northerly northeast corner of "Cottages at Oak Knoll"; thence along the western boundary of said Wardin Trust tract, South 0°39'48" West, 136.22 feet to the point of beginning.

TO HAVE AND TO HOLD said easement to said Grantee, for the use and purpose herein above described.

It is further understood that:

1. The Grantors hereby release(s) the City of Newberg, its agents and employees, assigns and successors of any and all liability for damage to the remaining lands resulting from this conveyance and further absolves the Grantee from any damage not controlled by their actions.
2. The rights granted herein shall not be construed to interfere with or restrict use of the premises by Grantor(s), their heirs or assigns, with respect to the construction and maintenance of property improvements along and adjacent to the premises herein described, so long as the same are so constructed as to not impair or interfere with the use and maintenance of access of utilities herein above authorized.
3. The Grantee hereby agrees to restore the easement to its original condition, as close as is practical to do so, upon completion of the construction.

BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER ORS 155.300, 196.301 AND 196.300 TO 195.336 AND SECTIONS 9 TO 11, CHAPTER 424, OREGON LAWS 2007. THIS INSTRUMENT DOES NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY THAT THE UNIT OF LAND BEING TRANSFERRED IS A LAWFULLY ESTABLISHED LOT OR PARCEL, AS DEFINED IN ORS 62.010 OR 216.010, TO VERIFY THE APPROVED USES OF THE LOT OR PARCEL, TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES, AS DEFINED IN ORS 30.030, AND TO INQUIRE ABOUT THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF ANY, UNDER ORS 165.300, 105.301 AND 165.306 TO 105.336 AND SECTIONS 6 TO 11, CHAPTER 424, OREGON LAWS 2007.

Ila J. Wardin Trust: by

Ila J. Wardin Trust Li
Ila J. Wardin, Trustee

John K. Wardin, Juv & Co
John K. Wardin, Trustee

PO Box 63
Address

Newberg, OR 97132
City, me, Zip

STATE OF }
County of }

oregon
s.s.
frMX

This Instrument was acknowledged before me this 17 day of Nov 2017 by Tu Au Gi Uotva

Notary Public for Oregon
My Commission expires 01/16/2016



CITY OF NEWBERG
ACCEPTED:

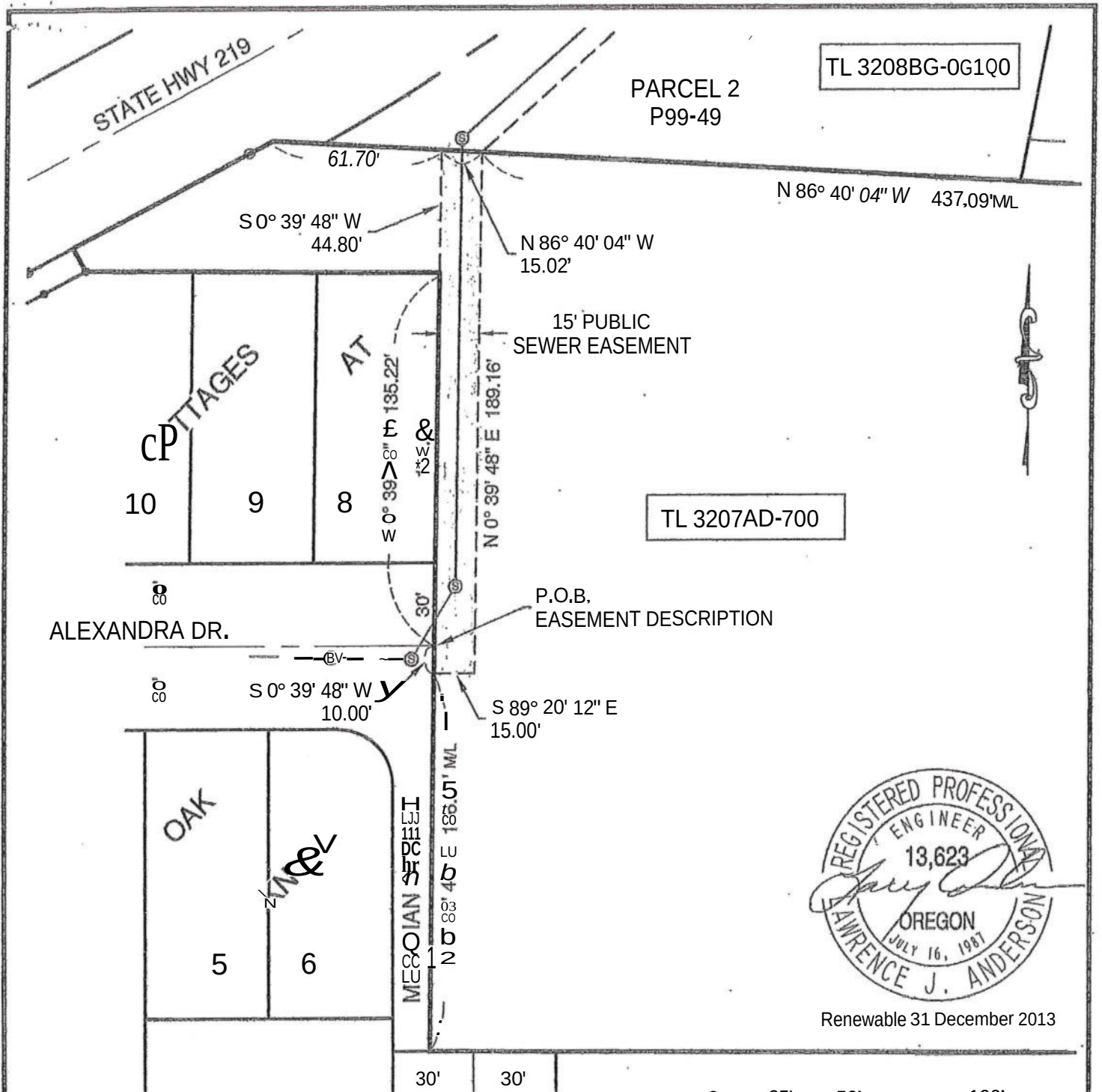
APPROVED AS TO FORM

Norma I. Alley, City Recorder

Terrenes D. Mahr, City Attorney

Dated: _____

Dated: _____



REFERENCE SURVEYS

- (1) COTTAGES AT OAK KNOLL
- (2) PARTITION PLAT P99-49

EXHIBIT " A "

VERITAS SCHOOL
UTILITIES EXTENSION PROJECT
EASEMENT EXHIBIT

OWNER: ILA J. WARDIN TRUST,
ILA J. WARDIN & JOHN K. WARDIN TRUSTEES

DEED: INSTRUMENT # 2013-00393

DATE: 7/09/2013

DRAWN: KLA

SCALE: 1" = 50'

ADDRESS:
JOHN K. & ILA J. WARDIN
3720 N COLLEGE ST
NEWBERG, OR 97132

LAEI

112 N, Springbrook Road
Newberg, Oregon 97132
Phone: (503) 537-1119
email: andeng1@comcast.net

August 08, 2013

**VERITAS SCHOOL PROPERTY
UTILITY EASEMENT DEDICATION**

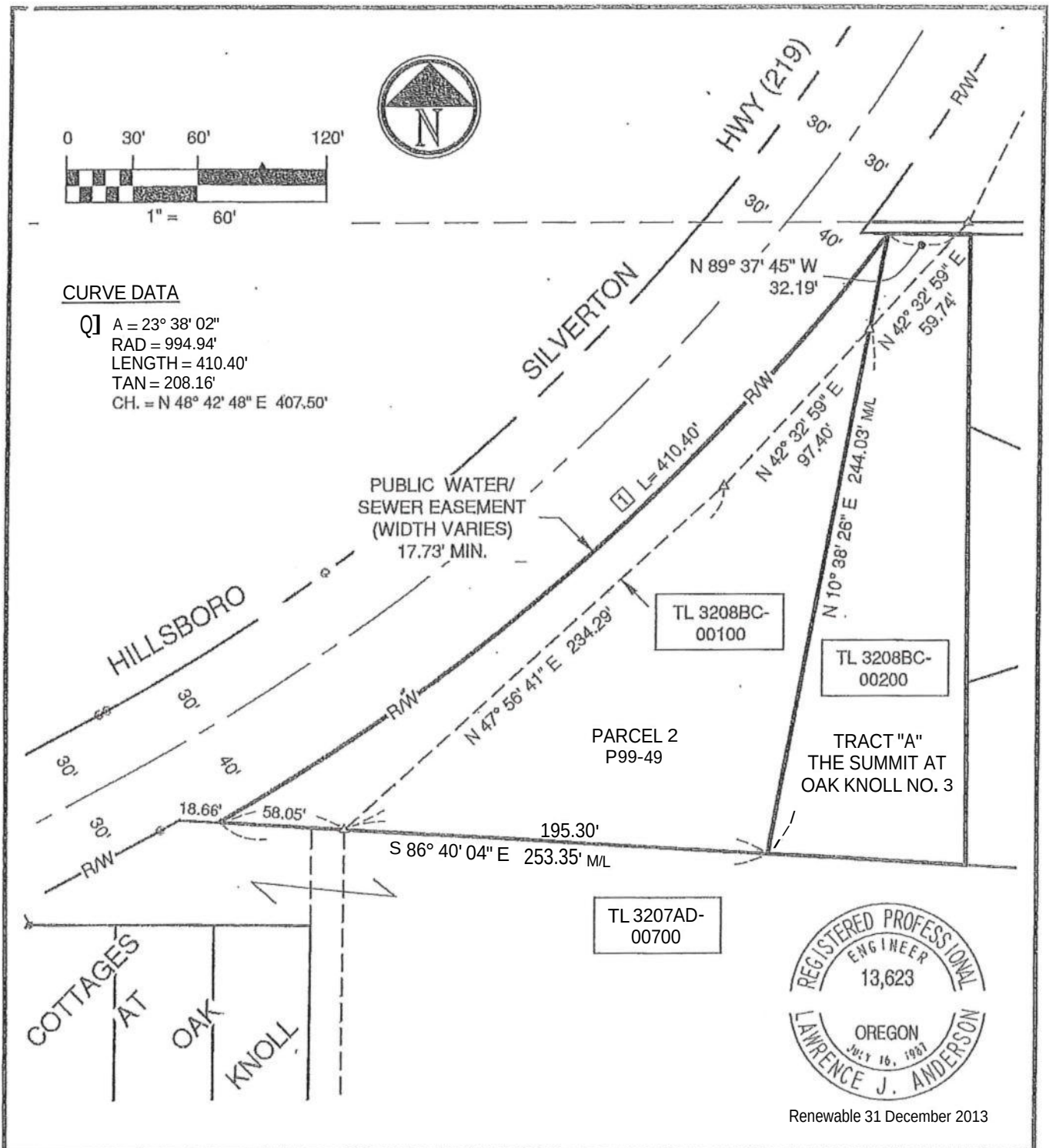
LEGAL DESCRIPTION – For a Public Utility Easement across Tax Lots 3208BC-00100 and 3208BC-00200.

Situated in the Northwest Quarter of Section 8, Township 3 South, Range 2 West, Willamette Meridian, Yamhill County, Oregon.

A strip of land of varying width across that property described in deed to Veritas School, recorded on October 4, 2012 in Instrument No. 2012-14268, Yamhill County Deed Records, said strip being more particularly described as follows:

Beginning at the southwest corner of Parcel 2 of Partition Plat 99-49, recorded December 14, 1999 as Instrument No. 199924034, Deed and Mortgage Records, Yamhill County, Oregon, said point also on the southwest margin of State Highway 219; thence along the south line of said Parcel 2, South 86° 40' 04" East 58.05 feet; thence North 47° 56' 41" East 234.29 feet; thence North 42° 32' 59" East 97.40 feet, to a point on the east boundary of said Parcel 2 and the west boundary of Tract "A", "The Summit at Oak Knoll No. 3" subdivision, a duly recorded subdivision in the City of Newberg, Oregon; thence continuing North 42° 32' 59" East 59.74 feet to the north boundary of said Tract "A" "The Summit at Oak Knoll No. 3" subdivision; thence along the north boundary of said Tract "A", North 89° 37' 45" West 32.19 feet to the northwest corner of said Tract "A" also being the northernmost corner of Parcel 2 of Partition Plat 99-49 and also being on the southwest margin of Oregon State Highway 219; thence southwesterly along the southwest margin of Oregon State Highway 219 along the arc of a 994.94 ft. radius curve concave to the northwest, a distance of 410.40 feet (chord bears South 48° 42' 48" West 407.50 feet), to the southwest corner of said Parcel 2, Partition Plat 99-49 and the Point of Beginning.

EXHIBIT "A"



VERITAS SCHOOL
 UTILITIES PROJECT
 EASEMENT EXHIBIT

INST. # 2012-14268
 TAX LOTS: 3208BC-00100 & 3208BC-00200
 OWNER: VERITAS SCHOOL
 SECTION 8, T. 3 S., R. 2 W., WM

DATE: 7/28/2013

DRAWN: LJA

SCALE: 1" = 60'

EXHIBIT "A"

LAEI

112 N. Springbrook Road
 Newberg, Oregon 97132
 Phone: (503) 537-1110
 email: andeng1@comcast.net

60 | Page

AFTER RECORDING RETURN TO:
 City of Newberg – Engineering Division
 PO Box 970 - 414 E. First Street
 Newberg, OR 97132

PUBLIC UTILITY EASEMENT

In consideration of the sum of \$0.00 and other valuable consideration, VERITAS SCHOOL, AN OREGON NON-PROFIT CORPORATION, herein called Grantor, does hereby convey to the City of Newberg, a municipal corporation, hereinafter called Grantee, a perpetual and permanent easement, for the purposes of constructing, installing, using, repairing, and maintaining a public sanitary sewer line and/or a public water line and across the following described real property:

See attached Exhibit A

TO HAVE AND TO HOLD said easement to said Grantee, for the use and purpose herein above described.

It is further understood that:

1. The Grantor(s) hereby release the City of Newberg, its agents and employees, assigns and successors of any and all liability for damage to the remaining lands resulting from this conveyance and further absolves the Grantee from any damage not controlled by their actions.
2. The rights granted herein shall not be construed to interfere with or restrict use of the premises by Grantor(s), their heirs or assigns, with respect to the construction and maintenance of property improvements along and adjacent to the premises herein described, so long as the same are so constructed as to not impair or interfere with the use and maintenance of access of utilities herein above authorized.
3. The Grantee hereby agrees to restore the easement to its original condition, as close as is practical to do so, upon completion of the construction.

BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007. THIS INSTRUMENT DOES NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY THAT THE UNIT OF LAND BEING TRANSFERRED IS A LAWFULLY ESTABLISHED LOT OR PARCEL, AS DEFINED IN ORS 92.010 OR 215.010, TO VERIFY THE APPROVED USES OF THE LOT OR PARCEL, TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES, AS DEFINED IN ORS 30.930, AND TO INQUIRE ABOUT THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007.

IN WITNESS WHEREOF, the parties have executed this document on this 12th day of Aug 2013 at AN.

VERITAS SCHOOL

[Signature]
 Representative

STATE OF OR)
 County of Linn) s.s.

This instrument was acknowledged before me this 12th day of Aug, 2013, by 70feZjyJM

Notary Public for Oregon
 My Commission expires: 1/11/15

[Signature]
 4 77



CITY OF NEWBERG
 ACCEPTED:

APPROVED AS TO FORM

Norma I. Alley, City Recorder
 Dated: _____

Terrence D. Mahr, City Attorney
 Dated: _____

1200

RECORDING RETURN TO:

City of Newberg — Engineering Division
PO Box 970 - 414 E. First Street
Newberg, OR 97132

PUBLIC SANITARY SEWER AND PUBLIC WATERLINE EASEMENT

in consideration of the sum of \$0.00 and other valuable consideration, Joseph W. Rourke, Jr. and Myrlene E. Rourke, herein called Grantor, does hereby convey to the City of Newberg, a municipal corporation, hereinafter called Grantee, a perpetual and permanent easement, for the purposes of constructing, installing, using, repairing, and maintaining a public sanitary sewer line and a public water line **ACROSS** the following described real property:

A strip of land of varying width, situated in Section 8, Township 3 South, T1ame Z West of the Willamette Meridian, and being a portion of that tract of land conveyed to Joseph W. Rourke, Jr. and Myrlene E. Rourke by deed recorded in instrument No. 200502945, Yamhill County Deed Records. Said strip being more particularly described in Exhibit A and as depicted in Exhibit B.

TO HAVE AND TO HOLD said easement to said Grantee, for the use and purpose herein above described.

It is further understood that:

1. The Grantor(s) hereby release(s) the City of Newberg, its agents and employees, assigns and successors of any and all liability for damage to the remaining lands resulting from this conveyance and further absolves the Grantee from any damage not controlled by their actions.
2. The rights granted herein shall not be construed to interfere with or restrict use of the premises by Grantor(s), their heirs or assigns, with respect to the construction and maintenance of property improvements along and adjacent to the premises herein described, so long as the same are so constructed as to not impair or interfere with the use and maintenance of access of utilities herein above authorized.
3. The Grantee hereby agrees to restore the easement to its original condition, as close as is practical to do so, upon completion of the construction.

BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 6 TO 11, CHAPTER 424, OREGON LAWS 2007. THIS INSTRUMENT DOES NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY THAT THE UNIT OF LAND BEING TRANSFERRED IS A LAWFULLY ESTABLISHED LOT OR PARCEL, AS DEFINED IN ORS 92.010 OR 215.010, TO VERIFY THE APPROVED USES OF THE LOT OR PARCEL, TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES, AS DEFINED IN ORS 30.930, AND TO INQUIRE ABOUT THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007.

IN WITNESS WHEREOF, the parties have executed this document on this 12 day of May, 2013

J. William Rourke, Jr.
J. William Rourke, Jr.

Myrlene E. Rourke
Myrlene E. Rourke

1200
Address: 414 E. First Street
City, State, Zip

STATE OF Oregon
County of Yamhill

This Instrument was acknowledged before me this 12 day of May, 2013 by J. William Rourke, Jr. and Myrlene E. Rourke.

Notary Public for Oregon
My Commission expires: July 04, 2015



AFTER RECORDING RETURN TO:
City of Newberg – Engineering Division
PO Box 970 - 414 E. First Street
Newberg, OR 97132

CITY OF NEWBERG
ACCEPTED:

Norma I. Alley, City Recorder
Dated: _____

APPROVED AS TO FORM

Terrence D. Mahr, City Attorney
Dated: _____

May 23, 2013

J. William Rourke, Jr. and Myrlene J. Rourke

EASEMENT DEDICATION

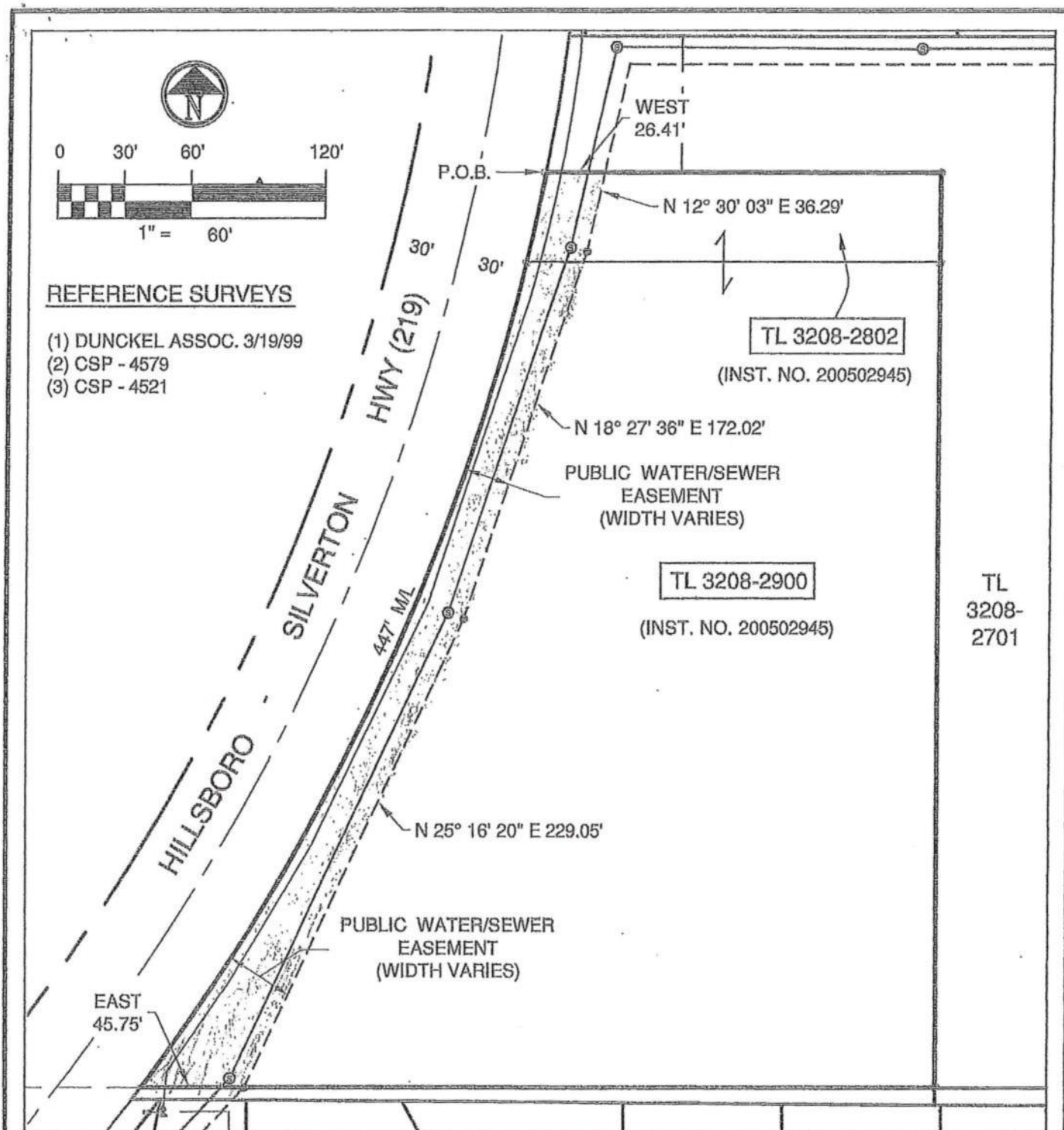
LEGAL DESCRIPTION – For a Public Sanitary Sewer and Public Waterline Easement across Tax Lots 3208-2802 & 2900.

Situated in the Northwest Quarter of Section 8, Township 3 South, Range 2 West, Willamette Meridian, Yamhill County, Oregon.

A strip of land of varying width across that property described in deed to J. William Rourke, Jr. & Myrlene J. Rourke, recorded on February 14, 2005 in Instrument No. 200502945, Yamhill County Deed Records. Said strip being adjacent to and easterly of the easterly margin of the Hillsboro-Silverton Highway (State Highway 219), and being more particularly described as follows:

Beginning at a point at the intersection of the North line of that property described in Instrument No. 200502945 and the easterly margin of the Hillsboro-Silverton Highway; thence Southwesterly along the easterly margin of State Highway, a distance of 447 feet, more or less, to the south line of Instrument No. 200502945; thence East along the south line of Instrument No. 200502945, a distance of 45.75 feet; thence North 25°16'20" East, 229.05 feet; thence North 18°27'36" East, 172.02 feet; thence North 12°30'03" East, 36.29' to the north line of Instrument No. 200502945; thence West, along the north line of Instrument No. 200502945, 26.41 feet, more or less, to the easterly margin of the State Highway and Point of Beginning.

EXHIBIT "A"⁵⁵



**VERITAS SCHOOL
UTILITIES EXTENSION PROJECT
EASEMENT EXHIBIT**

TAX LOT: 3208-2900
OWNER: ROURKE, WJ & ME
DEED: INST. NO. 200502945

DATE: 6/23/2013

DRAWN: KLA

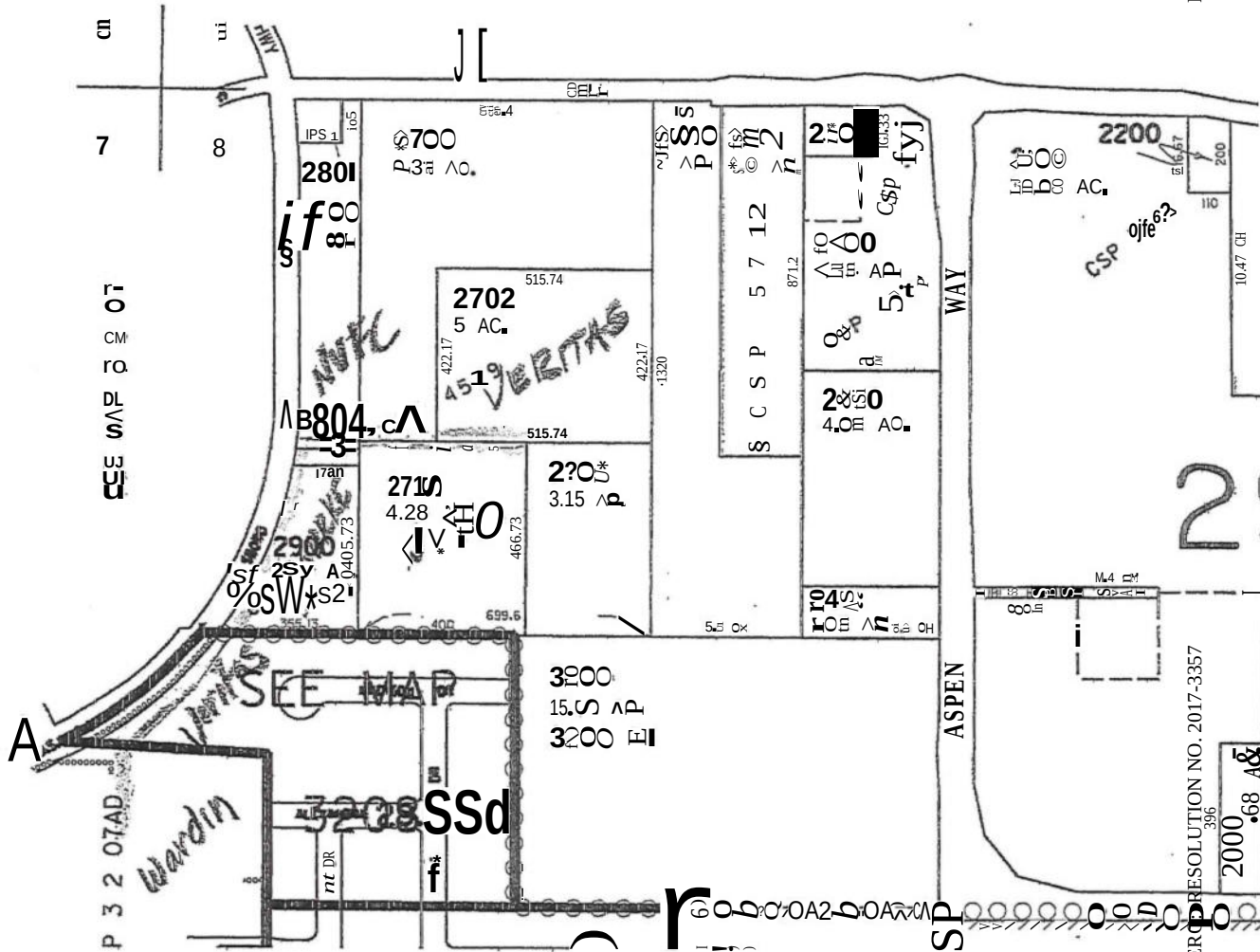
SCALE: 1" = 60'

ADDRESS:
 JOSEPH W. ROURKE, JR.
 MYRENE E. ROURKE
 4016 M. COLLEGE ST.
 NEWBERG, OR 97132

LAEI

112 N. Springbrook Road
 Newberg, Oregon 97132
 Phone: (503) 537-1110
 email: andengl@comcast

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REQUEST FOR COUNCIL ACTION

DATE ACTION REQUESTED: April 17, 2017				
Order ____ No.	Ordinance ____ No.	Resolution ____ No.	Motion <u>XX</u>	Information ____
SUBJECT: Acceptance via motion of the Pension Sub-Committee's recommendation to adjust the Newberg Employee Retirement Plan investment allocation			Contact Person (Preparer) for this Motion: Matt Zook Dept.: Finance File No.:	

RECOMMENDATION: It is the recommendation of the Newberg Pension Sub-Committee to present to City Council an investment allocation change from 50/50 equity/fixed investment ratio to a 60/40 equity/fixed investment ratio. Suggested motion language would be "I make a motion that the Council authorize the investment allocation ratio move from 50/50 equity/fixed to 60/40 equity/fixed."

EXECUTIVE SUMMARY: The Newberg Employee Retirement Plan (NERPS) provides retirement benefits to Non-represented and Public Works union employees, in addition to retirees and inactive former employees. The Council exercises fiduciary responsibility in the management of the plan. The Investment Policy was adopted via Resolution 2003-2478 (Exhibit A). The Pension Sub-Committee met on February 15, 2017 to receive an investment performance report. The Pension Sub-Committee is made up of Councilors Bacon, Johnson, and Corey, with Mayor Andrews as an ex-officio member. The recommendation from the Committee (3-0 vote) was to present to the Council their recommendation as stated above.

BACKGROUND: A defined benefit retirement plan, such as NERPS or Oregon PERS, is funded from two sources – investment income and employee/employer contributions. This funding creates plan assets from which benefits are paid to plan participants based on prescribed formulas defined in the plan document. In order to ensure sufficient assets are on hand to pay future benefits, professionals called actuaries perform complex modeling and forecasting to determine various measurements for the plan. Two such measurements include the funding status and the amount of annual contribution to fund the plan. The City receives an annual valuation that provides this information in the fall of each year, and this information flows into the projected budget for the upcoming year.

The actuary uses many assumptions in order to perform projections and determine contribution rates. One of the key assumptions in this process is the assumed rate of return. The assumed rate of return is directly influenced by the investment portfolio for the plan assets. In the last actuarial valuation, the 50/50 equity/fixed allocation resulted in an assumed earnings rate of 6.5%. In future actuarial valuations, the actuary has determined that the assumed earning rate will be reduced from 6.5% to 5.75% using a 50/50 investment allocation. The impact of the assumed rate reduction puts upward pressure on the amount of contributions into the plan from employees and the City. Since the employee contribution rate is fixed at 6% of subject payroll, the increased cost burden is borne by the City. This, in turn affects the annual budget.

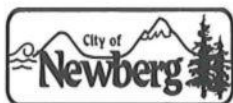
An increase in the investment allocation ratio from 50/50 to 60/40 equity/fixed investments would lead to an assumed earning rate of 6% for future actuarial valuations. The expected investment income should be higher, which in turn provides a positive impact on the plan assets and required employer contributions. There is an additional level of risk involved. An illustration of the range of returns at various levels of fixed income investments is included in this report as a separate attachment (Exhibit B).

The investment performance is also included in this packet (Exhibit C). In summary, the 1-year total portfolio return was 5.72%, which was slightly below the weighted index of 6.27%. This return was based on the current 50/50 equity/fixed investment ratio.

It is important to note that the impact of investment decisions must be viewed over a 20-year horizon. In addition, the Pension Sub-Committee will be meeting on a semi-annual basis to continue to review performance and receive recommendations from the plan's investment advisors.

While the Investment Policy allows the investment mix to be exercised by the City Manager with recommendations from the Investment Manager, it is the desire of both the Pension Sub-Committee and the City Manager for Council to be actively aware and involved in this decision. Thus, the recommended action is sought from the Council in the form of a motion.

FISCAL IMPACT: As explained above, a change in the investment allocation to a 60/40 equity/fixed investment ratio moves the plan potentially in a positive direction in both long-term funding status and future employer rates. Actual returns will influence future projections.



RESOLUTION No. 2003-2478

A RESOLUTION ADOPTING THE CITY OF NEWBERG PENSION INVESTMENT POLICY

RECITALS:

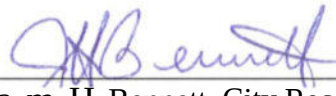
1. The City of Newberg has its own retirement plan for its general employees and certain public safety employees and their beneficiaries.
2. The City provides guidance to its investment manager on the investment of plan assets to ensure that the Plan is managed in a manner consistent with the Plan document and applicable statutory requirements.

THE CITY OF NEWBERG RESOLVES AS FOLLOWS:

1. The City Council of the City of Newberg adopts the attached Pension Investment Policy.
2. The Investment Policy sets forth the investment objectives and guidelines that will be applied within the investment program to insure that the Plan is managed in a manner consistent with the Plan document and applicable statutory requirements.
3. It is the intent of this policy to communicate clear investment guidelines and objectives to enhance the effectiveness of the Plan's investment program and thereby contribute to the overall goal of retaining and recruiting employees by delivering a cost effective retirement program.

> Effective Date of this resolution is the day after the adoption date which is: November 18, 2003.

ADOPTED by the City Council of the City of Newberg, Oregon, this 17th day of November, 2003.


Ja m H. Bennett, City Recorder

ATTEST by the Mayor this 20 day of November, 2003.


Bob Stewart, Mayor

LEGISLATIVE HISTORY

By and through Finance Committee at 10/28 /2003 meeting.

PENSION INVESTMENT POLICY

A. Statement of Goals

The Purpose of the City of Newberg's Retirement Plan is to fund, in part, the retirement needs of Plan participants and their beneficiaries. This policy sets forth the policies for administering the Plan's investment program.

The Investment Policy sets forth the investment objectives and guidelines that will be applied within the investment program to insure that the Plan is managed in a manner consistent with the Plan document and applicable statutory requirements. By establishing and communicating clear investment guidelines and objectives, the City of Newberg can enhance the effectiveness of the Plan's investment program and thereby contribute to the overall goal of retaining and recruiting employees by delivering a cost effective retirement program.

B. Identification of Decision Makers

The Newberg City Council is responsible for the overall management of the City of Newberg Retirement Plan and is responsible for the adoption of this investment policy. Only they may change this policy.

The City Manager or designee is responsible for the daily management of the City of Newberg's Retirement Plan and may hire or consult with appropriate professionals on the management of the Retirement Plan's Portfolio to ensure that it meets the investment goals.

The Investment Manager is responsible for recommending a investment portfolio that provides sufficient return to fund the Retirement Plan's obligations and to report periodically to the City Manager on the Plan's investment performance.

C. Statement on Overall Investment Objectives and Risk

The overall objective is to earn the greater of the actuarial discount rate (which is currently 8.0 percent per annum) or an average annual total investment rate of return in excess of the rate of return over a reasonable number of years. It is recognized that the investment market fluctuates and the actuarial return may not be realized every year. However, it is the goal to satisfactorily fund the plan through employer contributions, employee contributions and investment returns to provide a sound, affordable plan.

The primary objectives are as follows:

- **Return:** Obtain a reasonable long-term return consistent with the level of risk assumed. Specific return objectives may include the total fund policy return.
- **Cost:** Seek to control the cost of funding the Plan within prudent levels of risk through the investment of Plan assets.
- **Diversification:** Provide diversification of assets in an effort to avoid the risk of large losses and maximize the investment return to the Plan consistent with market and economic risk.

D. Statement on Individual Investment Risks

Based on a variety of considerations, the City of Newberg has chosen the following strategic mix of investments. This mix may be changed periodically based on recommendations by the Investment Manager to the City Manager or his designee.

In order to determine the optimum mix of asset classes in a portfolio, four factors must be considered:

1. The expected rate of return for each asset classification.
2. The estimated risk of each asset classification.
3. The correlation between the rates of return of the asset classifications; and
4. The investment objectives and risk constraints of the fund.

Once this analysis is completed, the asset mix that produces an optimal risk/return tradeoff can be determined. Based on this determination of the appropriate risk tolerance for the Plan, and its long-term return expectations, the Council chooses the following Asset Allocation Policy Mix.

Asset Class	Description	Strategic Purpose	Percent
Stable Value	short term, high quality debt securities including money market funds, stable value funds, and guaranteed interest arrangements.	Stable returns, income, diversification	
Domestic Fixed Income	debt securities issued by the US government, US government sponsored agencies, US domiciled corporations. May include all quality ranges, all durations, varied diversity, and be either actively or passively managed (indexed).	Income, diversification, deflation hedge	

International or Foreign Fixed Income	primarily debt securities issued by foreign governments, foreign government sponsored agencies, foreign corporations. May include all quality ranges, all durations, varied diversity, and be either actively or passively managed (indexed).	Income, diversification	
Real Estate	owned real estate investment options including real estate investment trusts of all types and other commingled real estate equity investment options.	Income, diversification, inflation hedge	
Domestic Stock	common stocks of US domiciled corporations. May include different sizes (large cap, mid cap and small cap), and styles (value, growth, and blend). May be broadly diversified or concentrated and may be either actively or passively managed (indexed).	Long-term growth	
International or Foreign Stock	common stocks of corporations domiciled outside the US. Options may include different regional and emerging markets. May include different sizes (large cap, mid cap and small cap), styles (value, growth, and blend). May be broadly diversified or concentrated and may be either actively or passively managed (indexed)	Long-term growth, diversification	
Balanced/Asset Allocation	significant proportions of both equity and fixed income investments	Long-term growth, risk reduction	

It is recognized that periodically the Investment Manager may change the mix or name of an investment group. These changes along with how the change(s) comply with the overall investment strategy will be reviewed with the City Manager or his designee.

E. Statement on Performance Measurement

It is critical to evaluate the past and future performance of the plan's assets and Investment Managers. The City and Investment Manager shall meet annually to review the fund's performance to determine if the investments are meeting the

pension obligations of the prior year, next year, next five (5) years and to identify on a timely basis any adverse changes to the Investment Manager's organization or investment process. At that time, the City and Investment Manager shall jointly review the market conditions and the appropriate investment approach to meet future obligations. The evaluation shall also dictate the timing and manner of change required, if any.

The annual review is intended to insure that decisions to retain the Investment Managers or options are made with a prudent degree of care and that excessive risk is avoided. If the results of the evaluation indicate substandard performance or a potentially adverse change in the Investment Manager's organization or investment process, the City may choose one of several courses of action including assigning the Investment Manager/option a temporary probationary status, undertaking an in-depth review or terminating the Investment Manager.

While the plan guarantees a certain interest earning, it is understood that the plan's assets may not earn that interest earnings annually. However, it is the intent of the City to earn at least an average rate of return that is equal to the plan's guarantee over a 10 year period. This goal shall be reviewed annually with the Investment Manager.

F. Investment Manager Guidelines

The City of Newberg shall select investment managers and, where appropriate, investment options based on the evaluation of qualitative and quantitative factors. The manager selection process will focus on the following five key aspects of an investment management firm and investment option:

1. **Organization:** Evaluate the key elements of an efficient and successful investment management organization such as stable firm ownership, clear business objectives, industry reputation, and experienced and talented investment staff.
2. **Investment Philosophy and Process:** Evaluate the key elements of a valid and well-defined investment approach such as unique sources of information, disciplined buy/sell decision, systematic portfolio construction, and adequate risk controls.
3. **Resources:** Evaluate the state of current and proposed resources supporting the investment process including the quality and depth research and the adequacy of information management, compliance and trading systems.
4. **Performance:** Evaluate historical returns and risks relative to passive indexes, peer groups and other competing firms.
5. **Management Fees:** Evaluate the proposed fee structure relative to the industry

and other competing candidates.

These factors are chosen to insure that manager/option selections are made with a prudent degree of care, and that excessive risk is avoided. Notwithstanding the above, the City of Newberg may also include other factors that they believe are appropriate to a specific manager/option selection exercise.

The manager will meet at least annually with the City to review the portfolio's performance and direction. The City will inform the manager of any change in plan benefits which could affect the portfolio's investment mix.

The City may terminate the Investment Manager any time the City deems it in the best interests of the Plan. The City may also eliminate any existing manager for the following reasons:

- Changing investment manager or investment option practices such that they are no longer materially consistent with this Policy, or this Policy changes so that it is no longer materially consistent with the practices of the investment manager; or
- Final recommendation of an in-depth review.

The City may also add, eliminate, or replace any plan investment option as the needs of the plan change, or for any other prudent reason.

G. Guidelines for Other Professionals

From time to time, the City may engage other professionals to give it advise on its pension plan and its investments. These professionals may be asked to perform an outside review of investment strategies, assist the City with hiring an Investment Manager or other such obligations as the City sees fit in order to assist the appropriate and legal requirements of the plan.

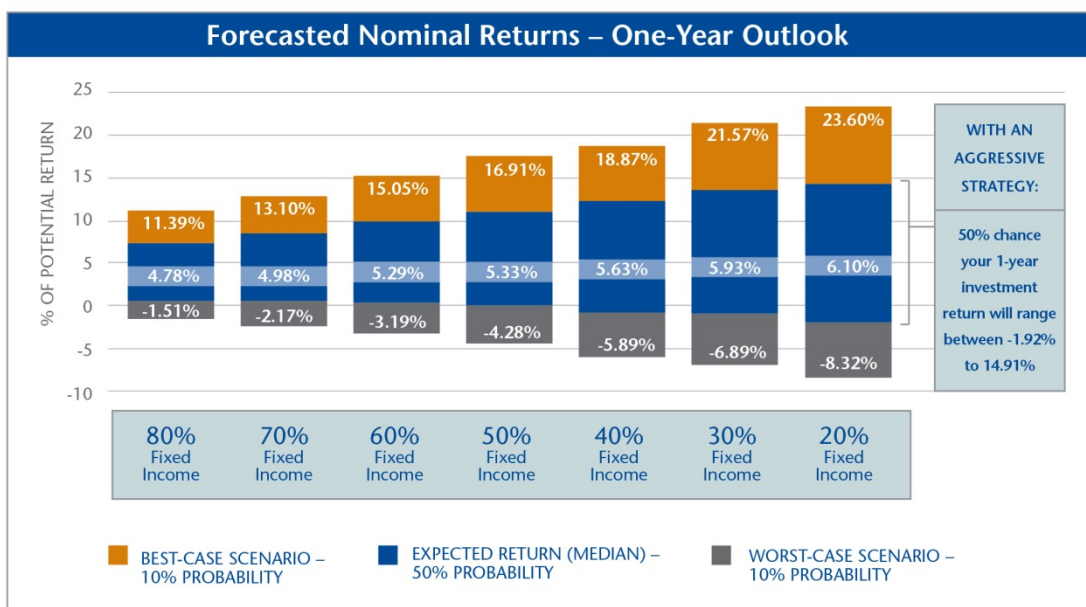
Adopted by the Newberg City Council on this 17th day of November, 2003.


 Bob Stewart, Mayor

After analyzing your plan's assets, liabilities and risk, we fully consider the range of expected returns and risk for each of our investment strategies and consult with you to help us determine your comfort level with the range of potential outcomes.

Our ability to demonstrate the full range of possible outcomes for a variety of investment strategies enables you to better understand the risk and reward potential for each. This capability allows our consultants to identify an appropriate investment strategy – taking into consideration the long-term goals, objectives and obligations for your retirement plan as well as your tolerance for risk.

The chart below illustrates the investment capabilities of Principal Financial Advisors. For each strategy, we have identified distinct risk and return characteristics which directly influence its range of expected one-year returns.



Source: Wilshire Compass

The asset allocation of these portfolios may change over time and there is no guarantee that future risk/return performance will be consistent, especially over shorter time periods. No portfolio has zero risk, and none guarantees any specific reward.

Please see Appendix D for important disclosure information.

Principal Financial Advisors, Inc.



Investment Advisory Report
City of Newberg General Employees Retirement Plan
Contract No. 4-47053
July 01, 2016 - December 31, 2016

Contents

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1	Principal Financial Advisors, Inc. Overview
2	Portfolio and Strategic Asset Allocation Review
10	Portfolio Performance Review
11	Investment Option Performance

Principal Financial Advisors, Inc. Overview

As a retirement plan sponsor, you face significant challenges in managing the plan on behalf of participants – fiduciary responsibility, risk management and plan investment decisions, just to name a few. **When you appoint Principal Financial Advisors, Inc. as the plan's ERISA Section 3(38) investment manager, we team with you to address these challenges.**

For nearly 30 years, Principal Financial Advisors (a member company of the Principal Financial Group) has been managing investment strategies. As of December 31, 2016, we manage more than \$7 billion in assets and have more than 300 clients using our advisory services for retirement plans.

Our mission is to provide high-quality investment advisory and consulting services to help clients meet their goals and objectives by offering access to premier investment managers and customized investment strategies.

The investment advisory services of Principal Financial Advisors are consistent with the following core beliefs:

- 1) Strategic asset allocation selection and implementation play key roles in a retirement plan's ability to successfully meet its obligations over the long term.
- 2) Careful analysis of a retirement plan's assets, liabilities and unique attributes guides asset allocation decisions.
- 3) Diversifying by asset class, style and investment manager is one of the most effective ways to control investment risk.
- 4) A portfolio's long-term success depends substantially on selecting appropriate managers and carefully monitoring their performance over time.

Principal Financial Advisors provides:

- 1) A customized investment strategy based on the plan's unique situation.
- 2) Assumption of fiduciary responsibility for asset allocation decisions.¹
- 3) Benefits of the due diligence process of Principal Life Insurance Company.²
- 4) Experienced investment personnel, comprehensive reporting and top-tier client service.

¹The plan sponsor remains the plan's named fiduciary, but Principal Financial Advisors, Inc. has been appointed as the plan's ERISA Section 3(38) investment manager.

²Principal Life Insurance Company is responsible for the hiring and monitoring of investment managers made available to you through the due diligence process. Principal Financial Advisors selects from these investment options for retirement portfolios.

Portfolio and Strategic Asset Allocation Review

Investment Review - Allocation 07/01/2016 through 12/31/2016				
Inv Manager or Sub-Advisor	Beginning Balance	Breakdown %	Ending Balance	Breakdown %
Investment Option				
Large U.S. Equity				
Large Value				
Edge Asset Management, Inc. Equity Income Separate Account-R6 ^{3, 11}	\$901,009	5.04%	\$914,736	5.00%
Principal Global Investors LargeCap Value Separate Account-R6	\$901,861	5.05%	\$907,899	4.96%
Large Blend				
Principal Global Investors LargeCap S&P 500 Index Separate Account-R6 ^{2, 8, 25}	\$774,285	4.33%	\$781,429	4.27%
Large Growth				
T. Rowe Price/Brown Advisory LargeCap Growth I Separate Account-R6 ^{3, 18}	\$1,790,621	10.02%	\$1,803,392	9.85%
Small/Mid U.S. Equity				
Mid Cap Value				
Principal Global/Barrow Hanley MidCap Value III Separate Account-R6 ¹	\$252,555	1.41%	\$254,419	1.39%
Mid Cap Growth				
Robert Baird/William Blair MidCap Growth III Separate Account-R6 ^{1, 3, 18, 26}	\$252,318	1.41%	\$252,837	1.38%
Small Value				
DFA/Vaughan Nelson/LA Capital SmallCap Value II Separate Account-R6 ^{1, 3, 18}	\$126,791	0.71%	\$128,320	0.70%
Small Growth				
AB/Brown/Emerald SmallCap Growth I Separate Account-R6 ^{1, 3, 18, 30}	\$126,231	0.71%	\$127,291	0.70%
International Equity				
Diversified Emerging Markets				
Principal Global Investors International Emerging Markets Separate Account-R6 ⁴	\$198,452	1.11%	\$199,561	1.09%
Foreign Large Value				
Causeway / Barrow Hanley Overseas Separate Account-R6 ^{3, 4, 18}	\$1,516,155	8.49%	\$1,301,997	7.11%

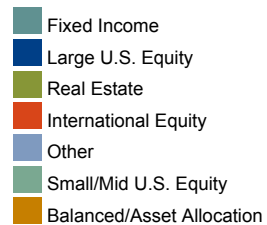
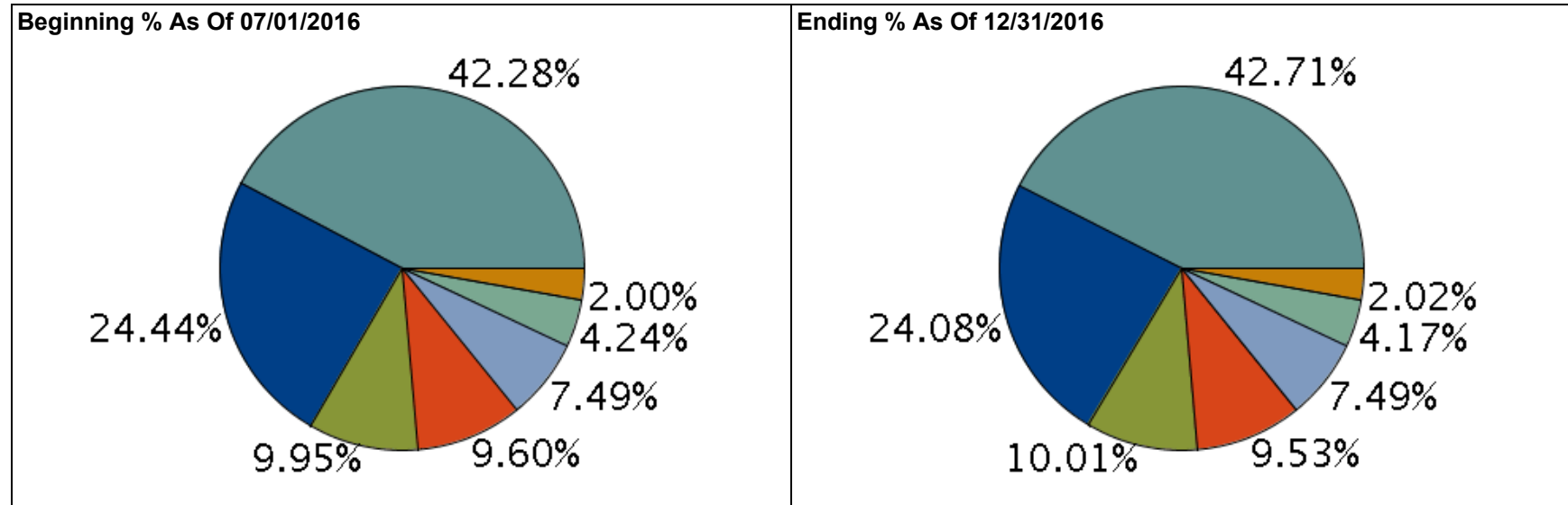
Portfolio and Strategic Asset Allocation Review

Investment Review - Allocation 07/01/2016 through 12/31/2016				
Inv Manager or Sub-Advisor	Beginning Balance	Breakdown %	Ending Balance	Breakdown %
Foreign Small/Mid Blend				
Principal Global Investors/DFA International SmallCap Separate Account-R6 ^{1, 4, 13}	\$0	0.00%	\$242,090	1.32%
Real Estate				
Owned Real Estate				
Principal Real Estate Inv U.S. Property Separate Account-R6 ²¹	\$1,777,420	9.95%	\$1,831,877	10.01%
Balanced/Asset Allocation				
Allocation--30% to 50% Equity				
Multiple Sub-Advisors Diversified Real Asset Separate Account-R6 ^{3, 11, 20, 25}	\$357,612	2.00%	\$369,653	2.02%
Fixed Income				
High Yield Bond				
JP Morgan / Neuberger Berman High Yield I Separate Account-R6 ^{3, 5, 14, 15}	\$890,357	4.98%	\$915,103	5.00%
Intermediate-Term Bond				
Mellon Capital Mgmt Bond Market Index Separate Account-R6 ^{2, 14, 15}	\$1,670,236	9.35%	\$1,730,838	9.46%
Principal Global Investors Core Plus Bond Separate Account-R6 ^{14, 15, 25, 29}	\$4,994,611	27.95%	\$5,170,581	28.25%
Other				
Multialternative				
Multiple Sub-Advisors Global Multi-Strategy Separate Account-R6 ^{3, 11, 23, 25}	\$1,337,510	7.49%	\$1,370,331	7.49%
TOTAL	\$17,868,024	100%	\$18,302,354	100%

Please see important information at the end of this presentation.

Portfolio and Strategic Asset Allocation Review

Allocation of Assets



Portfolio and Strategic Asset Allocation Review

The table below illustrates the plan's target allocation at the beginning and end of the reporting period.

Your plan's assets and liabilities are reviewed periodically during the year and we make changes as needed. We will continue to monitor your plan and adjust its allocation as necessary.

Target Allocation 07/01/2016 through 12/31/2016			
Investment Advisor	Investment Option	Beginning Allocation	Ending Allocation
	Large U.S. Equity	24.30%	24.30%
	Large Value		
Edge Asset Management, Inc.	Equity Income Separate Account-R6 ^{3, 11}	5.00%	5.00%
Principal Global Investors	LargeCap Value Separate Account-R6	5.00%	5.00%
	Large Blend		
Principal Global Investors	LargeCap S&P 500 Index Separate Account-R6 ^{2, 8, 25}	4.30%	4.30%
	Large Growth		
T. Rowe Price/Brown Advisory	LargeCap Growth I Separate Account-R6 ^{3, 18}	10.00%	10.00%
	Small/Mid U.S. Equity	4.20%	4.20%
	Mid Cap Value		
Principal Global/Barrow Hanley	MidCap Value III Separate Account-R6 ¹	1.40%	1.40%
	Mid Cap Growth		
Robert Baird/William Blair	MidCap Growth III Separate Account-R6 ^{1, 3, 18, 26}	1.40%	1.40%
	Small Value		
DFA/Vaughan Nelson/LA Capital	SmallCap Value II Separate Account-R6 ^{1, 3, 18}	0.70%	0.70%
	Small Growth		
AB/Brown/Emerald	SmallCap Growth I Separate Account-R6 ^{1, 3, 18, 30}	0.70%	0.70%
	International Equity	9.50%	9.50%
	Diversified Emerging Markets		
Principal Global Investors	International Emerging Markets Separate Account-R6 ⁴	1.10%	1.10%
	Foreign Large Value		
Causeway / Barrow Hanley	Overseas Separate Account-R6 ^{3, 4, 18}	8.40%	7.10%
	Foreign Small/Mid Blend		
Principal Global Investors/DFA	International SmallCap Separate Account-R6 ^{1, 4, 13}	0.00%	1.30%
	Real Estate	10.00%	10.00%
	Owned Real Estate		
Principal Real Estate Inv	U.S. Property Separate Account-R6 ²¹	10.00%	10.00%

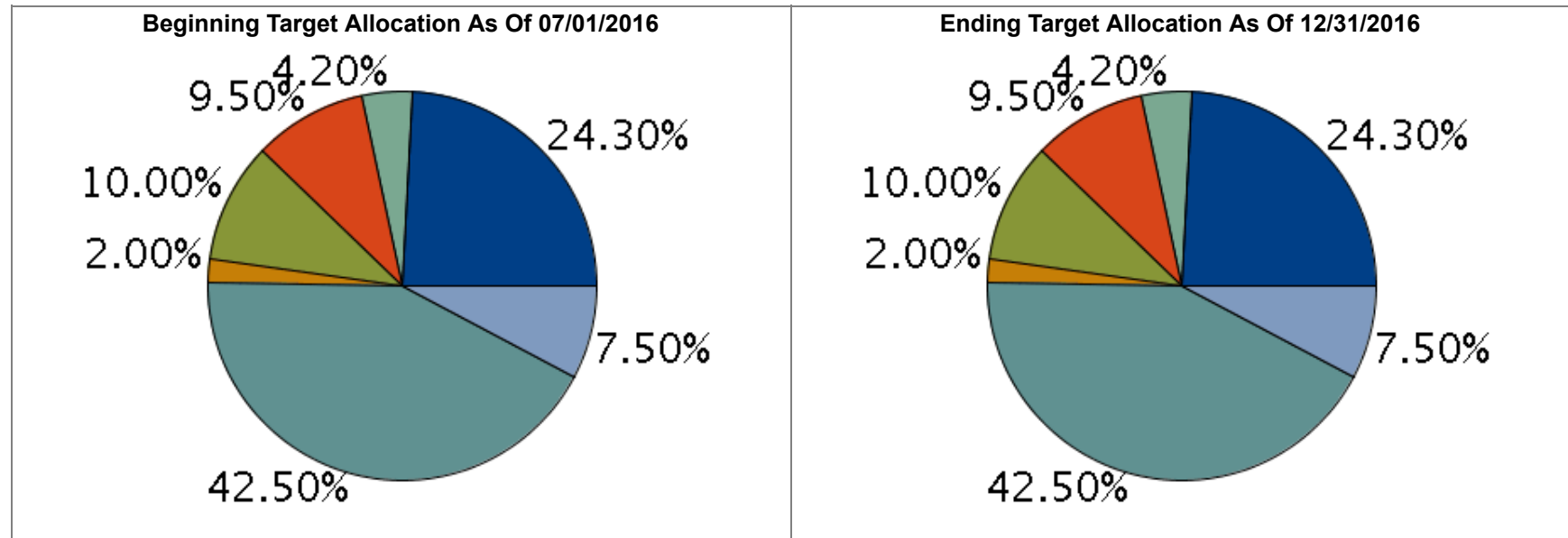
Portfolio and Strategic Asset Allocation Review

Target Allocation 07/01/2016 through 12/31/2016			
Investment Advisor	Investment Option	Beginning Allocation	Ending Allocation
	Balanced/Asset Allocation	2.00%	2.00%
	Allocation--30% to 50% Equity		
Multiple Sub-Advisors	Diversified Real Asset Separate Account-R6 ^{3, 11, 20, 25}	2.00%	2.00%
	Fixed Income	42.50%	42.50%
	High Yield Bond		
JP Morgan / Neuberger Berman	High Yield I Separate Account-R6 ^{3, 5, 14, 15}	5.00%	5.00%
	Intermediate-Term Bond		
Mellon Capital Mgmt	Bond Market Index Separate Account-R6 ^{2, 14, 15}	9.40%	9.40%
Principal Global Investors	Core Plus Bond Separate Account-R6 ^{14, 15, 25, 29}	28.10%	28.10%
	Other	7.50%	7.50%
	Multialternative		
Multiple Sub-Advisors	Global Multi-Strategy Separate Account-R6 ^{3, 11, 23, 25}	7.50%	7.50%

Please see important information at the end of this presentation.

Portfolio and Strategic Asset Allocation Review

Please note that a slight variance between your plan's target allocation displayed in this report and its weightings is normal. This variance is due to changes in your account values caused by fluctuations in the market. We periodically initiate rebalancing transfers to bring the plan's assets back to its target allocation.



Portfolio and Strategic Asset Allocation Review

This section of your report includes all investment options with plan assets as of the end of the reporting period.

Large U.S. Equity		
Large Value	Large Blend	Large Growth
Equity Income Separate Account-R6 ^{3, 11}  LargeCap Value Separate Account-R6 	LargeCap S&P 500 Index Separate Account-R6 ^{2, 8, 25 ++}	LargeCap Growth I Separate Account-R6 ^{3, 18}  
Small/Mid U.S. Equity		
Mid Cap Value	Mid Cap Blend	Mid Cap Growth
MidCap Value III Separate Account-R6 ¹  		MidCap Growth III Separate Account-R6 ^{1, 3, 18, 26}  
Small Value	Small Blend	Small Growth
SmallCap Value II Separate Account-R6 ^{1, 3, 18}   		SmallCap Growth I Separate Account-R6 ^{1, 3, 18, 30}   

Portfolio and Strategic Asset Allocation Review

International Equity	Real Estate	Balanced/Asset Allocation
Overseas Separate Account-R6 ^{3, 4, 18}  BARROW, HANLEY, MEWHINNEY & STRAUSS, LLC International Emerging Markets Separate Account-R6 ⁴  International SmallCap Separate Account-R6 ^{1, 4, 13} 	U.S. Property Separate Account-R6 ²¹ 	Diversified Real Asset Separate Account-R6 ^{3, 11, 20, 25} 
Short-Term Fixed Income	Fixed Income	Other
	High Yield I Separate Account-R6 ^{3, 5, 14, 15}   Bond Market Index Separate Account-R6 ^{2, 14, 15}  Core Plus Bond Separate Account-R6 ^{14, 15, 25, 29} 	Global Multi-Strategy Separate Account-R6 ^{3, 11, 23, 25} 

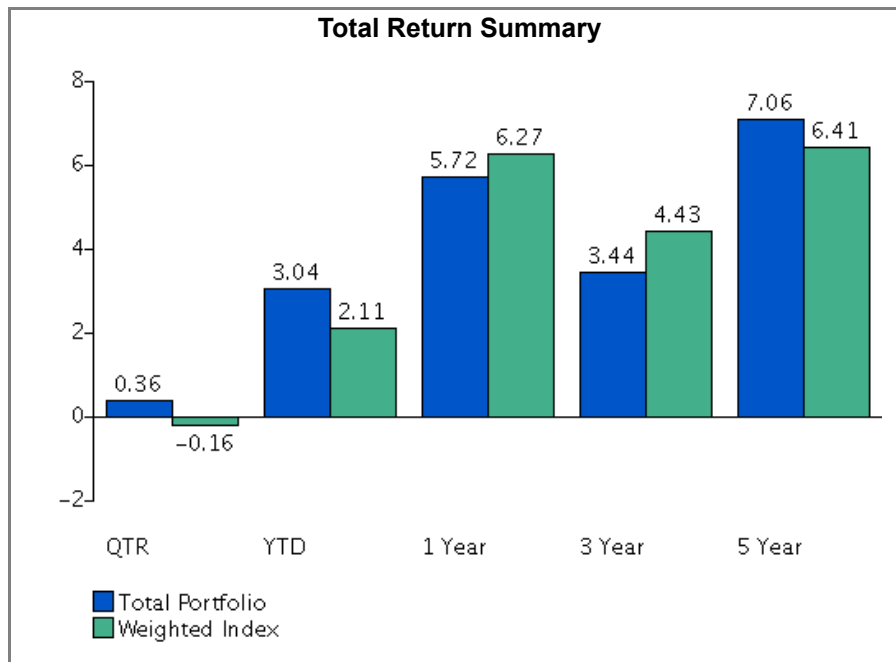
Please see important information at the end of this presentation.

Portfolio Performance Review

Time & Dollar Weighted Rates of Return December 31, 2016

Time & Dollar Weighted Returns	QTR	YTD*	1 Year	3 Year	5 Year
Total Portfolio Return	0.36	3.04	5.72	3.44	7.06
Weighted Index	-0.16	2.11	6.27	4.43	6.41
Excess Return	0.52	0.93	-0.55	-0.99	0.65

Asset Class Return Information	QTR	YTD*	1 Year	3 Year	5 Year
Your Plan's U.S. Equity Return	2.87	6.78	7.63	6.25	14.44
Standard & Poor's 1500 Total Market Stock Index	4.32	8.47	13.03	8.89	14.78
Your Plan's International Equity Return	0.54	6.92	2.84	-3.17	5.00
MSCI ACWI Ex USA Index	-1.25	5.57	4.50	-1.78	5.00
Your Plan's Real Asset Return	1.89	3.88	7.50	5.18	6.96
Blended Real Asset Index	1.28	2.17	3.66	2.57	2.82
Your Plan's Fixed Income Return	-1.61	-0.17	4.75	2.74	3.21
Bloomberg Barclays Aggregate Bond Index	-2.98	-2.53	2.65	3.03	2.23



We calculated performance of your plan assets with information provided to us by Principal Life Insurance Company from your December 31, 2016 Contractholder Fund Statement.

Your portfolio's returns are net of investment management expenses and are based on your plan's specific activity. The returns take into consideration contributions, benefit payments, transfers and other withdrawals. The index returns do not include any expenses or cash flows.

*YTD represents plan year period from 7/1/2016 through 12/31/2016.

Please see important information at the end of this presentation.

Investment Option Performance

Investment results shown represent historical performance and do not guarantee future results. Investment returns and principal values fluctuate with changes in interest rates and other market conditions so the value, when redeemed may be worth more or less than original costs. Current performance may be lower or higher than the performance data shown.

In situations where the net and gross total investment expense figures are different, the mutual fund or underlying fund in which a Separate Account invests has waived/capped a portion of its management fees through the date displayed in the Waiver Expiration Date or Contractual Cap Expiration Date column. Differences may also be shown due to the fund family choosing to pay certain expenses that would normally be payable by the fund. Returns displayed are always based on net total investment expense.

For more performance information, including most recent month-end performance, visit www.principal.com, contact your representative of the Principal Financial Group® (The Principal®), or call our participant contact center at 1-800-547-7754.

Average Annual Total Returns through 12/31/2016								Percentile Rankings as of 12/31/2016							Total Inv. Exp. Net / Gross	Contractual Cap/Waiver / Expire Date
Inv Manager or Sub-Advisor Investment Option	Last 3 mos	1 yr.	3 yr.	5 yr.	10 yr.	Since Inception	Inception Date	Last 3 mos	1 yr.	3 yr.	5 yr.	10 yr.				
Large U.S. Equity																
Large Value																
Edge Asset Management, Inc. Equity Income Separate Account-R6 ^{3, 11}	5.01	15.39	7.60	12.27	6.15	8.53	06/30/2009	-	37	34	70	31	0.68 / 0.68	-		
Russell 1000 Value Index	6.68	17.34	8.59	14.80	5.72	-	-	-	-	-	-	-	-	-		
Principal Global Investors LargeCap Value Separate Account-R6	5.65	7.98	5.86	12.73	4.62	7.45	06/01/1995	-	97	77	60	71	0.61 / 0.61	-		
Russell 1000 Value Index	6.68	17.34	8.59	14.80	5.72	-	-	-	-	-	-	-	-	-		
Morningstar Category Average - Large Value	6.34	14.81	6.84	12.97	5.38	Total Funds in Category		1305	1268	1088	934	680	-	-		
Large Blend																
Principal Global Investors LargeCap S&P 500 Index Separate Account-R6 ^{2, 8, 25}	3.73	11.60	8.50	14.27	6.61	9.02	01/01/1990	-	34	13	29	34	0.31 / 0.31	-		
Standard & Poor's 500 Index	3.82	11.96	8.87	14.66	6.95	-	-	-	-	-	-	-	-	-		
Morningstar Category Average - Large Blend	3.86	10.37	6.80	13.18	6.07	Total Funds in Category		1475	1409	1255	1106	814	-	-		
Large Growth																
T. Rowe Price/Brown Advisory LargeCap Growth I Separate Account-R6 ^{3, 18}	-1.12	0.82	5.71	13.40	8.09	4.66	12/29/2000	-	72	55	43	19	0.77 / 0.79	02/28/2017		
Russell 1000 Growth Index	1.01	7.08	8.55	14.50	8.33	-	-	-	-	-	-	-	-	02/28/2017		
Morningstar Category Average - Large Growth	-0.27	3.23	5.70	12.94	6.91	Total Funds in Category		1503	1463	1315	1154	809	-	-		
Small/Mid U.S. Equity																
Mid Cap Value																
Principal Global/Barrow Hanley MidCap Value III Separate Account-R6 ¹	6.63	12.33	5.97	13.91	6.98	10.51	01/01/1991	-	88	72	52	42	0.81 / 0.81	-		
Russell Midcap Value Index	5.52	20.00	9.45	15.70	7.59	-	-	-	-	-	-	-	-	-		
Morningstar Category Average - Mid Cap Value	6.80	18.06	6.84	13.81	6.76	Total Funds in Category		404	399	337	301	207	-	-		

Investment Option Performance

Average Annual Total Returns through 12/31/2016								Percentile Rankings as of 12/31/2016							
Inv Manager or Sub-Advisor Investment Option	Last 3 mos	1 yr.	3 yr.	5 yr.	10 yr.	Since Inception	Inception Date	Last 3 mos	1 yr.	3 yr.	5 yr.	10 yr.	Total Inv. Exp. Net / Gross	Contractual Cap/Waiver Expire Date	
Mid Cap Growth															
Robert Baird/William Blair MidCap Growth III Separate Account-R6 ^{1, 3, 18, 26}	0.03	4.34	3.14	10.16	6.21	5.06	10/28/1999	-	59	64	78	68	1.11 / 1.14	02/28/2017 02/28/2017	
Russell Midcap Growth Index	0.46	7.33	6.23	13.51	7.83	-	-	-	-	-	-	-	-		
Morningstar Category Average - Mid Cap Growth	0.75	6.03	4.03	11.79	6.79	Total Funds in Category		661	644	588	504	368	-	-	
Small Value															
DFA/Vaughan Nelson/LA Capital SmallCap Value II Separate Account-R6 ^{1, 3, 18}	12.08	25.08	8.28	15.70	6.48	8.59	06/01/2004	-	59	29	20	60	1.17 / 1.19	02/28/2017 02/28/2017	
Russell 2000 Value Index	14.07	31.74	8.31	15.07	6.26	-	-	-	-	-	-	-	-		
Morningstar Category Average - Small Value	12.19	25.99	6.63	13.90	6.73	Total Funds in Category		426	405	347	308	195	-	-	
Small Growth															
AB/Brown/Emerald SmallCap Growth I Separate Account-R6 ^{1, 3, 18, 30}	2.16	9.08	3.76	12.79	8.26	5.11	12/29/2000	-	58	51	40	19	1.19 / 1.26	02/28/2017 02/28/2017	
Russell 2000 Growth Index	3.57	11.32	5.05	13.74	7.76	-	-	-	-	-	-	-	-		
Morningstar Category Average - Small Growth	3.34	11.20	3.55	12.33	7.08	Total Funds in Category		695	669	599	531	389	-	-	
International Equity															
Diversified Emerging Markets															
Principal Global Investors International Emerging Markets Separate Account-R6 ⁴	-5.08	8.13	-3.53	0.58	0.86	7.54	01/01/1995	-	52	64	68	59	1.51 / 1.51	- -	
MSCI Emerging Markets NR Index	-4.16	11.19	-2.55	1.28	1.84	-	-	-	-	-	-	-	-		
Morningstar Category Average - Diversified Emerging Markets	-5.30	8.47	-3.18	1.61	1.32	Total Funds in Category		855	813	606	425	173	-	-	
Foreign Large Value															
Causeway / Barrow Hanley Overseas Separate Account-R6 ^{3, 4, 18}	1.04	1.45	-3.07	5.95	-	4.41	09/30/2008	-	58	61	40	-	1.23 / 1.26	02/28/2017 02/28/2017	
MSCI EAFE Value Index	4.17	5.02	-2.14	6.28	-0.22	-	-	-	-	-	-	-	-		
Morningstar Category Average - Foreign Large Value	0.37	3.34	-2.44	5.37	-0.25	Total Funds in Category		350	337	272	223	139	-	-	
Foreign Small/Mid Blend															
Principal Global Investors/DFA International SmallCap Separate Account-R6 ^{1, 4, 13}	-3.88	1.99	1.93	10.07	3.13	10.78	01/01/1995	-	42	20	18	30	1.46 / 1.46	- -	
MSCI World Ex US Small Cap Index	-2.74	4.32	1.36	8.96	2.69	-	-	-	-	-	-	-	-		
Morningstar Category Average - Foreign Small/Mid Blend	-2.96	1.79	0.04	8.51	2.69	Total Funds in Category		114	112	78	66	28	-	-	

Investment Option Performance

Average Annual Total Returns through 12/31/2016								Percentile Rankings as of 12/31/2016							Total Inv. Exp. Net / Gross	Contractual Cap/Waiver Expire Date
Inv Manager or Sub-Advisor Investment Option	Last 3 mos	1 yr.	3 yr.	5 yr.	10 yr.	Since Inception	Inception Date	Last 3 mos	1 yr.	3 yr.	5 yr.	10 yr.				
Real Estate																
Owned Real Estate																
Principal Real Estate Inv U.S. Property Separate Account-R6 ²¹	2.46	8.79	11.56	11.89	4.67	6.81	01/01/1982	-	-	-	-	-	1.15 / 1.15	- -		
NFI-ODCE Equal-Weight	-	-	-	-	-	-	-	-	-	-	-	-	-			
Balanced/Asset Allocation																
Allocation--30% to 50% Equity																
Multiple Sub-Advisors Diversified Real Asset Separate Account-R6 ^{3, 11, 20, 25}	-0.99	5.69	-1.83	1.36	-	3.28	12/31/2010	-	61	99	99	-	1.05 / 1.05	12/30/2017 12/30/2017		
Diversified Real Asset Strategic Index	-0.57	12.40	-0.19	1.31	-	-	-	-	-	-	-	-	-			
Morningstar Category Average - Allocation--30% to 50% Equity	-0.20	6.62	2.91	5.68	4.06	Total Funds in Category		541	515	413	362	234	-	-		
Fixed Income																
High Yield Bond																
JP Morgan / Neuberger Berman High Yield I Separate Account-R6 ^{3, 5, 14, 15}	1.09	13.83	3.40	6.28	7.21	7.05	12/31/2004	-	44	49	48	8	0.81 / 0.81	- -		
Bloomberg Barclays US Corp High Yld 2% Issuer Capped Index	1.75	17.13	4.67	7.36	7.55	-	-	-	-	-	-	-	-			
Morningstar Category Average - High Yield Bond	1.69	13.30	3.23	6.17	5.90	Total Funds in Category		731	707	602	477	319	-	-		
Intermediate-Term Bond																
Mellon Capital Mgmt Bond Market Index Separate Account-R6 ^{2, 14, 15}	-3.12	2.08	2.53	1.71	-	3.04	12/30/2009	-	80	64	86	-	0.41 / 0.41	- -		
Bloomberg Barclays Aggregate Bond Index	-2.98	2.65	3.03	2.23	4.34	-	-	-	-	-	-	-	-			
Principal Global Investors Core Plus Bond Separate Account-R6 ^{14, 15, 25, 29}	-2.44	4.00	2.82	2.98	4.21	7.49	02/01/1983	-	26	49	32	52	0.71 / 0.71	- -		
Bloomberg Barclays Aggregate Bond Index	-2.98	2.65	3.03	2.23	4.34	-	-	-	-	-	-	-	-			
Morningstar Category Average - Intermediate-Term Bond	-2.54	3.23	2.73	2.61	4.10	Total Funds in Category		1027	985	869	759	541	-	-		

Investment Option Performance

Average Annual Total Returns through 12/31/2016								Percentile Rankings as of 12/31/2016						
Inv Manager or Sub-Advisor Investment Option	Last 3 mos	1 yr.	3 yr.	5 yr.	10 yr.	Since Inception	Inception Date	Last 3 mos	1 yr.	3 yr.	5 yr.	10 yr.	Total Inv. Exp. Net / Gross	Contractual Cap/Waiver Expire Date
Other														
Multialternative														
Multiple Sub-Advisors														
Global Multi-Strategy Separate Account-R6 ^{3, 11, 23, 25}	0.39	3.11	1.89	3.33	-	3.10	09/30/2013	-	34	28	38	-	1.77 / 2.28	12/30/2017 12/30/2017
Hedge Fund Research, Inc. Fund of Funds Composite Index	0.83	0.48	1.18	3.41	1.31	-	-	-	-	-	-	-	-	
Morningstar Category Average - Multialternative	-0.11	1.38	0.61	3.14	1.65	Total Funds in Category		442	419	239	141	38	-	-

This section of your report includes all investment options with plan assets as of the end of the reporting period.

Please see important information at the end of this presentation.

Important Information

Separate Accounts are available through a group annuity contract with Principal Life Insurance Company. Insurance products and plan administrative, if applicable, services are provided by Principal Life Insurance Company, a member of the Principal Financial Group, Des Moines, IA 50392. See the fact sheet for the full name of the Separate Account. Certain investment options may not be available in all states or U.S. commonwealths. Principal Life Insurance Company reserves the right to defer payments or transfers from Principal Life Separate Accounts as described in the group annuity contracts providing access to the Separate Accounts or as required by applicable law. Such deferment will be based on factors that may include situations such as: unstable or disorderly financial markets; investment conditions which do not allow for orderly investment transactions; or investment, liquidity, and other risks inherent in real estate (such as those associated with general and local economic conditions). If you elect to allocate funds to a Separate Account, you may not be able to immediately withdraw them.

++ Investment options sub-advised by Principal Global Investors.

Investment Advisory Services are provided by Principal Financial Advisors, Inc., a registered investment advisor and wholly owned subsidiary of the Principal Financial Group®.

No investment strategy, such as diversification or asset allocation, can guarantee a profit or protect against loss in periods of declining value.

Asset allocation strategies are developed using Separate Accounts available through a group annuity contract of Principal Life Insurance Company.

Before directing retirement funds to a separate account, investors should carefully consider the investment objectives, risks, charges and expenses of the separate account as well as their individual risk tolerance, time horizon and goals. For additional information contact us at 1-800-547-7754 or by visiting principal.com.

Investment options are subject to investment risk. Shares or unit values will fluctuate and investments, when redeemed, may be worth more or less than their original cost. This does not apply, however, to the guaranteed portions of group annuity contracts issued by Principal Life that constitute guaranteed benefit policies as defined in ERISA §401(b)(2)(B).

This report includes investment options that contain information from a variety of sources. A primary source is Morningstar which provides holdings information, operations data, and rankings or statistics proprietary to Morningstar. Morningstar is generally the source of information on mutual funds unaffiliated with the Principal.

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Compliance number: t14092601zk

1. Small-cap and mid-cap investment options are subject to more fluctuation in value and may have additional risks than other investment options with stocks of larger, more stable companies.

2. Each index based investment option is invested in the stocks or bonds of the index it tracks. Performance of indexes reflects the unmanaged results for the market segment the selected stocks or bonds represent. There is no assurance an index based investment option will match the performance of the index tracked.

3. *This Separate Account invests solely in the Institutional class shares of the Principal Funds. All voting rights associated with ownership of shares in the mutual fund are the rights of the Separate Account, not of contract holders investing in the Separate Account. For further information on the underlying mutual fund, see the prospectus of the fund.*
4. *International and global investment options are subject to additional risk due to fluctuating exchange rates, foreign accounting and financial policies, and other economic and political environments.*
5. *High yield investment options are subject to greater credit risk and volatility that is associated with high yield bonds.*
6. *Liquid asset investment options are not insured or guaranteed by the Federal Deposit Insurance Corporation (FDIC), or any other government agency. Although the investment option may seek to preserve the value of an investment, it is possible to lose money by investing in the portfolio.*
8. *S&P 500 is a trademark of The McGraw-Hill Companies, Inc., and has been licensed for use by Principal Life Insurance Company and Principal Management Corporation. The product is not sponsored, endorsed, sold or promoted by Standard & Poor's and Standard & Poor's makes no representation regarding the advisability of investing in the product.*
11. *These calculated returns reflect the historical performance of the oldest share class of the fund, adjusted to reflect a portion of the fees and expenses of this share class. For time periods prior to inception date of the fund, predecessor performance is reflected. Please see the fund's prospectus for more information on specific expenses, and the fund's most recent shareholder report for actual date of first sale. Expenses are deducted from income earned by the fund. As a result, dividends and investment results will differ for each share class.*
13. *Effective November 13, 2006, Dimensional Fund Advisors (DFA) was added as an additional sub-advisor. Performance results displayed reflect all sub-advisors managing this portfolio during the time periods displayed.*
14. *Fixed-income investment options are subject to interest rate risk, and their value will decline as interest rates rise. Neither the principal of bond investment options nor their yields are guaranteed by the U.S. government.*
15. *Fixed-income and asset allocation investment options that invest in mortgage securities are subject to increased risk due to real estate exposure.*
18. *This Separate Account invests solely in the Institutional class share of a mutual fund (Fund) from Principal Funds, Inc. The manager of the Fund, Principal Management Corporation, invests between 10% and 40% of the Fund's assets in common stocks in an attempt to match or exceed the performance of the Fund's benchmark index for performance.*
20. *Fixed-income investment options are subject to interest rate risk, and their value will decline as interest rates rise. Neither the principal of bond investment options nor their yields are guaranteed by the U.S. or any other government entity. Concentrating investments in natural resources industries can be affected significantly by events relating to those industries, such as variations in the commodities markets, weather, disease, embargoes, international, political and economic developments, the success of exploration projects, tax and other government regulations and other factors. Investment in derivatives entails specific risks relating to liquidity, leverage and credit that may reduce returns and/or increase volatility. REIT securities are subject to risk factors associated with the real estate industry and tax factors of REIT registration. An MLP that invests in a particular industry (e.g., oil and gas) may be harmed by detrimental economic events within that industry. As partnerships, MLPs may be subject to less regulation (and less protection for investors) under state laws than corporations. In addition, MLPs may be subject to state taxation in certain jurisdictions, which may reduce the amount of income paid by an MLP to its investors.*
21. *This investment option is subject to investment and liquidity risk and other risks inherent in real estate such as those associated with general and local economic conditions. If you elect to contribute funds into the U.S. Property Separate Account, withdrawals may be delayed for up to 3 years.*

23. This fund utilizes alternative investment strategies such as arbitrage, leverage, derivatives, and shorting securities in addition to traditional investments. Investment risk may be magnified with the use of these alternative strategies. In addition, securities such as bonds, equities, commodities, international and emerging market securities, and currencies are used to implement the investment strategy. These investments are subject to risks associated with market and interest rate movements. The fund is considered non-diversified which may make it more susceptible to price volatility if the fund does not meet its objective. Due to the nature of the investment process, investors should not expect significant outperformance during market rallies. Additional risks are included in the funds prospectus. It is possible to lose money when investing in the fund.

24. The net return experienced may be negative if the costs to maintain and operate the Liquid Assets Separate Account exceed returns. Participants may also see negative returns if plan expenses, if applicable, are netted or deducted from their accounts.

25. The risks associated with derivative investments include that the underlying security, interest rate, market index, or other financial asset will not move in the direction the Investment Adviser and/or Sub-Advisor anticipated, the possibility that there may be no liquid secondary market, the risk that adverse price movements in an instrument can result in a loss substantially greater than a fund's initial investment, the possibility that the counterparty may fail to perform its obligations; and the inability to close out certain hedged positions to avoid adverse tax consequences.

26. Effective January 13, 2014, this portfolio is sub-advised by Baird and William Baird and William Blair. Prior to January 13, 2014, this portfolio was sub-advised by Turner and Jacobs Levy. The portfolio has had various sub-advisors since its inception. Performance results displayed reflect all sub-advisors managing this portfolio during the time periods displayed.

29. Formerly known as Bond and Mortgage Separate Account.

30. Effective September 30, 2016, this portfolio is sub-advised by AB LP, Brown Advisory and Emerald Advisors, Inc. Prior to September 30, 2016, the portfolio was sub-advised by AB LP, Brown Advisory, Emerald Advisors, Inc. and Columbus Circle Investors. The portfolio has had various sub-advisors since its inception. Performance results displayed reflect all sub-advisors managing this portfolio during the time periods displayed.

31. Prior to January 1, 2017, the name of this investment option was Principal Money Market Separate Account.

Benchmark Descriptions

Balanced Strategy Composite Index is composed of 30% Russell 1000 Index, 4% Russell 2500 Index, 14% MSCI EAFE Index, 3% MSCI Emerging Markets Index, 4% MSCI World Index, 5% NAREIT Equity Index, and 40% Barclays Capital Aggregate Bond Index.

Blended Real Asset Index through September 30, 2011, is as follows: 75% NFI-ODCE Equal-Weight and 25% MSCI US REIT Index. The NFI-ODCE Equal-Weight is the NCREIF Fund Index-Open End Diversified Core Equity. It is a fund-level equal-weighted, time-weighted return index and includes property investments at ownership share, cash balances and Leverage. The return series is net of the average fee charged by accounts that make up the index. The MSCI US REIT Index is a capitalization-weighted benchmark index of most actively traded Real Estate Investment Trusts (REITs), designed to measure real estate performance. Effective October 1, 2011, the Blended Real Asset Index is comprised of 100% Consumer Price Index (CPI) plus 1.5%. Consumer Price Index is a measure that examines the weighted average of prices of a basket of consumer goods and services, such as transportation, food and medical care. The CPI is calculated by taking price changes for each item in the predetermined basket of goods and averaging them; the goods are weighted according to their importance. Changes in CPI are used to assess price changes associated with the cost of living.

Bloomberg Barclays Aggregate Bond Index represents securities that are domestic, taxable, and dollar denominated. The index covers the U.S. investment grade fixed rate bond market, with index components for government and corporate securities, mortgage pass-through securities, and asset-backed securities. These major sectors are subdivided into more specific indices that are calculated and reported on a regular basis.

Bloomberg Barclays Treasury Bellwethers 3 Month Index is composed of public obligations of the U. S. Treasury with a maturity of three months.

Bloomberg Barclays U.S. Corporate High Yield Index is an unmanaged index constructed to mirror the characteristics of the high yield bond market.

Bloomberg Barclays US Corp High Yld 2% Issuer Capped Index is an unmanaged index comprised of fixed rate, non-investment grade debt securities that are dollar denominated. The index limits the maximum exposure to any one issuer to 2%.

Conservative Strategy Composite Index is composed of 11% Russell 1000 Index, 4% MSCI EAFE Index, 2% MSCI World Index, 3% NAREIT Equity Index, 60% Barclays Capital Aggregate Bond Index, and 20% Merrill Lynch US Treasury 1-3 year Index.

Diversified Real Asset Strategic Index is composed of 35% Bloomberg Barclays U.S. Treasury TIPS Index, 20% S&P Global Infrastructure Index, 20% S&P Global Natural Resources Index, 15% Bloomberg Commodity Index, and 10% FTSE EPRA/NAREIT Developed Markets Index.

FTSE EPRA/NAREIT Developed Index is designed to represent general trends in eligible real estate equities worldwide.

FTSE EPRA/NAREIT Developed Index NR is designed to represent general trends in eligible real estate equities worldwide.

Growth Strategy Composite Index is composed of 41% Russell 1000 Index, 6% Russell 2500 Index, 17% MSCI EAFE Index, 4% MSCI Emerging Markets Index, 6% MSCI World Index, 6% NAREIT Equity Index, and 20% Barclays Capital Aggregate Bond Index.

Moderate Strategy Composite Index is composed of 20% Russell 1000 Index, 3% Russell 2500 Index, 9% MSCI EAFE Index, 2% MSCI Emerging Markets Index, 3% MSCI World Index, 3% NAREIT Equity Index, and 60% Barclays Capital Aggregate Bond Index.

MSCI EAFE NR Index is listed for foreign stock funds (EAFE refers to Europe, Australia, and Far East). Widely accepted as a benchmark for international stock performance, the EAFE Index is an aggregate of 21 individual country indexes.

MSCI EAFE Value Index is a subset of the MSCI EAFE Index, which is an unmanaged index that measures the stock returns of companies in developed economies outside of North America. The MSCI EAFE Value Index consists of securities classified by MSCI as most representing the value style.

MSCI Emerging Markets NR Index measures equity market performance in the global emerging markets. It consists of 26 emerging market countries in Europe, Latin America and the Pacific Basin.

MSCI US REIT Index is a capitalization-weighted benchmark index of most actively traded Real Estate Investment Trusts (REITs), designed to measure real estate performance.

MSCI World Ex US Small Cap Index is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed markets. It offers an exhaustive representation of the Small Cap segment by targeting companies that are in the Investable Market Index but not in the Standard Index in a particular market.

NFI-ODCE Equal-Weight is the NCREIF Fund Index - Open End Diversified Core Equity. It is a fund-level equal-weighted, time-weighted return index and includes property investments at ownership share, cash balances and leverage. The return series is net of the average fee charged by accounts that make up the index.

Russell 1000 Growth Index is a market-capitalization weighted index of those firms in the Russell 1000 with higher price-to-book ratios and higher forecasted growth values.

Russell 1000 Index consists of the 1000 largest companies within the Russell 3000 index. Also known as the Market-Oriented Index, because it represents the group of stocks from which most active money managers choose.

Russell 1000 Value Index is a market-capitalization weighted index of those firms in the Russell 1000 with lower price-to-book ratios and lower forecasted growth values.

Russell 2000 Growth Index is a market-weighted total return index that measures the performance of companies within the Russell 2000 Index having higher price-to-book ratio and higher forecasted growth values.

Russell 2000 Index consists of the smallest 2000 companies in the Russell 3000 Index, representing approximately 10% of the Russell 3000 total market capitalization.

Russell 2000 Value Index is a market-weighted total return index that measures the performance of companies within the Russell 2000 Index having lower price-to-book ratios and lower forecasted growth values.

Russell Midcap Growth Index is a market-weighted total return index that measures the performance of companies within the Russell Midcap Index having higher price-to-book ratios and higher forecasted growth values.

Russell Midcap Index includes firms 201 through 1000, based on market capitalization, from the Russell 3000 Index.

Russell Midcap Value Index is a market-weighted total return index that measures the performance of companies within the Russell Midcap index having lower price-to-book ratios and lower forecasted growth values.

Standard & Poor's 1500 Total Market Stock Index is an index of small, medium and large stocks. It is comprised of stocks from the Standard & Poor's 500, 400 and 600 stock indices.

Standard & Poor's 500 Index is a market capitalization-weighted index of 500 widely held stocks often used as a proxy for the stock market.

The Hedge Fund Research, Inc. Fund of Funds Composite Index is an equal-weighted index composed of over 650 constituent fund of funds, including both domestic and offshore funds.

The Russell 3000 Index is constructed to provide a comprehensive barometer of the broad market and accounts for nearly 98% of the total value of all equity traded on the U.S. exchanges. It measures the stocks that are also members of either the Russell 1000 or the Russell 2000 indexes.

Weighted Index consists of:

01/01/2012 - 03/31/2016: 50% BBgBarc Aggregate Bond Index, 10% MSCI ACWI Ex USA Index, 30% S&P 1500 Stock Index and 10% Blended Real Asset Index.

04/01/2016 - 12/31/2016: 50% BBgBarc Aggregate Bond Inde, 10.50% MSCI ACWI Ex USA Index, 31.50% S&P 1500 Stock Index and 8% Blended Real Asset Index.

Written comments for Resolution 2017-3367

City Council Meeting

Date: V/17/17

Re: Resolution 2017-3367 MUH6

Topic: City of Erie, Pa. Sewerage

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C&Aferch

To the Council:

As part of the Council's due diligence in authorizing an expense of this magnitude (over a quarter of a million dollars), I think that the Council should be clear on why this specific project is more appropriate than other similar ones. I must believe that the Council is very aware of the funding issues with Sewerage projects and the need to emphasize cost-effectiveness in every one.

For example, if one looks at the current Sewerage Master Plan, Appendix D, there was an analysis done about the four basins with regard to I&I mitigation. The Springbrook Basin had the lowest value in all categories. One could easily conclude from this that the City would get more "bang-for-the-buck" by focusing on any of the other areas, yet this project is specifically in the Springbrook Basin.

One can also look at the presentation you were given at a Work Session around May 18, 2015 with regard to the 2015 I&I Study. To quote from that: "In November, 2013, the city contracted with Keller Associates, Inc. to perform an inflow and infiltration study to prioritize the wastewater collection system rehabilitation and replacement work. Their work focused on the Dayton and Wyooski sub-basins that are known to have the highest I&I issues."

I had a brief conversation with the City Engineer last week on this question and was told that there have been some studies since the Master Plan was completed that support the change. I'm not specifically aware of what has been studied or what results were produced, so am not in a position to comment on how well they support the priority change. My point here is that I believe that the Council should not approve the project until the Council is satisfied that this very significant change is justified by solid engineering data. If presented well, the data should be easily understandable to the Council who could then make a well-informed decision.

Thank you for your consideration of my comments.

Robert Soppe

rs@CompProbSolv.com

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NEWBERG CITY COUNCIL MEETING INFORMATION

Meeting Date: April 17, 2017

Prepared by: Sue Ryan

Councilors	Roll Call	Consent 3/20 Minutes Res 3367 Michels Pipe Contract	Move to re-open Public hearing on Res 3357	Res 3357 Veritas Advanced Financing District	NERPS Investment allocation change
ANDREWS, Bob, Mayor	X	Yes	Yes	Yes	Yes
BACON, Denise	X	Yes	Yes	Yes	Yes
COREY, Mike	X	Yes	Yes	Yes	Yes
DELLE, Hayley	Absent	Absent	Absent	Absent	Absent
ESSIN, Scott	X	Yes	Yes	Yes	Yes
JOHNSON, Patrick	X	Yes	Yes	Yes	Yes
McKINNEY, Stephen	X	Yes	Yes	Yes	Yes
ROLL CALL VOTES		YES: 6 NO: 0 ABSENT: 1	YES: 6 NO: 0 ABSENT: 1	YES: 6 NO: 0 ABSENT: 1	YES: 6 NO: 0 ABSENT: 1
MOTION (1 st /2 nd):		Corey/McKinney	Andrews/Johnson	Essin/Corey	Bacon/Johnson

Meeting adjourned at 8:58 p.m.