

AGENDA

ADJOURNED COUNCIL MEETING

JUNE 28, 1982

7:30 P.M. CITY COUNCIL CHAMBERS

I. ROLL CALL

II. OLD BUSINESS:

1. Charter Revision

III. NEW BUSINESS:

1. Liability/Property Insurance Bids and
Workman's Comprehensive Plan Proposals.
2. Villa Road Property

MEMO

TO: City Council
FROM: City Administrator
SUBJECT: Revised charter.

DATE: June 1, 1982

Pursuant to the Mayor's Task Force recommendations and subsequent actions by the City Council a committee of citizens and Council members have reviewed the charter and have gone over literally every paragraph within it.

The charter before you is the one recommended by this committee for the November ballot. It is hoped that this will not have to go before any other committees and can be expedited through Council's direction to the City Attorney for doing the necessary work to prepare for the question in November, 1982.


Michael Warren
City Administrator

MW/bjm

Enc.

6/7 Mtg
June

MEMO TO: Mike Warren, City Administrator
Charter Revision Committee Members
FROM: Rick Faus, City Attorney
DATE: May 18, 1982
SUBJECT: Revised Charter

Gerry Post and other members of the Charter Revision Committee are prepared to do a presentation to the Council on the revised Charter at the June 7, 1982 meeting of the Council.

Attached are two copies of the charter. The first is the original charter with additions to it shown in italics type face and deletions to it shown by /////. The second is a draft of the entire Charter as revised by the Committee.

list

RDF:fj

NEWBERG PUBLIC SCHOOLS

Gerald E. Post, Ed.D.
Superintendent



Newberg, Oregon
97132

May 7, 1982

Mayor Elvern Hall and the Council
City of Newberg
Newberg, Oregon 97132

Dear Mayor Hall:

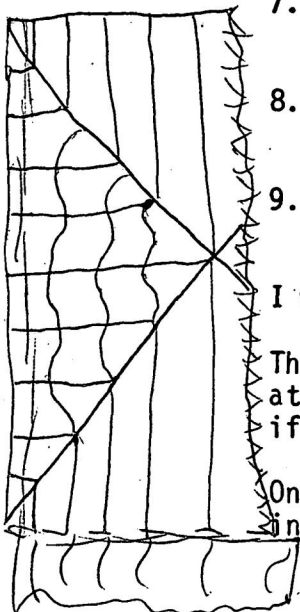
Transmitted herewith is a recommendation for a major and complete revision of the Charter for the City of Newberg. The revision is the result of six months of study and examination by the committee appointed by you for this purpose.

Members of the committee were: Doug Delano, Herman Hughes, Al Brown, Jack Nulsen, Hal Grobey, and Rick Faus. Your regular participation as ex officio added to the effectiveness of the committee, as did the occasional participation of other city staff members. I would be remiss if I did not indicate to you the appreciation of the committee for the invaluable assistance of Rick Faus. His contribution was substantial.

The major changes proposed by the committee are as follows:

1. Ordinances may be read by title only prior to passage when certain notification conditions are met. (Section 37)
2. The mayor becomes a full voting member of the council whose vote may be recorded on every issue before it. (Section 8)
3. Employment by the city is a bar to a seat on the council. (Sec. 14)
4. City administrator is changed to city manager and written into the Charter rather than being provided for by ordinance. (Sec. 23)
5. All sexist language has been removed.
6. All reference to paid off bond issues has been removed, and language has been added that will automatically remove language authorizing existing bond issues where they are paid off.

May 7, 1982

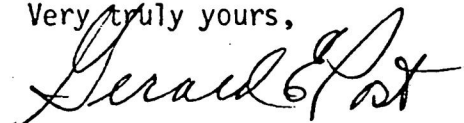
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7. Prior charter amendments have been written into chapters and sections without significant change, and all have been preserved.
 8. The city ordinance on the manner of breaking tie votes for elective office has been written into the charter. (Section 11)
 9. Empowers the hospital to operate more than three departments. (Section 43)

I would be pleased to review the proposed changes with the council.

The committee recommends that it be submitted to the voters of the city at the November general election and become effective January 1, 1983, if approved.

On behalf of the committee I would like to express our pleasure and interest in being asked to serve. The task has been one which we enjoyed.

Very truly yours,



GERALD E. POST
Charter Revision Committee

GEP:cw
Encl.

A MEETING OF THE
CHARTER REVISION COMMITTEE

Thursday, 7:30 P.M.

May 6, 1982

Chairman Post called the meeting to order at 7:30 p.m.

Present:	Gerald Post, Chairman	Herman Hughes
	Harold Grobey	Doug Delano
	Jack Nulsen	Richard Faus
	Allyn Brown	Elvern Hall, Mayor

The entire committee was present for this meeting.

Chairman Post informed the Committee that the task before them at this meeting is to review the entire charter revision to see if it reflects all the changes, additions and deletions the Committee wants it to have.

Chairman Post noted that on page two under Public Facilities that there was no longer a mention of sewage and sewer services. He questioned whether this was the intention of the Committee. Rick Faus suggested and the Committee agreed that the term sewage services and treatment should be added to this section. It is a service and facility that the City has now. In this same paragraph change reference after Subdivisions to A-G of Section 49. The Committee discussed whether or not to delete Section 49 which gives the city authority to enter into public power business. After lengthy discussion, the Committee decided to leave this section in the Charter. It would give the city the opportunity to go into the power business but not without a vote of the people, because money would have to be authorized for such a venture.

As the Committee moved through the redraft, Chairman Post highlighted the areas of the Charter in which the Committee made major changes. This was done to make certain that all the changes desired were properly indicated in the redraft. The Committee moved quickly through the Charter with no major changes until Section 19, Mayor's Functions at Council Meetings. In this Section the Committee wanted the first sentence rewritten as follows: "The Mayor is a member of, and shall chair the council and preside over its deliberations."

The Committee then discussed Section 20 and asked that the words "by ballot" be deleted as there will be no official written ballots on this issue.

The Committee then discussed Section 23, City Manager. Rick Faus informed the Committee that Jim Mattis of the Bureau of Governmental Research and Service recommends deleting in Section f, the last sentence. This change was reflected in the redraft already. The Committee asked to have in Section f, middle of the paragraph, the words "with him" deleted. The Committee also wanted the words "and elections" in the title to be deleted since this section no longer had any reference to elections. The Committee also felt it necessary to add the words "if determined by the Council under Section 14" to the next to last sentence in this section.

Motion: Delano-Brown to extend the time limits in Sections 23B and 23E from four to six months. Aye - 6; Nay - 1, Nulsen. Motion carried.

Motion: Grobey-Brown to add the word consecutively to the last sentence in Section 23E. Aye - 6; Nay - 1, Nulsen. Motion carried.

The Committee commented that Section 24, the Municipal Judge, contained numerous instances of sexist language. The Committee members asked that "him" be deleted wherever it appears in this section.

In Section 25, the Committee asked that the word Mayor be capitalized in the last sentence of this section. The Committee also asked that the last phrase of this sentence be changed to read as follows: "shall perform the duties of the recorder." This would eliminate the words "have the authority and".

Section 29, Regulation of Elections, there is a phrase repeated in this section. The Committee asked that this language be changed in the first sentence of this section. The Committee directed that the third line of this section "and, as the Council provides otherwise by ordinances".

Section 30 contained two typos and these were requested to be corrected. They are as follows: 1) Change "jude" to "judge"; 2) change "an court" to "a court".

Section 32, Oath of Office, needs the addition of the words "and the ordinances of the city" to this section. The Committee also asked that the sexist language "his or her" be deleted.

Section 33, Nominations. The Committee asked that the word "mode" be changed to "Method".

There was a change in the title of Section 34. The title was changed from What Creates a Vacancy to simply "Vacancy" and the sexist language "his" was eliminated from this section.

The Committee asked that the sexist language in the next two sections be removed. In Section 35, the word "his" is to be eliminated and in Section 37 the words "his or her" was deleted in the last sentence of subsection 4.

The Committee decided that the title of Section 38 should be changed from "When Ordinances Take Effect" to "Effective Date of Ordinances".

The Committee asked that the historical footnotes, sentences in parenthesis which show when a particular section was added to the charter, be eliminated as they occur in the remainder of the Charter dealing with bond issues. They serve no legal function. After further discussion, the Committee recommended these sentences be deleted only on bond issues which have been paid in full.

The Committee moved on through the Charter making only typographical error changes until it reached Section 56, Outstanding Bonds and Other Provisions of Prior Charter Retained. In Section 56, Rick Faus was directed to add appropriate language to state that as bond issues are paid they shall be deleted from the Charter. Chairman Post suggested language as follows: "The foregoing Sections 1 - 5 inclusive, shall be removed from this Charter when the principal and interest of the bonds are retired."

In Section 3 of the Sewage Treatment Plant Bonds, it was noted that there was a typo. A sentence was repeated and this additional language should be deleted.

The Committee noted that there was a Section of the Charter missing on a 1979 Sewer and Water Improvement Bond Issue. Rick Faus was asked to check this out and make the necessary corrections to the redraft.

Motion: Hughes-Brown to recommend to the City Council that the City Charter be revised as we have proposed and presented to the people for a vote. Aye - 6; Nay - 0; Abstain - 1, Nulsen. Motion carried.

The Committee asked that the Chairman attached a letter to the redraft which is presented to the Council that will highlight the major changes made in the Charter at the June 7th Council Meeting. The Committee also asked that the Chairman make an oral presentation to the Council at this meeting.

The Mayor thanked the Committee and Chairman Post for the very fine work of the Committee. The Chairman also expressed his appreciation to the Committee for making this Committee both fun and successful.

Meeting adjourned at 9:25 p.m.

Newberg Charter

AN ACT

To amend the Charter of the City of Newberg, Yamhill County, Oregon, as amended, entitled: "An act to incorporate the City of Newberg in Yamhill County, State of Oregon, and to repeal an act entitled 'An act to incorporate the Town of Newberg in Yamhill County, State of Oregon, and to grant, designate and define the powers thereof,' filed in the office of the Secretary of State February 21, 1889, and all acts or parts of acts in conflict herewith," enacted by the 17th regular session of the legislative assembly of the State of Oregon and filed in the office of the Secretary of State February 10, 1893, and as subsequently amended by the legislative assembly and by the voters of Newberg, Oregon.

Be it enacted by the people of the City of Newberg, Yamhill County, Oregon, that the Charter of Newberg, Yamhill County, Oregon, as amended, August 8, 1950 and as subsequently amended, entitled "An act to incorporate the City of Newberg in Yamhill County, State of Oregon, and to repeal an act entitled 'An act to incorporate the Town of Newberg in Yamhill County, State of Oregon, and to grant, designate, and define the powers thereof,' filed in the office of the Secretary of State February 21, 1889, and all acts or parts of acts in conflict herewith," enacted by the 17th regular session of the legislative assembly of the State of Oregon and filed in the office of the Secretary of State February 10, 1893, and as subsequently amended by the legislative assembly and by the voters of Newberg, Oregon, be and the same hereby is amended to read as follows:

CHAPTER I

Repealing Clause; Name and Boundaries

Section 1. Revision Clause. ~~The following chapters of the Charter with exceptions noted are hereby repealed Chapter I except Section 2 thereof Chapters II, III, IV, V, VI, VII, and VIII Chapter IX except Sections 132, 133, and 144 thereof Chapters X, XI, XII, and XIV. Some~~ The sections ~~not~~ repealed of the Charter have been revised as hereafter indicated.

Section 2. Name. The City of Newberg, Yamhill County, Oregon shall continue to be a municipal corporation with the name "Newberg".

Section 3. Boundaries. The corporate limits of the City of Newberg shall ~~be as follows~~ ~~be as follows~~

~~Long legal description deleted~~

include all territory encompassed by its boundaries as they now exist or hereafter are modified by voters, by the council or by any other agency with legal power to modify them. The City Recorder shall keep in ~~the~~ office at City Hall at least two copies of this Charter in each of which the City Recorder shall maintain an accurate, up-to-date description of the boundaries. The copies and descriptions shall be available for public inspection at any time during regular office hours of the City Recorder.

CHAPTER II

Powers

Section 4. Powers of the City. The city shall have all the rights, powers, privileges and immunities which the constitutions, statutes, and common law of the United States and of this state expressly or impliedly grant or allow municipalities, including those rights, powers, privileges and immunities which a city can exercise upon specifically accepting them or upon being granted the power to exercise them by the people of the city or the legislature of the state, as fully as though this charter expressly stated each of those rights, powers, privileges and immunities, and as though each of them had been specifically accepted by the city or granted to it by the people of the city or by the legislature of the state.

The following shall be deemed a part of the powers conferred upon the city by this charter:

(1) Property. To acquire property within or without the corporate limits of the city for any city purpose, in fee simple or any lesser interest or estate, by purchase, gift, devise, lease or condemnation; and to sell, lease, mortgage, hold, manage and control such property as the interests of the city require.

(2) Indebtedness. To borrow money within the limits prescribed by general laws.

(3) Public services. To purchase, hire, construct, own, maintain and operate or lease local public utilities as herein defined, but only after having first obtained the consent of a majority of the qualified electors of the city to do so; except as provided in Subdivisions A-G, ~~177/182X182X182~~, ~~177/182X182X182~~ of Section 49 of this charter; to furnish all local public services, either within or without the corporate limits of the city; to acquire, by condemnation or otherwise, within or without the corporate limits, property necessary for any such purposes, subject to restrictions imposed by general laws for the protection of other communities; and to grant local public utility franchises, and to regulate the exercise of such franchises. The term "public utilities" as used in this charter shall mean and include *but not be limited to* any plant, equipment or organization used or intended to be used to produce, transmit, deliver or furnish heat, light, water, power, *transportation, communications, sewerage or sewage treatment or garbage services*, or any or all of them, directly or indirectly, to or for the public.

(4) Bonds. To issue and sell bonds on the security, in whole or in part, of any excess property owned by the city or of any public utility owned by the city or of the revenues thereof, or of both; including, in the case of a public utility, as herein defined, if deemed desirable by the city, a franchise stating the terms upon which, in case of foreclosure, the purchaser may operate the utility.

(5) Police, licensing and taxing power. To adopt and enforce within the corporate limits of the city local police, sanitary and other similar regulations not in conflict with the general laws; and to license, tax and regulate for the purpose of city revenue all such businesses, callings, occupations, trades and employments as the city council may require to be licensed or taxed, and as are not prohibited by the laws of Oregon, including taxation of admissions to places of entertainment or amusement.

Section 5. Construction of Charter. In this charter no enumeration or reference to particular rights, powers, privileges or immunities shall be construed to be exclusive or to restrict the scope of the rights, powers, privileges or immunities which the city would have if the particular right, power, privilege or immunity was not mentioned. This charter shall be liberally construed to the end that the city shall have all powers necessary or convenient for the conduct of its municipal affairs, including all powers that cities may assume pursuant to the laws and to the municipal home-rule provisions of the constitution of the state.

Section 6. Exercise of Power. The manner in which the city shall exercise a right, power, privilege or immunity, where prescribed by this charter, shall be in the manner prescribed by this charter, shall be in the manner prescribed by ordinance; and where not prescribed by this charter or by ordinance, then in the manner prescribed by the statutes of the state of Oregon.

CHAPTER III

Form of Government

Section 7. Where Powers Vested. Except as this charter provides otherwise, all powers of the city shall be vested in the council.

Section 8. Council. The council shall be composed of *a mayor and* eight councilmen elected from the city at large.

Section 9. Councilmen. The term of office of each councilman in office, when this charter is adopted, shall continue until the beginning of the first odd-numbered year after that time. At the first biennial general election after the charter is adopted, eight councilmen shall be elected. Of the eight, the four receiving the four highest numbers of votes shall each hold office for four years, and the four receiving the next four highest numbers of votes shall each hold office for two years. At each subsequent biennial general election, four councilmen shall be elected, each for a term of four years.

Section 10. Mayor. At each biennial general election a mayor shall be elected for a term of two years.

Section 11. Tie Votes. In the event of a tie in the vote cast for the candidates for an elective office under this charter, the successful candidate shall be determined by drawing lots. ~~THE/MANNER/OF/DRAWING/LOTS SHALL/BE/AS/FOLLOWING/VIZ/~~ The City Recorder or his or her designate shall prepare lots consisting of slips of paper each containing the name of one candidate involved in a tie vote. The Recorder or designate shall fold each slip separately and place the same in a receptacle and shall cause the City Chief of Police or his or her designate to draw therefrom one slip of paper. The candidate whose name is on that slip of paper shall be deemed elected.

Section 12. Other Officers. ^{may be} Additional officers of the city shall be ~~a municipal judge, a recorder and such other officers as the council~~ *a City Manager, and such other officers, as a municipal judge and city attorney, as the council deems necessary.* Each of these officers shall be appointed and may be removed by the mayor with the consent of the council. By resolution, the council may combine any of these offices. By resolution, the council may also provide that any person whom it designates may supervise any appointive officer, except the *city manager, city attorney and the municipal judge in the exercise of the municipal judge's judicial functions.*

Section 13. Salaries. The compensation for the services of each city officer and employee shall be whatever amount the council fixes. No increase in the compensation of councilmen, however, shall take effect until the first of the odd-numbered year immediately following the first biennial general election after the increase is ordered.

Section 14. Qualifications of Officers. No person shall be eligible to fill an elective office of the city unless at the time of the election *such person* is a qualified voter within the meaning of the state constitution and has resided in the city for at least one year immediately preceeding the election. ~~and is a freeholder of the city.~~ *For the purposes of this section, city shall mean any area included in the corporate limits as of the date of the election. In order to avoid conflict of interests and to provide a fully effective office holder, a person is ineligible to hold elective office of the city if employed by the city unless the employment is substantially volunteer in nature. The determination of whether employment is substantially volunteer shall be made by the municipal judge. For all other matters under this section the council shall be final judge of the qualifications and election of its own members.*

CHAPTER IV

Council

Section 15. Meetings. The council shall hold a regular meeting at least once each month at a time and at a place in the city which it designates, and shall adopt rules for the government of its members and proceedings. The Mayor upon *the mayor's* own motion may, or at the request of four members of the council shall, by giving notice thereof to all members of the council then in the city, call a special meeting of the council for a time not earlier than three nor later than 48 hours after the notice is given.

Section 16. Quorum. A majority of the members of the council shall constitute a quorum for it to do business, but a smaller number may meet and compel the attendance of absent members in a manner provided by ordinance.

Section 17. Journal. The council shall cause a journal of its proceedings to be kept. Upon the request of any of its members, the ayes and nays upon any question before it shall be taken and a record of the vote entered in the journal.

Section 18. Meetings to Be Public. ~~Any deliberations and proceedings of the council shall be public.~~ *No action by the council shall have legal effect unless the motion for the action and the vote by which it is disposed of takes place at proceedings open to the public.*

Section 19. Mayor's Functions at Council Meetings. The Mayor is a member of and shall be chairman of the council and preside over its deliberations. ~~He/she/it~~ ~~shall have a vote on all questions before the council.~~ The Mayor shall have authority to preserve order, enforce the rules of the council and determine the order of business under the rules of the council.

Section 20. President of the Council. ~~At its first meeting of each odd-numbered year, the council, by ballot, shall elect a president from its membership. In the mayor's absence from a council meeting, the president shall preside over it. When the mayor is unable, on account of absence, illness or other cause to perform the functions of the mayor's office, the president of the council shall act as mayor.~~

Section 21. Vote Required. Except as this charter otherwise provides, the concurrence of a majority of the members of the council present at a council meeting shall be necessary to decide any question before the council.

CHAPTER V

Powers and Duties of Officers

Section 22. Mayor. The mayor shall appoint the committees provided for under the rules of the council. ~~He~~ The mayor shall sign all approved records of proceedings of the council and countersign all orders on the treasury. ~~He~~ The mayor shall have no veto power and shall sign all ordinances passed by the council within three days after their passage. Upon the approval of the council the mayor shall endorse all bonds of officers of the city and all bonds for licenses, contracts and proposals.

Section 23. City Manager.

(a) Qualifications. The city manager shall be the administrative head of the government of the city. The city manager shall be chosen by the council without regard to political considerations and solely with reference to executive and administrative qualifications. The manager need not be a resident of the city or of the state at the time of appointment. Before taking office, the manager shall give a bond in such amount and with such surety as may be approved by the council. The premiums on such bond shall be paid by the city.

(b) Term. The manager shall be appointed for an indefinite term and may be removed at the pleasure of the council. Upon any vacancy occurring in the office of manager after the first appointment pursuant to this charter, the council at its next meeting shall adopt a resolution of its intention to appoint another manager. Not later than six months after adopting the resolution, the council shall appoint a manager to fill the vacancy.

(c) Powers and Duties. The powers and duties of the manager shall be as follows:

(1) The manager shall devote full time to the discharge of the managers official duties, attend all meetings of the council unless excused therefrom by the council or the mayor, keep the council advised at all times of the affairs and needs of the city, and make reports annually, or more frequently if requested by the council, of all the affairs and departments of the city.

(2) The city manager shall see that all ordinances are enforced and that the provisions of all franchises, leases, contracts, permits

and privileges granted by the city are observed.

(3) The manager shall designate a city recorder and shall appoint and may remove appointive city officers and employees except as this charter otherwise provides, and shall have general supervision and control over them and their work with power to transfer an employee from one department to another. The city manager shall supervise the departments to the end of obtaining the utmost efficiency in each of them. The manager shall have no control, however, over the council, over the city attorney, or over the judicial activities of the municipal judge.

(4) The manager shall act as purchasing agent for all departments of the city. All purchases shall be made by requisition signed by the manager or his designate.

(5) The manager shall be responsible for preparing and submitting to the budget committee the annual budget estimates and such reports as that body requests.

(6) The manager shall supervise the operation of all public utilities owned and operated by the city and shall have general supervision over all city property.

(d) Seats at Council Meetings. The manager and such other officers as the council designates shall be entitled to sit with the council but shall have no vote on questions before it. The manager may take part in all council discussions.

(e) Manager Pro Tem. Whenever the manager is absent from the city, is temporarily disabled from acting as manager, or whenever the office becomes vacant, the council shall appoint a manager pro tem, who shall possess the powers and duties of the manager. No manager pro tem, however, may appoint or remove a city officer or employee except with the approval of three-fourths of the members of the council. No manager pro tem shall hold their position as such for more than six months, and no appointment of a manager pro tem shall be consecutively renewed.

(f) Interference in Administration ~~and~~. No member of the council shall directly or indirectly, by suggestion or otherwise, attempt to influence or coerce the manager in making the appointment or removal of any officer or employee or in the expenditure of funds, or attempt to exact any promise relative to any appointment from any candidate for manager; or discuss directly or indirectly ~~with him~~ the matter of specific appointment to any city office or employment. A violation of the foregoing provisions of this section ~~shall~~ if determined by the Council under Section 14, shall forfeit the office of the offending member of the council. Nothing in this section shall be construed, however, as prohibiting the council while in open session from fully and freely discussing with or suggesting to the manager anything pertaining to city affairs or the interests of the city.

(g) Ineligible Persons. Neither the manager's spouse nor any person related to the manager or the managers spouse by consanguinity or affinity within the third degree may hold any appointive office or employment with the city.

Section 2324. Municipal Judge. The municipal judge, when appointed, shall be the judicial officer of the city and shall hold within the city a court known as the municipal court for the City of Newberg, Yamhill County, Oregon. Except on nonjudicial days, the court shall be open for the transaction of judicial business. All area within the city shall be within the territorial

Section 2425. City Recorder. The City Recorder shall serve ex officio as clerk of the council, attend all its meetings unless excused therefrom ~~by the council~~ by the Mayor, keep an accurate record of its proceedings in a book provided for that purpose, have authority to sign all orders on the treasury. In ~~his~~ the Recorder's absence from the council meeting, the Mayor shall appoint a clerk of the council pro tem, who, while acting in that capacity, shall ~~have~~ ~~all the authority and~~ perform the duties of the recorder.

Elections

Section 28 26. Regular Elections. Regular city elections shall be held at the same times and places as biennial general state elections, in accordance with the applicable state election laws. *The City Recorder shall give such notice to the county officer as required by the applicable state election laws.*

Section 28 27. Notice of Regular Elections. The recorder, pursuant to directions from the council, shall give ~~at least 10~~ *days notice of each regular city election by posting notice thereof at a conspicuous place in the city hall and in one public place in each voting precinct of the city* such notice as required by state law. The notice shall state the officers to be elected at, the ballot title of each measure to be voted upon, and the time and place of the election.

Section 27 28. Special Elections. The council shall provide the times, manner and means for holding any special election. The recorder shall give at least 10 days' notice of each special election in the manner provided by the action of the council ordering the election.

Newberg Charter

Section ~~28~~ 29. Regulation of Elections. Except as this charter provides otherwise and as the council provides otherwise by ordinances ~~and as the council provides otherwise by ordinances~~ relating to elections, the general laws of the state shall apply to the conduct of all city elections, recounts of the returns therefrom and contests thereof.

Section ~~29~~ 30. Canvass of Returns. In all elections held in conjunction with state and county elections, the state laws governing the filing of returns by the county clerk shall apply. On or before noon of the *second* day following each special city election, the returns therefrom shall be filed with the recorder; and not later than five days after the election, the council shall meet and canvass the returns. The results of all elections shall be made a matter of record in the journal of the proceedings of the council, which shall contain a statement of the total number of votes cast at each election, the votes cast for each person and for and against each proposition, the name of each person elected to office, the office to which he has been elected and a reference to each measure enacted or approved. Immediately after the canvass is completed, the recorder shall make and sign a certificate of election of each person elected and deliver the certificate to him within one day after the canvass. A certificate so made and delivered shall be prima facie evidence of the truth of the statements contained in it, except that the council shall be the final judge of the qualifications and election of its own members; ~~subject, however, to review by a court of competent jurisdiction.~~

Section ~~30~~ 31. Commencement of Terms of Office. The term of office of a person elected to an office at a regular city election shall commence on the first of the year immediately following the election.

Section ~~31~~ 32. Oath of Office. Before entering upon the duties of ~~his~~ office, each officer shall take an oath ~~that he will~~ supporting the constitutions and laws of the United States and of Oregon ~~and the ordinances of the city~~ and promising faithfully to perform the duties of office.

Section ~~32~~ 33. Nominations. The council shall provide by ordinance the ~~mode~~ method for nominating elective officers.

CHAPTER VII

Vacancies in Office

Section ~~34~~ 34. ~~What Creates~~ Vacancy. An office shall be deemed vacant upon the incumbent's death, incompetence, conviction of a felony, resignation or recall or upon the incumbent's ceasing to possess the qualifications necessary for ~~his~~ office; or upon the failure of the person elected or appointed to an office to qualify therefor within three days after the time for ~~his~~ term of office to commence; and in the case of mayor or councilman, upon ~~his~~ absence from meetings from the council for 60 days or absence from the city for 30 days without consent of the council; or in the case of an appointive officer, upon ~~his~~ removal from office.

Section ~~34~~ 35. Filling of Vacancies. Vacancies in elective offices of the city shall be filled by appointment by a majority of

the entire membership of the council. The appointee's term of office shall begin immediately upon ~~his~~ appointment and shall continue throughout the unexpired term, ~~of his predecessor~~. During the temporary disability of any officer or during ~~his~~ absence temporarily from the city for any cause, ~~his~~ office may be filled pro tem, in the manner provided for filling vacancies in office permanently.

CHAPTER VIII

Ordinances

Section ~~35~~ 36. Enacting Clause. The enacting clause of all ordinances hereafter enacted by the council shall be: "The City of Newberg ordains as follows:"

Section ~~36~~ 37. Introduction, Reading and Passage. ~~Every ordinance shall be fully and distinctly read in open council meeting previous to being put upon its final passage. Upon the vote on any ordinance, the ayes and nays of the members of the council shall be taken and recorded in the journal. If the ordinance passes, the recorder shall endorse it with the date of its passage and his name and title of office, and within three days thereafter, the mayor shall sign it with the date, his name and the title of his office. The concurrence of a majority of the entire membership of the council shall be required for the passage of an ordinance.~~

(1) Except as the second paragraph of this section provides to the contrary, every ordinance of the council shall, before being put upon its final passage, be fully and distinctly read in open council meeting.

(2) The reading may be by title only if no council member present at the meeting requests to have the ordinance read in full or if a copy of the ordinance is provided for each council member and three copies are provided for public inspection in the office of the city recorder not later than one week before the reading of the ordinance and if notice of their availability is given forthwith upon the filing, by written notice posted at the city hall. An ordinance enacted after being read by title alone may have no legal effect if it differs substantially from its terms as it was thus filed prior to such reading, unless each section incorporating such a difference is read fully and distinctly in open council meeting as finally amended prior to being approved by the council.

(3) Upon the final vote on an ordinance, the ayes and nays of the members shall be taken and entered in the record of proceedings. The concurrence of a majority of the entire membership of the council shall be required for the passage of an ordinance.

(4) Upon the enactment of an ordinance the recorder shall sign it with the date of its passage and the recorder's name and title of office, and within three days thereafter the mayor shall sign it with the date of ~~his~~ ~~her~~ signature, name and the title of ~~his~~ ~~her~~ office.

Effective Date of Ordinances

Section ~~37~~ 38. ~~When Ordinances Take Effect~~. An ordinance enacted by the council shall take effect on the 30th day after its enactment. When the council deems it advisable, however, an ordinance may provide a later time for it to take effect; and in case of an emergency, it may take effect immediately, or at any time therein specified.

CHAPTER IX

Public Improvements

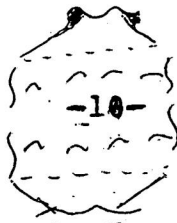
Section 38 39. Condemnation. Any necessity of taking property for the city by condemnation shall be determined by the council and declared by a resolution of the council describing the property and stating the uses to which it is to be devoted.

Section 38 40. Acquisition and Disposition of Property. The city shall have power to acquire by purchase, gift, devise or condemnation any property either within or without its corporate boundaries for any municipal purpose, for the purpose of protecting, preserving or facilitating any improvement, for the purpose of bringing about such development of property along or in the vicinity of an improvement as will make the development harmonious with and adjusted to the improvement, or for any combination of such purposes. The city shall also have power to acquire by condemnation property in excess of that needed for the actual improvement, and to sell or lease the excess with such building and use restrictions and conditions as will tend to make its development harmonious with and adjusted to adjacent public improvements. The city shall have power to provide for the payment of any part or all of the cost of land or other property acquired for public use, of the cost of constructing, reconstructing, repairing, operating or maintaining any structure or work in the nature of a public facility or improvement, including a public utility, and of the cost of any other public work or service by levying and collecting assessments upon the property specially benefitted thereby.

Section 40 41. Improvements. The procedure for making street, sidewalk, sewer and other public improvements and for establishing, vacating, altering or abandoning streets and other public improvements shall be governed by ordinance or the applicable general laws of the state in the absence of ordinance.

Section 41 42. Special Assessments. The procedure for determining the amounts of special assessments, their apportionment to various parcels of property and the property upon which they are to be levied; for giving notices to property owners and other interested parties; for hearings on and levy of the assessments; for creating and enforcing assessment liens; and for taking any other action relating to the assessments; for creating and enforcing assessment liens; and for taking any other action relating to the assessments shall be governed by the applicable laws of the state relating to special assessments or by general ordinances enacted by the council.

~~Section 42 43. Bids for a contract in excess of \$500 for a public improvement to be made by a private contractor shall be let to the lowest responsible bidder for the contract and shall be done in accordance with plans and specifications approved by the council. (REPEALED BY RESOLUTION NO 170739 + 1/2/79)~~



CHAPTER X

Hospitals, Infirmaries or Clinics

And Services
Section ~~1~~ 43. The City of Newberg is authorized and empowered to own, acquire, complete, construct, improve, equip, supply, operate, maintain and repair, lease and rent any and all hospitals, infirmaries or clinics necessary or convenient for the care and housing, treatment, comfort and welfare of inhabitants of said city who are sick or injured or suffering from physical or mental ills or diseases, and to provide ~~for the departments~~ of obstetrics, pediatrics, and geriatrics and *such other departments as may be determined to be necessary* and for the prevention of ills and diseases and for training and instruction of persons in all matters appertaining to the foregoing. The City of Newberg is further hereby authorized to admit, care for and treat in any or all of the establishments and facilities in this section described persons who are not inhabitants of said city, when such establishments and facilities have available space that is not needed for the accommodation of inhabitants of said city.

Section 2 44. The City of Newberg is authorized and empowered to acquire, establish, construct, operate, maintain, manage or lease training schools and housing for nurses and other persons engaged in the operation of the establishments and facilities in this chapter described, and to provide for and conduct scientific studies, research and experiments relative to the prevention, care and treatment of diseases, injuries, illnesses and other mental and physical conditions hereinabove referred to, publishing and disseminating literature and information relative thereto. The City of Newberg is hereby authorized and empowered to provide generally for the comfort and welfare of all such nurses and other employees or trainees and to issue diplomas and certificates of proficiency evidencing the qualifications of such persons when appropriate.

Section 3 45. The City of Newberg is authorized and empowered to provide for the management and operation of all such hospitals, infirmaries and clinics or other establishments or facilities as are described in Section 43 of this chapter, either by its officers, agents and employees or by leasing the same to other persons, firms or corporations or by agency or management contracts or in such other manner or manners as the council of the City of Newberg shall see fit. The City of Newberg is authorized and empowered to contract with the United States, any state or states, any other governmental unit or municipal corporation, or with any private person, firm or corporation for the purposes in this chapter set forth.

Section 4 46. The City of Newberg is authorized and empowered to sell the services and related materials and conveniences described in Section 43 of this chapter; to fix rates and charges for the same and for any materials, supplies or other matters appertaining thereto or furnished therewith; and to charge and collect the same in any manner authorized by law. The council of the City of Newberg is further authorized to provide for the payment of all expenses, costs and charges arising from any of the operations, activities and facilities in this chapter described, including maintenance, improvements and repairs and reserves therefor and for depreciation, either from the income therefrom

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or from the proceeds of any bond issue or other loan to said city or from any other funds of said city or from general taxation, and to borrow money or pledge the credit of said city for such purposes.

Section § 47. The City of Newberg is authorized and empowered to receive and accept donations and gifts of money or property or both for the purposes in this chapter set forth.

Section 61 // For the purpose of procuring funds in any amount sufficient to defray the cost of acquiring the partially completed hospital and site now owned by Newberg Community Hospital and completing, improving, supplying, equipping, operating, landscaping and maintaining the same to provide an adequate and efficient hospital for the city of Newberg, and in general, to provide for all of the purposes in this chapter set forth, and for all of the purposes necessary, desirable or convenient in order to carry out the purposes in this chapter set forth, the council of the city of Newberg is hereby authorized and empowered to issue and dispose of general obligation bonds of the said city in the sum of \$1,000,000, in denominations of \$1,000 each, bearing interest at the rate of not to exceed 6 per cent per annum, and providing for the payment of principal and interest in annual installments during a period of 20 years, starting from the date of issue, said bonds shall provide for optional redemption by the city of Newberg at any time after the expiration of 10 years from said time of issue maturity.

Section 71 // The purchaser or purchasers of said bonds shall in no way be required to see to the proper application of the purchase money thereof.

Section 81 // The council shall each year, at the time of making the annual tax levy for city purposes, make a special additional levy of a sum sufficient to pay interest on outstanding bonds of this issue and to retire the principal thereof at maturity, in determining the amount of such special additional levy, the council may take into consideration for payment of such interest or principal, or both, such funds as may be then available, and such funds as may be expected to accrue from income from said hospital or otherwise.

Section § 48. The City of Newberg is authorized and empowered to do any or all things necessary or convenient to carry out the provisions and purposes of this act.

Adopted by the Board of Directors of the City of Newberg, Oregon, on the 11th day of May, 1955.

CHAPTER XI

Miscellaneous Provisions

Section 49. Energy Utilities.

(a) The City of Newberg is authorized and empowered to own, acquire, develop, construct, equip, operate and maintain either within or without the statutory or corporate limits of said city, in whole or in part, any and all works, plants and systems necessary or pertinent to the generation and/or distribution of electrical energy for the use and benefit of the people of said city and vicinity thereof, and for profit.

Section ~~46~~ 52. Highways and Roads. The City of Newberg as created by this act, shall have full power to lay out, open, work, change and control all the highways and roads within the corporate limits thereof; and the power and authority given by the general laws of the State of Oregon to the county court of Yamhill County to divide said county into road districts, to appoint road supervisors, to lay out and work highways, and to levy a tax upon all taxable property of said county to be used in building and improving the public or county roads shall not apply or extend to the territory within the limits of said city of Newberg; but said territory and the inhabitants thereof are hereby excepted out of the jurisdiction of said court upon said subject. ~~(Section 139 of Charter of February 10, 1893, as amended by Laws of Oregon, 1903, revised 19)~~

Section ~~47~~ 53. Debt Limit. Except by consent of the voters, the city's voluntary floating indebtedness shall not exceed a sum equal to 1 per cent of the current assessed valuation of taxable property within the corporate limits of the city. For purposes of calculating the limitation, however, the legally authorized debt of the city in existence at the time this charter takes effect shall not be considered. All city officials and employees who create or officially approve any indebtedness in excess of this limitation shall be jointly and severally liable for the excess.

CHAPTER XX

USE OF PUBLIC PARKS

Section 54. Use of Public Parks. Notwithstanding any other provisions of this Charter, all areas now or hereafter dedicated to or used for public park purposes are reserved forever to the use of the public; and no such area shall be sold or otherwise disposed of, or used for other than public park and recreation purposes, without prior approval thereof by a majority of the votes cast thereon by the people of the City.

~~(Chapter XX, Charter of August 8, 1980, as added by General Election held November 4, 1980)~~

Section ~~48~~ 55. Continuation of Rights and Liabilities. No right or liability of the city existing at the time this charter takes effect shall be impaired or discharged by passage of this act, except as this act otherwise provides.

Section ~~49~~ 56. Outstanding Bonds and other Provisions of Prior Charter Retained. All outstanding general obligation bonds of Newberg shall continue to be general obligations of Newberg, though not otherwise mentioned herein; and the council shall, each year, at the time of making the annual tax levy for city purposes, include in such levy a sum sufficient to pay the interest due on such outstanding bonds and to retire the principal amounts thereof as the same mature. *The following Subsections A through H and any subsections added in the future shall be automatically deleted from this charter when the principal and interest of said bond issues are paid in full and the bonds retired.*

(A) Water Reservoir Bonds.

Section 1. For the purpose of procuring funds in an amount sufficient to acquire a new site for a water reservoir for the City of Newberg, Oregon, and to construct and install thereon a new water reservoir for the storage of water for the use of the people of said city, and to provide for the revision of the present water reservoir adjacent thereto, and to construct and install new and additional water treatment facilities and water mains for the water supply and distribution system of said city, and to construct and provide a new water well and source of water supply for said city with all necessary and desirable pumping or other equipment therefor, and to provide all necessary rights-of-way and easements necessary or desirable for the above-described improvements and additions to the water supply system of said city, and to provide for such repairs, replacements, additions, and improvements to the existing water supply and distribution system of said city as may be necessary or desirable to integrate the above-described additions and improvements and storage facilities into said water supply and distribution system, and for all other purposes necessary or desirable in order to carry out the purposes hereinabove set forth, including but not confined to the acquisition of sites and real property where necessary or desirable for said purposes, the council of the City of Newberg is hereby authorized and empowered to issue and dispose of general obligation bonds of the said city in the sum of \$491,000, in denominations of \$1,000 each, bearing interest at the rate of not to exceed 6 per cent per annum, and providing for the payment of principal and interest in annual installments during a period of 20 years, starting five years from date of issue. Said bonds shall provide for optional redemption by the City of Newberg at any time after expiration of 10 years from the time of first maturity.

Section 2. The purchaser or purchasers of said bonds shall in no way be required to see to the proper application of the purchase money therefor.

Section 3. The council shall each year, at the time of making the annual tax levy for city purposes, make a special additional levy of a sum sufficient to pay interest on outstanding bonds of this issue and to retire the principal thereof at maturity.

Section 4. The City of Newberg is hereby authorized and empowered to do any and all things necessary or convenient to carry out the provisions and purposes of this act.

(Chapter XII Charter of August 8, 1950 as added by special election held February 20, 1960.)

(B) Sewage Treatment Plant Bonds.

Section 1. For the purpose of procuring funds in an amount sufficient to provide and pay for the construction and installation of improvements and additions to the sewage treatment plant of the City of Newberg, Oregon, so as to provide for increasing the primary treatment capacity of said plant, and also to provide complete sewage treatment at said plant, and for the purpose of constructing and installing a new trunk sewer and sewage pumping station for said city, and to provide all sites, easements and rights-of-way necessary or desirable for the above

described improvements, expansion and modification of said sewage treatment plant of said city and of the sewer system thereof and to provide for such repairs, replacements, additions and improvements to the existing sewage treatment plant and sewer system of said city as may be necessary or desirable to integrate the above-described additions, expansion and improvements and modifications therewith, and for all other purposes necessary or desirable in order to carry out the purposes hereinabove set forth, the council of the City of Newberg is hereby authorized and empowered to issue and dispose of general obligation bonds of said city in the sum of \$262,000, in denominations of \$1,000 each, bearing interest at the rate of not to exceed 6 per cent per annum and providing for the payment of principal and interest in annual installments during a period of 20 years, starting five years from date of issue. Said bonds shall provide for optional redemption by the City of Newberg at any time after the expiration of 10 years from the time of first maturity.

~~Section~~ 2. The purchaser or purchasers of said bonds shall in no way be required to see to the proper application of the purchase money therefor.

~~Section~~ 3. The council shall each year, at the time of making the annual tax levy for city purposes, make a special additional levy ~~for city purposes/make a special additional levy~~ of a sum sufficient to pay interest on outstanding bonds of this issue and to retire the principal thereof at maturity.

~~Section~~ 4. The City of Newberg is hereby authorized and empowered to do any and all things necessary or convenient to carry out the provisions and purposes of this act.

(Chapter XIII Charter of August 8, 1950 as added by special election held February 20, 1960.)

(C) Swimming Pool Bonds.

~~Section~~ 1. For the purpose of procuring funds in an amount sufficient to acquire additional land for the swimming pool and associated facilities of the City of Newberg, Oregon, and to provide for the improvement of the present swimming pool and the deck thereof, and for the removal of the existing bath house and for the construction of a new bath house for use in connection with said swimming pool, including dressing rooms, shower facilities, toilet facilities and all necessary equipment and appurtenances connected therewith, and to provide for such repairs, replacements, additions and improvements to the existing swimming pool and facilities as may be necessary or desirable to integrate the above-described additions and improvements with said existing swimming pool and facilities and for all other purposes hereinabove set forth, the council of the City of Newberg is hereby authorized and empowered to issue and dispose of general obligation bonds of said city in the sum of \$38,000, in demoninations of \$1,000 each, bearing interest at the rate of not to exceed 6 per cent per annum, and providing for the paymmt of principal and interest in annual installments during a period of 20 years starting five years from the date of issue. Said bonds shall provide for optional redemption by the City of Newberg at any time after the expiration of 10 years from the time of first maturity.

Section 2. The purchaser or purchasers of said bonds shall in no way be required to see to the proper application of the purchase money therefor.

Section 3. The council shall each year, at the time of making the annual tax levy for city purposes, make a special additional levy of a sum sufficient to pay interest on outstanding bonds of this issue and to retire the principal thereof at maturity.

Section 4. The City of Newberg is hereby authorized and empowered to do any and all things necessary or convenient to carry out the provisions and purposes of this act.

(Chapter XIV Charter of August 8, 1950 as added by special election held February 20, 1960.)

(D) Newberg City Hall Bonds.

Section 1. For the purpose of procuring funds in an amount sufficient to remodel, improve and refurnish the present Newberg City Hall at First and Howard Streets, Newberg, Oregon, to provide additional space and facilities for the Newberg Police Department, communications center and office of the city recorder, and to cause said city hall to comply with present building and electrical code requirements, and also for the remodeling of the existing city building at Second and Howard Streets, Newberg, Oregon, and the construction of a new building at said last mentioned location, all for the use of the Newberg Fire Department, and for all purposes necessary or desirable in order to carry out the purposes hereinabove set forth, the council of the City of Newberg is hereby authorized and empowered to issue and dispose of general obligation bonds of said city in the sum of \$125,000, in denominations of \$1,000 each, bearing interest at the rate of not to exceed 6 per cent per annum, and providing for the payment of the principal in annual installments and interest in semi-annual installments during a period of 17 years starting one year from the date of issue. The installments of principal shall be in such amounts that the combined installments of principal and interest, when taken together with all existing tax-supported general obligation debt requirements for principal and interest of the City of Newberg shall be, as nearly as practicable, in such sums as will permit of a substantially uniform tax levy for the retirement of the principal of and the payment of interest on all tax-supported general obligation bonds of the City of Newberg, exclusive of all bonds of the City of Newberg which are wholly supported by revenue other than taxes.

Section 2. The purchaser or purchasers of said bonds shall in no way be required to see to the proper application of the purchase money therefor.

Section 3. The council shall each year, at the time of making the annual tax levy for city purposes, make a special additional levy of a sum sufficient to pay interest on outstanding bonds of this issue and to retire the principal thereof at maturity.

~~Section~~ 4. The City of Newberg is hereby authorized and empowered to do any and all things necessary or convenient to carry out the provisions and purposes of this act.

(Chapter XV Charter of August 8, 1950 as added by special election held November 5, 1968.)

(E) Sewer Improvement Bonds

~~Section~~ 1. For the purpose of procuring funds in an amount sufficient to provide and pay for the construction of improvements and additions to the sewage treatment plant and the sewer system of the City of Newberg, Oregon, including sites, easements and rights-of-way necessary or desirable for the said improvements, and for all other purposes necessary or desirable in order to carry out the purposes above set forth, the council of the City of Newberg is hereby authorized and empowered to issue and dispose of general obligation bonds of said city in the sum of \$700,000.

~~Section~~ 2. The purchaser or purchasers of said bonds shall in no way be required to see to the proper application of the purchase money therefor.

~~Section~~ 3. The council shall each year, at the time of making the annual tax levy for city purposes, make a special additional levy of a sum sufficient to pay interest on outstanding bonds of this issue and to retire the principal thereof at maturity.

~~Section~~ 4. The City of Newberg is hereby authorized and empowered to do any and all things necessary or convenient to carry out the provisions and purposes of this act.

(Chapter XVI Charter of August 8, 1950 as added by special election held December 9, 1969.)

(F) Water Improvement Bonds.

~~Section~~ 1. For the purpose of procuring funds in an amount sufficient to improve and expand the water system of said City of Newberg, Oregon, including existing sources of supply and developing additional sources, expanding treatment facilities, including filtration, and for all purposes necessary or desirable in order to carry out said improvements, the council of the City of Newberg is hereby authorized and empowered to issue and dispose of general obligation bonds of said city in the sum of \$700,000.

~~Section~~ 2. The purchaser or purchasers of said bonds shall in no way be required to see to the proper application of the purchase money therefor.

~~Section~~ 3. The council shall each year at the time of making the tax levy for city purposes, make a special additional levy of a sum sufficient to pay interest on outstanding bonds of this issue and to retire the principal thereof at maturity.

Section 4. The City of Newberg is hereby authorized and empowered to do any and all things necessary or convenient to carry out the provisions and purposes of this act.

(Chapter XVII *Charter of August 8, 1950* as added by special election held December 9, 1969.)

(G) Sewer Improvement Bonds.

Section 1. For the purpose of procuring funds in amounts sufficient to provide and pay for the construction and installation of improvements to the sewage system of the City of Newberg, Oregon, and for all other purposes above set forth, the Council of the City of Newberg is hereby authorized and empowered to issue and dispose of General Obligation Bonds of said City in the sum of \$900,000.00, in denominations of Five Thousand and no/100ths (\$5,000.00) Dollars each, bearing interest at the rate of not to exceed ten percent (10%) per annum.

Section 2. The purchaser or purchasers of said bonds shall in no way be required to see to the proper application of the bond proceed money thereof.

Section 3. The Council shall each year at the time of making the annual tax levy for City purposes, make a special additional levy of a sum to pay interest on outstanding bonds of this issue and to retire the principal thereof at maturity.

Section 4. The City of Newberg is hereby authorized and empowered to do any and all things necessary or convenient to carry out the provisions and purposes of this act.

(Chapter XVIII *Charter of August 8, 1950* as added by special election held May 22, 1979.)

(H) Hospital Improvement Bonds.

Section 1. For the purpose of procuring funds in amounts sufficient to provide and pay for the construction and installation of improvements and additions to the Community Hospital of the City of Newberg, Oregon, and for all other purposes necessary or desirable in order to carry out the purposes above set forth, the Council of the City of Newberg is hereby authorized and empowered to issue and dispose of general obligation bonds of said city in the sum of \$3,400,000, in denominations of \$5,000 each, bearing interest at the rate of not to exceed 10 per cent per annum.

Section 2. The purchaser or purchasers of said bonds shall in no way be required to see to the proper application of the bond proceed money thereof.

Section 3. The council shall each year, at the time of making the annual tax levy for city purposes, make a special additional levy of a sum to pay interest on outstanding bonds of this issue and to retire the principal thereof at maturity.

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~~Section~~ 4. The City of Newberg is hereby authorized and empowered to do any and all things necessary or convenient to carry out the provisions of this act.

(Chapter XIX Charter of August 8, 1950 as added by special election held May 22, 1979.)

Section ~~56~~ 57. Existing Ordinances Continued. All ordinances of the city consistent with this charter and in force when it takes effect shall remain in effect until amended or repealed.

Sections 58 through 69 (Reserved for Expansion.)

Section ~~69~~ 70. Time Charter Amendment Effective. This act amending the charter of Newberg of February 10, 1893, as amended, shall take effect on January 1, 1983.

Newberg Charter

AN ACT

To amend the Charter of the City of Newberg, Yamhill County, Oregon, as amended, entitled: "An act to incorporate the City of Newberg in Yamhill County, State of Oregon, and to repeal an act entitled 'An act to incorporate the Town of Newberg in Yamhill County, State of Oregon, and to grant, designate and define the powers thereof,' filed in the office of the Secretary of State February 21, 1889, and all acts or parts of acts in conflict herewith," enacted by the 17th regular session of the legislative assembly of the State of Oregon and filed in the office of the Secretary of State February 10, 1893, and as subsequently amended by the legislative assembly and by the voters of Newberg, Oregon.

Be it enacted by the people of the City of Newberg, Yamhill County, Oregon, that the Charter of Newberg, Yamhill County, Oregon, as amended, entitled "An act to incorporate the City of Newberg in Yamhill County, State of Oregon, and to repeal an act entitled 'An act to incorporate the Town of Newberg in Yamhill County, State of Oregon, and to grant, designate, and define the powers thereof,' filed in the office of the Secretary of State February 21, 1889, and all acts or parts of acts in conflict herewith," enacted by the 17th regular session of the legislative assembly of the State of Oregon and filed in the office of the Secretary of State February 10, 1893, and as subsequently amended by the legislative assembly and by the voters of Newberg, Oregon, be and the same hereby is amended to read as follows:

CHAPTER I

Repealing Clause; Name and Boundaries

Section 1. Revision Clause. The sections of the Charter have been revised as hereafter indicated.

Section 2. Name. The City of Newberg, Yamhill County, Oregon shall continue to be a municipal corporation with the name "Newberg".

Section 3. Boundaries. The corporate limits of the City of Newberg shall include all territory encompassed by its boundaries as they now exist or hereafter are modified by voters, by the council or by any other agency with legal power to modify them. The City Recorder shall keep in their office at City Hall at least two copies of this Charter in each of which the City Recorder shall maintain an accurate, up-to-date description of the boundaries. The copies and descriptions shall be available for public inspection at any time during regular office hours of the City Recorder.

CHAPTER II

Powers

Section 4. Powers of the City. The city shall have all the rights, powers, privileges and immunities which the constitutions, statutes, and common law of the United States and of this state

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expressly or impliedly grant or allow municipalities, including those rights, powers, privileges and immunities which a city can exercise upon specifically accepting them or upon being granted the power to exercise them by the people of the city or the legislature of the state, as fully as though this charter expressly stated each of those rights, powers, privileges and immunities, and as though each of them had been specifically accepted by the city or granted to it by the people of the city or by the legislature of the state.

The following shall be deemed a part of the powers conferred upon the city by this charter:

(1) Property. To acquire property within or without the corporate limits of the city for any city purpose, in fee simple or any lesser interest or estate, by purchase, gift, devise, lease or condemnation; and to sell, lease, mortgage, hold, manage and control such property as the interests of the city require.

(2) Indebtedness. To borrow money within the limits prescribed by general laws.

(3) Public services. To purchase, hire, construct, own, maintain and operate or lease local public utilities as herein defined, but only after having first obtained the consent of a majority of the qualified electors of the city to do so; except as provided in Subdivisions A-G, of Section 49 of this charter; to furnish all local public services, either within or without the corporate limits of the city; to acquire, by condemnation or otherwise, within or without the corporate limits, property necessary for any such purposes, subject to restrictions imposed by general laws for the protection of other communities; and to grant local public utility franchises, and to regulate the exercise of such franchises. The term "public utilities" as used in this charter shall mean and include but not be limited to any plant, equipment or organization used or intended to be used to produce, transmit, deliver or furnish heat, light, water, power, transportation, communications, sewerage or sewage treatment or garbage services, or any or all of them, directly or indirectly, to or for the public.

(4) Bonds. To issue and sell bonds on the security, in whole or in part, of any excess property owned by the city or of any public utility owned by the city or of the revenues thereof, or of both; including, in the case of a public utility, as herein defined, if deemed desirable by the city, a franchise stating the terms upon which, in case of foreclosure, the purchaser may operate the utility.

(5) Police, licensing and taxing power. To adopt and enforce within the corporate limits of the city local policy, sanitary and other similar regulations not in conflict with the general laws; and to license, tax and regulate for the purpose of city revenue all such businesses, callings, occupations, trades, and employments as the city council may require to be licensed or taxed, and as are not prohibited by the laws of Oregon, including taxation of admissions to places of entertainment or amusement.

Section 5. Construction of Charter. In this charter no enumeration or reference to particular rights, powers, privileges or immunities shall be construed to be exclusive or to restrict the scope of the rights, powers, privileges or immunities which the city would have if the particular right, power, privilege or immunity was not mentioned.

Newberg Charter

This charter shall be liberally construed to the end that the city shall have all powers necessary or convenient for the conduct of its municipal affairs, including all powers that cities may assume pursuant to the laws and to the municipal home-rule provisions of the constitution of the state.

Section 6. Exercise of Power. The manner in which the city shall exercise a right, power, privilege or immunity, where prescribed by this charter, shall be in the manner prescribed by this charter, shall be in the manner prescribed by ordinance; and where not prescribed by this charter or by ordinance, then in the manner prescribed by the statutes of the State of Oregon.

CHAPTER III

Form of Government

Section 7. Where Powers Vested. Except as this charter provides otherwise, all powers of the city shall be vested in the council.

Section 8. Council. The Council shall be composed of a mayor and eight councilmen elected from the city at large.

Section 9. Councilmen. The term of office of each councilman in office, when this charter is adopted, shall continue until the beginning of the first odd-numbered year after that time. At the first biennial general election after the charter is adopted, eight councilmen shall be elected. Of the eight, the four receiving the four highest numbers of votes shall each hold office for four years, and the four receiving the next four highest numbers of votes shall each hold office for two years. At each subsequent biennial general election, four councilmen shall be elected, each for a term of four years.

Section 10. Mayor. At each biennial general election a mayor shall be elected for a term of two years.

Section 11. Tie Votes. In the event of a tie in the vote cast for the candidates for an elective office under this charter, the successful candidate shall be determined by drawing lots. The City Recorder or his or her designate shall prepare lots consisting of slips of paper each containing the name of one candidate involved in a tie vote. The Recorder or designate shall fold each slip separately and place the same in a receptacle and shall cause the City Chief of Police or his or her designate to draw therefrom one slip of paper. The candidate whose name is on that slip of paper shall be deemed elected.

Section 12. Other Officers. Additional officers of the city shall be a city manager, and such other officers, as a municipal judge and city attorney, as the council deems necessary. Each of these officers shall be appointed and may be removed by the mayor with the consent of the council. By resolution, the council may combine any of these offices. By resolution, the council may also provide that any person

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whom it designates may supervise any appointive officer, except the city manager, city attorney and the municipal judge in the exercise of the municipal judge's judicial functions.

Section 13. Salaries. The compensation for the services of each city officer and employee shall be whatever amount the council fixes. No increase in the compensation of councilmen, however, shall take effect until the first of the odd-numbered year immediately following the first biennial general election after the increase is ordered.

Section 14. Qualifications of Officers. No person shall be eligible to fill an elective office of the city unless at the time of the election such person is a qualified voter within the meaning of the state constitution and has resided in the city for at least one year immediately preceeding the election. For the purposes of this section, city shall mean any area included in the corporate limits as of the date of the election. In order to avoid conflict of interests and to provide a fully effective office holder, a person is ineligible to hold elective office of the city if employed by the city unless the employment is substantially volunteer in nature. The determination of whether employment is substantially volunteer shall be made by the municipal judge. For all other matters under this section the council shall be final judge of the qualifications and election of its own members.

CHAPTER IV

Council

Section 15. Meetings. The council shall hold a regular meeting at least once each month at a time and at a place in the city which it designates, and shall adopt rules for the government of its members and proceedings. The mayor upon the mayor's own motion may, or at the request of four members of the council shall, by giving notice thereof to all members of the council then in the city, call a special meeting of the council for a time not earlier than three nor later than 48 hours after the notice is given.

Section 16. Quorum. A majority of the members of the council shall constitute a quorum for it to do business, but a smaller number may meet and compel the attendance of absent members in a manner provided by ordinance.

Section 17. Journal. The council shall cause a journal of its proceedings to be kept. Upon the request of any of its members, the ayes and nays upon any question before it shall be taken and a record of the vote entered in the journal.

Section 18. Meetings to Be Public. No action by the council shall have legal effect unless the motion for the action and the vote by which it is disposed of takes place at proceedings open to the public.

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Section 19. Mayor's Functions at Council Meetings. The mayor is a member of and shall chair the council and preside over its deliberations. The mayor shall have a vote on all questions before the council. The mayor shall have authority to preserve order, enforce the rules of the council and determine the order of business under the rules of the council.

Section 20. President of the Council. At its first meeting of each odd-numbered year, the council shall elect a president from its membership. In the mayor's absence from a council meeting, the president shall preside over it. When the mayor is unable, on account of absence, illness or other cause to perform the functions of the mayor's office, the president of the council shall act as mayor.

Section 21. Vote Required. Except as this charter otherwise provides, the concurrence of a majority of the members of the council present at a council meeting shall be necessary to decide any question before the council.

CHAPTER V

Powers and Duties of Officers

Section 22. Mayor. The mayor shall appoint the committees provided for under the rules of the council. The mayor shall sign all approved records of proceedings of the council and countersign all orders on the treasury. The mayor shall have no veto power and shall sign all ordinances passed by the council within three days after their passage. Upon the approval of the council, the mayor shall endorse all bonds of officers of the city and all bonds for licenses, contracts and proposals.

Section 23. City Manager.

(a) Qualifications. The city manager shall be the administrative head of the government of the city. The city manager shall be chosen by the council without regard to political considerations and solely with reference to executive and administrative qualifications. The manager need not be a resident of the city or of the state at the time of appointment. Before taking office, the manager shall give a bond in such amount or with such surety as may be approved by the council. The premiums on such bond shall be paid by the city.

(b) Term. The manager shall be appointed for an indefinite term and may be removed at the pleasure of the council. Upon any vacancy occurring in the office of manager after the first appointment pursuant to this charter, the council at its next meeting shall adopt a resolution of its intention to appoint another manager. Not later than six months after adopting the resolution, the council shall appoint a manager to fill the vacancy.

(c) Powers and Duties. The powers and duties of the manager shall be as follows:

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(1) The manager shall devote full-time to the discharge of the managers official duties, attend all meetings of the council unless excused therefrom by the council or the mayor, keep the council advised at all times of the affairs and needs of the city, and make reports annually, or more frequently if requested by the council, of all the affairs and departments of the city.

(2) The city manager shall see that all ordinances are enforced and that the provisions of all franchises, leases, contracts, permits and privileges granted by the city are observed.

(3) The manager shall designate a city recorder and shall appoint and may remove appointive city officers and employees except as this charter otherwise provides, and shall have general supervision and control over them and their work with power to transfer an employee from one department to another. The city manager shall supervise the departments to the end of obtaining the utmost efficiency in each of them. The manager shall have no control, however, over the council, over the city attorney, or over the judicial activities of the municipal judge.

(4) The manager shall act as purchasing agent for all departments of the city. All purchases shall be made by requisition signed by the manager or his designate.

(5) The manager shall be responsible for preparing and submitting to the budget committee the annual budget estimates and such reports as that body requests.

(6) The manager shall supervise the operation of all public utilities owned and operated by the city and shall have general supervision over all city property.

(d) Seats at Council Meetings. The manager and such other officers as the council designates shall be entitled to sit with the council but shall have no vote on questions before it. The manager may take part in all council discussions.

(e) Manager Pro Tem. Whenever the manager is absent from the city, is temporarily disabled from acting as manager, or whenever the office becomes vacant, the council shall appoint a manager pro tem, who shall possess the powers and duties of the manager. No manager pro tem, however, may appoint or remove a city officer or employee except with the approval of three-fourths of the members of the council. No manager pro tem shall hold their position as such for more than six months, and no appointment of a manager pro tem shall be consecutively renewed.

(f) Interference in Administration. No member of the council shall directly or indirectly, by suggestion or otherwise, attempt to influence or coerce the manager in making the appointment or removal of any officer or employee or in the expenditure of funds, or attempt to exact any promise relative to any appointment from any candidate for manager; or discuss directly or indirectly the matter of specific appointment to any city office or employment. A violation of the foregoing provisions of this section if determined by the Council under Section 14, shall forfeit the office of the offending member of the council. Nothing in this section shall be construed, however, as prohibiting the council while in open session from fully and freely

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discussing with or suggesting to the manager anything pertaining to city affairs or the interests of the city.

(g) Ineligible Persons. Neither the manager's spouse nor any person related to the manager or the manager's spouse by consanguinity or affinity within the third degree may hold any appointive office or employment with the city.

Section 24. Municipal Judge. The municipal judge, when appointed, shall be the judicial officer of the city and shall hold within the city a court known as the municipal court for the City of Newberg, Yamhill County, Oregon. Except on nonjudicial days, the court shall be open for the transaction of judicial business. All area within the city shall be within the territorial jurisdiction of the court. The municipal judge shall exercise original and exclusive jurisdiction of all crimes and offenses defined and made punishable by ordinances of the city. The municipal judge shall have authority to issue process for the arrest of any person accused of an offense against the ordinances of the city, to commit any such person to jail or admit to bail pending trial, to issue subpoenas to compel witnesses to appear and testify in court on the trial of any cause before the judge, to compel obedience to such subpoenas, to issue any process necessary to carry into effect the judgments of the court, and to punish witnesses and others for contempt of the court. When not governed by ordinances or this charter, all proceedings in the municipal court for the violation of a city ordinance shall be governed by the applicable general laws of the state governing justices of the peace and justice courts. Provided, however, that the right to appeal from the decisions of said municipal court shall not be restricted by ordinance. Trials in the municipal court of cases for violation of city ordinances shall be had without juries.

Section 25. City Recorder. The city recorder shall serve ex officio as clerk of the council, attend all its meetings unless excused therefrom by the mayor, keep an accurate record of its proceedings in a book provided for that purpose, and have authority to sign all orders on the treasury. In the recorder's absence from the council meeting, the mayor shall appoint a clerk of the council pro tem, who, while acting in that capacity, shall perform the duties of the recorder.

CHAPTER VI

Elections

Section 26. Regular Elections. Regular city elections shall be held at the same times and places as biennial general state elections, in accordance with the applicable state election laws. The city recorder shall give such notice to the county officer as required by the applicable state election laws.

Section 27. Notice of Regular Elections. The recorder, pursuant to directions from the council, shall give such notice as required by state law. The notice shall state the officers to be elected at, the ballot title of each measure to be voted upon, and the time and place of the election.

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Section 28. Special Elections. The council shall provide the times, manner and means for holding any special election. The recorder shall give at least 10 days' notice of each special election in the manner provided by the action of the council ordering the election.

Section 29. Regulation of Elections. Except as this charter provides otherwise and as the council provides otherwise by ordinances relating to elections, the general laws of the state shall apply to the conduct of all city elections, recounts of the returns therefrom and contests thereof.

Section 30. Canvass of Returns. In all elections held in conjunction with state and county elections, the state laws governing the filing of returns by the county clerk shall apply. On or before noon of the second day following each special city election, the returns therefrom shall be filed with the recorder; and not later than five days after the election, the council shall meet and canvass the returns. The results of all elections shall be made a matter of record in the journal of the proceedings of the council, which shall contain a statement of the total number of votes cast at each election, the votes cast for each person and for and against each proposition, the name of each person elected to office, the office to which he has been elected and a reference to each measure enacted or approved. Immediately after the canvass is completed, the recorder shall make and sign a certificate of election of each person elected and deliver the certificate to him within one day after the canvass. A certificate so made and delivered shall be prima facie evidence of the truth of the statements contained in it, except that the council shall be the final judge of the qualifications and election of its own members; subject, however, to review by a court of competent jurisdiction.

Section 31. Commencement of Terms of Office. The term of office of a person elected to an office at a regular city election shall commence on the first of the year immediately following the election.

Section 32. Oath of Office. Before entering upon the duties of office, each officer shall take an oath supporting the constitutions and laws of the United States and of Oregon and the ordinances of the city and promising faithfully to perform the duties of office.

Section 33. Nominations. The council shall provide by ordinance the method for nominating elective officers.

CHAPTER VII

Vacancies in Office

Section 34. Vacancy. An office shall be deemed vacant upon the incumbent's death, incompetence, conviction of a felony, resignation or recall or upon the incumbent's ceasing to possess the qualifications necessary for office; or upon the failure of the person elected or appointed to an office to qualify therefor within three days after the

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time for term of office to commence; and in the case of mayor or councilman, upon absence from meetings from the council for 60 days or absence from the city for 30 days without consent of the council; or in the case of an appointive officer, upon removal from office.

Section 35. Filling of Vacancies. Vacancies in elective offices of the city shall be filled by appointment by a majority of the entire membership of the council. The appointee's term of office shall begin immediately upon appointment and shall continue throughout the unexpired term of predecessor. During the temporary disability of any officer or during absence temporarily from the city for any cause, office may be filled pro tem, in the manner provided for filling vacancies in office permanently.

CHAPTER VIII

Ordinances

Section 36. Enacting Clause. The enacting clause of all ordinances hereafter enacted by the council shall be: "The City of Newberg ordains as follows:".

Section 37. Introduction, Reading and Passage.

(1) Except as the second paragraph of this section provides to the contrary, every ordinance of the council shall, before being put upon its final passage, be fully and distinctly read in open council meeting.

(2) The reading may be by title only if no council member present at the meeting requests to have the ordinance read in full or if a copy of the ordinance is provided for each council member and three copies are provided for public inspection in the office of the city recorder not later than one week before the reading of the ordinance and if notice of their availability is given forthwith upon the filing, by written notice posted at city hall. An ordinance enacted after being read by title alone may have no legal effect if it differs substantially from its terms as it was thus filed prior to such reading, unless each section incorporating such a difference is read fully and distinctly in open council meeting as finally amended prior to being approved by the council.

(3) Upon the final vote on an ordinance, the ayes and nays of the members shall be taken and entered in the record of proceedings. The concurrence of a majority of the entire membership of the council shall be required for the passage of an ordinance.

(4) Upon the enactment of an ordinance the recorder shall sign it with the date of its passage and the recorder's name and title of office, and within three days thereafter the mayor shall sign it with the date of signature, name and title of office.

Section 38. Effective Date of Ordinances. An ordinance enacted by the council shall take effect on the 30th day after its enactment. When the council deems it advisable, however, an ordinance may provide a later time for it to take effect; and in case of an emergency, it may take effect immediately, or at any time therein specified.

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CHAPTER IX

Public Improvements

Section 39. Condemnation. Any necessity of taking property for the city by condemnation shall be determined by the council and declared by a resolution of the council describing the property and stating the uses to which it is to be devoted.

Section 40. Acquisition and Disposition of Property. The city shall have power to acquire by purchase, gift, devise or condemnation any property either within or without its corporate boundaries for any municipal purpose, for the purpose of protecting, preserving or facilitating any improvement, for the purpose of bringing about such development of property along or in the vicinity of an improvement as will make the development harmonious with and adjusted to the improvement, or for any combination of such purposes. The city shall also have power to acquire by condemnation property in excess of that needed for the actual improvement, and to sell or lease the excess with such building and use restrictions and conditions as will tend to make its development harmonious with and adjusted to adjacent public improvements. The city shall have power to provide for the payment of any part or all of the cost of land or other property acquired for public use, of the cost of constructing, reconstructing, repairing, operating or maintaining any structure or work in the nature of a public facility or improvement, including a public utility, and of the cost of any other public work or service by levying and collecting assessments upon the property specially benefitted thereby.

Section 41. Improvements. The procedure for making street, sidewalk, sewer and other public improvements and for establishing, vacating, altering or abandoning streets and other public improvements shall be governed by ordinance or the applicable general laws of the state in the absence of ordinance.

Section 42. Special Assessments. The procedure for determining the amounts of special assessments, their apportionment to various parcels of property and the property upon which they are to be levied; for giving notices to property owners and other interested parties; for hearings on and levy of the assessments; for creating and enforcing assessment liens; and for taking any other action relating to the assessments; for creating and enforcing assessment liens and for taking any other action relating to the assessments shall be governed by the applicable laws of the state relating to special assessments or by general ordinances enacted by the council.

CHAPTER X

Hospitals, Infirmeries or Clinics

Section 43. The City of Newberg is authorized and empowered to own, acquire, complete, construct, improve, equip, supply, operate, maintain and repair, lease and rent any and all hospitals, infirmeries

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or clinics necessary or convenient for the care and housing, treatment, comfort and welfare of inhabitants of said city who are sick or injured or suffering from physical or mental ills or diseases, and to provide for the departments of obstetrics, pediatrics, and geriatrics and such other departments as may be determined to be necessary and for the prevention of ills and diseases and for training and instruction of persons in all matters appertaining to the foregoing. The City of Newberg is further hereby authorized to admit, care for and treat in any or all of the establishments and facilities in this section described persons who are not inhabitants of said city, when such establishments and facilities have available space that is not needed for the accommodation of inhabitants of said city.

Section 44. The City of Newberg is authorized and empowered to acquire, establish, construct, operate, maintain, manage or lease training schools and housing for nurses and other persons engaged in the operation of the establishments and facilities in this chapter described, and to provide for and conduct scientific studies, research and experiments relative to the prevention, care and treatment of diseases, injuries, illnesses and other mental and physical conditions hereinabove referred to, publishing and disseminating literature and information relative thereto. The City of Newberg is hereby authorized and empowered to provide generally for the comfort and welfare of all such nurses and other employees or trainees and to issue diplomas and certificates of proficiency evidencing the qualifications of such persons when appropriate.

Section 45. The City of Newberg is authorized and empowered to provide for the management and operation of all such hospitals, infirmaries and clinics or other establishments or facilities as are described in Section 43 of this chapter, either by its officers, agents and employees or by leasing the same to other persons, firms or corporations or by agency or management contracts or in such other manner or manners as the council of the City of Newberg shall see fit. The City of Newberg is authorized and empowered to contract with the United States, any state or states, any other governmental unit or municipal corporation, or with any private person, firm or corporation for the purposes in this chapter set forth.

Section 46. The City of Newberg is authorized and empowered to sell the services and related materials and conveniences described in Section 43 of this chapter; to fix rates and charges for the same and for any materials, supplies or other matters appertaining thereto or furnished therewith; and to charge and collect the same in any manner authorized by law. The council of the City of Newberg is further authorized to provide for the payment of all expenses, costs and charges arising from any of the operations, activities and facilities in this chapter described, including maintenance, improvements and repairs and reserves therefor and for depreciation, either from the income therefrom or from the proceeds of any bond issue or other loan to said city or from any other funds of said city or from general taxation, and to borrow money or pledge the credit of said city for such purposes.

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Section 47. The City of Newberg is authorized and empowered to receive and accept donations and gifts of money or property or both for the purposes in this chapter set forth.

Section 48. The City of Newberg is authorized and empowered to do any or all things necessary or convenient to carry out the provisions and purposes of this act.

CHAPTER XI

Miscellaneous Provisions

Section 49. Energy Utilities.

(a) The City of Newberg is authorized and empowered to own, acquire, develop, construct, equip, operate and maintain either within or without the statutory or corporate limits of said city, in whole or in part, any and all works, plants and systems necessary or pertinent to the generation and/or distribution of electrical energy for the use and benefit of the people of said city and vicinity thereof, and for profit.

(b) The City of Newberg is authorized and empowered to control, use, generate, transmit, distribute, sell and/or dispose of electric energy.

(c) The City of Newberg is authorized and empowered to contract with the United States, with any state or states, or political subdivisions thereof, or with any political subdivision of this state, or with any private person or corporation for the purchase of electrical energy for use, transmission, distribution, sale and/or disposal thereof.

(d) The City of Newberg is authorized and empowered to acquire, construct, lease, maintain and/or operate, separately or in conjunction with the United States, with any state or states, or political subdivision thereof, or with any political subdivision of this state, or with any private person or corporation, transmission and distribution lines.

(e) The City of Newberg is authorized and empowered to fix rates and charges for the sale and/or disposal of electric energy.

(f) The City of Newberg is authorized and empowered to issue, sell and otherwise dispose of either public utility certificates, general obligation, limited obligation or self-liquidating bonds of said city, after approval thereof by a majority of the legal voters of said city voting thereon at any general or special election called for said purpose, in order to provide funds to carry out the provisions of this act.

(g) The City of Newberg is authorized and empowered to do any and all things necessary or convenient to carry out the provisions of this act.

Section 50. Liability for Injury. The City of Newberg shall not in any event be liable in damages to any person for an injury caused by any defect or dangerous place at or in any sidewalk, crosswalk, street or alley, bridges, public grounds, public buildings, sewer, drain, gutter or way, unless said city shall have had actual notice of such defect or dangerous place and had a reasonable time thereafter in which to repair or remove such defect or dangerous place before the happening of such accident or injury; and in no case shall more than \$500.00 be recovered as damages from the city for such accident or injury.

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Section 51. Business License Tax. No person paying a license to the City of Newberg in order to carry on any business or avocation within the city limits for which a license is required by this act or by any ordinance shall be required to pay a license tax to the county authorities of Yamhill County, Oregon for the same purpose; and the city shall have exclusive control of all licenses; and no part of the income derived therefrom shall go to said county.

Section 52. Highways and Roads. The City of Newberg as created by this act, shall have full power to lay out, open, work, change, and control all the highways and roads within the corporate limits thereof; and the power and authority given by the general laws of the State of Oregon to the county court of Yamhill County to divide said county into road districts, to appoint road supervisors, to lay out and work highways, and to levy a tax upon all taxable property of said county to be used in building and improving the public or county roads shall not apply or extend to the territory within the limits of said City of Newberg; but said territory and the inhabitants thereof are hereby excepted out of the jurisdiction of said court upon said subject.

Section 53. Debt Limit. Except by consent of the voters, the city's voluntary floating indebtedness shall not exceed a sum equal to 1 per cent of the current assessed valuation of taxable property within the corporate limits of the city. For purposes of calculating the limitation, however, the legally authorized debt of the city in existence at the time this charter takes effect shall not be considered. All city officials and employees who create or officially approve any indebtedness in excess of this limitation shall be jointly and severally liable for the excess.

Section 54. Use of Public Parks. Notwithstanding any other provisions of this charter, all areas now or hereafter dedicated to or used for public park purposes are reserved forever to the use of the public; and no such area shall be sold or otherwise disposed of, or used for other than public park and recreation purposes, without prior approval thereof by a majority of the votes cast thereon by the people of the city.

Section 55. Continuation of Rights and Liabilities. No right or liability of the city existing at the time this charter takes effect shall be impaired or discharged by passage of this act, except as this act otherwise provides.

Section 56. Outstanding Bonds and Other Provisions of Prior Charter Retained. All outstanding general obligation bonds of Newberg shall continue to be general obligations of Newberg, though not otherwise mentioned herein; and the council shall, each year, at the time of making the annual tax levy for city purposes, include in such levy a sum sufficient to pay the interest due on such outstanding bonds and to retire the principal amounts thereof as the same mature. The following Subsections A through H and any subsections added in the future shall be automatically deleted from this charter when the principal and interest of said bond issues are paid in full and the bonds retired.

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(A) Water Reservoir Bonds.

1. For the purpose of procuring funds in an amount sufficient to acquire a new site for a water reservoir for the City of Newberg, Oregon, and to construct and install thereon a new water reservoir for the storage of water for the use of the people of said city, and to provide for the revision of the present water reservoir adjacent thereto, and to construct and install new and additional water treatment facilities and water mains for the water supply and distribution system of said city, and to construct and provide a new water well and source of water supply for said city with all necessary and desirable pumping or other equipment therefor, and to provide all necessary rights-of-way and easements necessary or desirable for the above-described improvements and additions to the water supply system of said city, and to provide for such repairs, replacements, additions, and improvements to the existing water supply and distribution system of said city as may be necessary or desirable to integrate the above-described additions and improvements and storage facilities into said water supply and distribution system, and for all other purposes necessary or desirable for said purposes, the council of the City of Newberg is hereby authorized and empowered to issue and dispose of general obligation bonds of the said city in the sum of \$491,000, in denominations of \$1,000 each, bearing interest at the rate of not to exceed 6 per cent per annum, and providing for the payment of principal and interest in annual installments during a period of 20 years, starting five years from date of issue. Said bonds shall provide for optional redemption by the City of Newberg at any time after expiration of 10 years from the time of first maturity.

2. The purchaser or purchasers of said bonds shall in no way be required to see to the proper application of the purchase money therefor.

3. The council shall each year, at the time of making the annual tax levy for city purposes, make a special additional levy of a sum sufficient to pay interest on outstanding bonds of this issue and to retire the principal thereof at maturity.

4. The City of Newberg is hereby authorized and empowered to do any and all things necessary or convenient to carry out the provisions of this act.

(Chapter XII Charter of August 8, 1950 as added by special election held February 20, 1960.)

(B) Sewage Treatment Plant Bonds.

1. For the purpose of procuring funds in an amount sufficient to provide and pay for the construction and installation of improvements and additions to the sewage treatment plant of the City of Newberg, Oregon, so as to provide for increasing the primary treatment capacity of said plant, and also to provide complete sewage treatment at said plant, and for the purpose of constructing and installing a new trunk sewer and sewage pumping station for said city, and to provide all

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sites, easements and rights-of-way necessary or desirable for the above-described improvements, expansion and modification of said sewage treatment plant of said city and of the sewer system thereof and to provide for such repairs, replacements, additions and improvements to the existing sewage treatment plant and sewer system of said city as may be necessary or desirable to integrate the above-described additions, expansion and improvements and modifications therewith, and for all other purposes necessary or desirable in order to carry out the purposes hereinabove set forth, the council of the City of Newberg is hereby authorized and empowered to issue and dispose of general obligation bonds of said city in the sum of \$262,000, in denominations of \$1,000 each, bearing interest at the rate of not to exceed 6 per cent per annum and providing for the payment of principal and interest in annual installments during a period of 20 years, starting five years from date of issue. Said bonds shall provide for optional redemption by the City of Newberg at any time after the expiration of 10 years from the time of first maturity.

2. The purchaser or purchasers of said bonds shall in no way be required to see to the proper application of the purchase money therefor.

3. The council shall each year, at the time of making the annual tax levy for city purposes, make a special additional levy of a sum sufficient to pay interest on outstanding bonds of this issue and to retire the principal thereof at maturity.

4. The City of Newberg is hereby authorized and empowered to do any and all things necessary or convenient to carry out the provisions and purposes of this act.

(Chapter XIII Charter of August 8, 1950 as added by special election held February 20, 1960.)

(C) Swimming Pool Bonds.

1. For the purpose of procuring funds in an amount sufficient to acquire additional land for the swimming pool and associated facilities of the City of Newberg, Oregon, and to provide for the improvement of the present swimming pool and the deck thereof, and for the removal of the existing bath house and for the construction of a new bath house for use in connection with said swimming pool, including dressing rooms, shower facilities, toilet facilities and all necessary equipment and appurtenances connected therewith, and to provide for such repairs, replacement, additions and improvements to the existing swimming pool and facilities as may be necessary or desirable to integrate the above-described additions and improvements with said existing swimming pool and facilities and for all other purposes hereinabove set forth, the council of the City of Newberg is hereby authorized and empowered to issue and dispose of general obligation bonds of said city in the sum of \$38,000, in denominations of \$1,000 each, bearing interest at the rate of not to exceed 6 per cent per annum, and providing for the payment of principal and interest in annual installments during a period of 20 years starting five years from the date of issue. Said bonds

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shall provide for optional redemption by the City of Newberg at any time after the expiration of 10 years from the time of first maturity.

2. The purchaser or purchasers of said bonds shall in no way be required to see to the proper application of the purchase money therefor.

3. The council shall each year, at the time of making the annual tax levy for city purposes, make a special additional levy of a sum sufficient to pay interest on outstanding bonds of this issue and to retire the principal thereof at maturity.

4. The City of Newberg is hereby authorized and empowered to do any and all things necessary or convenient to carry out the provisions and purposes of this act.

(Chapter XIV Charter of August 8, 1950 as added by special election held February 20, 1960.)

(D) Newberg City Hall Bonds.

1. For the purpose of procuring funds in an amount sufficient to remodel, improve and refurnish the present Newberg City Hall at First and Howard Streets, Newberg, Oregon, to provide additional space and facilities for the Newberg Police Department, communications center and office of the city recorder, and to cause said city hall to comply with present building and electrical code requirements, and also for the remodeling of the existing city building at Second and Howard Streets, Newberg, Oregon, and the construction of a new building at said last mentioned location, all for the use of the Newberg Fire Department, and for all purposes necessary or desirable in order to carry out the purposes hereinabove set forth, the council of the City of Newberg is hereby authorized and empowered to issue and dispose of general obligation bonds of said city in the sum of \$125,000, in denominations of \$1,000 each, bearing interest at the rate of not to exceed 6 per cent per annum, and providing for the payment of the principal in annual installments and interest in semi-annual installments during a period of 17 years starting one year from the date of issue. The installments of principal shall be in such amounts that the combined installments of principal and interest, when taken together with all existing tax-supported general obligation debt requirements for principal and interest of the City of Newberg shall be, as nearly as practicable, in such sums as will permit a substantially uniform tax levy for the retirement of the principal of and the payment of interest on all tax-supported general obligation bonds of the City of Newberg, exclusive of all bonds of the City of Newberg which are wholly supported by revenue other than taxes.

2. The purchaser or purchasers of said bonds shall in no way be required to see to the proper application of the purchase money therefor.

3. The council shall each year, at the time of making the annual tax levy for city purposes, make a special additional levy of a sum

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sufficient to pay interest on outstanding bonds of this issue and to retire the principal thereof at maturity.

4. The City of Newberg is hereby authorized and empowered to do any and all things necessary or convenient to carry out the provisions and purposes of this act.

(Chapter XV Charter of August 8, 1950 as added by special election held November 5, 1968.)

(E) Sewer Improvement Bonds.

1. For the purpose of procuring funds in an amount sufficient to provide and pay for the construction of improvements and additions to the sewage treatment plant and the sewer system of the City of Newberg, Oregon, including sites, easements and rights-of-way necessary or desirable for the said improvements, and for all other purposes necessary or desirable in order to carry out the purposes above set forth, the council of the City of Newberg is hereby authorized and empowered to issue and dispose of general obligation bonds of said city in the sum of \$700,000.

2. The purchaser or purchasers of said bonds shall in no way be required to see to the proper application of the purchase money therefor.

3. The council shall each year at the time of making the tax levy for city purposes, make a special additional levy of a sum sufficient to pay interest on outstanding bonds of this issue and to retire the principal thereof at maturity.

4. The City of Newberg is hereby authorized and empowered to do any and all things necessary or convenient to carry out the provisions and purposes of this act.

(Chapter XVI Charter of August 8, 1950 as added by special election held December 9, 1969.)

(F) Water Improvement Bonds.

1. For the purpose of procuring funds in an amount sufficient to improve and expand the water system of said City of Newberg, Oregon, including existing sources of supply and developing additional sources, expanding treatment facilities, including filtration, and for all purposes necessary or desirable in order to carry out said improvements, the council of the City of Newberg is hereby authorized and empowered to issue and dispose of general obligation bonds of said city in the sum of \$700,000.

2. The purchaser or purchasers of said bonds shall in no way be required to see to the proper application of the purchase money therefor.

3. The council shall each year at the time of making the tax levy for city purposes, make a special additional levy of a sum sufficient

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to pay interest on outstanding bonds of this issue and to retire the principal thereof at maturity.

4. The City of Newberg is hereby authorized and empowered to do any and all things necessary or convenient to carry out the provisions and purposes of this act.

(Chapter XVII Charter of August 8, 1950 as added by special election held December 9, 1969.)

(G) Sewer Improvement Bonds.

1. For the purpose of procuring funds in amounts sufficient to provide and pay for the construction and installation of improvements to the sewage system of the City of Newberg, Oregon, and for all other purposes above set forth, the council of the City of Newberg is hereby authorized and empowered to issue and dispose of general obligation bonds of said city in the sum of \$900,000, in denominations of \$5,000 each, bearing interest at the rate of not to exceed 10 per cent per annum.

2. The purchaser or purchasers of said bonds shall in no way be required to see to the proper application of the bond proceed money thereof.

3. The council shall each year at the time of making the annual tax levy for city purposes, make a special additional levy of a sum to pay interest on outstanding bonds of this issue and to retire the principal thereof at maturity.

4. The City of Newberg is hereby authorized and empowered to do any and all things necessary or convenient to carry out the provisions and purposes of this act.

(Chapter XVIII Charter of August 8, 1950 as added by special election held May 22, 1970.)

(H) Hospital Improvement Bonds.

1. For the purpose of procuring funds in amounts sufficient to provide and pay for the construction and installation of improvements and additions to the Community Hospital of the City of Newberg, Oregon, and for all other purposes necessary or desirable in order to carry out the purposes above set forth, the council of the City of Newberg is hereby authorized and empowered to issue and dispose of general obligation bonds of said city in the sum of \$3,400,000, in denominations of \$5,000 each, bearing interest at the rate of not to exceed 10 per cent per annum.

2. The purchaser or purchasers of said bonds shall in no way be required to see to the proper application of the bond proceed money thereof.

Newberg Charter

3. The council shall each year, at the time of making the annual tax levy for city purposes, make a special additional levy of a sum to pay interest on outstanding bonds of this issue and to retire the principal thereof at maturity.

4. The City of Newberg is hereby authorized and empowered to do any and all things necessary or convenient to carry out the provisions of this act.

(Chapter XIX Charter of August 8, 1950 as added by special election held May 22, 1979.)

Section 57. Existing Ordinances Continued. All ordinances of the city consistent with this charter and in force when it takes effect shall remain in effect until amended or repealed.

Sections 58 through 69 (Reserved for Expansion.)

Section 70. Time Charter Amendment Effective. This act amending the charter of Newberg of February 10, 1893, as amended, shall take effect on January 1, 1983.

MEMO TO: Mike Warren, City Administrator

FROM: Rick Faus, City Attorney

DATE: June 22, 1982

SUBJECT: City Charter Revision - Agenda Item for Adjourned Newberg
City Council Meeting of Monday, June 28, 1982

The purpose of this meeting is to review at public hearing the proposed revision of the Newberg City Charter which was drafted by the Mayor's Task Force Committee for City Charter Revision. Members of the Mayor's Task Force Committee have been notified of this meeting of the City Council and we hope to have a number of them present. Councilmen should bring with them the following materials for their review:

1. The two redrafts of the Charter, one showing all changes and one simply showing the new Charter, which were contained in the Council packet for the June 7, 1982 meeting, Agenda Item VI-3.
2. The compilation of minutes from all the Mayor's Task Force Committee Meetings which were sent to the Council members last week with their regular packet delivery.

With these materials in hand and having already been reviewed by the Council, I would propose that we go through the draft of the new Charter on a page-by-page basis and enter into any discussions or clarifications the Council has as we go through the draft. I believe that Chairman Post's letter which was part of the June 7th Council materials accurately outlines the major revisions contained in the Charter.

RDF:fj

MEMO TO: Mike Warren, City Administrator

FROM: Rick Faus, City Attorney

DATE: June 22, 1982

SUBJECT: Property/Liability Insurance Bids and
Workmans Compensation Proposals - Agenda Item for
Adjourned City Council Meeting on Monday, June 28, 1982

The purpose of Council action with regard to this item will be to approve the insurance bids for all City insurance coverages for fiscal year 1982-1983 to include the hospital for coverages except Comprehensive General Liability Malpractice Coverage. I have attached the following items:

- A. Invitation to Bid
- B. A blank bid proposal form
- C. A four page statement of our specifications
- D. My memorandum of February 17, 1982 which estimated insurance costs for fiscal year 1982-1983. It should be noted this estimate did not include the hospitals portion of any insurance charge and did not include Workmans Compensation coverage.
- E. A copy of the winning bid proposal summary from last year from Rushlow-Busch Insurance.
- F. A copy of our Workmans Compensation policy for fiscal year 1981-1982.

Bids for Property/Liability Insurance coverage are due to be received by 3:00 P.M. Monday, June 28, 1982 and the bid summaries will be made available to the Council at the time of the Council meeting. They will be evaluated and a recommendation made by staff for the meeting. At this time specifications have been provided to the four agencies that provided bids last year and additionally four more agencies have picked up specifications pursuant to our advertising. Thus, it is possible we may have as many as eight bidders for our insurance coverage. With regard to Liability Property Insurance coverage my recommendation is that the winning bid should be awarded on the following basis:

- A. To the lowest cost insurance coverage meeting our specifications.
- B. As the result of the award we will award Agent of Record status to the prevailing bidder for the coming year.
 - 1. Once we have awarded the bid and Agent of Record status has been obtained by the winning bidder we should evaluate with our Agent of Record on an actuarial and cost saving basis such issues as potential cost savings versus risks to the City of raising the deductible limit.

With regard to Workmans Compensation Coverage quotations, we have appointed at this time for the purposes of receiving quotations only for Workmans Compensation coverages:

- A. State Accident Insurance Fund for the purposes of providing a quotation for Workmans comp. coverage through SAIF.
- B. William Thomas of Phillippay/Thomas Insurance for the purposes of obtaining a quotation for Workmans comp. coverage from EBI Companies who are now the current carriers of coverage through the League of

- Oregon Cities City/County Insurance Services Program; and
- C. Harlan Crop of Fred S. James Company to act as Agent of Record for the purposes of obtaining quotations from all other companies offering Workmans Comp. coverage.

These quotations will be available for the Monday City Council meeting and the quote from EBI has just been obtained today from Mr. Thomas.

Last year major savings were obtained from SAIF coverage by going to a retrospective rating system and the market has gotten considerably softer over the past year. The criteria for awarding Workmans Comp Coverage should be based on which company will provide us with the lowest premium over a years time. Most probably, on a retrospective rating basis. These proposals will be evaluated and a recommendation made by the time of the meeting of the Council on Monday.

RDF:fj

INVITATION TO BID INSURANCE

**City of Newberg
City Hall
414 E. First St.
Newberg, Oregon 97132**

The City of Newberg invites bids on the following insurance coverages:

**Property
Comprehensive General Liability
Automobile Liability and Physical Damage
Professional Liability/Errors & Omissions
Umbrella**

Sealed bids are to be received no later than 3:00 P.M., PDLT., on Monday, June 28, 1982, in the office of the City Administrator, City Hall, 414 E. First Street, Newberg, Oregon 97132. Bids will then be publicly opened and read by the City Administrator, City Hall, Newberg, Oregon.

Any and all proposals received after the time specified shall be returned unopened.

Specifications may be obtained from the office of the City Administrator, City Hall, 414 E. First Street, Newberg, Oregon 97132.

The contract for coverage will either be awarded or all proposals rejected within 30 calendar days after the opening.

The City of Newberg reserves the right to reject any and all proposals, to waive informalities, and to accept that proposal which will serve the best interests of the City.

**Michael Warren
City Administrator**

Published: June , 1982.

CITY OF NEWBERG
BID PROPOSAL
FOR
PROPERTY AND CASUALTY INSURANCE

Bid Opening: Monday, June 28, 1982
 3:00 P.M., PDT
 City Hall, Office of the City Administrator
 Newberg, Oregon 97132

Name of Bidder: _____

Address of Bidder: _____

It is agreed that this proposal is based on the Specifications and from information gathered independently by the Bidder; that the premiums quoted are on a "flat" basis and not subject to audit unless specified otherwise. Cancellation on all policies shall be subject to at least 30 days notice.

A. Property		\$	_____
Ins. Co.	_____	Best R.	_____
B. Comprehensive General Liability		\$	_____
Ins. Co.	_____	Best R.	_____
C. Automobile Liability and Physical Damage		\$	_____
Ins. Co.	_____	Best R.	_____
D. Professional Liability/Errors & Omissions		\$	_____
Ins. Co.	_____	Best R.	_____
	TOTAL	\$	_____
E. Umbrella - \$2,000,000		\$	_____
	\$5,000,000	\$	_____
Ins. Co.	_____	Best R.	_____

Firm Name _____
by _____
Authorized Representative

GENERAL SPECIFICATIONS

NAMED INSURED:

City of Newberg, Oregon
Any member of the governing body, collectively
or individually
Any member of boards or commissions, collectively
or individually
Any official
Any employees, agents or volunteers, while acting
in their official capacity
Newberg Rural Fire Protection District.

Newberg Community Hospital is included as a named
insured for all purposes except Comprehensive
General Liability and Malpractice Coverage,

LOCATION:

414 E. First Street
Newberg, Oregon 97132

INCEPTION DATE:

June 30, 1982 - 12:01 a.m.

PERIOD OF COVERAGE:

Twelve Months
June 30, 1982 to August 2, 1983

COMPANY'S PLEASE NOTE:

All exceptions to the following specifications must
clearly be noted in writing, along with the quotation,
or those coverages will be warranted by the Company.

A specimen policy with endorsements to be used shall
be submitted with each bid. The insurance company
and its current best rating must be stated. Explain
what services your firm intends to provide in
connection with this coverage.

LIABILITY AND AUTO INSURANCE

LIMIT OF LIABILITY: \$500,000 Combined Single Limit

Coverages to include by Special Endorsement,
if necessary

Occurrence Basis for Coverage

Owners and Contractors Protective

X.C.U.

Blanket Contractual for both written and oral

Products and Completed Operations

Host Liquor

Incidental Malpractice

Automobile Liability and Physical Damage - See Schedule
PIP (\$5,000)

Uninsured Motorists (\$500,000)

Non-Owned, Hired and Leased Auto

Provisions for Newly Acquired Automobiles, Premises
and Operations

Personal Injury Liability including, but not limited to
the following hazards on a nonparticipating basis:

1. Libel
2. Slander
3. False Arrest or Wrongful Eviction
4. Wrongful Detention or Imprisonment
5. Slander or Defamation
6. Personal Injury Liability Coverage,
Delete Exclusions A and C
7. Include Coverage G entitled "Interference
with Contractual Relationships"
8. Add Coverage H entitled "Assault or Battery
Committed for the Purpose of Protecting
Persons, Property or Incident to an Arrest"

Broad Form Property Damage

Comprehensive General Liability

Garagekeepers Legal Liability, comprehensive form -
\$75,000 limit, \$50/\$100 deductible

Minimum 60 days written notice of cancellation.

Coverage for ORS 30.260 to 30.300 inclusive, generally
known as the Oregon Tort Act, including, but not limited
to errors and omissions, wrongful acts, professional
services, and discrimination. No percentage of contri-
bution toward settlement or payment of any loss by the
Insurer without the consent of the Insured.

Violation of property rights or deprivation of any
rights, privileges or immunities secured by the
Constitution and the Laws of the United States of
America and the several states.

COVERAGE FOR:

Issuance of Permits

Preparation/Approval of maps, plans or surveys
Inspection and Engineering Services

EXCESS LIABILITY

LIMITS:

Quote - \$2,000,000
\$3,000,000
\$5,000,000

Retention: \$ 10,000

Type: Following Form - for all preceding coverages.
Insurer to provide defense.

PROPERTY MINIMUM SPECIFICATIONS

PERILS INSURED AGAINST:

Fire, Extended Coverage, Vandalism, Malicious Mischief, and Special Form Endorsement. Forms to equal CFO 13 and CFO 14 or better.

INSURANCE AMOUNTS:

See Summary of General Appraisal of 4/80 and Update.

COVERAGE ENDORSEMENTS:

Blanket insurance on buildings and equipment with a \$1,000 quote per occurrence deductible. The policy shall include an agreed amount clause, replacement cost endorsement, endorsement for contingent liabilities from building laws, and demolition.

EXTRA EXPENSE TO CONTINUE NORMAL OPERATIONS:

The named insured may apply, of the amount specified in the coverage paragraph, an amount of insurance equal to TEN PERCENT (10%) of the replacement value of any building covered under this policy, BUT IN ANY EVENT NOT TO EXCEED THIS COMPANY'S PRO RATE PROPORTION OF ONE HUNDRED THOUSAND DOLLARS (\$100,000) to cover in the event of damage to or destruction of any building, the extra expense necessarily incurred and actually disbursed by the named insured in order to continue as nearly as practicable his normal operations for the period of time, commencing with the date of damage or destruction and not limited by the date of expiration of this policy, required with the exercise of due diligence and dispatch to restore the building to a tenantable condition.

As respects the above paragraph, the term "normal" shall mean the condition that would have existed had no loss occurred.

PERSONAL PROPERTY LEFT IN THE INSURED'S CARE, CUSTODY AND CONTROL:

The named insured may apply up to FIVE PERCENT (5%) of the amount specified under the coverage section, BUT IN ANY EVENT NOT TO EXCEED THIS COMPANY'S PRO RATA PROPORTION OF ONE HUNDRED THOUSAND DOLLARS (\$100,000) IN THE AGGREGATE AS THE RESULT OF ANY ONE OCCURRENCE, to cover personal property left in the care, custody or control, including employees of the named insured, while such property is located on premises owned or occupied by the named insured, or while such property is temporarily located elsewhere than on premises owned or occupied by the named insured.

INLAND MARINE:

*Schedule attached for All Risk/Replacement Cost.

MEMO TO: Mike Warren, City Administrator

FROM: Rick Faus, City Attorney

DATE: February 17, 1982

SUBJECT: Estimate of Insurance Costs for Fiscal Year
1982-1983

The estimate prepared below is based upon the current cost for insurance to the City of Newberg plus my analysis of past costs and the following three other market factors: A) Whether or not the market for insurance will be soft or hard this year as compared with last years market which was extremely soft and resulted in considerable savings to the City; B) A standard inflation rate percentage increase estimated to be approximately 10%; C) The effect of the deductible amount on insurance policies.

The cost for insurance for the City of Newberg for fiscal year 1981-1982 was as follows:

1. Property Insurance -	\$3,355.00
2. All Liability Insurance -	\$24,225.00
SUBTOTAL	\$27,580.00
3. Boiler Policy	1,973.00
4. Employee Bonds	992.00
5. Volunteer Firefighters Policy Prorate	239.00
 TOTAL COST	 \$30,784.00

The total cost for insurance in the fiscal year 1979-1980 was \$52,967.00.

The total cost for insurance in fiscal year 1980-1981 was \$44,629.00.

City in FY 81-82 saved nearly \$14,000.00 in insurance costs due primarily to the entry of the League of Oregon Cities into the insurance market resulting in an extremely competitive market and extremely soft market. The League of Oregon Cities policy last year was the high bidder out of 4 with a total of \$38,170.00 for insurance costs. All other private bidders came in lower than that at \$32,739., \$29,972. and \$27,580. for total property and liability coverage. We went with the lowest bidder.

This year we cannot expect that the insurance coverage market will be as soft and flexible as it was last year now that League of Oregon Cities Policy Bidders estimates are generally known. Further, we simply cannot expect a soft market to hold up. The following is my lump sum estimate for these coverages as follows:

1. Property and Liability, Boiler, Employee Bonds and Firefighter coverage - TOTAL COST for FY 82-83 is estimated at \$40,000.00. This estimate is derived as follows: costs from last year at \$30,784.00 plus a 10% inflation factor of \$3,078.00 for a total of \$33,862.00 plus an additional \$6,138.00 or 18.13% as a fudge factor as a precaution against the insurance market hardening and estimates coming in substantially higher than last year.

NOTE: As you can see from looking at past years, an estimate of \$40,000.00 for insurance coverage is quite conservative as we have seen large reductions in past years. However, I have a feeling that the market may steady or go up insurances. This estimate could be commensurately reduced by as much as \$10,000.00 if the City were to adopt a substantially higher deductible than the \$1,000.00 deductible currently present in our liability policies. A deductible of from \$2,000.00 to \$5,000.00 could reduce our insurance costs to approximately \$30,000.00 from this estimate if this deductible were specified in the bidding specifications at a later date.

The estimate of \$40,000.00 is a conservative estimate for insurances. The market is extremely volatile and substantial savings could result if the market improves and if a larger deductible is adopted.

RDF:fj

CITY OF NEWBERG
BID PROPOSAL
FOR
PROPERTY AND CASUALTY INSURANCE

Bid Opening: Friday, July 24, 1981
2:00 P.M. PDLT
City Hall
Newberg, Oregon 97132

Name of Bidder: RUSHLOW-BUSCH INSURANCE, INC. (Harlan R. Crop)

Address of Bidder: P. O. Box 697, Hillsboro, OR 97123

It is agreed that this proposal is based on the Specifications dated, June 30, 1981, and from information gathered independently by the Bidder; that the premiums quoted are on a "flat" basis and not subject to audit unless specified otherwise. Cancellation on all policies shall be subject to at least 30 days notice.

* A.	Property (Ranger Ins. Co. - BESTS Rating A+15)	\$ 3,355.00
** B.	Comprehensive General Liability (Compass Ins. Co. - BESTS Rating A12)	\$ 9,576.00
** C.	Automobile Liability and Physical Damage (Compass Ins. Co. - BESTS Rating A12)	\$ 8,614.00
** D.	Professional Liability/Errors & Omissions	\$ 2,234.76
TOTAL		\$ 23,779.76
E.	Umbrella - \$2,000,000	\$ 3,130.00
	\$5,000,000	\$ 3,800.00
	(Chicago Ins. Co. - BESTS Rating A+11)	

Firm Name RUSHLOW-BUSCH INSURANCE INC.
by *Don J. Busch*
Authorized Representative

- * Replacement Cost Coverage on Buildings Only - Property Insurance
Quotation Includes Contractors Equipment Subject to \$100 Deductible
- ** Quoted at Limits of \$500,000 Combined Single Limit Per Occurrence.
- ** D. Professional Liability/Errors & Omissions - Compass Ins. Co. BESTS A12
Difference In Conditions - First State Ins. Co. BESTS A+15

Retrospective Rating Plan Agreement

SAIF CORPORATION

This agreement, entered into between the State Accident Insurance Fund, hereinafter called "SAIF" and

CITY OF NEWBERG

NEWBERG COMMUNITY HOSPITAL

hereinafter called "INSURED";

Whereas, SAIF is authorized by law to provide workers' compensation and employers' liability coverage to Oregon employers;

Whereas, the INSURED desires to obtain workers' compensation and employers' liability insurance coverage with SAIF as a contributing employer under a Retrospective Rating Plan:

Now, therefore, the parties agree as follows:

Section I. Coverage Period

SAIF, beginning July 1, 1981 will provide the INSURED with workers' compensation coverage under Oregon's Workers' Compensation Law, and employers' liability insurance coverage in accordance with SAIF Policy 24.10, "Employers' Liability Coverage." This agreement and these coverages remain in effect until cancelled under provisions of Section VI of this agreement.

Section II. Limitations and Exclusions

The standard workers' compensation and employers' liability coverage, plus other special coverages endorsed, will be included in this plan unless specifically excluded as designated in Schedule I.

Section III. Retrospective Premium Evaluation

The retrospective premium chargeable under this plan shall be evaluated and adjusted by SAIF on the basis of premiums earned and losses incurred during each rating period. Calculations will be in accordance with the National Council on Compensation Insurance Retrospective Rating Plan-D as filed with the Oregon Insurance Division, and the rating formula and factors in Schedule I, and each subsequent Schedule I as amended for each subsequent rating period.

The first evaluation will be made within eight months after the completion of each rating period. Additional evaluations will be made every twelve months thereafter until the final adjustment. However, if there are not claims open or in litigation at the time of the fourth or any subsequent evaluation, that evaluation will be the final adjustment.

There shall be no interim premium adjustments upward or downward from the standard evaluation periods as described.

A new Schedule I, which may have modified rating factors, will be made a part of this agreement for each new rating period.

Section IV. Payments

The INSURED agrees to pay the standard premium as computed from the payroll report less any premium deferment authorized by SAIF as indicated in Schedule I and also pay the Workers' Compensation Department charges assessed. The INSURED agrees to make all payments timely as developed from the payroll reports and retrospective premium evaluations.

Any balance not paid by the due date of the payroll report or statement will accrue interest at the rate of one percent (1%) per month or part of the month following the date upon which such payment became due.

If, after each evaluation of the retrospective premium, the premium exceeds the amounts paid, the INSURED will pay the difference to SAIF. If the retrospective premium is less than the amount paid, SAIF will refund the difference.

Section V. Dividends

The premiums under this agreement will be eligible for any dividend that may be declared by SAIF covering periods for which this agreement is in effect. Any dividends so declared, may be applied to Company's account as a credit against the retrospective rated premium computation as outlined in Section III of this agreement.

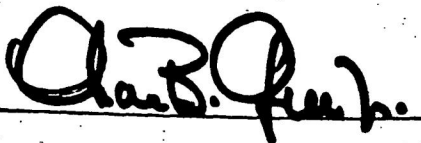
Section VI. Cancellation

It is understood and agreed that this agreement shall remain in full force and effect unless cancelled in writing by the INSURED or SAIF at least thirty (30) days prior to date of cancellation, or unless cancelled by mutual agreement or nonpayment of renewal fee.

If cancellation is effected by the INSURED any time other than at the end of each rating period (policy year), NCCI Retrospective Rating Plan Rules covering cancellation shall apply in determining the retrospective rated premium. The minimum premium shall be the standard premium.

SAIF retains the right to cancel the INSURED's coverage and the plan if payments are not received timely. The plan is automatically cancelled at the end of the rating period (policy year) which the INSURED fails to pay the required renewal fee.

Signed this 26 day of June, 19 81



Charles B. Gili, Jr., President

Regional Director

INSURED(S): CITY OF NEWBERG

Signature Michael Warren

Title city administrator

INSURED: NEWBERG COMMUNITY HOSPITAL

Signature

Title

Administrato

SAIF CORPORATION

Schedule I.

A new Schedule I will be made a part of this agreement for each new rating period.

INSURED: CITY OF NEWBERG

NEWBERG COMMUNITY HOSPITAL

Special coverages extended to the INSURED which are excluded from this agreement and premiums charged separately: N/A

Deferred premium allowed in this agreement until first evaluation.

To report payrolls monthly and to remit sixty per cent (60%) of the actual standard premium plus the workers' compensation department's workday assessment due.

* **Retrospective Rating Factors** for rating period July 1, 1981 to July 1, 1982

The Insured may elect, as an option, to close this plan at the first, second, third or fourth evaluation following the completion of the full rating period with a Loss Development factor of the following amount to be applied to the incurred losses for the period of the plan:

		Loss Development Factors	
Minimum Premium Factor	B x TM	1st Evaluation	1.180
Maximum Premium Factor	1.170	2nd Evaluation	1.120
Tax Multiplier	1.070	3rd Evaluation	1.060
Loss Conversion Factor	1.200	4th Evaluation	1.000

Standard Premium:	<u>65,000</u>	<u>130,000</u>	<u>195,000</u>
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* Basic Premium Factor:	<u>.345</u>	<u>.265</u>	<u>.220</u>
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The Tax Multiplier and Excess Loss Limitation Factor are subject to change during the rating period as approved by the Oregon Insurance Division.

Formula

* These factors are subject to change July 1, 1981. You will be notified of any change.

* **Retrospective Rated Premium =**

$$\begin{aligned}
 & \left[\begin{array}{c} \text{Cost of Administration} \\ \text{and Insurance Charge} \end{array} \right] + \left[\begin{array}{c} \text{Cost of Claims Processing and Incurred Losses} \end{array} \right] \\
 & \left[\begin{array}{c} \text{Tax} \\ \text{Multiplier} \end{array} \right] \times \left[\begin{array}{c} \text{Basic} \\ \text{Premium} \\ \text{Factor} \end{array} \right] \times \left[\begin{array}{c} \text{Standard} \\ \text{Premium} \end{array} \right] + \left[\begin{array}{c} \text{Tax} \\ \text{Multiplier} \end{array} \right] \times \left[\begin{array}{c} \text{Loss} \\ \text{Conversion} \\ \text{Factor} \end{array} \right] \times \left[\begin{array}{c} \text{Losses} \end{array} \right] \times \left[\begin{array}{c} \text{Loss} \\ \text{Development} \\ \text{Factor} \end{array} \right]
 \end{aligned}$$

* The basic premium factor will be determined by linear interpolation between the basic premium factors shown in the table above by using the INSURED's actual standard premium for the rating period.

** Subject to maximum limitation of (standard premium) x (maximum premium factor) and short-rate penalties for cancellation.

SAIF CORPORATION

Schedule I.

A new Schedule I will be made a part of this agreement for each new rating period.

INSURED: CITY OF NEWBERG

NEWBERG COMMUNITY HOSPITAL

Special coverages extended to the INSURED which are excluded from this agreement and premiums charged separately: N/A

Deferred premium allowed in this agreement until first evaluation.

To report payrolls monthly and to remit sixty per cent (60%) of the actual standard premium plus the workers' compensation department's workday assessment due.

* **Retrospective Rating Factors** for rating period July 1, 1981 to July 1, 1982

The Insured may elect, as an option, to close this plan at the first, second, third or fourth evaluation following the completion of the full rating period with a Loss Development factor of the following amount to be applied to the incurred losses for the period of the plan:

			Loss Development Factors
Minimum Premium Factor	B x TM	1st Evaluation	1.180
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Loss Conversion Factor	1.200	4th Evaluation	1.000

Standard Premium:	<u>65,000</u>	<u>130,000</u>	<u>195,000</u>
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* Basic Premium Factor:	<u>.345</u>	<u>.265</u>	<u>.220</u>
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The Tax Multiplier and Excess Loss Limitation Factor are subject to change during the rating period as approved by the Oregon Insurance Division.

Formula

*These factors are subject to change July 1, 1981. You will be notified of any change.

** Retrospective Rated Premium =

$$\begin{aligned}
 & \left[\begin{array}{c} \text{Cost of Administration} \\ \text{and Insurance Charge} \end{array} \right] + \left[\begin{array}{c} \text{Cost of Claims Processing and Incurred Losses} \end{array} \right] \\
 & \left[\begin{array}{c} \text{Tax} \\ \text{Multiplier} \end{array} \right] \times \left[\begin{array}{c} \text{Basic} \\ \text{Premium} \\ \text{Factor} \end{array} \right] \times \left[\begin{array}{c} \text{Standard} \\ \text{Premium} \end{array} \right] + \left[\begin{array}{c} \text{Tax} \\ \text{Multiplier} \end{array} \right] \times \left[\begin{array}{c} \text{Loss} \\ \text{Conversion} \\ \text{Factor} \end{array} \right] \times \left[\begin{array}{c} \text{Losses} \end{array} \right] \times \left[\begin{array}{c} \text{Loss} \\ \text{Development} \\ \text{Factor} \end{array} \right]
 \end{aligned}$$

*The basic premium factor will be determined by linear interpolation between the basic premium factors shown in the table above by using the INSURED's actual standard premium for the rating period.

**Subject to maximum limitation of (standard premium) x (maximum premium factor) and short-rate penalties for cancellation.

MEMORANDUM
22 June 1982

TO: Mike Warren City Administrator

FROM: Clay Moorhead, Planning Director *cem*

RE: Villa Property, City owned property lying directly south of the intersection of 99W and Villa Road identified as Yamhill County Tax Lot No. 3220BA-900

The City owns a parcel of land located at the intersection of Villa Road and Highway 99W. The tract of land contains .4 Acre and is located on the south of the highway between Safeway and Artic Circle. The property was the site of the "Haskel's Drive-In" which served homemade ice cream and hamburgers. The property was purchased by the City in 1976 for the purpose of extending Villa Road from Highway 99W down to the St. Paul Highway. In order to have adequate right-of-way for this road extension it is still necessary to condemn or purchase additional land from the Safeway property and the Nazarene Church property. It is apparent that the Villa Road construction project will not be underway for at least a one year period. Depending upon funding sources and prioritization of capital improvement projects, it may be a number of years before this improvement is completed. The property is currently under the title ownership of the City of Newberg. Because the land is under public ownership it now has a tax exempt status.

The question has arisen as to whether the City should consider the lease of the property on a short term basis until such time as the Villa Road extension project could be realized. The following points of consideration have been prepared for review of this question.

1. If the property is used for other than a public purpose then the tax exempt status would be removed and the City would be responsible for payment of full taxes associated with the value of the property. In reviewing the property with other parcels in the vicinity of similar size, it is estimated that the assessed value for the land would range from \$65,000 - \$85,000. Using a figure of \$21/thousand for total taxes, it could be expected that taxes for the property would range from \$1,365 to \$1,785.
2. The property is located at the intersection of Villa Road and Highway 99W. It should be noted that, if Villa Road were to be extended, it would be extended through this property. In viewing the property with this consideration, access into the property could be considered to be a hazard. If the property

were used for commercial purposes, then limiting the exiting from the property onto the highway to a "right turn only" should be strongly considered. In addition, different types of uses have varying traffic demands. The least amount of traffic demands will also have the least amount of potential traffic hazard.

3. Insurance. Currently the City carries liability insurance on the property. If the property were to be used for other than public purposes, additional insurance would be required. The cost of this insurance could be paid for by the City as part of the leasing arrangements or could be required to be paid by any tenant.

4. Improvements. Currently about half of the lot has an asphalt surfacing. The existing slab foundation from the drive-in still exists within the asphalt area. The balance of the property to the rear is flat and currently unimproved. Individual sewer and water connection services are currently found on the property which are left over from the drive-in. The water meter has been removed and both lines have been capped. Almost any use that could be placed on the property would need sewer and water services. It would be necessary for any potential user to pay the appropriate connection and plumbing fees to utilize these services.

There appear to be 3 primary options available. These are:

- A. Do nothing with the property and leave it as is.
- B. Improve the property for some public purpose.
- C. Lease the property for an appropriate use.

Under option "A" the only costs incurred by the City would be that of continuing the liability insurance on the property and provide for the occasional mowing of the grass in the rear of the property for general cleanliness. This option would have no adverse effect other than the lack of any potential revenue that may otherwise be derived from the property through leasing.

B. The City may wish to utilize the property for some other public purpose. The public purpose may only be that the City wishes to increase the general appearance and livability of the community and thereby provide some general cleaning up and landscaping for the property. The property would provide an attractive location for this type activity since it is located at one of the main intersections within the commercial area of Newberg. There may be other public purposes which the property may be suitable for such as parking space, a location for a coin operated water vending machine, storage buildings for public or semi-public items or other uses which have not been identified. The adverse affects associated with this condition would only be relative to the type of vehicular traffic which may be permitted into the lot. If the lot were used for open space or general aesthetic purposes then no adverse affects would be realized.

C. Utilizing the property for commercial revenue. In accepting this option, the City may receive adequate amounts of revenue to cover the costs of taxes and insurance and still provide additional revenue into the General Fund. It is not expected that revenue generated through this option would be very significant and the cost of administering the care of the property and dealing with the tenants and the lease may outweigh the actual revenue generated from the property. Any potential user of the property would be required to go through the City's adopted site review procedures which will require that a percentage of the lot be landscaped. Since the use of the property would be on a temporary basis (even though the actual use of the property may extend for several years pending the road improvement project) then landscaping may also be provided from temporary or portable methods. The Site Review Ordinance will also provide some controls relating to the type of structure, access, parking and signs relating to potential uses. There are several potential adverse effects related to this proposal which include the following:

1. All commercial uses demand traffic access along Highway 99W. Any vehicular generation into or out of the lot may create a potential traffic hazard because of the lots location in relationship to the intersection of 99W and Villa Road.
2. The public expense in administering the use of the property may exceed the revenues received from the property.
3. There may be some public reaction to the City for allowing the commercial use of the property.

If the property is used for commercial purposes, very clearly, the development of the property should be used to set an example for a quality type development. The City recently adopted a Site Review Ordinance which will upgrade and maintain the general livability of the community by requiring quality development. Since this is public property, and the public adopted the Site Review Ordinance, then the public or the City in this case, should insure it be used as an example of quality development under this program. The ability to achieve this goal will depend upon the individual tenant, the type of use, and the overall viability of putting together the project.

In order to determine whether there was an interest in the lease of the property, the Planning Department solicited proposals from various individuals and placed an ad within the newspaper soliciting proposals for the lease of the property. The ad was run for 2 weeks. Proposals were received from David Luty of Santana Motors, Inc. for the placement of a used car lot, by Michael Szabo for a used car lot and from Bill O'Connor, senior pastor for the Church of the Nazarene located behind the property for open space uses. The only proposal which identified a potential rental or lease rate came from Michael Szabo who indicated that he felt that \$330 per month would be a reasonable rent to utilize the property for a used car lot. This matter was reviewed by the

Public Works Committee. Mr. Fowler of Fowler Tire was present and represented himself as a partner with Michael Szabo for consideration of the property for a used car lot. The general consensus of the Committee was that the property should be used to generate whatever revenue could be obtained. The Committee is recommending to the Council that they consider the proposal from Michael Szabo for a used car lot, in that he is the only individual who actually indicated a potential dollar figure for the monthly lease of the property.

In accordance with your policies, the use of City public property should come from a formal decision of the entire Council. Council should consider all the options available, together with the recommendations of the Public Works Committee prior to making their decision on the matter. If the Council does approve of the idea of utilizing the property for commercial purposes, then it is recommended that any lease that is prepared by the City contain the following conditions:

1. That the lease be limited to a one year period. Extensions of time may be permitted by the Council after a report has been provided by City Staff relating to the expenditures versus the revenue generated, any potential adverse affects that may have arisen or that are likely to arise and the general ability of the tenant to comply with the conditions within the lease.
2. Any tenant must pay all costs incurred for sewer and water connections.
3. The tenant must maintain all appropriate insurance and must show proof thereof.

AGENDA
ADJOURNED COUNCIL MEETING
JUNE 28, 1982
7:30 P.M. CITY COUNCIL CHAMBERS

I. ROLL CALL

II. OLD BUSINESS:

1. Charter Revision

III. NEW BUSINESS:

1. Liability/Property Insurance Bids and
Workman's Comprehensive Plan Proposals.
2. Villa Road Property

TO: Budget Committee

June 28, 1982

FROM: Arvilla Page, Finance Officer

Arvilla Page

SUBJECT: Supplemental Budget 1981-1982

As you know, the Newberg Community Hospital is owned by the City of Newberg. Because of this fact, the City is required to include the hospital budget within its budget document and the hospital must comply with all the laws and administrative rules in the same manner as the City.

Mr. Palmer informed me that the hospital has a detailed working budget in addition to the budget which is published in our budget document. He stated that he had been watching the Detail Budget closely and just now realized that there was a problem meeting the legal requirements in the published budget.

The situation is that higher use (additional revenues) of the hospital has created more expense. This additional expense exceeded the Contingency Account in the operating fund. Also, planned Capital Improvements were not completed in 1980-1981 leaving a larger than anticipated Fund Balance. The Improvements were completed in 1981-1982 but need to be budgeted in order to comply with Oregon Budget Law.

I am attaching Mr. Palmer's note to me with his explanation of the situation.

Dave Van Grunsven
C. Stouffer
L. Hall
Charlie Carlisle
Donna Proctor
Wingert Walker

absent
LaBonte
Wilson

TO: Anilla Page
FROM: Dan Palmer
RE: Supplemental Budgets FY 82

6/9/82

Operating Fund

Resources:

Operating Revenue	900,000
Deductions from Revenue	< 400,000 >

Total Additional Resources \$ 500,000

Requirements:

Personal Services	400,000
Materials & Services	<u>100,000</u>

Total Additional Requirements \$ 500,000

The hospital utilization during FY 82 has been greater than was projected at the time the annual Budget was prepared. Increased utilization has produced more revenue and required increased expenditures. This Supplemental Budget is being presented as allowed by ORS 294.480. in order to authorize expenditure of the additional resources.

Capital Improvement Fund

Resources:

Beginning Fund Balance	<u>683,000</u>
------------------------	----------------

Total Additional Resources.	<u>683,000</u>
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Requirements:

Equipment	200,000
-----------	---------

Additions to Plant	<u>483,000</u>
--------------------	----------------

Total Additional Requirements.	<u>683,000</u>
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Actual Construction expenditures in FY 1981 were \$ 755,390 under budget, leaving large carryovers of both resources and requirements. This Supplemental Budget is being presented as allowed by ORS 294.480 in order to authorize expenditure of the additional resources.

MEMO TO: Mike Warren, City Administrator

FROM: Rick Faus, City Attorney

DATE: June 22, 1982

SUBJECT: City Charter Revision - Agenda Item for Adjourned Newberg
City Council Meeting of Monday, June 28, 1982

The purpose of this meeting is to review at public hearing the proposed revision of the Newberg City Charter which was drafted by the Mayor's Task Force Committee for City Charter Revision. Members of the Mayor's Task Force Committee have been notified of this meeting of the City Council and we hope to have a number of them present. Councilmen should bring with them the following materials for their review:

1. The two redrafts of the Charter, one showing all changes and one simply showing the new Charter, which were contained in the Council packet for the June 7, 1982 meeting, Agenda Item VI-3.
2. The compilation of minutes from all the Mayor's Task Force Committee Meetings which were sent to the Council members last week with their regular packet delivery.

With these materials in hand and having already been reviewed by the Council, I would propose that we go through the draft of the new Charter on a page-by-page basis and enter into any discussions or clarifications the Council has as we go through the draft. I believe that Chairman Post's letter which was part of the June 7th Council materials accurately outlines the major revisions contained in the Charter.

RDF:fj

MEMO TO: Mike Warren, City Administrator

FROM: Rick Faus, City Attorney

DATE: June 22, 1982

SUBJECT: Property/Liability Insurance Bids and
Workmans Compensation Proposals - Agenda Item for
Adjourned City Council Meeting on Monday, June 28, 1982

The purpose of Council action with regard to this item will be to approve the insurance bids for all City insurance coverages for fiscal year 1982-1983 to include the hospital for coverages except Comprehensive General Liability Malpractice Coverage. I have attached the following items:

- A. Invitation to Bid
- B. A blank bid proposal form
- C. A four page statement of our specifications
- D. My memorandum of February 17, 1982 which estimated insurance costs for fiscal year 1982-1983. It should be noted this estimate did not include the hospitals portion of any insurance charge and did not include Workmans Compensation coverage.
- E. A copy of the winning bid proposal summary from last year from Rushlow-Busch Insurance.
- F. A copy of our Workmans Compensation policy for fiscal year 1981-1982.

Bids for Property/Liability Insurance coverage are due to be received by 3:00 P.M. Monday, June 28, 1982 and the bid summaries will be made available to the Council at the time of the Council meeting. They will be evaluated and a recommendation made by staff for the meeting. At this time specifications have been provided to the four agencies that provided bids last year and additionally four more agencies have picked up specifications pursuant to our advertising. Thus, it is possible we may have as many as eight bidders for our insurance coverage. With regard to Liability Property Insurance coverage my recommendation is that the winning bid should be awarded on the following basis:

- A. To the lowest cost insurance coverage meeting our specifications.
- B. As the result of the award we will award Agent of Record status to the prevailing bidder for the coming year.
 - 1. Once we have awarded the bid and Agent of Record status has been obtained by the winning bidder we should evaluate with our Agent of Record on an actuarial and cost saving basis such issues as potential cost savings versus risks to the City of raising the deductible limit.

With regard to Workmans Compensation Coverage quotations, we have appointed at this time for the purposes of receiving quotations only for Workmans Compensation coverages:

- A. State Accident Insurance Fund for the purposes of providing a quotation for Workmans comp. coverage through SAIF.
- B. William Thomas of Phillippay/Thomas Insurance for the purposes of obtaining a quotation for Workmans comp. coverage from EBI Companies who are now the current carriers of coverage through the League of

- Oregon Cities City/County Insurance Services Program; and
- C. Harlan Crop of Fred S. James Company to act as Agent of Record for the purposes of obtaining quotations from all other companies offering Workmans Comp. coverage.

These quotations will be available for the Monday City Council meeting and the quote from EBI has just been obtained today from Mr. Thomas.

Last year major savings were obtained from SAIF coverage by going to a retrospective rating system and the market has gotten considerably softer over the past year. The criteria for awarding Workmans Comp Coverage should be based on which company will provide us with the lowest premium over a years time. Most probably, on a retrospective rating basis. These proposals will be evaluated and a recommendation made by the time of the meeting of the Council on Monday.

RDF:fj

INVITATION TO BID INSURANCE

**City of Newberg
City Hall
414 E. First St.
Newberg, Oregon 97132**

The City of Newberg invites bids on the following insurance coverages:

**Property
Comprehensive General Liability
Automobile Liability and Physical Damage
Professional Liability/Errors & Omissions
Umbrella**

Sealed bids are to be received no later than 3:00 P.M., PDT., on Monday, June 28, 1982, in the office of the City Administrator, City Hall, 414 E. First Street, Newberg, Oregon 97132. Bids will then be publicly opened and read by the City Administrator, City Hall, Newberg, Oregon.

Any and all proposals received after the time specified shall be returned unopened.

Specifications may be obtained from the office of the City Administrator, City Hall, 414 E. First Street, Newberg, Oregon 97132.

The contract for coverage will either be awarded or all proposals rejected within 30 calendar days after the opening.

The City of Newberg reserves the right to reject any and all proposals, to waive informalities, and to accept that proposal which will serve the best interests of the City.

**Michael Warren
City Administrator**

Published: June , 1982.

Bid Opening: Monday, June 28, 1982
3:00 P.M., PDLT
City Hall, Office of the City Administrator
Newberg, Oregon 97132

Address of Bidder: _____

Ins. Co. _____ Best R. _____

by _____
Authorized Representative

GENERAL SPECIFICATIONS

NAMED INSURED:

City of Newberg, Oregon
Any member of the governing body, collectively
or individually
Any member of boards or commissions, collectively
or individually
Any official
Any employees, agents or volunteers, while acting
in their official capacity
Newberg Rural Fire Protection District.

Newberg Community Hospital is included as a named
insured for all purposes except Comprehensive
General Liability and Malpractice Coverage,

LOCATION:

414 E. First Street
Newberg, Oregon 97132

INCEPTION DATE:

June 30, 1982 - 12:01 a.m.

PERIOD OF COVERAGE:

Twelve Months
June 30, 1982 to August 2, 1983

COMPANY'S PLEASE NOTE:

All exceptions to the following specifications must
clearly be noted in writing, along with the quotation,
or those coverages will be warranted by the Company.

A specimen policy with endorsements to be used shall
be submitted with each bid. The insurance company
and its current best rating must be stated. Explain
what services your firm intends to provide in
connection with this coverage.

LIABILITY AND AUTO INSURANCE

LIMIT OF LIABILITY:

\$500,000 Combined Single Limit

Coverages to include by Special Endorsement,
if necessary

Occurrence Basis for Coverage

Owners and Contractors Protective

X.C.U.

Blanket Contractual for both written and oral
Products and Completed Operations

Host Liquor

Incidental Malpractice

Automobile Liability and Physical Damage - See Schedule
PIP (\$5,000)

Uninsured Motorists (\$500,000)

Non-Owned, Hired and Leased Auto

Provisions for Newly Acquired Automobiles, Premises
and Operations

Personal Injury Liability including, but not limited to
the following hazards on a nonparticipating basis:

1. Libel
2. Slander
3. False Arrest or Wrongful Eviction
4. Wrongful Detention or Imprisonment
5. Slander or Defamation
6. Personal Injury Liability Coverage,
Delete Exclusions A and C
7. Include Coverage G entitled "Interference
with Contractual Relationships"
8. Add Coverage H entitled "Assault or Battery
Committed for the Purpose of Protecting
Persons, Property or Incident to an Arrest"

Broad Form Property Damage

Comprehensive General Liability

Garagekeepers Legal Liability, comprehensive form -
\$75,000 limit, \$50/\$100 deductible

Minimum 60 days written notice of cancellation.

Coverage for ORS 30.260 to 30.300 inclusive, generally
known as the Oregon Tort Act, including, but not limited
to errors and omissions, wrongful acts, professional
services, and discrimination. No percentage of contri-
bution toward settlement or payment of any loss by the
Insurer without the consent of the Insured.

Violation of property rights or deprivation of any
rights, privileges or immunities secured by the
Constitution and the Laws of the United States of
America and the several states.

COVERAGE FOR:

* Issuance of Permits

Preparation/Approval of maps, plans or surveys
Inspection and Engineering Services

EXCESS LIABILITY

LIMITS:

Quote - \$2,000,000
\$3,000,000
\$5,000,000

Retention: \$ 10,000

Type: Following Form - for all preceding coverages.
Insurer to provide defense.

PROPERTY MINIMUM SPECIFICATIONS

PERILS INSURED AGAINST:

Fire, Extended Coverage, Vandalism, Malicious Mischief, and Special Form Endorsement. Forms to equal CFO 13 and CFO 14 or better.

INSURANCE AMOUNTS:

See Summary of General Appraisal of 4/80 and Update.

COVERAGE ENDORSEMENTS:

Blanket insurance on buildings and equipment with a \$1,000 quote per occurrence deductible. The policy shall include an agreed amount clause, replacement cost endorsement, endorsement for contingent liabilities from building laws, and demolition.

EXTRA EXPENSE TO CONTINUE NORMAL OPERATIONS:

The named insured may apply, of the amount specified in the coverage paragraph, an amount of insurance equal to TEN PERCENT (10%) of the replacement value of any building covered under this policy, BUT IN ANY EVENT NOT TO EXCEED THIS COMPANY'S PRO RATE PROPORTION OF ONE HUNDRED THOUSAND DOLLARS (\$100,000) to cover in the event of damage to or destruction of any building, the extra expense necessarily incurred and actually disbursed by the named insured in order to continue as nearly as practicable his normal operations for the period of time, commencing with the date of damage or destruction and not limited by the date of expiration of this policy, required with the exercise of due diligence and dispatch to restore the building to a tenantable condition.

As respects the above paragraph, the term "normal" shall mean the condition that would have existed has no loss occurred.

PERSONAL PROPERTY LEFT IN THE INSURED'S CARE, CUSTODY AND CONTROL:

The named insured may apply up to FIVE PERCENT (5%) of the amount specified under the coverage section, BUT IN ANY EVENT NOT TO EXCEED THIS COMPANY'S PRO RATA PROPORTION OF ONE HUNDRED THOUSAND DOLLARS (\$100,000) IN THE AGGREGATE AS THE RESULT OF ANY ONE OCCURRENCE, to cover personal property left in the care, custody or control, including employees of the named insured, while such property is located on premises owned or occupied by the named insured, or while such property is temporarily located elsewhere than on premises owned or occupied by the named insured.

INLAND MARINE:

*Schedule attached for All Risk/Replacement Cost.

FROM: Rick Faus City Attorney

DATE: February 17, 1982

SUBJECT: Estimate of Insurance Costs for Fiscal Year
1982-1983

The estimate prepared below is based upon the current cost for insurance to the City of Newberg plus my analysis of past costs and the following three other market factors: A) Whether or not the market for insurance will be soft or hard this year as compared with last years market which was extremely soft and resulted in considerable savings to the City; B) A standard inflation rate percentage increase estimated to be approximately 10%; C) The effect of the deductible amount on insurance policies.

The cost for insurance for the City of Newberg for fiscal year 1981-1982 was as follows:

1. Property Insurance -	\$3,355.00
2. All Liability Insurance -	\$24,225.00
SUBTOTAL	\$27,580.00
3. Boiler Policy	1,973.00
4. Employee Bonds	992.00
5. Volunteer Firefighters Policy Prorate	239.00
 TOTAL COST	 \$30,784.00

The total cost for insurance in the fiscal year 1979-1980 was \$52,967.00.

The total cost for insurance in fiscal year 1980-1981 was \$44,629.00.

City in FY 81-82 saved nearly \$14,000.00 in insurance costs due primarily to the entry of the League of Oregon Cities into the insurance market resulting in an extremely competitive market and extremely soft market. The League of Oregon Cities policy last year was the high bidder out of 4 with a total of \$38,170.00 for insurance costs. All other private bidders came in lower than that at \$32,739., \$29,972. and \$27,580. for total property and liability coverage. We went with the lowest bidder.

This year we cannot expect that the insurance coverage market will be as soft and flexible as it was last year now that League of Oregon Cities Policy Bidders estimates are generally known. Further, we simply cannot expect a soft market to hold up. The following is my lump sum estimate for these coverages as follows:

1. Property and Liability, Boiler, Employee Bonds and Firefighter coverage - TOTAL COST for FY 82-83 is estimated at \$40,000.00. This estimate is derived as follows: costs from last year at \$30,784.00 plus a 10% inflation factor of \$3,078.00 for a total of \$33,862.00 plus an additional \$6,138.00 or 18.13% as a fudge factor as a precaution against the insurance market hardening and estimates coming in substantially higher than last year.

NOTE: As you can see from looking at past years, an estimate of \$40,000.00 for insurance coverage is quite conservative as we have seen large reductions in past years. However, I have a feeling that the market may steady or go up insurances. This estimate could be commensurately reduced by as much as \$10,000.00 if the City were to adopt a substantially higher deductible than the \$1,000.00 deductible currently present in our liability policies. A deductible of from \$2,000.00 to \$5,000.00 could reduce our insurance costs to approximately \$30,000.00 from this estimate if this deductible were specified in the bidding specifications at a later date.

The estimate of \$40,000.00 is a conservative estimate for insurances. The market is extremely volatile and substantial savings could result if the market improves and if a larger deductible is adopted.

RDF:fj

**CITY OF NEWBERG
BID PROPOSAL
FOR
PROPERTY AND CASUALTY INSURANCE**

Bid Opening: Friday, July 24, 1981
2:00 P.M. PDT
City Hall
Newberg, Oregon 97132

Name of Bidder: RUSHLOW-BUSCH INSURANCE, INC. (Harlan R. Crop)

Address of Bidder: P. O. Box 697, Hillsboro, OR 97123

It is agreed that this proposal is based on the Specifications dated, June 30, 1981, and from information gathered independently by the Bidder; that the premiums quoted are on a "flat" basis and not subject to audit unless specified otherwise. Cancellation on all policies shall be subject to at least 30 days notice.

* A.	Property (Ranger Ins. Co. - BESTS Rating A+15)	\$ 3,355.00
** B.	Comprehensive General Liability (Compass Ins. Co. - BESTS Rating A12)	\$ 9,576.00
** C.	Automobile Liability and Physical Damage (Compass Ins. Co. - BESTS Rating A12)	\$ 8,614.00
** D.	Professional Liability/Errors & Omissions	\$ 2,234.76
TOTAL		<u>\$ 23,779.76</u>
E. Umbrella - \$2,000,000		\$ 3,130.00
\$5,000,000		<u>\$ 3,800.00</u>
(Chicago Ins. Co. - BESTS Rating A+11)		

Firm Name RUSHLOW-BUSCH INSURANCE INC.
by *Harlan R. Crop*
Authorized Representative

- * Replacement Cost Coverage on Buildings Only - Property Insurance
Quotation Includes Contractors Equipment Subject to \$100 Deductible
- ** Quoted at Limits of \$500,000 Combined Single Limit Per Occurrence.
- ** D. Professional Liability/Errors & Omissions - Compass Ins. Co. BESTS A12
Difference In Conditions - First State Ins. Co. BESTS A+15

Retrospective Rating Plan Agreement

SAIF CORPORATION

This agreement, entered into between the State Accident Insurance Fund, hereinafter called "SAIF" and

CITY OF NEWBERG

NEWBERG COMMUNITY HOSPITAL

hereinafter called "INSURED";

Whereas, SAIF is authorized by law to provide workers' compensation and employers' liability coverage to Oregon employers;

Whereas, the INSURED desires to obtain workers' compensation and employers' liability insurance coverage with SAIF as a contributing employer under a Retrospective Rating Plan:

Now, therefore, the parties agree as follows:

Section I. Coverage Period

SAIF, beginning July 1, 1981 will provide the INSURED with workers' compensation coverage under Oregon's Workers' Compensation Law, and employers' liability insurance coverage in accordance with SAIF Policy 24.10, "Employers' Liability Coverage." This agreement and these coverages remain in effect until cancelled under provisions of Section VI of this agreement.

Section II. Limitations and Exclusions

The standard workers' compensation and employers' liability coverage, plus other special coverages endorsed, will be included in this plan unless specifically excluded as designated in Schedule I.

Section III. Retrospective Premium Evaluation

The retrospective premium chargeable under this plan shall be evaluated and adjusted by SAIF on the basis of premiums earned and losses incurred during each rating period. Calculations will be in accordance with the National Council on Compensation Insurance Retrospective Rating Plan-D as filed with the Oregon Insurance Division, and the rating formula and factors in Schedule I, and each subsequent Schedule I as amended for each subsequent rating period.

The first evaluation will be made within eight months after the completion of each rating period. Additional evaluations will be made every twelve months thereafter until the final adjustment. However, if there are not claims open or in litigation at the time of the fourth or any subsequent evaluation, that evaluation will be the final adjustment.

There shall be no interim premium adjustments upward or downward from the standard evaluation periods as described.

A new Schedule I, which may have modified rating factors, will be made a part of this agreement for each new rating period.

Section IV. Payments

The INSURED agrees to pay the standard premium as computed from the payroll report less any premium deferment authorized by SAIF as indicated in Schedule I and also pay the Workers' Compensation Department charges assessed. The INSURED agrees to make all payments timely as developed from the payroll reports and retrospective premium evaluations.

Any balance not paid by the due date of the payroll report or statement will accrue interest at the rate of one percent (1%) per month or part of the month following the date upon which such payment became due.

If, after each evaluation of the retrospective premium, the premium exceeds the amounts paid, the INSURED will pay the difference to SAIF. If the retrospective premium is less than the amount paid, SAIF will refund the difference.

Section V. Dividends

The premiums under this agreement will be eligible for any dividend that may be declared by SAIF covering periods for which this agreement is in effect. Any dividends so declared, may be applied to Company's account as a credit against the retrospective rated premium computation as outlined in Section III of this agreement.

Section VI. Cancellation

It is understood and agreed that this agreement shall remain in full force and effect unless cancelled in writing by the INSURED or SAIF at least thirty (30) days prior to date of cancellation, or unless cancelled by mutual agreement or nonpayment of renewal fee.

If cancellation is effected by the INSURED any time other than at the end of each rating period (policy year), NCCI Retrospective Rating Plan Rules covering cancellation shall apply in determining the retrospective rated premium. The minimum premium shall be the standard premium.

SAIF retains the right to cancel the INSURED's coverage and the plan if payments are not received timely. The plan is automatically cancelled at the end of the rating period (policy year) which the INSURED fails to pay the required renewal fee.

Signed this 26 day of JUNE, 19 81



Charles B. Gill, Jr., President

Regional Director

INSURED(S): CITY OF NEWBERG

Signature Michael Warren

Title city administrator

INSURED: NEWBERG COMMUNITY HOSPITAL

Signature

Title

Administrators

SAIF CORPORATION

Schedule I.

A new Schedule I will be made a part of this agreement for each new rating period.

INSURED: CITY OF NEWBERG

NEWBERG COMMUNITY HOSPITAL

Special coverages extended to the INSURED which are excluded from this agreement and premiums charged separately: N/A

Deferred premium allowed in this agreement until first evaluation.

To report payrolls monthly and to remit sixty per cent (60%) of the actual standard premium plus the workers' compensation department's workday assessment due.

* **Retrospective Rating Factors** for rating period July 1, 1981 to July 1, 1982

The Insured may elect, as an option, to close this plan at the first, second, third or fourth evaluation following the completion of the full rating period with a Loss Development factor of the following amount to be applied to the incurred losses for the period of the plan:

		Loss Development Factors	
Minimum Premium Factor	B x TM	1st Evaluation	1.180
Maximum Premium Factor	1.170	2nd Evaluation	1.120
Tax Multiplier	1.070	3rd Evaluation	1.060
Loss Conversion Factor	1.200	4th Evaluation	1.000
Standard Premium:	<u>65,000</u>	<u>130,000</u>	<u>195,000</u>
*Basic Premium Factor:	<u>.345</u>	<u>.265</u>	<u>.220</u>

The Tax Multiplier and Excess Loss Limitation Factor are subject to change during the rating period as approved by the Oregon Insurance Division.

Formula

*These factors are subject to change July 1, 1981. You will be notified of any change.

**Retrospective Rated Premium =

$$\begin{aligned}
 & \left[\begin{array}{c} \text{Cost of Administration} \\ \text{and Insurance Charge} \end{array} \right] + \left[\begin{array}{c} \text{Cost of Claims Processing and Incurred Losses} \end{array} \right] \\
 & \left[\begin{array}{c} \text{Tax} \\ \text{Multiplier} \end{array} \right] \times \left[\begin{array}{c} \text{Basic} \\ \text{Premium} \\ \text{Factor} \end{array} \right] \times \left[\begin{array}{c} \text{Standard} \\ \text{Premium} \end{array} \right] + \left[\begin{array}{c} \text{Tax} \\ \text{Multiplier} \end{array} \right] \times \left[\begin{array}{c} \text{Loss} \\ \text{Conversion} \\ \text{Factor} \end{array} \right] \times \left[\begin{array}{c} \text{Losses} \end{array} \right] \times \left[\begin{array}{c} \text{Loss} \\ \text{Development} \\ \text{Factor} \end{array} \right]
 \end{aligned}$$

*The basic premium factor will be determined by linear interpolation between the basic premium factors shown in the table above by using the INSURED's actual standard premium for the rating period.

**Subject to maximum limitation of (standard premium) x (maximum premium factor) and short-rate penalties for cancellation.

Schedule I.

A new Schedule I will be made a part of this agreement for each new rating period.

INSURED: CITY OF NEWBERG

NEWBERG COMMUNITY HOSPITAL

Special coverages extended to the INSURED which are excluded from this agreement and premiums charged separately: N/A

Deferred premium allowed in this agreement until first evaluation.
To report payrolls monthly and to remit sixty per cent (60%) of the actual standard premium plus the workers' compensation department's workday assessment due.

* **Retrospective Rating Factors** for rating period July 1, 1981 to July 1, 1982

The Insured may elect, as an option, to close this plan at the first, second, third or fourth evaluation following the completion of the full rating period with a Loss Development factor of the following amount to be applied to the Incurred losses for the period of the plan:

		Loss Development Factors	
Minimum Premium Factor	B x TM	1st Evaluation	1.180
Maximum Premium Factor	1.170	2nd Evaluation	1.120
Tax Multiplier	1.070	3rd Evaluation	1.060
Loss Conversion Factor	1.200	4th Evaluation	1.000
Standard Premium:			
	<u>65,000</u>	<u>130,000</u>	<u>195,000</u>
* Basic Premium Factor:	<u>.345</u>	<u>.265</u>	<u>.220</u>

The Tax Multiplier and Excess Loss Limitation Factor are subject to change during the rating period as approved by the Oregon Insurance Division.

Formula

*These factors are subject to change July 1, 1981. You will be notified of any change.

** Retrospective Rated Premium =

$$\begin{aligned}
 & \left[\begin{array}{c} \text{Cost of Administration} \\ \text{and Insurance Charge} \end{array} \right] + \left[\begin{array}{c} \text{Cost of Claims Processing and Incurred Losses} \end{array} \right] \\
 & \left[\begin{array}{c} \text{Tax} \\ \text{Multiplier} \end{array} \right] \times \left[\begin{array}{c} \text{Basic} \\ \text{Premium} \\ \text{Factor} \end{array} \right] \times \left[\begin{array}{c} \text{Standard} \\ \text{Premium} \end{array} \right] + \left[\begin{array}{c} \text{Tax} \\ \text{Multiplier} \end{array} \right] \times \left[\begin{array}{c} \text{Loss} \\ \text{Conversion} \\ \text{Factor} \end{array} \right] \times \left[\begin{array}{c} \text{Losses} \end{array} \right] \times \left[\begin{array}{c} \text{Loss} \\ \text{Development} \\ \text{Factor} \end{array} \right]
 \end{aligned}$$

*The basic premium factor will be determined by linear interpolation between the basic premium factors shown in the table above by using the INSURED's actual standard premium for the rating period.

**Subject to maximum limitation of (standard premium) x (maximum premium factor) and short-rate penalties for cancellation.

MEMORANDUM
22 June 1982

TO: Mike Warren City Administrator

FROM: Clay Moorhead, Planning Director *CEM*

RE: Villa Property, City owned property lying directly south of the intersection of 99W and Villa Road identified as Yamhill County Tax Lot No. 3220BA-900

The City owns a parcel of land located at the intersection of Villa Road and Highway 99W. The tract of land contains .4 Acre and is located on the south of the highway between Safeway and Artic Circle. The property was the site of the "Haskel's Drive-In" which served homemade ice cream and hamburgers. The property was purchased by the City in 1976 for the purpose of extending Villa Road from Highway 99W down to the St. Paul Highway. In order to have adequate right-of-way for this road extension it is still necessary to condemn or purchase additional land from the Safeway property and the Nazarene Church property. It is apparent that the Villa Road construction project will not be underway for at least a one year period. Depending upon funding sources and prioritization of capital improvement projects, it may be a number of years before this improvement is completed. The property is currently under the title ownership of the City of Newberg. Because the land is under public ownership it now has a tax exempt status.

The question has arisen as to whether the City should consider the lease of the property on a short term basis until such time as the Villa Road extension project could be realized. The following points of consideration have been prepared for review of this question.

1. If the property is used for other than a public purpose then the tax exempt status would be removed and the City would be responsible for payment of full taxes associated with the value of the property. In reviewing the property with other parcels in the vicinity of similar size, it is estimated that the assessed value for the land would range from \$65,000 - \$85,000. Using a figure of \$21/thousand for total taxes, it could be expected that taxes for the property would range from \$1,365 to \$1,785.

2. The property is located at the intersection of Villa Road and Highway 99W. It should be noted that, if Villa Road were to be extended, it would be extended through this property. In viewing the property with this consideration, access into the property could be considered to be a hazard. If the property

were used for commercial purposes, then limiting the exiting from the property onto the highway to a "right turn only" should be strongly considered. In addition, different types of uses have varying traffic demands. The least amount of traffic demands will also have the least amount of potential traffic hazard.

3. Insurance. Currently the City carries liability insurance on the property. If the property were to be used for other than public purposes, additional insurance would be required. The cost of this insurance could be paid for by the City as part of the leasing arrangements or could be required to be paid by any tenant.

4. Improvements. Currently about half of the lot has an asphalt surfacing. The existing slab foundation from the drive-in still exists within the asphalt area. The balance of the property to the rear is flat and currently unimproved. Individual sewer and water connection services are currently found on the property which are left over from the drive-in. The water meter has been removed and both lines have been capped. Almost any use that could be placed on the property would need sewer and water services. It would be necessary for any potential user to pay the appropriate connection and plumbing fees to utilize these services.

There appear to be 3 primary options available. These are:

- A. Do nothing with the property and leave it as is.
- B. Improve the property for some public purpose.
- C. Lease the property for an appropriate use.

Under option "A" the only costs incurred by the City would be that of continuing the liability insurance on the property and provide for the occasional mowing of the grass in the rear of the property for general cleanliness. This option would have no adverse effect other than the lack of any potential revenue that may otherwise be derived from the property through leasing.

B. The City may wish to utilize the property for some other public purpose. The public purpose may only be that the City wishes to increase the general appearance and livability of the community and thereby provide some general cleaning up and landscaping for the property. The property would provide an attractive location for this type activity, since it is located at one of the main intersections within the commercial area of Newberg. There may be other public purposes which the property may be suitable for such as parking space, a location for a coin operated water vending machine, storage buildings for public or semi-public items or other uses which have not been identified. The adverse affects associated with this condition would only be relative to the type of vehicular traffic which may be permitted into the lot. If the lot were used for open space or general aesthetic purposes then no adverse affects would be realized.

C. Utilizing the property for commercial revenue. In accepting this option, the City may receive adequate amounts of revenue to cover the costs of taxes and insurance and still provide additional revenue into the General Fund. It is not expected that revenue generated through this option would be very significant and the cost of administering the care of the property and dealing with the tenants and the lease may outweigh the actual revenue generated from the property. Any potential user of the property would be required to go through the City's adopted site review procedures which will require that a percentage of the lot be landscaped. Since the use of the property would be on a temporary basis (even though the actual use of the property may extend for several years pending the road improvement project) then landscaping may also be provided from temporary or portable methods. The Site Review Ordinance will also provide some controls relating to the type of structure, access, parking and signs relating to potential uses. There are several potential adverse effects related to this proposal which include the following:

1. All commercial uses demand traffic access along Highway 99W. Any vehicular generation into or out of the lot may create a potential traffic hazard because of the lots location in relationship to the intersection of 99W and Villa Road.
2. The public expense in administering the use of the property may exceed the revenues received from the property.
3. There may be some public reaction to the City for allowing the commercial use of the property.

If the property is used for commercial purposes, very clearly, the development of the property should be used to set an example for a quality type development. The City recently adopted a Site Review Ordinance which will upgrade and maintain the general livability of the community by requiring quality development. Since this is public property, and the public adopted the Site Review Ordinance, then the public or the City in this case, should insure it be used as an example of quality development under this program. The ability to achieve this goal will depend upon the individual tenant, the type of use, and the overall viability of putting together the project.

In order to determine whether there was an interest in the lease of the property, the Planning Department solicited proposals from various individuals and placed an ad within the newspaper soliciting proposals for the lease of the property. The ad was run for 2 weeks. Proposals were received from David Luty of Santana Motors, Inc. for the placement of a used car lot, by Michael Szabo for a used car lot and from Bill O'Connor, senior pastor for the Church of the Nazarene located behind the property for open space uses. The only proposal which identified a potential rental or lease rate came from Michael Szabo who indicated that he felt that \$330 per month would be a reasonable rent to utilize the property for a used car lot. This matter was reviewed by the

Public Works Committee. Mr. Fowler of Fowler Tire was present and represented himself as a partner with Michael Szabo for consideration of the property for a used car lot. The general consensus of the Committee was that the property should be used to generate whatever revenue could be obtained. The Committee is recommending to the Council that they consider the proposal from Michael Szabo for a used car lot, in that he is the only individual who actually indicated a potential dollar figure for the monthly lease of the property.

In accordance with your policies, the use of City public property should come from a formal decision of the entire Council. Council should consider all the options available, together with the recommendations of the Public Works Committee prior to making their decision on the matter. If the Council does approve of the idea of utilizing the property for commercial purposes, then it is recommended that any lease that is prepared by the City contain the following conditions:

1. That the lease be limited to a one year period. Extensions of time may be permitted by the Council after a report has been provided by City Staff relating to the expenditures versus the revenue generated, any potential adverse affects that may have arisen or that are likely to arise and the general ability of the tenant to comply with the conditions within the lease.
2. Any tenant must pay all costs incurred for sewer and water connections.
3. The tenant must maintain all appropriate insurance and must show proof thereof.