Thursday, 7:00 p.m. April 30, 1992

CITY OF NEWBERG
BUDGET COMMITTEE
MINUTES

Newberg Public Library Newberg, Oregon

Chair Gary Hay called the meeting to order at 7:15 p.m.

ROLL CALL:

MEMBERS PRESENT:	Loreen Edin	Ellen Bailey (7:20 p.m.)
	Melinda Newland	Rick Rementeria
	Gary Hay, Chair	
	Brian Love	Marty McIntosh (7:45 p.m.)
	Roger Gano	Eldon McIntosh
	Scott Reinhardt	Donna McCain

OTHERS PRESENT:

Duane R. Cole, City Manager
Terrence D. Mahr, City Attorney
Katherine Tri, Finance Director
Dennis Egner, Planning Director
Mike Hailey, Building Official
Diane Padilla, Asst. Finance Director
Carol Foutts, Interim Librarian

Kate Stokes, Harvest House and NHRC

MOTION: Gano/Love moved to consider adjournment at 9:00 p.m. Vote on the Motion: Carried by those present.

NEW BUSINESS:

Departmental Budget Reviews:

SOCIAL SERVICES: Duane Cole explained the process that he used to review social service needs in the community. He indicated that he sent out a grant request to the various agencies in the community. Each agency was to make a request and to provide the information on how they provide services to Newberg residents. He indicated that all proposals were excellent. He indicated that there was a slight addition to the funds for Newberg Human Resources and Henderson House. The charge for Central Services is for insurance and maintenance on the Third Street Houses. He indicated that Chehalem Valley Senior Citizens did not request funds for

Senior meals or medical. He indicated that he met with Kate Stokes and Brad Berry from NHRC and Harvest House. They discussed whether they should have separate proposals or combined proposals. It was decided it would be better for NHRC to allocate the funds. The funds provided to Henderson House are for referral service which can't be self-supported. Eldon McIntosh asked about the Senior Transportation Program and if the County levy included any additional funds.

Duane Cole indicated that this money does go for senior transportation programs according to the proposal presented by the Chehalem Valley Seniors. Eldon McIntosh asked if we could reduce this amount.

MOTION: Gano moved to reduce the contribution for Senior Transportation by $9,304. Duane Cole reviewed the City's action in asking the County to include the City and McMinnville's contributions to the Senior Transportation Program. Donna McCain discussed the fact that frequently the three busses in Newberg go around empty. She felt it would be more efficient for the service to use a van or charge a small amount. However, taxis would be cheaper. She felt it was responsible to contribute the same amount that McMinnville contributes towards the Senior Transportation Service.

MOTION: Gano/Bailey moved to reduce the Senior Transportation contribution to be equal to the City of McMinnville's ($9,000). Rick Rementeria suggested putting the balance of $9,304 in an account for the Council to evaluate at a later time. Gary Hay asked if the City could give guidance on how the system is run. Eldon McIntosh responded that the City cannot control the senior bus service. It is primarily funded with federal funds and controlled under their rules and regulations. There is one regular route - the Town Flyer and the balance is mandated services and is primarily transportation to medical appointments. He indicated that the City of Salem tried a taxi service, but that it did not work. Loreen Edin asked if we get more service in the community because we provide additional funds. Duane Cole responded that no, the City does not receive additional services. Chehalem Valley is off setting the price for seniors to ride on the bus. Less contribution will increase the cost to the users. Scott Reinhardt indicated that this is a double taxation issue. He indicated the addition to the tax levy would have been less than a cent per thousand dollars of assessed value. He agreed with setting funds aside until Chehalem Valley can prove to the City that we are getting $9,000 more in services than McMinnville. Donna McCain suggested tabling the issue until the next Budget Committee meeting. Eldon McIntosh suggested setting a time limit on the motion for Chehalem Valley to come back to the City and request the funds. The staff was questioned on whether Chehalem Valley was noticed about this meeting. Terry Mahr indicated that yes, Chehalem Valley was notified by phone that their funds would be on tonight's agenda. Donna McCain was concerned about the citizens will say if the City does not spend this money. She suggested keeping the money within the social services category.

Scott Reinhardt called for the question. The motion was restated to say, to remove $9,304 from Senior Transportation and set this money aside in a special account in social services for a period not to exceed 90 days when Chehalem Valley Senior Citizens can prove their need to City Council. If they do not do so, the funds will go to the General Contingency Fund. Vote on the Motion: Carried by those present.

Ellen Bailey asked about the funds for Henderson House. She asked about the funds going solely to McMinnville and if these funds should be designated for Newberg use only. Duane Cole indicated that the Budget Committee cannot designate these funds and it was the intention of Henderson House to use it for a program for Newberg citizens.

Kate Stokes from Harvest House spoke regarding the funds for NHRC. She indicated that they had been concerned about making a single request for NHRC or splitting the funds between NHRC and Harvest House. Harvest House needs to raise 80% of its funds. NHRC uses the funds the City gives it for basic operating expenses. She indicated that she and Brad Berry did meet with Duane and was willing to forfeit $7,500 of the Harvest House appropriation for NHRC.

MOTION: Gano/Reinhardt moved to approve the Social Service budget as amended. Vote on the Motion: Carried unanimously by those present. Marty McIntosh abstained.

PLANNING DEPARTMENT:

MOTION: Gano/Reinhardt moved to approve the Planning Department budget less the Historic Preservation loan.

Duane Cole discussed the background on the Historic Revolving Loan Fund. He indicated that this was a source of funds to be used to appease LCDC in evaluating the City's voluntary historic preservation ordinance. Denny Egner, Planning Director indicated that the $2,000 budgeted in this current fiscal year is too little and more is needed. Consequently, the staff requested $4,000 in next year's budget. Eldon McIntosh asked if this loan program was mandated by LCDC. Denny Egner indicated that no it wasn't, but by having the funds available makes the program more acceptable to the community.

Rick Rementeria questioned the increase in personal services. Denny Egner indicated that it was primarily through merit and COLA increases.

Motion withdrawn.

Roger Gano indicated that he was not against the loan program. He felt that the funds would get the program off the ground and appease those that are opposed to it. He also felt that it may help with LCDC. Denny Egner indicated that the City Council will still be adopting a resolution putting this Historic Preservation Program into effect. The Council should see this later in the summer. Roger questioned if this was a loan or a grant program, Denny indicated that it was a loan program. Rick Rementeria indicated concern regarding the amount of staff the City would need to continually operate these loan programs.

MOTION: Rementeria/McCain moved to remove the $4,000 Historic Loan Preservation Program. Vote on the Motion: 7 to 4.

Scott Reinhardt asked if the department was continuing to apply for grants. Denny Egner indicated that the department applies for grants whenever they learn about them.

MOTION: E. McIntosh/McCain moved to approve the Planning Department budget as amended. Vote on the Motion: Carried unanimously by those present.

MOTION: Gano/Rementeria moved to approve the Building Department budget minus the half-time additional inspector.

Loreen Edin questioned if there was enough activity to warrant the additional half-time inspector. Mike Hailey, Building Officials indicated that yes, there was sufficient activity. He passed out two graphs that showed building activities since 1976, and showed that there had been a steady increase in the last several years. He added that during this calendar year the staff has already seen a building activity level equal to the first six months of 1991. He added that the part-time examiner has been added for April through June as a half-time employee. Without the plans examiner it would take a single family permit four to six weeks before it could be issued. With the plans examiner the period is now at two weeks which is very respectable. He indicated that on this day, five new single family building plans were submitted for review. He felt it wasn't appropriate for the builders to have to wait until June before they could begin construction. Roger Gano asked how many inspectors the City had in 1977 through 1981. Mike Hailey responded that 1981, we had the same level of inspectors. Loreen Edin asked about the General Fund subsidy to the Building Department. Mike Hailey responded that last month, the Building Department exceeded its revenue projections for this fiscal year. Loreen Edin questioned how current our building fees were. Mike Hailey indicated that he would be addressing fees at the City Council meeting and will be recommending adoption of new fees. Gary Hay asked how the City compared to other communities. Mike Hailey indicated that our fees were almost identical to McMinnville and Yamhill County's, and are comparable to other communities in the area. Mike Hailey indicated that there are some fees that the City can adopt that the State does not control. These include reinspection fees and a fast track permit system.

Scott Reinhardt asked about adding a Plumbing Inspector and if we have evaluated adding a person permanently for this position. Mike Hailey indicated that the staff has reviewed this, but the activity does not warrant a full time employee. Scott Reinhardt indicated that supported adding a compliance officer which has been included in the decision package list. He asked if there is enough non-compliance activity to warrant a full-time employee. Mike Hailey indicated it would depend on how the program was run. The decision package would combine the plumbing and compliance activities together. He indicated that he still didn't feel that there would be enough revenue to cover the costs. Duane Cole indicated that the City had looked at Woodburn's program and their code enforcement officer only generates $8,000. Mike Hailey indicated that the Building Department is the code enforcement department and responds on a complaint basis. The half-time building inspector has allowed Mike the time to research problems and act on them. Terry Mahr added that code enforcement takes a lot of time. Roger Gano questioned if this half person would be permanent. Mike Hailey indicated yes. Roger Gano asked him if we could make this a contract employee, so that if activity falls off we don't have to lay the employee off.

MOTION: Gano/Rementeria moved to move the funds for the half-time plans examiner to professional services. <u>Vote on the Motion:</u> Six to four, one abstention (Hay).

Duane Cole agreed that we could make this employee a contract employee, however, we would have to make sure that he was covered through Workers Comp and Social Security and we would have to insure liability for their product. This would be due to the fact that if the inspector made an error and got sued, that the City protected him. Terry Mahr indicated that he didn't think the City could defend him if he were an independent contractor. Gary Hay indicated that he was confused between having a contract and a half-time employee and we should find out what would work best for the employee. Terry Mahr indicated that he was classified as a part-time employee and would be covered under the City's liability insurance, workers comp insurance and paid social security. Scott Reinhardt asked if the employee was clear that if there was sufficient work that he had a job, otherwise the job would not exist. Staff indicated that yes, they would have that understanding. The committee discussed the merits of a part-time position versus a contract employee and the potential future building activity.

MOTION: McIntosh/Reinhardt moved to reconsider the last motion. <u>Vote on the Motion:</u> Carried unanimously by those present.

MOTION: Rementeria/McCain moved to approve the Building Department budget with the part-time employee moved to separate line item labeled Plans Examiner. <u>Vote on the Motion:</u> Carried unanimously by those present.

LIBRARY:

MOTION: Gano/Reinhardt moved to approve the Library budget.

Donna McCain questioned the increase in the Regional Library Systems costs from $5,200 to $14,566. Carol Foutts, Acting Librarian indicated that CCRLS had been stable for the past three years. However, they have had to absorb costs and has asked each member library to pay their fair share. She handed out a card explaining their services to the City of Newberg and with a list of other member libraries. She indicated that for the City to duplicate their service would cost approximately $19,000. If the City had replaced the bookmobile, if it had to mail books it would cost an additional $3,000 and if the City purchased all the borrowed books, 5,452 books that were loaned through the CCRLS it would cost the City an additional $120,000. Rick Rementeria asked if their service was worth the cost. Carol Foutts responded that yes it definitely was. Ellen Bailey questioned recruitment expense. Duane Cole indicated that this was funds spent for recruiting the new Librarian. Scott Reinhardt asked about out of district fees. Duane Cole indicated that out of district fees would be reviewed by the Library Board in May. The recommendation will be to take the fees from $25 up to $30. Vote on the Motion: Carried unanimously by those present.

CITY COUNCIL:

MOTION: Gano/Reinhardt moved to approve the City Council budget as presented.

Donna McCain indicated she had declared a conflict of interest since she works for the Newberg Area Chamber of Commerce and they are funded partly through the Council's budget. Loreen Edin questioned what the Council Special Projects was. Duane Cole handed out a listing of projects that were funded from this account. He indicated that the funds for this is room tax money. He also mentioned that there is an effort to get a county room tax. Donna McCain felt strongly that if the City continues to donate money to the Old Fashioned Festival that the City should insist that they use their funds differently. Brian Love indicated that he felt he was partly to blame for the fireworks last year. Melinda Newland expressed some concern about funding the Chamber. She felt it was becoming a political organization and has problems with the City giving them funds. Donna McCain indicated that the funding is primarily for the information visitors center and they are not mixing the funds with the Economic Development Committee of the Chamber. There was some further discussion about the Old Fashioned Festival.

Gary Hay asked what services the City received from the COG membership. Duane Cole indicated that he had asked for a letter from the COG six weeks ago requesting this information. He indicated that there is an arrangement that the City can withdraw in December from the COG with notice. Gary asked what was the greatest benefit the COG provided in the last two years.

Duane Cole indicated that the COG was a forum for regional cooperation and provided planning services, mapping and helps Dundee have professional services. He indicated that it is good to review COG's membership annually. Donna McCain also indicated that Alan Hershey ran the required tax coordination meeting and has helped to mediate between the City and the County. Vote on the Motion: Carried by those present, one abstention - McCain.

CITY MANAGER'S BUDGET:

MOTION: Gano/McIntosh moved to approve the City Manager's budget.

Loreen Edin questioned the increase in professional services. Duane Cole responded that the increase was necessary for possible labor negotiations with the firefighters. Gary Hay indicated that he had a problem with splitting the administrative costs between the General Fund, Water Fund and Sewer Fund. Ellen Bailey requested the staff to look a ratio between staff and population. Vote on the Motion: Carried by those present with one nay - Hay.

LEGAL DEPARTMENT:

MOTION: Reinhardt/Gano moved to approve the Legal Department budget.

Marty McIntosh questioned the financial support of the legal departments budget from the Hospital. Mr. Mahr indicated that while he was not prepared to discuss this with the Budget Committee, he will be with the City Council, however, he estimates that approximately 25% of his time is spent on Hospital business. Marty McIntosh and Roger Gano discussed the use of Terry Mahr's time by the Hospital. Vote on the Motion: Carried unanimously by those present.

MUNICIPAL COURT:

MOTION: Gano/Reinhardt moved to approve the Municipal Court budget.

Scott Reinhardt asked about using the County court versus the City court. Mr. Mahr responded that Municipal Courts are good to run and easy, if they are organized. It is not a gold mine. If the City chose to close its court there would be increased costs by the Police Department and the State would not be handling municipal violations and other minor types of cases. Vote on the Motion: Carried unanimously by those present.

ADJOURNMENT:

MOTION: The committee moved to adjourn at 9:25 p.m. Carried unanimously.

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Alan B. Halstead