Minutes Of The Newberg City Council
MONDAY, SEPTEMBER 20, 1999
7:00 P.M. MEETING
PUBLIC SAFETY BUILDING - TRAINING ROOM

I. CALL MEETING TO ORDER

Mayor Cox called the meeting to order.

II. ROLL CALL

Roger Currier (RC)
Donna McCain (DM) **F. Robert Weaver (RW)**
Lisa Helikson (LH) **Brett Veatch (BV)**

Vacant: **1 position (Alfred Howe)**

Staff Present:
Duane R. Cole, City Manager (DRC)
Terrence D. Mahr, City Attorney (TDM)
Mike Soderquist, Community Development Director
Larry Anderson, Engineering Manager
Barton Brierly, City Planner
Kathy Tri, Finance Director
Norma Alley, Recording Secretary

III. *PLEDGE OF ALLEGIANCE*

The Pledge of Allegiance was performed.

IV. CONSENT CALENDAR

1. *Proclamation of the City declaring the preparedness for Census 2000.*

Mayor Cox discussed the proclamation and declared the proclamation a high priority. Urged full participation of the council.

V. COMMUNICATIONS FROM THE FLOOR

Mr. Warren Parrish, 30450 NE Wilsonville Road., Newberg, Oregon, asked about the possibility of having a community presentation in Francis Square. The community would come and sing in the square. Churches and organizations would have a set 45 minutes. Mr. Parrish said he is willing to take care of the organization of the event. The event would be during the day time and early evening hours two weeks prior to Christmas. He would like the Council to consider this and get this approved by the end of October. If approved Mr. Parrish would send out a cover letter with the blessing of the Council and Mayor.

Mayor Cox asked what would need to be done next to get this started? DRC said the only thing needed is the dates and the times.

Councilor RC asked if there would be a problem from outside noises with a PA system. Mr. Parrish said he wants to plug in a keyboard but there would not be any systems involved.

Mayor Cox said he has the approval of the council and he can start to set it up. He can go to DRC for a contact person.

Ms. Pat Haight, 501 E Illinois #12, Newberg, Oregon, read from the City Charter. Now that the City is going to be coming to the people and asking for a million dollars, she wanted to know where is the collateral for this million dollars? What are we going to be doing to satisfy Baker Rocks needs? Is the City going to have enough money to buy the Baker Rock land?

Mr. Sid Friedman, 14286 NW Old Mores Valley Rd., Yamhill, Oregon, commends the Council for placing the bond measure in Baker Rock on the ballot. It is far more productive to think about the future and this issue is our future. To buy the water front property provides economic vitality and green space. Mr. Friedman said he would be willing to pay his share and purchase this property even though he lives outside the City.

Mr. Robert Lauinger, 2213 Wollow Dr., Newberg, Oregon, said he supports this ballot and would be willing to pay for it. Placing an asphalt plant down by the waterfront would bring up some bad consequences.

Councilor RC thinks the people need to look at the land. He doesn't want a plant down on the waterfront like many of the community. He is opposed to buying the property and giving Baker Rock the money to purchase another piece of property somewhere else.

VI. PUBLIC HEARING:

1. Continued Public Hearing regarding amending of bicycle parking regulations. **Ordinance No. 99-2518** creating Bicycle Parking Standards in the Newberg Development Code.

The staff did a survey with other city's to see what their bicycle policy was.

MOTION: RW/LH to read Ordinance No. 99-2518 by title only. TDM read Ordinance No. 99-2518 by title only.

POINT OF ORDER: RC

Councilor RC thinks it is derogatory to expect businesses to provide bicycle racks and not put into the Ordinance that the park has to provide some.

Ordinance No. 99-2518. (4 yes/1 no [RC]). Motion Carried.

VII. CONTINUED BUSINESS

VIII. NEW BUSINESS

1. Information and presentation on River Street Sanitary Sewer Improvement

Project.

Larry Anderson briefed the Council on the project which would be between now and April. The purpose is to bring a new sewer line up River across the highway, and across the railroad tracks. Originally Newberg sewers drained down into the Willamette River. With development in the northern part of town it will drain down Main Street to Dayton Avenue, up into River Street and then into the plant. The new sewer will intercept everything on the eastern side of the line. The main street line was not built to carry all of what it is carrying now. The second is to replace the sewer lines on the south side of First Street. They are made of clay and they would be replaced with concrete in order to provide a back bone for the system. The line will go up River Street, turn on Center Street and go across the highway into George Fox University, go to Vermillion Street and be bored under the railroad tracks on Vermillion, and then tie into the system. It will intercept about 150 acres that drains into the system.

2. **Resolution No. 99-2199** authorizing the City to borrow money to provide permanent financing for the costs of improving and expanding City Hall; and authorizing the negotiation, execution, and delivery of a financing agreement and other matters pertaining thereto.

Kathy Tri said the City will be borrowing $3.9 million in revenue bonds which requires a reserve account to be kept. The City can use the interest on this reserve. The City wants to insure the bonds and reduce the cost. It will save quite a bit of money over time. It is a five year privilege tax and will reduce the cost by $219 thousand. The Resolution authorized the staff to approve the scale for 7% up to interest. The protection in that the sale will be for around 5 or 6 percent. There are call provisions which give the City the right to retire the debt early if needed.

Councilor RW asked what the rating is for the City? Kathy Tri said it is an A rating and this is a very good rating for a city our size. They look at the economy in Yamhill County and the economy of the City.

Councilor RW asked what is the lowest rating? Kathy Tri said it is B.

Councilor RC asked about buying the insurance and wants to know what the cost is and how much the savings are? Kathy Tri said the insurance is about $35 thousand and that she did not know the savings yet.

Ms. Pat Haight, 501 E. Illinois #12, Newberg, Oregon, read Section F in Chapter 11 out of the City Charter. Ms. Haight asked what is the collateral going to be on this $3.9 million and the certificates of participation? Kathy Tri said in a certificate the collateral is the general fund and the reserve. The City is charging rent for all those using the building and this will also help. When you buy a bond you must have a bond council and TDM can not act as the legal resource.

Mr. Warren Parrish, 30450 NE Wilsonville Rd., Newberg, Oregon, said he is a proponent for this resolution. Mr. Parrish said he thought taking the money from the departments would pay for the certificate of participation. It is a great thing to see a building be remodeled instead of tearing it down and would encourage the Council to approve this resolution.

Staff recommends approval.

Councilor RC said he wished the City would put the money in the roof instead of skylights. The other issue is after remodeling the City would not be up to sizemic three standards.

Councilor RW asked how many dollars is it to keep CDD in their building? Kathy Tri said about $4 thousand a month. Councilor RW asked about the earthquake? DRC said trying to bring the structure up to zone three standards is going to be very expensive. So what we have done in case of an earthquake is you can run to the other building and be safe. Councilor RW thinks when all the departments are brought together in one roof we are going to save a lot of money.

Councilor RC said that the community development lease was only $2,600 originally.

MOTION: RW/LH to approve. (4 yes/1 no [RC]). Motion Carried.

3. Approve letter of support for an EPA Grant application under the Sustainable Development Challenge Grant Program for a Riverfront Master Plan.

Barton Brierley requested a letter of support to authorize the City to apply for a grant to do a river front master plan. To do the job properly the City will need to involve the property owners. The City has been researching and found EPA grant opportunity of $4.5 million nation wide. It provides funds for about 1 in 20 projects. Looking at the area with the Willamette River the City may have a good chance of peaking their interest and getting the grant. The staff asked for the Council's support for the grant application.

Councilor LH asked how the money would work? Barton Brierley said it would be staff hours. So, it is not dollars but rather staff time.

Councilor RW said the Willamette is the one river they are looking at with serious concern. He feels they would support the grant.

Ms. Pat Haight, 501 E. Illinois #12, Newberg, Oregon, said the ballot title was not filed on time and there is no reasonable detail stated in the ballot. DRC said if the City gets the grant it will help reduce the tax revenue. If the ballot does not pass then there would be a need to do the plant based on that situation. Putting the grant in the ballot title may give the impression that the grant can be received when the City may not receive it. The question is does Newberg want an asphalt plant on the river front?

Staff recommends approval.

Councilor RC said he has to disagree because it could be a double jeopardy on the Baker Rock plan. Staff time cost the City money and if the City is going to pay someone 25% of salary to take care of this the staff can not say it isn't going to cost the City money.

Mayor Cox said this is an issue we are going to have to take care of anyway.

Councilor LH mentioned when resources are as sparse as they are, we need to look at grants available. By going out for the grant does not mean the City will receive the grant. This is a wonderful opportunity for getting extra revenue.

MOTION: LH/DM to approve. (4 yes/ 1 no [RC]). Motion Carried.

4. **Resolution No. 99-2200** transferring and re-appropriating funds in the Sewer and Water Funds to cover costs of a new position: Treatment Plants Superintendent.

Mike Soderquist said the reason Randy Neif left is from feeling over burdened. A comparison to treatment plants in surrounding areas indicated that the standard in other cities is a full time Superintendent. The City is making this recommendation based on a consultant study. The consultant selected is Dale Richwine of Richwine Environmental who is skilled in chemistry, hydraulics, and has an MBA. His charge was to observe operations, staff members in operations, interview the staff, recommend changes and perform compensation.

Staff recommends approval.

Councilor RC wanted to know how much the audit cost? Mike Soderquist said $15 thousand. Councilor RC asked why didn't the council get the entire report? Mike Soderquist said this excerpt is the only item that the staff is requesting that the Council approve.

Councilor DM recommends we delete a single person and say an individual in the Resolution.

Councilor RW asked who was doing the work before? Mike Soderquist said he is. Councilor RW asked if the money to pay for this position is in the budget? Mike Soderquist said yes.

Councilor RW said he would like to see the job description of this new position.

Ms. Pat Haight, 501 E. Illinois #12, Newberg, Oregon, read from the City Charter under City Manager. Ms. Haight said the manager shall supervise the operations of the City facilities.

DRC said the staff report has been keyed on the position instead of focusing on the staff's request for a budget change to fill the position.

Councilor RC said he can only assume this was already planned for in the budget. The staff should be dealing with the issue instead of creating two new positions.

Councilor RW recommended the term supervision be clarified. He thinks DRC is the one who is the supervisor of the City who has Lieutenants under him. He knows DRC is doing his job as the supervisor.

Councilor LH said there was discussion about changing the structure when Randy Neif left. We knew it was being discussed then in the proper way. When a company grows you need to change the structure a little.

Councilor DM said she thinks the council discussed this during budget time.

Councilor RC asked how many more employees do we have now then three years ago? Mike Soderquist said the same. Councilor RC asked why do we need one now if we have the same then? The staff indicated that the City needs to have someone now because it is not a simple system and requires someone who is very skilled and has the training. Councilor RC asked how many new employees have been hired in the Community Development department? DRC said this is information in the budget.

POINT OF INFORMATION: RC said he would not be off base to ask this question. And this consists both in supervision in the department. If there would have been a loss in the position then he would support this issue.

MOTION: DM/LH to approve. (Unanimous). Motion Carried.

5. **Resolution No. 99-2201** granting a two-year extension to the farm lease agreement between the City of Newberg and Kirsch Family Farms, Inc.

DRC talked about extending the lease agreement for this farm land because it would be to the benefit of the City.

Staff recommends approval.

TDM said the figure $13,750 should be moved to the second paragraph.

MOTION: RC/LH to approve. (Unanimous). Motion Carried.

6. **Resolution No. 99-2202** adopting an employment contract for the City Manager.

TDM said this has been discussed and would be finalized. TDM said he will present it to the manager and mayor for signature.

MOTION: RC/RW to approve. (Unanimous). Motion Carried.

7. ***Resolution No. 99-2203*** *authorizing the City Manager to enter into a contract with TSR Corporation to install baffles and a liner in the backwash pond at the Water Treatment Plant, in the amount of $74,659.00.*

Mike Soderquist discussed this resolution with the council. He said the council previously authorized the cleaning of the water treatment plant. The solution is a three step process 1) to clean the pond, 2) reline the pond and 3) then do the earth work to stabilize the bank so it would not happen again.

Councilor RW asked if the City is guaranteed this is going to work? Mike Soderquist said he can not say yes. Councilor RW wanted assurance it is going to be truly corrected and there would not be problems in the future. Councilor RW asked if this is going to truly correct the problem? Mike Soderquist said yes he does feel it is going to truly correct this. The workers will do what they have contracted to do but he can not guarantee what the outcome is.

Councilor LH asked what is the time frame? Mike Soderquist said it is going to be about a month.

Councilor RC asked if it would be about a $10 million cost to build a new water treatment plant and this project may be about $5 million so we could be half way there.

MOTION: LH/RW to approve. (Unanimous). Motion Carried.

8. ***Resolution No. 99-2204*** *authorizing the City Manager to enter into a contract with Bill Erickson Heavy Construction, Inc. to repair the landslide at the Water Treatment Plant, in the amount of $157,945.00 and to maintain a 20% ($32,589.00) reserve to be used for this contract at the discretion of the Community Development Director.*

TDM said the City is asking for the Council to disqualify the two lowest bidders. The first did not attend the pre-bid conference and the second did not pre-qualify. The bidders have not complied with the statute so the Council can disqualify them. ELI Inc. and Grout Brothers have been notified of disqualification. Their representative said they do not object.

Staff recommends approval.

Mike Soderquist said this pre-bid conference was mandatory and they did not attend. The pre-bid conference involved a tour of the site and pointed out specific concerns in the area. The low bidder did not come out at a later time to tour the site. All the other bidders did attend the pre-bid conference. Failure of attendance is grounds for disqualification. The second should be disqualified because they did not get pre-qualified. All bidders were sent pre-qualification information and were aware of these qualifications. They did not send any documentation stating they were pre-qualified. The pre-qualification looks into the jobs the bidders have done in the past.

TDM said this would be the record established as to why the Council disqualified them.

Mike Soderquist said the second bidder would not object to being disqualified and a letter would be sent to both bidders notifying them of this disqualification.

Councilor LH asked if the case is because we don't have the application of the bidders? Mike Soderquist said yes.

Ms. Pat Haight, 501 E. Illinois #12, Newberg, Oregon, asked what the state of the Oregon system is? Ms. Haight asked what is the extent we went to notify the bidders? Ms. Haight asked if the highest bidder is left do we have to go out and get more bids? Ms. Haight asked what are the laws on the competitive bidding? TDM said the law on the pre-qualifications states there is a certain amount of work to be done. Also the statute states if the City wants to do it themselves the contractor can use the state form. The shorthand way is getting pre-qualified by the state and we then accept it. The City does not have to take the bid and does not have to redo a bid if we disqualify the two lowest bidders. We are not rushing the process we are pulling out of slack time which would be a two week wait to get it back to the council.

Staff recommends approval.

MOTION: RW/DM to approve. (Unanimous). Motion Carried.

Mayor Cox passed around pictures about the serve day in the City and the projects of the City Hall.

IX. EXECUTIVE SESSIONS

1. Executive Session pursuant to ORS 192.660(1)(d) relating to Labor Negotiations.

2. Executive Session pursuant to ORS 192.660(1)(h) relating to Pending Litigation.

3. Executive Session pursuant to ORS 192.660(1)(e) relating to a Real Property Transaction.

4. Executive Session pursuant to ORS 192.660(1)(a) relating to the Employment Contract with the City Manager.

The Executive Sessions were held during the work session.

X. ADJOURNMENT

MOTION: RC/LH to adjourn. (Unanimous). Motion Carried.

ADOPTED by the Newberg City Council this 6th day of December 1999.

Duane R. Cole

Duane R. Cole, City Recorder

ATTEST by the Mayor this 31 day of December, 1999.

Charles B. Cox

Charles B. Cox, Mayor