

**MINUTES OF THE NEWBERG CITY COUNCIL
DECEMBER 20, 2004
7:00 P.M. MEETING
PUBLIC SAFETY BUILDING - TRAINING ROOM**

I. CALL MEETING TO ORDER

Mayor Stewart called meeting to order 7:00p.m.

II. ROLL CALL

Councilors Present: Mayor Bob Stewart Mike McBride
 Bob Larson Robert Soppe
 Roger Currier Mike Boyes
 Bob Andrews

Councilors Absent: None

Others Present: James Bennett, City Manager
 Terrence Mahr, City Attorney
 Dan Danicic, Public Works Director
 Barton Brierley, Planning & Building Director
 Dawn Nelson, Recording Secretary

III. PLEDGE OF ALLEGIANCE

The pledge of allegiance was administered.

PUBLIC MEETING SECTION

IV. PUBLIC COMMENTS

None

V. CONSENT CALENDAR

1. Presentation of Visitor Information Center Report for the 1st Quarter, 2004/05.

Councilor Soppe – thanked the chamber for giving the first budget he had seen in many years that is accurate and readable.

Councilor Andrews – motion to approve consent calendar, Councilor Soppe seconded.

<p>MOTION: ANDREWS/SOPPE to approve consent calendar. (6 Y /0 N) Motion carried.</p>

VI. PUBLIC HEARING

None

BUSINESS MEETING SECTION

VII. CONTINUED BUSINESS

VIII. NEW BUSINESS

1. Consider approval of **Resolution No. 2004-2546** accepting the canvass of votes for the November 2, 2004, General Election.

Staff report presented by – Terrence Mahr

Councilor Larson – motion to approve resolution, Councilor McBride seconded.

Councilor Andrews – made correction of the name of the County Clerk.

MOTION:LARSON/MCBRIDE to approve **Resolution No. 2004-2546** accepting the canvass of votes for the November 2, 2004, General Election.
(6 Y /0 N) Motion carried.

2. Consider approval of **Resolution No. 2004-2551** authorizing the City Manager to amend the Water Treatment Plant Expansion Project Professional Services Agreement with CH2M Hill, Inc. by \$37,000 to the amount of \$854,665.

Staff report presented by – **Dan Danicic**

4th amendment brings us to 10% over contract needing Council approval. Mr. Danicic then reviewed the change orders.

Questions of Staff

Councilor Soppe – this item is 10% over contract. That is why it is coming back to us. Is the Emergency Response Plan (ERP) part of expansion? If not, is there any problem including it in this amount?

Dan Danicic – yes, when it is more than 10%, it needs Council approval.

Terrence Mahr – the ERP is part of project. When expanding system, we are going to have to take emergency response into consideration.

Councilor Soppe – what revenue are we expecting to get from Otis Springs? Is the revenue from golf course going to cover this expenditure?

Dan Danicic – we are expecting 250,000 gallons of water going to golf course at our current rates.

Councilor Soppe – in item 2a, change order #1 – what did we do with the \$15,000?

Dan Danicic – consulting fees.

Councilor Soppe – memo mentions 2% inflation. Is that the only percentage figure looked at for Inflation?

Dan Danicic –we didn't look at different percentages for inflation.

Councilor Andrews – explain Otis Springs. We are looking at the potential income. This is for non-potable water. Why does it cost us to run through the plant?

Dan Danicic – not running through plant. The water will be supplied directly to golf course from the spring. By bringing on Otis Spring there will be an offsetting cost benefit at the plant for demand.

Councilor Andrews – what are these costs for at Otis Springs?

Dan Danicic – there are some maintenance items to reactivate the spring since it has not been used in several years.

Councilor McBride – change order #2 in regards to the emergency response plan, why was it not figured into original plan?

Dan Danicic – we knew it was coming but didn't think to add it to the proposal because the proposal went out before the plan went into effect.

Councilor Currier –will we not have to chlorinate Otis Springs, even though it is not potable Water?

Dan Danicic – no, it is just for irrigation.

Councilor Currier – are there not state guidelines for water on public grounds?

Dan Danicic – we will be looking at that.

Councilor Currier – is the \$9000 for the rehab of spring or just for completing the assessment?

Dan Danicic – there will be a project that will come out of this assessment. We have to get a pipeline to the golf course once the spring is on line.

James Bennett – we are not going to pay for the line installation. This is an assessment to see if it is feasible to use Otis Springs to supply water for the golf course. We can then relay that to CPRD and they will pay for the line to purchase water from the City.

Councilor Currier – if we are going to charge current rates for this water, what is CPRD's incentive to pay for the line?

James Bennett – because the demand for the golf course is an extraordinary demand.

Councilor Currier – when parcel is annexed, it becomes the City's responsibility to provide Services. In this case the golf course is asking for a certain amount of water. Can they ask for water from the reservoir?

James Bennett – the price is the least of the issue right now. Something Council can look at later. We need to know first of all if this is a viable option, if the spring can produce enough water.

Councilor Currier – is it worth it to us to sell water rights to them and let them do repairs?

James Bennett – that is an issue to look at after the assessment.

Councilor Soppe – do we currently have a separate rate for non potable water?

Dan Danicic – no.

Councilor Boyes – we are spending \$9000 to see if Otis Springs can supply this water. If it can't where will we get water?

Dan Danicic – it will have to come from our water system.

Councilor Boyes – is staff comfortable that the spring will supply the water?

James Bennett – long term plan is to provide treated water from waste water treatment plant.

Councilor Boyes – and CPRD would pay for that?

James Bennett – yes.

Councilor Larson – motioned to approve resolution, Councilor Andrews seconded.

Discussion of Councilors

Councilor Currier – 5 years ago I suggested to put extra pipe along Fernwood at the same time they put other line in. Thought it would be less expensive.

MOTION:LARSON/ANDREWS to approve **Resolution No. 2004-2551** authorizing the City Manager to amend the Water Treatment Plant Expansion Project Professional Services Agreement with CH2M Hill, Inc. by \$37,000 to the amount of \$854,665.
(6 Y /0 N) Motion carried.

3. Consider approval of **Resolution No. 2004-2552** authorizing the City Manager to negotiate a contract with Pacific Broadcasting Corporation for the operation of a community cable access studio.

Staff report presented by – James Bennett

City has established Council subcommittee to look at this item. There is a certain amount of

funding that has been set aside over the past few years from settlement with AT&T. There is a proposal to set up a non-profit corporation – Pacific Broadcasting Corporation - which would operate community access channel here in Newberg to provide programming similar to channel 11 from McMinnville. Mr. Bennett then reviewed budget provided.

Questions of Staff

Councilor Larson – this suggests the City purchase equipment and lease it to the corporation?

James Bennett – in the original proposal the ownership of the equipment would be with the non Profit. Now the consensus is the City would like to retain ownership of equipment.

Councilor Larson – \$14,200 listed; is that what we would own and lease?

James Bennett – potentially; there is some negotiation to be done.

Councilor Soppe – as a working model the city would buy equipment.

Discussion of what the equipment costs would actually be.

Councilor Larson – has non-profit been set up yet.

James Bennett – no.

Matthew Simek, PO Box 220, Newberg, OR – established his credentials as TV producer and writer for 20 years who has written plan and headed up mayor’s commission 3 years ago to study cable. We thought cable access would be a good plan for this community. There is financial support for it. The only thing lacking was a plan to put this in effect. We now have that plan from Pacific Broadcasting. I believe this plan to be exactly what this community needs. Strongly urge you to support this plan

Councilor Soppe – this plan that you have seen, is it beyond what we have here in our exhibits?

Matthew Simek – yes.

Councilor Soppe – can you give me a short version of the plan?

Matthew Simek – I am not a representative of the group and would not like to speak for them.

Councilor Larson – under start up expenses – can you tell me how the training expense of \$10,000 will be spent?

Matthew Simek – I can’t answer that.

Harry Morter, 2901 E Second St, Newberg - \$10,000 is for training people so I don’t have to spend my money to do that or spend all my time operating.

Mayor Stewart – what are they going to be trained to do?

Harry Morter – to run equipment.

Councilor Larson – are we paying \$10,000 to Pacific Broadcasting?

Councilor Boyes – pg 42 training expenses \$10,000, is that something they will get every year since we have the money from AT&T?

James Bennett – that is not part of proposal that is before you tonight. But that money is available annually and was intended to train community on how to run equipment. So the Council could certainly allocate some of that money down the road when we see how the program works out.

Councilor Soppe – we talked in committee about insurance. I am concerned that we are getting the proper coverage for the cost listed.

Harry Morter – called Friday and didn't get exact quote, but I was told it would run around \$2500 a year.

Councilor Soppe – excludes personal liability?

Harry Morter – we have bought the insurance from the same carrier before so we are just reinstating the policy we had before so the coverage should be correct.

Councilor Soppe – what would it cost the City to video tape meetings?

Harry Morter - \$100/hr

Councilor Soppe – you are planning on this being a County wide operation and not just Newberg. Will other communities be participating in covering the costs?

Harry Morter – I would like to see us do something different than McMinnville, open it up county wide and hopefully we would get support from other communities in the county.

Councilor Soppe – have you gotten any monetary commitments from other cities?

Harry Morter – not at this point.

Councilor McBride – if we go ahead with this project, is taping the Council meetings not part of this. It was my understanding from discussions before that it would be.

Harry Morter – if you brought in the tapes that you currently do, we would run them. If you want us to tape them, there would be a cost.

Councilor McBride – the training, how many hours are you going to spend training?

Harry Morter – I am looking at the \$10,000 as the operating funds to train.

Councilor McBride – what kind of programming are we going to see. Don't want to see it go in the same direction that it went before.

Harry Morter – I know the condition you are referring to and we don't want to get into that again.

Terrence Mahr – we are very limited to controlling content for a community access channel.

Councilor Boyes – what is the incentive for you to do this? how are you going to pay yourself?

Harry Morter – I get money from government every month to support my expenses.

Councilor Boyes – what is your time frame for getting this up and running?

Harry Morter – the first of February.

Councilor Boyes – the building it will be located in is at 2nd & College. That building needs a paint job. I don't want to be picky but I think the facilities need to look better.

Councilor Soppe – still concerned about insurance; what happens if the insurance is more than the budget?

Harry Morter – it was my understanding talking to the rep that \$2500 would cover it.

Councilor Soppe – can you give me some idea about the plan you have for this project? is there anything other than what we are seeing here as an exhibit?

Harry Morter – I gave promo to city manager.

Councilor Soppe – anything else in this plan that you want us to consider?

Harry Morter – there is a new budget coalition forming and we hope to be a part of that.

Councilor Currier – am I correct in saying you can't deny people if they bring you a tape.

Harry Morter – you can not turn down an individual.

Councilor Boyes –who pays insurance the next year?

Harry Morter – I came to you with a budget 2 years ago of \$100,000. I am now asking for \$38,000 to start. I am absorbing the rest of it.

Discussion of how to deal with the training funds every year and what kind of review should be done to determine if the funds should be distributed every year.

Harry Morter – I put in proposal the ability to charge the PEG fee: a \$1.00 fee on every subscriber in the city about \$45,000.

Councilor Currier –that is only for Newberg residents?

Terrence Mahr – yes, that was given to us by cable provider.

Councilor Soppe – what would you do with this money?

Harry Morter – it would be used for capital equipment.

Matthew Simek – you can make system as large or small as you want. You are concerned about how money will be spent. This budget that Harry has presented is miniscule compared to other communities in the area. What Harry is looking for is the opportunity to seed a system that will work in this community.

Discussion of legality of sponsorship of public broadcasting.

Councilor Soppe – in your experience with other operations, can you think of example of another cable program that was self funding?

Matthew Simek – I can't speak to that, but I believe that with the support of the community it could be self supporting.

Councilor Larson – I wish there was an operating budget included with these exhibits and a 5 year plan.

Matthew Simek – one of the things you are doing tonight is allowing the City Manager to negotiate this. I think that is a good place to start and see if it goes; then worry about long range plans.

Councilor Soppe – motioned to approve resolution, Councilor Currier seconded.

Discussion of Councilors

Councilor Soppe – my concern is what is being proposed and what are we going to get. Have heard a lot about a plan but have not seen any concrete evidence. Skeptical about this happening as said.

Mayor Stewart – I have some of the same concerns but agree with Mr. Simek we need to decide whether we want to support the program or not.

Councilor McBride – I haven't see any big outpouring from community that they want public access. Not enough community support for this.

Mayor Stewart – there are couple of professionals in this crowd that were involved last time. I have had a lot of calls about city meetings being broadcast.

Councilor Andrews – I support motion and appreciate Harry's time and support. We have never gone out for an RFP on this item it is only before because of his persistence. We need to look at the fact that a contract would be forth coming for us to look at .

Discussion of how there have been inquiries from the community about public access channel. This would be a tool to communicate with the citizens. We don't know whether it will work until we try it.

Councilor Larson – prior to meeting not sure how I would vote. After hearing discussion tonight I am going to vote in favor. Looking forward to seeing contract and long range plan.

Councilor Boyes – I would like to say the same thing.

Councilor Currier – I also get people commenting to me on this subject. Concern is the cost to the City of putting meetings on the air. The other thing to be considered is to have students trained and hire them for less. What about insurance for equipment?

James Bennett – equipment would be owned by the City and would be covered under property & casualty.

Councilor Currier – concerned about plan that has been referred to but not presented. Would like to see the PEG fees kept out of it for now.

Councilor Soppe – I keep hearing about support in the community for this. I think, if we want the manager to negotiate this contract, we need to be real clear as to what we want in the contract. The working assumption is that this is all we are going to have to spend and, if that is true, I think this is great.

Councilor Andrews – Harry, you did a demonstration from the last meeting I thought we were going to see.

Harry Morter – that is what was given to city manager.

MOTION: to approve **Resolution No. 2004-2552** authorizing the City Manager to negotiate a contract with Pacific Broadcasting Corporation for the operation of a community cable access studio.

(5 Y /1 N[McBride]) Motion carried.

4. Consider a motion to fill Newberg Downtown Revitalization Committee vacancies with the most qualified candidates.

John Estrem

Martin Chlumak

Emily Chlumak

Staff report presented by – Barton Brierley

Questions of Staff

Councilor Soppe – on the application do you think we would have gotten more response if that question of residency wasn't there?

Barton Brierley – there might be someone else out there who would be interested.

Emily Chlumak – my husband is withdrawing from this. We just purchased 2 shops in the downtown area and are very interested in downtown growth.

Councilor McBride – what business is in the building?

Emily Chlumak – we just resigned Cindy Rose Photography; the other shop is open.

Councilor Boyes – that is one building right?

Emily Chlumak – yes, one building with 2 shops.

John Estrem – bought building in Newberg. It houses Critter Cabana; opened yoga studio upstairs. Appalled by pedestrian communities turning into driving communities and the loss of independent business.

Councilor Currier moved to approve all three, Councilor Larson seconded. It was noted that there are only 2 candidates.

Councilor Currier revised his motion to approve the 2 candidates that applied, Councilor Andrews seconded.

MOTION: CURRIER/ANDREWS to appoint John Estrem and Emily Chlumak to Newberg Downtown Revitalization Committee.
(6 Y / 0 N) Motion carried.

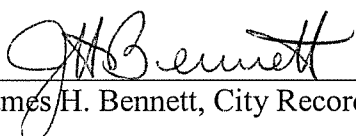
IX. EXECUTIVE SESSION

None

X. ADJOURNMENT

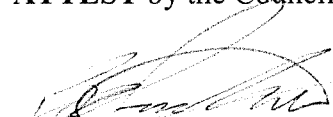
MOTION: CURRIER/MCBRIDE to adjourn meeting at 8:37p.m.
(6 Y / 0 N) Motion carried.

ADOPTED by the Newberg City Council this 7th day of February, 2005



James H. Bennett, City Recorder

ATTEST by the Council President this 10th day of February, 2005.



Robert Andrews, Council President