

**MINUTES OF THE NEWBERG CITY COUNCIL
JULY 19, 2004
7:00 P.M. MEETING
PUBLIC SAFETY BUILDING - TRAINING ROOM**

I. CALL MEETING TO ORDER

Mayor Stewart called the meeting to order.

II. ROLL CALL

Bob Andrews	Roger Currier
Mike McBride	Robert Soppe
Mike Boyes	Robert Larson

Absent: None.

Others

Present: Jim Bennett, City Manager
Terry Mahr, City Attorney
Mike Soderquist, Community Development Director
Bob Tardiff, Police Chief
Brian Casey, Deputy Police
Dan Danicic, City Engineer
Barton Brierley, City Planner
Dawn Nelson, Recording Secretary

III. PLEDGE OF ALLEGIANCE

The pledge of allegiance was administered.

PUBLIC MEETING SECTION

IV. PUBLIC COMMENTS

Darlyn Adams – Newberg Animal Shelter Friends, 131 Johanna Ct, Newberg. Spoke on the fund raising efforts for the animal shelter. They will have a booth at the Old Fashioned Festival. They currently have \$114,000 in their account and anticipate making \$1000 from sales at the Festival Booth.

V. CONSENT CALENDAR

1. **Consider approval of minutes from regular Council meeting held on June 21, 2004.**

Change to middle of page 3 of June 21, 2004 minutes where it refers to Councilor Larson speaking. It should be Councilor Andrews. Councilor Larson was absent.

MOTION: Andrews/Soppe to adopt minutes from regular Council meeting held on June 21,

2004 as amended.

(6 Yes /0 No). Motion carried.

VI. PUBLIC HEARING

- 1. Public hearing on consideration of Ordinance No. 2004-2603 approving the annexation of property located at 4701 and 4709 Fernwood Road, Yamhill County Tax Lots 3221-4300, 4390 and 4400.**

Mayor Stewart - Called for abstentions. Ex parte communications

Councilor Currier – Said he had spoken with Robert Foster who lives in the general area and talked about run off from the property. He didn't feel that it would have any effect on his vote.

Councilor Andrews - Stated that he had looked at the property.

Councilor Soppe - Stated that he had driven by the property several times.

Councilor Boyes - Stated that he had driven by also.

Mayor Stewart - Had driven by many times in the last few days.

Councilor McBride - Had also driven by in the last couple of days.

Terry Mahr - the idea of declaring a site visit is if you go to the site specifically to look and get info on it to discuss, not necessarily if you just drive by.

Councilor Larson - Went by this afternoon to look at site specifically.

Terry Mahr - Read information on hearing criteria

Barton Brierley - Presented staff report on annexation for property located at 4701 and 4709 Fernwood Road. He gave a description of the property's location and that it does meet the requirements for annexation. The property will be adjacent to The Greens development. The Planning Commission recommends approval of annexation.

Questions of Staff

Councilor Soppe - Is it my understanding that the road coming out of the new development will not allow a left turn to east?

Barton Brierley - For The Green's subdivision the original plan had a left turn pocket. One of the conditions placed on the subdivision was not to include that pocket and put up signage to direct traffic to turn right.

Councilor Soppe - Was the road orientation at the connection to Fernwood ever considered to be done at a 45 degree angle as an obstacle?

Barton Brierley - It was considered but decided to install signage instead.

Councilor Soppe - So nothing was done about prohibiting traffic or restricting right turns into property?

Barton Brierley - No prohibitions on turn directions, but we want traffic to turn right and the signage will direct traffic toward the city.

Councilor Soppe - Is the storm sewer detention facility referred to on page 30 still in the plan?

Barton Brierley - The applicant says it is still in the plan.

Councilor Currier - On page 7 of the information it says that Fernwood Road will be widened. Who will widen road and I assume the city will have to take over and maintain it after the annexation?

Barton Brierley - The developers of The Greens subdivision is going to widen the road.

Councilor Currier - Will the road be widened all the way to Brutscher St?

Barton Brierley - The road will be widened across the creek to entrance of the subdivision. There is a section between Brutscher St. and the development that will not be widened until future development occurs.

Councilor Soppe - Please explain again what is going to happen between Brutscher St and the entrance to the subdivision.

Barton Brierley - Fernwood is not going to be improved all the way to Brutscher.

Jim Bennett - Is all of the property between Brutscher and the development the same developer?

Barton Brierley - Yes, and as the property is developed the improvements will have to be done.

Councilor Currier - On page 18 of the information it states that the property is planned for 50 lots. Mr. Mike Gougler's information shows 34 lots and the County record states that the 10 acres will have 30 homes. There seems to be some confusion as to how many lots are going to be developed.

Barton Brierley - The development if annexed it will have to comply with zoning that is approved as part of the annexation. The applicant can say a certain number of lots will be in the subdivision and we have calculated approximately 52 lots, but it all comes down to what zoning allows.

Jim Bennett - To clarify, the statements on page 73, were from two individuals who had testified and not from the county.

Councilor Currier - On page 93 in area C it states there is a nursery. Where is nursery described in this area?

Barton Brierley - The statement is from the UGB amendment application that was made a year or two ago. Area C refers to area east of the Newberg city limits where Newberg hospital will be going in.

Councilor Currier - It seems that some of these documents don't match the criteria we were given.

Barton Brierley - The document you are looking at is the application for UGB amendment and is an old document. The description was made so people could understand what existed within the surrounding area.

Councilor Currier - Will the pump station still be built?

Barton Brierley - The pump station has already been built.

Councilor Currier - I thought we were talking about a new one.

Barton Brierley - The statement should refer to the existing pump station.

Councilor Currier - In reference to page 131, it talks about if the property has to gain access by crossing the creek it would create a major environmental challenge. Who is going to pay for the environmental damage?

Barton Brierley - The Springbrook Oaks specific plan envisioned crossing of creek. There were caveats in that plan that discussed cost and the environmental impact on the area. Staff did a lot of study and another factor that came up was the bypass. An optimal location for the access would be somewhere adjacent to the bypass, a frontage road. Then we would ask for assistance from the State for construction. System development charges would help pay for the road..

Councilor Currier - On page 73, is this the road that we are talking about?

Barton Brierley - Yes, it would not be a direct connection to Highway 99, though.

Councilor Currier - In conclusion the citizens are not going to have to pay for the bridge?

Barton Brierley - That will be the Council's choice. We are looking for a location where it could be funded by ODOT and system development charges.

Councilor Currier - You think ODOT would help fund an interior street.

Barton Brierley - When ODOT does the bypass they will have to provide an access to properties they are cutting off.

Councilor Currier - I am still concerned that, with the statement about an expensive environmental issue related to the road, that the City will end up incurring some costs.

Councilor Andrews - Will there be a second annexation for Fernwood Road itself?

Barton Brierley - The legal description for the annexation includes Fernwood Road adjacent to property.

Councilor Boyes - Why was the property being annexed not put in program sooner?

Barton Brierley - We waited for the property owner to file the application. The process started 2-3 years ago and it takes that long to go through UGB process.

Councilor Boyes - It appears that the owner is doing a lot of earth moving even though not yet annexed. What is their plan if the annexation doesn't pass at the election?

Barton Brierley - It would be up to the Council. It could be sent to the ballot again.

Public Testimony

TH Bestwick – 30575 NE Fernwood, Newberg - I have two concerns. My property adjoins the property. I would like to see a sign that there will be a right turn only on to Fernwood Road out of the development. And there seems to be a dispute on property corner that adjoins the SE corner of my property, but that's only for the record.

Councilor Andrews - Barton Brierley could we have overhead put back up I would like to know where his property is.

TH Bestwick - Described the position of his property in relation to proposed annexation property.

Mike Gougler – 5241 Windsor Terrace, West Linn, OR, property developer - This project has been in planning for 3 years. Councilor Currier read documents from the UGB amendment application that are reference materials. I would like to address any issues you have.

Councilor Currier - Wouldn't you think comments and documents in UGB application would be correct?

Mike Gougler - In order for us to apply, we had to show every area description of urban reserve land identified as part of application requirements.

Councilor Currier - What about the discrepancy in the number of lots?

Mike Gougler - We did a preliminary estimate because we did not know what environmental constraints might limit the eventual development. It still will be determined based on what is allowed by the zoning.

Councilor Soppe - Regarding the road, you said you didn't have objections to turn restrictions on road. Has your opinion changed?

Mike Gougler - Even I have a problem with Fernwood Road. I travel on it every day, but I want to backup on the road issues. First you want to know how much of the road is going to be improved. Certain benchmarks have been laid out based on development time lines. We plan to complete Fernwood Road to city standards from entrance to section that is by pump station in the first phase of development. This is 3 phases or possibly 3 years ahead of schedule and will be to full city standards with pedestrian passage on north. The improvement does stop at the proposed crossing of bypass. This is because we don't know if it is going over or under Fernwood Road. As far as the 45% angle intersection at Fernwood Rd., we have road standards to follow. intersections have to be 90%. It is our desire in regards to Fernwood and Corral Creek that the city and county enter into an intergovernmental agreement to do something to improve traffic.

Grace Schaad – 31525 NE Schaad Rd, Newberg - It seems to me that there are a lot of unanswered questions that depend on the bypass. I would like to ask that you deny this annexation until bypass is developed. How many from The Greens subdivision will take access on to Fernwood Road? This site is zoned AF20 now. When will there be a request for zone change? I don't believe this is appropriate use for property as zoned.

Barton Brierley - The zone change is requested at same time as the annexation. They have requested a R1SB zone designation. They will improve Fernwood Road on the north side only and improvement will go to extent of property not beyond it to the east.

Grace Schaad - There are to be 235 lots in The Greens subdivision and now 50 more all coming out onto Fernwood with no other access, correct?

Mayor Stewart - Yes.

Mike Gougler - The bypass location has been identified within a 300 foot strip across the property and we have honored that portion of land and have not designated it for lots whether it is built or not. It will not affect The Greens access at all. All access will be off of Fernwood regardless of whether the bypass is put in.

Councilor Currier - I still have questions about the access road.

Mike Gougler - This year we will improve road over east branch of Springbrook Creek.

Councilor Currier - What about the new road?

Mike Gougler - In 1999 when we started this process we planned for a road based on info we were given that there would be no bypass. For 1 year as we were developing plan we looked at what it would take to develop this property and it was decided that when the we started development that we would seek to annex this particular parcel and that was a condition of the specific plan. The purpose of annexing this parcel is for uniformity of design for transportation and city services.

Councilor Boyes - What will this group do if the annexation doesn't pass on the ballot?

Mike Gougler - We would reapply. The development going on now at the site is to balance the site. It is happening for road development so that the road would be at proper elevation. If the annexation doesn't happen this year property will still be in better condition for farming.

Councilor Boyes - So only the north side of the road is to be developed.

Mike Gougler - 3/4 street improvements go to curb on other side. There will be full improvement on side where CPRD golf course is. We will build the road and CPRD will participate in the costs. The county residents are not required to develop the south side of road.

Grace Schaad - Will the land directly across from your driveway will be unimproved?

Mike Gougler - It will have a gravel shoulder. We cannot widen road over right away which is currently 40'. The other side is the county's responsibility.

Grace Schaad - You said closing Corral Creek at 99W would be your desire but your second access would be on Corral Creek?

Mike Gougler - No that road is an emergency access road only.

Grace Schaad - So the only access for development is on Fernwood.

Mike Gougler - Yes.

Lou Schaad - Is the emergency road you referred to the present road.

Mike Gougler - That is where it will be located. Fernwood Road has a 40 foot right away from property to Corral Creek and from Brutscher to development the right of way is 60 feet. Effectively it is 50 feet because it hasn't been taken from the property on the south side.

Loretta Bestwick - If 250 homes are coming onto Fernwood during the morning commute what is traffic going to be like? We are going to need a stoplight.

Mike Gougler - The traffic studies we have provided show there will be more traffic, but Fernwood will still not be over its specified capacity.

Councilor Soppe - What we are looking at tonight says you already have approval to put in the road and 250 homes already have access on Fernwood.

Lou Schaad - Will Fernwood Road be developed on both sides?.

Mike Gougler - Curbs on south side but no sidewalk and there will be bike lane.

Mayor Stewart - closed public testimony. City attorney please address legal issues

Terry Mahr - Asked applicant if he waived right to keep record open.

Mike Gougler - Applicant waived right.

Mayor Stewart - Called for final comments from staff

Barton Brierley - The question is should this property be annexed into city? This was envisioned when the Springbrook specific plan and the UGB plan were developed. Staff recommends annexation.

Discussion

Councilor Currier - In regards to signage unless you make it mandatory or put in an obstacle you can't enforce it. Staff has tried to put my mind at ease but the reports are 5 years old and I question how they can come up with some of the numbers. On page 94 it states that we have a 10 year supply of land to last until 2020. Maybe we are approving too much annexation too fast and we will outgrow what city services have planned for. My belief is that we have plenty of property already annexed to build on. I believe that if we keep annexing the need for services is going to be more than we can keep up with.

Councilor Boyes - I think page 38 gives the best picture I have seen of the access road. The property that is being added I think is a good square up for the development.

Councilor McBride - When a property meets criteria I don't have a problem with approving annexation and agree with Councilor Boyes.

Councilor Soppe - I am still concerned about traffic but hold out optimism that we will be able to resolve. Remember even if we approve annexations they still have to be voted on. We will find out if this is what the people want the city to turn out to be. Fire services equal out on the number of lots. Councilor McBride's statement that it meets criteria is what we are deciding here.

Councilor Andrews - I favor the motion to approve annexation. I think we are all frustrated by the bypass, but it will have to adjust to our needs. The road concern is valid and I am delighted that we have county here to listen. It is timely for us to discuss an intergovernmental agreement to overcome these traffic issues.

Councilor Currier - The people most affected by this won't have a voice in the vote because they are outside the city limits and can't vote on it.

MOTION: **Soppe/Larson** to adopt Ordinance No. 2004-2603 approving the annexation of property located at 4701 and 4709 Fernwood Road, Yamhill County Tax Lots 3221-4300, 4390 and 4400 and read by title only.

(5 Yes /1 No(Currier). Motion carried.

Consider Resolution No. 2004-2516 requesting the annexation of property located at 4701 and 4709 Fernwood Road, Yamhill County Tax Lots 3221-4300, 4390 and 4400 be put on the ballot for the November 2, 2004 election.
(Quasi-Judicial Hearing)

MOTION: Andrews/Larson to adopt Resolution No. 2004-2516 requesting the annexation of property located at 4701 and 4709 Fernwood Road, Yamhill County Tax Lots 3221-4300, 4390 and 4400 be put on the ballot for the November 2, 2004 election.

(5 Yes /1 No(Currier)Motion carried.

2. Public hearing on consideration of Ordinance No. 2004-2604 approving the annexation of property located at 3612 N. College Street, Yamhill County Tax Lot 3207AD-900.

Mayor Stewart - Called for abstentions and ex parte contact.

Councilor McBride - I know owner of property and have worked with him. Does that exclude me?

Terrence Mahr - It is a potential conflict not an actual conflict.

Councilor Larson - I went out and looked at property this morning.

Councilor Andrews - I did look at site.

Terrence Mahr - Read hearing criteria.

Barton Brierley - Presented staff report on annexation for property located at 3612 N College St. He gave a description of the properties location and stated that it does meet the requirements for annexation.

Councilor Andrews - Access would be where?

Barton Brierley - It will be from Hilltop Drive. This annexation will fill in missing piece of Northwest Newberg specific plan. The Planning Commission recommends approval.

Mayor Stewart - No public testimony. No questions of the floor. Public testimony was closed. City Attorney please read legal announcement to applicant.

Terrence Mahr - Read applicant's rights. Is applicant here?

Doug Horst - Applicant waives right to keep record open.

Barton Brierley - It is the recommendation of staff to approve the annexation.

Councilor Andrews/read by title only Councilor McBride

Councilor Larson - I would vote only if assured that drive on college would be blocked off permanently.

Barton Brierley - That is the intention.

Councilor Andrews - On page 300 it states there is no cost for election correct.

Barton Brierley - Yes

Councilor Andrews - On page 301 in regards to item #6 that this is at owners expense I would ask that be added to wording.

Councilor Currier - You can have well in city but you cannot connect to it correct.

MOTION: Andrews/Larson to amend Ordinance No. 2004-2604 by adding to item #6 " at the owner's expense."

(6 Yes /0 No). Motion carried.

MOTION: Andrews/McBride to adopt Ordinance No. 2004-2604 approving the annexation of property located at 3612 N. College Street, Yamhill County Tax Lot 3207AD-900 as amended and read by title only.

(6 Yes /0 No). Motion carried.

**Consider Resolution No. 2004-2521 requesting the annexation of property located at 3612 N. College Street, Yamhill County Tax Lot 3207AD-900be put on the ballot for the November 2, 2004 election.
(Quasi-Judicial Hearing)**

MOTION: Larson/Soppe to adopt Resolution No. 2004-2521 requesting the annexation of property located at 3612 N. College Street, Yamhill County Tax Lot 3207AD-900be put on the ballot for the November 2, 2004 election.

(6 Yes /0 No). Motion carried.

BUSINESS MEETING SECTION

VII. CONTINUED BUSINESS

None.

VIII. NEW BUSINESS

Mayor Stewart moved this item to front of New Business.

6. *Consider Resolution No. 2004-2523 authorizing the City Manager to enter into an Intergovernmental Agreement between the City of Newberg and the City of Dundee whereby the City of Newberg would provide interim police services to the City of Dundee from July 6, 2004 to March 31, 2005.*

Deputy Chief Casey - Instead of presenting information you have already been given I thought I would answer questions you have from staff report.

Councilor Andrews - On page 405 under compensation I don't quite understand statement.

Deputy Chief Casey - Dundee will pay \$5325 every month.

Councilor Andrews - Services provided in July will be paid for in August?

Jim Bennett - Yes, payment is due the 10th of the month following the month in which services are rendered.

Terry Mahr - Dundee is taking action tonight. That is why the resolution leaves open final negotiation by City Manager.

Councilor Currier - I received nothing but positive comments from Dundee. Our presence was well received.

MOTION: Larson/Currier to adopt Resolution No. 2004-2523 authorizing the City Manager to enter into an Intergovernmental Agreement between the City of Newberg and the City of Dundee whereby the City of Newberg would provide interim police services to the City of Dundee from July 6, 2004 to March 31, 2005.

(6 Yes /0 No). Motion carried.

1. **Consider the approval of a sound permit application for Juan Gomez for an event to be held on July 31, 2004.**

Jim Bennett - Read staff report.

Councilor Larson - How will neighbors know it has been approved?

Jim Bennett- There is no notification requirement. It is left to applicant to notify their neighbors.

Councilor Boyes - How often do you have people apply for permit?

Jim Bennett - A few times a year.

Councilor Soppe - Should neighbors be notified that they are submitting for application in future?

Councilor Larson - I drove by. It is a nice home, but houses are close together.

Councilor Currier - They need to honor 10:00pm.

MOTION: **Currier/Larson** to approve a sound permit application for Juan Gomez for an event to be held on July 31, 2004.

(6 Yes /0 No). Motion carried.

2. **Consider Resolution No. 2004-2511 regarding a hardship request by the Aspen Estates Water Association to connect to the City water system.**

Mayor Stewart removed this item from the agenda in work session.

3. **Consider Resolution No. 2004-2515 approving the initiation of amendments to the Telecommunication Facility standards in the Development Code.**

Barton Brierley - Gave staff report and example of proposed changes: establishing setback of cell tower from a residential area. The request from the Planning Commission simply initiates and does not commit Council or Commission to anything.

Questions of Staff

Councilor Currier - I presented photos to Mr. Mahr and ask that they be given to planning to look at.

Dan Schutter - 2210 Thorne St, Newberg - It is an understatement to say that Alice Way tower was disapproved of by the residents. I was glad to see this in the paper and I wholeheartedly support this being looked at. I recommend Council expand scope. And maybe a third party like a cell tower engineer be enlisted to verify that there is a need for a new tower. This process could be improved a bit. The citizens and neighbors were under represented in Alice Way situation.

Councilor Currier - That particular case is a matter of record and an issue that Council needs to look at.

MOTION: **Currier/Larson** to adopt Resolution No. 2004-2515 approving the initiation of amendments to the Telecommunication Facility standards in the Development Code.

(6 Yes /0 No). Motion carried.

4. **Consider Resolution No. 2004-2518 regarding a hardship request for property located at 1260 NE Chehalem Drive to connect to the City water system.**

Dan Danicic - Presented staff report. The owners would connect to the Northwest Newberg Water District which has approved the connection. The cost to connect will be paid by the property owner

and they will be charged for usage through the water district. The cost effect to the City is negligible. The owner will be held to the conditions in Exhibit D, if approved.

Councilor Andrews - I did not find letter dated 6/28 from owners.

Dan Danicic - That is an error on that date then.

Councilor Andrews - If they are allowed to join are they going to pay 150% of normal rate?

Dan Danicic - Yes, that is city code.

Councilor Andrews - I would like to see resolution amended to say that.

Mike Soderquist - That is part of the water district rules.

Councilor Andrews - I withdraw the amendment.

Councilor Soppe - I have trouble with the statement that annexation of property is not feasible.

Dan Danicic - Let's clarify that it is not immediately feasible, because it is such a long process to get an annexation approved.

Councilor Soppe - It says all development charges will apply. What specifically are they?.

Dan Danicic - It would be just the water SDC.

Councilor Soppe - When they do annex, they will not have any system development charges. Comparing this request with the other water hardship that we were going to consider tonight, what is different?

Dan Danicic - The scope of the two requests are different. There is quite a size difference in the other request.

Jim Bennett - At the time of annexation additional conditions can be added to the annexation.

Councilor McBride - Do we declare conflicts on these types of things?

Terrence Mahr - Anytime you think you have a conflict you should declare it.

Councilor Boyes - What is the average gallon per minute for well for residential.

Dan Danicic - 5 gallons per minute is on the low side.

Councilor Boyes - You would think they would have tried to get water before they built house. How many are connected to the Northwest Newberg Water Association?

Dan Danicic - I do not know the actual number, maybe in the 20's.

Councilor Andrews - Could you please summarize what development charges will be assessed?

Dan Danicic – For the water system only.

Councilor Andrews – At the time of annexation then they will be assessed additional charges?

Dan Danicic - That would be based on annexation.

Councilor Andrews - Does it need to be stipulated now?

Terry Mahr - Even if you state it now it doesn't guarantee they will have to pay at annexation.

Councilor Andrews - Do we have to put it in the resolution?

Terry Mahr - You can direct it there but you have not established a policy as such.

Councilor Andrews – So what is the answer.

Terry Mahr – It would be no right now (applicant won't have to pay all development charges like when a new residence is built)

Jim Bennett – The point is this is a simple request for water hardship, but a larger issue is should properties pay SDC's when annexed. We need to establish broad policy that at time annexation the SDC's need to be applied.

Councilor Currier – I think that we have already made a policy on SDC's. Case in point is the Rasmussens on Dillon Road who built a house after well went dry.

Steven Fawver – I am a man of my word. I worked with the well people to provide a report. After 6 weeks in the house, the water supply started to decline. We had to have 5gpm as part of our loan. We also put in a 1300 gallon holding tank

Councilor Soppe - You had to have 5gpm for loan? How long did you get 5gpm?

Steven Fawver - When we started using the well consistently it started to decline.

Councilor Larson - Are you going to be able to use well for irrigation?

Steven Fawver - No, it is too salty. We will probably abandon well.

Councilor Soppe - One of the requirements is that you will apply for annexation as soon as legally possible. Do you have any objection to that happening in the near future?

Steven Fawver - No, but it is financially hard right now and I understand it is a long process.

Councilor Soppe – The issue of new houses being built outside city limits and then connecting to water shortly after seems like an easy way to avoid development charges. I would like to see us change the wording so that when they annex they have to pay all SDC's.

Councilor Boyes - I think they just need water.

MOTION: **Soppe/Andrews** to amend resolution to require payment of all SDCs upon annexation.

(2 Yes /4 No(Boyes, Currier, Larson, McBride). Motion failed.

Councilor McBride – I think we might be jumping the gun I don't think this is the time to throw this on the owner but I think we need to look at it in the future.

Mayor Stewart - I agree with Mike.

Councilor Larson – I also agree.

MOTION: **Currier/Larson** to adopt Resolution No. 2004-2518 regarding a hardship request for property located at 1260 NE Chehalem Drive to connect to the City water system.

(5 Yes /1 No(Soppe). Motion carried.

5. Consider Resolution No. 2004-2520 supporting the City's grant application to the State of Oregon for funding of the Elliott Road Improvements Project.

Barton Brierley - presented staff report. Staff is required to have specific resolution for this grant application to show that we have the support of the Council.

Councilor Andrews – I have concerns that we are providing road improvement. Even though there is grant money, there is still city time involved and no owner payment to help offset these costs. We have other areas that we are considering for improvements. That being said I like the idea of a grant being available and I commend staff for finding it. I think we need to make a policy that as we move into other street development and improvement that we make sure that we have exhausted all possibilities of how to fund them. I will approve this motion.

Councilor Currier – As a follow up to Councilor Andrews, would it be feasible for the city to pay for this out of the General Fund, but then create a LID for owners adjacent to project?

Barton Brierley - You certainly could do a combination of grant and LID.

Terry Mahr – With a LID you are going to have the cost of the LID go toward the improvement.

Councilor Currier – Can we justify the City's costs as a match to the grant? I think we need to balance out the benefit that the owner gets and I think they need to pay.

Councilor Boyes – There have been problems with the street since the High School was built. I think we need to go ahead and approve and look at Main Street later.

Councilor Soppe – I am concerned with the logistics of combining a grant and LID. I think it is a good model to look at in the future, but I don't think it can be done in time for this.

Barton Brierley - We would spend \$14,000 to put together a LID. We have to look at the proportion of what is being spent and what is being granted.

Councilor Andrews - Can we go to school district for help with the \$14,000 that the City is going to spend? Maybe City Manager or staff could contact school district for partnership.

Councilor Boyes – When forming a LID does it take certain percentage of the people to approve?

Barton Brierley –If 60% of the property owners object, it doesn't pass.

Councilor Currier – An advanced financing agreement is what I was looking to say instead of LID.

Councilor McBride - If we did a LID, would the school district be included?

Barton Brierley - Council can set the boundaries. I would think they would be included.

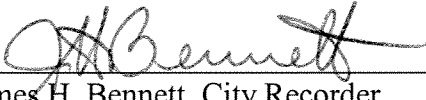
Councilor Larson - I think you should ask school district if they will help to pay for staff costs.

MOTION: **Larson/Currier** to adopt **Resolution No. 2004-2520** supporting the City's grant application to the State of Oregon for funding of the Elliott Road Improvements Project.
(6 Yes /0 No). Motion carried.

X. ADJOURNMENT

MOTION: **Currier/Soppe** to adjourn at 9:40 p.m. (6 Yes /0 No). Motion carried

ADOPTED by the Newberg City Council this 16th day of August, 2004.



James H. Bennett, City Recorder

ATTEST by the Council President this 19th day of August, 2004.



Bob Larson, Council President