CITY OF NEWBERG CITY COUNCIL MINUTES
JUNE 2, 2008
7:00 P.M. MEETING
PUBLIC SAFETY BUILDING TRAINING ROOM
401 EAST THIRD STREET

Work Session was held prior to this meeting. A discussion occurred with the Yamhill County Commissioners on the Urban Reserve Area and SE Transportation Plan.

I. CALL MEETING TO ORDER

Mayor Bob Andrews called the meeting to order at 7:05 PM.

II. ROLL CALL

Members Present:	Mayor Bob Andrews	Mike Boyes	Roger Currier (left at 11:02 PM)
	Bob Larson	Jeff Palmer	Bart Rierson
	Marc Shelton		
Staff Present:	Daniel J. Danicic, City Manager		Norma I. Alley, City Recorder
	Barton Brierley, Planning and Building Director		Jennifer Nelson, Recording Secretary
Staff Absent:	Terrence Mahr, City Attorney		

Others Present: Irma Christopher, Larry Hill, Shirley Hill, Merlin Lane, David L. Petry, Louis C. Larson, Russell King, Jeff Smith

III. *PLEDGE OF ALLEGIANCE*

The Pledge of Allegiance was performed.

IV. CITY MANAGER'S REPORT

Mr. Daniel Danicic, City Manager, spoke of a successful "Burn to Learn" even that occurred as well as the Newberg Library's Centennial celebration events.

V. PUBLIC COMMENTS

Ms. Irma Christopher approached the Council to express her opposition for the decision to increase water rates. She spoke of the difficulty to pay for these increases with those on fixed incomes and stated she could not understand what the Council was thinking.

Councilor Jeff Palmer asked if she had any suggestions for alternatives to fund the necessary infrastructure.

Ms. Christopher replied a smaller incremental increase would be better since this increase is at 12% and those on Social Security do not get any increase.

Mr. Larry Hill spoke to Council concerning recent issues he has had with a Planning Commission's decision to deny his variance for his dual entrance driveway. He discussed in detail some of his experiences during the entire process and his frustrations with how he felt his situation was dealt with by City staff and by members of the Planning Commission. He noted fee increases, inconsistency, and inequality as his primary concerns and did not feel he was treated fairly. He submitted written detailed written testimony for the record (see official record for full report).

Mr. Barton Brierley, Planning and Building Director, reminded the Council this issue has been through the quasi-judicial process and the decision was still in the appeal process. He stated an appeal could still be filed by Mr. Hill by this Thursday.

Councilor Bart Rierson mentioned the issue of staff changing a fee on the form when the applicant submitted it. He felt it was a slap in the face and the fee should have been honored as written on the application even if in had changed and increased in the interim.

Mr. Hill informed the Council he has decided not to continue with the appeal based on his attorney's advice, the expense, and his opinion that it will not make any difference.

Discussion followed and staff was instructed to keep the Council informed of proceedings when the appeal process has been completed. It appeared to be the desire of the Council to have the City manager and staff look into this issue farther with Mr. Hill in order to determine receive a well-rounded account.

Mr. Merlin Lane stated his opposition to the water bills being doubled. He spoke of the difficulty some people are having paying their current water bills, which would be an even greater problem with these rate increases. He sympathized with others and felt it should be lowered.

Councilor Marc Shelton asked if he was aware of the mechanism the City has in place to support low-income residents with their water bills. Staff explained this assistance program to the audience.

Mr. David Petry also opposed the water rate increases and felt the notification may have been inaccurate due to the lack of attendance at the meeting. He felt the notification should include the degree to which these increases would affect the individuals' bills rather than just mentioning an overall percentage increase. He spoke of the City providing irrigation water at a reduced rate to Chehalem Park and Recreation District (CPRD) for the golf course and the citizens of Newberg subsidizing that water. He stated that Otis Springs was ruined by the agriculture in the area with fertilizers contaminating the water.

Mr. Danicic discussed avenues currently used for notification and any suggestions Mr. Petry had for improvements.

Mr. Howard Hamilton, Public Works Director, offered details and background concerning Otis Springs output and its use for the golf course. He also spoke of the wastewater reuse program, expansion, and special customer class rates.

Mr. Danicic stated some rates for use of potable water being $4.18 per unit for residential use and $2.60 if using for irrigation. The cost for non-potable water would be $3.30 per unit in single-family use and $3.17 for irrigation. He discussed alternatives and expenses.

Discussions followed concerning the depth level of a new well and water quality, providing water outside of the City, developments with CPRD, and bacteria being the cause of contamination at Otis Springs.

Mr. Louis Larson asked Council to reconsider the water rate increase. He spoke of the increases on his own water bill and the current increases being two and a half times the current rate of inflation. He offered several calculations based on his own water bill and the proposed increases and asked if the community could really afford this with the economy declining and the costs of fuel and food increasing. He said there is probably not an immediate need for expanding the facilities and felt there would be advantages to waiting for the economy to improve, using System Development Charges (SDCs) as funding in the meantime. He also spoke of the changes occurring on the national level and possibilities of increased funding to working communities for infrastructure (see official record for full report).

Mr. Danicic responded with information concerning SDC rate increases and spoke of the decade between 1990 and 2000 with zero increases in water rates. He said it is an option to go slow for two years and not do the improvements, but then citizens must be prepared for increases even greater than 12.5% to catch up when the economy is doing better. He asked everyone to consider the value of good water and compared the cost of purchasing bottled water at $1.20 a gallon verses the low cost of City water per gallon.

Discussions continued on the portions of water funds intended toward future growth and the receipt of SDCs not occurring until development. The option of borrowing money for an expansion was also discussed as well as the difficulty in providing adequate collateral. Councilors discussed the possibilities and procedures for reconsidering the water increases.

Mr. Russell King stated his surprise by the article in The Newberg Graphic concerning the astronomical increase in water rates. He stated he pays his bill through direct pay online and does not view a bill. He felt the notification was inadequate and felt the increases would create a severe hardship on people.

Councilor Shelton spoke of the City's efforts to research some sort of incentive program for water conservation and hard choices people will have to make, like the ones they make because of the increased gas prices.

Councilor Roger Currier suggested using a mock bill within the water bill when giving notification of increase as a possible solution to provide more information and get citizens attention. He also mentioned church bulletins and postings at the senior center as additional options for publicizing utility information.

MOTION: Larson/Boyes to reconsider water, sewer, and storm water rates resolutions at the June 16, 2008 City Council meeting. (Unanimous) Motion carried.

VI. CONSENT CALENDAR

1. Consider a motion approving **Resolution No. 2008-2787** accepting jurisdiction of portions of Mountainview Drive, Springbrook Road, and Zimri Drive from Yamhill County.

2. Consider a motion approving **Resolution No. 2008-2788** awarding the Pavement Rehabilitation Project at 9th Street and Meridian Street to Baker Rock Resources West, LLC for $189,282.69.

3. Consider a motion approving City Council Minutes for May 5, 2008.

4. Consider a motion approving **Resolution No. 2008-2791** approving a contract amendment with CH2M Hill for the Water Reuse Project.

MOTION: Palmer/Boyes to approve the Consent Calendar including **Resolution No. 2008-2787**, **Resolution No. 2008-2788**, the City Council Minutes for May 5, 2008 as amended, and **Resolution No. 2008-2791**. (Unanimous) Motion carried.

VII. PUBLIC HEARING

1. Consider a motion tabling **Resolution No. 2008-2776** establishing a Spring System Customer Class to August 4, 2008.
(Legislative Hearing)

TIME – 8:42 PM

MOTION: Larson/Palmer to table **Resolution No. 2008-2776** establishing a Spring System Customer Class to August 4, 2008. (Unanimous) Motion carried.

2. Consider a motion approving **Ordinance No. 2008-2696** adopting large-scale retail development design standards.
(Legislative Hearing)

TIME – 8:43 PM

Mr. Brierley presented the staff report (see official record for full report).

Councilor Currier discussed justifications for orienting buildings toward pedestrian traffic with staff. He wondered if it could place an undue hardship on a developer to conduct those studies and make design adjustments in order to face the highest pedestrian areas.

Discussion followed concerning the current definition of a primary street and the proposals recommended for change. Staff spoke of adjustments previously made for the Wilco building as far as orientation and the pedestrian traffic studies being submitted by the developer.

Councilor Mike Boyes asked about maintenance on sight-obscuring fences. Staff stated it was a requirement to maintain them if they are required by code, if they are put in by choice, there are no maintenance requirements.

Councilor Currier pointed out a possible problem concerning exhibit A and the parking spaces being within 75 feet of a private walkway. He noted there could be public sidewalks right next to private walkways in this scenario. He suggested amending Exhibit “A” Section 1: 151.196(H) (6) (b) by adding “or public sidewalk”.

Councilor Shelton questioned maintenance requirements for using grass-Crete as a pervious pavement solution. Discussion followed concerning where the runoff or oil goes in this instance, if it goes directly into the ground, and what the long-term effects are. Staff stated while grass-Crete and pervious asphalt are considered more environmentally friendly there are not long-term studies concerning this causing a ground problem in the future.

Councilor Palmer suggested requiring a lower percentage of pervious surfaces than 50%.

Discussion followed concerning the Planning Commission's decision not to include a vacancy agreement at this time, but rather as some point in the future. Staff noted the particular language necessary is not available and would they would have to take more time to develop the language for this. The recommendation is to adopt the large-scale ordinance as it is and in future consideration should be given to a vacancy/foreclosure ordinance, an economic impact assessment ordinance, and a green-design ordinance.

Mayor Andrews opened public testimony.

Mr. Jeff Smith, J.T. Smith Companies, spoke of all the planning that has gone into his planned development and the effects this ordinance would have on those plans. He stated he would not be able to build as his site plan is now without a conditional use permit. He spoke of all the public meetings that have been held on his development, but the building orientation towards the highest pedestrian traffic would not work for the building planned. He is also concerned a competing grocer could make an appeal at the conditional use hearing and stall the process for another four years. He also said he would not be able to secure a lender because the public hearing process is so uncertain. He suggested raising the minimum building size for consideration as a big box to 59-60,000 square feet rather than 30,000.

Councilor Palmer stated that the 30,000 square feet was for single building square footage and the minimum would be 50,000 square feet for connected buildings. He also reminded him that as long as the design standards were met, the builder would not have to go through the conditional use permit (CUP) process.

Mr. Smith stated he could not meet them all because he could not orient a grocery store to the road with the highest pedestrian traffic. The entrance faces the parking lot as planned, which is where people would take their groceries by cart to their cars.

Councilor Currier wondered if there would be some solution for this to meet the standard by use of a courtyard or pedestrian friendly walkway into order to meet the parking standards as well as orientation towards pedestrian traffic. Staff agreed this was a way to achieve not having the orientation facing away from the parking lot, as long as Gueldner Drive was no longer determined to have the highest pedestrian traffic.

Councilor Rierson stated he understood the intent of the requirement, but would personally not want to walk around the entire store with a shopping cart to get to his car in the parking lot.

Mr. Smith suggested working out a development agreement between himself and the City if they intend to keep the code as proposed.

Councilor Currier felt this would not accomplish where the City wants to be in future, revisiting each one on a case-by-case basis. He suggested giving an option for orienting towards the most prevalent pedestrian used street or in the case of multiple buildings, towards a common parking area.

Mr. Brierley referred to page 30 that states buildings can be oriented towards a primary street or to a plaza or open space within the development site that connects to the primary street. A parking lot would not be considered an open space, but it could be amended to include a common/shared parking area.

Councilor Shelton felt this would be okay as long as supports sidewalk connectivity and felt it would not attract any business that would require shopping carts to be walked around the building to parked cars.

Discussion continued over the intended plan and the pedestrian traffic impact. Options for extending the time on this ordinance were also discussed and staff recommended holding off any longer.

Mayor Andrews closed public testimony.

Mr. Brierley recommended approving the ordinance with the amendments concerning the parking within 75 feet of private walkway or public sidewalk and building orientation to include shared parking.

Mayor Andrews closed the public hearing.

Councilor Rierson stated he could not agree with staff to make buildings oriented just towards pedestrians, but did not mind making the entrances pedestrian friendly.

Discussion followed to determine appropriate language concerning orientation and pedestrian friendly entrances.

MOTION: **Palmer/Rierson** to adopt **Ordinance No. 2008-2696** adopting large-scale retail development design standards, read by title only, including the following revisions:

Amend Exhibit "A" Section 1: 151.196(H)(6)(b) to add "or public sidewalk" after the word walkway and to read as "At a minimum, 95% of the parking spaces shall be located within 75 feet of a private walkway or public sidewalk."

Amend Exhibit "A" Section 1: 151.196(H) (4) to add, "shared parking area" and to read as "Building orientation. All buildings hall be oriented to a primary street as defined in division (A) *or* oriented to a plaza or open space within the development site that connects to the primary street. "Oriented to a plaza or open space" means that the building entrance faces the plaza, open space, shared parking area or is connected to the plaza by a direct and convenient pathway not exceeding 60 feet in length."

VOTE: To adopt **Ordinance No. 2008-2696** as revised. (Unanimous) Motion carried.

VIII. CONTINUED BUSINESS

None.

IX. NEW BUSINESS

Consider a motion approving **Resolution No. 2008-2789** approving the evaluations of the municipal judges, reappointing them for an additional four-year term, and providing an 8% merit increase.

TIME – 10:50 PM

MOTION: Shelton/Larson to approve **Resolution No. 2008-2789** approving the evaluations of the municipal judges, reappointing them for an additional four-year term, and providing an 8% merit increase. (Unanimous) Motion carried.

X. COUNCIL BUSINESS

MOTION: Palmer/Andrews direct the Planning Commission to consider ordinances for green design, building vacancy, and economic impact as related to large-scale development. (Unanimous) Motion carried.

Councilor Boyes spoke of his comment in The Newberg Graphic and beautification of the town being important.

Councilor Currier spoke of planning department cut backs in Bend, OR compared to in Newberg. Staff stated three positions were not rehired.

Councilor Shelton asked about receiving Council packets and information electronically.

MOTION: Rierson/Palmer to appeal the Planning Commission decision to deny a variance to Larry Hill and waive the filing fee. (6 Yes/0 No/1 Absent [Currier]) Motion carried.

Councilor Palmer stated the Animal Shelter Sub-Committee would meet next Tuesday at 6:00 PM.

XI. EXECUTIVE SESSION

None.

XII. ADJOURNMENT

MOTION: Larson/Shelton to adjourn at 11:10 PM (6 Yes/0 No/1 Absent [Currier]) Motion carried.

ADOPTED by the Newberg City Council this 7th day of July, 2008.

Norma I. Alley

Norma I. Alley, City Recorder

ATTEST by the Mayor this 10th day of July, 2008.

Bob Andrews

Bob Andrews, Mayor