

CITY OF NEWBERG CITY COUNCIL MINUTES
MAY 16, 2011
7:00 P.M. MEETING
PUBLIC SAFETY BUILDING TRAINING ROOM (401 EAST THIRD STREET)

A work session was held prior to the meeting. A presentation from the planning department was given on the South Industrial Area Master Plan infrastructure financing plan. No action was taken; no decisions were made.

I. CALL MEETING TO ORDER

Mayor Bob Andrews called the meeting to order at 7:11 PM.

II. ROLL CALL

Members

Present:	Mayor Bob Andrews	Denise Bacon	Ryan Howard	Stephen McKinney
	Bart Rierson	Marc Shelton	Wade Witherspoon	

Staff

Present:	Daniel Danicic, City Manager	Terrence Mahr, City Attorney
	Janelle Nordyke, Finance Director	Jennifer Nelson, Minutes Recorder

Others

Present: Dave Miller

III. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was performed.

IV. CITY MANAGER'S REPORT

Mr. Daniel Danicic, City Manager, spoke of the presentation he and the Mayor will make at City Club tomorrow covering the state of the City and the budget. He said the Newberg Downtown Coalition (NDC) will be holding the annual downtown clean-up at 10:00 AM on Saturday and volunteers are welcome to assist.

V. PUBLIC COMMENTS

None appeared.

VI. CONSENT CALENDAR

1. Consider a motion approving **Resolution No. 2011-2947** establishing the Stormwater Ad-hoc Committee.
2. Consider a motion appointing members to the Stormwater Ad-hoc Committee.
3. Consider a motion approving the Chamber of Commerce 2010-2011 third quarter report for the Visitor Information Center.

4. Consider a motion to approve March 21, 2011, City Council minutes.

MOTION: Rierson/Shelton approving the Consent Calendar including **Resolution No. 2011-2947**, a motion appointing members to the Stormwater Ad-hoc Committee, a motion approving the Chamber of Commerce 2010-2011 third quarter report for the Visitor Information Center, and the City Council minutes for March 21, 2011, as amended. (7 Yes/0 No) Motion carried.

VII. PUBLIC HEARINGS

Consider a motion approving **Resolution No. 2011-2948** approving Supplemental Budget #3 for the 2010-2011 fiscal year.

TIME – 7:15 PM

Mayor Andrews opened the public hearing and called for any conflicts of interest or abstentions; none appeared.

Ms. Janelle Nordyke, Finance Director, presented the staff report (see official meeting packet for full report).

Councilor Marc Shelton spoke of the figure used for the Transient Lodging Tax (TLT) being \$100,000.00 additional to what was initially budgeted and if with previous action, the 25% goes toward the Chamber of Commerce. He said a \$100,000.00 change to the TLT is noted in the supplemental budget and also an additional \$25,000.00 to the Chamber; he asked if that would not show as \$125,000.00. Ms. Nordyke said the first is the increase in revenue; the \$25,000.00 is the increase in expense, so the difference is a \$75,000.00 increase in contingency.

Councilor Bart Rierson asked about funds for the waste water treatment plant grant and the specific security updates it is being used for. Mr. Danicic recollected it was for separation of the overall site between the operational and public areas because it is not well defined and there have been instances of contractors being unknowingly locked in. The new design intends for all site visitors to go through the office for better monitoring.

Councilor Wade Witherspoon asked for clarification on the contingency increase being because of the TLT and if there were any limits in the number of supplemental budgets allowed in a fiscal year. Ms. Nordyke explained there is a potential increase when the books are settled since they are not exact and there are no limits.

Mayor Andrews asked for further explanation on the difference between reserves and contingency. Ms. Nordyke stated reserves cannot be spent in the current fiscal year; they are for future work not planned to be spent in the next fiscal year, but for long term projects. A contingency is a type of reserve that can be spent during the current fiscal year by supplemental budget or resolution.

Councilor Shelton spoke of the ending fund balance and reserves or contingencies needing council action and not wanting to see this as an ending fund balance but as reserve money that cannot be touched or allocated for a special thing. He asked if either a contingency or reserve takes council action. Ms. Nordyke said when a supplemental budget is adopted, this is restricted account. She said reserves include contingency, specific reserves and un-appropriated ending fund balance. In the general fund there is a line item of un-appropriated fund balance that cannot be spent and there is also a contingency with \$75,000.00 that can be spent in the current year; the contingency is the difference between the ending fund balance and the current balance. They are all reserves, but a contingency can be spent.

Councilor Shelton added if an account has a line item that is not spent then that is the beginning fund balance of the next budget, so what is the mechanism to spend out of contingency. Ms. Nordyke replied by supplemental

budget and resolutions approved by Council. Council actions are required with resolutions having less than 10% change in contingency.

Mayor Andrews opened and closed the public testimony. Staff recommended the adoption. The public hearing was closed.

MOTION: Witherspoon/McKinney approving **Resolution No. 2011-2948** approving Supplemental Budget #3 for the 2010-2011 fiscal year. (7 Yes/0 No) Motion carried.

VIII. COUNCIL BUSINESS

Discussion on the Cultural District Concept.

TIME – 7:37 PM

Mr. Danicic presented the staff report (see official meeting packet for full report).

Councilor Stephen McKinney asked about the alley basically becoming a street to the west. Mr. Danicic said there will be no increase in traffic volumes and it would still function as an alley or more accurately a narrow street.

Councilor Rierson spoke of the huge potential for growth at the Cultural Center and the already limited space and parking as well as room for expansion. He spoke of the benefits of the activities occurring there, like Tunes on Tuesday and the Farmers' Market and his hopes this could continue to grow.

Mr. Danicic said there was anticipation of Tunes on Tuesday relocating to the land across from library, which includes plans to demolish the annex building and build a smaller building in its place. Sheridan Street may be blocked during events to create more space for vendors, but there are concerns with the neighbors with older homes and no off-street parking not being able to park at their homes.

Councilor Ryan Howard spoke of the letter from the Library Board and felt the car free aspect is essential in the northern part and spoke of concentrating on parking around the library without compromising the Cultural Center area because two way traffic going right into the Cultural Center detracts from the feel of it being a park.

Councilor Shelton asked if there were any discussions about resident parking permits in order to give them priority. He also spoke of putting up a removable barrier at street level allowing traffic to move through there unless it is blocked off for an event. He said he would rather see an intermediate step rather than abandoning a part of Sheridan Street.

Mr. Danicic added the plans for the northern parking lot are scheduled, but not set for the rest of the site. They are going to different groups to see the perspectives on what is valued and looking for volunteers to step up and take the lead on various elements of the plaza. One group is already willing to take ownership of a small area to develop it and as others show interest it will be developed in phases.

Mayor Andrews asked if there is a basic concept for parking permits on the books today that can be modified. There was brief discussion on the possibility of problems moving from one area to another when changes are made.

Councilor McKinney sympathized with the library's concerns for parking spaces and spoke of this parking not being lost immediately; he hoped a plan would be pursued to occupy the space to the best advantage and use a one way street to maximize the area with the least disruption to the residents.

Councilor Witherspoon asked where people will park if they want to use the Cultural Center on a daily basis. Mr. Danicic replied they park on the north, but there is not an entryway to the Cultural Center there. They can enter the building on the north but it is not well marked; the next phase will enhance that when the gymnasium becomes a ballroom in the future. Councilor Witherspoon was concerned for the library's parking needs and did not think it was ideal to ask people to go to the rear of the Cultural Center; he felt some rethinking needed to occur to address more parking and access to the front of the Cultural Center.

Councilor Denise Bacon asked what the odds were of working with ODOT and losing a lane on Hancock Street. Staff felt there would be difficulty with losing a lane, but if it was feasible, it would be the last element implemented.

Mr. Dave Miller said he and his wife have been involved with the Cultural Center conception for eight years and noted there have been several heated discussions and concerns expressed to city staff, the Chehalem Park and Recreation District (CPRD), and the Newberg Downtown Coalition (NDC). They canvassed the area and ninety-three people signed a petition to slow the process down and have more meetings. He said he is a supporter of the Cultural Center, but they need some sanity to the parking situation for events because things like Tunes on Tuesday impacts this residential neighborhood greatly.

Councilor McKinney complimented Mr. Miller and his wife for being part of this project and said the Council understood that this is where they live, which is just as important to them. He supports his comments and would like to see this be an enhancement to the properties and to make it more livable.

Mayor Andrews spoke of the area off School Street, south of Sheridan Street and the property the city looked at previously; he wondered if this could be a possible area for additional parking or an alternate entrance to the library. He also wondered about the property to the north and if that was anticipated to come onto the market.

Mr. Danicic spoke of a new smaller structure to replace the annex building once it is demolished for storage until the library needs to be expanded; but, there had not been discussion for parking here in the long term. There have been discussions with the owner of the northern property and there may come a time when the city would want to consider acquiring this for administrative offices for the library; he said it would not be strategic to tear it down and they were not looking into buying this any time soon.

Councilor McKinney asked about the home next to the Masonic Temple building and if there has been any interest in selling that. Mr. Danicic replied there has only been a passive interest from the owner in selling. He would ask the Council to consider purchasing this if it came to market for potential parking.

Mr. Danicic asked to conduct a poll of the Council to hear their initial reaction to the demolition of the annex building and if there were any hesitations to this and closing off Sheridan Street to through traffic ultimately or any other concerns to be addressed.

Councilor McKinney said it makes sense to close Sheridan Street mitigating future problems by controlling the amount of traffic; he also said it makes sense to include the north parking lot at some point. He is also in favor of the annex building demolition.

Councilor Bacon said if library does not need the annex building then she sees no problem with tearing it down and if the street is done in phases people would get more comfortable with it than if it was done all at once. She also agreed a temporary blocking would help to lessen the shock once it becomes a complete closure.

Councilor Shelton said he was fine with the annex building being demolished but he was concerned with the possibility of a "squeezing of a balloon" effect with the traffic patterns and closing Sheridan Street. He is concerned people are trying to find alternate routes through town because of the highway traffic and people coming east on the north part of Hancock Street and others not wishing to deal with the traffic lights on First

Street crossing over Main Street to jump on Sheridan Street. Sheridan Street has already seen a traffic increase and damage to property from buses. He did not think the city could squeeze that one area and not expect to see the problem move to Sherman Street. He felt vacating the street is ridiculous because there are still residents impacted there and it is closing down an additional route to navigate through the northern part of town. He supports closing the road when events are held there but he is opposed to closing Sheridan Street permanently.

Councilor Witherspoon said he was fine with the annex building being torn down but felt there should be serious thought given to the accessibility to the library and the front of the Cultural Center. He said Councilor Shelton's suggestion for a temporary block makes sense if there is still access on Sheridan Street without having to park on Blaine Street. He thought it would be great if the city could purchase the Masonic building.

Councilor Howard felt the whole area cannot be developed without making that area car free. It needs to be developed into a park and there cannot be a street running through a park. If parking is developed along the street then people can get closer to the Cultural Center, but he has concerns with alternating between car free and access because of confusion from drivers. He said he cannot speak on the demolition of the annex building because he does not know the library's use of this. He agreed this area is essential for green space but felt the library also needs to be accommodated for their uses now and in the future.

Councilor Rierson said he appreciated the testimonies on both sides and spoke of additional traffic and calming measures on other streets. He said he can see a closure might force traffic north and that would be unfortunate but he felt it was most appropriate for this to be a car free zone. He spoke of this being the keystone to the civic corridor and felt it needs to be more park-like with cobblestone instead of pavement for example. He added that he is fine with the annex building being demolished.

Mayor Andrews agreed he was also fine with the annex building being taken down, but he is resistant to closing Sheridan Street. He felt temporary solutions should be used initially and does not wish to see this closed on a full time basis. He also felt the element of signage and education was important to give people advanced notice to those using this as a bypass. He is also hesitant to close the northern part of Howard Street as well.

Councilor Howard added that no one is suggesting closing off Sheridan Street tomorrow, but he thinks that as that whole area develops it would be more appropriate.

Discussions following regarding the intentions for the parking in the north and details being designed with green concepts; there will most likely need to be an intergovernmental agreement developed at some point to determine how on-site events are managed.

Councilor Shelton added he wished to be on the record stating he fully supports the Cultural Center.

Mayor Andrews called for a brief recess before they reconvened into the Executive Session.

IX. EXECUTIVE SESSION

Executive Session pursuant to ORS 192.660(2)(d) relating to labor negotiations
TIME – 8:45 PM

Executive Session was held and recorded. No decisions were made.

VIII. COUNCIL BUSINESS

The following discussions took place following the Executive Session.

Councilor Rierson gave an update on the Paddle Launch and informed the Council they were no longer requesting funds from the City to cover the costs while they are waiting for the grant monies. There did not appear to be a lot of support for the City loaning funds until the grants came through so they found ways to fund the costs until the grant monies come through.

Councilor Rierson stated the property by the Welcome to Newberg sign is looking like a jungle again and wondered if something could be put into place to ensure the maintenance on the grass and clean-up would be done this year. He suggested seeing if this could be included within the downtown clean-up this weekend. Mr. Danicic stated he would contact the property owner again about taking care of this.

Councilor Bacon asked about looking into burning ordinances for back yards with growing concerns for particulates from people burning cardboard or plastic, which is not good for kids or pets. She is opposed to the current permitting process and would like to explore this further. The city manager stated he would have planning staff look into banning backyard burning in city limits.

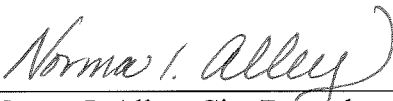
Councilor Howard mentioned the Cultural Center seems to have a different perspective of what the Old Fashioned Festival Committee is asking of the Council regarding the expansion of the festival zone and a representative is planning to come to give public comments because they are not sure how this effects them and they have some concerns that an overlay would restrict use of their facilities.

Councilor Shelton asked about the allowed changes from the Council for the budget approval coming up and if the 10% maximum is just to changes within the general fund or of the total budget. Mr. Mahr replied the budget can be reduced or increased but not by more than 10% and those questions will be answered at the public hearing on June 6, 2011.

X. ADJOURNMENT

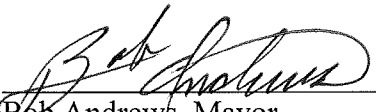
The meeting adjourned at 9:44 PM.

ADOPTED by the Newberg City Council this 20th day of June, 2011.



Norma I. Alley, City Recorder

ATTEST by the Mayor this 23rd day of June, 2011.



Bob Andrews, Mayor