

NEWBERG CITY COUNCIL MINUTES
REGULAR SESSION
April 3, 2017, 7:00 PM
PUBLIC SAFETY BUILDING (401 E. THIRD STREET)

A work session was held at 6:00 p.m. preceding the meeting. Present were Mayor Bob Andrews, Councilors Hayley Delle, Scott Essin, Mike Corey, Patrick Johnson, and Stephen McKinney. Councilor Bacon was absent. Also present were City Manager Joe Hannan, City Attorney Truman Stone, City Recorder Sue Ryan, Public Works Director Jay Harris, Community Development Director Doug Rux, Finance Director Matt Zook, Information Technology Director Dave Brooks, Police Chief Brian Casey, Library Director Leah Griffith, and Human Resources Director Anna Lee.

Finance Director Zook said the utility billing system review consultant was on board and working with staff. Part of their work included the Transportation Utility Fee, budget billing, and looking at how revenues were processed. The Pension Subcommittee met and had made a recommendation to Council. Staff was working on the 2017-18 budget. Court operations were continuing to run smoothly.

Police Chief Casey said since January 1, the department responded to 6,226 calls, arrested 247 adults, issued 846 citations, and 1,180 warnings. The new canine, Hammer, was in training. The Police Foundation had received \$26,000 in donations for safety equipment.

Library Director Griffith said a new Latino Services Librarian and new Administrative Assistant had begun work at the Library. The collection was almost done being transitioned to the radio-frequency ID. She hoped to have 19 new computers to replace older ones. Summer activities and programs were being planned. The Library Foundation was moving forward with fundraising plans. There would be one opening on the Library Board.

Information Technology Director Brooks said staff had been working on the new projectors and screens for the Council Chambers, expansion of the back-up system, e-mail upgrade, and new access control system. They were closing an average of 426 work orders per month. The City was receiving an average of 13,000 e-mails per day and 82% of them were being blocked. This was due to phishing attacks.

Human Resources Director Lee said all job descriptions had been updated and would be put on the City's website. The current salary scales and union agreements would also be updated. Public Safety Union negotiations were going well. The new staff orientation and training process was being updated. She would also be having meetings and working with the Finance Department regarding the Springbrook Software System and utilizing the HR module. She was continuing to train employees and was tracking new legislation that might make changes to the City.

Public Works Director Harris said staff had been flushing water lines, and working on Well #9. He thought the water system was in good shape and could meet peak capacity. He was applying for a grant for the Chehalem water line extension. The seismic project and hydraulic mixing on the reservoirs had been done. The main street sweeper was repaired recently and they were three years out from investing in a new sweeper. The Villa Road street improvement project was 80% designed. They were acquiring right-of-way for Villa Road. Pot holes were being patched. The Blaine Street storm drain project was out to bid. The I & I project for the spring would be in the Springbrook Basin. Compost sales were starting to increase. Councilor Corey asked if any roads would receive a pavement overlay. PWSD Harris said 5th street would, and it would be included the budget.

Community Development Director Rux said the new Associate Planner had started. The Building Division did 4,092 inspections from July to February. Single family permits from July to March was 82. The City received a grant for funds to do an inventory and survey of the Cameo Theatre. Historic Preservation Commission

approved the Recipe Restaurant remodel and Cultural Center patio. The Affordable Housing Commission solicited applications for the manufactured home repair maintenance. A \$400,000 grant was received from Business Oregon. Portland Community College representatives toured Yamhill County. The TLT ad hoc committee had met a couple of times. There were two annexation applications in review. The buildable lands inventory and study area report had been submitted. He explained the subdivision, partition, and design review applications that had been received and were being reviewed and two cell phone tower applications along with many other projects.

Councilor Essin reported on the Yamhill County Watershed Board meeting. There were no drought conditions in Oregon, but there was a shortage of water storage for the summer as the area was low on reservoirs. A feasibility study would determine whether there should be modifications to the allocation of Willamette Valley reservoirs to better serve the basin. They also discussed legislative issues and funding needs. The City was applying for a grant for \$250,000 for water line extensions around Highway 240.

The Work Session adjourned at 6:50 p.m.

CALL MEETING TO ORDER

The Mayor called the business session to order at 7:00 p.m.

ROLL CALL

Members Present:	Mayor Bob Andrews	Scott Essin	Stephen McKinney
	Hayley Delle	Mike Corey	Patrick Johnson

Members Absent: Denise Bacon

Staff Present:	Joe Hannan, City Manager	Truman Stone, City Attorney
	Sue Ryan, City Recorder	Doug Rux, Community Development Director
	Kaaren Hofmann, City Engineer	

PLEDGE OF ALLEGIANCE: The Pledge of Allegiance was performed.

PROCLAMATIONS:

Peace Pole proclamation: Mayor Andrews read the proclamation recognizing and supporting the placing of peace poles throughout the Newberg community as a way to bring together people of all faiths, backgrounds, and cultures to embrace the oneness of our planetary family. He presented the proclamation to Mike Caruso from Rotary International who had brought a peace pole to show the Council.

National Library Week proclamation: Mayor Andrews read the proclamation recognizing April 9-15, 2017, as National Library Week.

National Public Safety Telecommunicators Week proclamation: Mayor Andrews read the proclamation declaring April 9-15, 2017, as National Public Safety Telecommunicators Week.

Arbor Week proclamation: Mayor Andrews read the proclamation declaring the week of April 2-8, 2017, as Arbor Week.

CITY MANAGER'S REPORT: City Manager Hannan reported on current activities across the City including budget preparation, Mountain View Middle School design presentations, meeting with the Newberg Police Foundation about their next steps, attended VFW pancake breakfast for veterans, attended Downtown Coalition board and Economic Development working group meeting, and meeting with the Dale family on a grant application for proposed transfer of airport rights.

PRESENTATIONS: Council Priorities: CM Hannan said the Council met to look at priorities that had been set last year and choose ones for this year. He listed the priorities and costs associated with them including implementing the plans for repairing our roads and Transportation Utility Fee, repairing and replacing sidewalks, UGB expansion, creating affordable housing options, development of a Riverfront Master Plan, implementing an emergency preparedness program, considering an Urban Renewal District in the City, Downtown/99W issues, implementing SharePoint, creating a City-wide trail system, transit system issues, employee retirement system challenges, TVF&R annexation, and improving communication with the public. Councilor Essin suggested the Council hold another meeting on these priorities to go over all of the information.

Councilor McKinney asked of the 450 acres in the Riverfront Master Plan, how much was not annexed at this time. CDD Rux said about 150 acres. The largest unannexed property was the West Rock Mill site. They would be discussing the annexation of the property for redevelopment purposes. Due to new legislation, the Council could approve annexations without having to go a vote as long as it met certain parameters.

PUBLIC COMMENTS:

Robert Soppe, Newberg resident, spoke about the 2007 and 2009 Wastewater Master Plans. He had concerns about sewer capacity on Springbrook since the overflow had occurred. There were significant differences between the 2007 and 2009 plans for that sewer line. The 2007 plan had it operating at 93% capacity during peak flows. The 2009 plan showed it as operating at 67% capacity. This was attributed to a difference in pump station flow, but he did not find data to support that and it was difficult to see why it was changed. He thought the new Highway 240 pump station would have no effect on the Springbrook line. He looked back at the Council agendas and minutes in 2009 when the plan was approved, but he did not find any mention of the plan. It appeared that the 2009 plan had not been adopted. These technical issues could be cleared up if the City was to go back to Brown and Caldwell who were the consultants who did the work. The Crestview Crossing development planned to use the Springbrook sewer line, and if it was at 93% capacity ten years ago it would be a problem to add this new development. He suggested finding out the technical reasons for the significant change to the sewer line capacity between the 2007 and 2009 plans, positively identify whether or not the 2009 plan was adopted, and if the 2009 plan was not in effect, identify and resolve the legal and technical issues that this raised. He requested feedback on these items as they were pursued.

Roger P. Grahn, Newberg resident, spoke about affordable housing. He referred to a handout of the preliminary estimate of costs of his proposal (Exhibit A) given to the Council. He was proposing a 60 unit project on Wyooski. It would cost half a million dollars more to build it than it was worth. The majority of the costs could not be changed, however his money and the City's could be altered. The permission to build costs were one seventh of the total value of the project. No bank would fund such a project. He thought this was a City problem. If they wanted affordable housing, something needed to be done. Councilor Essin asked what the City could do. Mr. Grahn said the City costs needed to be reduced and they needed to allow the fees to be paid over a period of time instead of up front.

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CONSENT CALENDAR:

MOTION: Corey/Johnson moved to approve the Consent Calendar including Resolution 2017-3364, A Resolution to enter into a Professional Services Agreement with Kittelson & Associates, Inc. to provide engineering, financial, and community outreach services for the integration of the City's pavement system maintenance and funding master plan in the amount of \$53,228.81; appointment of Robert F. Blackmore and Innova Legal Advisors PC, as Special Legal Counsel to the City of Newberg and authorizing the same to pursue the City's legal remedies and damages against Metro West Ambulance Service, Inc. for violation of the Newberg Ambulance Service Area provisions, and authorizing the City Attorney to execute the documents necessary to accomplish the same; to approve the mediated settlement agreement reached between the City and the Newman Living Trust for payment in the amount of \$35,000; and to approve Council Minutes for February 21, March 4 and 6, 2017. Motion carried (6 Yes/0 No/1 Absent [Bacon]).

NEW BUSINESS:

Resolution 2017-3365

CDD Rux said this proposal was based on a request from the Hoover-Minthorn House Museum to either reduce or waive fees related to a foundation permit. A new foundation needed to be put under the museum. Council had reduced fees in the past, one for the Cultural Center building and planning fees and one for the CPRD Pool where the fees were reduced to the 2015 fee schedule. These fees provided a small percentage of revenue to various City funds.

There was discussion on whether the requestors would qualify for tourism money. CDD Rux said the Hoover-Minthorn House Museum did recently receive a small tourism grant award of \$1,400 for signs. CM Hannan recommended not waiving this as it was an outstanding facility in town. There was a large tourism grant that could be used for other improvements on this site that were more related to tourism. City Attorney Truman Stone discussed the definition of tourism related facility and he thought a museum would qualify.

Councilor Essin suggested coming up with a policy that dealt with these kinds of requests. Mayor Andrews thought they should deny waiving the fees, and instead award a \$1,000 grant from the Economic Development Revolving Loan Fund. CDD Rux gave details about the loan fund that was supposed to be used for commercial and industrial development and the two applicants that had used the fund. In the current fiscal year there was \$200,000 in the fund and there had been no applicants. The fund would be reviewed in the next fiscal year to see if it needed to be changed. Councilors Corey and McKinney thought the Mayor's suggestion was a good option.

MOTION: Andrews/Essin moved to approve Resolution 2017-3365, A Resolution denying a reduction or waiver for Building Division plan review, structural, and technology fees; Community Development fee; and City Hall facility fee for a foundation permit for the Hoover-Minthorn House Museum at 115 S. River Street but extend a grant of \$1,000 from the Economic Development Revolving Loan Fund. Motion carried (6 Yes/ 0 No/1 Absent [Bacon]).

COUNCIL BUSINESS: Mayor Andrews said there would be a Town Hall in McMinnville on Thursday. He announced the Camellia Festival activities that would be happening this weekend. The Parkway Committee had been invited to meet with ODOT to discuss the next phase of the Bypass.

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ADJOURNMENT: The meeting was adjourned at 8:20 p.m.

ADOPTED by the Newberg City Council this 1st day of May, 2017.



Sue Ryan, City Recorder

ATTESTED by the Mayor this 5th day of May, 2017.



Bob Andrews, Mayor

Roger P. Grahn
7131 Highway 240
Yamhill, OR 97148
503-314-7682

City Council Meeting

Date: 4/3/17

Re: Affordable Housing

Topic: Public Comment

PRELIM. EST OF COSTS

60 UNITS @ LEWIS ACADEMY SITE

PROPOSED: 13 - 1 BD, 1 BH } 50,000¹² ±
36 - 2 BD, 2 BH }
11 - 3 BD, 2 BH }

ITEMS:

(in 000's)

LAND

\$ 750.00

LAND IMPROV

(DEMO, 1/2 ST IMPROV.

NEW UTIL, OLD REMOVE)

450.00

CONST (BLDG ONLY) 4,350.00

SOFT SITE

(PARKING, INSUR, AMENT.) 250.00

TOTAL CONST.

\$ 5,800.00

PROPOSED

SOFT COSTS

(ENGR'G, PLANNING, LEGAL) 150.00

FINANCE

200.00

PERMITS, SDC's etc. (C.O.N.) 1,100.00

770.00 { 540 CASH
230 DEF
*

CONTR. FEE

500.00
\$ 7,750.00

\$ 7,020.00

TOTAL COST

VALUE: \$ 450,000 = ANNU OPER. INCOME

$$\therefore 450,000 \div \frac{.0625}{\text{CAP RATE}} \approx \$ 7,200,000$$

* ASSUME 3%/YR RENT INCREASES
5% PAYMENT $\approx$ \$25,000. /YR
= 9 YR ± PAYOUT

X5

