NEWBERG CITY COUNCIL MINUTES
REGULAR SESSION
September 5, 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 Andrews, Councilors Patrick Johnson, Scott Essin, Denise Bacon, Mike Corey, Stephen McKinney and Matt Murray. Also present were City Manager Joe Hannan, City Attorney Truman Stone, City Recorder Sue Ryan, Information Technology Director Dave Brooks, Human Resources Director Anna Lee, Finance Director Matt Zook, Police Chief Brian Casey, Sergeant Jeff Kosmicki, Support Services Manager Mary Newell, Senior Planner Steve Olson, Water Plant Superintendent Dan Wilson, and Public Works Director Jay Harris.

Mayor Andrews called the meeting to order.
Work Session on Long Range Budgeting:
City Manager Hannan said when the budget was passed, they had a deficit and tonight was to address the issue of the City spending more than its revenues. The first topic was to look at the general fund balance and how to close the gap. The second topic was an update on the communication upgrade to the dispatch center. Tonight's focus was to introduce ideas and discuss them not to make any decisions.

Finance Director Zook reported on background from the budget process earlier that year referring to a Powerpoint handout (Exhibit A). FD Zook said the numbers were calculated for FY 2018-19 Budget. He explained the difference between the ending fund balance and structural deficit. He explained how different funds operated and their current balances.

CM Hannan said they had some different strategies for closing the gap and that this year's budget was balanced by taking from the City's reserves. FD Zook said one idea was to consider a Local Option Levy where the City can tax above and beyond the permanent tax rate. He said this idea as proposed could eliminate the structural deficit in one year by generating $1.28 million. There was discussion on the time period for the levy, a sunset date, renewal, and associated risks with a levy.

CM Hannan said another strategy was to increase Public Safety fees from the current $3 monthly rate to $15 per month on the Municipal Services Statement for a set period. There was discussion on the School Resource Officer and how it was paid for. CM Hannan said another idea might be to increase franchise fees, to increase rates for water, wastewater, and storm water utilities, and to do interfund transfers for space rental by departments to the general fund.

CM Hannan said another idea was to transfer the Dispatch Center to WCCCA or was contracted out. Another strategy was to consider the sale of City properties such as the Animal Shelter There was discussion on cutting employee positions that were just recently created, and employees paying more for their health insurance. Other options to make up the budget gap could include the increased amount of revenues coming in from the current building boom in the City. There was discussion on the City Hall fee and the bonded amount of debt still left to pay off. There was discussion on potential revenue from possible motels that may be built in the City.

There was discussion on the numbers in the presentation related to the proposed charter amendment to reduce the City's levied tax rate and if the charter amendment does not pass that they City may still face a systemic issue. There was discussion on property tax revenues and how those could potentially increase.

CALL MEETING TO ORDER
Mayor Andrews called the business session to order at 7:15 p.m.

ROLL CALL

Members Present:	Mayor Bob Andrews	Scott Essin	Stephen McKinney
	Mike Corey	Denise Bacon	Patrick Johnson
	Matt Murray		

Staff Present:	Joe Hannan, City Manager	Truman Stone, City Attorney
	Sue Ryan, City Recorder	Doug Rux, Community Development Director
	Cheryl Caines, Associate Planner	Jay Harris, Public Works Director
	Anna Lee, Human Resources Director	
	Dan Wilson, Water Treatment Plant Supervisor	
	Brad Allen, Associate Planner	Paul Chiu, Senior Engineer
	Steve Olson, Senior Planner	Rosa Olivares, Community Engagement Specialist

PLEDGE OF ALLEGIANCE: The Pledge of Allegiance was performed.

CITY MANAGER'S REPORT: City Manager Hannan reported on his recent activities including finances and the long-term budget model, the communications upgrade, funding for roads, attendance at various functions and events, emergency preparedness work with churches, police reserves,

PUBLIC COMMENTS: None

CONSENT CALENDAR:

MOTION: Bacon/Johnson moved to approve the Consent Calendar including Council Minutes for July 31 and August 7, 2017; Resolution 2017-3412, A Resolution to authorize the City Manager to execute a contract amendment with Knife River Corporation-Northwest for the Pavement Preservation and Utility Replacement Project for the amount of $201,287.75; and Resolution 2017-3401, Adoption of the City Manager Evaluation. Motion carried (7 Yes/0 No).

PUBLIC HEARINGS: Ordinance 2017-2817, North Valley Friends Church/Veritas School Annexation: Mayor Andrews opened the public hearing. He called for any abstentions, ex parte contacts, and objections to jurisdiction. Councilor Johnson declared an ex parte contact with a Veritas employee. City Attorney Stone read the hearing statement.

Planner Allen said this was an annexation request for 24.3 acres to the north of Newberg on College Street to become seven tax lots. The applicant was North Valley Friends Church and Veritas School. The zoning would change to R-1, Low Density Residential with a Stream Corridor Overlay on part of the site. The proposed use complies with the Comprehensive Plan as PQ used to locate the location of future schools. There is adequate provision of urban services with public utilities extended to the site and upgrades to a booster pump station are underway to serve it. Planning Commission recommended adoption of Ordinance 2017-2817. He mentioned a correction in the ordains section of the text to include with the stream corridor overlay to match the title of the document.

Councilor Johnson asked about the Transportation Planning Rule regarding how much control the City would have over monitoring the intersection to make upgrades. Planner Allen said the development agreement required North Valley Church to make improvements along North College and Bell Road when improvements are made to the east of the site. There was discussion on traffic impacts.

Proponents: Andy Baker, North Valley Friends Church and Veritas School, said there was a 2003 agreement to develop the site including annexing into the City of Newberg. He said Veritas is currently developing their land with county permits as per the agreement. The utilities were being installed. North Valley Friends has no current plans for developing their property.
Opponents: None

Undecided: None
Mayor Andrews closed the testimony. Planner Allen recommended adoption of the Ordinance. There was discussion on the definition of large.

City Attorney Stone said applicant indicated they had waived the 7-day period to introduce new information. He read the procedure statement for appeals.

MOTION: Bacon/Johnson moved to waive the second reading of Ordinance 2017-2817. Motion carried (7 Yes/0 No).

MOTION: McKinney/Johnson moved to adopt Ordinance 2017-2817 and read by title only, An Ordinance annexing 24.33 acres of property located at 4020 N College Street, Tax Lots 3208-2700, 2701, 2702, 2703, 2800, 2801, and 2802, plus the area of the adjacent rights-of-way, into the Newberg city limits, withdrawing it from the Newberg Rural Fire Protection District, and changing the zoning from Yamhill County AF-10 and PAI to Newberg R-1 and I with a Stream Corridor Overlay. Motion carried (7 Yes/0 No).

CONTINUED BUSINESS: Ordinance 2017-2815 – Dutchman's Ridge Annexation
There was a brief discussion procedure. City Attorney Stone said the Council was at the deliberations stage of this ordinance as the Council had previously closed the hearing. Planner Olson said the content is what the Planning Commission approved and recommended adoption of the ordinance.

MOTION: McKinney/Corey moved to adopt Ordinance 2017-2815 and read by title only, An Ordinance annexing 25.66 acres of property located at 25020, 25240 and 25300 NE North Valley Road, Yamhill County, Tax Lots 3207-600, 700 and 800, plus the area of the adjacent rights-of-way, into the Newberg city limits, withdrawing it from the Newberg Rural Fire Protection District, and changing the zoning from Yamhill County AF-10 to Newberg R-1 with Stream Corridor overlay. Motion carried (7 Yes/0 No).

Ordinance 2017-2813:
Planner Caines said some minor edits had been made to the ordinance language since the previous meeting when the ordinance was held.

Proponents, Opponents or Undecided: None
Mayor Andrews closed the hearing. Planner Caines recommended adoption of the ordinance.

MOTION: McKinney/Bacon moved to adopt Ordinance 2017-2813 and read by title only, An Ordinance amending the Newberg Development Code for land divisions. Motion carried (7 Yes/0 No).

NEW BUSINESS: Resolution 2017-3403:
Water Plant Superintendent Wilson said the hypochlorite generation was part of the recent Waste Water Treatment Plant expansion. He explained how it works to make chlorine.

MOTION: Murray/Bacon moved to adopt Resolution 2017-3403, A Resolution authorizing the City Manager to waive the competitive purchasing requirement and execute all necessary documents to purchase an onsite hypochlorite generation system for the Water Treatment Plant. Whitney Equipment Company Inc. is the supplier of the MicroClor system and the cost is $277,312.50. Motion carried (7 Yes/0 No).

2007 ADA Pedestrian/Bike plan review:
Planner Caines said this plan was adopted in 2007. Its purpose is to provide non-vehicular methods of transportation between key destinations in the City. Since then staff created a Bike Improvement Program, which has included various improvements to encourage bicycling. The plan is still in use and a vital document.

Councilor McKinney asked about potential savings if the City just did curb cuts and sidewalks. PWS Director Harris said they have a large budget and it depended upon what part they were talking about. There was discussion on budgeting and costs involving ADA ramps.

2012 Cultural District plan review:
Planner Olson said the plan was adopted in 2012 as the guiding document for future development within the Cultural District. He said Council declared the area bounded by East Hancock, North Blaine, East Sherman, and North School streets to be the Cultural District. Since its adoption, many actions had taken place to implement it. Future projects will take collaboration between the City, Chehalem Parks and Recreation District and Chehalem Cultural Center. There was discussion on parking needs during events.

Robert Soppe, Cultural District Chairman, spoke in favor of the Cultural District Plan. He said the scope of the project that $3.5 million had been spent of the $9 million needed to carry out the plan. There was discussion on the parking management plan and donations from community groups.

Communication Plan Discussion:
Community Engagement Specialist Olivares reported on work she had been doing with departments on communications. She said some of the goals that came from the Council for the Communication plan included: engaging the community, ensuring the City had a positive image, ensure consistent and proactive external communication, enhance internal communication to increase awareness, coordination and participation of City employees in City goals, open two-way communication to ensure that information is shared throughout the community and the organization. There was discussion on action items,
There was a five-minute recess.

COUNCIL BUSINESS:
The Council discussed topics for upcoming joint meetings with CPRD, and also the School District.

Mayor Andrews wanted to have a subcommittee on Council Rules consisting of himself, Councilor Essin and Councilor Johnson with it to come before the Council in January.

City Recorder Ryan reminded the Council about the Habitat for Humanity Elected Officials Build Day on September 16th.

MOTION: McKinney/Corey moved to suspend Council Rule 7.7 to reconsider the Council's previous vote to support the Charter amendment. Motion failed (2 Yes/5 No [Andrews, Bacon, Essin, Johnson, Murray]).

ADJOURNMENT: The meeting was adjourned at 9:25 p.m.

ADOPTED by the Newberg City Council this 16th of October, 2017.

Sue Ryan

Sue Ryan, City Recorder

ATTESTED by the Mayor this 17th day of October, 2017.

Bob Andrews

Bob Andrews, Mayor