

NEWBERG CITY COUNCIL MINUTES
REGULAR SESSION
December 4, 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, Denise Bacon, Mike Corey, Stephen McKinney, and Matt Murray. Scott Essin had an excused absence. City staff present were City Manager Joe Hannan, City Attorney Truman Stone, City Recorder Sue Ryan, Finance Director Matt Zook, Assistant Finance Director Caleb Lippard, Senior Accountant Dan Keuler, Police Support Services Manager Mary Newell, Public Works Director Jay Harris, Community Development Director Doug Rux, Human Resources Director Anna Lee, Police Chief Brian Casey and Information Technology Director Dave Brooks.

Mayor Andrews called the meeting to order.

City Manager Hannan and Finance Director Zook presented on Long Term Financial Planning. CM Hannan discussed the strategy for paying the \$3.1 million to upgrade the public safety communications system. The project included the new antenna, improvements to the dispatch center, and improvements to the radios. They wanted to upgrade to maintain communication with the area wide system and other police and fire units. Of the \$3.1 million, TVF&R would contribute \$1.7 million. This left the City to come up with \$1.4 million. One strategy was to sell off property or assets. Staff proposed selling the Butler property. There was strong interest in the property and an appraisal was currently being done. He thought they could get \$300,000 to \$500,000 for the property. Staff also recommended selling the animal shelter. The shelter was currently being operated by a non-profit group. He recommended getting an appraisal of this property as well and putting it up for sale with the caveat that it be sold to a group that would continue to operate the shelter.

Councilor Bacon suggested deed restricting the property to keep it as an animal shelter.

CM Hannan said staff had recorded how much in donations the City received for the animal shelter and the improvements that had been made by the non-profit group as well as the City funds that had been spent. With these two sales, staff hoped to achieve the \$1.4 million. For the \$1.7 from TVF&R, this would be done through the sale of the City's fire equipment. If Council approved, he would start setting up meetings with the Fire Chief to start that process. There would be an agreement with TVF&R for the terms of annexation which would include the transfer of equipment, personnel actions, and transfer of the Springbrook fire station at no cost, but the City would retain the downtown fire station. Both fire stations would continue to operate as fire stations. Dundee Fire was a separate agency and they would have to make decisions about their future. It had been asked that if Dundee should help pay for the upgrade as they utilized Newberg's antenna for their communication system. There was an application in process for a Homeland Security grant that he was researching to see if some part of the grant could pay for a portion of the communications upgrade.

FD Zook presented scenarios for the communications upgrade and the budget deficit. Scenario 1 was where they were today if nothing was changed. Property taxes for FY 2018-19 would be reduced from \$4.38 to \$2.50. Property taxes would increase 3% each year and there could be 4.3% growth in the property tax assessed value. This scenario included debt service payments for the communications upgrade during a five-year period at \$3 million. The scenario also included assumed PERS rate increases. Also built into Scenario 1 was a 0% COLA.

There was discussion on the 0% COLA and the union contracts. FD Zook said there would be a shortfall in the 2018-19 budget of \$1.5 million. The beginning fund balance of \$933,000 for 2018-19 was 7.81% of expenditures and the target was 16%. He discussed the budget trends from the last few years which showed budget shortfalls and discussed the debt payment structure for the \$3 million.

Councilor Bacon asked WCCCA contract costs. CM Hannan said there would be a discussion regarding dispatch operation year to year expenses and the upgrade expenses. Councilor Murray said these were worse case scenarios without selling property or paying off debt. CM Hannan said that was correct. FD Zook discussed the PERS rates and costs in Scenario 1, which was a large chunk of personnel services costs in the General Fund.

FD Zook said Scenario 2 included the same assumptions in Scenario 1 but increasing the Public Safety Fee from \$5 to \$15 in 2018-19 and \$20 in 2019-20. Every \$1 increase generated \$100,000, so a \$10 increase would generate \$1 million. This could cut \$1.5 million deficit to \$500,000. He showed the four year impact of the proposed change.

He presented Scenario 3, which also had the Public Safety Fee increase but was scaled back. It would increase the fee to \$12 in 2018-19 and to \$17 in 2019-20 and beyond. It also added a 2% increase to the internal franchise fee for water, wastewater, and stormwater revenue. This would increase the internal franchise fee from 5% to 7%.

FD Zook said Scenario 4 did not adjust any of the fees, but put forward a local option levy of \$1 per \$1,000 of assessed value beginning in 2019-20. There was discussion on the differences among the scenarios and how a local option levy would require an election. There was further discussion regarding how the annexation to TVF&R and the recent Charter amendment had affected the City's budget.

He presented Scenario 5 with a local option levy of \$0.83 per \$1,000 of assessed value and a 2% internal franchise fee increase.

FD Zook said Scenario 6 was a local option levy of \$1.14 per \$1,000 of assessed value, 2% internal franchise fee increase, and eliminating the Public Safety Fee. For the potential of WCCCA operating dispatch there were two possibilities with the difference being the level of City personnel that would be retained. He then discussed the total costs for the police and communication revenues and expenditures. Councilor Murray recommended discussing this issue after they figured out how much money they would get from selling the surplus fire equipment. Councilor Johnson suggested having a special meeting on this topic only.

The work session was adjourned.

CALL MEETING TO ORDER

Mayor Andrews called the business session to order at 7:20 p.m.

ROLL CALL

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

Member Absent: Scott Essin - excused

Staff Present:	Joe Hannan, City Manager	Truman Stone, City Attorney
	Sue Ryan, City Recorder	Doug Rux, Community Development Director
	Matt Zook, Finance Director	

PLEDGE OF ALLEGIANCE: The Pledge of Allegiance was performed.

PROCLAMATION: Mayor Andrews declared December 4, 2018 as Water Polo Team Day and presented the proclamation to the team captains.

CITY MANAGER'S REPORT: City Manager Hannan reported on Senator Bonamici's presentation to the City Club, CDD Rux's work on affordable housing, public hearing on the master plan for Ewing Young Park, Washington County's hearing on Newberg's annexation into TVF&R district, emergency preparedness meetings, potential sale of the Animal Shelter to help pay for the communications upgrade, meeting with other Yamhill County cities regarding common issues, Tree Lighting Ceremony, meeting with YCAP on partnerships, and meeting regarding tiny homes for affordable housing.

COUNCIL APPOINTMENTS:

MOTION: Andrews/Johnson moved to consent to the Mayor's reappointment of nine committee members for three year terms from January 1, 2018 to December 31, 2020 including Steve Comfort to the Affordable Housing Commission; Jack Reardon and Lon Wall to the Budget Committee; Rick Fieldhouse to the Historic Preservation Commission; Allyn Edwards and Stephen McKinney to the Newberg Urban Area Management Committee; Philip Smith to the Planning Commission; Neil Klein and Tony Roos to Traffic Safety Commission. Motion carried (6 Yes/0 No/1 Absent).

MOTION: Andrews/Corey moved to consent to the Mayor's appointment of Shannon Eoff to the Affordable Housing Committee, Robert Ficker to the Planning Commission, and Robert Griffin to the Transient Lodging Tax Ad Hoc Committee for terms of January 1, 2018 to December 31, 2020. Motion carried (6 Yes/0 No/1 Absent).

PUBLIC COMMENT:

Jann Floren, Newberg Animal Shelter Friends (NASF), thanked the City for their partnership. She said the group had raised funds for 17 years toward building the shelter. In 2014 the Friends contracted with the City to operate the new shelter. NASF donors committed \$636,000 in construction materials and labor, not including animal care. The Council was considering selling the animal shelter in order to meet the City's budgeting needs. Other organizations had been approached to gauge their interest in purchasing the building. She was surprised that the City approached other organizations before consulting with them. NASF expected to renew the lease contract in 2018. NASF had more than 2,000 donors whom would be very upset if the group no longer operated the shelter. NASF requested to be given the first right of refusal and fair opportunity to purchase the shelter building if it was necessary.

Barbara Lipinski, NASF treasurer, said they continued to fundraise every year and added improvements to the building since 2013. All of the funds had come from donors. They believed they had equity in the building and the expenditures had been documented. It was the group's intention to fundraise to build a shelter to give to the City to operate. That had not happened. The Newberg-Dundee Police Department asked the Friends to take over management when they discontinued animal control. Yamhill County also pulled out of animal control. There was a need for what they were doing. They managed with volunteers for the first year and had gradually added paid staff and still worked with volunteers. She requested that the Friends be consulted before any major change occurred and be given right of first refusal if it was put up for sale.

Councilor Murray thought a right of first refusal was a reasonable request.

Carmen Woolf discussed safe vehicle access for a neighborhood south of First Street and Highway 219. During the past several years new developments had occurred, adding 240 new homes in the area. There were only three exits out of this neighborhood 1) Highway 219 which now had a barrier limiting people to go south, 2) Highway 219 and Everett which had become extremely dangerous, and 3) Highway 219 and Church Street. To improve the situation she recommended putting in a traffic light at Highway 219 and Everett. There had been recent accidents, near misses, and reckless driving at the access points. Because of these experiences, neighbors were requesting the Council take appropriate action.

Councilor McKinney suggested she contact ODOT regarding these concerns as well. He explained previous discussions about this area. They had helped to install the crosswalk at Highway 219 and Everest. One of the problems was the City did not have jurisdiction of Highway 219. He would try to do what he could do for this area.

Alina Kaz was a 13 year old who rode her bike and often crossed Highway 219. It was an unsafe crossing for kids.

Ned Knight said the Bypass project included improvements to Highway 219 and a center median at the 2nd and Fernwood crossing. Since that median was put in, there had been a significant increase in traffic at Everest and Highway 219. School buses and trucks drove in that area and there were long lines during rush hour. The neighborhood was being held hostage because it was unsafe. He thought the solution was a traffic light. He did not think they should wait for major traffic accidents to occur.

Ann Wolfer said the crossing at Everest did not help in the dark. She had almost been rear ended many times. Traffic was bad and it sometimes took a long time to get through the area. She agreed the neighborhood was being held hostage and it was an unsafe situation.

Cathi Young delivered notices of tonight's meeting to the neighborhood and she was representing a lot of people who could not come. The neighborhood needed the Council's help to discuss this issue with ODOT and find solutions.

Cathy Bolander worked out of her home and left at various times throughout the day. There had not been a time where she was not frustrated. She had to add at least 15 minutes onto her schedule to get where she needed to go. She did not use Everest because of all the issues. She used Church Street and tried to turn left further on. It was not a safe neighborhood.

Richard Arnold said the amount of traffic accidents and deaths at 2nd Street during the last seven years was nominal in comparison to locking an entire neighborhood into a community. There were no traffic monitoring lines or discussion of that intersection before the change was made. He had talked with ODOT and they told him the City decided to block off the intersection. He did not think anyone took the neighborhood into consideration when the decision was made. Church Street was off Highway 99W going onto Highway 219. Trucks and cars were going 35-40 mph and trying to turn right onto that street was dangerous. There was a caution sign at 2nd and Everest about traffic ahead. The concern about 2nd and Highway 219 was the proximity of the Sportsman Airpark. He contacted the FAA who said traffic signal details were sent to them, they could give a detailed description of what would work at that location. He thought the only solution was to put in a traffic light on 2nd and Highway 219. The Council was their voice, and something needed to be done.

Jeanette Adlong said City staff told her an IGA with ODOT stated a light would be installed on 2nd and Everest. She thought it was the Council's responsibility to meet with ODOT and the neighborhood to discuss concerns. This was a forgotten neighborhood of affordable housing with George Fox students and working households. The pedestrian crossing was not enough. They could not wait three years for the light to go in.

Christina Farias had observed several near misses on Everest and Highway 219 both day and night.. She did not feel safe coming into the neighborhood on Everest and went into old town Newberg, made a loop, and came back around so she could turn right into her neighborhood.

Mark Gendleman said his wife was a new driver and he was concerned about her getting in and out of the neighborhood. He was able to get in and out after driving in Los Angeles, but it did scare him. He believed people waited a long time due to the margins being so tight and it was so unsafe. He asked for Council's guidance in solving this situation.

Cindi Adams, Newberg resident, said the cars were not stopping at the crosswalk. She was concerned about the liability exposure to the City and property values. The modification to 2nd failed as it took her 10 minutes longer to get to work. When she left her house, she took a right onto Highway 219 and left on Springbrook Road and then up to Highway 99W. She suggested a left blinking yellow light at the intersection going southbound on Highway 219. She also suggested allowing a U-turn going northbound on Highway 219 for access to Wilsonville Road.

Councilor McKinney said there would be a turn off at Adolph Road and Highway 219 for people to go onto Wilsonville Road. Mayor Andrews said all of these remarks would be forwarded to ODOT. The City was partnering with ODOT to address the concerns. He appreciated the comments that had been made.

NEW BUSINESS:

City Recorder Ryan said the official election results had been received from Yamhill County on November 29.

Robert Soppe, Newberg resident, thanked the Council for how they approached the annexation election and the acknowledgement that the election was required by law. He discussed the two types of elections in Oregon, binding and advisory. The fact that this election was treated as binding was a clear statement that there was a legal requirement for this election.

MOTION: Murray/Johnson moved to approve Resolution 2017-3421, A Resolution accepting the canvass of votes for the November 7, 2017 Special Election for Measure 36-190 related to annexation into Tualatin Valley Fire and Rescue District and certifying the results. Motion carried (6 Yes/0 No/1 Absent [Essin]).

City Recorder Ryan said the official election results had been received from Yamhill County on November 29.

Mr. Soppe thanked the City Manager for his answers during work session that the structural deficit was not a product of this measure. He thanked Council for referring this matter on the ballot. The voters had made it clear that the City should not continue to collect any of the tax revenue that had been used to fund the Fire Department. The addition of a 3% annual increase was not consistent with what he felt their constituents had clearly expressed. A number of voters claimed to vote against the Charter amendment because of the 3% increase. Nevertheless the Council had laid the groundwork for a tax limitation following the will of its constituents.

MOTION: Corey/Johnson moved to approve Resolution 2017-3425, A Resolution accepting the canvass of votes for the November 7, 2017 Special Election for Measure 36-191 related to a City Charter amendment and certifying the results. Motion carried (6 Yes/0 No/1 Absent [Essin]).

COUNCIL BUSINESS: Mayor Andrews announced the Newberg Dundee Bypass ribbon cutting event on December 18. He discussed meeting with Washington County on the TVF&R annexation. He would be using the roving gavel at the next meeting.

City Recorder Ryan said the Toy and Joy program was going on now until December 18.

Councilor Johnson said if the Council had not instigated a 5-year financial plan goal, they would not have known about the structural deficiency. He thanked Council and staff for their work.

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EXECUTIVE SESSION: ORS 192.660 (2)(d) Labor Negotiation Consultations

Executive Session Start: 8:55 p.m.

Executive Session End: 9:54 p.m.

Topic: Union Contract negotiations update

Staff Present: Human Resources Director Lee, City Manager Hannan, City Attorney Stone

ADJOURNMENT: The meeting was adjourned at 9:54 p.m.

ADOPTED by the Newberg City Council this 16th of January, 2018.


Sue Ryan, City Recorder

ATTESTED by the Mayor this 18th day of January, 2018.

 Bob Andrews, Mayor