

NEWBERG CITY COUNCIL MINUTES
REGULAR SESSION
June 4, 2018, 7:00 PM
PUBLIC SAFETY BUILDING (401 E. THIRD STREET)

No work session was held because of a lack of agenda items for the meeting.

CALL MEETING TO ORDER

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

ROLL CALL

Members Present:	Mayor Bob Andrews Patrick Johnson	Mike Corey Stephen McKinney	Scott Essin
Members Absent:	Denise Bacon, Matt Murray		
Staff Present:	Joe Hannan, City Manager Sue Ryan, City Recorder Matt Zook, Finance Director	Truman Stone, City Attorney Doug Rux, Community Development Director	

CITY MANAGER'S REPORT: City Manager Hannan reported on his activities including the request for expressions of interest on the Butler property, meeting with the McMinnville City Manager, working with commercial realtors for commercial opportunities downtown, monitoring the potential sale of the Westrock property, attending the employee breakfast, continuing discussions on the purchase and sale agreement of the Animal Shelter, working on downtown transit, and working on the Riverfront Master Plan.

Public Works Director Harris explained the Emergency Go Bags given to the Council.

COUNCIL APPOINTMENTS:

MOTION: Andrews/Johnson moved to approve appointments of Capri Wheaton to the Planning Commission and Cooper Foushee to the Traffic Safety Commission for terms from June 2018 to May 2019. Motion carried (5 Yes/0 No/2 Absent [Bacon, Murray]).

PUBLIC COMMENTS:

Brian Bergerman, Oasis Cannabis, spoke in favor of extending hours for their marijuana dispensary on Villa Road. Currently they were open from 9 a.m. to 8 p.m. and they would like to be open until 10 p.m. They have had no incidents. They collected 200 signatures in support of this request.

Mike Ragsdale, Newberg Downtown Coalition, spoke on the Public Art brochure. He shared how the brochure was created and presented copies to the Council.

CONSENT CALENDAR:

MOTION: Corey/Johnson moved to approve the Consent Calendar including Resolution 2018-3480, A Resolution authorizing the Community Development Director to apply for a Request for Assistance: Oregon Housing Project grant and authorizing the City Manager to execute all grant award contract documents; Resolution 2018-3483, A Resolution authorizing the City Manager to approve the purchase of three replacement vehicles for the Newberg-Dundee Police; and Council Minutes for May 7, 2018. Motion carried (5 Yes/0 No/2 Absent [Bacon, Murray]).

PUBLIC HEARINGS: Budget

Mayor Andrews opened the public hearing for Resolution 2018-3465 State Revenue Sharing and called for any abstentions or conflicts of interest. There were none.

Finance Director Zook gave the staff report. He said this was an annual requirement in order to receive \$2.3 million in the General Fund and Street Fund. A public hearing on the uses of these funds was held at the Budget Committee meeting on April 24. The Council was also required to hold a public hearing as well. The funds were used for support of general operations and street projects. The City provided the required services in order to receive the funds.

Proponents: None; Opponents: None

Finance Director Zook recommended adoption of the resolutions.

Mayor Andrews closed the public hearing.

MOTION: McKinney/Corey moved to approve Resolution 2018-3465, Declaring the City of Newberg's Election to receive revenues through the State Revenue Sharing Program. Motion carried (5 Yes/0 No/2 Absent [Bacon, Murray]).

MOTION: Corey/Johnson moved to approve Resolution 2018-3466, Certifying the provision of Municipal Services by the City of Newberg for the purposes of participation in the State Revenue Sharing Program. Motion carried (5 Yes/0 No/2 Absent [Bacon, Murray]).

Mayor Andrews opened the public hearing for the FY 2018-19 approved budget and recommended changes and called for any abstentions or conflicts of interest. There were none.

Finance Director Zook gave the staff report. He said the Budget Committee met on April 17, April 24, and May 1 and approved the budget without changes. Staff was recommending one change in the City Hall Fee Fund in order to appropriate the ending fund balance. If approved, staff would republish the financial summary and post for a second hearing, which would be at the next Council meeting.

Proponents: None; Opponents: None

Mayor Andrews closed the public hearing.

MOTION: McKinney/Corey moved to direct staff to republish a new public hearing notice and financial summary in the *Newberg Graphic* to reflect the recommended changes and take action to adopt the 2018-19 budget at the June 18, 2018 City Council meeting. Motion carried (5 Yes/0 No/2 Absent [Bacon, Murray]).

Mayor Andrews opened the hearing for Resolution 2018-3469, Supplemental Budget # 2 and called for any abstentions or conflicts of interest. There were none.

Finance Director Zook gave the staff report. The supplemental budget was the result of minor changes. The public safety communications upgrade project was being recognized in a new fund called the Governmental Capital Projects Fund instead of the General Fund. The supplemental budget also closed the EMS Fund, which was the result of the culmination of the two year IGA with TVF&R. The TVF&R annexation would go into effect July 1 and the EMS Fund would no longer be receiving funds.

Mayor Andrews said in the Public Safety Fund, the Communications Officers were being funded through the Public Safety Fee. He questioned how the higher than anticipated revenue would go towards routine operational expenditures as he did not think the Council authorized the fee to be used in that way. Finance Director Zook said the dollars were going to the two Communications officers' salaries. Due to the operational staff turn-over, there had been a need for the officers to work overtime and they had higher than anticipated expenses. It was not outside of the scope of the fee. He recommended approval of the resolution.

Proponents: None; Opponents: None
Mayor closed the public hearing.

MOTION: Corey/Johnson moved to approve Resolution 2018-3469 to adopt Supplemental Budget #2 for Fiscal Year 2017-2018 beginning July 1, 2017 and ending June 30, 2018, create the Governmental Capital Projects Fund, and close the Emergency Medical Services Fund. Motion carried (5 Yes/0 No/2 Absent [Bacon, Murray]).

NEW BUSINESS: Resolution 2018-3476, Development Code amendment request:

CDD Rux said he had been contacted by a marijuana dispensary to request an amendment to the Development Code for the hours of operation for these facilities. The regulations that had been adopted allowed operation from 9 a.m. to 8 p.m. The request was to extend the hours to 9 or 10 p.m. This resolution would initiate the process for staff to prepare material to go to the Planning Commission who would make a recommendation to the Council.

Councilor McKinney asked about any potential financial impact. CDD Rux explained the initial request had no impact. There could be additional tax revenue that came to the City if the facilities were open longer. Councilor Johnson asked about the workload of staff, especially on items that were not included in the Council Goals. CDD Rux said this request would not be a huge amount of work, but it might not go in front of the Planning Commission until August or September. Councilor Essin asked about medical versus recreational dispensaries. CDD Rux said they started out separately, but they were becoming more combined. This change would be for both medical and recreational.

Proponents:

Sheri Ralston, Western Oregon Dispensary, said her business had been open for two and a half years and she was spearheading this request. She had researched the surrounding cities and found that they were able to be open longer than the facilities in Newberg. She had not had any incidents and had not put a drain on the police force. Her store was medical and recreational, and the medical part of her business was growing. She had consistent requests for her business to stay open later.

Anthony Stuart, Western Oregon Dispensary, said State law allowed these facilities to be open until 10 p.m. There was a need, especially in the summer, to stay open later. Being open extra hours would also allow a significant increase in the amount of foot traffic during the more casual hours of the day. There were three dispensaries in Newberg, and all were in favor of this change. He would be happy to help research other city's ordinances regarding the hours to help alleviate staff time. He did not think extending the hours would result in any increase in police or other City services. The dispensaries were prepared to make an application and pay the fees if this amendment was approved.

Brian Bergman, Oasis Dispensary, said he had signatures of 200 people who wanted the hours extended. He wanted the same fair treatment as a Walgreens, who provided prescription medication and was open late.

There was discussion regarding the medicinal uses of marijuana. CDD Rux stated staff recommended approval of the resolution.

MOTION: Essin/Corey moved to approve Resolution 2018-3476, A Resolution initiating an amendment to the Newberg Municipal Code, Title 15 Development Code for hours of operation of marijuana retail and dispensary facilities. Motion carried (5 Yes/0 No/2 Absent [Bacon, Murray]).

Resolution 2018-3484, DEQ Loans refinancing: Finance Director Zook said staff looked into restructuring debt to be rolled over into the public safety communications upgrade project. Business Oregon offered to refund the reuse water loan and DEQ had offered a lower interest rate to 1.75%. The estimated savings was \$1.5 million.

Staff recommended approval of the resolution. Mayor Andrews clarified they would be lowering the interest rate and extending the term, but the net result was still a savings of \$1.5 million.

MOTION: McKinney/Corey moved to approve Resolution 2018-3484, authorizing the City Manager to execute an amendment to DEQ Clean Water State Revolving Fund loans #R68820 and R68821. Motion carried (5 Yes/0 No/2 Absent [Bacon, Murray]).

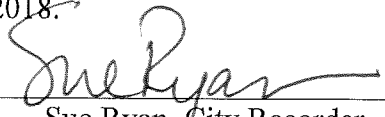
COUNCIL BUSINESS: Mayor Andrews said the Special Olympics Oregon held a regional track event on Sunday in Newberg. There was good participation. He announced the next LOC meeting on June 6 in Sherwood.

Councilor Essin asked about what they would do in a water emergency. PWS Director Harris explained what was done in Salem when there was an algae outbreak and how Newberg's water did not come from a surface water source and was not drawn from the river. They tested for surface water influence in the well fields and no surface water indicators were found when the test was done in 2017. He discussed some of the issues with the well fields, such as loss of power, failed pipes that crossed the river, and a seismic event, and how they had prepared for these possibilities. If the system did fail, the reservoirs could provide enough water for several days. He was working on the resiliency in the water system for the future.

There was discussion regarding the supplies the City had and still needed to purchase.

ADJOURNMENT: The meeting was adjourned at 8:15 p.m.

ADOPTED by the Newberg City Council this 2nd day of July, 2018.



Sue Ryan, City Recorder

ATTESTED by the Mayor this 2nd day of July, 2018.



Bob Andrews, Mayor