

NEWBERG CITY COUNCIL MINUTES
REGULAR SESSION
March 19, 2018, 7:00 PM
PUBLIC SAFETY BUILDING (401 E. THIRD STREET)

EXECUTIVE SESSION #1 Performance of a Public Officer

Start: 5:00 p.m.

Stop: 5:35 p.m.

Staff: Municipal Judge Larry Blake, Jr.

Topic: Municipal Judge annual evaluation

A work session was held at 5:40 p.m. preceding the meeting. Present were Mayor Andrews, Councilors Patrick Johnson, Denise Bacon, Mike Corey, Scott Essin, Stephen McKinney, and Matt Murray. City staff present were City Manager Joe Hannan, City Recorder Sue Ryan, Community Development Director Doug Rux, Human Resources Director Anna Lee, and Public Works Director Jay Harris. Also present were Yamhill County Commissioners Mary Starrett, Rick Olson, and Stan Primozech.

The Council met in a joint session with the Yamhill County Commissioners to discuss transit needs and operations for Newberg. Councilor Essin thanked those who had worked on this project. He explained the proposed Newberg Transit Center in downtown and four new routes that would circulate back to the Transit Center in the Transit Master Plan. Components included purchasing land for a Transit Center, signs at all bus stops, and install bus shelters. There was discussion on Lyft tickets in place of Dial-A-Ride, and what changes would expand ridership. City Manager Hannan explained this would not increase the number of buses or employees, but would use the existing buses and employees. Instead of a long circular route, all the buses would come back to the Transit Center. They could purchase property for the Transit Center, and as grants came in reimburse the City for the purchase.

County Commissioner Starrett asked if the proposed Transit Center property was currently for sale. CM Hannan said there were some parcels for sale downtown that would work. County Commissioner Primozech said the plan should represent Newberg's needs. Issues included old buses, and the perception of YCTA as unreliable. County Commissioner Olson clarified ODOT has final approval for Transit Master Plan. Newberg was currently underserved. Building a system in Newberg would take time. The Transit Authority was responsible for the entire County and there were needs in other cities as well.

Councilor Johnson thought the greatest challenge in Newberg was public awareness. Commissioner Starrett explained a Medicaid program for non-emergency medical transportation when Dial-A-Ride was not available. Councilor McKinney said Newberg had been underserved for a long time, and there was no way of assessing what was needed because citizens did not depend on a transit system because there was nothing to serve them. Commissioner Primozech said when the final plan would identify bus stops and routes for Newberg. Commissioner Olson encouraged the City to plan for transit for new development, especially on collector and arterial streets.

Community Development Director Rux reported on Economic Development. In 2016 and 2017 two Economic Vitality Summits identified a process for community needs and how to address them. A group was going to University of Oregon on strategic action plans to create steps to achieve goals in a three-to-six month timeframe. This group would then train people in the local community. CDD Rux said Yamhill County contracted with SEDCOR to provide economic development surfaces. Their focus was on eight of the ten communities, and collaboration with Newberg and McMinnville on their economic development efforts. He asked about possible grant funding from the County.

Commissioner Primozech said SEDCOR was going to be leading their economic development efforts. The state entity would hire a person to be housed in Yamhill County. SEDCOR brought a number of significant partners which would help with their economic development efforts. The grant program was being funded through lottery dollars. They would be funding SEDCOR from those dollars, and they would have SEDCOR use a committee to allocate remaining grant funding. The grant program was not being abandoned, but would have to be realigned with the amount of money that would come in. Commissioner Starrett clarified SEDCOR would be the agent, but the County would make the decision of who received the grants. Commissioner Olson said as elected officials they were not economic development experts. He wanted the experts to make recommendations for the grants and then the Commission would decide where the money would go in conjunction with SEDCOR. There was discussion regarding the small and large grant process and criteria.

CDD Rux gave an update on the Riverfront Master Plan. The City received a grant and signed an IGA with ODOT to move forward with the Plan. He explained the land included in the Plan. This was an opportunity to revitalize and revision this area. A citizens committee had been appointed and they would start meeting in May. The process would take about 18 months, and it might require Comprehensive Plan and zone changes. There was discussion regarding the challenges of the old landfill site at Rodgers Landing next to the Willamette River.

CALL MEETING TO ORDER

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

ROLL CALL

Members Present:	Mayor Bob Andrews	Stephen McKinney	Mike Corey
	Denise Bacon	Patrick Johnson	Matt Murray
	Scott Essin	Stephen McKinney	
Staff Present:	Joe Hannan, City Manager	Truman Stone, City Attorney	
	Sue Ryan, City Recorder	Doug Rux, Community Development Director	
	Matt Zook, Finance Director	Jay Harris, Public Works Director	
	Kaaren Hofmann, City Engineer	Rosa Olivares, Community Engagement Specialist	
	Daniel Keuler, Senior Accountant	Paul Chiu, Senior Engineer	

PLEDGE OF ALLEGIANCE: The Pledge of Allegiance was performed.

CITY MANAGER’S REPORT: City Manager Hannan reported on his activities including the draft City budget, successful TVF&R annexation which would be effective July 1, seismic upgrade funding from the State, financing proposals for communications and DEQ, Design Star program, Police Academy graduation, County Commission town hall meeting, Animal Shelter appraisal, Chamber planning sessions, Pension Subcommittee meeting, Channel 12 interview on selling street signs, Cameo Theatre historic designation and renovation, new public art brochure, more vacation rentals in Newberg, and more parking for the library.

PUBLIC COMMENTS: Pat Haight, Newberg resident, was concerned about the City changing the riverfront. She discussed traffic on Main Street and how people were not stopping for pedestrians. Cars were speeding into town off Rex Hill at 50-60 mph. People did not slow down through town as if it was not a town at all. She thought there needed to be more police enforcement. She asked the Council to take the lead on this issue.

Shari Ralston, owner of Western Oregon Dispensary, said her business had been open for more than two years. It was not a burden on the police force or City resources. She asked the Council to reconsider their denial of her previous request to stay open an hour longer, until 9 p.m. There were many cities that allowed dispensaries to stay open past 8 p.m. She had received many requests from Newberg citizens for the time change. In 2017,

recreational marijuana dispensaries turned in over \$300,000 in tax revenue and the City would get a portion of that. Most of her business was in the evening. She planned to turn in the paperwork for the time change request. There was discussion regarding the plans for the old bank building near Ms. Ralston's business.

Rebecca Wallis, Family Pet Partners, said the amount of dogs they were able to help through Dispatch calls last year was 67 dogs. They saved the Police Department 134 hours in dealing with these dogs. So far this year they had surpassed 30 dogs. They were working on getting a building to provide community services. She planned to attend the strategic training. She discussed volunteers who helped in this work, their five locations, and how they were a registered animal rescue entity.

Robert Soppe, Newberg resident, complained that the recent City Charter amendment was not on the City's website as of today. He also had an issue with Resolution 2018-3442 for rehabilitation of sewer lines and laterals in northeast Newberg. The Wastewater Master Plan called for I & I projects to be done in the oldest section of town but this project was in Springbrook basin, which was a relatively new area of town. It was the least desirable area to rehabilitate and was not a priority. The current low bidder was not included when this project came before Council last year. He did not think this was the appropriate location to spend a quarter of a million dollars. There was no mention in the resolution of the previous resolution and why this project did not happen last year. Councilor McKinney asked to pull Resolution 2018-3442 from the consent calendar for further discussion. The resolution was pulled.

CONSENT CALENDAR:

MOTION: Corey/Bacon moved to approve the Consent Calendar including Resolution 2018-3446, A Resolution to authorize the City Manager to enter into a construction contract with Whitney Equipment Company, Inc. for the installation of the new replacement hypochlorite generation system at the water treatment plant in the amount of \$133,129.38; Resolution 2018-3454, A Resolution authorizing refunding of a loan from the Special Public Works Fund with the Oregon Infrastructure Finance Authority; Resolution 2018-3456, A Resolution accepting a grant award from the Department of Land Conservation and authorizing the City Manager to execute all grant documents; and Council Minutes for February 20, 2018. Motion carried (7 Yes/0 No).

PUBLIC HEARING: Ordinance 2018-2823:

Mayor Andrews opened the public hearing. He called for abstentions, conflicts of interest, or objections to jurisdiction. There were none.

City Engineer Hofmann gave the staff report. She said Chapter 13 of the Municipal Code addressed public utilities and services in the City. Over the last several years, the City Council had adopted utility master plans and SDC methodologies. The revisions addressed the need to update the SDC portions of the chapter. The League of Oregon Cities had released a new model ordinance on Friday. This section would need to be updated again once the Affordable Housing Committee completed their work. She highlighted the proposed revisions including removing the word "residential" from the definition of qualified public improvement, adding a section to grant waivers for water and wastewater SDCs for single family residences once per year, providing distinction between credits and deductions, adding language that indexed SDCs automatically each year on April 1, adding credits were only available for excess capacity and the project must be on the project list adopted by Council, specifying the rate by which the developer could finance SDCs, and specifying credits could not be redeemed for cash. Staff had also created a guidance manual, procedures, and forms for use moving forward.

Councilor McKinney asked if the Council would be better served if they waited until the other items were completed before adopting the ordinance. CDD Rux did not think so, as this cleared up ambiguities and made the process consistent.

Councilor Murray asked why they were declaring an emergency in the ordinance. CE Hofmann said it had to do with indexing the SDCs, and the Master Fee Schedule going into effect April 1. It would also capture the changes before construction season began.

Proponents: Robert Soppe, Newberg resident, was pleased to see the Code being cleaned up where appropriate. The standards set by the old definition of qualified public improvement were likely violated in the past as the old language did not represent the intent. The new language was far more appropriate with some minor exceptions. Item 3 in the definition referred to “in a public way” and he thought it should be “in a public right-of-way.” On the definition for reimbursement fee, he thought it would be more appropriate to refer to “unused capacity” and not simply “capacity.” He thought the Oxford comma should be standard in City documents. In Section 13.05.120, there was mention of “certified non-profit entities”. He questioned if that was a well-defined term. He also noted that the language allowed waivers for wastewater and water SDCs, but not stormwater SDCs. He asked if that was intentional.

City Attorney Stone agreed with the comments regarding the Oxford comma. He said “public way” was a term and he gave the definition.

Opponents: None

Unknown: None

Mayor Andrews closed the public hearing.

CE Hofmann recommended approval of the ordinance.

MOTION: Corey/Bacon moved to waive the second reading of Ordinance 2018-2823. Motion carried (7 Yes/0 No).

MOTION: McKinney/Corey moved to approve Ordinance 2018-2823, An Ordinance amending Chapter 13 of the Newberg Municipal Code to modify system development charge regulations and declaring an emergency to be read by title only. Motion carried (7 Yes/0 No).

Resolution 2018-3455, Repeal of SDC resolutions:

CE Hofmann said this resolution went along with the ordinance that was just adopted. It would repeal previous resolutions which addressed SDC waivers. The proposed waivers were for certified non-profit and low to moderate income projects.

MOTION: Bacon/Johnson moved to approve Resolution 2018-3455, A Resolution repealing Resolutions 2007-2698 and 96-1951 addressing waivers to System Development Charges. Motion carried (7 Yes/0 No).

Master Fee Schedule, 2018:

Mayor Andrews opened the public hearing. He called for abstentions, conflicts of interest, or objections to jurisdiction. There were none.

Finance Director Zook and Senior Accountant Keuler presented the Master Fee Schedule for 2018/19. They explained the purpose of the Schedule. Some of the fees were tied to a CPI, which for 2017 was 4.2%, and some of the fees were tied to the Construction Cost Index for Seattle which for 2017 was 7.7%. The Municipal Services Statement fees were also included for clarity to the public, even though those fees were established through a separate process which involved the Citizen Rate Review Committee. Other notable changes were a \$5 increase in the lien search fee, the Fire and EMS would be irrelevant once the TVF&R annexation took place, the permit center building, engineering, and planning fees were subject to the CPI change, and there was an increase to the license fee for exhibitors. The new fees would go into effect on April 1.

There was discussion regarding the license fee for exhibitors, which did not cover the full cost of processing the permit. Councilor Johnson thought the Old Fashioned Festival should be made aware of the fee increase.

There was no public testimony.

Mayor Andrews closed the public hearing.

FD Zook recommended approval of the resolution.

MOTION: **Corey/Murray** moved to approve Resolution 2018-3443, A Resolution updating the Master Fee Schedule for the City of Newberg. Motion carried (7 Yes/0 No).

NEW BUSINESS: College Street LID: Senior Engineer Chiu said this project would provide sidewalks and bike lanes on the west side of College Street from Aldercrest to Foothills. ODOT and the City would fund the project. Staff was asked to look into the possibility of an LID to help pay for the project. He summarized staff's analysis. After the analysis was done, staff did not recommend a College Street Local Improvement District. This was because the amount collected would be much smaller than what was collected by the previous LID, and due to the time and effort to make an LID happen.

Councilor McKinney confirmed that they still planned to put in the sidewalks. He asked if they could anticipate fewer pitfalls in this process than the previous process and if it would help them keep their promise to the citizens who had already participated in the sidewalk projects. Engineer Chiu said that was correct, they were still planning to put in the sidewalks. CE Hofmann said there still might be issues with the IGA with ODOT, but not adding an LID would take away some of the complexities of the project.

There was discussion on the sidewalks and paying for them, how things would be different in this process than the previous process, and possibly doing the LID in the future if the costs changed. Councilor Bacon said this put the City in an awkward position, as citizens helped pay for sidewalks in the previous project through an LID, and in this project the citizens would not help pay for sidewalks. Councilor McKinney asked how they would make sure the first group of citizens was not taken advantage of.

CE Hofmann said the City had to pay much more for the previous project. This was due to several change orders. Now there were protections in place so that it would not happen again. There were some milestones in place where the work could be stopped, and the scope of work reexamined before moving forward depending upon cost escalation.

Robert Soppe, Newberg resident, thought LID waivers should be a Council decision. The waivers would apply to only 22% of the affected properties, and objection by 60% of the LID participants could block the formation of an LID. He thought there would be enough objection to this LID for it not to be established.

Councilor Johnson was in favor of not forming the LID because there were protections in place to make sure the project scope did not exceed its budget. He said staff had made a good analysis as to how much staff time would be required, and the chances they had to pass the LID in this neighborhood.

MOTION: **Johnson/Murray** moved to not form a Local Improvement District for College Street sidewalks and bike lanes from Aldercrest Drive to Foothills Drive. Motion carried (7 Yes/0 No).

Resolution 2018-3442, I & I Contract:

CE Hofmann said Instituform was not on the bid list from last year because they did not bid last year. The Springbrook area was not in the 2015 master I & I plan. This would be the last project in the Springbrook basin. Improvements in the Springbrook basin had made a significant difference in the area. There was discussion regarding the overflows in the Springbrook area and how the assumptions had changed in the master plan.

MOTION: Johnson/Corey moved to approve Resolution 2018-3442, A Resolution to authorize the City Manager to enter into a construction contract with Insituform Technologies LLC for the lining of 5,822 feet of Wastewater pipe and grouting of 114 lateral connections in the amount of \$244,624.20. Motion carried (7 Yes/0 No).

There was a brief recess.

Pavement Management Phase 2: CE Hofmann gave a background on the street system in the City and the goal of maintaining this asset. The roads were given a Pavement Condition Index (PCI) rating. In 2016 the City's average PCI was 73, and the Council directed staff to maintain that PCI. She discussed what was included in pavement management, and the different funding scenarios to maintain the PCI of 73. The Transportation Utility Fee was implemented to fund about half of the needed funding. She explained how that funding would be allocated for good and poor condition streets, fee waivers, and how modifications could be done. She then discussed maintenance, pavement projects done in the last five years, and the projects to be done in the next five years. Discussion ensued on the Pavement Condition Index and the portion of the roads that would be improved within 10 years, repair/replacement options for pavement, need for more funding, and when gravel roads should be improved.

CM Hannan said a state gas tax had recently been passed and there would be serious discussions regarding City funding during the budget process. He thought they should not discount the significant projects that would be done through the TUF and other City projects. They did need \$1 million more per year for pavement maintenance, but they would be making a difference with what was currently being done. Councilor Johnson said this was still just a band aid on the problem, but they would have to wait until the communications upgrade issue was resolved before they could fix the streets. Councilor McKinney said they were still losing ground, even with the TUF. He wanted the Council to get serious about making substantial headway. CE Hofmann said staff would come back in the fall with some additional information about gravel streets, PCI and the summer projects, and projects for next year.

Mayor Andrews announced that the TVF&R annexation passed. He asked when the amended Charter would be published. City Recorder Ryan said she would be posting it to the website soon.

EXECUTIVE SESSION #2 Real Property

Start: 9:48 p.m.

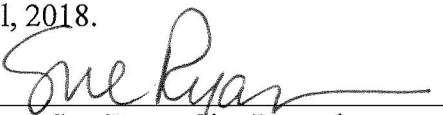
Stop: 10:24 p.m.

Staff: City Manager Joe Hannan, CDD Doug Rux

Topic: Animal Shelter appraisal

ADJOURNMENT: The meeting was adjourned at 10:24 p.m.

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


Sue Ryan, City Recorder

ATTESTED by the Mayor this 19th day of April, 2018.


Bob Andrews, Mayor