

**CITY OF NEWBERG CITY COUNCIL MINUTES
JULY 6, 2009
7:00 P.M. MEETING
PUBLIC SAFETY BUILDING TRAINING ROOM
401 EAST THIRD STREET**

An Executive Session was held during the Work Session prior to the meeting. No decisions were made.

I. CALL MEETING TO ORDER

Mayor Bob Andrews called the meeting to order at 7:00 PM.

II. ROLL CALL

Members

Present: Mayor Bob Andrews Denise Bacon Bob Larson
 Stephen McKinney Bart Rierson Marc Shelton
 Wade Witherspoon

Staff

Present: Daniel Danicic, City Manager Terrence Mahr, City Attorney
 Steve Olson, Assistant Planner Norma Alley, City Recorder
 Howard Hamilton, Public Works Director Jennifer Nelson, Recording Secretary
 Janelle Nordyke, Interim Finance Director

Others

Present: Robert Soppe, Jose J. Ortega, Virginia Jungwirth, Michael E. Hays,
 Randall E. "Ed" Savage, Robin Baker, Roger Carrier, Kathy Kelso, Jean Nilles,
 Hank Grum, Marvin Schneider

III. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was performed.

IV. CITY MANAGER'S REPORT

Mr. Daniel Danicic, City Manager, reported on a fire and other incidents related to the Fourth of July holiday, noting it was a fairly safe weekend and a letter to the editor complimenting the City landscaper, Mr. Brian Stuart. He encouraged Council members to attend the press hearing on July 9th at 5:30 PM at Joan Austin School concerning the sports field and asked for a final count for riders for the Old Fashioned Festival parade. He also noted he would be in Bend for a conference this week.

V. PUBLIC COMMENTS

Mr. Robert Soppe expressed some concerns about some of the recent trends in Council decisions lately and public testimony format. He questioned a staff response concerning replacement revenues at the previous meeting and wondered about the legality, equity, and proportionality of charging some builders more to cover the costs not paid by others. He spoke of "setting precedence" and if other developers were given the same opportunities if they could present the same package included in the Coyote Homes decision. He also wondered if a yard sale within the newly established Old Fashioned Festival Zone would be allowed if not approved by the festival committee (see official meeting packet for full report).

Mr. Danicic replied a yard sale would not fall under the restrictions for vendors in that zone.

Mayor Andrews replied staff is looking into his other concerns and further discussions will continue.

Councilor Marc Shelton added that one of the recitals in the decision concerning affordable housing and System Development Charge (SDC) reductions included a stipulation that would allow the planning director to grant the same allowances to another developer if they matched the previous package offered by Orchard Lair and staff would be reporting to Council.

VI. CONSENT CALENDAR

1. Consider a motion approving **Resolution No. 2009-2858** authorizing the city to enter into negotiations with Rutan Construction, Inc. for a change order to the West Sheridan/North Harrison Sewer Replacement Project contract.
2. Consider a motion approving a Proclamation declaring July 23-26, 2009, as Old Fashioned Festival Week.
3. Consider a motion approving a sound permit for Newberg Friends Church for an event on July 12, 2009.
4. Consider a motion approving City Council Minutes for May, 18, 2009, and June 1, 2009.

MOTION: Larson/Shelton to approve the Consent Calendar including **Resolution No. 2009-2858**, a Proclamation declaring July 23-26, 2009, as Old Fashioned Festival Week, a sound permit for Newberg Friends Church for an event on July 12, 2009, and the City Council Minutes for May 18, 2009 and June 1, 2009. (7 Yes/0 No) Motion carried.

Mayor Andrews read the Proclamation and presented it to the Old Fashioned Festival Court.

VII. PUBLIC HEARING

2. Consider a motion approving **Order No. 2009-0021** establishing a Public Safety Fee for the purpose of funding three police officer positions.

TIME – 7:16 PM

Mayor Andrews called for any conflicts of interest, biases, abstentions, or ex parte contact. None were stated.

Mr. Terrence Mahr, City Attorney, noted that all Council members received water services as residents of Newberg since all Councilors are required to be residents; therefore, they will be subject to the same fees as all utility users within the City. They are not required to declare this, but he wished to make everyone aware of this fact.

Mr. Randall E. “Ed” Savage stood and stated he also received a small pension based on past police performances.

Mr. Mahr and Mr. Brian Casey, Police Chief, presented the staff report (see official meeting packet for full report).

Councilor Shelton referred to page 33 and asked about the historical national average of police officers to populations being 1.7 and if Newberg being at 1.3 included the additional three officers.

Chief Casey stated Newberg is at 1.28 fully staffed, which is under the national average.

Councilor Bob Larson asked about fiscal impact and how the total expenditures in the first year are showing less than the income, whereas the other three years expenditures exceed the revenue; he wondered how the additional funds would be covered.

Chief Casey spoke of a four to six month leeway from when the fee is collected to when the officers are hired; a contingency fund will cover the difference between the revenue and expenditures.

Mayor Andrews asked about sanctions for occupants who pay for their assessed water and sewer charges but not the public safety fee (PSF). Staff replied all funds received would be paid to the PSF first, then to sewer fees, then to water as it has been done in other cities.

Mayor Andrews opened public testimony.

Proponents:

Mr. Jose J. Ortega spoke of leaving his home in Los Angeles to get away from gangs and drugs and how he came to Newberg because it was a safe community. He did not want Newberg to end up with the gang and drug problems being experienced in other surrounding communities and spoke of his experiences with gang and Mexican mafia related activities. He brought articles on gangs as informational tools and offered his support to investing in public safety (see official meeting packet for full report).

Ms. Virginia Jungwirth stated while no one wants more taxes they also do not want to be shorthanded with police officers. She felt the three dollars a month was worth while and stated her support.

Mr. Michael Hays stated he is a retired Oregon State police officer of 31 years and understood the difficulty of raising money. He looked over this bill and felt the research was good and commended Newberg for its excellent police department. He felt this was a fair way to have everyone pay to have three more officers out there.

Mr. Savage stated increasing the size of the police department improves the chances of officers surviving as he referred to statistics of police officers killed in the line of duty. He supported “stacking the deck in favor of the good guys” and thanked the police chief and city attorney for all the lengths they have taken to make the department stronger.

Mr. Robin Baker, President of George Fox University, stated it is even more difficult for local government to find funding during hard economic times. He spoke of GFU being a significant water user and how this fee will impact them greatly; however, he is in favor of the efforts to increase safety on the campus which is a primary reason why students choose to come there.

Mr. Roger Carrier stated he has never liked having fees on the water bill but he offered his support to the PSF and commended Chief Casey for two years of hard work he put into this to ensure as minimal impact as possible for something that is good for the whole community.

Ms. Kathy Kelso spoke of being shocked by the information she learned about the department being understaffed and at risk here in Newberg and felt three dollars was a small price to pay for knowing that she and her neighbors would be protected if they were in trouble. She felt it was a fair way to spread out the costs to everyone on the utility bill and offered her support.

Ms. Jean Nilles spoke of being a property owner and landlord and how the primary concerns of people wanting to move were of how safe the community is. She spoke of her own increasing frequency of need for police services and not wanting to be in need of an officer that is unavailable or unable to respond based on understaffing. She felt placing the fee on the utility bill was equitable to both profit and non-profit entities and she supported being proactive with keeping the city safe. She felt ten cents a day was a good bargain for this security.

Mr. Hank Grum asked questions about the relationship between decreased public safety budgets and increased crime and if 100% of the fees collected from the water bill will be applied to the public safety budget. Staff replied that most city offices attempted to hold the line, meaning they attempted to budget the same amount spent in the previous year for the this fiscal year and that all the money from the PSF will be spent on the officer positions; it cannot be put anywhere else. It was also noted that these monies will be able to be tracked by the public as well. Mr. Grum also stated his apprehension for raising funds without bringing the matter to the ballot although he supported the need. He asked why it could not be tied to property taxes or as a levy. Staff explained that property taxes would not allow the City to collect funds from non-profit agencies like the university whereas a fee would be spread out over the whole population.

Councilor Stephen McKinney noted that PSF's are widely used in Oregon as a way of involves more users than just property owners.

Mr. Mahr mentioned this was supported by the Supreme Court ruling as well.

Councilor Bart Rierson added this matter has not been taken this lightly over the last two years and was unanimously approved by the Budget Committee, which consists of all Council members as well as an equal number of fiscally conservative citizens.

Mr. Marvin Schneider questioned the definition of fees vs. taxes and stated the notice in the water bill also mentioned the fire department as well. Discussions followed as to the various definitions of a tax and how it is used within the tax laws of Oregon. Mr. Schneider stated he was not opposed to the PSF in regards to the desires of the citizens to have more protection.

Mayor Andrews closed the public testimony and the public hearing. Staff recommended approval.

Councilor Shelton said he appreciated the work done on this and the testimony received tonight and that he was fully in favor of the PSF.

Councilor Rierson thanked the citizens who have taken their time to educate themselves on the matter and offered their support. He felt that based on the various meetings, the unanimous decision from the Budget Committee, and the city attorney's assurance that a decision in favor of the PSF would legally withstand challenges gave him confidence that the majority of citizens support this so he could also support it in good conscience.

Councilor Larson agreed with all that was said and thanked the residents and police chief for all the work put into this. He hoped the order would pass so Chief Casey can continue to do his job to protect the city.

Councilor McKinney said he was proud to serve on a Council that was so wiling to do all they could to reduce the budget and be financially responsible enough to realize that some things must be forgone but public safety is not one of them. He noted that it was worth it for less than the cost of a latte per month.

Mayor Andrews spoke of this being before two budget committees and that it was a long public process.

MOTION: Shelton/Rierson to approve **Order No. 2009-0021** establishing a Public Safety Fee (PSF) in the amount of three (3) dollars per equivalency dwelling unity (EDU) per month for the purpose of funding three (3) police officer positions. (7 Yes/0 No) Motion carried.

Mayor Andrews recessed at 8:26 PM and reconvened at 8:30 PM.

1. Consider a motion approving **Ordinance No. 2009-2718** postponing the McClure Annexation (property located at 30295 Highway 99W) from the September 15, 2009, election to a later undetermined date.

TIME – 8:30 PM

Andrews called for any conflicts of interest or abstentions. None appeared.

Mr. Mahr presented the staff report (see official meeting packet for full report).

Mayor Andrews opened and closed the public testimony. No citizens appeared to testify. Staff recommended passing the ordinance. The public hearing was closed.

MOTION: Larson/Shelton to approve **Ordinance No. 2009-2718** postponing the McClure Annexation (property located at 30295 Highway 99W) from the September 15, 2009, election to a later undetermined date, read by title only. (7 Yes/0 No) Motion carried.

MOTION: Rierson/Andrews to amend **Ordinance No. 2009-2718** to have the city staff report to the Council for the election cycle for 2010, and having discussions with the applicant.

Mr. Mahr stated that under number 3 Election Cycle it would state the city staff shall report to the Council in time to make a decision concerning placing the annexation question before the voters electorate of the City during the election cycle for 2010. Under number 4 Discussion it would state the city staff shall discuss with the applicant the city's desire to have all development take place after annexation and the development be done within the City.

VOTE: To amend Ordinance No. 2009-2718. (7 Yes/0 No) Motion carried.

VOTE: To approve Ordinance No. 2009-2718 as amended and read by title only. (7 Yes/0 No) Motion carried.

VIII. NEW BUSINESS

None.

IX. COUNCIL BUSINESS

Councilor Rierson gave an update on the Yamhill County transit area.

Mr. Danicic discussed possible procedural changes to how the meeting minutes are processed by providing a draft copy of the minutes a week or so after the meeting for review and unofficial comment.

Mayor Andrews discussed a series of upcoming meetings by the Oregon League of Cities for improving city and State relations and gave dates and locations.

Councilor Rierson asked about updates on capital projects being passed on to Council members especially if there are schedule changes.

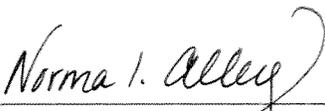
Councilor Wade Witherspoon asked about revisiting the topics discussed during Council the goal planning sessions, especially concerning the mission statement, tourism, and marketing for the future goals of the City.

Mr. Danicic stated he is surveying staff for their input on the goals and will come back with that information soon.

X. ADJOURNMENT

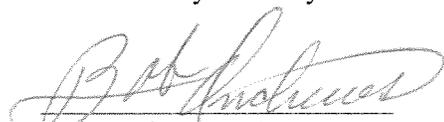
The meeting adjourned at 9:34 PM.

ADOPTED by the Newberg City Council this 3rd day of August, 2009.



Norma I. Alley, City Recorder

ATTEST by the Mayor this 6th day of August, 2009.



Bob Andrews, Mayor