

**CITY OF NEWBERG CITY COUNCIL MINUTES
DECEMBER 19, 2011
7:00 P.M. MEETING
PUBLIC SAFETY BUILDING TRAINING ROOM (401 EAST THIRD STREET)**

A work session was held prior to the meeting. A presentation was given from the Legal Department on possible code amendments regarding initiative petitions. All Councilors and the Mayor were present; no action was taken; and no decisions were made.

I. CALL MEETING TO ORDER

Mayor Bob Andrews called the meeting to order at 7:03 PM.

II. ROLL CALL

Members

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

Staff

Present:	Daniel Danicic, City Manager	Terrence Mahr, City Attorney
	Leah Griffith, Library Director	Les Hallman, Fire Chief
	Janelle Nordyke, Finance Director	Norma I. Alley, City Recorder
	Elaina Canutt, Financial Analyst	Jennifer Nelson, Minutes Recorder

III. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was performed.

IV. CITY MANAGER'S REPORT

Mr. Daniel Danicic, City Manager, provided updates for the animal shelter project with anticipated substantial completion around April; he mentioned reimbursement forms for council members to be reviewed and returned to the City Recorder by noon on Wednesday for their end of year checks; he reported flashing speed signs on College Street at Open Bible School are being installed and should be programmed and operational soon; he received the official populations for 2011 at 22, 230, an increase from July 2010 numbers at 22,110 and spoke to small growth still occurring in the City. The next meeting will be held on Tuesday, January 3, 2012, He wished everyone a Merry Christmas and Happy New Year.

V. PUBLIC COMMENTS

None.

VI. CONSENT CALENDAR

1. Consider a motion approving **Resolution No. 2011-2983** authorizing the city manager to enter into a contract with Hughes Fire Equipment, Inc. for the purchase of a fire apparatus with patient transport capability.

This item was pulled from the Consent Calendar and discussed under New Business.

2. Consider a motion approving November 7, 2011, City Council minutes.

MOTION: Rierson/Shelton approving the City Council minutes from November 7, 2011. Motion carried (7 Yes/0 No).

VII. NEW BUSINESS

1. Consider a motion approving a Food for Fines Event for the Newberg Public Library for overdue book fines during February 29 through March 14, 2012.

TIME – 7:10 PM

Ms. Leah Griffith, Library Director, presented the staff report (see official meeting packet for full report).

Councilor Denise Bacon commented this was one step closer to community partnerships.

Councilor Wade Witherspoon asked who makes the call on the food items accepted. Ms. Griffith replied staff will make the call; she emphasized they want good healthy food.

Councilor Bart Rierson said he thinks it is a good idea.

Councilor Howard asked about promotion for the program. Staff stated they would advertise in The Newberg Graphic, on flyers, the library's facebook page, and the City's website to name a few.

Councilor Marc Shelton asked what is the amount of fines on an annual basis. Ms. Griffith did not have an exact number but said any fine over \$35.00 is sent to a collection agency and there is a return back on those and anyone with over \$5.00 in fines is restricted from checking out any more items.

MOTION: Bacon/Rierson approving a Food for Fines Event for the Newberg Public Library for overdue book fines during February 29 through March 14, 2012. Motion carried (7 Yes/0 No).

2. Consider a motion approving **Resolution No. 2011-2984** accepting the 2010-2011 Fiscal Year Budget Audit.

TIME – 7:18 PM

Ms. Janelle Nordyke, Finance Director, and Ms. Elaina Canutt, Financial Analyst, presented the staff report including a PowerPoint slideshow (see official meeting packet for full report).

Mayor Andrews referred to a correction needed on page 24 in the first paragraph about each councilor representing a district; he said each councilor actually represents the city as a whole and they are just nominated from the district they live in. He asked what the difference was between net assets and other assets. Ms. Canutt explained net assets are monies leftover at the end of the year; other assets are miscellaneous assets that are not capital assets or utilities receivables. Net assets are an income statement term for the ending fund balance.

Councilor Stephen McKinney asked if municipal fines were an example of this and other things like them. Ms. Canutt said they are charges for services, but court is not included.

Mayor Andrews spoke of page 39 and budgetary highlights referring to a large portion of additional beginning fund balance and if this was related to the School Street property. Staff replied that was correct and mentioned the auction is scheduled for this Wednesday.

Councilor Witherspoon spoke of the glowing report Newberg once again received with the highest possible rating in auditory review and that an award was received as a certificate of achievement of excellence for the

19th consecutive year. He said the City needs to be advertising this and said that every policy and procedure is outlined in this report and getting this into others hands could abate many accusations about the City hiding money. Staff replied it is available on the website and there is an article on the front page of The Newberg Graphic stating this information as well.

Councilor McKinney said he is pleased to receive documents like. It is nice to know the accolades are there with the numbers adding up and are reconciled; citizens can know the money collected from them is well cared for.

Mayor Andrews thanked the staff and the department for the audit reports. He said page 41 provides the answer to the City's overall indebtedness in comparison to bonded indebtedness question and is an excellent product to have handy and at Budget Committee meetings to answer citizens' questions.

MOTION: McKinney/Bacon approving **Resolution No. 2011-2984** accepting the annual auditor's report and financial statements for the fiscal year that ended June 30, 2011. Motion carried (7 Yes/0 No).

3. Consider a motion approving **Resolution No. 2011-2978** extending the City's workers' compensation insurance coverage to volunteers.

TIME – 7:40 PM

Ms. Nordyke presented the staff report (see official meeting packet for full report).

Mayor Andrews asked for clarification of coverage and deductions from their wages currently. Ms. Nordyke said when the Council gets their stipend reimbursement there is a portion calculated for workers' compensation, which is forwarded to the State through payroll taxes; but the city pays for this and it is separate from the eight dollars for volunteer coverage. Mayor Andrews continued by stating as Council are considered employees by the Internal Revenue Service (IRS) which is currently deducted from gross compensation, but they are not covered until this resolution is passed. Ms. Nordyke said this is correct because they are not considered to be earning a wage, but a stipend by Citycounty Insurance Services (CIS); the City covers both halves of the workers' compensation taken out of their paychecks through employment taxes.

MOTION: Howard/Shelton approving **Resolution No. 2011-2978** extending the City of Newberg's workers' compensation insurance coverage to volunteers of the City. Motion carried (7 Yes/0 No).

4. Consider a motion approving **Resolution No. 2011-2983** authorizing the city manager to enter into a contract with Hughes Fire Equipment, Inc. for the purchase of a fire apparatus with patient transport capability.

TIME – 7:48 PM

This item was pulled from the Consent Calendar and heard out of agenda order.

Mr. Les Hallman, Fire Chief, presented the staff report (see official meeting packet for full report.)

Mayor Andrews asked about the language in the resolves about not exceeding \$600,000.00 and if that is what was received in the RFP. Chief Hallman said it has not been finalized in the contract yet and could be less.

Councilor Witherspoon asked about the differences in Fund 33 as shown in the first column on page 4 of the budget piece. Ms. Nordyke said the interest budgeted was hopeful compared to the interest that was actually being earned as shown in the spreadsheet. Councilor Witherspoon also asked about the tax exempt lease purchase. Chief Hallman said it was a subcomponent offer for capital items for governmental entities so they

do not have to pay all of the balance in one year and can expand payments over three years, this also gives large discounts for up front payments.

Councilor Shelton asked if there is money in the bank or in a fund already for this. Ms. Nordyke answered no; the total revenue is estimated from fees on the utility bill, interest earned on the ending fund balance every month, insurance proceeds, and the hospital auxiliary contribution to ambulance purchases each year.

Councilor McKinney summarized that this enhances rescue and fire fighting efforts, saves \$150,000.00 by merging two vehicles, and places the department in a better situation. Chief Hallman agreed and went into further detail about the procedure of sending vehicles with rescue equipment before the ambulance is dispatched and how this new unit will eliminate that need by having rescue equipment, engine capacity, and ambulance functions all in one. He added he was getting nervous running medical calls and not knowing if a fire call would come in while one vehicle was out and then having to scramble. Councilor McKinney said he appreciates the Chief's foresight since his crews were reduced to have a little healing effect without shortchanging his capabilities.

Councilor Howard asked if this will be used for exceptional circumstances or if it will be the go to apparatus. Chief Hallman said the only exception is for the transport of a patient; now they will have an ambulance with fire apparatus that can take a patient rather than an engine and rescue after the engine. He said is a rarity to transport a patient, but they will be able to. Councilor Howard asked if the cost of maintenance is slightly higher. Chief Hallman said it is but being a diesel engine it is built to run with long term savings and will cost less than buying two vehicles.

MOTION: Shelton/McKinney approving Resolution No. 2011-2983 authorizing the city manager to sign a contract with Hughes Fire Equipment, Inc., for the purchase of one (1) fire apparatus with patient transport capabilities and with Oshkosh Capital for the tax-exempt lease purchase agreement to finance the purchase. Motion carried (7 Yes/0 No).

XIII. COUNCIL BUSINESS

TIME – 8:14 PM

Mr. Terrence Mahr, City Attorney, discussed new state fines, fees, and assessment structures for presumptive fines.

Mr. Danicic went into detail regarding the movement towards a cell phone stipend for critical staff. He discussed how cell phones were issued before for connectivity and the movement of employees from standard to smartphones due to the interfacing problems with the Blackberry server. He spoke of the uses for phones changing with many employees having personal smartphones they use occasionally for city purposes. Staff, approved by the City Manager, will be eligible for a stipend for city business to be conducted on their personal data plan. He anticipates the costs overall will go down with fewer individuals receiving stipends and briefly discussed access and retention for information contained on cell phones.

Mr. Mahr stated if there is no new information being created then it should not be an issue as original documents or copies would be contained on the city's server although there should always be concerns for maintaining separation from the personal and public work for their privacy; although this would not protect you from public records laws.

Mayor Andrews recessed at 8:44 PM before the Executive Session and reconvened at 8:49 PM.

IX. EXECUTIVE SESSION

Executive Session pursuant to ORS 192.660(2)(h) to consult with counsel concerning the legal rights and duties of a public body with regard to current litigation or litigation likely to be filed – pertaining to the Industrial UGB.

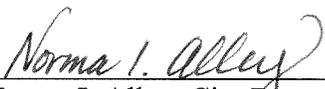
Mayor Andrews announced the Council will be convening into Executive Session and excused all personnel and public.

City Council convened into Executive Session at 8:50 PM. All councilors, Dan Danicic, Terry Mahr, and Barton Brierley were present. Discussion was on ORS 192.660(2)(h) to consult with counsel concerning the legal rights and duties of a public body with regard to current litigation or litigation likely to be filed pertaining to the Industrial UGB. No decisions were made. Council convened back to regular session at 10:03 PM.

X. ADJOURNMENT

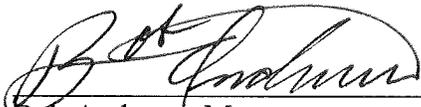
The meeting adjourned at 10:03 PM.

ADOPTED by the Newberg City Council this 17th day of January, 2012.



Norma I. Alley, City Recorder

ATTEST by the Mayor this 19th day of January, 2012.



Bob Andrews, Mayor