



CITY COUNCIL AGENDA

JULY 16, 2012

7:00 P.M. MEETING

PUBLIC SAFETY BUILDING TRAINING ROOM (401 EAST THIRD STREET)

Mission Statement

The City of Newberg serves its citizens, promotes safety, and maintains a healthy community.

Vision Statement

Newberg will cultivate a healthy, safe environment where citizens can work, play and grow in a friendly, dynamic and diverse community valuing partnerships and opportunity.

I. CALL MEETING TO ORDER

II. ROLL CALL

III. PLEDGE OF ALLEGIANCE

IV. APPOINTMENTS

Consider a motion appointing Robert McCombs to serve on the Newberg Public Library Advisory Board Position #5 for a term expiring June 30, 2015, and Rob Bohall to serve on the Newberg Public Library Advisory Board Position #2 for a term expiring June 30, 2016. (Pgs. 3-4)

V. CITY MANAGER'S REPORT

VI. PUBLIC COMMENTS

(30 minutes maximum, which may be extended at the Mayor's discretion, with an opportunity to speak for no more than 5 minutes per speaker allowed)

VII. CONSENT CALENDAR

Consider a motion approving City Council Minutes for May 21 and June 4, 2012. (Pgs. 5-18)

VIII. COUNCIL BUSINESS

Discussion on LOC Legislative Priorities.

IX. ADJOURNMENT

ACCOMMODATION OF PHYSICAL IMPAIRMENTS: In order to accommodate persons with physical impairments, please notify the City Recorder's office of any special physical or language accommodations you may need as far in advance of the meeting as possible and no later than 48 hours prior to the meeting. To request these arrangements, please contact the City Recorder at (503) 537-1283. For TTY services please dial 711.

The Mayor reserves the right to change the order of items to be considered by the Council at their meeting. No new items will be heard after 11:00 p.m., unless approved by the Council.

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REQUEST FOR COUNCIL ACTION

DATE ACTION REQUESTED: July 16, 2012

Order ___ Ordinance ___ Resolution ___ Motion XX Information ___
No. No. No.

SUBJECT: Appointment to the Newberg Public Library Advisory Board

Contact Person (Preparer) for this
Motion: Leah M. Griffith, Library Director
Dept.: Library
File No.:
(if applicable)

RECOMMENDATION:

Approve the appointments by Mayor Andrews of **Rob Bohall** to Position #2 (term expires June 30, 2016) and **Robert (Bob) McCombs** to Position #5 (completing a term which will expire June 30, 2015) to the Newberg Public Library Advisory Board.

EXECUTIVE SUMMARY:

The library advertised two openings on the library board during April, May and June with an article in The Newberg Graphic, postings at the library and city hall, announcements on the library and city's websites and in the library newsletter. The announcement was for Position #2, requiring city residency, and Position #5, non-city representative, which was to fill an opening due to resignation. One application for Position #2 and two applications for Position #5 were received by the deadline of June 15, 2012.

At its regular board meeting on June 21, 2012, the board interviewed the three candidates. Following deliberations, the Board determined that Rob Bohall, with his experience and current professional position as a reference librarian at the Newberg campus of George Fox University would be an excellent addition to the board. The board continued deliberations and determined that Robert (Bob) McCombs, with his extensive interest in libraries shown by his years of volunteering and current position as president of the Newberg Library Friends, would provide good input to the board. The slate of candidates was excellent and the Board was pleased to have such qualified candidates from which to make their recommendations.

The Board voted to recommend Mayor Andrews that he appoint **Rob Bohall** to Position #2 (term expires June 30, 2016) and **Robert (Bob) McCombs** to Position #5 (completing a term which will expire June 30, 2015) to the Newberg Public Library Advisor Board.

FISCAL IMPACT:

None

STRATEGIC ASSESSMENT:

It is vital for the Library to have a complete library board to advise on policies and issues.

Press Release

Library Board Opening

The City of Newberg is seeking applicants to fill two positions on the Newberg Public Library Board. The Board is an advisory group composed of five members who meet monthly to discuss and take action on items affecting library service to the community. This is a critical time for the library as it is undertaking a capital campaign to enlarge the Children's Room.

Board members also recommend policies and rules for the governance of the library. The Board is composed of four members who live within the city limits of Newberg and one individual who represents the non-city residents in the Chehalem Valley service area of the library. There are two positions available. One requires residency within the city limits of Newberg and one is for a resident outside the city limits, but residing in the Chehalem Valley area. The in-city position is a four year term, July, 2012 to June 2016. The non-resident position will be completing a term for a board member who is moving from the area and will serve until June, 2015

Appointments to the Library Board are made by the Mayor with the approval of the City Council. Applications for the position are available online at www.newberglibrary.org, or at City Hall and the Library. Please return applications to the Newberg Public Library or the City Recorder at Newberg City Hall by **Friday, June 15th, 2012, 5 pm.**

Candidates will be interviewed by the Library Board on **Thursday, June 21st** in the evening. The Board will recommend candidates to the Mayor and the recommended candidates will be required to attend the Council meeting on **Monday, July 16th at 7 pm** for appointment. For further information contact Library director, Leah Griffith at 537-1256 or leah.griffith@newbergoregon.gov

REQUEST FOR COUNCIL ACTION

DATE ACTION REQUESTED: July 16, 2012

Order ___ Ordinance ___ Resolution ___ Motion XX Information ___
No. No. No.

SUBJECT: Approve the May 21 and June 4, 2012,
City Council Meeting minutes.

Contact Person (Preparer) for this
Motion: Norma Alley, City Recorder
Dept.: Administration

RECOMMENDATION:

Approve City Council minutes for preservation and permanent retention in the City's historical records.

EXECUTIVE SUMMARY:

The City of Newberg City Council held public meetings and minutes were recorded in text. In accordance to Oregon State Records Management law, the City of Newberg must preserve these minutes in hard copy form for permanent retention.

FISCAL IMPACT:

None.

STRATEGIC ASSESSMENT:

None.

CITY OF NEWBERG COUNCIL MINUTES
MAY 21, 2012
7:00 P.M. MEETING
PUBLIC SAFETY BUILDING TRAINING ROOM (401 EAST THIRD STREET)

A 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 was held during the work session at 6:00 p.m. preceding the meeting. 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 7:22 PM.

II. ROLL CALL

Members

Present: Mayor Bob Andrews Denise Bacon Bart Rierson Wade Witherspoon
Ryan Howard Stephen McKinney Marc Shelton (via conference phone)

Staff

Present: Daniel Danicic, City Manager Terrence Mahr, City Attorney
Barton Brierley, Planning and Building Director Norma I. Alley, City Recorder
Janelle Nordyke, Finance Director Jennifer Nelson, Deputy City Recorder
Leah Griffith, Library Director Nicole Tannler, Minutes Recorder

Others

Present: Michele Bergeron, Mike Ragsdale, Leah Lockwood, Charlie Harris, and Dave Haugeberg

III. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was performed.

IV. SPECIAL PRESENTATIONS

Consider a motion approving a proclamation declaring the last Tuesday in May as Stop, Drop & Read Day.

<p>MOTION: Rierson/Shelton approving a proclamation declaring the last Tuesday in May as Stop, Drop & Read Day. Motion carried (7 Yes/0 No).</p>

Mayor Andrews presented proclamation to Ms. Leah Griffith, Library Director and Ms. Michele Bergeron.

V. CITY MANAGER'S REPORT

Mr. Daniel Danicic, City Manager, reported the Special Olympics is holding their "Tip a Cop" fundraising event at Lil' Cooperstown Pub & Grill on May 23rd. The installation ceremony for the Council approved veterans' preferred parking space will be held on Thursday, May 24th, at 11:00 AM at the Blaine Street parking lot. The Newberg Animal Shelter Friends (NASF) are continuing with their fundraising efforts taking in \$6,000.00 at their annual Plant & Yard sale; they also have a new program called "Pets Uncorked" held over the Memorial Day weekend with some of the proceeds from local wine tastings going to NASF. The annual Memorial Day weekend boat races will be held at Rogers Landing.

VI. PUBLIC COMMENTS

Mr. Mike Ragsdale, Director of the Newberg Downtown Coalition (NDC), shared ongoing activities of the NDC such as the success of the downtown clean-up. Every year they select a property to focus on and this year they selected the City of Newberg's City Hall.

VII. CONSENT CALENDAR

1. Consider a motion approving **Resolution No. 2012-3004** declaring a GMC School Bus and a boat trailer as surplus property.
2. Consider a motion approving the April 16, 2012, City Council meeting minutes.

MOTION: Howard/Witherspoon approving the Consent Calendar including **Resolution No. 2012-3004** and the City Council minutes from April 16, 2012, as amended. Motion carried (7 Yes/0 No).

VIII. PUBLIC HEARINGS

1. Consider a motion adopting **Resolution No. 2012-3003** approving Supplemental Budget #2 for fiscal year 2011-2012.

TIME – 7:34 PM

Mayor Andrews introduced the administrative hearing and called for any conflicts of interest or abstentions; none appeared.

Ms. Janelle Nordyke, Finance Director, presented the staff report and recommended adoption (see official meeting packet for full report).

Mayor Andrews asked for clarification on the net reduction of \$44,000.00 and the \$17,000.00 addition for the bell tower. Ms. Nordyke stated in the 2010-2011 fiscal year the City spent \$61,555.00 of the Federal Emergency Management Agency (FEMA) Grant and this fiscal year we have the full amount of the FEMA Grant being eligible to be expensed. We are reducing the \$810,000.00 by \$61,555.00, and adding in \$17,000.00. That is where the net of \$44,000.00 comes from.

Mayor Andrews questioned the additional \$5,000.00. Staff stated the City had zero dollars budgeted in the civil forfeiture funds and revenue was received with the intent of spending up to \$5,000.00.

Mayor Andrews opened and closed the public testimony as no citizens appeared to speak; he also closed the public hearing.

MOTION: Rierson/McKinney to adopt **Resolution No. 2012-3003** approving Supplemental Budget #2 for fiscal year 2011-2012. Motion carried (7 Yes/0 No).

2. Consider a motion approving **Ordinance No. 2012-2750** deferring the collection of System Development Charges for affordable housing projects.

TIME – 7:44PM

Mayor Andrews introduced the legislative hearing in its third reading and called for any conflicts of interest or abstentions; none appeared.

Mr. Barton Brierley, Planning Building Director, presented the staff report and recommended adoption (see official meeting packet for full report).

Mayor Andrews asked for the rate we are losing from the Local Government Investment Pool to be repeated. Staff replied the rate is 0.6%.

Councilor Bart Rierson asked if that is an annual rate. Staff replied yes.

Mr. Brierley noted the ordinance title had an incorrect date and noted the year should be changed to 2014. He recommended approving the resolution with the changes.

Mayor Andrews informed the Council a member of the public desired to speak on this matter although the record is currently closed. He asked what Council's desire was regarding opening the record to accept further testimony or keeping it closed.

MOTION: McKinney/Howard to open the record for **Ordinance No. 2012-2750** to receive additional public testimony. Motion carried (7 Yes/0 No).

Ms. Leah Lockwood testified she has an 18 unit apartment complex being built and this resolution will help them tremendously, particularly the wording about leniency on having SDCs paid when the project converts into permanent financing. It could hold us up if the certificate of occupancy is held up because the bank wants this done first to close the loan.

Mayor Andrews closed the public testimony and staff recommended adopting the ordinance with recommended corrections.

Councilor Ryan Howard asked if the fee was assessed per dwelling unit or per project. Staff cited it was per project.

MOTION: Shelton/Bacon approving **Ordinance No. 2012-2750** allowing deferral of System Development Charges for housing projects and including a sunset provision of December 31, 2014.

Councilor Howard stated the original intent was to wave the fees for affordable housing projects, because we were originally looking at this as an incentive for affordable housing and is in pursuit of the original goals. He stated he wished to see that included in the ordinance.

Mr. Terry Mahr, City Attorney, proposed language be added under section 2 to state the initial fee deferral under this ordinance be \$150.00 payable upon application, except the fee shall be waived for affordable housing projects.

MOTION: Howard/Bacon amending **Ordinance No. 2012-2750** to waive the administrative fees for affordable housing projects. Motion carried (7 Yes/0 No).

VOTE: To approve **Ordinance No. 2012-2750** allowing deferral of System Development Charges for housing projects and including a sunset provision of December 31, 2014, and a waiver of administrative fees for affordable housing projects, as amended. Motion carried (7 Yes/0 No).

IX. NEW BUSINESS

1. Consider a motion adopting **Resolution No. 2012-3005** modifying the job classification of Public Works Director to Assistant City Manager.

TIME – 8:00 PM

Mr. Danicic, City Manager, presented the staff report and recommended adoption (see official meeting packet for full report).

Councilor Marc Shelton asked if this position is similar to the city manager, where the councilors have some input, or if it is done at the city manager's discretion. Mr. Danicic replied it is at his discretion.

Councilor Witherspoon asked about Dain Eichel's position now; staff replied Mr. Eichel took on the Operations Supervisor position and was then asked to take on the interim Public Works Director role only temporarily. He has since returned to the operations division.

Mayor Andrews asked for examples of where this is being used in other communities. Staff replied the City of Sherwood is using assistant city managers as well as the City of Lake Oswego with the typical organizational layout being the Assistant City Manager overseeing what could be other departments as the City grows.

Councilor Howard asked if there are other cities taking a different approach such as having a deputy city manager. Staff replied there was not because the risk you take with having a deputy appointed by Council brings up the question of who is really in charge and whom are they reporting to.

Councilor Shelton referred to page 34 of the packet on page 4 under the required education, certification, and experience and asked if there was a typographical error, because it says ten years experience with a "5" in parentheses. Staff replied it is intended to be five years experience.

Mayor Andrews opened the floor for public testimony.

Mr. Ragsdale stated he has had over 10 years of experience in a consulting company working with local governments and their primary contact was the city manager. He said cities that had this kind of a role were much more prepared to deal with the kinds of issues his consulting firm was called upon for. His firm was never hired by a city they could not help, or by one that did not have problems. The kind of issues where you have extensive outreach and complex program details can be extremely consuming for a city manager. In his experience the city manager had a much better relationship with the citizens when there is an assistant city manager.

MOTION: Witherspoon/Howard adopting **Resolution No. 2012-3005** modifying the job classification of Public Works Director to Assistant City Manager. Motion carried (7 Yes/0 No).

2. Consider a motion approving the methodology for matching funds toward the Newberg-Dundee Bypass Project.

TIME – 8:20 PM

Mr. Danicic presented the staff report and recommended approval (see official meeting packet for full report).

Councilor Shelton reiterated the position the City would be in because of the reduction in the gas tax. He had heard some concern regarding the reduction of the gas tax and wanted to remind everyone of how the State would look at that obligation for House Bill (HB) 2001 funding. Mr. Mahr answered the funding would go directly to the State rather than coming through the City so we would not pay the administration fee; the other

issue is if we would be liable if another entity failed to pay their portion. We would not be liable for anything other than our portion. Councilor Shelton addressed the sentence stating we would be assuming \$134,000.00 and then asked what level of commitment are the citizens of Newberg liable for given a complete reduction in gas tax revenues. Mr. Mahr responded we might be pledging the general credit for our portion.

Councilor Shelton stated he does not think we are going to go under \$134,000.00 as some of our citizens might be inferring, but he wanted to know if there are some safe guards in place, what we are obligated for and what our liability is on the complete funding for the Oregon Department of Transportation (ODOT) Jobs and Transportation Act (JTA) taking away driving practices for the citizens of Oregon. Mr. Mahr responded if it is completely taken away and we pledged our general fund, then we would be liable for our \$134,000.00 share. If we negotiate only counting on the gas tax revenue, then we could possibly not be liable. Councilor Shelton stated it is an important piece that we are communicating well with our citizens that HB2001 was passed for transportation investments and we are not lacking to commit for 25 years. Staff stated the question on how we back up the loan for construction is yet to be determined and said that will be decided when we decide what sort of terms the city is willing to agree to.

Councilor Rierson asked if any other communities have pledged their preliminary support to the intergovernmental agreement (IGA). Staff responded the County and the City of Dundee have used the preliminary report for funding distribution and the IGA. The City of McMinnville is still deliberating.

Councilor Rierson asked about HB2001 funding and his understanding that driving more efficient cars, less miles, and the high cost in gas could lower this. The overall gas tax revenue seems relatively flat, but we may be seeing substantially less revenues and have to make adjustments. Big portions of revenue we are getting now are revenues dedicated to projects like this. Staff replied projections for HB2001 revenues are pretty good.

Mayor Andrews opened the floor for public testimony.

Mr. Dave Haugeberg, Chair of the Yamhill County Parkway Committee, said he came to talk about where they are in the Newberg-Dundee Bypass (Bypass) Project. He stated it had been a long time since we could talk about funding and move forward, but with this project there are opportunities in reclaiming our downtown areas. He encouraged the Council to take the next step in moving forward with the formula, realizing there is work still to be done. It is necessary for the cities of Newberg and McMinnville to commit to a formula so we can focus on the IGA.

Mayor Andrews stated at the February 29, 2012, meeting he heard about the constitutional protection. He is looking to Mr. Haugeberg to assure and verify that particular information for our Council.

Mr. Charlie Harris, previous member of the Parkway Committee, asked if we are getting ahead of ourselves by committing funding to a project before knowing what the needs of Newberg transportation will be. He wanted to know about the gas tax money addressing the deferred maintenance; stated it is not sufficient to meet our needs now; and asked what the dollar amount of the deferred maintenance is and are we committing to gas tax money only or general fund monies as well. He stated if this is the case, we should amend the resolution to just commit to gas tax money. He does not want to commit to a general obligation bond that may or may not happen. Finally, the funding they have come up with is not the most rational because it is based on the population, not based on the benefit to the people of the Bypass. Phase 1 of the Bypass will address 36 intersections and 33 will get improved; the three that are not getting improved are in Newberg. He said Dundee is clearly the beneficiary to this and is making the smallest contribution.

Mayor Andrews asked if there were any more questions for staff and added the issue before them is to look at supporting the preliminary allocation and looking at the IGA. The upcoming IGA will answer many questions brought up tonight.

MOTION: Shelton/Witherspoon approving the methodology for matching funds toward the Newberg-Dundee Bypass Project.

MOTION: Rierson/Howard to amend the motion for the repayment amount to not exceed the additional gas tax revenue received from House Bill 2001 or repayment from the JTA. Motion carried (7 Yes/0 No).

Councilor Howard stated concerns on obligating ourselves to more than 10% of our transportation fund for a 25 year period, especially considering we have growing, impending high costs; but he intends to support the item before us now.

Councilor Rierson said he also intends to support the motion and thinks it is important to move forward on the IGA. He sensed an overwhelming support and likes the idea of a fixed cost because it takes the uncertainty out of the equation. He agreed this is a big chunk of the transportation funds and is a big need now.

Councilor Shelton said he thinks the relationship with cities of this County are represented, which was one of the things he was listening for and heard. He is in support of this and would like to move forward.

Mayor Andrews appreciates the concerns brought up by Mr. Harris on some of the intersections and said as of now there is a significant plan for the improvement of Hwy 99W and Springbrook Road, as well as Hwy 219 and the Bypass. He said he will support this motion.

VOTE: To approving the methodology for matching funds toward the Newberg-Dundee Bypass Project to not exceed the additional gas tax revenue received from House Bill 2001 or repayment from the JTA. Motion carried (7 Yes/0 No).

X. COUNCIL BUSINESS

TIME – 8:55 PM

Councilor Rierson spoke about the Willamette River Keepers requesting a Memorandum of Understanding (MOA) to be considered by the Council. Mayor Andrews stated he would like to have Mr. Mahr's report on the legal application on the MOA and the Council representing the City. He also asked what kind of time frame they were looking at. Councilor Rierson said it will be on an agenda in the next six weeks.

Mayor Andrews recessed at 9:03 PM and reconvened into the Executive Session.

XI. 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.

TIME – 9:04 PM

Executive Session was held 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. All Councilors and the Mayor were present; no action was taken and no decisions were made.

Mayor Andrews closed the Executive Session and opened the public meeting at 10:43 PM.

XII. ADJOURNMENT

The meeting adjourned at 10:43 PM.

ADOPTED by the Newberg City Council this 16th day of July, 2012.

Norma I. Alley, MMC, City Recorder

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

Bob Andrews, Mayor

CITY OF NEWBERG COUNCIL MINUTES
JUNE 4, 2012
7:00 P.M. MEETING
PUBLIC SAFETY BUILDING TRAINING ROOM (401 EAST THIRD STREET)

A work session was held at 6:00 PM. Presentation was given by Sonja Johnson, Environmental Specialist, and Dain Eichel, Operations Superintendent, on Stormwater Management Program. All Councilors and the Mayor were present; general discussion occurred and no decisions were made.

I. CALL MEETING TO ORDER

Mayor Bob Andrews called the meeting to order at 7:13 PM.

II. ROLL CALL

Members

Present:	Mayor Bob Andrews	Denise Bacon	Ryan Howard	Stephen McKinney
	Marc Shelton	Bart Rierson (arrived at 6:02 PM)		Wade Witherspoon

Staff

Present:	Terrence Mahr, City Attorney	Norma I. Alley, City Recorder
	Barton Brierley, Planning and Building Director	Jay Harris, City Engineer
	Paul Chiu, Senior Engineer	Nicole Tannler, Minutes Recorder

Others

Present: Lee Does, Lewis Schaad, Sid Friedman, Chuck Zickefoose, Dennis Gaibler, and Robert Soppe

III. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was performed.

IV. CITY MANAGER'S REPORT

Terry Mahr, City Attorney, standing in for Dan Danicic, City Manager, reported a meeting will be held on Thursday June 7, 2012, at noon in the City Hall regarding the Newberg-Dundee Bypass Funding Intergovernmental Agreement (IGA).

V. PUBLIC COMMENTS

Mayor Andrews opened and closed the public testimony; no citizens appeared.

VI. CONSENT CALENDAR

1. Consider a motion approving the May 7, 2012, City Council meeting minutes.

MOTION: Witherspoon/Shelton approving the Consent Calendar including the amended City Council minutes from May 7, 2012. Motion carried (7 Yes/0 No).

VII. PUBLIC HEARINGS

1. Consider a motion adopting **Ordinance No. 2012-2751** adopting revised findings for the South Industrial Urban Growth Boundary (UGB) amendment and revisions to the Economic Opportunities Analysis (EOA).

TIME – 7:16 PM

Mayor Andrews introduced the legislative hearing in the fourth reading and called for any conflicts of interest or abstentions; none appeared. He reopened public testimony.

Mr. Barton Brierley, Planning and Building Director, presented the staff report accompanied by a PowerPoint slideshow (see official meeting packet for full report).

Councilor Shelton commented on a statistic from The Newberg Graphic stating 25% of Newberg residents work and live in Newberg and 75% of the residents leave Newberg to work. He asked there is an understanding in keeping some people here with retail, what retail space is available and what about the potential with industrial that could employ fifty to one hundred people. Staff responded there is a lack of land for industrial use. This is a proposal for expansion for industrial jobs that will definitely add jobs to the community. Councilor Shelton stated he understands the need for shopping and access to services, but jobs are most important. Staff replied yes, it is extremely important to bring jobs into the city with positive impacts being not having to drive far, which is also good on the environment, traffic, and community; retail jobs circulating money that is already in community; and meets the city need for primary employers bringing new money into the community, which funds public safety, schools, builds communities, and improves quality of life.

Mayor Andrews asked what could be considered commercial. Staff replied the four categories are residential, institutional, commercial, and industrial; commercial is retail service type uses for example repair shops, non-profits, and doctor's offices. Mayor Andrews asked if distribution centers would be considered commercial. Staff replied no, distribution centers are light industrial.

Mayor Andrews opened public testimony.

Mr. Dennis Gaibler, Wilsonville resident, stated he is in support of this ordinance and thinks council needs to take control of the development environment. Opponents to the UGB want to stop industrial development on large parcels. Traded sector employers export goods and services from the region and that brings in revenue. He commented what would our city be without A-dec or the other industrial employers and would they be here if land use planning obstructions had been in place when they decided to come to Newberg. Traded sector employers typically reward service employees with significant increase in revenue and high tech are usually larger than that. Reasonably the city could land such companies as Intel or high tech employers and encouraged the council to "hold the course and fight the fight".

Mr. Lee Does said he is a vested resident in the area and would like to see Newberg succeed. As a farmer and land owner, he feels a large responsibility to protect farm land. He is not sure this is a good time to expand the UGB in a nationwide recession. He believes there are certainly plenty of extra buildings in town right now. Mr. Does talked about the letter from his employer and why his employer did not choose to move his company to Newberg. Mr. Does encouraged council to get back to the negotiating table with opponents looking to land use laws.

Councilor Howard asked Mr. Does what the size of the new location of his employer was. Mr. Does answered he did not know.

Councilor Shelton stated that in the letter the CEO stated that one of the concerns was ready access to supplies and transportation. If we move forward with the south industrial plan and the bypass it should improve access.

Mr. Lee replied that it is too hard to get in and out of Newberg and believes the bypass is not going to make a huge difference.

Mr. Lewis Schaad, Newberg resident, stated he is excited about potential of compromise with Friends of Yamhill County and encouraged the council to look in that direction.

Mr. Sid Friedman, Friends of Yamhill County and 1000 Friends of Oregon, distributed an ordinance from 2007 to council. He stated we met with you for a possible compromise and believed the meetings were productive. He is disappointed to learn the City is still proposing the same plan. It is puzzling that the City claims they need land immediately while this guarantees years of delay. We are sympathetic for industrial land, but this is a problem of the City's own making. The city had large amounts of high quality industrial and commercial land, but it went with the Springbrook Master Plan in 2007. The City then immediately claimed it needed more industrial land. At the same time, the City made an agreement with the owner of prime farmland to try to bring it into the UGB for industrial use. The City created a master plan for the farm land prior to drafting an EOA or completing an alternative analysis. The City has only come to one conclusion, which is they can only use the pre-selected area. According to the City's record, proposed expansion area will require expensive pump stations to serve and if it is brought into the UGB the infrastructure will take years to construct with no funding. The most expensive property to develop coincides with the best farmland on Gaibler parcels East of 219. Several alternative sites were discussed to allow Newberg to accommodate industrial needs. South Springbrook is shovel ready and next to city water and sewer mains and the development will cost tax payers less. On page two it states nothing in this ordinance shall be construed as requiring annexation of property into the city and nothing binds this council to make any decision. The risk is considerable and if the council accepts the staff's recommendation, down the road the City will not likely have added any industrial land, which is not in the best interest of the city. He urged the council to reconsider.

Councilor Shelton asked Mr. Gaibler what the agricultural use has been for this property. Mr. Gaibler stated grass seed and wheat and four weeks of man hour employment are devoted to these fifty acres. He added anyone can see opportunities for the city with putting in industrial land.

Mayor Andrews closed public testimony.

Barton Brierley concluded he worked closely with a large segment of the community in developing the land use plans with over one hundred opportunities for public input in developing these plans. Staff recommends preparation of the final ordinance.

Councilor Shelton asked could larger companies come to Newberg and grow. Staff replied we do not know where they would go. Several local businesses said they would go to south industrial area. Councilor Shelton asked if Climax decides they are too big for their location, are there any current locations for them. Staff answered no, they would have to split there facilities.

Mayor Andrews stated Mr. Friedman made a reference to item number two in the ordinance he handed out and is relying on the wording that nothing in the ordinance shall be construed as requiring the City to include the property in the URA or UGB or to annex the property. Terry Mahr stated the ordinance adopted the development agreement and specifies nothing that requires us to include land in the UGB or URA; rather, it requires us to diligently pursue its inclusion, but does not mandate any decision.

Mayor Andrews asked if there will be a rewrite of the ordinance. Barton Brierley replied yes.

MOTION: Shelton/Bacon to postpone to June 18, 2012, Meeting. Motion carried (7 Yes/0 No).

Mayor Andrews stated the written record will remain open for seven days for additional written testimony.

VIII. NEW BUSINESS

1. Consider a motion approving **Resolution No. 2012-3006** authorizing the city manager to enter into a contract amendment with Mortenson Construction, Inc., for the secondary clarifier and remaining urgent repairs at the WWTP.

TIME – 8:09 PM

Jay Harris, City Engineer, presented the staff report (see official meeting packet for full report).

Mayor Andrews asked what the repayment schedule is and if interest is accruing during the project. Staff replied it is a twenty-five year loan with a variable annual interest of about 2.6-2.9 percent and yes, interest will be accruing during construction.

Chuck Zickefoose, Citizens' Rate Review Committee, stated he fully supports this resolution and believes it is necessary.

Councilor Shelton stated these are important repairs for the use of this facility to build capacity and supports this motion.

Councilor Witherspoon commented it appears the 4.3 million will take the line of credit to 7.5-8 million dollars and asked if the rest of the credit will be used for future planning. Staff replied a portion will be used for design of the next phase of the project.

MOTION: Shelton/Howard approving **Resolution No. 2012-3006** authorizing the city manager to enter into a contract amendment with Mortenson Construction, Inc., for the secondary clarifier and remaining urgent repairs at the WWTP. Motion carried (7 Yes/0 No).

2. Consider a motion adopting **Ordinance No. 2012-2753** granting Comcast Cable a four month extension on the Cable Franchise Agreement.

TIME – 8:25

Mr. Terry Mahr, City Attorney, presented the staff report (see official meeting packet for full report).

MOTION: Howard/Shelton adopting **Ordinance No. 2012-2753** granting Comcast Cable a four month extension on the Cable Franchise Agreement. Motion carried (7 Yes/0 No).

IX. COUNCIL BUSINESS

Mayor Andrews reversed the order of council business and started with the discussion on the potential formation of a Local Improvement District on the west side of N. College Street from Illinois Street to Aldercrest Drive.

1. Information on Building Permit Fees determination methods.

TIME – 9:13 PM

Mr. Barton Brierley, Planning and Building Director, presented the staff report accompanied by a PowerPoint slideshow (see official meeting packet for full report).

Mayor Andrews asked what is used as the permit fee multiplier. Staff replied the valuation based on the price is used, which is updated every April 1st.

Council Howard asked is the permit fee multiplier the total annual construction value and if the multiplier would change if building values dropped. Staff answered we have kept our general fee multiplier the same and is based on needed employees.

2. Discussion on the potential formation of a Local Improvement District on the west side of N. College Street from Illinois Street to Aldercrest Drive.

TIME – 8:31 PM

Mr. Paul Chiu, Senior Engineer, presented the staff report (see official meeting packet for full report).

Mayor Andrews asked for clarification on the different figures from page 113 versus page 117 identifying properties. Staff replied one refers to the total number of properties and the other subtracts the seven with Waivers of Remonstrance (waivers). Mayor Andrews replied that there are fifty lots, with and without frontage, with waivers. Staff described that seven have frontages and forty three do not, which totals fifty and nineteen do not have waivers.

Councilor Rierson asked if the total cost would be in the 4-8 million dollar range with financing over ten years. Staff replied yes.

Councilor Shelton asked why those that do not have frontage on College are included. Staff replied it was a subdivision built with the understanding the entire subdivision would be included as one parcel, which is why they all have waivers.

Councilor Howard stated the average assessment seems to be \$100.00-\$400.00. Staff replied yes, it varies depending on lot size.

Mayor Andrews asked if it was 40% or 60% needed to stop it. Terry Mahr replied 60% have to object in order to stop it.

Mr. Robert Soppe reported that in the Executive Summary it states “Once the LID is initiated, support must be obtained from a minimum of 40% of the affected property owners, per City Municipal code Section 3.15.050”. He believes it is a misstatement of the code because 3.15.050 is not the proper citation. It does not describe requirements for support, but does require notification of the property owners about their rights. The only requirement close is 3.15.070, which refers to sixty percent can bar LID by filing a remonstrance. Which means lack of sixty percent opposition is the standard, not forty percent support. He challenged the council to find the word support anywhere in the cited code. The closest thing found was in 3.15.140, which allows notification requirement of 3.15.050 to be waived if there is written consent by the affected property owners. The noticeable benefits are physical improvements to the sidewalk, storm drainage, and likely increased property value; as well as when the homes were constructed the developer could have passed the cost savings of deferral to them. Mr. Soppe noted those with obligation through waivers still have about eighty percent of the cost covered through the ODOT grant. The question should be specifically who should pay and if council chooses to put the entire burden on the SDC fund it could be an assessment on future builders who receive no benefit from this improvement. The LID could be initiated so that only the properties with waivers are included. To use Executive Summary language, that would result in one hundred percent approval of the LID. We have property owners who legally agreed to no objection if an LID was created for the improvements on College Street and they received a financial benefit from this agreement. I find it unreasonable to apply the obligation on other developers.

Councilor Rierson asked if forming an LID would delay the project. Paul Chiu replied no, because staff will be doing a design for the first year and it will be one to two years before construction begins. Councilor Rierson recommended staff look into developing a funding mechanism.

MOTION: Howard/McKinney directing staff to prepare information on a potential formation of a Local Improvement District on the west side of N. College Street from Illinois Street to Aldercrest Drive. (Motion carried) 7Yes/No

Councilor Rierson invited the council to the summer opening of the Paddle Lunch on June 9th at the end of 8th Street in Dundee. He stated there are new improvements to allow launching of multiple crafts at one time.

Councilor Howard invited the council to the Summer Bike Festival held this weekend to celebrate the grand opening of our bikeway.

X. ADJOURNMENT

The meeting adjourned at 9:40 PM.

ADOPTED by the Newberg City Council this 16th day of July, 2012.

Norma I. Alley, MMC, City Recorder

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

Bob Andrews, Mayor