

**CITY COUNCIL MINUTES  
DECEMBER 3, 2012  
7:00 P.M. MEETING  
PUBLIC SAFETY BUILDING TRAINING ROOM (401 EAST THIRD STREET)**

Executive Session was held with all councilors, the mayor, city manager, and city attorney present; Bart Rierson arrived at 6:05PM; no action was taken and no decisions were made.

**I. CALL MEETING TO ORDER**

Mayor Bob Andrews called the meeting to order at 7:37 PM.

**II. ROLL CALL**

Members Present: Mayor Bob Andrews Denise Bacon Ryan Howard  
Stephen McKinney Bart Rierson Marc Shelton  
Wade Witherspoon Stephen McKinney (excused for work session)

Staff Present: Daniel Danicic, City Manager Terrence Mahr, City Attorney  
Norma Alley, City Recorder Barton Brierley, Planning and Building Director  
Janelle Nordyke, Finance Director Mandy Dillman, Minutes Recorder  
David Beam, Economic Development Planner

Others Present: Sheryl Kelsh, Chehalem Valley Chamber of Commerce

**III. PLEDGE OF ALLEGIANCE**

The Pledge of Allegiance was performed.

**IV. CITY MANAGER'S REPORT**

Mr. Daniel Danicic, city manager, reported applications for the new human resources manager position are being reviewed and interviews will be scheduled after the holidays. Several citizens near the 11<sup>th</sup> Street and College Street area are interested in attending ODOT's meeting on December 12, 2012, about sound wall aesthetics and engineering.

**V. PUBLIC COMMENTS**

Mayor Andrews opened and closed the public testimony as there was no one to testify.

**VI. COMMITTEE APPOINTMENTS**

1. Consider appointing Deanna Moore, Patrick Johnson, and Salvatore Bianco to the Budget Committee serving terms expiring December 31, 2015.

**MOTION: Shelton/Rierson** appointing Deanna Moore, Patrick Johnson, and Salvatore Bianco to the Budget Committee serving terms expiring December 31, 2015. Motion carried (7 Yes/ 0 No)

2. Consider appointing Tony Rourke and Rick Rogers to the Citizens' Rate Review Committee serving terms expiring December 31, 2015.

**MOTION: McKinney/Witherspoon** appointing Tony Rourke and Rick Rogers to the Citizens' Rate Review Committee serving terms expiring December 31, 2015. Motion carried (7 Yes/0 No).

Mayor Andrews introduced the new budget committee members. Rick Rogers introduced himself to Council.

## VII. CONSENT CALENDAR

1. Consider a motion adopting **Resolution No. 2012-3023** supporting a grant application for Villa Road bike and pedestrian improvements.

**Resolution No. 2012-3023** was pulled from consent calendar and discussed under new business.

2. Consider a motion approving the October 15, 2012, City Council meeting minutes.

**MOTION: Rierson/Witherspoon** approving the October 15, 2012, City Council meeting minutes, as amended. Motion carried (7 Yes/0 No).

## VII. PUBLIC HEARINGS

Consider a motion adopting **Resolution No. 2012-3024** approving Supplemental Budget #2 for fiscal year 2012-2013.  
**(Administrative Hearing)**

Ms. Janelle Nordyke, Finance Director, presented a request to modify the city of Newberg's fiscal year 2012-2013 adopted budget (see official meeting packet for full report). Staff recommends adoption of Resolution No. 2012-3024.

Councilor Ryan Howard asked why the animal shelter needed the additional \$20,000.00. Mr. Danicic replied they need the extra funds to finish bathrooms, install electric garage door openers for ventilation, buy kennel gates, and to epoxy the front lobby floor. The shelter will then receive a certificate of occupancy and move in once these items are taken care of.

Mayor Bob Andrews asked if the surplus fire and EMS apparatuses have been sold. Ms. Nordyke replied they have not yet been sold. Mayor Andrews asked why they needed to move the funds now. Ms. Nordyke explained when the vehicles are sold money from two of the vehicles will go into fund five and one into fund thirty-three. To spend the money on new vehicles it must all be transferred to fund thirty-three, which is the fire and EMS equipment fund.

Councilor Stephen McKinney asked what will be the anticipated figure for the system development charge (SDC) fund. Ms. Nordyke replied that an estimated \$450,000.00 is projected to come in by the end of the fiscal year, but so far they have only received \$10,000.00. Mr. Danicic explained the SDC is paid by new development and money comes in each month. Their best forecast says they will receive all of the money by the end of the fiscal year.

Councilor Howard expressed concern the Animal Shelter Friends may not be doing enough to help fund the animal shelter project. He is worried the shelter needs a lot of capital to be completed and the council will be called upon to provide this money. Councilor Marc Shelton replied having the shelter fully functioning will

allow the Animal Shelter Friends to resume fundraising. However, without the additional funds from the council the shelter cannot open. Councilor McKinney agreed with Councilor Howard, and also does not see the shelter ever fully supporting itself.

**MOTION: Shelton/Bacon adopting Resolution No. 2012-3024 approving Supplemental Budget #2 for fiscal year 2012-2013. Motion carried (7 Yes/0 No)**

## VIII. NEW BUSINESS

1. Consider the Chehalem Valley Chamber of Commerce's 2012-2013 First Quarter Report.

TIME – 7:58 PM

Ms. Sheryl Kelsh, Chehalem Valley Chamber of Commerce CEO, reported on the Chamber's first quarter report, which reflects the addition of funds from the transient lodging tax (TLT) collection for the 2011-2012 fiscal year (see official meeting packet for full report). Ms. Kelsh reported the Oregon destination research project, which consists of 40 travel professionals, is currently having a conference at the Allison hotel. She will have more information for Council regarding funding for other visitor centers after the conference. Other data from the conference shows that Oregon had a 2% increase in lodging demand in the Willamette Valley, and Newberg is on the positive end of the graph. Dean Runyan, a nationwide travel expert, is doing research on how Oregon can better promote itself. Ms. Kelsh stated she is learning of potential ways to get Newberg's message out without much cost, such as a mobile application for cell phones and web based research. Ms. Kelsh noted the Oregon Truffle Festival is slated to move to Newberg in January, 2014, when the Cultural Center ballroom is finished.

Councilor Denise Bacon mentioned she heard an employee at a local business saying horrible things about Newberg to a New York Times reporter recently and suggested the Chamber train those who work with tourists how to speak positively about the city. Ms. Kelsh spoke about the city of Coos Bay program of training employees and then bringing in secret shoppers to rate them. It was all done in a positive way by spending time evaluating what employees did right instead of pointing out what employees had done wrong.

Councilor Wade Witherspoon asked how development of the educational display was going. Ms. Kelsh responded the mural was done and it was down to hanging pictures and putting the television screen back up.

2. Consider a motion requesting a fee credit for the George Fox University football stadium design review application.

TIME – 7:44 PM

Mr. Barton Brierley, planning and building director, gave a staff report requesting a fee credit for the George Fox University (GFU) football stadium (see official meeting packet for full report).

GFU paid approximately 70% of the application fee to build the stadium on the Villa road site; however, they have decided to place the new stadium on the college campus and are hoping to transfer the fees already paid to the new application. Mr. Brierley feels crediting fees within the same fiscal year would not be an issue, but since this request will be changing the fee from one fiscal year to another, he feels council should give input.

Councilor Howard asked if there is any significance of limiting it to the same fiscal year. Mr. Brierley replied each year revenues and expenses are estimated; therefore, changing to a new fiscal year means it was budgeted for the previous year and not the current one. Councilor Howard asked if there would be any additional work or money spent to change the fee to the next fiscal year. Mr. Brierley replied there would not be.

Ted Allen, George Fox University CEO, mentioned he is happy to be moving forward on the new location and feels it will be better for the city and the university to have the stadium located on campus.

Councilor Howard asked what is the plan for the Villa Road site. Mr. Allen replied grass seed will be grown on the site until they renovate it for athletic purposes, but they don't know for sure when that will be.

Mayor Andrews asked if they will be partnering with Chehalem Parks and Recreation Department (CPRD) when they renovate the Villa Road site. Mr. Allen replied they have had discussions with CPRD but have no specific plans.

Councilor Shelton abstained from the vote because he is an employee of GFU and his vote could be seen as a conflict of interest.

**MOTION: Rierson/McKinney** requesting a fee credit for the George Fox University football stadium design review application. Motion carried (6 Yes/0 No/1 Abstained [Shelton]).

3. Discussion of the city's role in economic development.

TIME – 8:25 PM

David Beam, economic development planner, presented the staff report accompanied by a PowerPoint presentation (see official meeting packet for full report).

No comments were made.

4. Consider a motion adopting **Resolution No. 2012-3023** supporting a grant application for Villa Road bike and pedestrian improvements.

Mayor Andrews expressed concern about the city manager signing the contract and favored council approving the contract before it was signed. Mayor Andrews suggested removing Resolves #3 from the Resolution. The council concurred.

Councilor Bart Rierson clarified CPRD wants to be involved in the grant application process. Mr. Brierley replied CPRD wants to put in a heritage trail and interpretive site at the creek crossing located on Villa Road. Councilor Rierson asked if the CPRD board doesn't approve the grant application or if the application is denied, would the CPRD portion of the project be funded by the city. Mr. Brierley replied it would most likely be eliminated or possibly scaled down in that case as it would cost \$50,000.00 to \$70,000.00. However, he feels having the interpretive site and heritage trail makes the grant application more attractive.

Councilor Witherspoon asked if the plan also included fixing the dangerous intersection at Villa Road and Mountainview Drive. Mr. Brierley replied the grant doesn't go that far up Villa Road. That intersection will be fixed when the rest of Mountainview Drive is developed.

Council further discussed the plan for Villa Road and how it will increase the visibility and safety of cars, pedestrians, and bicyclists.

**MOTION: Andrews/McKinney** adopting **Resolution No. 2012-3023** supporting a grant application for Villa Road bike and pedestrian improvements, as amended. Motion carried (7 Yes/0 No)

**IX. COUNCIL BUSINESS**

TIME – 9:09 PM

Staff discussed adopting the coordinated population figures as suggested to them by the county commissioners at their joint meeting. It was concluded these figures should be adopted in order to continue with the process, even though the city's growth estimates are based on employment and not on population.

Mayor Andrews asked about the status of negotiations with the Lockwoods about their system development charges (SDC). Mr. Brierley replied the Lockwoods had previously asked council to defer SDC payment until time of occupancy; however, they are now asking for an additional extension and indefinite postponement of payment. The council did not offer them a further extension but the city has a policy to finance SDC's with a 4% interest rate for ten years. He met with the Lockwood's and explained the financing option, which they are considering.

Councilor Rierson mentioned Robert Soppe's testimony discussing accuracy around wording in motions and noted council needs to clarify motions from recorders in order to maintain accuracy.

Councilor Shelton was concerned the 25% Transient Lodging Tax (TLT) the city committed to the visitor's center has increased dramatically in the last few years.

Councilor McKinney suggested they continue to allow the 25% to go to the visitor's center to help them get over the hump, and then dropping the number after they are more comfortable.

Councilor Howard added possibly putting a dollar cap amount on the 25% might be a good solution.

Councilor Witherspoon said he would not be in favor of the motion; he felt the 25% was a good decision before and removing funds from the visitor's center would make the problem worse instead of better. He feels the visitor's center needs to be spending more money on advertising to help the city grow. Councilor Rierson agreed with Councilor Witherspoon, saying it is a great return on investment and the money the chamber and visitor's center have spent has probably resulted in more economic growth for the city than they would have seen without the investment. Part of the reason they are collecting more TLT is because of the good job the visitor center and chamber are doing at marketing the city.

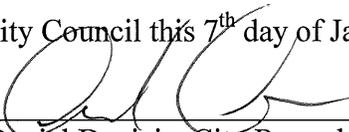
Mayor Andrews clarified they would not be making a decision, just asking for more information, and they are under a five year contract so renegotiations cannot be made until the contract is over.

**MOTION: Shelton/Andrews** request city staff to come back with a recommendation for the transient lodging tax for the remainder of the contract we have with the chamber regarding the visitor center. Motion carried (4 Yes/3 No)

## **X. ADJOURNMENT**

The meeting adjourned at 9:42 PM.

**ADOPTED** by the Newberg City Council this 7<sup>th</sup> day of January, 2013.

  
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Daniel Danicic, City Recorder

**ATTEST** by the Mayor this 10<sup>th</sup> day of January, 2013.

  
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Bob Andrews, Mayor