

**NEWBERG CITY COUNCIL MINUTES
REGULAR SESSION
AUGUST 17, 2015, 7:00 PM
PUBLIC SAFETY BUILDING (401 E. THIRD STREET)**

The work session was held at 5:00 p.m. preceding the meeting. Present were Mayor Bob Andrews, Councilors Lesley Woodruff, Stephen McKinney, Scott Essin, Tony Rourke and Denise Bacon. Also present were City Manager Pro Tem Terry Mahr, City Attorney Truman Stone, Public Affairs Officer Brittney Jeffries, and City Recorder Sue Ryan.

REVIEW OF COUNCIL AGENDA:

Councilor Rourke said Page 8-9 of the July 6 minutes needed to state the motion was made by Essin/McKinney. Councilor Essin wanted to pull Resolution 2015-3208 from the consent calendar. It would be discussed at the next Council meeting on September 8. City Attorney Truman Stone made edits to the July 20 minutes for the 7:00 a.m. Emergency Meeting on Page 11, it was the Mayor and Councilor Bacon who called the Emergency Meeting. He brought up an additional issue with the July 23 minutes and said he would consult with the City Recorder and the minutes could be brought back at a later date.

EXECUTIVE SESSION

The Council entered into Executive Session pursuant to ORS 192.660 2 (h) Consultation with Legal Counsel to discuss proposed separation agreement with City Manager Jacque Betz at 5:10 p.m. Council exited Executive Session at 6:25 p.m.

Staff present included City Manager Pro Tem Terry Mahr, City Attorney Truman Stone and contract Labor Lawyer Todd Lyons.

CALL MEETING TO ORDER

The Mayor called the meeting to order at 7:00 p.m.

ROLL CALL

Members Present:	Mayor Bob Andrews	Scott Essin	Stephen McKinney
	Lesley Woodruff	Denise Bacon	Mike Corey
	Tony Rourke		

Staff Present:	Terry Mahr, City Manager Pro Tem	Truman Stone, City Attorney
	Sue Ryan, City Recorder	Kaaren Hofmann, City Engineer
	Doug Rux, Community Development Director	
	Brittney Jeffries, Public Affairs Officer	
	Steve Olson, Associate Planner	
	Matt Zook, Finance Director	
	Nancy McDonald, Interim Human Resources Director	
	Jessica Pelz, Associate Planner	

PLEDGE OF ALLEGIANCE: The Pledge of Allegiance was performed.

Mayor Andrews explained the amended agenda and the items that would be covered that night.

PRESENTATIONS:

Mayor Andrews recognized Abby Bingham of Newberg who won the state essay competition for "If I Were Mayor" through the Oregon Mayor's Association. She attended Mountain View Middle School.

SPECIAL COUNCIL BUSINESS

Resolution 2015-3221: Mayor Andrews said the Council met in Executive Session to discuss the issues and possible litigation concerning City Manager Betz. The resolution would approve a separation agreement between the City and CM Betz. He asked for public comment on the resolution before the vote.

Darlyn Adams, Newberg resident, thought Chief Casey was treated wrongly. She thought there should be a thorough investigation of character when looking for a new City Manager. It was the right thing to let CM Betz go.

Michael Gunn, Newberg resident, said the Council had dropped the ball on this. The City had been on defense since the start and the Council acted like they did not want to have to deal with the issue. He did not think Council knew exactly what happened in this situation. They had not forced Ms. Betz to come before Council and confront her with the allegations. They did not have the facts to pay her \$100,000 to make her go away. He thought they had cause to terminate her. He submitted questions on July 20 to the Council and he had yet to receive an answer. He was upset at the lack of communication. He asked if the \$35,000 for release of all claims was coming from the insurance company or from the City. CM Pro Tem Mahr stated the insurance company was paying \$30,000 and the City was paying the rest. Mr. Gunn said they were paying a lot of money to Ms. Betz and he didn't think the City did a proper investigation to see how good of a case they had against her.

MOTION: Rourke/Bacon moved to adopt Resolution 2015-3221, A Resolution authorizing a proposed separation agreement between the City and City Manager Betz with a small correction to the second recital from criminal wrongdoing to criminal wrongdoing. Motion carried (7 Yes/0 No).

PRESENTATIONS:

Finance Director Matt Zook gave a report on the bond sale. This was refinancing five Business Oregon loans and one City Hall loan. Repayment of the debt over the next 12 years would have been about \$13.7 million dollars, but by reissuing one bond to replace the six different debt instruments it had been reduced to \$12.6 million dollars. The interest rate they received was 2.25%. They were able to get into the market at the right time to get the lower interest rate. The goal was to save money by deferring the savings to the end of the bonds. The City was also able to obtain a two notch increase above the last rating the City received, which was back in 1998 when the Fire Bonds were done.

Councilor Essin asked about State of Oregon bonds which were not included. FD Zook said there was one debt instrument that was not eligible for pre-payment and additional State of Oregon projects they were borrowing on right now. There were a few other debt issuances that remained with the State.

CITY MANAGER PRO TEM'S REPORT:

CMPT Mahr had visited all of the City departments and everything was functioning well. One of the big issues was several fires in the area and fire resources, which were very stretched. City Recorder Sue Ryan had been doing superior work, especially in regard to public records requests. Interim Human Resources Director Nancy McDonald had also been helping him as well as City Attorney Truman Stone. He was looking forward to continue to work with Council.

PUBLIC COMMENTS:

Merle Smith discussed the intersection on Wilsonville Road as a result of the terminus from the new Newberg-Dundee Bypass. He asked to distribute a summary of the issue to the Council.

MOTION: Bacon/McKinney moved to accept the document. Motion carried (7 Yes/ 0 No).

Mr. Smith said the Council would be asked to make a decision on the planning process for the intersection. He wanted to help provide some education on the issue and further information if needed. There were a number of jurisdictions involved, including Yamhill County, Clackamas County, City of Wilsonville, West Linn School District, and ODOT had helped design the plan they were proposing. The vote would be an amendment to the Transportation Service Plan and he urged them to support the no-through option and learn as much about the issue as they could. This was a safety issue and a high priority.

John Freeman, representing the Ladd Hill Neighborhood Association as well as Yamhill County, Clackamas County, City of Wilsonville, and West Linn School District, said they had always supported construction of the bypass. They had hired a traffic engineer who discovered ODOT did not do the NEPA required modeling regarding Wilsonville Road with the design they put forth. When they brought that to ODOT's attention in January 2015, they started talking about alternative designs. ODOT came back with a revised design, which the association approved, and they took it to the State traffic highway engineer who also approved it. It was a no-through design which meant people traveling west on Wilsonville Road and east on the bypass would not be able to go straight across onto the other road, they were forced to turn either left or right. By doing so it would discourage a huge increase of traffic on Wilsonville Road. It would still be in the existing right-of-way that had been acquired and there would be no change to the schedule or budget. They had a complaint ready to file in federal court against ODOT and the Federal Highway Administration should they continue with the unsafe design. He asked that the Council give this due consideration.

Councilor Rourke asked for a summary of the no-through design element. Mr. Freeman explained how it would be designed to force traffic to turn right or left and not go straight through. The new design supported the old design as the original plan was to route the traffic up Springbrook Road with improvements and those improvements were still in the plan. This proposal was to change the traffic control to reinforce the original plan.

CONSENT CALENDAR:

MOTION: Rourke/Bacon moved to adopt the Consent Calendar, including Minutes for July 6, 2015 as amended, July 20 Emergency Session and July 20 Regular Session, Resolution 2015-3191, A Resolution to adopt the revised Public Works Design and Standards, Resolution 2015-3210, A Resolution to authorize the City Manager Pro Tem to enter into a Professional Services Agreement with Murray Smith and Associates to complete the update to the Water Master Plan in the amount of \$296,343.00, Resolution 2015-3211, A Resolution amending policies and procedures for administration of the City of Newberg's Affordable Housing Trust Fund, Resolution 2015-3219, A Resolution to authorize the City Manager Pro Tem to enter into a small Enterprise License Agreement, Inc. (ESRI) in the amount of \$75,000, Resolution 2015-3220, A Resolution authorizing the City Manager Pro Tem to appoint recommended candidates to positions in multiple departments, Establishment of Newberg Downtown Improvement Plan Advisory Committee, and acceptance of Affordable Housing Commission NOFA & Noticing. Motion carried (7 Yes/ 0 No).

PUBLIC HEARING:

Ordinance 2015-2785, Amend Ordinance 2012-2749 to correct language for Housing Trust Fund:

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

Community Development Director Doug Rux presented the staff report. This ordinance amended the language for the Housing Trust Fund. The fund was established in March 2012 and in April 2012 the policies and procedures to administer the fund were passed. Modifications had been brought to the Council in June 2015 and one of the changes was 100% of median area income was changed to 80%. An oversight occurred where staff found that the original ordinance needed to be modified to reflect the changes in the percentage.

There was no public testimony.

Mayor Andrews closed the public hearing.

Staff recommended passage of the ordinance.

City Attorney Truman Stone read the Ordinance by title only.

MOTION: Rourke/ Woodruff moved to waive the second reading and adopt Ordinance 2015-2785, to Amend Ordinance 2013-2785, to correct language for the Housing Trust Fund. Motion carried (7 Yes/ 0 No).

NEW BUSINESS:

Resolution 2015-3217:

Associate Planner Jessica Pelz said that this resolution would amend the Comprehensive Plan and adopt the population forecast the City was required to have by Administrative Rules. The Administrative Rules also allowed a safe harbor employment forecast. Staff recommended approval of the resolution. This would first go to the Planning Commission, then back to the Council.

There was a discussion on the coordinated population forecasts and how they would be done throughout the state.

MOTION: Woodruff/McKinney moved to approve Resolution 2015-3217, A resolution initiating a Comprehensive Plan Amendment to adopt the Yamhill County Coordinated Population forecast and associated employment forecast. Motion carried (7 Yes/ 0 No).

Resolution 2015-3212:

Associate Planner Steve Olson said there was an application with the County that was outside the City limits and Urban Growth Boundary, but in the urban reserve. It was for a Conditional Use Permit to take an existing house and build a five bedroom addition for a Bed and Breakfast on Bell Road. The owner would live in the main house and manage the B & B. In 2001 this property was divided into three parcels and at that time based on the City's and County's agreement they came up with a future development plan which showed how urban level development could occur in the future and that it would not preclude future urbanization. Access would be off of Bell Road and they were planning to add a gravel parking area. Both the new addition and existing building met the setback requirements. Bell Road was in the current TSP as eventually being improved. Based on the site plan and description, the application was limited in scope and would not prohibit future urban development. Staff recommended approval of the resolution.

MOTION: Corey/Rourke moved to approve Resolution 2015-3212, A Resolution recommending that Yamhill County approve the proposed Conditional Use Permit for a bed & breakfast at 28900 NE Bell Road, Yamhill County Tax Lot 3209-900. Motion carried (7 Yes/ 0 No).

Resolution 2015-3209:

AP Olson said this had come before Council in Work Session on July 20. He explained street seats were temporary platforms that took up a parking space to provide additional outdoor seating for a business. This would be a two year pilot program and was limited to no more than six on street parking spaces. He explained what the City and the applicant would be responsible for and discussed the design guidelines. Staff recommended approval of the resolution.

MOTION: Bacon/Rourke moved to approve Resolution 2015-3209, A Resolution approving a Street Seat Pilot Program in the Downtown C-3 Zone. Motion carried (7 Yes/ 0 No).

EXECUTIVE SESSION:

The Council entered into Executive Session pursuant to ORS 192.660 2 (d) Labor Negotiator Consultations at 8:16 p.m. Staff Present included City Manager Pro Tem Terry Mahr, City Attorney Truman Stone and Interim Human Resources Director Nancy McDonald. Council exited executive session at 8:40 p.m.

NEW BUSINESS:

MOTION: McKinney/Corey moved to approve Resolution 2015-3205, A Resolution approving the Collective Bargaining Agreement between the City and the Newberg-Dundee Public Safety Association; and authorizing the City Manager Pro Tem to execute the agreement. Motion carried (7 Yes/ 0 No).

COUNCIL BUSINESS:

Mayor Andrews announced on Saturday, October 3, the Council would have an initial strategy session with Joseph Bailey. He recommended the Council continue on in this process. There was Council consensus to continue.

Mayor Andrews brought up the issue of the need for an interim City Manager. He wanted to have a Council subcommittee for selection of the position. He asked for Councilors Corey, Woodruff and McKinney to sit on the subcommittee with himself and Council President Bacon as nonvoting members. He said they would be contacting City Manager Pro Tem Terry Mahr about starting the process.

Councilor Rourke brought up the issue of Interim HR Director Nancy McDonald as there were limited amount of hours they could use her services. City Attorney Truman Stone said Ms. McDonald's hours would run out in the beginning of October. The process needed to start immediately to hire an HR Director.

Ms. McDonald explained her schedule. If she reduced the number of hours she worked, she could stretch it until the end of the year. She was willing to work from January to May of next year as well. She thought it would be good to wait to hire a new HR Director until a City Manager was hired as the two positions worked closely together. Time would also heal some of the issues. She could watch her hours diligently, focusing on priority projects, and put together a recruitment strategy for the HR Director position and go through the recruitment process. She thought the new City Manager should have some input on the hiring.


Mayor Andrews thought the priority should be putting together the recruitment for the HR Director position.

ADJOURNMENT: The meeting was adjourned at 8:52 p.m.

ADOPTED by the Newberg City Council this 8th day of September, 2015.


Sue Ryan, City Recorder

ATTESTED by the Mayor this 10th day of September, 2015.


Bob Andrews, Mayor