

**NEWBERG CITY COUNCIL MINUTES
REGULAR SESSION
NOVEMBER 16, 2015, 7:00 PM
PUBLIC SAFETY BUILDING (401 E. THIRD STREET)**

The work session was held at 6:00 p.m. preceding the meeting. Present were Mayor Bob Andrews, Councilors Lesley Woodruff, Stephen McKinney, Scott Essin, Denise Bacon, Mike Corey and Tony Rourke. Also present were City Manager Pro Tem Steve Rhodes, City Attorney Truman Stone, City Recorder Sue Ryan, Finance Director Matt Zook, Interim Human Resources Library Director Nancy McDonald, Community Development Director Doug Rux, Engineer Paul Chui, Library Director Leah Griffith, Library Board committee members Kerrie Allen and Geoff Godfrey.

REVIEW OF COUNCIL AGENDA:

Councilor Woodruff asked for Item #4 and Councilor Rourke asked for Item #5 on the Consent Calendar to be pulled and discussed during Council Business.

COUNCIL ITEMS:

Councilor McKinney had an item for Council Business regarding the City Manager recruitment.

WORKSHOP: Library Director Leah Griffith gave a presentation on the Library's Strategic Plan. There were six strategic areas of focus. Kerrie Allen, Library Board member, discussed the Plan's areas of focus which were: community, programming, promotion, technology, Library building, and operations. Geoff Godfrey, Library Board member, explained the public process that had been used in creating the Plan. Mayor Andrews asked who would do the maintenance of the expansion planned in the Library Strategic Plan for the Cultural District. LD Griffith replied it would be jointly maintained through an IGA with the City and CPRD. Councilor McKinney asked about expanding district. LD Griffith said this Plan focused on how the Library could better serve the community. For Library District expansion it would require advocacy from the rural areas.

EXECUTIVE SESSION # 1 – pursuant to ORS 192.660 (2) f Exempt Public Records. The Council entered executive session at 6:17 p.m. They discussed the Classification and Compensation study. The Council exited executive session at 6:35 p.m. Staff present included FD Zook, IHRD McDonald, CMPT Rhodes and CA Stone.

EXECUTIVE SESSION # 2 – pursuant to ORS 192.660 (2) h Legal Counsel concerning legal rights and duties current current litigation or litigation likely to be filed. The Council entered executive session at 6:37 p.m. They discussed the Villa Road sidewalk right of way condemnation matter. The Council exited executive session at 6:59 p.m. Staff present included CMPT Rhodes and CA Stone.

CALL MEETING TO ORDER

The Mayor called the meeting to order at 7:08 p.m.

ROLL CALL

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| Members Present: | Mayor Bob Andrews | Scott Essin | Stephen McKinney |
| | Lesley Woodruff | Denise Bacon | Mike Corey |
| | Tony Rourke | | |
| Staff Present: | Steve Rhodes, City Manager Pro Tem | Truman Stone, City Attorney | |
| | Sue Ryan, City Recorder | Doug Rux, Community Development Director | |
| | Steve Olson, Associate Planner | Jessica Pelz, Associate Planner | |
| | Matt Zook, Finance Director | Kaaren Hofmann, City Engineer | |
| | Nancy McDonald, Interim HR Director | Brian Casey, Police Chief | |
| | Jay Harris, Public Works Director | Jason Wuertz, Engineer | |
| | Leah Griffith, Library Director | | |

PLEDGE OF ALLEGIANCE: The Pledge of Allegiance was performed. Mayor Andrews asked for a moment of silence for the recent terrorist attacks in Paris, France.

PRESENTATIONS: Dave Adams, Station Manager of KLYC Radio, presented information on a proposal to do live streaming of Council meetings on Facebook, KLYC's website, and YouTube KLYC would provide the service at no charge to the City. It was working well in the City of McMinnville. Councilor Woodruff asked about citizen participation in McMinnville. Mr. Adams replied the most popular topics had been about homelessness, economic development, and marijuana. There was consensus to allow the live streaming of Council meetings and start in December.

CITY MANAGER PRO TEM'S REPORT: CMPT Rhodes reported that the Second Street parking lot had been completed. He said they were looking at a joint project with the School District and CPRD to add landscaping to the parking lot. He was now the ex-officio member of the Chamber Board and attended their retreat.

PUBLIC COMMENTS:

Shari Ralston, Sherwood resident, was close to opening a medical marijuana dispensary. She discussed the banning of early sales of recreational marijuana. She thought the laws were already in place for recreational marijuana and the State told her that there had not been many problems occurring with early recreational marijuana sales. She thought the Council should rethink the ban. The dispensary in Dundee was allowing early sales, but they were charging a lot more. Early sales were put into place to dissipate the black market, stop sales to minors, and so people could buy a safe product. There was a thriving black market in Newberg and it was easier for minors to get it. Newberg was a minority in banning early recreational sales. The other cities that banned early sales did so by unanimous vote, but it was not a unanimous vote in Newberg.

Councilor McKinney said there was a fatality the very first day of sales in Portland. There were nine or ten other cities that had also banned early sales.

Joe Consani was in support of early sales of recreational marijuana. The law prohibited people under 21 years of age to use marijuana. Early reports showed it was easier to obtain marijuana than cigarettes because cigarettes were regulated. The intent was to shut down the black market. He thought the dispensaries in this area were run quietly and safely. There was no impact on the local community. He thought local police would say incidents were not related to cannabis, but to alcohol and meth.

CONSENT CALENDAR:

MOTION: Corey/Bacon moved to approve the Consent Calendar including: Financial Reports for August and September 2015, the Chehalem Valley Chamber of Commerce third quarter report, and Resolution 2015-3237, A Resolution to authorize the City Manager Pro Tem to enter into a construction contract with Canby Excavating, Inc. for the groundwater Well No. 9 project in the amount of \$526,325.00; Motion carried (7 Yes/ 0 No).

PUBLIC HEARING – LEGISLATIVE:

Ordinance 2015-2791, Cherry Street Vacation:

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

AP Olson presented the staff report. The Council initiated this vacation process in October. The request was to vacate the right-of-way on Cherry Street east of Center Street and west of the Friendsview campus to allow flexibility for redevelopment. He explained the applicable criteria, subject site, surrounding area, and easements needed for access to utilities. No public comments had been received prior to the hearing. The applicant had collected written consent from all the abutting properties and contacted the neighbors in the area. Two-thirds of the owners in the affected area supplied written consent. Staff thought the applicant met the criteria and the public interest in the street could be protected by easements. The vacation would support the growth of Friendsview, which supplied a type of housing needed in the community. Staff recommended approval.

There was a brief recess.

Proponents:

Julie Bradshaw of LRS Architects represented the applicant. She discussed the area of Cherry Street they had requested to be vacated and what Friendsview retirement community already owned. If the street was to remain public, the right-of-way would require ten feet on each side of the road as well as a 25 foot yard which would greatly reduce the usable area

of the buildings. Center Street was not being vacated at this time because Friendsview did not own those properties yet and was not ready to move into that phase. Vacating both Center Street and Cherry Street was in the Master Plan. She explained buildings face the street and would include covered pedestrian walkways.

Chuck Gregory of AKS Engineering said the applicant was working with the utility companies to relocate overhead utilities and allow for fire access. The water and sewer lines would remain in place. There were natural gas lines in both Center and Cherry Streets, but they had no concerns with the vacation.

AP Olson clarified the utility easement process. Staff recommended adoption of the ordinance. Mayor Andrews closed the public hearing.

MOTION: Rourke/Bacon moved to waive the second reading of the ordinance. Motion carried (7 Yes/ 0 No).

MOTION: McKinney/Rourke moved to adopt Ordinance 2015-2791, An Ordinance vacating the Cherry Street Right-of-Way east of Center Street and west of the Friendsview Retirement Community Campus adjacent to Yamhill County Tax Lots -3217CB-500, -600,-700,-800, -900, -1500, -1700,-1800, -1900, -2000, and -90000 within the corporate city limits of Newberg, Oregon, and retaining public and private utility and access easements over the street being vacated. Motion carried (7 Yes/ 0 No).

Ordinance 2015-2792, Repeal of 2008-2697:

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

AP Pelz gave the staff report. In 2008 the City adopted an urban reserve area expansion which was remanded by the Department of Land Conservation and Development and the City and 1,000 Friends appealed the remand to the Land Conservation and Development Commission. In 2010 LCDC remanded the application for more work in a number of areas and the City had let it lapse. The City did not have the time and staff to deal with it and the data it was based on was old. Staff recommended withdrawing the application rather than letting it drag on further. Staff recommended approval of the ordinance.

Councilor Woodruff asked about bringing the document back to LCDC, the SE Transportation Plan, and next steps for the urban reserve. AP Pelz replied LCDC did not track whether or not the document came back to them. The SE Transportation Plan was a future planning document for the east and southeast portion of Newberg. They had applied for a grant with DLCD regarding the Urban Growth Boundary. They were not required to have an urban reserve. The intent was to make it easier to expand the UGB.

CDD Rux discussed the technical assistance grant to allow the City to do an Economic Opportunities Analysis and housing needs assessment or a streamlined UGB process.

Mayor Andrews asked for public testimony. There was none. No written communications had been received.

AP Pelz recommended adoption of the ordinance.

Mayor Andrews closed the public hearing.

MOTION: Corey/Rourke moved to waive the second reading of the ordinance. Motion carried (7 Yes/ 0 No).

MOTION: Rourke/Corey moved to adopt Ordinance 2015-2792, An Ordinance repealing Ordinance 2008-2697, which expanded the Urban Reserve area. Motion carried (7 Yes/ 0 No).

NEW BUSINESS:

Resolution 2015-3225, Villa Road Improvement Project:

SE Wuertz explained the project area, two phases of the project, and public open house. He then gave design highlights including the bike lanes and sidewalks on both sides of the road, grade and alignment changes, access changes,

replacement of the culverts, and improvements to the trestle. This resolution was for acquisition of right-of-way from Haworth Avenue to Park Lane. Staff would work with the property owners to negotiate the acquisitions in a fair way for both parties. Staff recommended adoption of the resolution. Councilor Rourke asked about the feedback from the open house. E Wuertz said there was a lot of positive feedback and good suggestions regarding the design. Mayor Andrews asked who owned the land between North Carol and Carol Ann on the east side of the road. E Wuertz said that was owned by the City as right-of-way.

MOTION: Corey/McKinney moved to adopt Resolution 2015-3225, A Resolution authorizing the acquisition of certain real property for the Villa Road improvement project. Motion carried (7 Yes/0 No).

Resolution 2015-3236, Library Strategic Plan:

LD Griffith said the Library Board, citizens, and staff had been working to create a 2015-2020 Library Strategic Plan. She recommended approval of the resolution. Kerrie Allen, Library Board member, reviewed the Plan including the six strategic areas of focus: community, programming, promotion, technology, Library building, and operations. Mayor Andrews asked about the City being compensated for the land that would be donated to the Cultural District. LD Griffith explained the City had already provided the land as part of the Cultural District.

MOTION: Rourke/Bacon moved to adopt Resolution 2015-3236, A Resolution adopting the Newberg Public Library Strategic Plan 2015-2020. Motion carried (7 Yes/0 No).

Resolution 2015-3230, Classification & Compensation:

IHRD McDonald analyzed the current City classification and compensation plan for non-represented employees. She used the same 12 cities for comparables for the recent bargaining with the Newberg-Dundee Public Safety Association and the City Manager's salary study. Overall salaries were substantially below market and she put together a plan to bring them up to market value. She did not know what years COLA or merit increases had been frozen. She suggested 10 to 15% between salary ranges for tiers. The Council needed to choose between two options. Option A would discontinue the current practice of allowing employees to move two merit steps instead of one at the time of performance review. Option B would continue to allow the current practice. She also suggested industry standard classifications that would make it possible for any other HR professional or contractor to come in and do a salary study so the plans could be updated easily.

Councilor Rourke said the main difference between the two versions of the resolution was that they would either continue the current practice of allowing employees hired prior to June 30, 2013 to move two steps (5%) instead of just one step (2.5%) as a result of a satisfactory evaluation or to suspend that practice. IHRD McDonald said that was correct. The difference between the two options would be \$32,000.

Councilor Corey said this would be a supplemental budget in January. Finance Director Matt Zook said yes. Councilor Bacon asked how much of a raise the represented employees got each year. IHRD McDonald said it was 5% for the Police Union. Councilor Essin asked why they had 11 steps. He thought they should go back to six steps. IHRD McDonald said there had been six steps, but due to tight budgets it was expanded to 11. She agreed 11 steps were a lot, but she did not recommend compressing it and reducing the steps due to the cost. She requested Council either approve Option A or Option B. Non-represented employees had received a 1% COLA and moving from step to step was through the performance evaluation process. There was discussion on the steps, the current process for earning increases, and switching to a merit based system.

Mayor Andrews suggested they bring some equity into the compensation on a short term basis through one of these options and then implement a new program at a later date, such as changing it to six steps. CMPT Rhodes said they had discussed long-term about a major overhaul of the compensation system. He recommended waiting for a permanent City Manager, a permanent Human Resources Director, and a five-year Finance plan. He said that would not be completed by budget time for FY 2016-2017 but would need to be done in FY 2017-2018. Choosing one of these options was a way to buy time until the major overhaul could be done.

Councilor McKinney said the Council had yet to fulfill its promise to the non-represented employees to make up the difference for their service during a time of heavy budget cuts. He suggested a one-time only or interim step to rectify the situation. Councilor Essin said it was only a difference of \$32,000 and Option B would be more favorable for the employees. Non-represented staff was being paid under market value when looking at the comparables and he was in

favor of Option B. Councilor Bacon asked if for Option B, did employees automatically get the 5% or was it based on what the supervisor wrote in the performance evaluation. IHRD McDonald it was up to the supervisor and what kind of comments they put on the recommendation.

MOTION: Bacon/Essin moved to adopt Resolution 2015-3230, A Resolution adopting the City Classification & Compensation Plan Update and authorizing the City Manager Pro Tem to implement the results of the update retroactive to July 1, 2015, and approving Option B.

Deliberations: Councilor Rourke thought the policy should be amended to allow all employees the option of two steps or 5%. Councilor Corey was in favor of Option A because that would bring employees in line with other City employees and it would cost less. Mayor Andrews said the people who came to work before June 2013 had a certain expectation that was different from those who came after that date. The employees who came after that date knew they would not get the two steps when they were hired and he did not think it needed to be changed. Councilor McKinney was torn between Option A and B. He agreed with CMPT Rhodes regarding waiting for the new City Manager and five year plan and reassured the non-represented employees that something would be done in the near future. The budgetary cuts happened before June 2013. He did not think either Option A or B hit the nail on the head. Councilor Rourke thought A or B would get them up to other cities. He wanted to have a merit based system. He thought Option B gave those employees the 5% that had earned it which would fulfill a promise. It should be reviewed in the future. Councilor Corey said the promise was to achieve parity and getting them up to what other cities paid. He thought it would be achieved by Option A. The long term strategic plan would come later. Councilor Woodruff was in support of Option B in order to fulfill the promise the previous Council made to longer term employees and due to the costs to the City in losing employees.

Motion passed (6 Yes/ 1 No [Corey]).

Frack Burger Liquor License/ Coffee Cottage Liquor License:

Police Chief Brian Casey discussed the liquor license applications for Frack Burger and Coffee Cottage. These were for alcohol and wine sales and the Police Department did not have an objection to either one. Mayor Andrews clarified there would be no sales of distilled spirits.

MOTION: Rourke/Bacon moved to approve a liquor license for limited sales for Frack Burger. Motion carried (7 Yes/ 0 No).

MOTION: Rourke/Bacon moved to approve a liquor license for limited sales for Coffee Cottage. Motion carried (7 Yes/ 0 No).

COUNCIL BUSINESS:

Resolution 2015-3241, First Fridays Flags:

AP Olson said the Newberg Downtown Coalition was requesting First Friday flags to be posted in the rights-of-way on Thursday and Friday. He corrected the resolution to say instead of the first Thursday and first Friday of each month, it would say the first Friday of each month and the preceding Thursday. One way to allow this through Code was to create a festival day on First Friday and the preceding day. Two public comments had been received, one pointed out the need for the wording change and the other was a concern about how this might allow too many flags throughout the year and suggested creating a limit. The suggestion could be discussed at a later date with other potential Code amendments. Staff recommended approval of the resolution.

There was discussion on the approach because of the Code allowing flags on holidays and festival days since flags were going in the same location as U.S. flags for holidays, it seemed to be the most appropriate way. There was discussion on the difference between this designation and public signs. Mike Ragsdale, Newberg Downtown Coalition, said they wanted to add more events to the Art Walk and get people out on First Friday. He would like this change to be done before the first Friday of December. There was discussion on precluding other signs going up on a festival day and how the City was not able to control the content on the flags.

MOTION: Essin/Bacon moved to adopt Resolution 2015-3241, A Resolution designating the Friday and the preceding Thursday of each month as Festival Days in order to permit the installation of "First Friday" Flags in the Right-of-Way. Motion passed (6 Yes/1 No [Woodruff]).

Resolution 2015-3240, City Manager position description:

Councilor Rourke would be abstaining from this vote as he might potentially apply for the position.

MOTION: Bacon/Corey moved to adopt Resolution 2015-3240, A Resolution adopting a revised City Manager position description. Motion carried (6 Yes/0 No/1 Abstain [Rourke]).

City Manager Recruitment:

Councilor McKinney said the subcommittee was recommending the City use Bob Murray and Associates as a headhunter firm for the recruitment.

MOTION: McKinney/Corey moved to retain the services of Bob Murray and Associates to do the recruitment of the City Manager. Motion carried (6 Yes/0 No/1 Abstain [Rourke]).

CDD Rux announced CPRD was applying for a Connect Oregon VI grant for a trail on Highway 219 to Wyooski. They were asking for a letter of support from the Council.

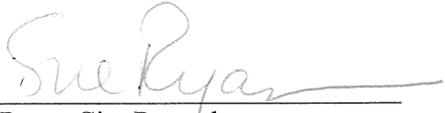
MOTION: Rourke/Bacon moved to direct staff to draft a letter of support for the grant to be signed and executed by the Mayor. Motion carried (7 Yes/0 No).

Committee Recruitment:

CR Ryan said committee recruitment was underway and the City needed volunteers for the Budget and Traffic Safety Commissions. Councilor Woodruff announced the School District was holding a Poverty Summit on November 23. There would be a community band concert on November 19. Mayor Andrews stated the City would be hosting Greeters on November 20.

ADJOURNMENT: The meeting was adjourned at 10:11 p.m.

ADOPTED by the Newberg City Council this 7th day of December, 2015.


Sue Ryan, City Recorder

ATTESTED by the Mayor this 16th day of December, 2015.


Bob Andrews, Mayor