



**CITY COUNCIL AGENDA
DECEMBER 7, 2015, 7:00 PM
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. CITY MANAGER'S REPORT

V. COUNCIL APPOINTMENTS

1. Appointments to various City Committees Pages 1-2

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

1. Minutes for November 2 and 16, 2015 Pages 3-12
2. Noise Variance Request for ODOT for the OR 99W Bypass Project Pages 13-19
3. Resolution 2015-3243, A Resolution authorizing the City Manager Pro Tem to enter into a contract for professional services with Bob Murray & Associates for the provision of City Manager Recruitment Services Pages 20-25

VIII. PUBLIC HEARING – LEGISLATIVE

1. Ordinance 2015-2788, An Ordinance updating the Historic Population Population Projections Section of the Comprehensive Plan Pages 26-36

IX. CONTINUED BUSINESS

1. Resolution 2015-3206, A Resolution approving the lease of approximately 87.3 acres of City property, and the transfer of water rights, waterline and access easements, water treatment and delivery infrastructure, and authorizing the City Manager Pro Tem to negotiate and execute the necessary documents to complete the conveyance of the City Spring's water system to the Chehalem Spring's Water Association. Pages 37-56

Agenda continued on next page

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.

X. NEW BUSINESS

1. Resolution 2015-3244, A Resolution initiating an amendment to the Newberg Municipal Code, Title 15 Development Code for Time, Place and Manner Regulations for Medical Marijuana Growers and Processors.

Pages 57-60

XI. COUNCIL BUSINESS

Pages 61-62

XII. 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 two business days prior to the meeting. To request these arrangements, please contact the City Recorder at (503) 537-1283. For TTY services please dial 711.

Council accepts comments on agenda items during the meeting. Fill out a form identifying the item you wish to speak on prior to the agenda item beginning and turn it into the City Recorder. Speakers who wish the Council to consider written material are encouraged to submit written information in writing by 12:00 p.m. (noon) the day of the meeting.

REQUEST FOR COUNCIL ACTION

DATE ACTION REQUESTED: December 7, 2015

Order ___	Ordinance ___	Resolution ___	Motion <u>XX</u>	Information ___
No.	No.	No.		

SUBJECT: Multiple committee appointments

Contact Person (Preparer) for this Motion: Sue Ryan, City Recorder
Dept.: City Manager
File No.:

RECOMMENDATION:

Approve the appointments by Mayor Andrews to the committees listed in the executive summary.

EXECUTIVE SUMMARY:

The City Recorder contacted committee members whose terms were expiring to see if they were interested in serving another term and advertised for the remaining vacancies.

Budget Committee:

To reappoint Helen Brown and Beth Koschmann to the Budget Committee for three year terms from January 1, 2016 to December 31, 2018.

To appoint Miles Baker as a new member to the Budget Committee for a three year term from January 1, 2016 to December 31, 2018. Mr. Baker is the Operations Director for Capital One and has been a member of the community for 10 years. He is interested in serving on the Budget Committee to help in continuously improving the community. He feels the contributions he can make include being an effective leader and team member taking collaboration and tough choices to manage a business. He is not afraid to weigh in on tough topics and offer alternative ideas. He brings a solid business background, experience as a citizen and a passion for making Newberg better.

Historic Preservation Commission:

To reappoint Ryan Howard and Geary Linhart to the Historic Preservation Commission for three year terms from January 1, 2016 to December 31, 2018.

Planning Commission:

To reappoint Gary Bliss and Jason Dale to the Planning Commission for three year terms from January 1, 2016 to December 31, 2018.

Traffic Safety Commission:

To reappoint Ronald Johns and Chris Kelley to the Traffic Safety Commission for three year terms from January 1, 2016 to December 31, 2018.

To appoint Daniel Emslie as a new member to the Traffic Safety Commission for a three year term from January 1, 2016 to December 31, 2018. Mr. Emslie is a Civil Engineer who has been a member of the community for 5 years. He is interested in making Newberg a safe place for families. He feels he can contribute as his background as an engineer and project manager for a city will prove very useful to the City.

Traffic Safety Commission, continued:

To appoint Tanya Williams as a new member to the Traffic Safety Commission for a three year term from January 1, 2016 to December 31, 2018. Ms. Williams is a new resident to Newberg and is interested because she believes that citizen involvement and engagement is crucial to making the best decisions possible for the City. She has 5 years of experience working in municipal government and holds a Master's degree in Public Administration. She feels she can contribute to the City by representing the younger millennial generation, families and women. She says she is an ambitious person who likes to set high goals for achievement and believes her commitment and dedication will help steer the committee positively.

To appoint Zoe Jenkins to a vacant nonvoting Student Commissioner position for a term of January 1, 2016 to June 30, 2016. Ms. Jenkins is a sophomore at Newberg High School. She is interested in social service and politics and wants to help improve her community. She feels she can contribute a teen perspective, is extremely organized and very focused.

FISCAL IMPACT: None

STRATEGIC ASSESSMENT:

City advisory bodies serve a vital function by helping the City Council carry out the day to day business of the City and provide a meaningful contribution to its purpose and function. Citizen involvement is one of the goals of the City Council and volunteers help to meet that goal.

REQUEST FOR COUNCIL ACTION

DATE ACTION REQUESTED: December 7, 2015

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

SUBJECT: Minutes

**Contact Person (Preparer) for this
Motion: Sue Ryan, City Recorder
Dept.: Administration
File No.:**

RECOMMENDATION:

Approve City Council minutes from November 2 and 16, 2015.

**NEWBERG CITY COUNCIL MINUTES
REGULAR SESSION
NOVEMBER 2, 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, Fire Chief Les Hallman and Chief Mike Duyck and Deputy Chief Dustin Morrow from Tualatin Valley Fire and Rescue.

REVIEW OF COUNCIL AGENDA:

Mayor Andrews pulled Resolution 2015-3235 from the agenda.

COUNCIL ITEMS:

The Mayor had several items to discuss. Councilor Woodruff had a question about the advisory bodies.

WORKSHOP:

FC Hallman said he had been researching different fire and EMS delivery models to find a long term solution for sustainable service levels. He had found a solution with Tualatin Valley Fire and Rescue. FC Duyck and DC Morrow, representatives from TVF&R, gave a presentation on the Newberg service delivery model. They discussed TVF&R's history of consolidations and mergers, financial and political benefits to merge with TVF&R, response performance, how they served nine cities and three counties, and how the process worked. They then discussed the components of the model including integrating personnel, deployment concepts, volunteer staffing, transport services, finances, compression, helping with community events, county agreements, and next steps. Did the Council concur to move forward with the process?

There was discussion on the cost savings and staff retention. All of the employees including FC Hallman would be kept. Everyone would be integrated into TVF&R and some might get assigned to a station elsewhere as firefighters work across 22 fire stations. There was discussion on volunteers, the rate that TVF&R would charge, compression and the ratio of responders. Councilor Rourke asked about whether they had any city not fold into TVF&R and do a separate contract. FC Duyck said in Oregon City they did not want to merge with TVF&R, however TVF&R helped with the seamless transition to a contract with Clackamas Fire District. Councilor Rourke asked about other contracts. Mr. Duyck said explained their contract with Washington County Fire District #2. There was discussion on whether or not the union would vote and how employees would enter and exit the organization and the role of the dispatch center. There was discussion on how call transfers would work between jurisdictions, the pay rate, promotional opportunities increasing staffing.

DC Morrow said Newberg's personnel and volunteers would be rolled into the existing training plan of the TVF&R District. Employee schedules were an automated process to make sure there was enough coverage. He thought staffing would be increased to replace the lost shift from previous cuts. Councilor Essin was concerned about the two fire stations remaining open. DC Morrow said population was not the main driver on where Fire Stations were placed. He explained all of the other factors used. Councilor Rourke asked about the board of directors makeup and if Newberg would have a representative. FC Duyck said all of their members were elected at large and did not represent districts. There was a diverse geography of the board. He said if Newberg were to become part of the TVF&R district through annexation then Newberg residents would be eligible to run for election on the board. Councilor Woodruff asked about Newberg's FireMed. DC Morrow said the subscription program would be honored.

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: Steve Rhodes, City Manager Pro Tem Truman Stone, City Attorney
Sue Ryan, City Recorder Doug Rux, Community Development Director
Jay Harris, Public Works Director

PLEDGE OF ALLEGIANCE: The Pledge of Allegiance was performed.

CITY MANAGER PRO TEM'S REPORT: CMPT Rhodes reported on meetings he had attended and leaders in the community he had met.

PUBLIC COMMENTS: Edward Wiggins, Newberg Vapors shop, asked if changes were going to be made to Newberg Municipal Code 9.10.030 regarding drug paraphernalia. He suggested the Code should be changed to 21 and older for purchase of marijuana paraphernalia and to be able to go into businesses selling marijuana. Mayor Andrews was not aware of any changes proposed at this time. CA Stone said the State statute had changed the definition of marijuana paraphernalia and the City was working on lining up the Code with the State law. Mr. Wiggins agreed it was vague and said he had followed all the regulations before they became law for his shop and he wanted to know what the regulations might be if he opened up another business.

Jim Forkner, Newberg resident, asked about the paving of 5th Street. Mayor Andrews suggested he talk with CMPT Rhodes.

CONSENT CALENDAR:

MOTION: Corey/Essin moved to approve the minutes from October 3, 5 and 19; approve Resolution 2015-3231, A Resolution authorizing the City Manager Pro Tem to enter into a construction contract with Ward-Henshaw Co., Inc. for the North Valley Reservoirs seismic and Hydraulic upgrade project in the amount of \$1,815,165.00; approve Resolution 2015-3234 A Resolution authorizing the City Manager Pro Tem to approve the purchase of radios for police in the amount of \$118,632.60 and Fire in the amount of \$63,343.00. Motion carried (7 Yes/ 0 No).

PUBLIC HEARING – LEGISLATIVE:

Ordinance 2015-2790, Committee membership:

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

CA Stone said an issue had come up in a Citizen Rate Review Committee meeting regarding the Municipal Code requirement excluding family members of City officials to be appointed. The CRRC was the only statutory committee that had the requirement and this ordinance would change it to be consistent with other City committees and boards. He said the renumbering was to make things clearer. There was an emergency clause to address Mr. Bill Rourke's membership and for him to be able to attend the current meetings of the CRRC.

There was no public or written testimony.

CA Stone had drafted the ordinance at the direction of Council and had no recommendation.

Mayor Andrews closed the public hearing.

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

MOTION: Corey/Bacon moved to adopt Ordinance 2015-2790, An Ordinance to achieve consistency between the qualifications for service on standing boards, committees or commissions; to renumber NMC 2.15.210 for better readability; and declaring an emergency. Motion passed (7 Yes/ 0 No).

NEW BUSINESS:

Resolution 2015-3238, Chain of Command:

CA Stone explained in the absence of a City Manager, the Council had to appoint a City Manager Pro Tem which had traditionally been done by resolution. He also discussed the chain of command, and for short term, temporary absences of seven days or less, the Council would delegate the authority to the City Manager to appoint an acting City Manager for that time period from City management staff. For unplanned absences or for absences more than seven days, it would be delegated to the Community Development Director and then to the Public Works Director. For an extended absence, the Council would appoint a City Manager Pro Tem. Councilor Rourke asked if this resolution applied to the Pro Tem only or under a permanent City Manager. CA Stone said this would be the standing order until the Council passed another order.

MOTION: Corey/McKinney moved to adopt Resolution 2015-3238, A Resolution authorizing a City Manager Pro Tem designation for short term absence of the City Manager, designating a subsequent chain of command, and repealing prior resolutions inconsistent with this resolution. Motion carried (7 Yes/0 No).

COUNCIL BUSINESS:

Councilors reported on the classes they attended at the League of Oregon Cities conference in Bend.

Councilor Bacon had learned about affordable housing, toured Redmond's Urban Renewal District and the UO Sustainable City project. She enjoyed the keynote speaker who talked about changes during the past 20 years with technology in government. Councilor Essin attended the water conservation presentations and a session on teambuilding. Councilor McKinney toured roundabouts and sessions regarding marijuana. Councilor Rourke went to a session on engaging the next generation in government, sessions on economic development in Sisters and Redmond, and outreach to the Latino population.

Mayor Andrews had attended a session on the Urban Renewal Districts, facilitated a breakout session on interaction with the senior population and the perspective of what services were available. He discussed meeting with State agencies and vendors and innovative ideas regarding tourism. CA Stone reported on the City Attorney's session as well as a session on transparency. He had also won a free energy audit for the City.

There was discussion on the report about the CYFS organization and whether the Council needed to ask about their progress. There was agreement that there needed to be more follow-up on the issue.

Mayor Andrews said they would be hosting the Chamber's Greeters on November 20 and encouraged Council to attend. He had relocated to City Hall and the mail distribution was being moved upstairs to a Councilor cubicle workstation.

CMPT Rhodes read a statement from FC Hallman who had not been able to give his closing statement. He wanted to say that if there were no objections, they would begin a discovery phase and prepare a draft contract.

MOTION: Corey/Rourke moved to direct FC Hallman and staff to move ahead with the discovery process for TVF&R and contract preparation. Motion carried (7 Yes/0 No).

Mayor Andrews said in 2016 he wanted committees to give reports at meetings.

ADJOURNMENT: The meeting was adjourned at 8:30 p.m.

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

Sue Ryan, City Recorder

ATTESTED by the Mayor this ____ day of December, 2015.

Bob Andrews, Mayor

**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

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 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 Wurtz 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 City Classification & Compensation plan update and authorizing the City Manager Pro Tem to implement the results of the update retroactive to July 1, 2015. 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 Wynoski. 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 ____ day of December, 2015.

Bob Andrews, Mayor

REQUEST FOR COUNCIL ACTION

DATE ACTION REQUESTED: December 7, 2015

Ordinance ___ No.	Resolution ___ No.	Motion <u>XX</u>	Information
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SUBJECT: A motion to approve a noise variance request from ODOT for the OR99W By-Pass Project from December 7, 2015 to March 31, 2017 that would allow for nighttime work as needed during the hours of 7 PM and 7 AM.

Contact Person (Preparer) for this Motion: Steve Rhodes, City Manager Pro Tem

Dept.: City Manager's Office

File No.:
(if applicable)

RECOMMENDATION:

Approve the City Manager Pro Tem's recommendation to approve a noise variance request from the Oregon Department of Transportation (ODOT) for the OR99W By-Pass Project from December 7, 2015 to March 31, 2017 that would allow for nighttime work as needed during the hours of 7 PM and 7 AM to allow for concrete pours within acceptable and necessary temperature ranges.

BACKGROUND:

At the July 7, 2014 Council Meeting, Council approved Ordinance No. 2014-2773, an ordinance amending City Code 8.15.150(c) by adding section four (4) to create a council approved variance from the noise ordinance for specific events or activities of limited duration. The approval of Ordinance No. 2014-2773 allows the City Council to address specific events or activities that were not anticipated when the noise ordinance was adopted, without having to make frequent amendments to the Newberg Municipal Code. The amendment became effective August 7th, 2014.

On June 25th, 2015 then City Manager Betz received a Newberg Noise Variance Application from ODOT for the OR99W By-Pass Project from July 7, 2015 to October 16, 2015 that would allow for nighttime work as needed during the hours of 7 PM and 7 AM.

On November 12, 2015, the Newberg-Dundee Police Department noted that the variance ended October 16, 2015 and ODOT is requesting an additional variance or extension on the variance passed at the July 7, 2015 council meeting to allow for work to occur through March 31, 2017 on an intermittent and as needed basis.

The approximate deck pour schedule is as follows:

22009 Bridge

- Pour 1 - late Dec/Jan (largely depending on weather)
- Pour 2 - Apr 2016
- Pour 3 - May 2016
- Pour 4 - Sep 2016

22012 Bridge

- Box Bottom - Mar 2016
- Deck - Oct 2016

22013 Bridge

- Deck - Feb/Mar 2017

The need to do some of the work, most specifically, concrete pours is based upon the following reasons:

- The bridge has a number of expansion joints. The designers make the contractor pour from expansion joint to expansion joint. The first pour is between bend 1 and 5 (4 spans) and needs 730 yards of concrete.
- The concrete supplier can only deliver around 60 CY per hour and it takes 12 hours to get the concrete needed for this pour and then another 5-6 hours to finish it.
- The concrete comes from Wilsonville. Delivery at night is quicker and the concrete is there in 12 hours instead of 13+.
- Starting at 2 am, delivery trucks are slowed by the morning traffic but they are finished delivering by early afternoon and are not a part of the evening rush hour.
- ODOT contractors will do a series of concrete pours during hours of the day that are and remain below 75 degrees both before and after the pour for a period of time to ensure the integrity and durability of the high strength concrete required to build the bridge.

The By-Pass project is of significant importance to the community so as to mitigate the heavy number of vehicles and back-ups that occur daily on Highway 99W through Newberg. It is important to keep this project moving and timely in its work and projected completion date.

Attached to this RCA is a letter from Project Manager Tony R. Snyder, PE, dated June 25, 2015(Attachment 1) that has detailed information on the length of the variance, the purpose of the creation of the noise, the nature of the noise, affected populations within the geographic area, the duration and times of noise, potential impacts of noise on affected populations and the extent of scope of noise mitigation measures taken by the applicant. This letter is the letter that was attached to the July 7, 2015 motion for sound variance. I have attached it here as much of the information remains relevant.

Outreach to the public was a concern by Council when the new process was approved and it should be noted that ODOT staff has been in contact with each person that has contacted ODOT with their concerns about the construction noise and ODOT intends to give advance warning to those requesting the notice before each nighttime pour. They are also preparing periodic press releases, keeping stakeholders informed, and they have inspectors and contractor personnel on-site during all construction activities.

FISCAL IMPACT:

None

STRATEGIC ASSESSMENT:

The new code states that the City Manager will place the application on the City Council's agenda for the next regular meeting after the date the City Manager receives the application. The City Council may grant a variance of limited duration for a specific event or activity if the City Council so chooses and it can impose further conditions or limitations if reasonable. A variance granted may be revoked by the City Manager or designee in the case of an emergency or safety hazard or if the conditions of the variance granted are violated.



Oregon

Kate Brown, Governor

Department of Transportation

Area 3

885 Airport Road SE Building p
Salem, Oregon 97301-4788
Telephone (503) 986-2900
Fax (503) 986-2881

June 25, 2015

Jacque Betz, City Manager
414 E First St
Newberg, OR 97132

Jacque,

This letter is a follow up to our conversation regarding the Newberg Dundee Bypass and the concrete pours.

As you are aware, the hot summer temperatures are creating difficulties with our concrete pours for the new bridges on the Bypass project. To ensure the integrity and durability of the high strength concrete required for these bridges, it is necessary that the temperature of the concrete itself remains below 75 degrees. We have utilized all of the available options to keep the concrete cool during mixing, transport, and placement, including ice in the mix, watering the rock stockpiles, and utilizing shade when possible. However, with the high summer temperatures that we are already experiencing, it will be necessary to move our concrete pours to the early morning hours to control the temperature during mixing, placement and initial curing. We anticipate 10 large pours will need to start as early as 2:00 am and 15-20 smaller pours that will need to begin at 5:00 am. We examined the possibility of working later than 7:00 pm when people are generally awake but, this will not work since the heat builds up during the day and the forms, steel, and rock does not significantly cool off until after midnight. When we begin work at 2:00 am, the concrete is produced starting at 1:00 am (in another community) and then delivered to the job site to start the pour at 2:00 am.

We collected sound level readings near SP Newsprint and in the surrounding area to establish the typical noise levels in the neighborhoods. We also measured the noise levels of several similar construction activities from our daytime work. The results of these readings are attached. We anticipate that the noise level increases generated during our pours will be about 10 Db higher than the mill and local traffic noise levels. This amount of increase is definitely noticeable. Our contractor, Wildish Standard Paving, Inc., has agreed to silence the back-up alarms on their equipment and will use spotters instead. The noise producers during the pours are concrete trucks when they are mixing, generators for lighting, the motor on the concrete pump, and the vibrators used to consolidate the concrete in the forms. Of all of these, the motor on the pump is likely the loudest constant noise and the vibrator will produce the loudest single noise when it contacts the steel reinforcement in the forms.

We are requesting an extension of the permitted work hours from City Council to facilitate these concrete pours. The 5:00 am pours requested would start in July 2016 for 13-14 weeks. Our

schedule has two pours a week for 7 weeks and one pour a week for the next 6 weeks. Based on cure time and the sequence of work forming the bridge decks, we should be pouring our first bridge deck in mid-August and then pour a deck every two weeks. The Contractor will need to start at 2:00 am if the high temperature remains above 85 degrees from August to October. The typical average high in October is closer to 70 degrees and nighttime operations will not be required if the temperature is at or near average. Thus far, ODOT has received several short term variances from the City to begin pours at 5:00 am and we are aware of several complaints that have been made about the operation. Project staff has been in contact with each person that has contacted us and we intend to give advance warning to those requesting the notice before each nighttime pour. Thank you for your consideration on this matter critical to the project success.

Sincerely,

A handwritten signature in blue ink that reads "Tony R Snyder". The signature is written in a cursive style with a large initial "T".

Tony R. Snyder, PE
ODOT Project Manager

Attachment: Sound Meter Readings May 2015
Map of Bridge Location (Bridge Construction Process)

Sound Meter Readings May 2015
Newberg Dundee Bypass Phase 1E

Mill	Db
Near Front Gate	65
outside fence	
near Mill Place	68
near Pacific St	62
near Columbia St	59
near Willamette St	60
truck or forklift activity	70

readings taken 7:30-8:00am 5/15 & 5/29

11th Street

background noise without traffic

near Mill Place	65
near Pacific St	60
near Columbia St	59
near Willamette St	57

Traffic 65-70

readings taken 7:30-8:00am 5/15 & 5/29

Concrete Pour

Bent 11 Footing - Concrete Truck & Pump

100-ft East	65
~75-ft West at R/W fence	74
~60-ft West at R/W fence	78

Bent 7 Columns - Concrete Truck & Crane

100-ft SW	77
100-ft NE	80

readings taken 7:30-8:00am 5/15 & 5/29



Newberg-Dundee

BYPASS PROJECT

Bridge Construction Process



REQUEST FOR COUNCIL ACTION

DATE ACTION REQUESTED: December 7, 2015

Order ___	Ordinance ___	Resolution <u>XX</u>	Motion ___	Information ___
No.	No.	No. 2015-3243		

SUBJECT: Authorizing the City Manager Pro-Tem to enter into a Contract for Professional Services with Bob Murray & Associates for the provision of City Manager Recruitment Services.

**Contact Person (Preparer) for this Motion: Nancy McDonald, Interim Human Resources Director
Dept.: Administration
File No.:**

RECOMMENDATION:

Adopt **Resolution No. 2015- 3243** Authorizing the City Manager Pro-Tem on behalf of the Mayor and City Council to enter into a Professional Services Agreement with Bob Murray & Associates for the provision of City Manager Recruitment Services.

EXECUTIVE SUMMARY:

The Sub-Committee for the City Manager Recruitment recommended to the City Council on November 16, the selection of Bob Murray & Associates to perform recruitment services for the position of City Manager. The City Council accepted this recommendation and called for a contract for professional services with said firm.

FISCAL IMPACT:

The fixed amount of the contract is \$17,500.00; expense reimbursement is limited to \$7,500.00. Terms of the Professional Services Agreement are outlined in the attached Exhibit "A" which includes an associated fee list in the event of early cancellation of the contract.

STRATEGIC ASSESSMENT (RELATE TO COUNCIL GOALS)

The City Manager works closely with the Mayor and the City Council, and is the Chief Executive Officer of the City. Use of a professional recruiting firm that is very skilled at providing a successful and professional process will project a serious business image in the market place and create greater interest among candidates most likely suited for the City of Newberg.



RESOLUTION No. 2015-3243

A RESOLUTION AUTHORIZING THE CITY MANAGER PRO TEM TO ENTER INTO A CONTRACT FOR PROFESSIONAL SERVICES WITH BOB MURRAY & ASSOCIATES FOR THE PROVISION OF CITY MANAGER RECRUITMENT SERVICES.

RECITALS:

1. The City has need of a professional recruitment services provider to hire a new City Manager.
2. The Sub-Committee for the City Manager Recruitment recommended to the City Council on November 16 the selection of Bob Murray & Associates to perform recruitment services for the position of City Manager.
3. The City Council accepted this recommendation and called for a contract for professional services with said firm.
4. Bob Murray & Associates Professional Services Agreement is attached and by this reference incorporated as Exhibit "A".

THE CITY OF NEWBERG RESOLVES AS FOLLOWS:

1. The City Manager Pro-Tem is authorized to enter into a Contract for Professional Services with Bob Murray & Associates for the provision of City Manager Recruitment Services.

➤ **EFFECTIVE DATE** of this resolution is the day after the adoption date, which is: December 8, 2015.

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

Sue Ryan, City Recorder

ATTEST by the Mayor this _____ day of December, 2015.

Bob Andrews, Mayor

PROFESSIONAL SERVICES AGREEMENT

This agreement is made by and between the City of Newberg (the Client), and Bob Murray & Associates (the Consultant).

- A. Engagement: The Client agrees to engage the Consultant to perform the services described below, the project described as an executive recruitment for a City Manager (the Search).
- B. Services: The Consultant agrees to perform certain services necessary for the completion of the search, which services shall include the following:
 - a. Develop the Candidate Profile
 - b. Develop Advertising Campaign and Recruitment Brochure
 - c. Recruit Candidates
 - d. Screen Candidates
 - e. Conduct Personal Interviews
 - f. Conduct Public Record Search
 - g. Provide Recommendation
 - h. Assist with Final Interviews
 - i. Conduct Detailed Reference Checks
 - j. Assist with Negotiations
 - k. Provide Complete Administrative Assistance

As described in the proposal dated October 30, 2015.

- C. Relationship: The Consultant is an independent contractor and is not to be considered an agent or employee of the Client.
- D. Compensation: As full compensation for the Consultant's professional services performed hereunder, the Client shall pay the Consultant the fixed amount of \$17,500 (seventeen thousand, five hundred dollars). This amount includes three (3) meetings on site at Client's place of business between Client and Consultant and reference checks on three (3) candidates. Additional on-site meetings or reference checks will incur additional professional services fees.
- E. Expense Reimbursement: The Consultant shall be entitled to reimbursement for expenses from the Client for consultant travel; advertising; recruitment brochure layout, typeset, and printing; clerical; express mail postage; printing and binding; background and public records checks; and credit checks. First class mail postage, photocopying, and telephone charges are allocated costs. Expenses to be reimbursed shall not exceed \$7,500 (seven thousand, five hundred dollars) without prior approval of the Client. Copies of receipts will not be provided unless specifically requested and made part of this contract.
- F. Compensation for Additional Services: In the event the Client elects to require additional services of the Consultant in addition to those described in paragraph B the Consultant shall be compensated at an agreed upon rate.
- G. Method of Payment: The Client shall be billed monthly by the Consultant for the work completed as of that date. Expenses shall be billed and due at the same time.

- H. Term: The term of this agreement shall commence on December 10, 2015 at which time Consultant shall begin work on the Search and shall continue until the search is completed.
- I. Termination: This agreement may be terminated; (a) by either party at any time for failure of the other party to comply with the terms and conditions of this Agreement; (b) by either party upon 10 days prior written notice to the other party; or (c) upon mutual written agreement of both parties. In the event of termination, the Consultant shall stop work immediately and shall be entitled to compensation for professional fees and expense reimbursement to the date of termination and for any work necessitated by that termination.
- J. Indemnity: Except for loss, damages, liability, claims, suits, costs and expenses whatsoever, including reasonable attorney's fees, caused solely by the negligence of the Client, its Council, boards, commissions, officers and employees, Consultant shall indemnify, defend and hold harmless the Client, its Council, boards and commissions, officers, and employees from and against any and all loss, damages, liability, claims, suits, costs and expenses whatsoever, including reasonable attorney's fees, regardless of the merits or outcome of any such claim or suit arising from or in any manner connected to Consultant's negligent act or omission regarding performance of services or work conducted or performed pursuant to this Agreement.
- K. Miscellaneous:
- a. The entire agreement between the parties with respect to the subject matter hereunder is contained in this agreement.
 - b. Neither this agreement nor any rights or obligations hereunder shall be assigned or delegated by the Consultant without the prior written consent of the Client.
 - c. This agreement shall be modified only by written agreement duly executed by the Client and the Consultant.
 - d. Should any of the provisions hereunder be found to be invalid, void or voidable by a court, the remaining provisions shall remain in full force and effect.
 - e. This agreement shall be governed by and construed in accordance with the laws of the State of Oregon.

- f. All notices required or permitted under this agreement shall be deemed to have been given if and when deposited in the United States mail, properly stamped and addressed to the party for whom intended at such party's address listed below, or when delivered personally to such party. A party may change its address for notice hereunder by giving written notice to the other party.

Wherefore, the parties have entered into this agreement as of the later of the dates stated below.

Approved:

Dated: November 25, 2015

Bob Murray & Associates

By: _____

Title: Executive Vice President

1677 Eureka Road, Suite 202
Roseville, CA 95661

Dated: _____, 2015

City of Newberg, OR

By: _____

Title: _____

Client billing contact:

**BOB MURRAY & ASSOCIATES
FEES BY TASK FOR CITY OF NEWBERG**

- Step A: Develop the Candidate Profile \$3,000
- Step B: Develop Advertising Campaign and Recruitment Brochure \$1,000
- Step C: Recruit Candidates \$3,500
- Step D: Screen Candidates \$1,000
- Step E: Conduct Personal Interviews \$3,500
- Step F: Conduct Public Record Search \$500
- Step G: Provide Recommendation \$2,000
- Step H: Assist with Final Interviews \$2000
- Step I: Conduct Detailed Reference Checks \$1,000
- Step J: Assist with Negotiations - complimentary

Complete Administrative Assistance included.

REQUEST FOR COUNCIL ACTION

DATE ACTION REQUESTED: December 7, 2015

Order ___	Ordinance <u>XX</u>	Resolution ___	Motion ___	Information ___
No.	No. 2015-2788	No.		

SUBJECT: Update the historic population and population projections sections of the comprehensive plan

**Contact Person (Preparer) for this Motion: Jessica Pelz, AICP
Dept.: Community Development
File No.: CPTA-15-001**

HEARING TYPE: **LEGISLATIVE** **QUASI-JUDICIAL** **NOT APPLICABLE**

RECOMMENDATION: Adopt Ordinance No. 2015-2788, updating the historic population and population projections sections of the comprehensive plan.

EXECUTIVE SUMMARY: Oregon Administrative Rule (OAR) 660-024-0030 requires counties to adopt and maintain a coordinated 20-year population forecast for the county and for each urban area within the county. Yamhill County contracted with the Portland State University Population Research Center (PRC) to prepare the 20-year coordinated population forecast for the county and all of its cities. The PRC report was released in October 2012 and adopted by the Yamhill County Board of Commissioners in November 2012 through Board Order 878.

Newberg had previously adopted the coordinated population forecast as part of the south industrial urban growth boundary amendment and Economic Opportunities Analysis code amendments. However, City Council repealed these items on October 5, 2015, through adoption of Ordinance No. 2015-2786, which also voided adoption of the coordinated population forecast. In 2015, the State of Oregon adopted new administrative rules for population forecasts, which specify that the PRC will be doing new population forecasts for the regions of the state. Newberg is expected to receive new updated population projections in 2017 as part of the new forecasting schedule, and will adopt the new projections at that time. Due to the recent state rulemaking, there is not currently a mechanism for the city to adopt the previous 2012 coordinated forecast. Although the city cannot adopt the previous forecast, the new rules do specify that the city may rely upon the acknowledged 2012 county forecast for planning purposes until the new regional projection is adopted [OAR 660-032-0040].

A comprehensive plan amendment is still necessary at this time to provide updated information in the historic population and population projections sections of the plan.

FISCAL IMPACT: None at this time.

STRATEGIC ASSESSMENT (RELATE TO COUNCIL GOALS): Adoption of the 20-year population and employment forecasts helps the City Council achieve goals 1: “create a clear vision for the future of Newberg, maintaining its small town feel” and 4: “foster and encourage economic development in the community”.

ATTACHMENTS:

1. OAR 660-032
2. Planning Commission Resolution 2015-308, with Exhibits “A” and “B” by reference



► **The Oregon Administrative Rules contain OARs filed through September 15, 2015** ◄

QUESTIONS ABOUT THE CONTENT OR MEANING OF THIS AGENCY'S RULES?
[CLICK HERE TO ACCESS RULES COORDINATOR CONTACT INFORMATION](#)

DEPARTMENT OF LAND CONSERVATION AND DEVELOPMENT

DIVISION 32

POPULATION FORECASTS

660-032-0000

Purpose and Applicability

(1) The rules in this division provide standards and procedures to implement ORS 195.033 to 195.036 and statewide planning Goals regarding population forecasts for land use planning purposes.

(2) The rules in this division do not apply to a review of a final land use decision or periodic review work task adopted by a local government and submitted to the Department of Land Conservation for review under ORS 197.626 or 197.633 prior to the effective date of this rule.

Stat. Auth.: ORS 197.040 & 195.033(10)

Stats. Implemented: ORS 195.033, 195.036 & OL 2013 Ch. 574, Sec. 3

Hist.: LCDD 1-2015, f. & cert. ef. 3-25-15

660-032-0010

Definitions

(1) For purposes of this division, the definitions in ORS 197.015 and the Statewide Land Use Planning Goals (OAR chapter 660, division 15) apply, except as provided in sections (4) and (8) of this rule.

(2) "Final Forecast" means the final population forecast issued by the Portland State University Population Research Center (PRC) for land use purposes as required by ORS 195.033 and as provided in OAR 577-050-0030 to 577-050-0060.

(3) "Initiates" means that the local government either:

(a) Issues a public notice specified in OAR 660-018-0020, including a notice to the department, for a proposed plan amendment that concerns a subject described in 660-032-0040(2); or

(b) Receives the Director's approval, as provided in OAR 660-025-0110, of a periodic review work program that includes a work task concerning a subject described in 660-032-0040(2).

(4) "Local Government" means a city, county or Metro.

(5) "Metro" means a metropolitan service district organized under ORS chapter 268.

(6) "Metro boundary" means the boundary of a metropolitan service district.

(7) "PRC" means the Portland State University Population Research Center.

(8) "Special district" means any unit of local government, other than a city, county or metropolitan service district formed under ORS chapter 268, authorized and regulated by statute and includes but is not limited to water control districts, domestic water associations and water cooperatives, irrigation districts, port districts, regional air quality control authorities, fire districts, school districts, hospital districts, mass transit districts and sanitary districts.

(9) "Urban area" means the land within an urban growth boundary.

(10) "Urban Growth Boundary" shall have the meaning provided in ORS 197.295(7).

Stat. Auth.: ORS 197.040 & 195.033(10)

Stats. Implemented: ORS 195.033, 195.036 & OL 2013 Ch. 574, Sec. 3

Hist.: LCDD 1-2015, f. & cert. ef. 3-25-15

Attachment 1

660-032-0020**Population Forecasts for Land Use Planning**

(1) A local government with land use jurisdiction over land that is outside the Metro boundary shall apply the most recent final forecast issued by the PRC under OAR 577-050-0030 through 577-050-0060, when changing a comprehensive plan or land use regulation that concerns such land, when the change is based on or requires the use of a population forecast, except that a local government may apply an interim forecast as provided in 660-032-0040.

(2) A local government within the Metro boundary shall apply the Metro forecast described in OAR 660-0032-0030 when changing a regional framework plan, comprehensive plan or land use regulation of the local government, when the change is based on or requires the use of a population forecast.

(3) When a state agency or special district adopts or amends a plan or takes an action which, under Statewide Planning Goal 2 or other law, must be consistent with the comprehensive plan of a local government described in section (1) of this rule, and which is based on or requires the use of a population forecast, and if the local government has not adopted the most recent PRC final forecast as part of the plan, the most recent PRC final forecast shall be considered to be the long range forecast in the comprehensive plan, except as provided in OAR 660-032-0040.

(4) When applying a PRC forecast for a particular planning period, the local government shall use the annual increments provided in the applicable forecast, and shall not adjust the forecast for the start-year or for other years of the planning period except as provided in PRC's interpolation template described in OAR 577-050-0040.

(5) If a local government outside the Metro boundary initiates a periodic review or any other legislative review of its comprehensive plan that concerns an urban growth boundary or other matter authorized by OAR 660-032-0040(2) after the Portland State University Population Research Center issues a final population forecast for the local government, but prior to the issuance of a final forecast by PRC in the subsequent forecasting cycle described in OAR 577-050-0040(7), the local government may continue its review using the forecast issued in PRC's previous forecasting cycle.

Stat. Auth.: ORS 197.040 & 195.033(10)

Stats. Implemented: ORS 195.033, 195.036 & OL 2013 Ch. 574, Sec. 3

Hist.: LCDD 1-2015, f. & cert. ef. 3-25-15

660-032-0030**Metro Area Population Forecasts**

(1) Metro, in coordination with local governments within its boundary, shall issue a coordinated population forecast for the entire area within its boundary, to be applied by Metro and local governments within the boundary as the basis for a change to a regional framework plan, comprehensive plan or land use regulation, when such change must be based on or requires the use of a population forecast.

(2) Metro shall allocate the forecast to the cities and portions of counties within the Metro boundary for land use planning purposes.

(3) In adopting its coordinated forecast, Metro must follow applicable procedures and requirements in this rule and ORS 197.610 to 197.650, and must provide notice to state agencies and all local governments in the Metro area. The forecast must be adopted as part of the applicable regional or local plan.

(4) The Metro forecast must be developed using commonly accepted practices and standards for population forecasting used by professional practitioners in the field of demography or economics. The forecast must be based on current, reliable and objective sources and verifiable factual information, and must take into account documented long-term demographic trends as well as recent events that have a reasonable likelihood of changing historical trends. Metro must coordinate with the PRC in the development and allocation of its forecast.

(5) The population forecast developed under the provisions of (1) through (4) of this rule is a prediction which, although based on the best available information and methodology, should not be held to an unreasonably high level of precision. For a forecast used as a basis for a decision adopting or amending the Metro regional urban growth boundary submitted to the Department of Land Conservation and Development (DLCD) under ORS 197.626, the director of DLCD or the Land Conservation and Development Commission may approve the forecast provided it finds that any failure to meet a particular requirement of this rule is insignificant and is unlikely to have a significant effect on the determination of long term needs for the Metro urban area under OAR 660-024-0040.

Stat. Auth.: ORS 197.040 & 195.033(10)

Stats. Implemented: ORS 195.033, 195.036 & OL 2013 Ch. 574, Sec. 3

Hist.: LCDD 1-2015, f. & cert. ef. 3-25-15

660-032-0040

Attachment 1

Interim Forecasts

(1) If a local government outside the Metro boundary initiates a periodic review or other legislative review of its comprehensive plan that concerns an urban growth boundary or a matter authorized by section (2) of this rule before the date the PRC issues a final population forecast for the local government in the first forecasting cycle described in OAR 577-050-0040(7), the local government may continue its review using the population forecast that was acknowledged before the review was initiated, provided the forecast was:

(a) Adopted by the local government not more than 10 years before the date of initiation, as a part of the comprehensive plan, consistent with the requirements of ORS 195.034 and 195.036 as those sections were in effect immediately before July 1, 2013, and

(b) Acknowledged as provided in ORS 197.251 or 197.625 prior to the effective date of this rule.

(2) The authorization to use the forecast described in section (1) applies only to a periodic review or a legislative review of the comprehensive plan that concerns:

(a) An urban growth boundary review or amendment as provided in Goal 14 and OAR 660, div 24;

(b) Economic development (Goal 9);

(c) Housing needs (Goal 10);

(d) Public facilities (Goal 11); or

(e) Transportation (Goal 12).

(3) For purposes of section (1) of this rule, if the acknowledged forecast was adopted by the applicable county, and if the forecast allocates population forecasts to the urban areas in the county but has not been adopted by a particular city in that county, the city may apply the allocated forecast as necessary for the purposes described in section (2) of this rule.

(4) If the forecast is consistent with sections (1)(a) and (1)(b) of this rule but does not provide a forecast for the entire applicable planning period for a purpose described in section (2), the local government may apply an extended forecast for such purpose. The extended forecast shall be developed by applying the long term growth trend that was assumed in the acknowledged forecast, for the particular planning area, to the current population of the planning area.

(5) If the local government initiates a periodic review or other legislative review that concerns an urban growth boundary or other matter authorized by section (2) of this rule before the issuance by PRC of a final population forecast for the local government, and if that review would be based on a population forecast that was adopted and submitted to the department prior to the effective date of this rule as provided in OAR 660-032-0000 (2), but which is not acknowledged by the effective date of this rule, the local government may continue its review using that forecast provided the forecast is acknowledged prior to the local government's adoption of any final land use decision or periodic review task resulting from such review.

(6) If the local government does not have a forecast that meets the requirements of sections (1) (a) and (1)(b) or section (5) of this rule, the local government may adopt an interim forecast for purposes described in section (2) of this rule. The interim forecast must be based on the average annual (annualized) growth rate for the planning period in the most recent population forecast for the county issued by the Oregon Office of Economic Analysis (OEA), consistent with section (7) of this rule. The local government shall adopt the interim forecast following the procedures and requirements in ORS 197.610 to 197.650 and shall provide notice to all local governments in the county.

(7) The interim forecast described in section (6), for a particular planning area, must be developed by applying the annualized growth rate in the most recent OEA forecast, to the current population of the planning area.

(8) For purposes of this rule:

(a) "Annualized growth rate" means the forecasted average annual (annualized) growth rate determined from the most recent published OEA forecast, calculated from 2015 to the 5-year time interval nearest the end of the planning period.

(b) "Apply the annualized growth rate to the current population of the planning area" means to multiply the current population of the planning area by annualized growth rate.

(c) "Current population of the planning area" for a county means the estimated population of the county issued by PRC for the year that the review described in section (1) of this rule is initiated.

(d) "Current population of the planning area" for an urban area means the PRC estimate of population of the city at the time the review is initiated, plus the population for the area between the urban growth boundary and the city limits as determined by the most recent Decennial Census published by the U.S. Census Bureau.

Stat. Auth.: ORS 197.040 & 195.033(10)

Stats. Implemented: ORS 195.033, 195.036 & OL 2013 Ch. 574, Sec. 3
Hist.: LCDD 1-2015, f. & cert. ef. 3-25-15

Attachment 1

The official copy of an Oregon Administrative Rule is contained in the Administrative Order filed at the Archives Division, 800 Summer St. NE, Salem, Oregon 97310. Any discrepancies with the published version are satisfied in favor of the Administrative Order. The Oregon Administrative Rules and the Oregon Bulletin are copyrighted by the Oregon Secretary of State. [Terms and Conditions of Use](#)

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PLANNING COMMISSION RESOLUTION 2015-309

A RESOLUTION RECOMMENDING CITY COUNCIL ADOPT A COMPREHENSIVE PLAN AMENDMENT TO UPDATE THE HISTORIC POPULATION AND POPULATION PROJECTIONS SECTIONS OF THE PLAN

RECITALS:

1. Oregon Administrative Rule (OAR) 660-024-0030 requires counties to adopt and maintain a coordinated 20-year population forecast for the county and for each urban area within the county. Yamhill County contracted with the Portland State University Population Research Center (PRC) to prepare the 20-year coordinated population forecast for the county and all of its cities. The PRC report was released in October 2012 and adopted by the Yamhill County Board of Commissioners in November 2012 through Board Order 878.
2. Newberg had previously adopted the coordinated population forecast as part of the south industrial urban growth boundary amendment and Economic Opportunities Analysis code amendments, which were then repealed by City Council adoption of Ordinance No. 2015-2786. Due to recent state rulemaking and creation of Oregon Administrative Rule OAR 660 Division 32 related to population forecasts, there is not currently a mechanism for the city to adopt the previous 2012 coordinated forecast. Newberg is expected to receive new updated population projections for adoption in 2017 as part of the new forecasting schedule, and will rely upon the acknowledged Yamhill County coordinated population forecast for planning purposes until that time [OAR 660-032-0040].
3. A comprehensive plan amendment is necessary at this time to provide updated information in the historic population and population projections sections of the plan.
4. After proper notice, the Newberg Planning Commission held a hearing on November 12, 2015 to consider the proposal.

NOW THEREFORE, BE IT RESOLVED by the Planning Commission of the City of Newberg that it recommends the City Council adopt the proposed Comprehensive Plan amendment as shown in Exhibit "A". This recommendation is based on the staff report, the findings in Exhibit "B", and testimony.

Adopted by the Newberg Planning Commission this 12th day of November, 2015.



Planning Commission Chair

ATTEST:



Planning Commission Secretary

Attached:
Exhibit "A": Comprehensive Plan text amendment
Exhibit "B": Findings



ORDINANCE No. 2015-2788

**AN ORDINANCE UPDATING THE HISTORIC POPULATION AND
POPULATION PROJECTIONS SECTIONS OF THE COMPREHENSIVE PLAN**

RECITALS:

1. Oregon Administrative Rule (OAR) 660-024-0030 requires counties to adopt and maintain a coordinated 20-year population forecast for the county and for each urban area within the county. Yamhill County contracted with the Portland State University Population Research Center (PRC) to prepare the 20-year coordinated population forecast for the county and all of its cities. The PRC report was released in October 2012 and adopted by the Yamhill County Board of Commissioners in November 2012 through Board Order 878.
2. Newberg had previously adopted the coordinated population forecast as part of the south industrial urban growth boundary amendment and Economic Opportunities Analysis code amendments, which were then repealed by City Council adoption of Ordinance No. 2015-2786. Due to recent state rulemaking and creation of Oregon Administrative Rule OAR 660 Division 32 related to population forecasts, there is not currently a mechanism for the city to adopt the previous 2012 coordinated forecast. Newberg is expected to receive new updated population projections for adoption in 2017 as part of the new forecasting schedule, and will rely upon the acknowledged Yamhill County coordinated population forecast for planning purposes until that time [OAR 660-032-0040].
3. A comprehensive plan amendment is necessary at this time to provide updated information in the historic population and population projections sections of the plan.
4. The Newberg Planning Commission adopted Resolution No. 2015-309 on November 12, 2015 recommending City Council adopt the proposed comprehensive plan amendments.

THE CITY OF NEWBERG ORDAINS AS FOLLOWS:

1. The Comprehensive Plan is amended as shown in Exhibit "A". Adoption is based upon the findings in Exhibit "B". Exhibits "A" and "B" are hereby adopted and by this reference incorporated.

➤ **EFFECTIVE DATE** of this ordinance is 30 days after the adoption date, which is: January 7, 2016.

ADOPTED by the City Council of the City of Newberg, Oregon, this 7th day of December, 2015, by the following votes: **AYE:** **NAY:** **ABSENT:** **ABSTAIN:**

Sue Ryan, City Recorder

ATTEST by the Mayor this 10th day of December, 2015.

Bob Andrews, Mayor

Exhibit "A"

DRAFT Comprehensive Plan Amendment – CPTA-15-001

POPULATION GROWTH

A. HISTORIC POPULATION

Newberg grew over 400 percent from 1960 to ~~2004~~ 2010. This population growth was due to a variety of factors: regional population growth, expansion of industry and business in the area, proximity to other employment centers, and the high quality of life in the area.

Table III-1. Newberg City Population – 1960-~~2004~~ 2010.

Year	Population
1960	4,204
1970	6,507
1980	10,394
1990	13,086
2000	18,064
2004	19,910
<u>2010</u>	<u>22,068</u>

Sources: U.S. Census; ~~Population Research Center, Portland State University~~

~~In addition, approximately 374 people live in the area between the city limits and the urban growth boundary, making the 2004 Newberg UGB population about 20,284.~~

B. POPULATION PROJECTIONS

Population projections are the basis of comprehensive land use planning. To maintain a high quality of living and fulfill the community vision of Newberg as a place to live, work, play, and grow, the community must plan for its future population. Population growth will require sufficient land and services.

Many of the same factors that have contributed to Newberg's historic population growth will contribute to its future growth: employment opportunities both in Newberg and nearby, high quality of life, and regional population growth. Newberg is already experiencing a great amount of population growth due to ~~the lack of buildable land within the Portland area.~~ population growth throughout the region, regional tourism opportunities, local employment opportunities, and quality of life factors.

Future population projections for the City of Newberg were prepared in 2004 by Barry Edmonston, Portland State University, Population Research Center,¹ using two different methodologies: a ratio method and a cohort component method. While the two methods produced similar results, City staff and the Ad Hoc Committee on Newberg's Future felt that the cohort component method more accurately projected the future population of Newberg. In addition, projected population growth for the area outside the city limits but inside the UGB was added to the City population projections to yield Urban Area population projections. Table III-1 presents the resulting population forecasts through 2040.

Table III-2. Future Population Forecast – Newberg Urban Area

Year	Population Forecast
2000 ²	18,438
2005	21,132
2010	24,497
2015	28,559
2020	33,683
2025	38,352
2030	42,870
2035	48,316
2040	54,097

Sources: Johnson Gardner, Barry Edmonston

This population forecast was used to determine future land needs within the Newberg urban area.

Oregon Administrative Rule (OAR) 660-024-0030 requires counties to adopt and maintain a coordinated 20-year population forecast for the county and for each urban area within the county. Yamhill County contracted with the Portland State University Population Research Center (PRC) to prepare the 20-year coordinated population forecast for the county and all of its cities. The PRC report was released in October 2012 and adopted by the Yamhill County Board of Commissioners in November 2012 through Board Order 878. In 2015, the State of Oregon adopted new administrative rules for population forecasts, which specify that the PRC will be doing new population forecasts for the regions of the state. Newberg is expected to receive new updated population projections in 2017 as part of the new forecasting schedule, and will adopt the new projections at that time. In the interim, Newberg will rely upon the acknowledged 2012 Yamhill County coordinated population forecast for planning purposes as permitted by OAR 660-032-0040.

¹ Barry Edmonston, Director, Population Research Center, Portland State University, Portland, Oregon. "Population Projection for Newberg, Yamhill County, Oregon: 2000 to 2040." March 25, 2004.

² 2000 Population is the U.S. Census estimate for Newberg plus the estimate of population outside City limits but within the UGB.

Exhibit "B"

Comprehensive Plan Amendment – CPTA-15-001 - Findings

Comprehensive Plan amendments must comply with applicable statewide planning goals (SPG) and Newberg Comprehensive Plan (NCP) goals and policies.

NCP: A. Citizen Involvement/SPG 1: Citizen Involvement

NCP/SPG GOAL: To maintain a Citizen Involvement Program that offers citizens the opportunity for involvement in all phases of the planning process.

FINDING: Newberg has a Citizen Involvement Program, including citizens appointed to decision making committees and several opportunities for the public to comment on proposed applications during review of planning applications. This proposed Comprehensive Plan amendment will go before both the appointed Planning Commission and the elected City Council for local decisions. This goal is met.

NCP: B. Land Use Planning/SPG 2: Land Use Planning

NCP GOAL: To maintain an on-going land use planning program to implement statewide and local goals. The program shall be consistent with natural and cultural resources and needs.

NCP POLICIES: 2. The Comprehensive Plan and implementing ordinances shall be reviewed continually and revised as needed. Major reviews shall be conducted during the State periodic review process.

SPG GOAL: To establish a land use planning process and policy framework as a basis for all decision and actions related to use of land and to assure an adequate factual base for such decisions and actions.

FINDING: Newberg has an ongoing land use planning program, which includes using the adopted Comprehensive Plan, Development Code, and related plans to guide planning activities within the city. This proposed amendment to the Comprehensive Plan will help keep the Plan relevant and current. This goal is met.

NCP: H. The Economy/SPG 9: Economic Development

NCP GOAL: To develop a diverse and stable economic base.

NCP POLICIES: 1. General Policies. b. The City shall encourage economic expansion consistent with local needs.

SPG GOAL: To provide adequate opportunities throughout the state for a variety of economic activities vital to the health, welfare, and prosperity of Oregon's citizens.

FINDING: The proposed Comprehensive Plan amendment is to update the historic population section and to reference the Yamhill County 2012 coordinated population forecast for the county and its cities in the population projections section. Newberg had previously adopted the coordinated population forecast as part of the south industrial urban growth boundary amendment and Economic Opportunities Analysis code amendments. However, City Council repealed these items on October 5, 2015, through adoption of Ordinance No. 2015-2786, which also voided adoption of the coordinated population forecast. In 2015, the State of Oregon adopted new administrative rules for population forecasts, which

specify that the Portland State University Population Research Center (PRC) will be doing new population forecasts for the regions of the state. Newberg is expected to receive new updated population projections in 2017 as part of the new forecasting schedule, and will adopt the new projections at that time. Due to the recent state rulemaking, there is not currently a mechanism for the city to adopt the previous 2012 coordinated forecast. Although the city cannot adopt the previous forecast, the new rules do specify that the city may rely upon the acknowledged 2012 county forecast for planning purposes until the new regional projection is adopted [OAR 660-032-0040].

The purpose of these amendments is to help the city plan for the future, including the ability to help develop a diverse and stable economic base and to provide a variety of economic opportunities. Without an accurate population and employment forecast, the city would not be as prepared to plan for future needs. This goal is met.

NCP: I. Housing/SPG 10: Housing

NCP GOAL: To provide for diversity in the type, density and location of housing within the City to ensure there is an adequate supply of affordable housing units to meet the needs of City residents of various income levels.

SPG GOAL: To provide for the housing needs of the citizens of the state.

FINDING: Newberg uses the Comprehensive Plan and related adopted plans to guide future land use planning efforts. The proposed Comprehensive Plan amendment will reference the updated population forecast for the city, enabling future planning efforts to plan for adequate housing for the current and future citizens of the city. This goal is met.

NCP: L. Public Facilities And Services/SPG 11: Public Facilities and Services

NCP/SPG GOAL: To plan and develop a timely, orderly and efficient arrangement of public facilities and services to serve as a framework for urban development.

FINDING: Newberg needs to have an updated population and employment forecast in order to effectively plan future needs for public facilities and services. By updating the Comprehensive Plan, Newberg can more effectively plan for public facility needs. This goal is met.

REQUEST FOR COUNCIL ACTION

DATE ACTION REQUESTED: December 7, 2015

Order ___	Ordinance ___	Resolution <u>XX</u>	Motion ___	Information ___
No.	No.	No. 2015-3206		

SUBJECT: A resolution approving the lease of approximately 87.3 acres of City property, and the transfer of water rights, waterline and access easements, water treatment and delivery infrastructure, and authorizing the City Manager Pro Tem to negotiate and execute the necessary documents to complete the conveyance of the City spring's water system to the Chehalem Spring's Water Association.

**Contact Person (Preparer) for this Motion: Jay Harris, Public Works Director
Dept.: Public Works & Engineering Departments
File No.:**

RECOMMENDATION:

Staff recommends the adoption of Resolution No. 2015-3206.

EXECUTIVE SUMMARY:

A prior version of this Resolution was presented at the October 5, 2015 Council meeting, and Council raised concerns with the ownership transfer of the spring's property to the Chehalem Spring's Water Association (Association). Additionally, Council raised concern with the reimbursement by the Association to the City for the cost of the spring's related 2008 chlorine treatment system upgrades. Staff and the Association have met several times since the October 5th City Council meeting to discuss potential modifications to the spring's transfer agreement.

The primary changes from the prior October 5th Resolution are as follows:

1. The property is to be retained by the City and is to be leased to the Association.
2. The cost allocation of the 2008 chlorine treatment upgrade project was evaluated. Staff found that the costs should have been allocated 80% City to 20% Association, as described further in the fiscal impact section of this document.
3. The Resolution was modified to include a provision to suspend the proposed January 1, 2016 water rate increase for the spring's customer class.
4. The Resolution was also modified to include a provision to temporarily suspend any City modifications to the spring's water system, other than normal operations and maintenance activities, while the conveyance of the system to the Association is being finalized. This would temporarily suspend activities by the City such as pipe replacement projects, treatment system upgrades, removal of system infrastructure, and/or addition of customers.

Between 1894 and 1948 the primary source of drinking water for the City was from six (6) spring's: Snider, Skelton, Atkinson, Oliver, Otis, and Gardiner. In 1948 the City well field, located south of the Willamette River in Marion County, began producing water for the City. The water from the spring's is prone to water quality/turbidity issues during large rainfall events in the winter. Gardiner and Otis spring's were disconnected from City water system between 1970 and 1989. In 2008/2009 the remaining four spring's were disconnected from the City water supply. Today all water provided to customers within the city limits

is supplied from the City well field system. Snider, Skelton, and Oliver spring’s currently provide water to 72 customers located outside of the existing City limits. Atkinson and Gardiner spring’s are not currently in use. Non-potable water from Otis spring’s is piped to the Chehalem Glenn golf course and used for irrigation.

In 2008, City Council adopted Resolution No. 2008-2776, which created a separate spring’s customer billing classification and mandated full cost recovery of operation, maintenance, and 50% of the capital project costs from the spring customers. The Resolution also declared “Council is open to divesting itself of ownership and operation of the spring’s system, and that the City in good faith, consider any proposals for the transfer and ownership of the spring’s system to the Four Spring’s Water Association or any responsible organization”.

Over the last 8-years, the Citizens’ Rate Review Committee has met four times to review and recommended phased-in rate increases for the spring’s user group to meet the projected increases to the yearly operation, maintenance, and capital improvement project costs per the 2008 Council Resolution. The rate increases recommended the Committee were subsequently adopted by Council. Previously, erroneous statements have been made that the spring’s customers have not paid water rate increases, whereas the spring’s customers have paid the increased rates since 2008, as shown the table below.

<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	
\$3.89	\$4.45	\$4.98	\$5.58	\$6.18	\$6.18	\$6.18	\$6.18	\$7.73	\$12.77	(\$ per 100 cubic feet)

For approximately 18 months, City staff has been in discussion with representatives of the spring’s user group to discuss the potential to transfer ownership of the system. Last summer the City and the spring’s user group signed a letter of intent, included as Attachment 1, to begin negotiations to draft an agreement to convey ownership of the system. Last winter, the spring’s user group formed the nonprofit Chehalem Spring’s Water Association (Association). The Association is ready to assume management of the spring’s, and is proposing to contract with Hiland Water Corporation in the operation and maintenance of the system. Hiland Water is based in Newberg and currently operates multiple water systems around the State. At the City Council meeting on October 6, 2014, Hiland Water provided information regarding their experience operating small water systems. Council then met with staff in Executive Session to discuss the potential transfer of the system to the Association.

With Council approval of this Resolution, a conveyance agreement between the City and Association will be finalized in the next few months. The main elements of the proposed conveyance agreement are:

1. All of the spring’s property will retained by the City. A property lease will be negotiated with the Association.
2. At no cost, the City will transfer to the Association the ownership of the water supply piping, waterline and access easements, water services and meters, water collection and treatment systems, chemical storage, dosing equipment and electrical equipment for each spring system.
3. At no cost, the water right certificates will be transferred to the Chehalem Spring’s Water Association.

FISCAL IMPACT:

The City consulted with Galardi Rothstein Group (GRG) to assist in the preparation of a preliminary financial impact analysis for each component of the system. The final version of the document dated

October 29, 2015, is included as Attachment 2. GRG used two methods to approximate the valuation of the spring's systems depreciated replacement cost and discounted cash flow. The GRG analysis assumes that the Association does not reimburse the City for costs for real estate, water treatment systems, piping systems, or water rights.

The GRG analysis shows that over a 30-year period the City would lose rate revenue from the transfer of the system to the Association, but the City would no longer be responsible for the liability, capital expenditures, operations and maintenance of the system. The GRG analysis also found that the Association net cash flow over a 30-year period is estimated to be "break even" in net present value.

The approximate valuations for the real estate, water treatment systems, piping systems, and water rights are discussed below:

1. **Real Estate:**

87.3 acres of the 91.3 acres of City owned spring's property is proposed to be leased to the Association as a part of the proposed transfer agreement. 4.0 acres of the Oliver Spring's property will not subject to the lease as it is potentially a future Zone 4 reservoir site for the City. The majority of the spring's property is steep/topographically constrained, and should remain undeveloped to preserve the water quality in the spring collection systems. The 91.3 acres of spring's property has a real market value of \$1.7 million dollars, per the Yamhill County Assessor's office.

With the current municipal use, the City is exempt from paying property taxes to the County. Upon leasing the property to the Association, the County Assessor may require payment of the yearly property taxes. The Association will be responsible for reimbursing the City for property taxes, if any are charged by the County.

2. **Water Treatment Systems:**

In 2003 the State of Oregon required that the City complete improvements necessary to increase the chlorine contact time in the spring water systems.

In June of 2004, CH2M Hill completed an evaluation study for two options to meet the State of Oregon requirements:

1. Pump potable water from the City wellfield to the spring customers, or,
2. Upgrade the existing spring chlorination systems.

The upgrade of the spring system was chosen as it had a lower initial capital outlay and less yearly operations and maintenance costs.

Planning, design, and State approval of the improvements occurred from 2005 to 2008. In the spring of 2008, the construction of the spring's chlorine treatment project commenced.

Generally, the improvements consisted of the following:

Snider Spring: 500 feet of gravel roadway improvements, 100 feet of trail access construction, 500 feet of 12 inch piping (contact chamber), electrical improvements, and monitoring/telemetry improvements.

Skelton Spring: 234 feet of 12 inch piping (contact chamber), 265 feet of 4 inch piping, electrical improvements, and monitoring/telemetry improvements.

Oliver Spring: 1300 feet of gravel roadway #1 improvements, 2100 feet of gravel roadway #2 improvements, 500 feet of trail construction, 432 feet of 12 inch piping (contact chamber), electrical improvements, and monitoring/telemetry improvements.

Atkinson Spring: No improvements.

The final project cost for the planning, design, permitting, and construction of the 2008 chlorine treatment upgrade project totaled= \$707,879.

Prior to 2008 treated water not being utilized by the spring's customers was piped to the North Valley Road reservoirs to be used by City customers. Beginning in the summer of 2008, the use of potable water from the spring systems was discontinued due to the yearly winter flow turbidity issues that resulted in boil water notices for all customers connected to the spring system that could extend City-wide. Prior to lifting a boil water notice, the system is flushed, and re-chlorination/testing of affected waterlines occurs. In 2009 the pipe from the spring's system to the North Valley Reservoirs was disconnected.

In August 2008, Council adopted Resolution No. 2008-2776, which mandated full cost recovery by the spring's customer class for the operations and maintenance of the spring's water system. The Resolution also indicated the following "In recognition of the past benefit of the spring water system to the overall City system, the City shall pay half the cost of the immediate necessary improvements to the spring's system in order to comply with the requirements of the Oregon State Drinking Water Program."

Recently, staff has reviewed questions regarding why the 2008 chlorine treatment project costs were split 50/50, when the system was designed to send a larger portion of treated spring water to the North Valley reservoirs for use City-wide. Staff reviewed the volume of water stored in the chlorine contact pipes needed for the spring's customers versus the volume water available for other uses, and found that the volume needed for the spring's customers comprises approximately 20% of the volume. Staff is of the opinion that an equitable split of the project costs should be 80% City, 20% spring's users.

The current value of the water treatment systems using the depreciated cost method is estimated by GRG to be approximately \$515,000 (originally at \$707,879 in 2008). Applying the 80/20 city/spring user cost sharing ratio noted previously, the spring users cost for their portion of the 2008 treatment system improvements is approximately \$103,000.

Galardi Rothstein Group also completed an analysis to evaluate if the revenue received from the water sold to the spring's customers has repaid of a portion of the 2008 chlorine treatment project costs. The result of the analysis was that the spring systems revenue satisfied the system operations and maintenance costs and approximately \$5,300 was applied towards the cost of the 2008 chlorine treatment project.

Therefor the current valuation of the 2008 spring's users share of the treatment system upgrade project is estimated at \$97,700 (\$103,000 – \$5,300).

3. **Piping System, Water Meters & Services:**

The spring’s piping system and services are comprised of 46,500 lineal feet of piping ranging in diameter from 3/4-inch to 6-inches, having a replacement cost of approximately \$1.2 million. Approximately one-third of the spring’s pipes and services systems have been replaced over the last several decades, but large sections of piping are over 50-years in age and will require near-term replacement. The depreciated value of the existing piping system is estimated by GRG to be approximately \$135,000.

4. **Water Rights:**

The City currently holds municipal use water right certificates from the State of Oregon for the exclusive use of Oliver Spring, Atkinson Spring, Skelton Spring, and has a pending (in-process) 1993 water right application with the State of Oregon for the adjudication of the 1905 Snider Spring. The combined water right totals 2,020 gallons per minute from Atkinson, Snider, and Skelton Spring, and the exclusive use of Oliver Spring.

The actual maximum water available from all four spring’s is approximately 210 gallons per minute, or approximately 10% of the water right. All of the spring’s water rights are located in the *Chehalem Mountain limited groundwater restricted area* as designated by the State of Oregon Water Resources Department (OWRD).

Name	Size	Max Flow	Current Use	Water Right	Users
Oliver	24.1 ac.	40 gpm	22.5 gpm	all flows (1894, #6829)	22
Atkinson	9.7 ac.	75 gpm	0 gpm	898 gpm (1923, #5456)	none
Skelton	17.7 ac.	25 gpm	22.3 gpm	898 gpm (1919, #5456)	50 users total on
Snider	39.8 ac.	70 gpm	30.7 gpm	224 gpm (right pending)	Snider/Skelton

Staff consulted with GSI Water Solutions Inc. (GSI), regarding the value of the spring water rights and to discuss the potential to move the location of water rights. GSI indicated that the valuation of water rights are very difficult, but can be dependent on the following:

- Use of water: municipal, agricultural, livestock, temperature mitigation, etc.
- Location: ease of access, depth to water, access to electricity, etc.
- Water quality: turbidity, PH, minerals, contaminants, taste.
- Source volume/output: existing flows & potential to increase output.
- Age of water right: senior/older water rights are more valuable.

The current use of the spring water rights is for potable/drinking water purposes. The existing water quality is fair, except that during large winter rainfall events the system is prone to high turbidity, requiring boil water notices and flushing/disinfection of the piping system. The spring water also has low PH and requires adjustment to prevent pipe corrosion.

The locations of the spring systems are in rural agricultural areas with a variety of access from walk-in only (Oliver Spring) to a short gravel driveway (Atkinson). The water rights range in age from 1894 to 1923, and are most likely senior to most water rights in the basin.

The Oregon Water Resources Department has several water rights modification processes:

1. A water right certificate could be transferred
2. The certificate holder can modify the location of the diversion point
3. The type of use for the water right is modified

OWRD reviews water certificate transfer applications to determine whether the proposed change would cause injury to other existing water rights or enlargement of the right. In the past the transfer of unused water rights has been considered but GSI advised that OWRD would not approve an application to move a water right certificate from the Chehalem Creek drainage basin to an alternate drainage basin.

An application could potentially be submitted to the Oregon Water Resources Department for the transfer of the point of diversion of a water right certificate to a different location within the same drainage basin to improve the water output and/or water quality characteristics. This process is costly, lengthy, requires significant studies, and has no guaranteed outcomes. The development of a new point of diversion in one or more of the existing spring's drainage basins would likely entail the installation of a groundwater well. Most of the existing wells in this vicinity have poor water quality and produce a limited volume of water, which is the primary reason for the existence of the spring's water system.

Due to aforementioned issues; it is estimated that the value of the current water right is equal to the value of the current maximum output of raw water from each spring source.

The current system of 72 residential service connections is currently near the maximum without the construction of storage reservoirs. In discussion with GSI, it is roughly estimated that the current raw water output by each of the four spring's would only have a water right value ranging from \$10,000 to \$20,000, for a system total ranging from \$40,000 to \$100,000.

FISCAL IMPACT SUMMARY:

Summary Table: (assets to be received by the Association)

Asset	Property Lease Option
Real Estate	\$0
Water Treatment Systems	\$97,700
Piping Systems	\$135,000
Water Rights	\$50,000
TOTAL	\$282,700

At the October 6, 2014 Council Work Session, the Chehalem Spring's Water Association spoke to the valuation of the system. The Association in conjunction with their proposed operator, Hiland Water, is of the opinion that they can operate, maintain, and complete the needed upgrades to the spring's treatment and distribution system at/near the current City rate effective in January 2015. Their financial

model does not include any payments to the City for past Capital projects, system improvements, water rights, or property. Hiland Water Company prepared a letter dated September 22, 2015 that discusses their opinion of the fiscal impact to the City of Newberg, and is included as Attachment 3.

Further increasing the spring customer water rates to generate revenue to fund the future capital projects, and/or to recoup past system costs may be unlikely, as the spring user’s current 2015 volume charge is already \$7.73 per 100 cubic feet (ccf), and is proposed to increase to \$12.77 per ccf on 1/1/2016. In comparison the in-city residential rate is \$3.73 per ccf.

Over the last 18-months the City and Association have both invested a large amount of time and resources to discuss, evaluate, and form a tentative agreement for the conveyance of the system. The City consultants and staff costs invested to date is estimated upwards of \$140,000.

The estimated value of the system assets (\$282,700) to be conveyed to the Association pales in comparison when one considers the future known and unknown costs and risks if the City continues to own and operate the aging spring’s water system for the benefit of the 72 customers, as follows:

Item Description (known)	Avoided Cost	Comments
Waterline Replacements	\$16,500 per year	The City currently replaces large sections of piping each year. It is likely that future (larger cost) projects will be needed to reduce the ongoing “reactive” maintenance work.
Future Capital Projects	\$17,500 per year	Additional improvements estimated to cost \$350,000 will be needed to the corrosion control system. Also, the existing tablet chlorinators will need to be replaced with a hypochlorite (bleach) injection system.
System Operations & Maint.	\$74,000 per year	
Customer Costs (billing)	\$4,000 per year	

Avoided known costs total \$112,000 per year

Item Description (unknowns)	Avoided Cost	Comments
Water Quality Improvements	\$60,000 to \$120,00	Eliminate (if possible) the surface water that enters the spring boxes during large rainfall events (grading, vegetation, & piping improvements), to reduce boil water notices. Cost range \$20k to \$40k, each spring Total=\$60k to \$100k (not including Atkinson)
Future State Requirements	\$2.4 million to \$3.6 million	If the surface water influence cannot be resolved, the State may require installation of membrane filtration systems. Due to the remote site locations, the cost to construct/operate/maintain the systems at each spring will be extensive. Cost range \$800k to \$1.2m, each spring Total=\$2.4m to \$3.6m (not including Atkinson)
Landslides		Due to the steep topography and the saturated soils in the drainage basins, the risk of future slope failures on or adjacent to the spring

Landslides (continued)	\$5,000 to \$1.0 million	properties is significant. The failure could interrupt or discontinue the spring flows. Cost would vary due to the location/size of slide. Cost range (one spring) \$5,000 to \$1.0 million
Spring Output	\$180,000 to \$270,000	Staff has observed significant declines in the output of the spring's in the last decade, potentially due to changes in the weather patterns. Install reservoirs to store water for peak demands. Cost range \$60k to \$90k, each spring Total=\$180k to \$270k (not including Atkinson)
Development	\$180,000 to \$300,000	Development is occurring in the vicinity and adjacent to the spring properties. Future domestic wells, septic systems, and impervious surfaces will have an effect on the spring water quality and flow volumes. Development in the spring basins needs to be continually monitored and water rights defended when necessary. Cost range \$60k to \$100k, each spring over 10-years. Total=\$180k to \$300k

Avoided unknown future costs range from \$2,825,000 to \$5,290,000 (total cost)

To eliminate the future known and unknown costs and risks to the City in the ownership, maintenance, and operation of the spring's water system, Staff is in agreement with the proposal to transfer the system as-is, leasing the property to the Association, with no cost recovery for the property lease, past capital projects, water rights, and existing system infrastructure, to the Chehalem Spring's Water Association.

STRATEGIC ASSESSMENT:

Council Resolution No. 2008-2776 stated that: "Council declares that it is open to divesting itself of ownership of the spring's and operations of the spring's system. The City will in good faith, consider and proposals for the transfer of ownership and operations of the spring's system from the Four Spring's Water Association, or any responsible organization."

This Resolution meets the intent of Resolution No. 2008-2776, whereas Council is to consider the proposal by the Chehalem Spring's Water Association.

The transfer of ownership of the system from the City of Newberg to the Chehalem Spring's Water Association, while maintaining ownership of the property, will eliminate the potential for the City to be subjected to future increases to known and unknown operations, maintenance, and capital improvement project costs.

The transfer will reduce the future liability for the City and allow the City Operations and Maintenance Divisions to focus solely on the city-wide municipal water system. The transfer will also provide for the nonprofit Chehalem Spring's Water Association to manage the system in a manner that may decrease costs and potentially stabilize the water rates for the 72 customers of the spring water systems.



RESOLUTION No. 2015-3206

A RESOLUTION APPROVING THE LEASE OF APPROXIMATELY 87.3 ACRES OF CITY PROPERTY, AND THE TRANSFER OF WATER RIGHTS, WATERLINE AND ACCESS EASEMENTS, WATER TREATMENT AND DELIVERY INFRASTRUCTURE, AND AUTHORIZING THE CITY MANAGER PRO TEM TO NEGOTIATE AND EXECUTE THE NECESSARY DOCUMENTS TO COMPLETE THE CONVEYANCE OF THE CITY SPRING'S WATER SYSTEM TO THE CHEHALEM SPRING'S WATER ASSOCIATION.

RECITALS:

1. The City of Newberg currently owns and operates three spring fed water treatment and supply systems for the benefit of 72 rural customers.
2. The spring's water systems provided all of the potable water to the City from 1894 until 1948 when the first well was constructed at the City well field, located on the south side of the Willamette River.
3. Over the years the City installed additional wells at the well field and the reliance on water from the spring water sources decreased over time. Due to water quality issues during the winter months, by 2009 all of the spring water systems were disconnected from the City well field water supply system.
4. The three spring's systems are currently in use are named:
 - Oliver (27899 NE Bell Road, tax map 3S-2W-05, tax lots 4400 & 4501);
 - Skelton (18320 NE Bald Peak Road, tax map 2S-2W-31, tax lot 4200)
 - Snider (18525 NE Bald Peak Road, tax map 2S-3W-36, tax lot 1900)
5. Atkinson Spring is currently not in use and is located at 17100 NE Hillsboro Highway, tax map 3S-2W-06, tax lot 00900.
6. Costs to operate, maintain, and upgrade the spring water systems to meet State requirements for large municipal water systems has increased significantly over the last decade.
7. In 2008, Council Resolution No. 2008-2776 created a separate spring's customer class, and mandated the spring's customers pay the full cost of the operation, maintenance, and 50% of the capital improvement project costs for the spring's system improvements. Resolution No. 2008-2776 also declared that the Council is open to divesting ownership and operation of the spring's system to any responsible organization.
8. For the last 18 months a group representing the spring's customers has met with City staff to develop an agreement for the group to operate and maintain the spring's water system. Last winter, the user group formed the non-profit Chehalem Spring's Water Association that is proposing to manage the

spring's water system with the operations and maintenance assistance from Hiland Water Corporation.

9. The spring's water system conveyance agreement includes a description of the City spring's water system assets to be transferred to the Chehalem Spring's Water Association, which includes, but not limited to, debt forgiveness, water supply piping, waterline and access easements, water services and meters, water right certificates, water collection and treatment systems, chemical storage and dosing equipment, and electrical equipment. City-owned parcels where the spring's are located will be retained and leased to the Chehalem Spring's Water Association.
10. The Chehalem Spring's Water Association has adopted bylaws, elected Board members, and has had multiple meetings with the spring's customers to discuss the transition from City ownership of the system. Upon approval of this Resolution by Council, the Association is planning to begin the operation and maintenance of the spring's water system by the end of 2015.
11. Oregon Revised Statutes 221.725, requires published notice of the public hearing for sale of any interest in real property held by the City, which in this case includes the waterline and access easements. Notice was published on September 27, 2015, in the Oregonian, a newspaper of general circulation that meets the requirements of the Statute.
12. In compliance with ORS 221.725, a public hearing was held with the opportunity for any resident of the city, or members of the general public, to present written or oral testimony. Evidence of market value of the transfer of interests in the real property, was fully disclosed by the City Council at the public hearing.

THE CITY OF NEWBERG RESOLVES AS FOLLOWS:

1. **Transfer:** – The City Council finds that the best interest of the City of Newberg, and the ratepayers of Newberg, is served by a transfer of the spring's water system.
2. **Conveyance Agreement:** – A water system conveyance agreement will be prepared that contractually binds the City and the Association, will describe the City water system assets to be transferred to the Chehalem Spring's Water Association, and will outline the responsibilities of each party. The assets include but are not limited to, debt forgiveness, water supply piping, waterline and access easements, water services and meters, water right certificates, water collection and treatment systems, chemical storage and dosing equipment, and electrical equipment. City-owned parcels where the spring's are located will be retained and leased to the Chehalem Spring's Water Association.
3. **City Manager Authority:** – The City Council delegates to the City Manager, or City Manager Pro Tem, the authority to execute the necessary documents to complete the transfer of the spring's water system improvements, water rights, and leasing of the real property. The City Manager Pro Tem is further authorized to negotiate any provisions of the final conveyance agreement and to sign all necessary documents to perfect the agreement. All documents and agreements shall be approved as to form and content by the City Attorney.
4. **Water Rate Increase:** – To allow additional time for the City and the Association to complete the property lease and transfer of the system, the spring's customer class water rate increase for

January 1, 2016, identified by Resolution No. 2014-3134 is hereby suspended. If the transfer of the spring's system does not occur by June 30, 2016, the City Manager, or City Manager Pro Tem, is hereby authorized to convene the Citizens Rate Review Committee (CRRC) to complete the review of the current spring's water system operation, maintenance, and future/past capital project costs. The City Manager shall provide the proposed rate recommendations to the City Council upon completion of the work by the CRRC.

5. **City Modifications to System:** – To allow time to complete the conveyance of the system to the Association, the City shall temporarily suspend all modifications to the spring's systems until the ownership transfer is completed, or until June 30, 2016. Modifications to the spring's systems does not include activities needed for the normal billing, operation, and maintenance of the system, including actions required in event of an emergency. Modification to the spring's water systems would include activities such as non-emergency pipe replacement projects, treatment system upgrades, removal of system infrastructure, and/or the addition of customer accounts.

➤ **EFFECTIVE DATE** of this resolution is the day after the adoption date, which is: December 8, 2015.

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

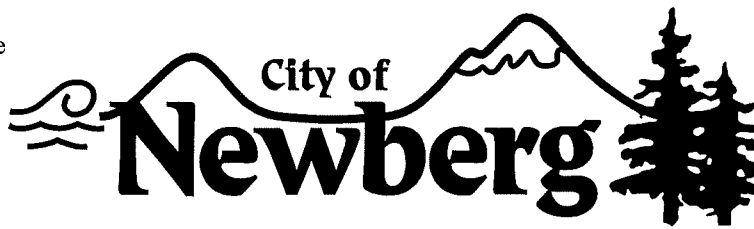
Sue Ryan, City Recorder

ATTEST by the Mayor this 10th day of December, 2015.

Bob Andrews, Mayor

City Manager's Office
(503) 537-1207

City Attorney
(503) 537-1206



12/07/15
ATTACHMENT #1

414 East First St.
PO Box 970
Newberg, OR 97132

June 4, 2014

Johnstone and Goodfellow
1215 NW Adams Street
McMinnville, OR 97128

Re: Letter of Intent Regarding Newberg Springs Divestiture

To the Newberg SSCC:

This letter serves as a memorandum of the City of Newberg's intent negotiate a plan to divest Oliver Springs, Skelton Springs, Atkinson Springs, and Snider Springs (hereinafter referred to as the "Springs" or "Newberg Springs") to an entity created by the Newberg Spring Customer Class.

Background

The Newberg Springs System Customer Class (SSCC) is a group of over 68 individuals and families who live outside the City of Newberg and currently depend on the City for supply of water derived from the Springs. The City of Newberg has recognized that these springs have a historic tie to the City of Newberg, as they were a source of freshwater for Newberg from 1894 to 2008.

In 2008, the City of Newberg put forth Resolution #2008-2776, which created a separate springs user customer class. Resolution #2008-2776 declared that the City of Newberg was open to divesting ownership and operations of the Springs system. The City declared that it would, "in good faith, consider any proposals for the transfer of ownership and operation of the springs system," to a responsible party.

By Resolution #2008-2776, a new customer class was created for Springs users, the rates of which were mandated to include all O/M costs, 50% of the Chlorine Contact project, and 100% of all future improvements to the Springs.

Don Guthrie, Michael Roos, and Stan Gaibler, as representatives of the majority of landowners within the Newberg SSCC, have approached the City of Newberg with a proposal that Newberg divest the water system to the SSCC. The SSCC hired the law firm of Johnstone and Goodfellow to assist in getting approval of divestiture and to assist in the transactional work involving divestiture. After a series of meetings and communications, the City of Newberg and the Newberg SSCC agreed that total divestiture of the springs system to the Newberg SSCC

● CITY ATTORNEY'S OFFICE: nlegal@newbergoregon.gov Fax: (503) 537-5013 ●
Admin: 537-1261 ● Building: 537-1240 ● Public Works: 537-1273 ● Finance: 538-9421 ● Fire: 537-1230
Library: 538-7323 ● Municipal Court: 537-1203 ● Police: 538-8321 ● Maintenance: 537-1234 ● Utilities: 537-1205
Municipal Court Fax: 538-5393 ● Public Works Fax: 537-1277 ● Library Fax: 538-9720

"Working Together For A Better Community-Serious About Service"

Springs Customer Class
June 4, 2014
Page 2 of 2

would address both Newberg's budgetary concerns and the SSCC's desire to cover costs and expenses in a fair and economical fashion.

Authority to Negotiate Divestiture

On April 21st, 2014, the Newberg City Council authorized the Newberg City Attorney, City Manager, and City Engineer to negotiate an agreement divesting the Newberg Springs to an entity created by the Newberg SSCC.

Memorandum of Understanding

Pursuant to the intent of Newberg City Council Resolution #2008-2776, the City of Newberg and the Newberg SSCC will enter into negotiations with the goal of executing an agreement to complete total divestiture of the Springs System to an entity created by the Newberg SSCC. The parties will negotiate the terms of the transfer of assets and rights, including water rights, water certificates, watersheds, real property, deeds, titles, easements, and equipment necessary for the operation of the Springs. An inventory will need to be conducted by the SSCC, with cooperation by the City, to ensure that divestiture includes all necessary assets and rights essential to efficient operation of the Springs.

In order to divest, the Newberg SSCC and the City of Newberg must agree on the allocation of all expenses, including O&M costs (labor, materials, pipe replacement, corrosion control, etc.) and capital costs, as may be agreed upon. The adjustment of these expenditures would be accomplished by further City Council action.

During negotiations, customers within the Newberg SSCC would continue to pay the current water rates, or the applicable rates set by Resolution #2014-3134.

Timeline for Agreement

The Newberg SSCC and the City of Newberg understand that an agreement must be reached in a timely manner, in order to allow the SSCC the time necessary to create and fund a responsible entity for divestiture. The parties agree to work expeditiously towards that goal.

Sincerely,



Truman A. Stone

cc: City Manger
City Engineer
Mayor

TECHNICAL MEMORANDUM

Estimated Financial Impacts Associated with Ownership Transfer of Springs Water System

The logo for Galardi Rothstein Group features a blue rectangular background at the top with the date '12/07/15' and page number 'PAGE 50'. Below this is a white curved line that separates the blue background from a dark grey/black background. The text 'GALARDI ROTHSTEIN GROUP' is written in white, uppercase letters on the dark background.

GALARDI
ROTHSTEIN
GROUP

PREPARED FOR: City of Newberg

PREPARED BY: Galardi Rothstein Group (GRG)

DATE: October 29, 2015

In September 2015, the City of Newberg (City) engaged Galardi Rothstein Group (GRG) to evaluate the potential financial impacts associated with the divestiture of the Springs water system.

Background

The Springs water system relies on water from three active springs (Snider, Skelton, and Oliver) to provide water to approximately 72 residential customers located outside City limits. In the past, excess water from the Springs system was used to supplement the City's existing municipal supply. However, because of persistent turbidity and other water quality issues, the Springs system was disconnected from the City's water supply in 2008/09. Since that time, the City has continued to operate and maintain the Springs system and provide service to its customers.

The City established a separate customer class and water rate for the Springs system in FY 2009 to ensure that the costs of providing service were recovered from its customers. The revenue recovery requirements include operation and maintenance costs (such as labor, equipment, and materials), depreciation expense related to a chlorination treatment (CT) project constructed in FY 2009, pipe replacement costs, a return on invested capital, and customer billing costs. Customers of the Springs water system currently pay a \$5.00 monthly customer charge and \$7.73 per hundred cubic feet (ccf) of water use. The volumetric rate is scheduled to increase to full cost-of-service levels on January 1, 2016.

Customers of the Springs water system are represented by the non-profit Chehalem Springs Water Association (CSWA). For the last 18 months, the City has been in discussion with representatives of CSWA to discuss the transfer of ownership of the Springs system.

Asset Valuation

Several City assets are used to provide service to Springs customers, including land, water rights, and existing infrastructure (treatment and pipeline assets). Assets are typically valued using one of two methodologies: Depreciated Replacement Cost or the Discounted

Cash Flow (DCF) approach. The Depreciated Replacement Cost methodology establishes the value of the assets by estimating the replacement cost of the asset, then adjusting for accumulated depreciation. The accumulated depreciation of the asset is an estimate of the decline in value due to usage and time. The DCF approach values an asset or group of assets based on the ability of the assets to generate net cash flows. Present value analysis is used to estimate the capitalized value of anticipated future net income from ownership and operation of the assets.

Each methodology offers both advantages and limitations. The Depreciated Replacement Cost method provides an accurate estimate of value for the assets of a utility, since detailed information from the asset register (replacement cost, installation year, and useful life) is known or can be estimated with reasonable certainty. However, the primary shortfall of this method is that it does not consider adjustments to value based on the ability of the assets (or lack thereof) to generate net revenues for the potential owner. The DCF methodology emphasizes the ability of the assets to generate revenue, rather than the price previously paid for the assets—which is often irrelevant. However, one of the drawbacks of the DCF method is that it does not consider economic development opportunities, operational synergies, or other factors that may influence transactional value but have no bearing on the projected profitability of the asset.

In the context of the Springs water system, the value of the land and water rights assets (for example) are closely tied to the provision of water service to its customers and may not be fairly judged based on current real estate values or historical costs. Similarly, an analysis of discounted cash flows may not be appropriate for the Springs system because water utilities are rarely managed to maximize financial returns. The value of the utility is rooted in its ability to provide reliable water service, which fosters economic development and benefits residents of the community by providing for one of life's basic needs.

Depreciated Replacement Cost

Several City-owned assets are used to provide service to customers of the Springs water system: the land where the springs are located, water rights associated with the springs themselves, treatment infrastructure to ensure water quality standards, and the existing network of pipelines used to deliver water to Springs customers.

Without offering an opinion regarding the estimated values placed on the City's real estate or water rights, GRG used the Depreciated Replacement Cost method to estimate the value of the existing pipelines and treatment infrastructure for the Springs water system. The estimated value of these assets is based on information from the City's fixed asset register including data related to the original cost and age of each asset. Most of the pipelines were installed in the 1920s and are fully depreciated. For pipelines installed more recently, the City estimated the unit replacement cost of each pipe based on diameter and pipe materials. The replacement value of the assets was then depreciated based on a 75-year useful life to determine the existing value of the pipeline network. Based on this approach, the pipeline assets that serve the Springs water system are valued at approximately \$135,000.

The Engineering News-Record (ENR) construction cost index (CCI) was used to estimate the replacement cost value of treatment-related infrastructure. This index is used throughout the water industry to develop asset replacement values based on original cost. Once again, specific data such as cost and accumulated depreciation for each asset was available in the City's fixed asset register. The replacement cost value of treatment-related assets is approximately \$515,000.

Decision Analysis

The financial impacts of the potential ownership transfer may be best estimated by forecasting the City's incremental revenues and expenses over a multi-year forecast period. This approach is similar to the DCF methodology, and is intended to delineate the financial implications of the divestiture from the City's perspective.

Lost Revenues (negative impact)

Under an ownership transfer scenario, the City would no longer collect rate revenues from Springs customers. The incremental loss in revenue is estimated by forecasting customers, water use, and water rates over time. Limitations of the Springs system preclude future customer growth, and the analysis therefore assumes that the number of customers and total water use remains constant over the forecast period. The rate revenue forecast also assumes that the City will continue to charge the existing rate to Springs customers *rather than implement full cost-of-service rates on January 1, 2016*.¹ The total estimated loss in rate revenues from Springs customers is \$2.34 million over a 30-year forecast period.

Avoided Costs (positive impact)

On the other hand, if the City transfers ownership, it is no longer responsible for future capital expenditures or operation and maintenance of Springs system assets. Future capital improvements include the near-term corrosion control project (\$350,000), annual costs related to the rehabilitation of aging pipelines (\$16,500), and other estimated expenditures associated with future regulatory requirements. The 30-year capital improvement cost total for the Springs system is estimated to be \$2.10 million.²

The City would also avoid various O&M costs associated with treatment and conveyance of water from the Springs system. For example, the City is expected to spend \$0.52 million over the forecast period on materials & equipment, mileage, water sampling, and other activities that benefit the Springs system directly. The City is also expected to incur \$0.13 million for billing Springs customers over the forecast period. If ownership of the system is transferred, the City would avoid direct O&M costs that are expected to total \$0.65 million over the 30-year period.

¹ The full cost of service volumetric rate (\$11.24) would result in a monthly summer bill for Springs customers of \$173.60 (assuming 15 ccf per month of water use). Although this rate would ensure agreed-upon cost recovery levels associated with the previous chlorination treatment work and forthcoming corrosion control project, the rate and resulting bill does not seem tenable for such a small system.

² Estimate provided by the City based on the condition of the Springs system and anticipated treatment process changes.

Because the City will incur labor costs at existing levels *regardless of the ownership decision*, labor cost savings are not realized. City water staff who, for example, currently spend part of their time maintaining the Springs system will be re-allocated to other priorities of the City's municipal system. The City will continue to pay the salaries of its staff, and the projected *labor expense for the City will not change*. The decision analysis considers only the *incremental* change in revenues and expenses associated with the ownership decision in order to accurately estimate the net cash flow stream associated with divestiture of the assets.

Net Financial Impact

From the City's perspective, net cash flows under an ownership transfer scenario are estimated to total (positive) \$0.42 million over the 30-year forecast period.³ After accounting for the timing of the incremental cash flow stream, the net present value of the ownership decision is a (positive) \$0.27 million. The positive cash flow impact indicates that, *under the existing rate structure*, the City will benefit from divestiture of the assets because total avoided costs (capital and O&M costs) will be greater than the value of the lost rate revenue stream. However, it is important to note that the net financial impact of the ownership decision is highly sensitive to the assumption that the City continues to subsidize existing Springs customers (i.e. forego implementation of full cost of service rates in 2016) if it continues to own and operate the system.⁴

Other Considerations

The City's decision to transfer ownership of the Springs system will be governed by more than financial considerations. Many different factors—beyond the scope of this analysis—should be weighed against the potential benefits and costs of the decision. Factors such as risk and liability, anticipated regulatory requirements, operational efficiencies, rate equity among customer classes, the City's priorities as a water service provider, and the administrative burden of managing the Springs system may take precedence over financial considerations.

Moreover, the estimated financial impacts of the decision can change significantly based on the Springs water rate ultimately adopted by the City, evolving water quality standards within the regulatory framework, or unanticipated capital expenditure requirements. Such risk factors may be difficult to measure, but must be considered along with the potential financial and non-financial impacts of divestiture to ultimately establish a fair market value for the Springs water system.

Conclusions

Using a discounted cash flow approach, this memorandum presents an estimate of the potential financial impacts to the City if it decides to transfer ownership of the Springs

³ In current (2016) dollars.

⁴ Under a scenario in which full cost of service rates are implemented on January 1, 2016, the value of the lost rate revenue stream increases to \$3.34 million and the resulting net cash flow impact is expected to be a (negative) -\$0.59 million with an NPV of (negative) -\$0.46 million.

water system. Results are based on available financial and customer account data provided by the City. Under an assumption that the City would continue to subsidize the costs to serve Springs customers, the net cash flow impact of the anticipated ownership transfer is approximately \$0.42 million over a 30-year forecast period.

Other conclusions, based on GRG's analysis of system revenues and costs, include:

- Pipelines and existing treatment infrastructure of the Springs water system is valued at approximately \$650,000 based on the Depreciated Replacement Cost method.
- Although cost-of-service rates were calculated for Springs customers shortly after the chlorination treatment project was completed, Springs customers have contributed very little to the overall cost of this project as a result of phased implementation of rates and increasing O&M cost requirements.
- The City's projected financial impact is highly sensitive to the assumed 2016 water rate for Springs customers (i.e. the level of cost subsidization that will persist for Springs customers in the future if the City continues to own and operate the system).
- Ownership and operation of the Springs water system by CSWA at existing rates is projected to be a "break even" proposition from a cash flow standpoint (i.e. revenue neutral). This estimate assumes that CSWA is (1) subject to the same capital expenditure requirements outlined above, (2) that it can operate the Springs water system at approximately 80% of the City's O&M cost (or \$45,000 per year), and (3) that it continues to charge existing water rates to Springs customers.



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Mail: P.O. Box 699
Newberg, OR 97132
Email: info@hilandwater.com
Internet: www.hilandwater.com

September 22, 2015

Jay Harris
Newberg Public Works Director
414 E. First Street
Newberg, OR 97132

Re: Divestiture of Newberg Springs Fiscal Impact

Dear Mr. Harris,

I've been asked to provide some input from Hiland's perspective regarding the Fiscal Impact to the City of Newberg caused by the divestiture of the Newberg Springs to Chehalem Springs Water Association. As the most active purchaser of water systems in the State of Oregon during the last decade, Hiland may have some helpful perspective in terms of determining market valuation and providing analysis. I've prepared the following text relating to plant value. If you want, I invite you to use any or all of it as a source to write your Request for Council Action.

- 1. Real Estate (91.3 acres) and Water Rights:** This watershed has served as the source of water for the surrounding community for over 100 year and fulfills an ongoing obligation in the areas of health and safety to provide drinking water to 72 homes. This obligation serves as an encumbrance to the land as it cannot be extricated from this perpetual liability without the development of alternate water sources. Because the watershed land is steep and topographically constrained, it is highly doubtful that the development of alternate water sources would yield any value at all. On the contrary, cost would likely exceed the eventual market value of the watershed property. The same is true for the Water Rights attached to each spring: their value is in fulfilling an obligation to the surrounding community and transfer of rights to another water source would be costly, if even possible at all, while leaving a void in the obligation of service to the 72 homes served by the springs. Therefore, the property and water rights have no net stand alone value to the City of Newberg except to fulfill the City's current obligation of serving water to the community.
- 2. Piping Infrastructure:** The springs system mainlines and service lines are comprised of 46,500 lineal feet of piping, which amounts to an average of 646 lineal feet per customer. While the replacement cost of such infrastructure is high, the abnormally high ratio of lineal feet per customer actually decreases market value. This is because the large amount of pipe creates exposure in the form of higher than average operating expenses in the long run due to line replacement costs, increased water loss, and increased probability of water line breaks. Since this infrastructure no longer transports water to the City, it no longer holds the value it once had in serving the City of Newberg's water needs. Additionally, the City has been following a 75-year replacement plan, meaning a large percentage of the existing pipeline is over 40 years old and entirely depreciated. As such, the value of line replacement in recent years has been largely cancelled by the liability of outdated water lines yet to be replaced, making the value of the piping system negligible.
- 3. Treatment Systems:** The design and engineering of the significant upgrades performed in 2008 were apparently completed prior to the decision to disconnect the Springs system from the City water system. If so, that would explain why the treatment systems are oversized and currently treat 10 times the water that is required to serve domestic water to the 72 homes on the water system. Unfortunately, this has resulted in sunk construction costs incurred by the City of Newberg and environmentally unfriendly chemical wastefulness. Both issues have contributed to inflated water charges to the water users in an effort to recover construction costs and pay for unreasonably high ongoing chemical expenses. For long term financial sustainability, much of the current

treatment plant should be replaced with smaller and less costly chlorine injection and corrosion control systems. When considering cost recovery for an asset that is not fully utilized, the Oregon Public Utility Commission will often determine value based on what percentage is "used and useful." Since only about 10% of the treatment systems are useful, its valuation would be about 10% of historic costs.

Thank you for your efforts in bringing this divestiture to fruition. I hope you find our input helpful and look forward to working with you and Chehalem Springs Water Association during the transition of operations.

Sincerely,

A handwritten signature in black ink, appearing to read "Silas Olson". The signature is written in a cursive style with a large initial "S".

Silas Olson
General Manager
Hiland Water Corp.

Cc: Truman A. Stone

REQUEST FOR COUNCIL ACTION

DATE ACTION REQUESTED: December 7, 2015

Order ___	Ordinance ___	Resolution <u>XX</u>	Motion ___	Information ___
No.	No.	No. 2015-3244		

SUBJECT: Initiate an amendment to the Newberg Municipal Code, Title 15 Development Code for Time, Place and Manner Regulations for Medical Marijuana Growers and Processors

**Contact Person (Preparer) for this Motion: Doug Rux, Director
Dept.: Community Development
File No.: DCA-15-002**

RECOMMENDATION: Adopt Resolution No. 2015-3244, initiating an amendment to the Newberg Municipal Code, Title 15 Development Code for Time, Place and Manner regulations for Medical Marijuana Growers and Processors.

EXECUTIVE SUMMARY: On March 19, 2014, Senate Bill (SB) 1531 was signed into law. SB 1531 gives local governments the ability to impose certain regulations and restrictions on the operation of medical marijuana dispensaries, including the ability to impose a moratorium for a period of time up until May 1, 2015. The city adopted a moratorium on April 7, 2014 by passage of Ordinance No. 2014-2772. On February 2, 2015, the Newberg City Council initiated a potential amendment to Newberg's Development Code regarding medical marijuana dispensaries.

The Oregon Legislature enacted four bills during the 2015 legislative session related to the Oregon Medical Marijuana Act and Measure 91. House Bill (HB) 3400 was the omnibus bill covering recreational marijuana and modifications to the medical marijuana program. HB 2014 was enacted addressing taxes on the sale of recreational marijuana, SB 460 related to limited retail sales of marijuana from medical marijuana dispensaries and SB 844 enacted a task force on researching the medical and public health properties of cannabis. In addition to the enacting of the four bills the Oregon Liquor Control Commission adopted temporary Oregon Administrative Rules (OAR's) on October 22, 2015 for recreational marijuana under Chapter 845, Division 25 and the Oregon Health Authority adopted temporary OAR's on September 22, 2015 for revisions to the medical marijuana program under Chapter 333, Division 8.

On April 6, 2015 the Newberg City Council passed Ordinance No. 2015-2780 regulating the time, place and manner for medical marijuana dispensaries within the city.

On September 8, 2015 the Newberg City Council was provided background information on medical and recreational marijuana at its Work Session. At its Business Session on September 8th the City Council established the Marijuana Subcommittee (Subcommittee) comprised of Councilors Rourke, Bacon and McKinney along with nonvoting member Mayor Andrews. The City Council also directed staff to bring back an ordinance with a ban of the sale of recreational marijuana from Medical Marijuana Dispensaries.

On September 21, 2015 the Newberg City Council passed ordinance 2015-2787 declaring a ban on the early sale of recreational marijuana by marijuana dispensaries and declaring an emergency.

The Subcommittee met on November 19, 2015 to review the similarities and differences between the medical marijuana and recreational marijuana programs. The Subcommittee was briefed that the operational date for the medical marijuana modifications in HB 3400 was March 1, 2016. The Subcommittee was also

provided a timeline of dates and activities that would need to occur to prepare time, place and manner land use regulations for medical marijuana growers and processors. The Subcommittee subsequently passed a motion 3-0 directing staff to create an RCA to initiate the Development Code Amendment for medical marijuana grower and processor regulations to bring forward for Council consideration on December 7.

The proposed amendment would include the following changes:

1. Time, place and manner land use regulations for medical marijuana growers and processors.

The City Council is not asked to make a decision on these proposed changes at this time; only to initiate the amendment so that these proposed changes can be studied through the public hearing process. If the Council initiates the amendment, staff will schedule the item before the Subcommittee, then for a hearing at the Planning Commission for a recommendation and then the City Council for a final decision.

FISCAL IMPACT: No fiscal impact at this time.

STRATEGIC ASSESSMENT (RELATE TO COUNCIL GOALS): Initiating the Development Code Amendment will help meet Goal #1 – Create a clear vision for the future of Newberg, maintain its small town feel and Objective 1.1 – Support and encourage efforts to create a specific vision for Newberg.



RESOLUTION No. 2015-3244

A RESOLUTION INITIATING AN AMENDMENT TO THE NEWBERG MUNICIPAL CODE, TITLE 15 DEVELOPMENT CODE FOR TIME, PLACE AND MANNER REGULATIONS FOR MEDICAL MARIJUANA GROWERS AND PROCESSORS

RECITALS:

1. The Oregon Legislature enacted four bills during the 2015 legislative session related to the Oregon Medical Marijuana Act and Measure 91. House Bill (HB) 3400 was the omnibus bill covering recreational marijuana and modifications to the medical marijuana program.
2. The Oregon Health Authority adopted temporary OAR's on September 22, 2015 for revisions to the medical marijuana program under Chapter 333, Division 8.
3. On September 8, 2015 the Newberg City Council was provided background information on medical and recreational marijuana at its Work Session. At its Business Session on September 8th the City Council established the Marijuana Subcommittee (Subcommittee) comprised of Councilors Rourke, Bacon and McKinney along with nonvoting member Mayor Andrews.
4. The Subcommittee met on November 19, 2015 to review the similarities and differences between the medical marijuana and recreational marijuana programs. The Subcommittee was briefed that the operational date for the medical marijuana modifications in HB 3400 is March 1, 2016. The Subcommittee was also provided a timeline of dates and activities that would need to occur to prepare time, place and manner land use regulations for medical marijuana growers and processors.
5. The Subcommittee passed a motion 3-0 directing staff to create an RCA to initiate the Development Code Amendment for medical marijuana grower and processor regulations to bring forward for Council consideration on December 7.

THE CITY OF NEWBERG RESOLVES AS FOLLOWS:

1. The City Council initiates an amendment to the Newberg Municipal Code, Title 15 Development Code for Time, Place and Manner Regulations for Medical Marijuana Growers and Processors. This starts the public process to study the proposed amendments.
2. By initiating this amendment, the council does not commit to taking any specific action on the proposal. It only wishes to give the amendment full consideration in a public hearing.

➤ **EFFECTIVE DATE** of this resolution is the day after the adoption date, which is: December 8, 2015

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

Sue Ryan, City Recorder

ATTEST by the Mayor this 10th day of December, 2015.

Bob Andrews, Mayor

REQUEST FOR COUNCIL ACTION

Date of Council Meeting: December 7, 2015

Order ___ No.	Ordinance ___ No.	Resolution ___ No.	Motion ___	Information <u>XX</u>
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**SUBJECT: Forward Looking Calendar,
City Open Houses**

**Contact Person (Preparer) for this
Item: Sue Ryan, City Recorder
Dept.:
File No.:**

EXECUTIVE SUMMARY: These items are informational for the Council and the public.

Share your vision for Newberg’s Downtown at a December 9th Vision Workshop! The workshop will be held from 4:30 p.m. to 6:30 p.m. on Wednesday, December 9th at the Chehalem Cultural Center, 415 E. Sheridan Street. There will be a brief presentation at 4:45 p.m. To contribute an idea before the Vision Workshop take an online survey at Downtown-Plan.org

The City of Newberg and design consultant Project Delivery Group LLC invite you to a multi-year, multi-phase project open house to learn about the proposed storm improvements from Blaine and 6th Streets to 1st and School Streets. This project will replace and/or relocate existing storm pipes that are under capacity, under existing buildings or at the end of their design life.

Come to Newberg Friends Church on Wednesday, December 9 from 7:00 to 7:30 p.m. at 600 E. 3rd Street. Need to know more ? Call or email Paul Chiu, PE, Project Manager at (503) 554-1751 or paul.chiu@newbergoregon.gov

FISCAL IMPACT: None

STRATEGIC ASSESSMENT (RELATE TO COUNCIL GOALS): To keep the citizenry informed.

**NEWBERG CITY COUNCIL
2016 FORWARD LOOKING CALENDAR**

Monday, January 4, 2016

Presentation on Court Amnesty program
Resolution 3242 IGA between ODOT & City for Newberg Dundee Bypass
Resolution 3245 OHalloran Hardship Water Connection Application

Monday, January 19, 2016

Report on Urban Forestry program
Presentation on Relay for Life
Presentation on Pavement Funding Options
Resolution on College Street Local Improvement District
Resolution on Supplemental Budget
Ordinance Transportation System Plan Amendment Wilsonville Road and
Newberg Dundee Bypass Route

Monday, February 1, 2016

2nd reading Ordinance Transportation System Plan Amendment Wilsonville Road and
Newberg Dundee Bypass Route

Monday, February 16, 2016