

NEWBERG CITY COUNCIL MINUTES
REGULAR SESSION
JANUARY 19th, 2016, 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 Stephen Rhodes, City Attorney Truman Stone, City Recorder Sue Ryan and Community Development Director Doug Rux.

COUNCIL ITEMS: Councilor Rourke had an item on the Clackamas County Commission meeting from today, Councilor McKinney had a question regarding sidewalks on Villa Road, and Councilor Corey had an item on CYFS.

PRESENTATION ON URBAN GROWTH BOUNDARY PROCESS OPTIONS: Community Development Director Rux said explained the history of the City's work on the Urban Growth Boundary. A decision was taken to DLCD who elevated it to the state level and it was remanded back to the City. During mediation the Council decided to withdraw from the process, which the state approved. Options for the City to expand its UGB included: the traditional method, the pending new UGB streamlined process or another process if the expansion was less than 50 acres.

The new streamlined process is called Vision 38. Expansion would be based on population and/or employment or a combination. There was a new way to establish study area boundaries, priority analysis, and serviceability. The new method was simpler, required a buildable lands study, and reduced ambiguity. Appeals would go to the Land Use Board of Appeals and applications were reviewed by DLCD and LCDC. It did not require an Economic Opportunities Analysis or Housing Needs Analysis. It had a 14 year horizon instead of 20 years, new standards for determining serviceable land, and the population forecast study looked both at residential and employment lands. The City had to wait until 2017 for a new population forecast.

The City had applied for a grant. DLCD wanted Cities to use the Vision 38 process. Evaluation work with the grant would be done between February 2016 and May 2017. There would also be a comprehensive public process. This would update the Comprehensive Plan goals and policies, do the buildable lands inventory, and establish the study area. This work could be used for both the traditional method or streamlined method, and the Council would need to decide which one to use. Funds had been budgeted to match the DLCD grant, which was given as a reimbursement, and he thought the work could be done for the amount of the grant and what was budgeted.

There was discussion on which method to use and how the grant reimbursement would work. CDD Rux said by accepting the grant the City would perform the tasks outlined in the scope of the grant and those were reimbursable. If they decided to use the traditional method, the City would have to fund an Economic Opportunities Analysis and Housing Needs Analysis which cost around \$80,000. It would cost around \$40,000 to finish the streamlined process and there might be other grant opportunities for that cost. How frequently the City went through the Urban Growth Boundary process to add land to its boundaries depended on growth. About every 20 years population doubled in a metropolitan area.

There was a discussion regarding the differences in 14 year and 20 year planning horizons and how much land might need to be added. CDD Rux said there would be an action item in the Business Session on accepting the grant or not.

PRESENTATION ON RELAY FOR LIFE: Michelle Martinez and Rachel Williams, Newberg Relay for Life, presented on the annual Relay for Life event in Newberg that helped fund cancer research. The event is June 25-26 this year at Newberg High School. They discussed the feedback from last year and wanted more participation. They requested to make the event a City of Newberg festival so they could improve their temporary signs and have more visibility.

OTHER ITEMS: Councilor Corey asked staff to follow up on the CYFS issue regarding homes in Newberg causing citizen complaints. CMPT Rhodes said the City needed to meet with the School District on the issue and he had not heard from the State on their investigation. Council President Denise Bacon and Police Chief Brian Casey wrote the State regarding the issue. Councilor Bacon said it looked like the State investigation had been completed and she was waiting to hear back from DHS with the details.

City Attorney Truman Stone reported on the Villa Road sidewalk property acquisition. A complaint was filed and served for the Newman property and they were currently in the time period where the defendant could file an answer to the claim.

There was a recess from 6:45 p.m. to 7:00 p.m.

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

PLEDGE OF ALLEGIANCE: The Pledge of Allegiance was performed.

CITY MANAGER PRO TEM'S REPORT: CMPT Rhodes said the Chehalem Valley Future Focus Group was putting together a meeting for all elected officials on April 14 to discuss a County-wide survey and visioning. He attended the Mid-Willamette Valley Council of Governments Managers meeting.

PUBLIC COMMENTS:

Merle Smith, resident in the Newberg School District, discussed the Newberg Dundee Bypass and how the upgraded classification of Wilsonville Road to minor arterial was being used as a reason to send more bypass traffic onto Wilsonville Road. He thought the reason for the classification was to gain capacity for funding. He said the chief engineers in Yamhill and Clackamas counties agreed that the upgrade classification only met one criterion, that it connected two cities. To handle more traffic, lane widths would have to be 12 feet and minimum shoulder widths would have to be four feet. Wilsonville Road had no shoulders or turn lanes. The road upgrade was aspirational, and the capacity was not there.

Stan Halle, Newberg area resident who paid school taxes, was the director of the Ladd Hill Neighborhood Association and chair of the Bypass Impact Committee. The Planning Commission had helped open the door to getting all the jurisdictions together to work out a solution to the situation. The modeling and analysis of the affected area was limited to City boundaries and accurate numbers on all County roads were not available. Statements saying 50 more cars would be going down Wilsonville Road were not defensible. ODOT narrowed down eight options to two, the no through and the through through. Neither design sufficiently relieved the expected congestion and public safety problems on both local streets and regional streets. The debate of these two options had become polarized, contentious, and caused a lot of misinformation and reactions that were replacing good analysis, sound logic, and reasoning. They wanted the bypass to be completed. He was suggesting looking at a northern solution to relieve the intense congestion on Springbrook Road and a southern solution. He suggested looking at the couplet design proposed by Councilor Essin for a solution to the northern area and Option 5 as a solution to the southern area. This would allow the project to continue on time and on budget.

Councilor Essin submitted the couplet design to the State, and the State said they would do a study on that suggestion. Option 5 had been looked into by the State, and they had dismissed that option. He asked Mr. Halle his opinion. Mr. Halle said they were in favor of both the couplet and Option 5 because they helped relieve the congestion and public safety issues. ODOT indicated they were willing to participate in the meeting suggested by the Planning Commission. There was discussion on the couplet design concept as an option to resolve the issue.

CONSENT CALENDAR:

MOTION: Rourke/Corey moved to approve minutes from January 4, 2016 and Resolution 2016-3246, A resolution authorizing the City Manager Pro Tem to appoint recommended candidates of Carolyn Lowery and Tiffany Valenzuela to Police Department – Communication Dispatch Services. Motion carried (7 Yes/ 0 No).

PUBLIC HEARING - ADMINISTRATIVE:

Resolution 2016-3245:

Mayor Andrews opened the hearing and called for any abstentions or conflicts of interest on the part of the Council. There were none.

City Engineer Hofmann presented the staff report. This was a hardship request for a water service to 14995 NE Cullen Road. This was to transfer a connection that already existed for a residential home to the City’s Springs system. A lot line adjustment and partition had been done, and the transfer was from one parcel to the new parcel. Staff concurred with the applicant that the property met the hardship request criteria as identified in the Code. The parcel was in the Springs system which had been transferred to the Chehalem Water Association in December 2015. The Association reviewed this request and approved the connection. The property owners would pay all the costs associated with the hardship request. Staff recommended approval of the application.

Proponent: Attorney Michael Galardi of Davis Wright Tremaine, representing the applicant Joseph O’Halloran, stated the property was northwest of town in the Springs area. The applicant had reconfigured the parcels to optimize their value. The Springs water connection was currently on parcel 1300, and the request was to transfer that to parcel 1400, which was a two acre site with an existing home that was carved out of parcel 1300. Mr. O’Halloran sold the property and part of the sale agreement was that the parties would work together for the transfer.

Opponents: None.

Mayor Andrews closed the public hearing.

MOTION: Corey/Bacon moved to adopt Resolution 2016-3245, A Resolution authorizing a hardship request for water service to 14995 NE Cullen Road including correcting the scrivener’s error in the packet. Motion carried (7 Yes/0 No).

RESOLUTION 2016-3249:

Mayor Andrews opened the hearing and called for any abstentions or conflicts of interest on the part of the Council. There were none.

Finance Director Zook presented the staff report. The reasons for the Supplemental Budget were: personnel services requests, operational costs that exceeded the anticipated budget, and housekeeping items such as transfers and corrections as the audit was wrapping up.

There was no public testimony.

Mayor Andrews closed the public hearing.

FD Zook recommended adoption of the resolution.

MOTION: Corey/Rourke moved to approve Resolution 2016-3249, A Resolution to adopt supplemental budget # 1 for Fiscal Year 2015-2016 beginning July 1, 2015 and ending June 30, 2016. Motion carried (7 Yes/0 No).

NEW BUSINESS:

Presentation on Pavement Funding Options – Public Works Director Harris discussed seven potential funding options to enhance pavement revenue sources. Those options were: local gas tax, general obligation bond, local option levy, street utility fee, street lighting fee, local improvement district, and construction impact fee. The goal was to get direction from Council on what revenue sources staff should study further. The Council wanted to maintain the current pavement

condition index which would cost \$2 million per year. Any new program would need to be phased in over time and he discussed a conceptual implementation plan.

There was discussion on a gas tax option, whether the current condition included gravel streets and the number of unpaved roads in Newberg. PWSD Harris said the City received money currently from the State that went to streetlights. He said Newberg did not have a local gas tax and the numbers to enact a tax would bring in some revenue but would be offset by the work to put it on the ballot and whether local voters would pass it or not. PWSD Harris said the pavement condition report did not include gravel streets. The pavement condition report would be done again in 2020.

Councilor Essin said it looked like it was going to be more expensive because the work was being done by contractors instead of staff. PWSD Harris explained currently the City contracted for paving as the City did not have a paving machine or roller or staff to man the machines. Staff was able to do pothole repairs and crack sealing. The goal was to contract out the larger jobs which was a cost savings through the size of projects.

Councilor Rourke was in favor of a gas tax, especially if they could charge all traveling through Newberg, not just local citizens. Councilor McKinney asked what should the City do to obtain a substantial number of dollars that could make a potential difference. PWSD Harris said the larger dollars came from general obligation bonds or local option levies and street utility fees. He thought a successful program would have both. There should be multiple sources of funding and he wanted to keep looking at the local gas tax as well.

Councilor Rourke did not think it would be received well to have a bond and a utility fee. He thought they should try for a bond or levy first and if that failed, then look at a fee. PWSD Harris said putting something on the ballot would take some time and if it didn't pass, they would be further out and having the same discussion.

Mayor Andrews asked who would collect the gas tax. PWSD Harris said it could be the State or the stations could send it directly to the City or the City could collect it. There was discussion regarding how the street lighting fee and street utility fee worked, how the State gas tax fit in, how much revenue these could bring in, and what it would be used for.

Mayor Andrews asked if they could assess a street utility fee on exempt properties. PWSD Harris said it was an option. CMPT Rhodes said one of the advantages of the street utility fee was that it would become an ongoing source of revenue but a general obligation bond would be for a fixed period. He said the other advantage of doing the combination was that the street utility fee would be spread across a broader base which could include exempt properties and businesses as well as tourists. A reason for going with a fee first was if a bond was defeated, it would be harder to impose a fee after that. Councilor Rourke thought imposing a fee would be a problem because it did not give citizens an opportunity to say yes or no.

PWSD Harris asked for further direction from Council on what avenues to pursue to do further research.

Councilor Essin thought the local gas tax would be the most well received option as users of the roads would be paying for it. He was concerned for people such as seniors with fixed incomes. With any election they were trusting the citizens saw the need. He thought starting with a street utility fee and then going out for a bond would be confusing. Councilor Corey thought it best to have revenue immediately instead of waiting for an election. Funds could be used right away for the roads from starting a fee sooner. He thought they should go one time to the voters for a levy and not a gas tax because the gas tax would not bring in enough funds. Councilor McKinney was concerned that since 2006 the cost to repair the roads had increased drastically. If people used something, it needed to be associated with a fee because it was not free. They needed to articulate the need and a plan to take care of the need.

Councilor Bacon said utility billing to collect a street fee was a fair mechanism to charge users as long as the money was used well. The biggest complaint from citizens was about the streets and once they saw what was being accomplished, they would be open to more improvement. The fee would be there for future maintenance as well. Councilor Woodruff said communication with the public would be a huge part of this plan. Councilor Rourke thought with the communication needed to include that the City would be doing both a utility fee and local option levy. He thought they should do the utility fee and local option levy and a Local Improvement District for the gravel roads. Mayor Andrews asked how vulnerable the local option levy was to compression versus a general obligation bond. CMPT Rhodes explained local options fell within the compression limit and general obligation bonds did not.

Mayor Andrews said they might not be collecting as much as they thought with a levy if there was compression. He thought staff should look at local option versus general obligation and a pre or post utility fee.

PWSD Harris would look further into a street lighting fee, street utility fee, and perhaps the local gas tax numbers would come in higher and that could be taken to voters as opposed to a levy or bond. He would check to see if the City could do the collection of the local gas tax.

RESOLUTION 2016-3251:

CA Stone said in order for the Council to hold executive sessions regarding the employment of a City Manager, the Council by statute had to adopt procedures for the hiring of the manager and allow for public comment.

MOTION: McKinney/Corey moved to approve Resolution 2016-3251, A Resolution adopting procedures for the recruitment and selection of the City Manager. Motion carried (7 Yes/0 No).

RESOLUTION 2016-3250:

CE Hofmann said Phase 1G of the bypass extended from Highway 219 on Springbrook Road to Highway 99W. The City had existing water and wastewater lines in Springbrook Road. As part of the construction the existing water line would need to be relocated. The existing wastewater line was deep enough that the construction would not touch it. ODOT would pay for the relocation of the water line but not for upsizing or changing of pipe materials. The existing water line was 15 inches and the previous five year CIP did include upsizing it based on the 2007 Sewer Master Plan. The growth projected in the 2007 Master Plan had not happened. It was determined that the wastewater improvements were not needed until more development occurred. Two overflow instances had occurred due to inflow and infiltration, not wastewater flow. The extension of the reuse line was also delayed until a master plan study was completed. However, the City would be upsizing the water line. Any development that was proposed had to explain its demand for water and wastewater which was evaluated against the existing available public utilities. There had been questions raised about a potential hotel and shopping center development if the line was not upsized. She explained the line closest to the site and the one they would most likely choose was a 24 inch line. There were many options for how the line could be installed. The agreement in front of the Council was for the design and construction of the water line. ODOT would pay for the design and construction of the relocation, and the City would pay for upsizing to a 24 inch line. The estimated cost was \$538,000. Construction would be completed in 2017.

Councilor Essin felt there was a need to upgrade the sewer line as he thought it was close to capacity. He suggested staff meet with Larry Anderson, former City Engineer, who thought the line was undersized and needed to be upgraded and had a way to solve the issue. He thought staff was doing a good job, but wanted to make sure the Council stayed informed. CE Hofmann cautioned the Council not to start managing projects as that was staff's job, but she could make sure the Council was informed of big decisions.

Councilor McKinney asked about capacity and future need. CE Hofmann said this project had not substantially changed. He asked about the reuse system on Springbrook. CE Hofmann said it was being reviewed as part of the Water Master Plan for feasibility, location of possible users, and the best place to spend capital investment. The reuse line was going underneath the sidewalk, not in the roadway.

Councilor Essin said the area to the north could be served by the reuse line and Springs line without having to spend more than an agreement with the golf course for the use of their line. There were ways to make this line work without spending a lot of money. He thought if they worked together they could find ways to get the job done and save money.

MOTION: Essin/Corey moved to approve Resolution 2016-3250, A Resolution to authorize the City Manager Pro Tem to finalize and execute a Cooperative Improvement (Utility) Agreement (No. 30647) with the Oregon Department of Transportation for the Oregon Route 18: Newberg-Dundee Bypass – Phase 1G (Springbrook Road). Motion carried (7 Yes/0 No).

RESOLUTION 2016-3252:

Community Development Director Doug Rux said this resolution would accept a grant award from the Department of Land Conservation and Development in the amount of \$30,000 to begin the process for an Urban Growth Boundary expansion. City staff had been in negotiations for what the grant money would be used for, which ended up being for a visioning process to look at the Comprehensive Plan goals and policies, to do a buildable lands inventory, establish a

study area, and develop Comprehensive Plan readiness documents. A population number was needed from Portland State University which would not be available until June or July 2017.

MOTION: McKinney/Bacon moved to approve Resolution 2016-3252, A Resolution accepting a grant award from the Department of Land Conservation and authorizing the City Manager Pro Tem to execute all grant documents. Motion carried (7 Yes/0 No).

COUNCIL BUSINESS:

Mayor Andrews gave an update on the Wilsonville Road issue. Clackamas County commissioners gave consensus that they would not forward a letter unless the City of Wilsonville forwarded a letter. CDD Rux stated staff had been looking at Clackamas County's TSP, Yamhill County's TSP, and City of Wilsonville's TSP. ODOT and the Ladd Hill Neighborhood Association were willing to get together to discuss the Wilsonville Road issue. CMPT Rhodes said a staff member from Wilsonville would be meeting with a staff member from Clackamas County tomorrow. Yamhill County Commissioners had deferred taking any action and there would be more discussion with the Parkway Committee on Thursday.

Councilor Essin attended the Planning Commission meeting and in the packet ODOT had sent a letter to Wilsonville saying they had done a traffic study to be used for the outlying areas such as Wilsonville. CDD Rux said the Ladd Hill Neighborhood Association had submitted material into the Planning Commission record indicating that the traffic analysis that was done for the bypass was insufficient and inadequate as it did not go far enough to the east. ODOT said they had done the study and the information was in the packet. There was a question about the validity of claims by the Neighborhood Association. Councilor Rourke asked when the meeting to discuss this issue might take place and would it affect the timing. CDD Rux said it needed to be done expediently, but at this point ODOT had gone out to bid for the project. ODOT said they could do change orders to the contract for what construction activities would occur when. Councilor McKinney wanted to know about the couplets being proposed by Councilor Essin. CDD Rux explained it was one way northbound on Springbrook and one way southbound on Elliot as a way to reduce congestion and discussed the intersection modifications that would be required. ODOT said it was outside the NEPA and EIS process to go to Elliot and they would have to reopen it to look at it and they questioned where the funds would come from. Councilor Essin did a drawing to help Council understand ODOT's proposed design.

There was a brief recess.

Mayor Andrews asked Council to give staff guidance on the Relay for Life request.

CDD Rux suggested staff have a discussion with Relay for Life about their signage needs. Designation of the event as a City festival was a different issue. Relay for Life would need to submit a formal request to the Council which would be brought back to a Council meeting for action.

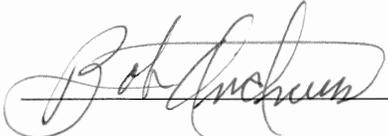
Mayor Andrews reported on the Martin Luther King, Jr. event at the Cultural Center which was well attended.

ADJOURNMENT: The meeting was adjourned at 9:40 p.m.

ADOPTED by the Newberg City Council this 16th day of February, 2016.


Sue Ryan, City Recorder

ATTESTED by the Mayor this 16th day of February, 2016.


Bob Andrews, Mayor