



**CITY COUNCIL AND LOCAL CONTRACT REVIEW BOARD MEETING AGENDA  
Monday, March 2, 2015 - 6:00 P.M.  
Council Chambers**

The meetings of the Newport City Council and the Local Contract Review Board will be held on Monday, March 2, 2015, at 6:00 P.M. The meetings will be held in the Council Chambers of the Newport City Hall, located at 169 S.W. Coast Highway, Newport, Oregon 97365. A copy of the agenda follows.

The meeting location is accessible to persons with disabilities. A request for an interpreter for the hearing impaired, or for other accommodations for persons with disabilities, should be made at least 48 hours in advance of the meeting to Peggy Hawker, City Recorder at 541.574.0613.

The City Council reserves the right to add or delete items as needed, change the order of the agenda, and discuss any other business deemed necessary at the time of the meeting.

**CITY COUNCIL MEETING AGENDA  
Monday, March 2, 2015  
Council Chambers**

*Anyone wishing to speak at a Public Hearing or on an agenda item should complete a Public Comment Form and give it to the City Recorder. Public Comment Forms are located at the entrance to the City Council Chambers. Anyone commenting on a subject not on the agenda will be called upon during the Public Comment section of the agenda. Comments pertaining to specific agenda items will be taken at the time the matter is discussed by the City Council.*

- I. Pledge of Allegiance**
- II. Call to Order and Roll Call**
- III. Public Comment**  
*This is an opportunity for members of the audience to bring to the Council's attention any item not listed on the agenda. Comments will be limited to three (3) minutes per person with a maximum of 15 minutes for all items. Speakers may not yield their time to others*

**IV. Consent Calendar**

*The consent calendar consists of items of a repeating or routine nature considered under a single action. Any Councilor may have an item on the consent agenda removed and considered separately on request.*

- A. Approval of City Council Minutes from City Council Work Session of February 17, 2015; Joint City Council/Urban Renewal Agency and Audit Committee Meeting of February 17, 2015, and Regular Meeting of February 17, 2015 (Hawker)
- B. Confirmation of Mayor's Appointments to Budget Committee of Dietmar Goebel for a term Expiring 12/31/17
- C. Approval of Tourism Facility Grant Agreements for Pacific Communities Health Foundation, the Newport Sea Lion Docks Foundation, and Maritime Museum

**V. Communications**

*Any agenda items requested by Mayor, City Council Members, City Attorney, or any presentations by boards or commissions, other government agencies, and general public will be placed on this part of the agenda.*

- A. From Robertson Sherwood Association - Update on Municipal Swimming Pool Project by Carl Sherwood and Scott Stolarczyk
- B. From Lincoln Community Land Trust - Regarding a Revised Memorandum of Understanding by Bill Hall

**VI. City Manager Report**

*All matters requiring approval of the City Council originating from the City Manager and departments will be included in this section. This section will also include any status reports for the City Council's information.*

- A. Report on the City of Newport Local Improvement District Implementation Plan
- B. Request for Funding by the Seal Rock Water District
- C. Scheduling a Public Hearing on City Council Goals for the 2015-16 Fiscal Year
- D. Discussion on Agenda for March 30, 2015, Town Hall Meeting

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VII.

**LOCAL CONTRACT REVIEW BOARD MEETING AGENDA**  
**Monday, March 2, 2015**  
**City Council Chambers**

- A. Call to Order
  - B. Authorization of Notice of Intent to Award the Construction for the 71<sup>st</sup> Street Pump Station and 1.0 mg Water Storage Tank
  - C. Authorization of an Agreement for Engineer of Record for the Municipal Airport
  - D. Adjournment
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VIII.

**Report from Mayor and Council**

*This section of the agenda is where the Mayor and Council can report any activities or discuss issues of concern.*

IX.

**Public Comment**

*This is an additional opportunity for members of the audience to provide public comment. Comments will be limited to five (5) minutes per person with a maximum of 15 minutes for all items. Speakers may not yield their time to others.*

X.

**Adjournment**



February 17, 2015  
11:30 A.M.  
Newport, Oregon

The City Council of the City of Newport met in a Work Session, on the above date, in Conference Room A of the Newport City Hall. On roll call, Swanson, Engler, Busby, Allen, and Roumagoux were present. Saelens arrived at 11:32 A.M., and Sawyer was excused.

Staff attending was as follows: City Attorney Rich and City Recorder Hawker.

Also in attendance were Dietmar Goebel, Stephen Garfield, Cheryl Paben, and Robert Parks, applicants to fill the vacancy on the Budget Committee.

Roumagoux thanked the four applicants for attending this meeting. She noted that there is one vacancy on the Budget Committee and encouraged the three people who are not selected to look at other city committees. She added that the appointment would be made at the March 2, 2015 City Council meeting.

Rich reported that under the City Council Rules, "The Mayor, subject to ratification by the Council, shall appoint all members of boards, commissions, committees, and task forces, and appoint persons to fill all vacancies. The City Manager will seek applications from all interested candidates. The Council may, and normally will, interview applicants for the Planning Commission and Budget Committee. Other committees, board, and task forces will make recommendations to the Mayor regarding candidates to fill vacancies that may occur on committees, boards, and task forces other than the Planning Commission and Budget Committee." He stated that the city has received four applications from citizens interested in serving on the Budget Committee, and that the four applicants are in attendance today. He added that following the interviews, Council can share any observations of candidates with the Mayor, and the Mayor will make appointment to Budget Committee, subject to ratification by the City Council, at the March 2 City Council meeting.

Council interviewed each of the candidates in the following order: Dietmar Goebel; Cheryl Paben; Robert Parks; and Stephen Garfield. The candidates responded to Council questions, and at the conclusion of Council questions, asked questions or made comments of their own.

Having no further business, the meeting adjourned at 12:10 P.M.



February 17, 2015  
5:00 P.M.  
Newport, Oregon

The City Council, Urban Renewal Agency, and Audit Committee of the City of Newport met in a joint meeting on the above date in the Council Chambers of the Newport City Hall. On roll call, City Council and Urban Renewal Agency members Allen, Roumagoux, Swanson, Sawyer, Engler, Saelens, and Busby were present. Audit Committee members present were Allen, Swanson, and Springsteen.

Staff present was City Manager Nebel, City Recorder Hawker, City Attorney Rich, and Finance Director Murzynsky.

Allen noted that this joint meeting will allow the Audit Committee to review the audit reports and highlight certain items in the audit documents. He noted that the Audit Committee met on February 5, reviewed the report with the auditors, and split up topics to present at this meeting. He added that Saelens is the alternate member of the Audit Committee.

**Urban Renewal Agency Audit** - Allen noted that there is a communication to the governing body and a management letter, and that these are the two documents that everyone should take a closer look at. He added that generally, the communication letter lays out the purpose of the audit; results of the audit; the clean opinion from the auditor; and the significant audit findings. He stated that the management letter notes one significant deficiency, but no material weaknesses. Murzynsky addressed the significant deficiency noting that responsibilities have been reassigned in the Finance Department, and that bank reconciliations should be timely in the future. Allen expanded on the reports and responded to questions.

**City Audit Report** - Allen reported that there is a communication to the governing body letter that is separate from the audit report. He explained the purpose of audit; noted the clean opinion from the auditor; and stated that the city audit was also a federal audit due to federal grants in excess of \$300,000. He noted that there is no management letter for the city audit because of the federal audit, and that the management letter information is incorporated in the audit report. Murzynsky noted that journal entries were not being approved in a timely manner, but that has changed with the reorganization of the Finance Department.

Springsteen reviewed the revenue and expenditures. He reported that the net result was that on a \$10,000,000 budget, revenue projections were only \$60,000 different, and that on the expenditure side, there was a surplus of \$900,000. It was noted that without the surplus, the next beginning balance would have been very small. Springsteen and Murzynsky responded to questions.

Murzynsky reviewed the management discussion and analysis. A brief discussion ensued regarding the administrator's actuarial reports for the pension, with Nebel noting that the bottom line is that the pension is going in the right direction. Nebel added that the City Council decision to eliminate the defined benefit program for new hires was an important step to take. He noted that the actuaries use a five-year smoothing that provides stability because it is a combination of the past five years and the future five years. Busby asked how the city's growth compares with others, and Nebel reported that the city is

doing pretty well. He added that the Retirement Board of Trustees receive a report which is staying close to targets and has a properly balanced portfolio. Allen noted that Nebel will be preparing a document for the next meeting of the Retirement Board of Trustees which will outline the different responsibilities of the board, staff, and City Council. Allen noted that Murzynsky will have more work on the pension auditing. Rich discussed the importance of discretionary immunity in decision making, noting that fiduciary duties cannot be ignored. Nebel reported that fidelity insurance coverage was discussed, and that it protects the city if large amounts of money are illegally diverted and not recoverable. He added that there are limits on what the city would receive back, and that the auditors believe that the governing body should review the limits so that they are comfortable with them. He stated that he will bring information to Council for a specific review based on best practices. It was suggested that Nebel find out what other organizations are doing in this area. Further discussion ensued regarding the minimum number of appropriated funds; what occurs if a bank fails; chain of command; and proposals for protecting the city and its employees.

Allen noted that the RFP for auditing services would close on Friday, and that there would be a staff review followed by a meeting of the Audit Committee for scoring and to decide which proposers to interview.

**Audit Committee - Report and Acceptance of the Independent Auditor's Report of the Financial Statements for the Fiscal Year Ending June 30, 2014 for the Urban Renewal Agency.** MOTION was made by Engler, seconded by Sawyer, to accept the independent auditor's report of the financial statements for the fiscal year ending on June 30, 2014 for the Newport Urban Renewal Agency. The motion carried unanimously in a voice vote.

**Audit Committee - Report and Acceptance of the Independent Auditor's Report of the Financial Statements for the Fiscal Year Ending June 30, 2014 for the City of Newport.** MOTION was made by Engler, seconded by Busby, to accept the independent auditor's report of the financial statements for the fiscal year ending on June 30, 2014 for the City of Newport. The motion carried unanimously in a voice vote.

## ADJOURNMENT

Having no further business, the meeting adjourned at 5:57 P.M.

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Margaret M. Hawker, City Recorder

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Sandra N. Roumagoux, Mayor

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David N. Allen, URA Chair

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David N. Allen, Audit Committee Chair

February 17, 2015  
6:00 P.M.  
Newport, Oregon

The City Council of the City of Newport met on the above date in the Council Chambers of the Newport City Hall. On roll call, Allen, Roumagoux, Swanson, Sawyer, Engler, Saelens, and Busby were present.

Staff present was City Manager Nebel, City Recorder Hawker, City Attorney Rich, Community Development Director Tokos, Library Director Smith, Finance Director Murzynsky, Fire Chief Murphy, Public Works Director Gross, and Police Lieutenant Malloy.

### PLEDGE OF ALLEGIANCE

Council, staff, and the audience participated in the Pledge of Allegiance.

### PROCLAMATIONS, PRESENTATIONS, AND SPECIAL RECOGNITIONS

Presentation from Oregon State Library to the Newport Public Library for its Outstanding Children's Summer Reading Program. Hawker introduced the agenda item. Katie Anderson announced that the Library received the Ready to Read grant. Rebecca Cohen accepted an award from the Oregon State Library recognizing the Newport Public Library for its Children's Summer Reading Program.

Police Officer Oath of Office. Hawker administered the oath of office to Lindsey Litchfield, the city's newly-hired police officer. Her dad pinned the badge.

### CONSENT CALENDAR

The consent calendar consisted of the following:

- A. Approval of City Council minutes from the joint City Council and Planning Commission work session of January 12, 2015; special meeting, executive session, and regular meeting of February 2, 2015;
- B. Approval of a recommendation to the Oregon Liquor Control Commission to grant a limited on-premises sales license for a new liquor outlet for Flashbacks Fountain and Grill;
- C. Approval of a recommendation to the Oregon Liquor Control Commission to grant a full on-premise sale liquor license for an increase in privileges for Green Gables Bed and Breakfast and Italian Café;
- D. Confirmation of the Mayor's appointments to:
  1. Destination Newport Committee of David Heater for a term expiring December 31, 2015;
  2. Airport Committee of Gary Baker for a term expiring December 31, 2015.

MOTION was made by Sawyer, seconded by Swanson, to approve the consent calendar with the changes to the minutes as noted by Allen. The motion carried unanimously in a voice vote.

## PUBLIC HEARING

**Public Hearing to Consider a Petition to Vacate Portions of NW 17<sup>th</sup> and NW 18<sup>th</sup> Streets.** Hawker introduced the agenda item. Nebel reported that on January 26, 2015, the Planning Commission held a public hearing to consider a petition requesting the vacation of portions of NW 17<sup>th</sup> and NW 18<sup>th</sup> Streets which was submitted by Rex and Theresa Capri. He stated that Mr. and Mrs. Capri applied to vacate one half of the right-of-way of 17<sup>th</sup> Street adjacent to Lots 16,17, and 18, in Block 8, of the Beach Park Addition, as well as one half of a 60-foot right-of-way on NW 18<sup>th</sup> Street adjacent to Lot 7, Block 8, of the Beach Park Addition. He added that the vacation, if approved, would narrow the right-of-way width in these locations, adjacent to the Capri's property, to 30 feet. He noted that Mr. Capri stated the purpose for the vacation would be to help preserve the area which consists of wooded canyons. He stated that Mr. Capri emphasized the challenges the city would have in building a full width street within the existing right-of-way due to topography. Nebel reported that the question in front of the Planning Commission was whether the public interest is best served by maintaining the right-of-way in its present condition or vacating the right-of-way and turning the land over to the adjacent property owner. He stated that in reviewing this request, the Planning Commission expressed concerns about conducting a partial vacation; the impact that it would have on existing utilities that are located in this area; and whether such vacation would impede emergency access by preventing future expansion or extension of the existing streets. He added that it appears that the gravel roadways would continue to remain on the 30-foot section of right-of-way that would be retained by the city in front of the Capri's property if the right-of-way is vacated. He noted that it does not appear that a survey has been performed to identify exactly where the new right-of-way line would be in relation to the existing roads and utilities. He stated that the Capri's were the only party that testified at the hearing, and that the Planning Commission focused on whether it was in the public interest for the Planning Commission to recommend that this vacation go forward. He added that based on the Commission's evaluation of the requested vacation, it voted unanimously to recommend that the City Council deny the request for a partial street vacation as outlined in file no. 2-SV-14.

At 6:15 P.M., Roumagoux stated that the public hearing before the Newport City Council was open to consider a petition by Rex and Theresa Capri requesting that portions of NW 17<sup>TH</sup> Street and NW 18<sup>th</sup> Street be vacated adjacent to property that they own (File No. 1-UGB-14).

Roumagoux asked whether any Council members need to disclose any conflicts of interest, bias, ex-parte contacts, or site visits. Allen reported that he had driven by the site. Sawyer reported that he had also driven by the site and exited his vehicle for a look at the property. Engler reported that she had driven by and walked around.

Roumagoux asked whether anyone in the audience objected to any Councilor, or the Council as a whole, hearing this matter. There was no objection.

Roumagoux reported that Oregon land use law requires that several items be read into the record at the beginning of each and every public hearing. She read the following

land use statement for the record: “The applicable substantive criteria upon which the petition will be decided are found in Chapter 271 of the Oregon Revised Statutes. Those standards include a requirement that (a) consent is obtained from the owners of “two-thirds” of the land within a notification area that extends 200-feet to either side of the right-of-way being vacated, and a distance of 400-feet from the terminal ends of the right-of-way being vacated; (b) that notice of the vacation proceedings has been duly given; and (c) whether the public interest will be prejudiced by the vacation of such plat or street or parts thereof (ORS 271.120). Further, abutting property owners must consent to the street vacation and approval is required from the Port Commission when the right-of-way is located within 5,000 feet of the Port’s harbor or pierhead line (ORS 271.190). All testimony, arguments, and evidence presented must be directed toward these criteria or other criteria in the Newport Comprehensive Plan or Newport Municipal Code which the speaker believes to apply to the decision.

The failure of anyone to raise an issue accompanied by statements or evidence sufficient to afford the Council and the parties an opportunity to respond to the issue will preclude appeal to the Land Use Board of Appeals (LUBA) based on that issue.

An issue which may be the basis for an appeal to LUBA shall be raised not later than the close of the record at or following this evidentiary hearing. Such issues shall be raised and accompanied by statements or evidence sufficient to afford the city decision makers and the parties an adequate opportunity to respond to each issue.

The failure of the petitioner to raise constitutional or other issues relating to proposed conditions of approval, if any, with sufficient specificity to allow the city to respond to the issue precludes an action for damages in circuit court.

The Council may, at the request of a participant or on its own accord, continue the hearing to a date certain to provide an opportunity for persons to present and rebut new evidence, arguments or testimony related to the approval criteria.”

Roumagoux reviewed the order of the proceedings as follows: “Staff and the petitioner will be allocated up to 20 minutes each for presentations. The petitioner will also receive up to ten minutes for final rebuttal. All others wishing to testify will be given three minutes each. The order of the testimony is as follows: staff report(s) summarized for the record; communications received, entered into the record; and all who wish to speak have filled out a speaker card.

Roumagoux reported that the petitioner and others may speak as follows: spoken or written testimony received; state your name and address for the record; and provide copies of written testimony.

Roumagoux reported that those opposed may speak as follows: spoken or written testimony received; state your name and address for the record; provide copies of written testimony.

Roumagoux reported that the petitioner may offer rebuttal testimony, followed by further questions from the City Council. She added that if a request is made for an open record or continuance, the schedule must be established.

Roumagoux reported that the city is only required to hold the record open beyond the hearing date if new evidence is presented at the hearing and the parties did not have sufficient time to provide their responses to that new evidence. She stated that if the petitioner or members of the public submit new evidence at the hearing, and the petitioner or public requests that the record be left open to allow them to respond to the evidence, then the following schedule can be used: close the oral testimony portion of

the hearing; deadline for submittal of additional written evidence, argument, or testimony: 5:00 P.M., Tuesday, February 24, 2015 (Documents must be received by the Planning Office, not post marked); deadline for responses to new evidence: 5:00 P.M. Tuesday, March 3, 2015; petitioner's final argument, unless waived, due: 5:00 P.M. Tuesday, March 10, 2015; set March 16, 2015 at 6:00 P.M. in the Council Chambers as the time and place for deliberation and a decision; motion is discussed and amended, if necessary, to extend the timeline; and vote.

Tokos reported that the applicable criteria, as set forth in ORS 271.120, are: whether the consent of the owners of the requisite area has been obtained; whether notice has been duly given; and whether the public interest will be prejudiced by the vacation of such plat or street; and under ORS 271.190. No vacation of all or part of a street, alley, common or public place shall take place under ORS 271.180 unless the consent of the persons owning the property immediately adjoining that part of the street or alley to be vacated is obtained thereto in writing and filed with the auditor or clerk of the city or town. No vacation shall be made of any street, alley, public place of part thereof, if within 5,000 feet of the harbor or pierhead line of the port, unless the port commission, or other bodies having jurisdiction over docks and wharves in the port district involved, approves the proposed vacation in writing.

Tokos presented the staff report. He reported that petitioners Rex and Theresa Capri have requested that the city vacate a 30-foot by 120-foot portion of the NW 17th Street right-of-way and a 30-foot by 40-foot portion of the NW 18th Street right-of-way adjacent to property that they own to increase the size of their property by approximately 4,800 square feet. He stated that this would reduce the street rights-of-way at these locations from 60-feet to 30-feet. He noted that the Capri's property abutting the rights-of-way is identified as Tax Lot 7901, Assessor's Map 11-11-05-BA (Lots 7, 16, 17, and 18, Block 8, Beach Park Addition to Newport Oregon), and that the property is undeveloped and zoned R-1/"Low Density Single-Family Residential."

Tokos reported that the city maintains gravel streets and public water and sanitary sewer lines in both of the affected rights-of-way, and that private utilities located within the rights-of-way include natural gas, electricity, and telephone. He stated that the city owns property immediately east of the Capri's parcel, between that site and commercial property further to the east adjacent to Highway 101. He noted that the city's property, and the Capri's property, contains a steeply sloped, vegetated drainage that flows east to west between the two streets. He added that the Capri's have staked out what they understand to be the perimeter of the area proposed to be vacated, and also called in utility locates to identify the approximate location of underground utilities. He stated that no survey information has been provided, so the exact location of the rights-of-way relative to existing streets and utilities is not known.

Tokos reported that the ORS, Chapter 271, contains the standards that local governments must use to evaluate petitions to vacate public street rights-of-way. He added that those standards include requirements that: consent is obtained from the owners of "two-thirds" of the land within a notification area that extends 200-feet to either side of the right-of-way being vacated, and a distance of 400-feet from the terminal ends of the right-of-way being vacated; that notice of the vacation proceedings has been duly given; and whether the public interest will be prejudiced by the vacation of such plat or street or parts thereof. He noted that the question is whether or not the public interest will be prejudiced if the rights-of-way are vacated.

Tokos reported that the Capri's, in their written narrative, argue that the public interest will not be prejudiced by the partial street vacations because the terrain in the area will not allow the streets to be developed to a 60-foot width. He stated that the Capri's also appear to assert that it is in the public interest that the canyon situated between the two rights-of-way be preserved and that vacating the rights-of-way to enlarge their undeveloped property furthers that objective. He noted that at the Planning Commission hearing, the Capri's submitted testimony confirming their belief that topography in the R-1 zone supports the vacation; that utilities within the roadbed are well outside the area proposed to be vacated (except for overhead utility lines along NW 18th Street); and that the city will gain property tax revenue by adding land to the tax base.

Tokos reported that City Engineer Gross submitted a letter in opposition to the proposed street vacation in which he notes that the city has water and sewer infrastructure in both of the street rights-of-way and that the full 60-feet of right-of-way width is needed to maintain the utilities. He added that Gross reports that private utilities, including natural gas, electric, and phone services are also situated within the rights-of-way. He stated that Gross indicates that it is possible that NW 17th Street may be extended in the future to intersect with NW Grove Street, providing access to adjoining undeveloped properties. He noted that should NW 17th Street be extended to NW Grove Street in the future, it would create a looped street system that is desirable for the convenience of area residents and public safety providers. He stated that Fire Chief Murphy submitted two letters after the Planning Commission hearing in which he indicates that he is opposed to the street vacation petition because vacating the right-of-way could potentially restrict emergency vehicle access to the area.

Tokos reported that rights-of-way reserved for future uses, such as street expansions or new utilities, need to be wide enough to afford service providers some flexibility in addressing localized constraints such as terrain and mature foliage without having to incur the expense of acquiring easements from neighboring property owners. He stated that since Gross is a licensed engineer, who is responsible for maintaining and enhancing the city's street and utility services, his opinion regarding the amount of right-of-way needed can be accepted as expert testimony. He added that the city has adopted a Transportation System Plan establishing 50-feet as the minimum right-of-way width for a residential local streets, and that this petition would reduce the right-of-way width to 30-feet, which is well below this standard.

Tokos reported that after conducting a public hearing, the Planning Commission concluded that vacating the rights-of-way would be prejudicial to the public interest for the reasons noted. He added that the Planning Commission felt that "as-is" the rights-of-way were not impeding the Capri's use of their property and that they could continue with their intended use to park vehicles and plant landscaping within the right-of-way. He noted that the Commission also felt that vacating the right-of-way would potentially impede emergency access, or improvements to such access, which would be irresponsible. He stated that finally, the Commission pointed out that even if the right-of-way were to be vacated, utility easements would have to be reserved over the vacated area, meaning the petitioners wouldn't be able to use the property in a manner that is any different than how they are using the existing right-of-way, so they didn't see how the public interest is served in vacating the right-of-way.

Tokos reported that no ordinance has been prepared, and if Council wishes to approve the vacation, it should direct staff to prepare an ordinance.

Allen noted that Gross had mentioned a future potential road in this location, and he asked for a timeline in which the road might be constructed. Gross reported that it is feasible that 17<sup>th</sup> Street could be extended at any time, but noted that 18<sup>th</sup> Street is different. He added that the road construction would be developer driven. Allen asked Murphy whether at this point in time, given the road configuration, there is adequate fire service at this location, and Murphy noted that fire service is marginally adequate. He added that 17<sup>th</sup> Street is rather narrow and not straight, and that there is not a good turnaround, so the only way to get the trucks out is to back them out. He noted that a through street would be beneficial. Busby asked whether it is possible for the Capri's to get an encroachment permit. Tokos noted that an encroachment is a possibility, but that they are generally used for fences and retaining walls. He stated that the city is striving for the street standards defined in the TSP. Engler asked whether this property could be used for housing, and Tokos responded that there is an inventory of properties that might be suitable for workforce housing, but that there is no specific use intended for this property at this time.

Roumagoux called for public comment.

Rex Capri, representing himself and his wife, spoke in favor of the vacation, noting that his application met the city's nine requirements for a street vacation. He stated that it is his understanding from the Community Development Department staff that the real sticking point is on number 6 regarding whether the interest of the public is prejudiced. He requested clarification of the definition of "public interest would be prejudiced." He stated that it is his understanding that any time there is a street vacation, the public interest would be prejudiced because the street goes to the property owner. He asked whether there would ever be a time when the public interest is not prejudiced in a street vacation. Tokos noted that the public interest is typically not prejudiced if there is no need for that right-of-way at any point in time. He added that if the right-of-way is currently being used for utilities and streets that this would be a red flag. He noted that if it is needed for a street or a utility in future, this would be another red flag. Allen suggested that the city could always reserve an easement. He asked whether there is a way to vacate the property and reserve easements, noting that the statutes talk about vacating with appropriate reservations. Gross noted that if the limitations on the easement are same as on the right-of-way, the restrictions are essentially the same.

Capri reported that Tokos stated that he (Capri) and his wife were arguing that the right-of-way could not be developed to a full 60 feet, but that it could be, but at a great cost due to the topography and other reasons. He stated that the water all comes out on his property, and the sand washed down and filled everything in, and this area became a swamp. He added that he bought the property with the idea of possibly using the right-of-way. He stated that to adequately fix the property, it would be necessary to dig out all of Grove Street from 16<sup>th</sup> Street to his property. He noted that no structures could be put in that area because of the water. He stated that 16<sup>th</sup> Street has a 30-foot right-of-way, and has houses and businesses on both sides and the street seems adequate. He added that Grove Street going north from 16<sup>th</sup> Street has developable lots. He reported that the owners signed a consent form to vacate the right-of-way. Capri asked Council to consider the consent of two-thirds of the people in the area which took two and one half months to obtain. He added that this is just under 70 percent. He noted that city staff

does not know when the property might be used in the future. He stated that there are many smaller streets that do not have a 60-foot right-of-way for emergency access. He asked whether all the houses on those smaller streets are unprotected by the Fire Department. He added that he is not asking to close streets, but rather for a partial street vacation which would leave 30 feet which would still allow a street to be constructed there. Capri suggested that Council look at whether it is in the interest of the city to keep these properties. He asked Council to think about whether the public interest would be prejudiced, or whether the city is holding onto something with no idea whether it would ever develop.

Swanson noted that in reading the Planning Commission minutes, it was mentioned that Capri was interested in planting trees and berries, and possibly constructing a shed. She asked why Capri would need the vacation since he already has the land. Capri reported that the property drops steeply into a canyon. Tokos noted that there is a ten-foot setback unless a slope variance is obtained. Capri reported that a ten-foot setback would be in unbuildable territory. Swanson noted that Capri had indicated that 12 feet is all that is necessary for fire trucks. Murphy responded that 12 feet is needed to get a truck in, but not to turn it around. He added that the Fire Code requires a minimum of 20 feet with no parking on either side. Gross reported that Murphy needs 97 feet in which to turn the biggest fire truck around.

Allen referenced the City Council packet which noted that Capri mentioned creating additional parking spaces on the vacated property. Capri reported that he planned to create two additional parking spaces in the dirt and gravel, and possibly construct a parking structure - either a carport or garage. Capri noted that he also planned to grow fruit trees which could be planted soon. A discussion ensued regarding the possible construction of a tree house, and whether this might be constructed in a tree on the vacated property. Allen asked Capri whether all these items are things that he wants for the benefit of property as he currently owns it, or to a successor, if sold. Capri confirmed that the most important consideration is for the property now as he is not worried about a future sale. Allen asked Capri for his position if the vacation does not proceed due to public safety concerns, and given what he wants to do with two properties, whether he would consider an encroachment permit which would allow him to do some of these improvements if the city gave a date certain as to when the city would definitely not need this property. Capri stated that an encroachment permit was a possibility, but that he would be reluctant to invest in a building. Allen noted that the two graveled parking spaces, the tree house, trees, and berries would be an expense but would benefit Capri as the property owner. Allen asked Rich whether an encroachment permit is doable, pursuant to the Municipal Code, based on Capri's initial position, and what he needs and wants. Rich noted that it is doable, but that the City Council needs to deal with the vacation issue first. A discussion ensued regarding time limitations on encroachment permits, and it was noted that most are for an undetermined period of time, and that the permits are handled administratively by the Community Development Department. Saelens noted that there are lots of streets that do not go through, and that it is frustrating that, as the city grows, to not imagine that some of the streets will not be improved.

Busby stated that he supports the vacation over the encroachment because he does not think that, in the foreseeable future - 15 - 30 years, the land will require a 60-foot street. He added that the city would also be collecting some taxes. He noted that he

would rather grant Capri what he is asking for rather than go the other way. He stated that Council has an obligation to protect the public interest, and an obligation to accommodate our citizens.

Capri reviewed access on 16<sup>th</sup>, 17<sup>th</sup>, and 18<sup>th</sup> Streets, and potential connections. He stated that 17<sup>th</sup> and 18<sup>th</sup> Streets will never be connected. Gross reported that the discussion about the street extension is moot as there are utilities in the right-of-way. He added that Capri's drawings are inaccurate. He stated that it is not possible to vacate half of a right-of-way and operate a sanitary sewer. He added that there need to be provisions for providing public infrastructure, as the public right-of-way is meant for utilities as well as roadway. Gross reported that the city is upgrading gravel streets in an attempt to fix problematic roads. He added that if the right-of-way is vacated, the city will have vacated public right-of-way that contains infrastructure. Engler noted that one benefit of the request is to preserve the canyon, and that Capri stated that it is not economically viable to make it buildable. Rich noted that if there is a condition that creates liabilities, that liability would not be eliminated by vacating the property. Engler added that this property could become part of the community forest system. She stated that if the property fell into the hands of someone who wanted to cut down the big trees, the city would lose control of the canyon, and it could be cut and filled. Allen stated that Capri's input was needed on the encroachment issue before the public hearing is closed. Nebel reported that in Capri's original letter to the Planning Commission, he stated that the purpose of the vacation request was to help preserve the area as it is. Capri was asked whether his solicitation of support from the neighborhood mentioned the greenhouse, garage, trees, etc. Capri stated that he let the neighbors know about the parking and tree swings, and that he did inform them that he was not going to fill the canyon. Nebel noted that with a right-of-way vacation, the City Council has to determine whether the vacation is in the best interest of the public. He added that in this case, the property owners will benefit by getting additional property from the city at no cost, but that Council must determine whether the public interest is being prejudiced. Capri stated that the word "prejudice" was not included in the final decision of the Planning Commission. Tokos noted that parking in the right-of-way, planting trees, and installing swings would not require an encroachment permit. He added that construction of a carport or retaining wall would require an encroachment permit, and that construction of a treehouse may not be covered by an encroachment permit depending on how extensive it is.

Roumagoux closed the public hearing for Council deliberation at 7:26 P.M.

Allen stated that he is undecided on the vacation issue, but feels that there might be a way with an encroachment permit or agreement that might give Capri what he needs right now.

Busby stated that the utilities are there and access has to be guaranteed through easements. He added that the vacation would provide the city with additional revenue, and noted that he does not believe that the property will be developed by anyone in the near future. He stated that the city has an obligation to provide citizens what they request unless it is detrimental to the city. He added if the city needed the land back, there are means to make that happen.

Allen stated that the fire safety issue has more near term viability, as there may be adequate fire service now, but it could be better if the street was reconfigured. He added that it is the potential of improving the road that Murphy is focusing.

Roumagoux asked how the city would access utilities if there was a structure on the property. Gross noted that there could be easements, but if necessary, the encroachment would be removed by the city. Gross recommended not losing the space needed to maintain utilities.

Saelens stated that he does not have a complete understanding of what the vacation might mean, and asked whether Council was ready to vote on the issue tonight.

Swanson stated that the problem she sees is that the vacation benefits one person on a block, and it is designed to enhance one person's property. Allen noted that he understands Swanson's position, but the focus has to be on whether the public interest will be prejudiced. Swanson noted that in listening to Gross and Tokos, she believes that the public interest would be prejudiced if the vacation was approved.

Engler stated that she appreciates all the work Capri has done, but in terms of the vacation, she is concerned about green spaces. She added that she thinks canyons are a fantastic resource for the city and the Tree City USA designation, and is concerned that if the property falls into the wrong hands, the trees could be cut and the canyon filled. She stated that she is not comfortable granting the vacation. Busby noted that there could be a non-development stipulation attached to the vacation.

Sawyer reported that the bigger problem is how this vacation would impact the public in the future. He added that he has reservations about the vacation.

MOTION was made by Swanson, seconded by Engler, to accept the Planning Commission's recommendation and deny the petition for the vacation of the northern 30-foot wide portion of NW 17<sup>th</sup> Street abutting lots 16, 17, and 18, Block 8, Beach Park Addition and the southern 30-foot wide portion of the NW 18<sup>th</sup> Street abutting lot 7, Block 8, Beach Park Addition since the public's interest is not served by vacating this public right-of-way and conveying it to the neighboring property owner. Allen stated that his decision will be a close call, but that he will vote in support of the motion and would like to bring up encroachment issue. The motion carried in a voice vote with Busby voting no.

Allen stated that he would like to discuss the encroachment permit. He suggested directing staff to work out parameters with Capri for an encroachment permit that would achieve Capri's goals and protect the city's interest. Sawyer stated that he would rather have Capri start the process with Tokos. Nebel noted that staff would be happy to discuss an agreement with Capri and bring a report back to Council.

**Public Hearing and Possible Adoption of Ordinance No. 2076 Amending the Housing Element of the Newport Comprehensive Plan.**

Hawker introduced the agenda item. Nebel reported that on January 26, the Planning Commission voted unanimously to recommend the adoption of changes to the housing element of the Newport Comprehensive Plan to add policy and implementation strategies that the city can pursue to assist Oregon State University and others interested in developing multi-family housing. He stated that the modification reflects the recommendations included in a report funded with the \$7,500 grant secured by the city in conjunction with a contribution from Lincoln County for the same amount of money to fund a combined planning effort to evaluate the impacts that additional students and faculty would have on the existing rental housing inventory. He added that the recommendation addresses issues ranging from having a sufficient inventory of appropriately zoned land available for multi-family development; consideration of various incentives to promote multi-family

development within the city; and review of various incentive programs such as tax exemption or leveraging community block grant funds to help facilitate this type of development with the community.

Nebel reported that this is a good proactive measure that was initiated jointly by the city and county in order to address steps necessary for the community to accommodate the proposed development of a 100,000 square foot research education building that would accommodate 450 additional students along with 40 to 60 new faculty members and staff.

At 7:45 P.M., Roumagoux stated that the public hearing before the Newport City Council was open to consider the possible adoption of Ordinance No. 2076 amending the Housing Element of the Newport Comprehensive Plan.

Roumagoux asked whether any Council members need to disclose any conflicts of interest, bias, or ex-parte contacts. There were none.

Roumagoux reviewed the order of the proceedings.

Tokos presented the staff report. He reported that Oregon State University is constructing a 100,000 square foot research education building as part of its initiative to expand the Hatfield Marine Science Center campus to accommodate 450 additional students, along with 40 to 60 new faculty members and staff. He stated that the first phase of the expansion is estimated to cost approximately \$50 million, and that OSU has secured about half of the needed funding. He added that construction is anticipated to begin in 2017 and will be completed in 2018.

Tokos reported that current vacancy rates for rental units in Newport fluctuate between two and three percent. He stated that the City has a deficit of nearly 500 affordable housing units for households that earn less than \$25,000 and more than one-third of its households cannot afford a two-bedroom apartment at HUD's fair market rent level of \$759.

Tokos reported that recognizing the need to get ahead of the planned expansion to ensure adequate housing will be available to meet the anticipated demand, the city secured this \$7,500 grant and, in partnership with Lincoln County, contributed \$7,500 to fund a planning effort to evaluate the impacts additional students and faculty will have on the city's existing rental housing inventory; review the city's buildable lands inventory and housing policies; identify lands suitable for student housing; research public/private partnerships and incentives available to address student housing needs; and prepare policies and strategies that can be pursued to promote the realization of additional multi-family development, including student housing.

Tokos reported that a stakeholder group was formed to guide the planning process, and that it included representatives from OSU, the OCCC, the DLCDC, staff from local governments in Lincoln County, and individuals with direct experience in real property development and rental housing management. He stated that ECONorthwest was hired to assist the stakeholder group, which met three times from late October through mid-November. He noted that this effort culminated in a report, by ECONorthwest, containing findings and recommendations that confirmed there is adequate land in Newport upon which student housing can be constructed to meet the anticipated demand; identified strategies that OSU can take to ensure that student housing is developed to support the HMSC expansion; and outlined policies and strategies the city should pursue to support the development of student and multi-family housing. He stated that the report is titled, "Newport Student Housing: Expansion of the Hatfield Marine Science Center, dated November 2014.

Tokos reported that on December 1, 2014, the City Council adopted Resolution No. 3700, a resolution accepting the analysis and recommendations of ECONorthwest report. He added that the resolution directed the Planning Commission to evaluate the policy and implementation measures identified in the report and provide a recommendation for how they might be incorporated into the City of Newport's Comprehensive Plan.

Tokos reported that the ECONorthwest report calls for the city to encourage development of multi-family housing, including student housing, throughout the city in areas that allow multi-family development. He stated that this is to be accomplished by evaluating opportunities to incentivize such development through use of a multiple unit tax exemption, or by leveraging Community Development Block Grant Funds. He added that the report identifies a need for the city to work with individuals owning property in the vicinity of, and including the Wilder development, and the ODOT to ensure that an adequate amount of appropriately zoned land is available for multi-family development.

Allen asked why the document contains mandatory language when discretionary language would be sufficient. Rich noted that if the intent is there, it provides context. After a brief discussion, it was agreed that the goals would remain the same, but the mandatory language of "will" will be replaced by the discretionary wording of "may endeavor."

Roumagoux called for public comment. There was none. She closed the public hearing for Council deliberation at 7:55 P.M.

MOTION was made by Allen, seconded by Swanson, to read ordinance 2076, an ordinance amending the housing element of the Newport Comprehensive Plan, as amended this evening with the word endeavor inserted in those three places, by title only, and place for final passage. The motion carried unanimously in a voice vote. Hawker read the title of Ordinance No. 2076. Voting aye on the adoption of Ordinance No. 2076 were Allen, Sawyer, Engler, Saelens, Busby, Swanson, and Roumagoux.

**Public Hearing and Possible Adoption of Resolution No. 3704 - a Supplemental Budget for Fiscal Year 2014/2015.** Hawker introduced the agenda item. Nebel reported that at the February 2 City Council meeting, a six-month financial report was provided to the Council showing various revenues and expenditures that have occurred between July 1 and December 31 of 2014. He noted that, as he indicated at that time, Murzynsky was developing a supplemental budget to make several adjustments to the budget based on activity occurring during the first sixth months of the fiscal year and to address issues that were not contemplated at the time of the budget. He stated that one significant change is the creation of a City Attorney cost center to reflect the fact that the City Council has hired an in-house attorney instead of contracting out all legal services. He added that in order to make this budget adjustment, individual legal services line items are being consolidated from a number of budgets to create a city attorney department budget. He noted that these changes end up being a wash within each of the funds. He stated that the way costs for activities outside the General Fund will be handled by the City Attorney will be through estimated charges for services from that fund the General Fund to cover City Attorney time. He noted that in several line items, there remain contracted attorney services where Speer Hoyt is being utilized yet in this fiscal year. He noted that these changes simply shift already appropriated funds from individual department line items to a City Attorney departmental cost center without increasing the overall budget in any of the affected funds.

Nebel reported that there are several other actions recommended in the supplemental budget including transferring \$75,000 from contingency to material and services for the work authorized by the City Council for the emergency sewer repairs conducted on Highway 101 and NW 15<sup>th</sup> Street. He added that 175,000 remains in the contingency line item in wastewater, and that it is recommended that \$5,000 be shifted from police personnel services to police personnel and services for the purchase of body cameras for department personnel.

Nebel reported that there is a shift of \$100,000 from the SE Ferry Slip Road improvement project to the SW 35<sup>th</sup> and Highway 101 street improvement project to address ODOT's desire to move up preliminary work regarding the SE 35<sup>th</sup> Street and Highway 101 project for engineering costs.

Nebel reported that a final amendment addresses issues that became apparent after the Siletz intake station was shut down at the end of the season. He added that the city reservoirs contain sufficient water during the winter and spring to keep up with the demand for drinking water within the city. He stated that for the balance of the year, the city pumps water from the Siletz River into the reservoirs to supplement the natural flow of water in order to meet the water demands. He noted that this summer, one of the pumps began experiencing extreme vibration and was taken out of service, and at the end of the pumping season, a second pump was observed to have vibration problems, so the pumps were examined after they were shut down at the end of the season. He stated that since there have been two pump failures this season, it is Gross' recommendation that, prior to the required time to begin pumping from the Siletz, that all three pumps be rebuilt including new propellers and bowl wear rings. He added that based on a worst case scenario, new valves would need to be purchased in addition to the pump work for a total cost of \$120,000 to complete this rebuild. He noted that \$175,000 was budgeted in contingency for the Water Fund in fiscal year 2014/2015, and that he believes it is important to address these issues at this time based on the critical nature of having efficiently operating pumps at the Siletz intake station during the summer season.

Roumagoux opened the public hearing at 8:03 P.M. She called for public comment. There as none. She closed the public hearing for Council deliberation at 8:04 P.M.

MOTION was made by Swanson, seconded by Allen, to adopt Resolution No. 3704, with attachment A, a resolution adopting a supplemental budget for the fiscal year 2014/2015 and making appropriations and changes. The motion carried unanimously in a voice vote.

## LOCAL CONTRACT REVIEW BOARD

The City Council, acting as the Local Contract Review Board, convened at 8:05 P.M.

**Authorization to Purchase Three Vertical Turbine High Service Pumps and Three Check Valves for the Siletz River Raw Water Intake Station.** Hawker introduced the agenda item. Nebel reported that as discussed earlier, staff is recommending replacement of three vertical turbine high service pumps and three check valves for the Siletz raw water intake station. He stated that quotes were solicited to have the pumps rebuilt, and based on the cost of rebuilding the pumps versus replacing the pumps, it is recommended that staff proceed with replacing the pumps for \$87,681, versus \$80,000

as a complete rebuild is needed including the propeller and bowl wear rings. He noted that staff would also recommend that Council authorize the replacement of valves if needed. He added that if all three valves cannot be repaired, then the cost to replace three valves would be \$28,824, and this would be the worst case scenario.

MOTION was made by Busby, seconded by Allen, to authorize staff to purchase three Fairbanks 12M 7-Stage Vertical Turbine Service Pumps from Granich Engineered Products, Inc. of Seattle, Washington in the amount of \$87,681.00. The motion carried unanimously in a voice vote.

MOTION was made by Busby, seconded by Allen, to authorize staff to purchase three APOC Slanting Disc Check Valves from Bay Valve Service in the amount of \$28,824. The motion carried unanimously in a voice vote.

## **RETURN TO CITY COUNCIL MEETING**

The City Council returned to its regular meeting at 8:07 P.M.

## **REPORT FROM MAYOR AND COUNCILORS**

Roumagoux had no report after having inadvertently left her written report with Senator Merkley.

Sawyer reported that he attended a recent meeting of the Destination Newport Committee at which the Committee interviewed several applicants for the vacant retail position. He added that the Committee endorsed David Heater for a Mayoral appointment to the Committee. He noted that the general manager of Ripley's flew into Newport on the corporate jet today. He added that there was a report from Lorna Davis regarding the Seafood and Wine Festival tent.

Sawyer reported that he served on the Leadership Lincoln panel on economic development for lower income families.

Sawyer reported that he attended a FEMA training for senior officials on all hazards event preparedness. He reviewed the session contents.

Sawyer reported the passing of Howdy Edelman, a long-time developer in the community. He noted that Edelman built the Belle of Newport and the waterwheel on the Bayfront.

Saelens reported that he attended the last aquatic center advisory group meeting earlier today. He noted that the plans look good and are consistent with the established goals. It was noted that Gross will be providing an update at the March 2 City Council meeting.

Swanson reported that she attended the ad hoc Sister City meeting at which the group discussed a potential student exchange in each country. She stated that the chair is communicating with representatives from Mombetsu.

Swanson reported that she attended Leadership Lincoln, the City Center Newport Association meeting, and the Town Hall meeting with Senators Merkley and Schrader earlier today.

Busby reported that he attended the memorial for Doug Nebert at the airport.

Busby reported that he plans to attend the Public Arts Committee meeting later this week, and that there are three new Committee members.

Engler reported that she attended the recent meeting of the Solid Waste Advisory Committee at which the emergency debris management plan was presented and discussed.

Engler reported that the Nye Beach Merchants Association is planning its annual Mystery Weekend in March. She added that the group is working on a new brochure, and a plan to clean up public rights-of-way. She suggested utilizing the services of the Angell Job Corps to help with clean-up on a regular basis.

Engler reported that she had visited the Neighbors for Kids program in Depoe Bay and suggested that this successful program be available county-wide. She noted that the Banner Project in Nye Beach raises money for art for kids, and proposed that this might be a good start.

Engler reported that MindMixer has the pedestrian crossing improvement project on its website for public comment.

Allen reported that after today's work session, he listened to the round table discussion on the Coast Guard litigation. He added that there were good updates on the legal and congressional fronts.

Allen reported that he plans to attend City Day at the Capital, and that he has made appointments to talk with Senator Roblan and Representative Gomberg on ocean related issues.

Allen reported that Secretary of State Kate Brown was a law school classmate of his, and he expressed hope that when she becomes governor that she keeps the current advisors in place for the near future.

Saelens recommended placing the siting for the wind feasibility study on an upcoming issue. Nebel noted that it would be helpful if Saelens could provide information that could be shared with staff, and a letter indicating what is being requested from the city.

Nebel reminded Council that the day-long goal setting session will be held on Tuesday, February 17, beginning at 9:00 A.M. He reviewed the process.

Allen asked Nebel what his anticipation is with the proposed visioning process as it relates to the City Council goal setting. Nebel noted that the goal setting notebook contains a section on the visioning process, and it will be a decision of Council to determine whether to move forward with the visioning process.

Nebel reported that he will be on vacation during the first meeting in March. He stated that during his absence, Library Director Ted Smith will be Acting City Manager.

## **PUBLIC COMMENT**

Rex Capri stated that he wished to rebut and clarify statements made by Gross regarding the boundaries of the property requested to be vacated. He noted that they are not exact, but were measured off survey markers, and should be within a few inches of being accurate. Gross discussed construction locates noting that the sewer line is in the middle of the road, and that the water lines are more difficult to accurately locate.

## **ADJOURNMENT**

Having no further business, the meeting adjourned at 8:35 P.M.

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Margaret M. Hawker, City Recorder

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Sandra N. Roumagoux, Mayor



# CITY MANAGER'S REPORT AND RECOMMENDATIONS



Agenda #: IV.B.  
Meeting Date: March 2, 2015

## Agenda Item:

### Confirmation of the Mayor's Appointment to the Budget Committee of Dietmar Goebel, with Term Ending 12/31/17

#### Background:

The vacancy on the Budget Committee was advertised with four individuals applying to fill the single vacancy on the Budget Committee. At a work session held on Tuesday, February 17<sup>th</sup> at 11:30 a.m., the Council conducted interviews of the four applicants. The Council rules provides that the Mayor, subject to ratification by the Council, shall appoint all members of Boards, Commissions, Committees, and Task Forces, and appoint persons to fill all vacancies. After considering the interviews and comments received from other members of the City Council, Mayor Roumagoux, has elected to appoint Dietmar Goebel to fill this opening on the Budget Committee for a term that will expire 12/31/17.

#### Recommended Action:

I recommend that the City Council confirm the appointment of Dietmar Goebel for the City's Budget Committee with term ending 12/31/17.

#### Fiscal Effects:

None.

#### Alternatives:

The City Council can choose not to confirm the appointment or as suggested by the City Council.

Respectfully Submitted,

Spencer R. Nebel  
City Manager

*called 2/11/15  
confirmed*

## Cindy Breves

---

**From:** CommitteeApp@newportoregon.gov  
**Sent:** Thursday, January 15, 2015 8:14 PM  
**To:** Cindy Breves; Peggy Hawker  
**Cc:**  
**Subject:** Committee Application

Application for City Council - Email Application

Date: 1/14/2015

Commission/Committee of Interest: Budget Committee

Name: Dietmar H. Goebel

Address:

Workphone:

Homephone:

Email:

Occupation: Architect

Employer: self

Why do you want to serve on this committee/commission/board/task force, and how do you believe you can add value? Every Citizen has the responsibility for the betterment and greater livability of his/her community. This also includes its financial viability of its built environment, community programs, City services and staff needs. This is my interest in volunteering for this committee. The value I bring would be a long understanding and history of this community, together with a commitment to helping the City continue to grow and work with its citizens to keep the City healthy and fiscally responsible.

What is a difficult decision you have made concerning issues of bias and/or issues of conflict of interest? "What's in it for me" should never be the driving motivation in friendships, family and community life. My experience is "always focus on the other and the other will take care of you". My church life at Atonement Lutheran Church has always been a very important part of my life here in Newport and when we were building, I needed to step away from the process and think of what was best for the community over my own personal desires and ambitions.

Describe the process of how you make decisions. This depends greatly on the situation, the problem or the question, but in general, consensus building is the desired process when working in groups or committees.

What do you think about consensus decision making? What does the consensus decision making process mean to you? Listening is the key to consensus building. If we listen to one another, we begin to better understand each other and have a greater chance at coming to a mutual decision with which everyone can agree. We might not always like the final solution but can resolve to agree for the greater good of the group or community.

Describe all other pertinent information/background for this position. I have previous experience with public committees, having served on the Newport Planning Commission for 12 years, the Lincoln County Planning Commission for 4 years and the Oregon City Planning Commission for 3 years. I have lived in the Newport Community for over 33 years and have a good understanding of the City and the Community. Linda and I have been married for 50 plus years with a family of five and over the years I have come to a greater understanding of compromise and consensus building. I now have three grand children who will be working their way through the local school systems and enjoying the City services. I have a very strong interest in seeing their happiness and success which a healthy and vibrant City will make possible.

I have also worked/served on numerous other groups and committees and am presently the president of our church. Working with the Hospital on the new Center for Health Education and the Port of Newport on their new office building has also given me additional understandings of working in groups to achieve a common goal.

Managing a business here in Newport for the past 33 plus years has also given me another unique understanding of the City and the community that would be beneficial to the work of the committee.

Thanks you for your consideration on my application.

Dietmar

**Cindy Breves**

*called 2/9/15  
left message  
Confirmed*

**From:** CommitteeApp@newportoregon.gov  
**Sent:** Friday, January 16, 2015 2:28 AM  
**To:** Cindy Breves; Peggy Hawker  
**Cc:**  
**Subject:** Committee Application

Application for City Council - Email Application  
Date: 1/16/2015  
Commission/Committee of Interest: Budget Committee  
Name: Stephen R. Garfield  
Address:  
Newport, OR 97365  
Workphone: N/A  
Homephone:  
Email:  
Occupation: Retired Pastor and Small Business Owner  
Employer: N/A

Why do you want to serve on this committee/commission/board/task force, and how do you believe you can add value? I thoroughly enjoy serving the community where my wife and I live. Based on my education and experience in participating on county, city and non-governmental committees, commissions and boards in other areas of the country, I believe I can add a unique perspective to the City of Newport.

What is a difficult decision you have made concerning issues of bias and/or issues of conflict of interest? While serving for approximately six years (four+ as Chairman) on the Environmental & Public Utilities Commission of the City of Redondo Beach, CA, I was constantly faced with issues of bias and/or conflict of interest. The meetings of the Commission were televised and highly controversial with much additional print media coverage. The most difficult one was taking on the entrenched water interests in Southern California on behalf of our Commission and City. The immediate issue at hand was local water rates, but quickly evolved into a broader struggle concerning the whole structure of water usage in Southern California and the extremely complicated structure that administers it. The whole situation reeked of long-standing biases and conflicts of interest. In the end, I represented the City and our Commission before a State of California Administrative Law Judge in a historic televised hearing in the Redondo Beach City Hall and won an immediate substantial reduction in local water rates and a simplification of the future decision-making process that seemed to be accepted, if not loved, be all. My decisions along the way had to balance the competing needs and desires of a multitude of factions, including my recognition that my personal desire for a reduced water bill for my own usage had to be balanced by the real need to seek fairness for all.

Describe the process of how you make decisions. 1) Define precisely the situation to be decided.  
2) Gather all the facts, and opinions, that can be reasonably ascertained that relate to the situation.  
3) Put in all the time necessary to fully understand the parameters involved, and the possible (or probable) effects of various decisions on all effected parties.  
4) Seek out wise counsel to further refine and test the relative merits of various decisions.  
5) Take the time to be sure I've made the best decision(s), given all the factors involved.  
6) Articulate the decision and the reasons for it precisely, giving all parties the benefit of knowing just how, and why, the decision was made, full well knowing that not all will be completely satisfied.  
7) Monitor the results of the decision(s), realizing that further decisions relating to the matter might well have to be made.

What do you think about consensus decision making? What does the consensus decision making process mean to you? Consensus decision making is simply the process of subjugating self in the interests of a better outcome for all. I have participated in the consensus decision making process my whole life, both publically and privately.

Describe all other pertinent information/background for this position. 1) BS, Engineering, Harvey Mudd College, Claremont, CA, with equivalent majors in Business and Economics from Pomona College and Claremont Men's College, Claremont, CA. Graduate work in Management Engineering at UCLA.

2) Engineering and management positions at several manufacturing companies.

3) Founder/owner of a manufacturers' representative company for 20 years, designing, selling and installing complex engineered process equipment to the food, chemical, pharmaceutical, minerals and general manufacturing industries. Served on numerous boards and committees for principals of firm.

4) Licensed pastor (International Church of the Foursquare Gospel). Served as Administrative and Executive Pastor for some ten years at two separate churches, one with some 700 families and the other with a PreK-12 school where I served as Headmaster.

Performed the entire gamut of ministerial activities, from the pulpit to the cleaning detail. Served as Project Manager for a \$5MM conversion of a 41,000 square feet manufacturing facility and a five acre property into a state of the art church, negotiating and supervising property acquisition, financing, and project design and construction.

5) Served 45 years on the Pasadena Tournament of Roses Association (now retired as an Honorary Life Member), managing the Rose Parade and Rose Bowl. While actively participating, served, and managed, some 15 different committees, ranging from Parade Operations to Tournament Entries, Float Construction to Post Parade, Television/Radio to Transportation.

6) Served four years as the City of Camarillo, CA, representative on the Citizen's Advisory Committee for the Ventura County, CA, Air Pollution Control Board.

7) Served six years (4+ as Chairman) on the Redondo Beach, CA, Environmental and Public Utilities Commission, involved with administering local utilities (including the local electric power plant), and all city environmental issues from waste hauling to recycling, pollution control to local harbor issues.

Casey 2/17/15  
Confirmed



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## Application for Commission/Committee Appointment

Please complete the form below and click the "Submit" button at the bottom of the page.

Date	1/23/2015
List the Commission/ Committee of Interest:	Budget
Name:	Robert Parks
Address:	
Work Telephone Number:	N/A
Home Telephone Number:	
Email Address:	
Occupation:	Retired
Employer:	Retired
(1) Why do you want to serve on this committee/commission/board/task force, and how do you believe you can add value?	I believe in serving the public -- believe I can add another voice to the process
(2) What is a difficult decision you have made concerning issues of bias and/or issues of conflict of interest?	I have had to excuse myself from committees during debates and votes where I had a personnel interest. I have also helped some who were being discriminated against.
(3) Describe the process of how you make decisions.	Read the verified facts and figures, listen to people who have expertise or strong opinions, consult with other committee members, then make a decision based on the merits of the proposal.
(4) What do you think about consensus decision making? What does the consensus decision making process mean to you?	Consensus decision making entails working with other members to come up with the best compromise acceptable to the committee, it is not a "my way or the highway" process and gridlock accomplishes nothing and helps no one.

(5) Describe all other pertinent information/background for this position.	22 Years USN -- AA general studies with Business heavy curriculum -- 63 years life experience -- desire to volunteer in the community.
Thank you in advance for your community spirit in offering to serve!	
	
Write the characters in the image above	<input type="text" value="hrs9sq"/>
<input type="button" value="Clear the whole form"/>	<input type="button" value="Send in Application"/>



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- Resolutions
- Agreements
- Committees
- Committee/Commission Application

## Application for Commission/Committee Appointment

Please complete the form below and click the "Submit" button at the bottom of the page.

Date	2/9/2015
List the Commission/ Committee of Interest:	Budget Committee
Name:	Cheryl Paben
Address:	
Work Telephone Number:	
Home Telephone Number:	
Email Address:	
Occupation:	Area Manager / Banking
Employer:	Bank of the West
(1) Why do you want to serve on this committee/commission/board/task force, and how do you believe you can add value?	My main branch of Bank of the West is in Newport, so I have a vested interest both personal and professional in the financial health of the city.
(2) What is a difficult decision you have made concerning issues of bias and/or issues of conflict of interest?	Standing firm on regulation and compliance which is not always the popular choice.
(3) Describe the process of how you make decisions.	Review and gather pertinent material, such as written and/or verbal, weighed against any standing policies.
(4) What do you think about consensus decision making? What does the consensus decision making process mean to you?	Consensus Decisions or general opinion can and does serve a valuable purpose to eliminate stale mates that can occur. It is important to hear and evaluate all opinions and give value where due.

<p>(5) Describe all other pertinent information/background for this position.</p>	<p>I have been in Banking for several years starting as branch manager and now holding the position of Area Manager. I manage numerous staff members and serve on various non-profit boards, currently and through the years. I enjoy a team work atmosphere and challenge and want to be a small part of Newport's success.</p>
<p>Thank you in advance for your community spirit in offering to serve!</p>	
	<p><del>Y95676</del> Change Image</p>
<p>Write the characters in the image above</p>	<p>35J57F</p>
<p>Clear the whole form</p>	<p>Send In Application</p>
<p> <a href="#">Site Map</a>   <a href="#">Disclaimer</a>   <a href="#">Employee E-Mail</a>   <a href="#">Contacts</a>   <a href="#">RSS Feeds</a>   <a href="#">Employment</a>                        City Hall                      169 SW Coast Hwy, Newport, Oregon 97365                      541.574.0603                      ©Copyright 2015                 </p>	





**Agenda Item:**

**Approval of Tourism Facility Grant Agreements with the Pacific Communities Health Foundation, the Newport Sea Lions Dock Foundation, and the Maritime Museum**

**Background:**

On September 2, 2014, the City Council approved the award of Tourism Facility Grants to the Sea Lion Dock Foundation in the amount of \$10,000, the Lincoln County Historical Society (Maritime Museum) in the amount of \$14,000, and the Pacific Communities Health Foundation in the amount of \$50,000. The Council directed that a grant agreement be developed for the disbursement of these funds. The City Recorder, Peggy Hawker, has been working with these organizations, to develop a grant agreement that is ready for consideration by the City Council. City Attorney, Steve Rich, has reviewed the agreements.

**Recommended Action:**

I recommend that the City Council approve the Tourism Facility Grant Agreements with the Sea Lion Dock Foundation in the amount of \$10,000, the Lincoln County Historical Society (Maritime Museum) in the amount of \$14,000, and the Pacific Communities Health Foundation in the amount of \$50,000; and authorize the City Manager to execute these agreements.

**Fiscal Effects:**

Sufficient funding has been appropriated for these grant agreements. Please note that the City Council has held the remaining portion of funding in the amount of \$26,000 for the Salmon of Oregon Spring Chinook rearing cages conditioned upon Salmon of Oregon addressing the shortcomings that were identified by the Tourism Facilities Grant Review Task Force in the 2014 proposal.

**Alternatives:**

The City Council can choose not to approve the grant agreements or as suggested by the City Council.

Respectfully Submitted,

A handwritten signature in blue ink, appearing to read "S. Nebel".

Spencer R. Nebel  
City Manager





Agenda Item # IV.C

Meeting Date 3/2/15

CITY COUNCIL AGENDA ITEM SUMMARY  
City Of Newport, Oregon

Issue/Agenda Title Consideration of a Tourism Facilities Grant Agreements with the Newport Sea Lion Docks Foundation, Pacific Communities Health District Foundation, and the Lincoln County Historical Society

Prepared By: Hawker Dept Head Approval: ph City Mgr Approval: \_\_\_\_\_

Issue Before the Council: The issue before Council is consideration of approval of tourism facilities grant agreements with the Newport Sea Lion Docks Foundation, Pacific Communities Health District Foundation, and the Lincoln County Historical Society.

Staff Recommendation: This is a City Council decision, although the City Council has previously approved the grant awards.

Proposed Motions: I move to approve the tourism facility grant agreements with the Newport Sea Lion Docks Foundation, in the amount of \$10,000; the Pacific Communities Health District Foundation, in the amount of \$50,000; and the Lincoln County Historical Society, in the Amount of \$14,000, and authorize the City Manager to execute the agreements.

Key Facts and Information Summary: The Newport Sea Lion Docks Foundation, Pacific Communities Health District Foundation, and the Lincoln County Historical Society applied for tourism facilities grants in the last grant round. These applications were vetted by the Tourism Facilities Grant Review Task Force and recommended for approval by the City Council. The City Council subsequently approved the grant awards and directed staff to prepare agreements with the grantees for Council approval. The agreements are attached. The agreements have been reviewed and approved by the City Attorney and the grantees.

Other Alternatives Considered: None.

City Council Goals: None.

Attachment List: Grant agreement - Newport Sea Lion Docks Foundation.  
Grant agreement - Pacific Communities Health District Foundation.  
Grant agreement - Lincoln County Historical Society.

Fiscal Notes: \$74,000 is the total fiscal impact. Once these funds are expended, there will be \$26,000 remaining of the \$1,000,000 that was originally designated for an event center. Salmon for Oregon has requested \$25,000, and Council approved an extension, until the end of the fiscal year, to provide additional requested information on which to base a decision as to whether to award the grant.

## GRANT AGREEMENT

BETWEEN: City of Newport,  
a municipal corporation of the State of Oregon, (City)

AND: Pacific Communities Health District Foundation  
a nonprofit corporation incorporated in the State of Oregon (PCHDF)

EFFECTIVE DATE: The latest date signed by the parties.

### RECITALS

- A. The City of Newport (City) is a municipal corporation with Home Rule authority pursuant to its Charter and the constitution of the State of Oregon.
- B. The Pacific Communities Health District Foundation (PCHDF) is a nonprofit corporation organized under section 501(c)(3) of the Internal Revenue Code and the Laws of the State of Oregon.
- C. Pursuant to state law and the Newport Municipal Code, the City collects transient room tax revenues from the occupants of transient lodging facilities located within the City.
- D. The City has created the Tourism Facilities Grant Program to facilitate grants of local transient room tax revenues (Grant Funds) to fund Tourism-Related Facilities.
- E. Tourism-Related Facilities are defined as a conference center, convention center or visitor information center, or other improved real property that has a useful life of 10 or more years and has a substantial purpose of supporting tourism or accommodating tourist activities.
- F. PCHDF submitted application materials to the City and was selected for an award of Grant Funds to be used by the PCHDF for the Center for Health Education, as described in the application materials attached to this Agreement as Exhibit A (Project).
- G. The Project is a Tourism-Related Facility because it is improved real property that has a useful life of ten or more years and has a substantial purpose of supporting tourism or accommodating tourist activities.
- H. The City wishes to grant, and PCHDF wishes to accept, Grant Funds totaling \$50,000 to be used for the project.

- I. PCHDF wishes to proceed with the project immediately. A description of the overall project timeline is contained in Exhibit and attached to this Agreement.

## AGREEMENT

1. The City agrees to grant and the PCHDF agrees to accept, Grant Funds in the amount of \$50,000 to be used to fund the Project described in the application materials attached as Exhibit A to this Agreement, subject to the terms and conditions of this Agreement.

### 2. DEFINITIONS.

- A. "Match" is any contribution to the Project made up of funds other than Grant Funds. Match may include:

- i. Cash on hand or cash that is pledged to be on hand prior to commencement of the project;
- ii. Secured funding commitments from other sources;
- iii. Pending or potential commitments of funding from other sources. In such instances, Tourism Grant Program funding will not be released prior to secured commitment of the other funds. Pending commitments of the funding must be secured within the time provided in this Agreement;
- iv. In-kind contributions (such as labor or materials) approved by the City; or
- v. Subject to approval by the City, monies expended by PCHDF on the Project prior to the effective date of this Agreement.

### 3. TERM.

This Agreement takes effect on the date it is signed by all the parties, and expires June 30, 2016, unless earlier terminated pursuant to the terms of this Agreement.

### 4. PCHDF OBLIGATIONS.

- A. PCHDF will perform all work on the Project.
- B. PCHDF will obtain all required city, state, and federal permits prior to beginning work on the Project.
- C. PCHDF represents that the Project constitutes a Tourism-Related Facility as defined in the City's Tourism Facilities Grant Program Policies, attached to this Agreement as Exhibit B.

- D. PCHDF acknowledges and agrees that Grant Funds received by PCHDF from the City pursuant to this Agreement will be used exclusively to perform work on the Project as described in Exhibit A. PCHDF further acknowledges and agrees that Grant Funds may not be used to refinance existing debt.
- E. PCHDF acknowledges and agrees that PCHDF is responsible for all the expenses of operation and maintenance of the Project, including but not limited to adequate insurance and any taxes or special assessments applicable to the Project.
- F. PCHDF will comply with all federal, state, and local laws and regulations applicable to the Project, including but not limited to the City's Tourism Facilities Grant Program Policies and workers' compensation laws.
- G. PCHDF will provide, upon the City's request, any documents or information identified or referenced in PCHDF's application materials. This information may include, but is not limited to, information pertaining to Project schedule, budget and cash flow, feasibility, readiness to construct, permits, likelihood of completion within a planned time frame, agreement for loan of the propeller from the Port of Newport, and other items related to completion of proposed Project elements.
- H. PCHDF has provided documentation acceptable to the City which shows that PCHDF has secured, at a minimum, a dollar for dollar Match of the \$50,000 of Grant Funds (Matching Funds) which will be available and committed for the duration of the Project.
- I. During the term of this Agreement, PCHDF will maintain its status as a tax-exempt nonprofit corporation, duly organized and validly existing under the laws of the State of Oregon.
- J. PCHDF will indemnify, defend, save, and hold harmless the City and its officers, employees, and agents from any and all claims, suits, or actions of any nature arising out of the activities and due to the negligence and/or fault of PCHDF, its officers, employees, agents, contractors, and subcontractors pursuant to this Agreement.
- K. Notwithstanding PCHDF's defense obligations described in paragraph I of this section, neither PCHDF nor any attorney engaged by PCHDF shall defend any claim in the name of the City, nor purport to act as a legal representative of the City, without the prior written consent of the City's attorney. The City may, at any time, elect to assume its own defense and settlement. The City reserves all rights to pursue any claims it may have against PCHDF if the City elects to assume its own defense.
- L. PCHDF acknowledges and agrees that the City shall have reasonable access to PCHDF's books, documents, papers and records related to this Agreement during the term of this Agreement and for a period of six years after termination of this

Agreement. PCHDF will make copies of applicable records available to the City upon request.

- M. PCHDF acknowledges and agrees that this Agreement does not create an employment relationship between the City and PCHDF, its officials, employees, agents, or contractors. PCHDF further agrees that PCHDF is exclusively responsible for all costs and expenses related to PCHDF's employment of individuals to perform work related to the Project, including but not limited to retirement contributions, workers' compensation, unemployment taxes, and state and federal income tax withholdings.
- N. PCHDF will keep an accounting of Grant Funds received pursuant to this Agreement to ensure that the Grant Funds are used as required by this Agreement. PCHDF will provide the accounting required by this paragraph to the City annually during the term of this Agreement, as well as upon request by the City.
- O. Within 60 days of completion of the Project, PCHDF will submit a final project report to the City detailing each expenditure of Grant Funds, and requesting payment of the remaining Grant Funds. In the event that PCHDF completes the Project without using all of the Grant Funds provided by the City, any unexpended Grant Funds will be returned to the City with the final project report, and the final project report will not include a request for payment of the remaining Grant Funds. The obligation to return unused Grant Funds upon completion of the Project survives the expiration or earlier termination of this Agreement.
- P. In the event of default by PCHDF under section 6 of this Agreement, PCHDF agrees, upon the City's demand, to return any unexpended Grant Funds to the City and to repay to the City any Grant Funds expended in violation of the terms and conditions of this Agreement or of the Tourism Facilities Grant Program Policies.

## 5. CITY OBLIGATIONS.

- A. Upon receipt of documentation satisfactory to the City showing that the Matching Funds required by section 4, paragraph H of this Agreement have been obtained for the Project, and that a building permit has been issued, the City agrees to pay PCHDF a lump sum payment of \$50,000 upon approval of the final project report by the City, as provided in paragraph B of this section.
- B. Within 30 days of the date the final project report is submitted to the City as provided in section 4, paragraph O of this Agreement, the City will either approve the report or notify PCHDF of any concerns that must be addressed or information that must be submitted before the report is considered complete. Once the final project report has been accepted by the City, the Grant Funds will be promptly paid to PCHDF.

C. Notwithstanding paragraphs A and B of this section, the City's payment obligations under this Agreement are contingent upon the availability of funds in the Tourism Grant Facilities Program.

## 6. DEFAULT.

A. The following constitute default by PCHDF under this Agreement:

- i. Failure to obtain the Matching Funds required by section 4, paragraph H of this Agreement by the time the request for funding is made;
- ii. Failure to substantially commence work on the Project within one year of the effective date of this Agreement;
- iii. Failure to complete the Project by June 30, 2016;
- iv. A determination by the City that material statements, information, or representations in the application materials attached as Exhibit A to this Agreement are false, misleading, fraudulent, or misrepresentations;
- v. A change in circumstances such that material information provided in the application materials attached as Exhibit A and relied upon by the City in making the decision to award Grant Funds to PCHDF is no longer true or accurate;
- vi. Failure of the Project to meet the definition of a Tourism-Related Facility;
- vii. Violation of any of the terms or conditions of this Agreement;
- viii. Dissolution of PCHDF; and
- ix. Appointment of a receiver, trustee, liquidator, or conservator for PCHDF or to take possession of all or substantially all of PCHDF's property; or the filing of a petition for bankruptcy, insolvency, dissolution, liquidation, or reorganization, or order for relief in which PCHDF is named as debtor, by, against, or with respect to PCHDF pursuant to any federal or state statute, regulation or law for the protection of debtors; and, with respect to any such appointment or filing, failure of PCHDF to secure a stay or discharge thereof within 45 days after such appointment or filing.

B. In the event of a default by PCHDF, the City will not exercise the remedies provided in paragraph C of this section unless and until the City notifies PCHDF in writing of the default and PCHDF fails to cure the default within 20 days of receipt of the notice; or if the default cannot reasonably be cured within 20 days, PCHDF commences action to cure the default within 10 days of receipt of the notice and diligently pursues the cure to completion. In no event will the time for opportunity to cure exceed 60 days from the date of receipt of notice of default. If the default

is not cured within the time provided in this paragraph, the City may elect to pursue any of the remedies provided in paragraph C of this section.

- C. In the event of default or failure to cure within the time period provided in paragraph B of this section, the City may pursue any one or more of the following remedies:
  - i. Revocation of Grant Funds;
  - ii. Withholding of undispersed grant funds;
  - iii. Return of unexpended grant funds by PCHDF;
  - iv. Repayment of expended grant funds by PCHDF;
  - v. Termination of this Agreement.
- D. The remedies provided by paragraph C of this section are cumulative, not exclusive, and are in addition to any other rights and remedies provided by law or under this Agreement.

## 7. TERMINATION.

- A. The City may terminate this Agreement effective upon delivery of written notice to PCHDF or at such later date as may be determined by the City upon the following conditions:
  - i. Default by PCHDF under this Agreement; or
  - ii. Lack of funding necessary to award Grant Funds to PCHDF.
- B. PCHDF may terminate this Agreement effective upon delivery of written notice to the City if the City fails to make payments due under this Agreement or fails to abide by the terms and conditions of this Agreement.
- C. Termination of this Agreement will not prejudice any rights or obligations of the parties accrued prior to termination.
- D. The City's entitlement to the remedies provided in section 6 of this Agreement survives termination of this Agreement.

## 8. NOTICE.

All notices given pursuant to this Agreement must be in writing and delivered to the parties at the following addresses herein. Notice given pursuant to this section will be deemed to have been received on the date of personal delivery, three calendar days after deposit in the United States mail postage prepaid, or on the date of confirmed delivery by: 1)

facsimile; 2) registered mail, return receipt requested; or 3) overnight delivery. Either party may change its notice address under this section at any time by written notice to the other party.

CITY:  
City of Newport  
Spencer R. Nebel, City Manager  
169 SW Coast Highway  
Newport, Oregon 97365

PCHDF:  
Pacific Communities Health District Foundation  
Ursula Marinelli, Executive Director  
930 SW Abbey Street  
Newport, Oregon 97365

#### 9. ASSIGNMENT.

PCHDF may not assign any of its rights, interests, or obligations under this Agreement without the prior written consent of the City, which may be withheld in the City's sole discretion.

#### 10. MODIFICATION.

No modification of this Agreement will be valid unless it is in writing and signed by both parties.

#### 11. RELATIONSHIP OF PARTIES.

The parties acknowledge and agree that nothing in this Agreement is intended to nor shall be construed to create any form of partnership or joint venture relationship between the parties.

#### 12. NO THIRD PARTY BENEFICIARIES.

This Agreement is entered into for the sole benefit of the City and PCHDF, and nothing contained herein is intended for the benefit of any other person or entity.

#### 13. SEVERABILITY.

If any provision of this Agreement is held by any court of competent jurisdiction to be invalid, such invalidity will not affect any other provisions of this Agreement, and this Agreement will be construed as if the invalid provision had never been included in this Agreement.

#### 14. WAIVER OF BREACH.

The waiver by either the City or PCHDF of a breach of any provision of this Agreement will not operate or be construed as a waiver of any other provision of this Agreement or of any subsequent breach of the same provision of this Agreement.

15. GOVERNING LAW.

This Agreement is to be governed by and construed in accordance with the laws of the state of Oregon, without regard to conflicts of law principles.

16. VENUE.

Any legal action or proceeding arising out of or relating to this Agreement shall be commenced in the Circuit Court of the State of Oregon for Lincoln County. The parties hereby consent to the jurisdiction of that court, waive any objections to venue and waive any claim that the forum is an inconvenient forum.

17. ENTIRE AGREEMENT.

This Agreement and all attached exhibits constitute the entire agreement of the parties relating to the subject matter herein. There are no promises, terms, conditions, or obligations oral or written other than those contained herein. This Agreement supersedes all prior communications, representations or agreements, either oral or written, between the parties relating to the subject matter herein.

18. COUNTERPARTS.

This Agreement may be executed in multiple counterparts, each of which will be considered an original and all of which together will constitute one and the same agreement.

19. PARAGRAPH HEADINGS.

Paragraph headings are used solely for convenience and are not to be used in construing or interpreting this Agreement.

20. AUTHORITY TO ENTER INTO AGREEMENT.

Each person executing this agreement on behalf of a party to this agreement hereby covenants that he or she is duly authorized by that party to bind that party to this agreement.

\_\_\_\_\_  
Spencer R. Nebel, City Manager  
City of Newport

\_\_\_\_\_  
Ursula Marinelli, Executive Director  
Pacific Communities Health District  
Foundation

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

**City of Newport Tourism Grant Application**

**Name of Applicant:** Pacific Communities Health District Foundation

**Mailing Address & City:** 930 SW Abbey Street, Newport OR 97365

**Contact Person:** Ursula Marinelli

**Contact Phone:** 541-574-4745      **Contact Fax:** 541-574-4761

**Contact Email:** umarinelli@samhealth.org

**Name of Project:** Center for Health Education

**Total Project Budget:** \$3,764,054

**Amount Requested:** \$50,000

**Authorization Signature:** Ursula Marinelli

**Title:** Executive Director

**General:**

Is the project proposed by a non-profit organization? (501(c) organization) Yes   x  

Will the project encourage people to travel to Newport from more than 50 miles away? Yes   x  

Will the project encourage people to spend the night in Newport? Yes   x  

Is the reason the project encourages visitors due to one or more of the following?:

Business   x  

Pleasure   x  

Recreation   \_\_  

Arts   \_\_  

Heritage   \_\_  

Culture   \_\_  

Requesting funding for improved real property with a useful life of at least ten years? Yes   x  

**Summary Description of the Project:**

We are seeking funding to support construction of the Center for Health Education in Newport, Oregon. The 1.5-story, 10,000 square-foot facility will include a community resource center, a teaching kitchen, labs for ongoing health professional training, and dedicated spaces for support groups, health classes and other community health-related activities. As a community hub for research-based health promotion and wellness activities, the Center will provide programs that help the residents and visitors to Lincoln County prevent or manage chronic illness, ultimately improving health outcomes and quality of life, while lowering health care costs. The Center will also offer training to health professionals from both inside and outside Lincoln County, drawing

**When do you anticipate completion of the project?**

We anticipate construction to be complete in April 2015. The target date for ground breaking is August 2014 and construction is expected to take nine months, according to the contractor, Quade Commercial Construction

**What is the plan for operations over a 3–5 year period?**

The Pacific Communities Health District will own the Center for Health Education and Samaritan Pacific Health Services (SPHS) will operate it, just as they operate the hospital/clinics.

Founded in 1983, the Pacific Communities Health District (PCHD) Foundation's mission is to assist the Health District, in partnership with SPHS, in acquiring equipment, services, and education to enhance the quality of medical care and health-related programs for the 30,000 community members, plus visitors, in our service area, which extends from Yachats to Depoe Bay and reaches the inland to Toledo and Siletz. SPHS includes clinics and Samaritan Pacific Communities Hospital, a 25-bed federally-designated Critical Access Hospital in Newport.

According to the Centers for Disease Control and Prevention, chronic conditions, such as arthritis and diabetes, are the leading causes of death and disability in the US today. Chronic diseases are also the most expensive, now accounting for 75% of healthcare costs (National Council on Aging website). These diseases, often the result of behavior and lifestyle choices, cannot be addressed through medical intervention alone. We are creating the Center for Health Education in response to this crisis. It will be a 1.5-story, 10,000 square-foot, green building containing a community resource center, teaching kitchen, labs for ongoing health professional training, and tailored spaces for support groups and health-related programs, workshops and conferences. The Center will be built on Health District-owned Hwy. 101 frontage property.

A community hub for research-based health promotion and wellness activities, the Center will provide programs that help people prevent or manage chronic conditions, ultimately improving health outcomes and quality of life, while lowering healthcare costs. In addition to providing programs directly to patients and community members, the Center will offer training to health care professionals from both inside and outside Lincoln County.

The hospital currently does not have the facilities to offer the breadth of ongoing professional certification needed by local health care professionals. As a result, our clinical staff must often leave the community to attend training programs offered elsewhere. With the construction of the Center, we will be able to provide ongoing certification programs needed by our local care providers. Many of these programs will be available not only for our own professionals but for others throughout the Pacific Northwest. Newport is a desirable destination and with the appropriate training facilities, could attract health professionals from across the region. Trainings and conferences that will be offered to attract professionals from outside the community include:

- Annual conferences and meetings of professional associations, such as the Annual Leadership Conference of the Oregon Center for Nursing, Children's Wellness Conference, Central Oregon Occupational Safety and Health Conference, and the Greater Oregon Behavioral Health, Inc's Spring Conference.

**Economic Impact:**

**Are project funds to be spent locally on?:**

Planning                    Yes X No     
Design                     Yes X No     
Construction            Yes X No     
Post-Construction      Yes X No   

**How does the project create local jobs in all phases?**

From the ground up, construction of a state of the art 1.5-story, 10,000 square foot facility will result in the creation of the full range of construction-related jobs. Examples include an architect, framers, carpenters, plumbers, electricians, painters, and so forth. In an effort to keep jobs local, we have intentionally enlisted the expertise of Lincoln County architects, Dietmar Goebel and Dustin and Amanda Capri, and contractor Quade Commercial Construction. Once construction is complete and the Center is operating, a full-time education coordinator position and a part-time resource librarian position will be created and supported by Samaritan Pacific Health Services to manage the Center.

**What is the projected economic impact?**

A minimum of 75% of the sub contractors for this project will be based in Lincoln County. Therefore, during the construction, \$1,885,540 will be pumped into the local economy. See “Tourism Spending” for additional impact.

**Will the project create spin-off businesses?**

The Center will encourage local health-related practitioners, organizations, and businesses to develop programs of interest to visitors and locals. For example, local therapist Deborah Lyman and physician David Long provide ongoing couples workshops. They offered a full-day Enneagram Program in the hospital education room, which attracted 50 participants (the room’s capacity) and many were from out of the area. These are the kinds of programs that will be encouraged and can be expanded once the venue is available. Just as the Newport Performing Arts Center provides a venue for entertainment of all kinds, the Center for Health Education offers space for local practitioners to provide a variety of health-related programs and activities.

**Tourism Spending:**

**How does the project encourage overnight stays?**

We expect to provide one- and multi-day health-related conference, drawing between 50 and 200 participants per event. There will be no lodging accommodations in the Center, so participants will need to stay in local hotels. Out-of-area participants attending one-day workshops are also likely to spend the preceding and/or subsequent night in an area hotel. We expect that the high quality of area accommodations in conjunction with the beautiful coast environment will make the Center an attractive venue for organizations looking for a host site for their event. Please see the table for details on the number of overnight stays we anticipate generating in Newport.

**How does the project encourage increased spending at local businesses?**

During conferences and programs, participants will spend between one and three nights in Newport. Visitors will eat meals at area restaurants. There will be the option to cater lunch,

Is the project off-season? Yes X No \_\_\_\_\_  
 Daily X  
 Weekdays X  
 Weekends X  
 Once a week \_\_\_\_\_

Is the project monthly? Yes X No \_\_\_\_\_  
 Daily \_\_\_\_\_  
 Weekdays \_\_\_\_\_  
 Weekends \_\_\_\_\_  
 Once a week \_\_\_\_\_

Is the project open on holidays? Yes \_\_\_\_\_ No X Only \_\_\_\_\_

Other: \_\_\_\_\_

Who is the targeted tourist? (Check all that apply)

Children \_\_\_\_\_  
 Families x  
 Adults 21+ x  
 Seniors x  
 Groups x  
 Business x  
 Pleasure x  
 Arts \_\_\_\_\_  
 Heritage \_\_\_\_\_  
 Cultural \_\_\_\_\_  
 Sports \_\_\_\_\_  
 Other x (health care providers)

Will the project attract repeat stays?

During a single stay? Yes x No \_\_\_\_\_  
 During a single season? Yes x No \_\_\_\_\_  
 During a single year? Yes x No \_\_\_\_\_  
 Over multiple years? Yes x No \_\_\_\_\_

**What is the potential for repeat business?**

Many health-related associations offer annual conferences and multiple workshops throughout a single year. This community is a haven for complementary therapy and mental health practitioners who can create ongoing programs designed to attract multiple levels of training. Using the Enneagram Workshop example, Deborah Lyman subsequently developed an ongoing series for people who have already taken the introductory course. Samaritan Professional Development offers multiple programs throughout the year. Health care professionals are required to renew certifications and gain new certifications regularly. There is always a need for health related programs.

**Is there a particular new demographic that the project is intended to reach?**

To our knowledge, there is no other facility on the Central Oregon Coast that specifically attracts health care providers to the area. They will be the primary demographic attending medical conferences at the Center.

**Who does the project attract?**

The Center is designed to appeal to, and respond to, the needs of a wide range of people, from those who are very ill and seeking information about their illness to those who are healthy and seeking information to help them remain healthy.

Events hosted at the Center will attract a range of participants, depending on the type of event offered. Health-related conferences, such as the Oregon Society for Anesthesiologists Annual Conference, will attract highly educated health professionals. Trainings and wellness programs will attract visitors from across the region interested in health and fitness.

Health professionals attending conferences often bring their spouses and children so that they can combine business with pleasure and relaxation. Since Newport is a destination location, the likelihood of participants bringing family members is high.

**Other:**

**How does the location relate to the current tourism hubs?**

The location will be sandwiched between the Lucky Thai Elephant Restaurant and the Samaritan Patient Financial Services building on Highway 101, just north of the Yaquina Bay Bridge. This is within walking distance of the Historic Bayfront, shopping in the Deco District and many area hotels. It is just a short drive (or more lengthy walk) to Nye Beach, the Oregon Coast Aquarium, the lighthouses, the Newport Recreation Center, and the Newport Performing Arts Center.

**How is the project energy efficient or environmentally friendly?**

The Center for Health Education will serve as an example of how energy efficiency and sustainability can be achieved in the coastal environment. The building will consider the environment in its layout, material selection, wall assembly, and mechanical systems. To begin, the building was designed as a thin, two story volume accessed by a central hall. Operable windows in the occupied spaces and clerestory windows in the circulation space provide natural light to each room and opportunities for cross ventilation. This will reduce the demand on the electric lighting and HVAC systems simultaneously. Large expanses of glass at each entry allow light to penetrate deep into the two-story circulation corridor, providing daylight from three sides and further reducing the need for electric light at the building's core.

Also featured in this central hall are exposed concrete floors. By protecting the structural floor throughout construction, the building will eliminate the need for a finished floor. In a variety of places, the building will leave the structure exposed, thus reducing the addition of finish materials. Where finish materials are used, low-VOC options will be selected. Wherever possible, materials incorporating recycled content will be used to reduce the embodied energy of the building.

Internal Revenue Service  
District Director

Department of the Treasury

DATE: JAN 17 1986



EP/EO-11 (70)  
Employer Identification Number:

93-0858825  
Accounting Period Ending:

June 30  
Form 990 Required:  Yes  No

Person to Contact:

EO Desk Officer  
Contact Telephone Number:

(206) 442-5106

The Pacific Communities Hospital  
Foundation  
721 SW Ninth Street  
Newport, OR 97365

Dear Applicant:

Based on information supplied, and assuming your operations will be as stated in your application for recognition of exemption, we have determined you are exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code.

We have further determined that you are not a private foundation within the meaning of section 509(a) of the Code, because you are an organization described in section 509(a)(3).

If your sources of support, or your purposes, character, or method of operation change, please let us know so we can consider the effect of the change on your exempt status and foundation status. Also, you should inform us of all changes in your name or address.

As of January 1, 1984, you are liable for taxes under the Federal Insurance Contributions Act (social security taxes) on remuneration of \$100 or more you pay to each of your employees during a calendar year. You are not liable for the tax imposed under the Federal Unemployment Tax Act (FUTA).

Since you are not a private foundation, you are not subject to the excise taxes under Chapter 42 of the Code. However, you are not automatically exempt from other Federal excise taxes. If you have any questions about excise, employment, or other Federal taxes, please let us know.

Donors may deduct contributions to you as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to you or for your use are deductible for Federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106, and 2522 of the Code.

box checked in the heading of this letter shows whether you must file Form 990, Return of Organization Exempt from Income Tax. If Yes is checked, you are required to file Form 990 only if your gross receipts each year are normally more than \$25,000. If a return is required, it must be filed by the 15th day of the fifth month after the end of your annual accounting period. The law imposes a penalty of \$10 a day, up to a maximum of \$5,000, when a return is filed late, unless there is reasonable cause for the delay.

(over)  
March 2, 2015

52

Letter 947(DO) (Rev. 10-83)

OGDEN UT 84201-0046

In reply refer to: 0423273402  
Mar. 16, 2011 LTR 252C 0  
93-0858825 000000 00  
00007436  
BODC: TE

PACIFIC COMMUNITIES HEALTH DISTRICT  
FOUNDATION  
PO BOX 945  
NEWPORT OR 97365-0072

Taxpayer Identification Number: 93-0858825

Dear Taxpayer:

Thank you for the inquiry dated Jan. 15, 2011.

We have changed the name on your account as requested. The number shown above is valid for use on all tax documents.

If you need forms, schedules, or publications, you may get them by visiting the IRS website at [www.irs.gov](http://www.irs.gov) or by calling toll-free at 1-800-TAX-FORM (1-800-829-3676).

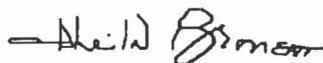
If you have any questions, please call us toll free at 1-877-829-5500.

If you prefer, you may write to us at the address shown at the top of the first page of this letter.

Whenever you write, please include this letter and, in the spaces below, give us your telephone number with the hours we can reach you. Also, you may want to keep a copy of this letter for your records.

Telephone Number ( ) \_\_\_\_\_ Hours \_\_\_\_\_

Sincerely yours,



Sheila Bronson  
Dept. Manager, Code & Edit/Entity 3

Enclosure(s):  
Copy of this letter

### Attachment III

#### Center for Health Education -- Executive Summary of the Business Plan

Driven and sustained by a payment system that rewards late intervention and expensive procedures, health care today is not designed to effectively prevent or manage the chronic conditions that are overwhelming our health care system nationwide. To provide high-quality, affordable health care for all Oregonians, the State of Oregon passed House Bill 3650 (July 2011), which mandates the implementation of Coordinated Care Organizations (CCO) for Oregon Health Plan (Medicaid and Children's Health Insurance Program) enrollees. Per House Bill 3650, Oregon's payment reform is converting from a fee-for-service model to a system that no longer rewards overutilization of medical services and undervalues preventive services. Chronic conditions account for 75% of health care costs nationally.

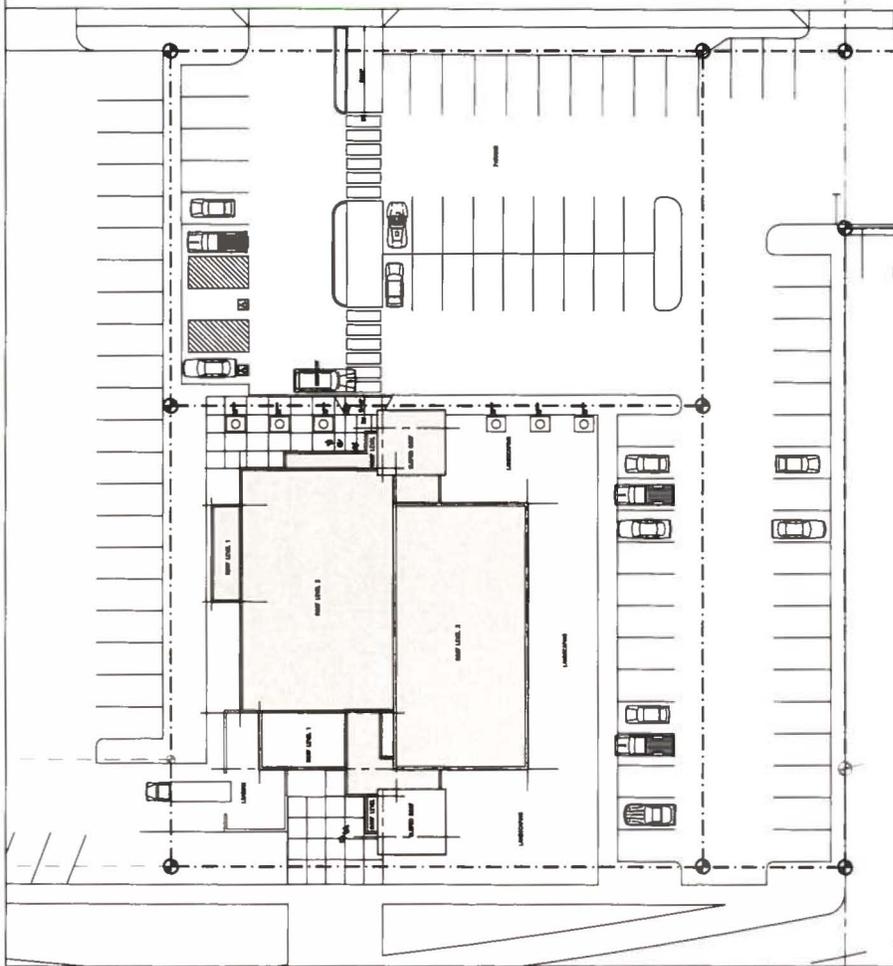
The result is a shift in focus to helping healthy people stay that way and helping people with chronic conditions improve their quality of life. Preventive services are becoming an essential component of cost effective care. Samaritan Health Services is now a CCO in our region. As health care payment reform takes root locally, the Center, with its focus on helping patients prevent and manage chronic conditions will result in cost savings for SPHS that will help to offset the operating and staffing costs of the Center. Community members offering programs to participants free of charge (such as support groups) will not be charged to use the facility. Organizations that charge participants will pay rental fees.

Below is a conservative five-year revenue/expense outlook based on conferences offered by SPHS.

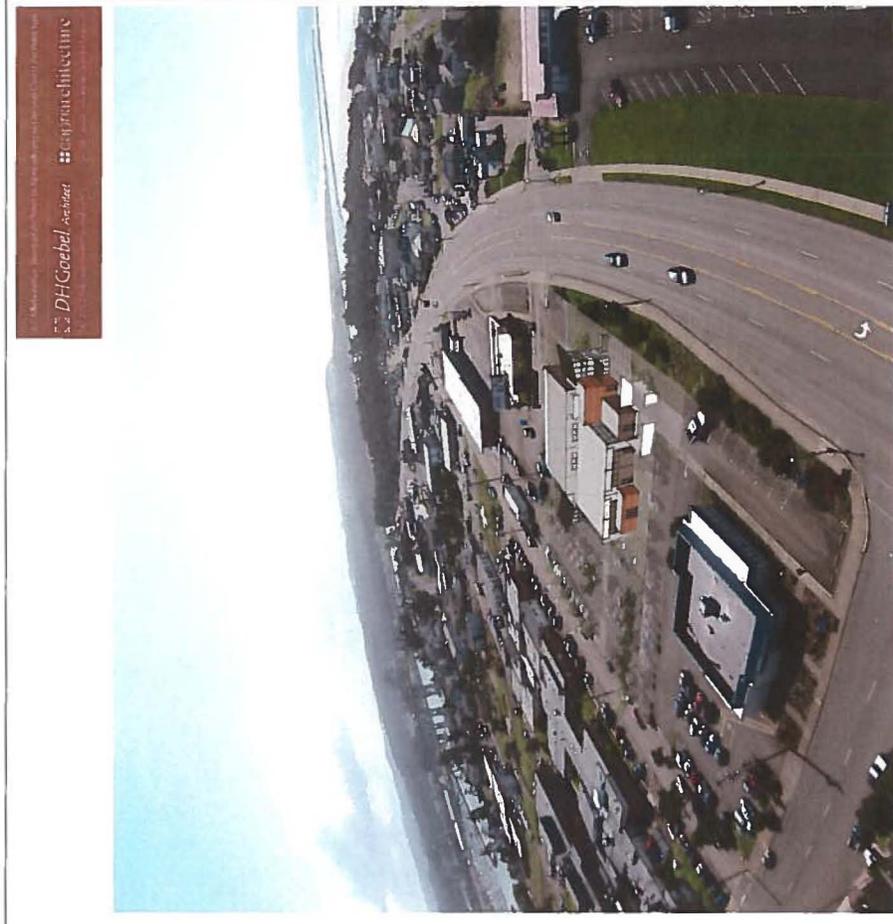
		Current Year		Project Year 1	Project Year 2	Project Year 3	Project Year 4
<b>Expense</b>	Labor	0	Labor	\$55,016	\$55,666	\$58,366	\$60,117
	Benefits	0	Benefits	\$18,155	\$18,700	\$19,261	\$19,839
	Utilities	0	Utilities	\$18,300	\$18,850	\$19,414	\$19,997
	Building Maintenance	0	Building Maintenance	\$5,820	\$5,995	\$6,175	\$6,360
	Food	0	Food	\$ 9,800	\$ 15,553	\$20,053	\$21,626
	Housekeeping	0	Housekeeping	\$17,730	\$18,262	\$18,810	\$19,374
	General Supplies	0	General Supplies	\$ 1,400	\$ 1,442	\$1,486	\$ 1,530
	Printing and Forms	0	Printing and Forms	\$ 1,000	\$ 1,030	\$1,090	\$ 1,120
	Travel and Education	0	Travel and Education	\$ 2,500	\$ 2,575	\$2,650	\$ 2,725
	Speakers' Fees	0	Speakers' Fees	\$ 3,000	\$ 6,000	\$9,000	\$12,000
	Depreciation	0	Depreciation	\$42,000	\$42,000	\$42,000	\$42,000
<b>Total</b>				<b>\$174,721</b>	<b>\$186,073</b>	<b>\$198,305</b>	<b>\$206,688</b>
<b>Revenue</b>		<b>Current Year</b>		<b>Project Year 1</b>	<b>Project Year 2</b>	<b>Project Year 3</b>	<b>Project Year 4</b>
	Workshops	0		\$8,000	\$16,480	\$25,462	\$34,962
	Conferences	0		\$45,000	\$92,700	\$143,222	\$147,520
	External Conf.	0		\$15,000	\$23,175	\$23,870	\$24,587
	SPHS Subsidy	0		\$106,721	\$53,718	\$5,751	
<b>Total</b>				<b>\$174,721</b>	<b>\$186,073</b>	<b>\$198,305</b>	<b>\$207,069</b>

PROJECT SCHEDULE									
for									
PACIFIC COMMUNITIES HOSPITAL									
HEALTH EDUCATION CENTER									
as of JUNE 30, 2014									
week beginning	AUG 2014	SEP 2014	OCT 2014	NOV 2014	DEC 2014	JAN 2015	FEB 2015	MAR 2015	APRIL 2015
DESCRIPTION									
SITE PREP AND EXCAVATE									
SITE UTILITIES									
EXT CONCRETE & PAVING									
CONCRETE FOUNDATION & SLABS									
TILT UP CONCRETE WALLS									
STRUCTURAL STEEL									
ROUGH CARPENTRY & FRAMING									
ARCH. WOODWORK & CASEWORK									
SIDING SOFFITS & TRIM									
INSULATION									
ROOFING									
DOORS AND HARDWARE									
ALUM. STOREFRONT & WINDOWS									
GYPSON WALLBOARD									
TILE									
ACOUSTIC CEILING									
FLOORCOVERINGS									
PAINTING									
TOILET ACCESS & PARTITIONS									
KITCHEN EQUIPMENT									
ELEVATOR									
FIRE SPRINKLERS									
HVAC									
PLUMBING									
ELECTRIC									
SUBSTANTIAL & FINAL COMPLETION									

---  
 SUBSTANTIAL COMPLETION  
 ---  
 \*\*\*\*\*  
 FINAL COMPLETION  
 \*\*\*\*\*



SITE PLAN - 1/16" = 10'



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 DH Goebel, Architect  
 dhgoebelarchitect.com

CENTER FOR HEALTH EDUCATION IN CONTEXT

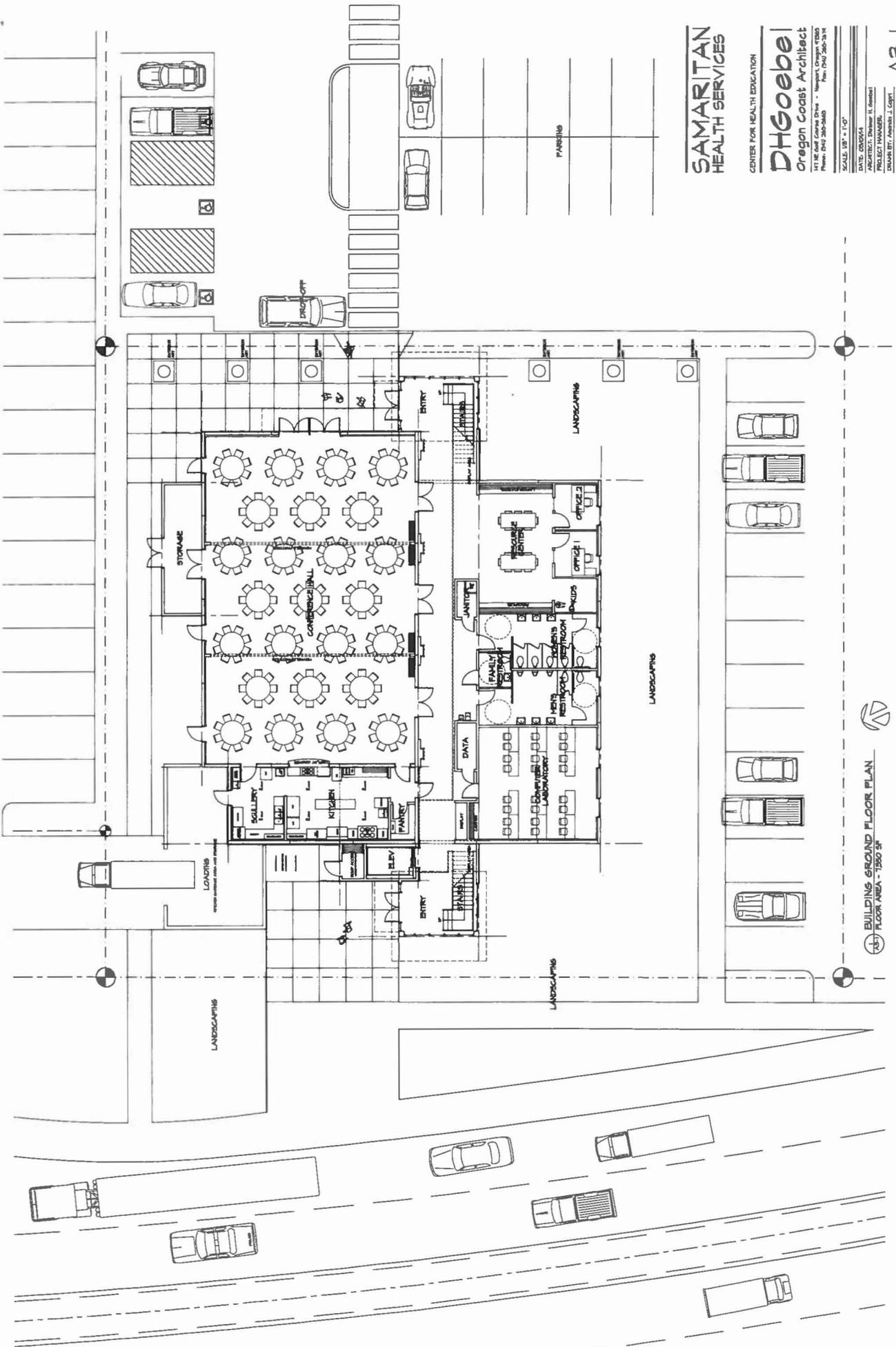




March 2, 2015



March 2, 2015



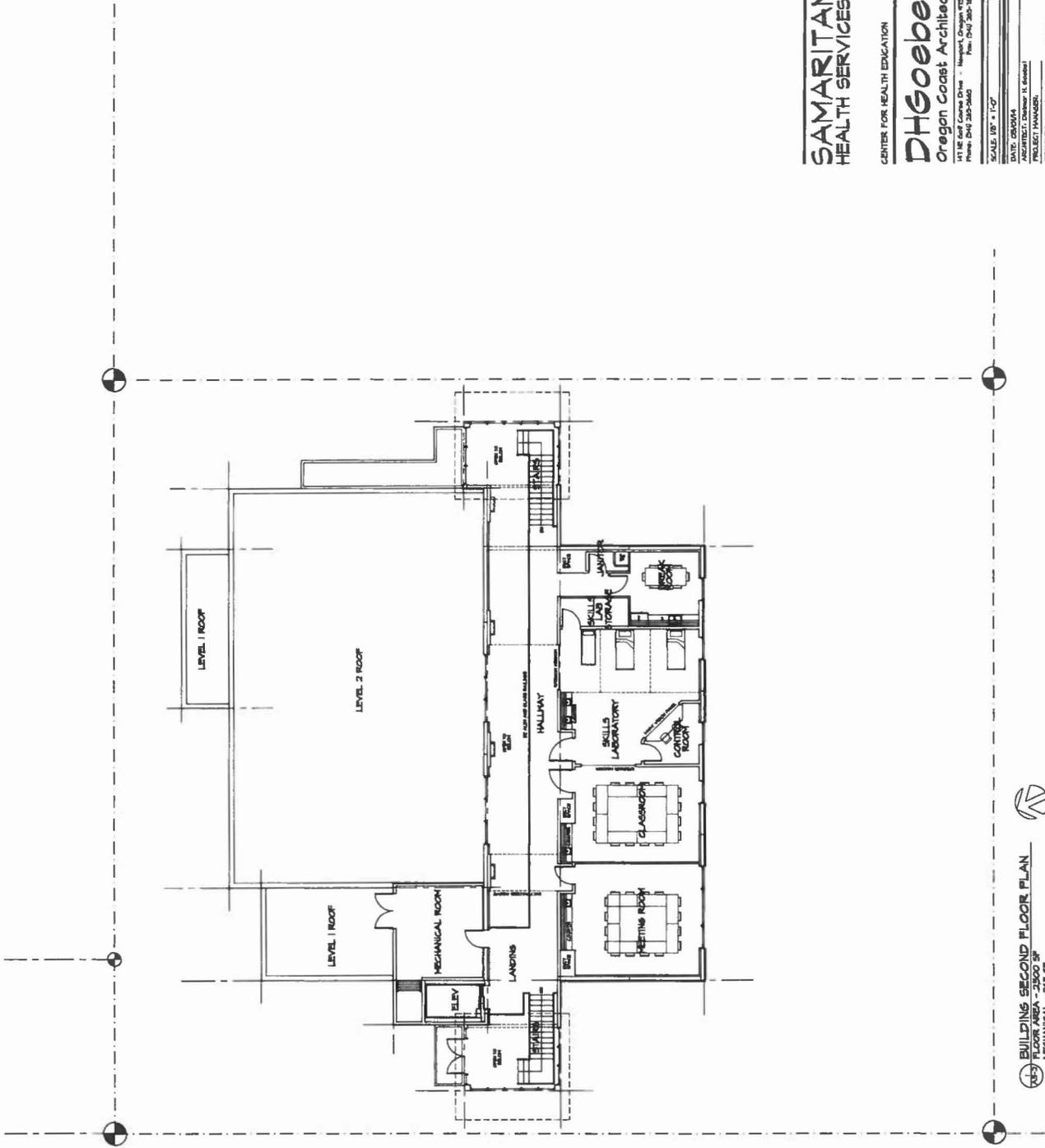
**SAMARITAN**  
HEALTH SERVICES

CENTER FOR HEALTH EDUCATION  
**DHSoebel**  
Oregon Coast Architect  
141 NE 1st Street, Suite 200  
Phone: 503-263-3400 Fax: 503-263-3474

SCALE: 1/8" = 1'-0"  
DATE: 02/11/15  
ARCHITECT: D. Soebel, K. Soebel  
PROJECT MANAGER:  
DRAWN BY: Andrew J. Coyne  
CHECKED BY:  
**A3-1**

**BUILDING GROUND FLOOR PLAN**  
FLOOR AREA - 1550 SF

March 2, 2015



**BUILDING SECOND FLOOR PLAN**  
 FLOOR AREA - 2500 SF  
 MECHANICAL - 268 SF

**SAMARITAN**  
 HEALTH SERVICES

CENTER FOR HEALTH EDUCATION

**DHSoebel**  
 Oregon Coast Architect

111 NE 60th Street, Suite 1000  
 Portland, Oregon 97203  
 Phone: (503) 253-5462 Fax: (503) 253-1818

SCALE: 1/8" = 1'-0"

DATE: 08/2014  
 ARCHITECT: Deborah K. Reibel

PROJECT MANAGER:  
 DRAWN BY: Amanda J. Coyne  
 CHECKED BY:

**A3-2**

## TOURISM FACILITIES GRANT PROGRAM

### Purpose

This policy is intended to guide the City of Newport in accepting applications and considering grant proposals for funding under the Tourism Facilities Grant Program established by the Newport City Council. The Tourism Facilities Grant Program is funded by local transient room tax revenues, so state law controls the types of projects to which grants may be provided. If a project cannot meet legal requirements, it will not be awarded a grant.

### Title

The provisions adopted by this Resolution shall be known as the "Tourism Facilities Grant Program Rules."

### Policy

It is the policy of the city to make grant funds available to qualified applicants without regard to race, color, religion, sex, sexual orientation, national origin, marital status, age, disability, or familial status.

### Definitions

1. "Applicant" means any 501(c) organization or government entity may apply for a grant from the Tourism Grant Program.
2. "City" means the City of Newport.
3. "City Manager" means the City Manager of the City of Newport or the City Manager's designee.
4. "Council" means the City Council of the City of Newport.
5. "Grant Agreement" is the legally binding contract between the city and the grant recipient. The grant agreement consists of the conditions specified in these rules, special conditions enumerated in the agreement, if applicable, and the grant application approved by the City Council.
6. "Grant Funds" means the funds requested by an applicant and/or the funds delivered to a grantee through the Tourism Facilities Grant Program.
7. "Match" is any contribution to a project made up of funds other than grant funds. Match may include:

Revised 4/14

- a. Cash on hand or cash that is pledged to be on hand prior to commencement of the project;
  - b. Secured funding commitments from other sources; or
  - c. Pending or potential commitments of funding from other sources. In such instances, Tourism Grant Program funding will not be released prior to secured commitment of the other funds. Pending commitments of the funding must be secured within the time provided in the grant agreement.
8. "Tourism Facilities Grant Review Task Force" is a task force, consisting of seven members, appointed by the City Council in accordance with Resolution No. 3553.

#### Definitions for "Tourism-Related Facilities"

1. "Conference center" means a facility that:
  - a. Is owned or partially owned by a unit of local government, a governmental agency, or a nonprofit organization; and
  - b. Meets the current membership criteria of the International Association of Conference Centers.
2. "Convention center" means a new or improved facility that:
  - a. Is capable of attracting and accommodating conventions and trade shows from international, national and regional markets requiring exhibition space, ballroom space, meeting rooms and any other associated space, including but not limited to banquet facilities, loading areas, and lobby and registration areas;
  - b. Has a total meeting room and ballroom space between one-third and one-half of the total size of the center's exhibition space;
  - c. Generates a majority of its business income from tourists;
  - d. Has a room-block relationship with the local lodging industry; and
  - e. Is owned by a unit of local government, a governmental agency or a nonprofit organization.
3. "Tourism" means economic activity resulting from tourists.
4. "Tourism-related facility":
  - a. Means a conference center, convention center or visitor information center;

- b. Means other improved real property that has a useful life of ten or more years and has a substantial purpose of supporting tourism or accommodating tourist activities.
5. "Tourist" means a person who, for business, pleasure, recreation or participation in events related to the arts, heritage or culture, travels from the community in which that person is a resident to a different community that is separate, distinct from and unrelated to the person's community of residence, and that trip:
- a. Requires the person to travel more than 50 miles from the community of residence; or
  - b. Includes an overnight stay.
6. "Visitor information center" means a building, or a portion of a building, the main purpose of which is to distribute or disseminate information to tourists.

#### Application Requirements

- 1. Applications that do not comply with the requirements in this section will not be considered.
- 2. Applications must be submitted on a form provided by the city.
- 3. Applications for the 2014 grant cycle are due in the City Manager's office by 5:00 P.M. on Friday, May 30, 2014. Applicants must submit ten hard copies of the application and one electronic copy on a flash drive or memory stick. Applications submitted by e-mail or fax will not be considered.
- 4. All applicants shall supply the following information:
  - a. Name of applicant;
  - b. Name, physical and e-mail address, and fax and telephone numbers of the applicant's contact person(s) and, if applicable, the applicant's fiscal officer(s);
  - c. The name and a description of the proposed project;
  - d. Estimated line item budget for the project;
  - e. Identification of specific project elements for which grant funds will be used;
  - f. A list of any non-grant funds, services or materials available or secured for the project and any conditions which may affect the completion of the project;



3. All applicants who submit qualifying applications will be invited to make an oral presentation to the Tourism Facilities Task Force.
4. Based on the application materials submitted and the applicant's oral presentation, the Tourism Facilities Task Force will forward a recommendation to the City Council as to which applicants should be awarded grant funds, as well as the recommended amount of grant funds to be awarded to each applicant.
5. Applicants recommended to the City Council by the Tourism Facilities Task Force will be expected to make an oral presentation before the City Council.
6. The City Council is not bound by the Tourism Facilities Task Force recommendations.
7. The City Council will make its decision as to which applicants should be awarded grant funds, as well as the amount of grant funds to be awarded to each applicant based on the criteria and rating schedule attached as Exhibit A.
8. The city may require additional information from the applicant to aid in evaluating and considering a proposed project.
9. Applicants will be notified in writing of award of a grant or denial of an application. Written notifications will be sent by first class mail to the address provided in the application. Notifications will be deemed received by the applicant three calendar days after deposit by the city in the United States Mail.

#### Grant Agreement Conditions

1. If a grant application is approved, the City Manager, on behalf of the city, will enter into a grant agreement with the grantee.
2. If the grant agreement has not been fully executed by all the parties within one month of City Council approval, funding shall be terminated. The money allocated to the grant shall be available for reallocation by the city.
3. The terms of the grant agreement may be tailored to fit the project for which the grant funds are awarded. Grantees shall comply with all grant agreement conditions.
4. Obligations of the city under the grant agreement are contingent upon the availability of monies for use in the Tourism Facilities Grant Program.
5. The grantee shall comply with all federal, state, and local laws and ordinances applicable to the work to be done under the agreement.
6. Grant funds may not be used to refinance existing debt.

7. The grantee is responsible for all the expenses of the operation and maintenance of the project, including but not limited to adequate insurance, and any taxes or special assessments applicable to the project.
8. The grantee shall comply with all prevailing wage laws if they are applicable to the project.
9. The applicant's total financial resources must be adequate to ensure completion of the project.
10. Upon notice to the grantee in writing, the City Manager may terminate funding for projects not in compliance with the terms of the grant agreement. The money allocated to the project but not used will be available for reallocation by the City Council.
11. The grantee will obtain all required permits and licenses from local, state, or federal government entities.
12. The city may place additional conditions in the grant agreement as necessary to carry out the purpose of the Tourism Facilities Grant Program, including any provisions that the City Manager considers necessary to ensure the expenditure of funds for the purposes set forth in the application.

#### Distribution of Funds

1. The city will not reimburse the grantee for any expenditures incurred prior to the signing of the grant agreement by all parties.
2. Prior to disbursement of grant funds, the grantee must provide proof that the dollar for dollar required match, based on the total grant funds awarded, has been secured.
3. Funds shall not be disbursed until the City Manager receives satisfactory evidence that necessary permits and licenses have been granted and documents required by the city have been submitted.
4. The city shall retain ten percent of the grant funds until the final project report, as required by the grant agreement, has been approved by the city. Final reports are due within 60 days of project completion. Any unexpended grant funds must be returned to the city with the final report. Upon receipt of the final report, the city shall have 90 days to approve the completed report or notify the grantee of any concerns that must be addressed or missing information that must be submitted before the report is considered complete and reviewed for approval. Once the final report has been approved the final payment shall be promptly provided to the grantee.

## Appeals

1. If the Tourism Facilities Task Force or the City Council denies a grant application, the applicant may appeal the denial to the City Council by submitting a written notice of appeal to the City Manager's office within five business days of the receipt of the denial.
2. Within 20 calendar days of the city's receipt of the written appeal, the City Council will review the denial on the record of the application. No new information will be accepted for review.
3. The applicant is not entitled to an appeal hearing.
4. The City Council's decision on the appeal is final.
5. The City Council's decision regarding the appeal will be transmitted to the applicant at the address provided in the application, by first class mail.



## GRANT AGREEMENT

BETWEEN: City of Newport,  
a municipal corporation of the State of Oregon, (City)

AND: Lincoln County Historical Society  
a nonprofit corporation incorporated in the State of Oregon (LCHS)

EFFECTIVE DATE: The latest date signed by the parties.

### RECITALS

- A. The City of Newport (City) is a municipal corporation with Home Rule authority pursuant to its Charter and the constitution of the State of Oregon.
- B. The Lincoln County Historical Society (LCHS) is a nonprofit corporation organized under section 501(c)(3) of the Internal Revenue Code and the Laws of the State of Oregon.
- C. Pursuant to state law and the Newport Municipal Code, the City collects transient room tax revenues from the occupants of transient lodging facilities located within the City.
- D. The City has created the Tourism Facilities Grant Program to facilitate grants of local transient room tax revenues (Grant Funds) to fund Tourism-Related Facilities.
- E. Tourism-Related Facilities are defined as a conference center, convention center or visitor information center, or other improved real property that has a useful life of 10 or more years and has a substantial purpose of supporting tourism or accommodating tourist activities.
- F. LCHS submitted application materials to the City and was selected for an award of Grant Funds to be used by the LCHS for the Propeller Promenade at the Pacific maritime and Heritage Center, as described in the application materials attached to this Agreement as Exhibit A (Project).
- G. The Project is a Tourism-Related Facility because it is improved real property that has a useful life of 10 or more years and has a substantial purpose of supporting tourism or accommodating tourist activities.
- H. The City wishes to grant, and LCHS wishes to accept, Grant Funds totaling \$14,000 to be used for the project.

- I. LCHS wishes to proceed with the project immediately. A description of the overall project timeline is contained in Exhibit A attached to this Agreement.

## AGREEMENT

1. The City agrees to grant and the LCHS agrees to accept, Grant Funds in the amount of \$14,000 to be used to fund the Project described in the application materials attached as Exhibit A to this Agreement, subject to the terms and conditions of this Agreement.

### 2. DEFINITIONS.

- A. "Match" is any contribution to the Project made up of funds other than Grant Funds. Match may include:

- i. Cash on hand or cash that is pledged to be on hand prior to commencement of the project;
- ii. Secured funding commitments from other sources;
- iii. Pending or potential commitments of funding from other sources. In such instances, Tourism Grant Program funding will not be released prior to secured commitment of the other funds. Pending commitments of the funding must be secured within the time provided in this Agreement;
- iv. In-kind contributions (such as labor or materials) approved by the City; or
- v. Subject to approval by the City, monies expended by LCHS on the Project prior to the effective date of this Agreement.

### 3. TERM.

This Agreement takes effect on the date it is signed by all the parties, and expires June 30, 2016, unless earlier terminated pursuant to the terms of this Agreement.

### 4. LCHS OBLIGATIONS.

- A. LCHS will perform all work on the Project.
- B. LCHS will obtain all required city, state, and federal permits prior to beginning work on the Project.
- C. LCHS represents that the Project constitutes a Tourism-Related Facility as defined in the City's Tourism Facilities Grant Program Policies, attached to this Agreement as Exhibit B.

- D. LCHS acknowledges and agrees that Grant Funds received by LCHS from the City pursuant to this Agreement will be used exclusively to perform work on the Project as described in Exhibit A. LCHS further acknowledges and agrees that Grant Funds may not be used to refinance existing debt.
- E. LCHS acknowledges and agrees that LCHS is responsible for all the expenses of operation and maintenance of the Project, including but not limited to adequate insurance and any taxes or special assessments applicable to the Project.
- F. LCHS will comply with all federal, state, and local laws and regulations applicable to the Project, including but not limited to the City's Tourism Facilities Grant Program Policies and workers' compensation laws.
- G. LCHS will provide, upon the City's request, any documents or information identified or referenced in LCHS's application materials. This information may include, but is not limited to, information pertaining to Project schedule, budget and cash flow, feasibility, readiness to construct, permits, likelihood of completion within a planned time frame, agreement for loan of the propeller from the Port of Newport, and other items related to completion of proposed Project elements.
- H. LCHS has provided documentation acceptable to the City which shows that LCHS has secured, at a minimum, a dollar for dollar Match of the \$14,000 of Grant Funds (Matching Funds) which will be available and committed for the duration of the Project.
- I. During the term of this Agreement, LCHS will maintain its status as a tax-exempt nonprofit corporation, duly organized and validly existing under the laws of the State of Oregon.
- J. LCHS will indemnify, defend, save, and hold harmless the City and its officers, employees, and agents from any and all claims, suits, or actions of any nature arising out of the activities and due to the negligence and/or fault of LCHS, its officers, employees, agents, contractors, and subcontractors pursuant to this Agreement.
- K. Notwithstanding LCHS's defense obligations described in paragraph I of this section, neither LCHS nor any attorney engaged by LCHS shall defend any claim in the name of the City, nor purport to act as a legal representative of the City, without the prior written consent of the City's attorney. The City may, at any time, elect to assume its own defense and settlement. The City reserves all rights to pursue any claims it may have against LCHS if the City elects to assume its own defense.
- L. LCHS acknowledges and agrees that the City shall have reasonable access to LCHS's books, documents, papers and records related to this Agreement during the term of this Agreement and for a period of six years after termination of this

Agreement. LCHS will make copies of applicable records available to the City upon request.

- M. LCHS acknowledges and agrees that this Agreement does not create an employment relationship between the City and LCHS, its officials, employees, agents, or contractors. LCHS further agrees that LCHS is exclusively responsible for all costs and expenses related to LCHS's employment of individuals to perform work related to the Project, including but not limited to retirement contributions, workers' compensation, unemployment taxes, and state and federal income tax withholdings.
- N. LCHS will keep an accounting of Grant Funds received pursuant to this Agreement to ensure that the Grant Funds are used as required by this Agreement. LCHS will provide the accounting required by this paragraph to the City annually during the term of this Agreement, as well as upon request by the City.
- O. Within 60 days of completion of the Project, LCHS will submit a final project report to the City detailing each expenditure of Grant Funds, and requesting payment of the remaining Grant Funds. In the event that LCHS completes the Project without using all of the Grant Funds provided by the City, any unexpended Grant Funds will be returned to the City with the final project report, and the final project report will not include a request for payment of the remaining Grant Funds. The obligation to return unused Grant Funds upon completion of the Project survives the expiration or earlier termination of this Agreement.
- P. In the event of default by LCHS under section 6 of this Agreement, LCHS agrees, upon the City's demand, to return any unexpended Grant Funds to the City and to repay to the City any Grant Funds expended in violation of the terms and conditions of this Agreement or of the Tourism Facilities Grant Program Policies.

## 5. CITY OBLIGATIONS.

- A. Upon receipt of documentation satisfactory to the City showing that the Matching Funds required by section 4, paragraph H of this Agreement have been obtained for the Project, and that a building permit has been issued, the City agrees to pay LCHS a lump sum payment of \$14,000 upon approval of the final project report by the City, as provided in paragraph B of this section.
- B. Within 30 days of the date the final project report is submitted to the City as provided in section 4, paragraph O of this Agreement, the City will either approve the report or notify LCHS of any concerns that must be addressed or information that must be submitted before the report is considered complete. Once the final project report has been accepted by the City, the Grant Funds will be promptly paid to LCHS.

C. Notwithstanding paragraphs A and B of this section, the City's payment obligations under this Agreement are contingent upon the availability of funds in the Tourism Grant Facilities Program.

## 6. DEFAULT.

A. The following constitute default by LCHS under this Agreement:

- i. Failure to obtain the Matching Funds required by section 4, paragraph H of this Agreement by the time the request for funding is made;
- ii. Failure to substantially commence work on the Project within one year of the effective date of this Agreement;
- iii. Failure to complete the Project by June 30, 2016;
- iv. A determination by the City that material statements, information, or representations in the application materials attached as Exhibit A to this Agreement are false, misleading, fraudulent, or misrepresentations;
- v. A change in circumstances such that material information provided in the application materials attached as Exhibit A and relied upon by the City in making the decision to award Grant Funds to LCHS is no longer true or accurate;
- vi. Failure of the Project to meet the definition of a Tourism-Related Facility;
- vii. Violation of any of the terms or conditions of this Agreement;
- viii. Dissolution of LCHS; and
- ix. Appointment of a receiver, trustee, liquidator, or conservator for LCHS or to take possession of all or substantially all of LCHS's property; or the filing of a petition for bankruptcy, insolvency, dissolution, liquidation, or reorganization, or order for relief in which LCHS is named as debtor, by, against, or with respect to LCHS pursuant to any federal or state statute, regulation or law for the protection of debtors; and, with respect to any such appointment or filing, failure of LCHS to secure a stay or discharge thereof within 45 days after such appointment or filing.

B. In the event of a default by LCHS, the City will not exercise the remedies provided in paragraph C of this section unless and until the City notifies LCHS in writing of the default and LCHS fails to cure the default within 20 days of receipt of the notice; or if the default cannot reasonably be cured within 20 days, LCHS commences action to cure the default within 10 days of receipt of the notice and diligently pursues the cure to completion. In no event will the time for opportunity to cure exceed 60 days from the date of receipt of notice of default. If the default

is not cured within the time provided in this paragraph, the City may elect to pursue any of the remedies provided in paragraph C of this section.

- C. In the event of default or failure to cure within the time period provided in paragraph B of this section, the City may pursue any one or more of the following remedies:
  - i. Revocation of Grant Funds;
  - ii. Withholding of undispersed grant funds;
  - iii. Return of unexpended grant funds by LCHS;
  - iv. Repayment of expended grant funds by LCHS;
  - v. Termination of this Agreement.
- D. The remedies provided by paragraph C of this section are cumulative, not exclusive, and are in addition to any other rights and remedies provided by law or under this Agreement.

## 7. TERMINATION.

- A. The City may terminate this Agreement effective upon delivery of written notice to LCHS or at such later date as may be determined by the City upon the following conditions:
  - i. Default by LCHS under this Agreement; or
  - ii. Lack of funding necessary to award Grant Funds to LCHS.
- B. LCHS may terminate this Agreement effective upon delivery of written notice to the City if the City fails to make payments due under this Agreement or fails to abide by the terms and conditions of this Agreement.
- C. Termination of this Agreement will not prejudice any rights or obligations of the parties accrued prior to termination.
- D. The City's entitlement to the remedies provided in section 6 of this Agreement survives termination of this Agreement.

## 8. NOTICE.

All notices given pursuant to this Agreement must be in writing and delivered to the parties at the addresses herein. Notice given pursuant to this section will be deemed to have been received on the date of personal delivery, three calendar days after deposit in the United States mail postage prepaid, or on the date of confirmed delivery by: 1) facsimile;

2) registered mail, return receipt requested; or 3) overnight delivery. Either party may change its notice address under this section at any time by written notice to the other party.

CITY:  
City of Newport  
Spencer R. Nebel, City Manager  
169 SW Coast Highway  
Newport, Oregon 97365

LCHS:  
Lincoln County Historical Society  
Steve Wyatt, Executive Director  
545 SW Ninth Street  
Newport, Oregon 97365

#### 9. ASSIGNMENT.

LCHS may not assign any of its rights, interests, or obligations under this Agreement without the prior written consent of the City, which may be withheld in the City's sole discretion.

#### 10. MODIFICATION.

No modification of this Agreement will be valid unless it is in writing and signed by both parties.

#### 11. RELATIONSHIP OF PARTIES.

The parties acknowledge and agree that nothing in this Agreement is intended to nor shall be construed to create any form of partnership or joint venture relationship between the parties.

#### 12. NO THIRD PARTY BENEFICIARIES.

This Agreement is entered into for the sole benefit of the City and LCHS, and nothing contained herein is intended for the benefit of any other person or entity.

#### 13. SEVERABILITY.

If any provision of this Agreement is held by any court of competent jurisdiction to be invalid, such invalidity will not affect any other provisions of this Agreement, and this Agreement will be construed as if the invalid provision had never been included in this Agreement.

#### 14. WAIVER OF BREACH.

The waiver by either the City or LCHS of a breach of any provision of this Agreement will not operate or be construed as a waiver of any other provision of this Agreement or of any subsequent breach of the same provision of this Agreement.

15. GOVERNING LAW.

This Agreement is to be governed by and construed in accordance with the laws of the state of Oregon, without regard to conflicts of law principles.

16. VENUE.

Any legal action or proceeding arising out of or relating to this Agreement shall be commenced in the Circuit Court of the State of Oregon for Lincoln County. The parties hereby consent to the jurisdiction of that court, waive any objections to venue and waive any claim that the forum is an inconvenient forum.

17. ENTIRE AGREEMENT.

This Agreement and all attached exhibits constitute the entire agreement of the parties relating to the subject matter herein. There are no promises, terms, conditions, or obligations oral or written other than those contained herein. This Agreement supersedes all prior communications, representations or agreements, either oral or written, between the parties relating to the subject matter herein.

18. COUNTERPARTS.

This Agreement may be executed in multiple counterparts, each of which will be considered an original and all of which together will constitute one and the same agreement.

19. PARAGRAPH HEADINGS.

Paragraph headings are used solely for convenience and are not to be used in construing or interpreting this Agreement.

20. AUTHORITY TO ENTER INTO AGREEMENT.

Each person executing this agreement on behalf of a party to this agreement hereby covenants that he or she is duly authorized by that party to bind that party to this agreement.

\_\_\_\_\_  
Spencer R. Nebel, City Manager  
City of Newport

\_\_\_\_\_  
Steve Wyatt, Executive Director  
Lincoln County Historical Society

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

# EXHIBIT A

CITY OF NEWPORT  
TOURISM FACILITIES GRANT INSTRUCTIONS  
City of Newport  
169 SW Coast Highway  
Newport, Oregon 97365  
541.574.0613

Answer questions completely within the page limitations provided below. Applications will be considered based on project merits and according to the criteria approved by the City Council and attached to this application. Applicants may be contacted to provide more information. Hard copies of completed applications are due in the City Manager's Office by 5:00 P.M., on Monday, June 30, 2014 – NO EXCEPTIONS. E-mailed or faxed applications will NOT be accepted. Only one application per entity allowed.

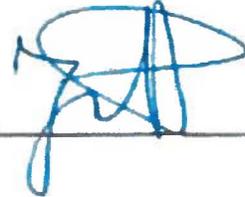
Please Note:

1. These funds were created by transient room tax collections. There are legal restrictions on how the money may be spent, and if the project cannot meet the legal requirements, the project cannot be funded.
  2. The Newport City Council has established policies governing the Tourism Facilities Grant Program. A copy of those policies is attached to this application.
  3. Applicants will be selected for funding based on information included in the application materials and oral presentations.
  4. At least a one-to-one funding match is required.
  5. Applicants are defined as any 501(c) organization or government entity.
- The applicant should respond in 12-point, single-spaced text. Ten double-sided hard copies of the complete application and one electronic copy on a flash drive must be delivered to the City Manager's Office by 5:00 P.M., on Monday, June 30, 2014.

## CITY OF NEWPORT TOURISM FACILITIES GRANT APPLICATION

Name of Applicant/Organization : Lincoln County Historical Society  
Mailing Address & City: 545 S.W. Ninth St., Newport, Oregon 97365  
Contact Person: Steve Wyatt, Executive Director  
Contact Phone No.: 541-265-7509 Contact Fax No.: 541-265-3992  
Contact E-Mail Address: ochcdirector@newportnet.com  
Name of Project: Propeller Promenade  
Total Project Budget: \$28,000.00  
Amount Requested: \$14,000.00

Authorization Signature:



---

Title: Executive Director  
General

propeller that was attached to the sunken, World War II-era Liberty ship *C.W. Pasley*. The concrete-hulled *C.W. Pasley* was purchased in the late 1940s by the Port, purposely sunk, and filled with rocks and dirt to serve as its International Dock. In the course of an extensive modernization of the International Terminal, the *Pasley* was dismantled. The Port wisely salvaged the *Pasley's* propeller.

Planning for this project began well over a year ago with negotiations with the Port of Newport for use of the propeller and informal discussions with the City of Newport on the project's feasibility and use of City property. Negotiations coincided with concept design work (see attached concept drawings).

A renewable, five-year loan for the propeller was negotiated under two Port Commissioners. The Port is supportive of the project and will continue as a project partner by assisting with logistics, installation oversight, and in developing interpretive signage on the history of the prop, the International Terminal and Port of Newport. The City is also a significant player in this project, as a large section of the project site is owned by the City of Newport. The Historical Society owns the remaining land outright. The city will review and guide this project to fruition in compliance with its codes and ordinances.

Central to the Propeller Promenade project is the installation of the historic propeller in a safe manner. The goals of the project are three-fold:

- 1) Provide tourists with an opportunity to spend more time and dollars on the Bayfront. *This will be an inviting space with benches and interpretive signage explaining the interesting history of the propeller, Yaquina Bay shipping, and the Port of Newport. This lighted space will be publicly accessible 24/7. Additionally, a coffee kiosk or food vendor(s), and/or buskers will be encouraged to conduct business on the Propeller Promenade.*
- 2) Boost Pacific Maritime & Heritage Center attendance by creating a highly visible landmark, combined with museum signage. *In the summer months, thousands of pedestrians and motorists pass by what is now a nondescript, vacant lot each day. Passers-by will not miss this visually striking propeller. The added visibility afforded by the Propeller Promenade will certainly lead to additional paid admissions to the Heritage Center and help bring it closer to self-sufficiency.*
- 3) Convey historical information and provide context and a sense of place for tourists and locals. *This is central to the mission of the Lincoln County Historical Society and the Pacific Maritime & Heritage Center.*

The 30,000-square-foot Pacific Maritime & Heritage Center is a unique museum, gallery, and event center on the Bayfront open to the public year-round, from 11 a.m. to 4 p.m. Thursdays through Sundays. Currently, the main-floor galleries are open to the public. Phase II, ground-floor renovations, are in the advance planning/preliminary construction stage. Central to the lower-floor renovations is the highly anticipated Doerfler Family Theater, an amphitheater-style event venue that will seat approximately 140 people.

The Propeller Promenade Project fits well within the goals of this facility – the Maritime Center's exhibits and programs strive to weave together the story of the area's maritime

When do you anticipate completion of the project?

May 2016. We would love to complete this unique project on a shorter time frame, but it is logistically challenging and will involve the coordination of a diversity of interests.

What is the plan for operations over a 3 – 5 year period?

The Propeller Promenade will be publicly accessible 24/7. Operational hours of the Maritime Center are currently from 11 a.m. to 4 p.m. Thursdays through Sundays and by arrangement seven days a week for after-hours lectures, concerts and other performances, and special events.

Within three years, plans call for expanding the Maritime Center's open hours to seven days a week during the busy summer months.

How does the project demonstrate financial stability?

The Pacific Maritime & Heritage Center and the proposed Propeller Promenade project are both on a pay-as-you-go basis, incurring no debt. Volunteer labor, grants and donations minimize construction costs and help support day-to-day expenses.

One of the central goals of the Propeller Promenade Project is to draw attention to the Maritime Center, thereby increasing paid attendance and museum revenue.

How does the project demonstrate a viable business plan?

In 2008, LCHS contracted with Northwest Management Specialists to develop a Business Plan for the Pacific Maritime & Heritage Center. This plan provides a pathway for staffing and operating the facility once fully completed. The staffing strategy for the Pacific Maritime & Heritage Center is based on the business practices in use by the Historical Society since 1963, when it opened the Log Cabin Museum.

Admissions, gift shop sales, rental fees for events and activities, and on-site donations offset operational costs. Based on the business model developed in 2008 and modified in 2011, the business strategy provides a viable and sustainable approach to operating the Pacific Maritime & Heritage Center. For tourists, museum visitors, and event attendees, the Propeller Promenade will be a value-added component of their museum visit.

Economic Impact: (20 points)

Planning Yes  No

Design Yes  No

Construction Yes  No

Post-Completion Yes  No

How does the project create local jobs in all phases?

Local contractors have been used almost exclusively on all aspects of the Pacific Maritime & Heritage Center project. This policy has been and will continue to be implemented in the planning and construction of the Propeller Promenade project.

Additionally, anticipated increased attendance to the Maritime Center will lead to adding staff and hours at the museum. Statistically, the more time tourists spend in Newport, the more dollars they spend at hotels, restaurants, and other attractions.

If yes:

Daily

Weekdays \_\_Thursdays and Fridays\_\_

Weekends \_\_Saturdays and Sundays\_\_

Once a week \_\_\_\_\_

Is the project seasonal: Yes  No

Daily

Weekdays \_\_\_\_\_

Weekends \_\_\_\_\_

Once a week \_\_\_\_\_

Is the project off-season: Yes  No

Daily \_\_\_\_\_

Weekdays \_\_Thursdays and Fridays\_\_

Weekends \_Saturdays and Sundays\_\_\_\_\_

Once a week \_\_\_\_\_

Is the project monthly: Yes  No

Daily

Weekdays \_\_Thursdays and Fridays\_\_

Weekends \_\_Saturdays and Sundays\_\_

Once a week \_\_\_\_\_

Is the project open on holidays: Yes  No  Only

Other: \_Except New Years and Christmas

Who is the targeted tourist? (Check all that apply)

Children

Families

Adults 21+

Seniors

Groups

Business

Pleasure

Arts

Heritage

Cultural

Sports

Other Educational

Will the project attract repeat visits:

during a single stay? Yes  No

during a single season? Yes  No

large annual company and agency staff gatherings, and several non-profit agency meetings. Meetings typically draw from 65 to 10 attendees.

Is there a particular new demographic that the project is intended to reach?

The goal of Propeller Promenade project is to expand and add diversity to the all-inclusive demographic already served at the Pacific Maritime & Heritage Center. By telling the story of Newport's rich maritime culture, the Pacific Maritime & Heritage Center serves as a unique regional venue that honors the inseparable connection between the residents of the Central Oregon Coast, hard work, and the bounty of nature.

Who does the project attract?

The Pacific Maritime & Heritage Center provides the opportunity for individuals of all interests to be educated and entertained in a stellar setting. Through its prominent location and cross-marketing efforts with other organizations and venues in Newport, the Pacific Maritime & Heritage Center has enhanced the heritage tourism market. A recent exhaustive study by Oregon Heritage, an arm of Oregon State Parks, found that tourists interested in heritage tend to spend more, stay longer, and are more willing to travel during off-peak seasons.

Other: (5 points)

How does the location relate to the current tourism hubs?

The Propeller Promenade will do more than just fit in with Newport's Historic Bayfront, it will enhance its genuine working waterfront atmosphere that draws thousands annually. The pedestrian-friendly nature of the Propeller Promenade will be yet another temptation on the Bayfront for tourists to get out of their cars and experience Newport up close and personal. Aside from being an inviting space in which to linger, the Propeller Promenade's Interpretation and signage will afford tourists an opportunity to gain a greater understanding of Newport and its history.

How is the project energy-efficient or environmentally friendly?

The Pacific Maritime & Heritage Center has a policy of incorporating energy efficiency and sustainable upgrades into all of its renovation work. The reuse of the massive C.W. Pasley propeller is itself a 14,000-pound recycling project. Its historic value greatly outweighs its scrap metal value. Plans call for the Propeller Promenade to include LED lighting and indigenous, low-maintenance plantings.

What is the effect of the project on local livability components?

The Propeller Promenade will augment the Bayfront's walkability. A goal central to the project is to entice people out of their cars and into a space that is conducive to living comfortably, shopping, visiting, and spending a pleasant time on the Bayfront and visiting the Pacific Maritime & Heritage Center. The Propeller Promenade will complement the popular boardwalk and recent (and future) sidewalk upgrades.

Is there any additional information that you would like the committee to consider?

Internal Revenue Service

Department of the Treasury

District  
Director

P.O. Box 3151, Los Angeles, Calif. 90053

\* Lincoln County Historical Society  
545 SW 9th  
Newport, OR 97365-4726

Person to Contact: Felicia C. Miraflor

Telephone Number: 213-894-4232

Refer Reply to: EO-1106-90

Date: NOV 13 1990

RE: Lincoln County Historical Society  
EIN: 93-0545940

Gentlemen:

This is in response to your request for a determination letter of the above named organization.

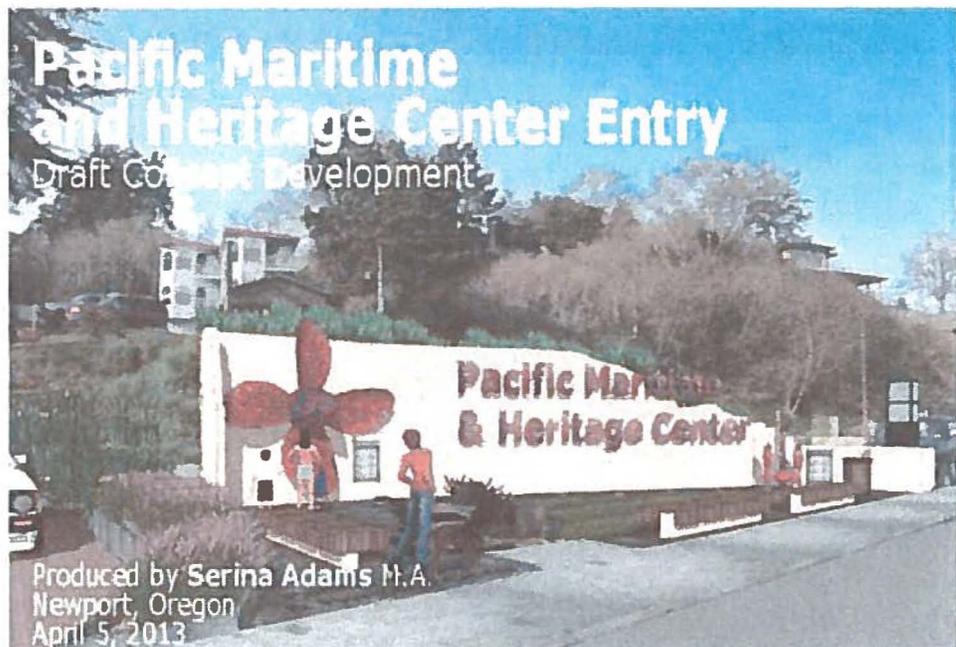
A review of our records indicate that Lincoln County Historical Society was recognized to be exempt from Federal income tax in October 1955, as an organization described in Internal Revenue Code section 501(c)(3). It is further classified as an organization that is not a private foundation as defined in section 170(b)(1)(A)(vi).

If you need any further assistance, please feel free to contact me at the above address or telephone number.

Sincerely,



Felicia C. Miraflor  
Disclosure Assistant



# Ship's propeller to serve as maritime museum's centerpiece

Modified: Saturday, Jun 28th, 2014  
BY:



Jim Durkee, the Port of Newport's terminal operations supervisor, holds a picture of the S.S. C.W. Pasley as it entered Yaquina Bay after being purchased by the port in 1948. He's sitting on the World War II liberty ship's 7-ton propeller, which, if the port agrees, will be transported down Bay Boulevard to serve as a street-level landmark for the Pacific Maritime & Heritage Center. (Photo by Rockne Roll)

NEWPORT – While the S.S. C.W. Pasley spent more than 60 years serving unceremoniously as a submerged wharf in Yaquina Bay; its 14,000-pound propeller will soon become a fixture on Newport's Historic Bayfront.

Steve Wyatt, executive director of the Lincoln County Historical Society, has asked the Port of Newport for permission to use the prop as a welcoming landmark at the foot of the Pacific Maritime & Heritage Center.

Wyatt made a presentation Tuesday to the

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## TOURISM FACILITIES GRANT PROGRAM

### Purpose

This policy is intended to guide the City of Newport in accepting applications and considering grant proposals for funding under the Tourism Facilities Grant Program established by the Newport City Council. The Tourism Facilities Grant Program is funded by local transient room tax revenues, so state law controls the types of projects to which grants may be provided. If a project cannot meet legal requirements, it will not be awarded a grant.

### Title

The provisions adopted by this Resolution shall be known as the "Tourism Facilities Grant Program Rules."

### Policy

It is the policy of the city to make grant funds available to qualified applicants without regard to race, color, religion, sex, sexual orientation, national origin, marital status, age, disability, or familial status.

### Definitions

1. "Applicant" means any 501(c) organization or government entity may apply for a grant from the Tourism Grant Program.
2. "City" means the City of Newport.
3. "City Manager" means the City Manager of the City of Newport or the City Manager's designee.
4. "Council" means the City Council of the City of Newport.
5. "Grant Agreement" is the legally binding contract between the city and the grant recipient. The grant agreement consists of the conditions specified in these rules, special conditions enumerated in the agreement, if applicable, and the grant application approved by the City Council.
6. "Grant Funds" means the funds requested by an applicant and/or the funds delivered to a grantee through the Tourism Facilities Grant Program.
7. "Match" is any contribution to a project made up of funds other than grant funds. Match may include:

- b. Means other improved real property that has a useful life of ten or more years and has a substantial purpose of supporting tourism or accommodating tourist activities.
5. "Tourist" means a person who, for business, pleasure, recreation or participation in events related to the arts, heritage or culture, travels from the community in which that person is a resident to a different community that is separate, distinct from and unrelated to the person's community of residence, and that trip:
- a. Requires the person to travel more than 50 miles from the community of residence; or
  - b. Includes an overnight stay.
6. "Visitor information center" means a building, or a portion of a building, the main purpose of which is to distribute or disseminate information to tourists.

### **Application Requirements**

- 1. Applications that do not comply with the requirements in this section will not be considered.
- 2. Applications must be submitted on a form provided by the city.
- 3. Applications for the 2014 grant cycle are due in the City Manager's office by 5:00 P.M. on Friday, May 30, 2014. Applicants must submit ten hard copies of the application and one electronic copy on a flash drive or memory stick. Applications submitted by e-mail or fax will not be considered.
- 4. All applicants shall supply the following information:
  - a. Name of applicant;
  - b. Name, physical and e-mail address, and fax and telephone numbers of the applicant's contact person(s) and, if applicable, the applicant's fiscal officer(s);
  - c. The name and a description of the proposed project;
  - d. Estimated line item budget for the project;
  - e. Identification of specific project elements for which grant funds will be used;
  - f. A list of any non-grant funds, services or materials available or secured for the project and any conditions which may affect the completion of the project;

3. All applicants who submit qualifying applications will be invited to make an oral presentation to the Tourism Facilities Task Force.
4. Based on the application materials submitted and the applicant's oral presentation, the Tourism Facilities Task Force will forward a recommendation to the City Council as to which applicants should be awarded grant funds, as well as the recommended amount of grant funds to be awarded to each applicant.
5. Applicants recommended to the City Council by the Tourism Facilities Task Force will be expected to make an oral presentation before the City Council.
6. The City Council is not bound by the Tourism Facilities Task Force recommendations.
7. The City Council will make its decision as to which applicants should be awarded grant funds, as well as the amount of grant funds to be awarded to each applicant based on the criteria and rating schedule attached as Exhibit A.
8. The city may require additional information from the applicant to aid in evaluating and considering a proposed project.
9. Applicants will be notified in writing of award of a grant or denial of an application. Written notifications will be sent by first class mail to the address provided in the application. Notifications will be deemed received by the applicant three calendar days after deposit by the city in the United States Mail.

### **Grant Agreement Conditions**

1. If a grant application is approved, the City Manager, on behalf of the city, will enter into a grant agreement with the grantee.
2. If the grant agreement has not been fully executed by all the parties within one month of City Council approval, funding shall be terminated. The money allocated to the grant shall be available for reallocation by the city.
3. The terms of the grant agreement may be tailored to fit the project for which the grant funds are awarded. Grantees shall comply with all grant agreement conditions.
4. Obligations of the city under the grant agreement are contingent upon the availability of monies for use in the Tourism Facilities Grant Program.
5. The grantee shall comply with all federal, state, and local laws and ordinances applicable to the work to be done under the agreement.
6. Grant funds may not be used to refinance existing debt.

## Appeals

1. If the Tourism Facilities Task Force or the City Council denies a grant application, the applicant may appeal the denial to the City Council by submitting a written notice of appeal to the City Manager's office within five business days of the receipt of the denial.
2. Within 20 calendar days of the city's receipt of the written appeal, the City Council will review the denial on the record of the application. No new information will be accepted for review.
3. The applicant is not entitled to an appeal hearing.
4. The City Council's decision on the appeal is final.
5. The City Council's decision regarding the appeal will be transmitted to the applicant at the address provided in the application, by first class mail.



## GRANT AGREEMENT

BETWEEN: City of Newport,  
a municipal corporation of the State of Oregon, (City)

AND: Newport Sea Lion Docks Foundation  
a nonprofit corporation incorporated in the State of Oregon (NSLDF)

EFFECTIVE DATE: The latest date signed by the parties.

### RECITALS

- A. The City of Newport (City) is a municipal corporation with Home Rule authority pursuant to its Charter and the constitution of the State of Oregon.
- B. The Newport Sea Lion Docks Foundation (NSLDF) is a nonprofit corporation organized under section 501(c)(3) of the Internal Revenue Code and the Laws of the State of Oregon.
- C. Pursuant to state law and the Newport Municipal Code, the City collects transient room tax revenues from the occupants of transient lodging facilities located within the City.
- D. The City has created the Tourism Facilities Grant Program to facilitate grants of local transient room tax revenues (Grant Funds) to fund Tourism-Related Facilities.
- E. Tourism-Related Facilities are defined as a conference center, convention center or visitor information center, or other improved real property that has a useful life of 10 or more years and has a substantial purpose of supporting tourism or accommodating tourist activities.
- F. NSLDF submitted application materials to the City and was selected for an award of Grant Funds to be used by the NSLDF for the Final Phase of the Replacement of the Sea Lion Docks, as described in the application materials attached to this Agreement as Exhibit A (Project).
- G. The Project is a Tourism-Related Facility because it is improved real property that has a useful life of ten or more years and has a substantial purpose of supporting tourism or accommodating tourist activities.
- H. The City wishes to grant, and NSLDF wishes to accept, Grant Funds totaling \$10,000 to be used for the project.

- I. NSLDF wishes to proceed with the project immediately. A description of the overall project timeline is contained in Exhibit A and attached to this Agreement.

## AGREEMENT

1. The City agrees to grant and the NSLDF agrees to accept, Grant Funds in the amount of \$10,000 to be used to fund the Project described in the application materials attached as Exhibit A to this Agreement, subject to the terms and conditions of this Agreement.

### 2. DEFINITIONS.

- A. "Match" is any contribution to the Project made up of funds other than Grant Funds. Match may include:

- i. Cash on hand or cash that is pledged to be on hand prior to commencement of the project;
- ii. Secured funding commitments from other sources;
- iii. Pending or potential commitments of funding from other sources. In such instances, Tourism Grant Program funding will not be released prior to secured commitment of the other funds. Pending commitments of the funding must be secured within the time provided in this Agreement;
- iv. In-kind contributions (such as labor or materials) approved by the City; or
- v. Subject to approval by the City, monies expended by NSLDF on the Project prior to the effective date of this Agreement.

### 3. TERM.

This Agreement takes effect on the date it is signed by all the parties, and expires June 30, 2016, unless earlier terminated pursuant to the terms of this Agreement.

### 4. NSLDF OBLIGATIONS.

- A. NSLDF will perform all work on the Project.
- B. NSLDF will obtain all required city, state, and federal permits prior to beginning work on the Project.
- C. NSLDF represents that the Project constitutes a Tourism-Related Facility as defined in the City's Tourism Facilities Grant Program Policies, attached to this Agreement as Exhibit B.

- D. NSLDF acknowledges and agrees that Grant Funds received by NSLDF from the City pursuant to this Agreement will be used exclusively to perform work on the Project as described in Exhibit A. NSLDF further acknowledges and agrees that Grant Funds may not be used to refinance existing debt.
- E. NSLDF acknowledges and agrees that NSLDF is responsible for all the expenses of operation and maintenance of the Project, including but not limited to adequate insurance and any taxes or special assessments applicable to the Project.
- F. NSLDF will comply with all federal, state, and local laws and regulations applicable to the Project, including but not limited to the City's Tourism Facilities Grant Program Policies and workers' compensation laws.
- G. NSLDF will provide, upon the City's request, any documents or information identified or referenced in NSLDF's application materials. This information may include, but is not limited to, information pertaining to Project schedule, budget and cash flow, feasibility, readiness to construct, permits, likelihood of completion within a planned time frame, agreement for loan of the propeller from the Port of Newport, and other items related to completion of proposed Project elements.
- H. NSLDF has provided documentation acceptable to the City which shows that NSLDF has secured, at a minimum, a dollar for dollar Match of the \$10,000 of Grant Funds (Matching Funds) which will be available and committed for the duration of the Project.
- I. During the term of this Agreement, NSLDF will maintain its status as a tax-exempt nonprofit corporation, duly organized and validly existing under the laws of the State of Oregon.
- J. NSLDF will indemnify, defend, save, and hold harmless the City and its officers, employees, and agents from any and all claims, suits, or actions of any nature arising out of the activities and due to the negligence and/or fault of NSLDF, its officers, employees, agents, contractors, and subcontractors pursuant to this Agreement.
- K. Notwithstanding NSLDF's defense obligations described in paragraph I of this section, neither NSLDF nor any attorney engaged by NSLDF shall defend any claim in the name of the City, nor purport to act as a legal representative of the City, without the prior written consent of the City's attorney. The City may, at any time, elect to assume its own defense and settlement. The City reserves all rights to pursue any claims it may have against NSLDF if the City elects to assume its own defense.
- L. NSLDF acknowledges and agrees that the City shall have reasonable access to NSLDF's books, documents, papers and records related to this Agreement during the term of this Agreement and for a period of six years after termination of this

Agreement. NSLDF will make copies of applicable records available to the City upon request.

- M. NSLDF acknowledges and agrees that this Agreement does not create an employment relationship between the City and NSLDF, its officials, employees, agents, or contractors. NSLDF further agrees that NSLDF is exclusively responsible for all costs and expenses related to NSLDF's employment of individuals to perform work related to the Project, including but not limited to retirement contributions, workers' compensation, unemployment taxes, and state and federal income tax withholdings.
- N. NSLDF will keep an accounting of Grant Funds received pursuant to this Agreement to ensure that the Grant Funds are used as required by this Agreement. NSLDF will provide the accounting required by this paragraph to the City annually during the term of this Agreement, as well as upon request by the City.
- O. Within 60 days of completion of the Project, NSLDF will submit a final project report to the City detailing each expenditure of Grant Funds, and requesting payment of the remaining Grant Funds. In the event that NSLDF completes the Project without using all of the Grant Funds provided by the City, any unexpended Grant Funds will be returned to the City with the final project report, and the final project report will not include a request for payment of the remaining Grant Funds. The obligation to return unused Grant Funds upon completion of the Project survives the expiration or earlier termination of this Agreement.
- P. In the event of default by NSLDF under section 6 of this Agreement, NSLDF agrees, upon the City's demand, to return any unexpended Grant Funds to the City and to repay to the City any Grant Funds expended in violation of the terms and conditions of this Agreement or of the Tourism Facilities Grant Program Policies.

## 5. CITY OBLIGATIONS.

- A. Upon receipt of documentation satisfactory to the City showing that the Matching Funds required by section 4, paragraph H of this Agreement have been obtained for the Project, and that required permits have been issued, the City agrees to pay NSLDF up to 80% of the total grant amount of \$10,000, with the final \$2,000 to be paid upon approval of the final project report by the City, as provided in paragraph B of this section.
- B. Within 30 days of the date the final project report is submitted to the City as provided in section 4, paragraph O of this Agreement, the City will either approve the report or notify NSLDF of any concerns that must be addressed or information that must be submitted before the report is considered complete. Once the final project report has been accepted by the City, the Grant Funds will be promptly paid to NSLDF.

C. Notwithstanding paragraphs A and B of this section, the City's payment obligations under this Agreement are contingent upon the availability of funds in the Tourism Grant Facilities Program.

## 6. DEFAULT.

A. The following constitute default by NSLDF under this Agreement:

- i. Failure to obtain the Matching Funds required by section 4, paragraph H of this Agreement by the time the request for funding is made;
- ii. Failure to substantially commence work on the Project within one year of the effective date of this Agreement;
- iii. Failure to complete the Project by June 30, 2016;
- iv. A determination by the City that material statements, information, or representations in the application materials attached as Exhibit A to this Agreement are false, misleading, fraudulent, or misrepresentations;
- v. A change in circumstances such that material information provided in the application materials attached as Exhibit A and relied upon by the City in making the decision to award Grant Funds to NSLDF is no longer true or accurate;
- vi. Failure of the Project to meet the definition of a Tourism-Related Facility;
- vii. Violation of any of the terms or conditions of this Agreement;
- viii. Dissolution of NSLDF; and
- ix. Appointment of a receiver, trustee, liquidator, or conservator for NSLDF or to take possession of all or substantially all of NSLDF's property; or the filing of a petition for bankruptcy, insolvency, dissolution, liquidation, or reorganization, or order for relief in which NSLDF is named as debtor, by, against, or with respect to NSLDF pursuant to any federal or state statute, regulation or law for the protection of debtors; and, with respect to any such appointment or filing, failure of NSLDF to secure a stay or discharge thereof within 45 days after such appointment or filing.

B. In the event of a default by NSLDF, the City will not exercise the remedies provided in paragraph C of this section unless and until the City notifies NSLDF in writing of the default and NSLDF fails to cure the default within 20 days of receipt of the notice; or if the default cannot reasonably be cured within 20 days, NSLDF commences action to cure the default within 10 days of receipt of the notice and diligently pursues the cure to completion. In no event will the time for opportunity

to cure exceed 60 days from the date of receipt of notice of default. If the default is not cured within the time provided in this paragraph, the City may elect to pursue any of the remedies provided in paragraph C of this section.

C. In the event of default or failure to cure within the time period provided in paragraph B of this section, the City may pursue any one or more of the following remedies:

- i. Revocation of Grant Funds;
- ii. Withholding of undisbursed funds;
- iii. Return of unexpended grant funds by NSLDF;
- iv. Repayment of expended grant funds by NSLDF;
- v. Termination of this Agreement.

D. The remedies provided by paragraph C of this section are cumulative, not exclusive, and are in addition to any other rights and remedies provided by law or under this Agreement.

## 7. TERMINATION.

A. The City may terminate this Agreement effective upon delivery of written notice to NSLDF or at such later date as may be determined by the City upon the following conditions:

- i. Default by NSLDF under this Agreement; or
- ii. Lack of funding necessary to award Grant Funds to NSLDF.

B. NSLDF may terminate this Agreement effective upon delivery of written notice to the City if the City fails to make payments due under this Agreement or fails to abide by the terms and conditions of this Agreement.

C. Termination of this Agreement will not prejudice any rights or obligations of the parties accrued prior to termination.

D. The City's entitlement to the remedies provided in section 6 of this Agreement survives termination of this Agreement.

## 8. NOTICE.

All notices given pursuant to this Agreement must be in writing and delivered to the parties at the addresses herein. Notice given pursuant to this section will be deemed to have been received on the date of personal delivery, three calendar days after deposit in the

United States mail postage prepaid, or on the date of confirmed delivery by: 1) facsimile; 2) registered mail, return receipt requested; or 3) overnight delivery. Either party may change its notice address under this section at any time by written notice to the other party.

CITY:  
City of Newport  
Spencer R. Nebel, City Manager  
169 SW Coast Highway  
Newport, Oregon 97365

NSLDF:  
Newport Sea Lion Docks Foundation  
Bob Ward, Director/Secretary  
525 NW 57<sup>th</sup> Street  
Newport, Oregon 97365

#### 9. ASSIGNMENT.

NSLDF may not assign any of its rights, interests, or obligations under this Agreement without the prior written consent of the City, which may be withheld in the City's sole discretion.

#### 10. MODIFICATION.

No modification of this Agreement will be valid unless it is in writing and signed by both parties.

#### 11. RELATIONSHIP OF PARTIES.

The parties acknowledge and agree that nothing in this Agreement is intended to nor shall be construed to create any form of partnership or joint venture relationship between the parties.

#### 12. NO THIRD PARTY BENEFICIARIES.

This Agreement is entered into for the sole benefit of the City and NSLDF, and nothing contained herein is intended for the benefit of any other person or entity.

#### 13. SEVERABILITY.

If any provision of this Agreement is held by any court of competent jurisdiction to be invalid, such invalidity will not affect any other provisions of this Agreement, and this Agreement will be construed as if the invalid provision had never been included in this Agreement.

#### 14. WAIVER OF BREACH.

The waiver by either the City or NSLDF of a breach of any provision of this Agreement will not operate or be construed as a waiver of any other provision of this Agreement or of any subsequent breach of the same provision of this Agreement.

15. GOVERNING LAW.

This Agreement is to be governed by and construed in accordance with the laws of the state of Oregon, without regard to conflicts of law principles.

16. VENUE.

Any legal action or proceeding arising out of or relating to this Agreement shall be commenced in the Circuit Court of the State of Oregon for Lincoln County. The parties hereby consent to the jurisdiction of that court, waive any objections to venue and waive any claim that the forum is an inconvenient forum.

17. ENTIRE AGREEMENT.

This Agreement and all attached exhibits constitute the entire agreement of the parties relating to the subject matter herein. There are no promises, terms, conditions, or obligations oral or written other than those contained herein. This Agreement supersedes all prior communications, representations or agreements, either oral or written, between the parties relating to the subject matter herein.

18. COUNTERPARTS.

This Agreement may be executed in multiple counterparts, each of which will be considered an original and all of which together will constitute one and the same agreement.

19. PARAGRAPH HEADINGS.

Paragraph headings are used solely for convenience and are not to be used in construing or interpreting this Agreement.

20. AUTHORITY TO ENTER INTO AGREEMENT.

Each person executing this agreement on behalf of a party to this agreement hereby covenants that he or she is duly authorized by that party to bind that party to this agreement.

\_\_\_\_\_  
Spencer R. Nebel, City Manager  
City of Newport

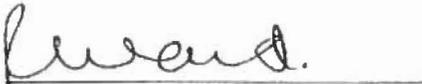
\_\_\_\_\_  
Bob Ward, Director/Secretary  
Newport Sea Lion Docks Foundation

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

# EXHIBIT A

## CITY OF NEWPORT TOURISM FACILITIES GRANT A

Name of Applicant/Organization : Newport Sea Lion Docks Foundation  
Mailing Address & City: 525 NW 57 Street, Newport, Oregon 97365  
Contact Person: Bob Ward  
Contact Phone No.: 541-574-4475 Contact Fax No.: 541-574-4475  
Contact E-Mail Address: wcml@live.com  
Name of Project: Replacement of Sea Lion Docks, Final Phase  
Total Project Budget: \$ 25,000  
Amount Requested: \$ 10,000  
Authorization Signature:   
Title: Director and Secretary

### General

Simply check the appropriate boxes below. If there is a question as to whether the proposed project meets these qualifications, the question may be submitted to the task force for preliminary review. A preliminary review only answers the questions of whether the project appears to qualify. It is not the final decision nor does it mean the project will be funded. Submit the question by November 16, 2012, so the task force can reply by November 28, 2012. This will allow time to complete the application by January 18, 2013. The application deadline will not be extended by preliminary review requests.

Is the project proposed by a government agency? Yes  No

OR  
Is the project proposed by a non-profit organization? Yes  No   
(A non-profit agency is defined as a 501(c) organization)

Will the project encourage people to travel to Newport from more than 50 miles away? Yes  No

Will the project encourage people to spend the night in Newport? Yes  No

Is the reason the project encourages visitors due to one or more of the following? (Check all that apply):

Business   
Pleasure   
Recreation   
Arts   
Heritage   
Culture

Are you requesting funding for improved real property with a useful life of at least ten years? Yes  No

## Project Description

In this section, describe the project and how it meets various qualifications. First review the heading and questions, then check all boxes that apply to the project or give short answers. Finally, provide a narrative explaining how the project addresses the questions. The length of the answer to any question is optional, however, the applicant should attempt to answer all questions. The total narrative should not exceed ten pages including application (excluding attachments).

Summary description of the project (summarize the project so that reviewers have a general sense of the project)

*This request is to cover 40% of the final \$25,000 cost of the sea lion dock replacement program. Last year, the City provided a grant, subject to matching funds, of \$50,000 towards the cost of replacing the sea lion docks and providing a viewing platform that would separate members of the public from trucks servicing boats moored at Port Dock 1. The estimated total cost at that time was \$100,000. Since then, the project has been partly completed, but the overall cost has risen to \$125,000 for reasons beyond the control of the Newport Sea Lion Docks Foundation, and a further \$10,000 is now requested from the Tourist Facilities Fund to cover part of the additional total cost.*

*Sea lions have been using a set of floating docks adjacent to Pier Dock One on the Newport Bay Front for almost twenty years. The docks were originally built for use by small boats visiting Newport, but almost immediately were commandeered by sea lions. Pier Dock One allows members of the public a rare opportunity to view these interesting and amusing animals from close up, and they soon became a key attraction for both tourists and Newport residents alike, and an integral feature of the Newport tourist industry.*

*Over the 2011/12 winter, storms severely damaged the docks, and by spring of 2012, only a 40 foot section of the original 120 foot of dock was left, and this in very poor condition. Traditionally the docks had been maintained by local businesses supplying materials and the Port of Newport supplying the associated labor. At a meeting of stakeholders, including the Port of Newport, local business owners, Hatfield Marine Science Center and Oregon Sea Grant, it was agreed that the community wanted the docks to be replaced, but the Port explained that it had no resources to apply to the project, because of the priority needed for projects like the new NOAA dock and the new international terminal. A non-profit corporation, the Newport Sea Lion Docks Foundation, was formed by some interested local people, including some of the local merchants, in order to fund the replacement of the docks. IRS 501.c.3 status was achieved, and the Foundation started collecting public donations and applying to funding foundations for the money. In October 2012, the final section of dock disintegrated. The Foundation bought an 80 foot length of used dock from the Port as a short term measure,*

*During the 2013/14 in water work window, the Foundation installed five new pilings for the floating docks, and would have replaced the floating docks themselves, but the Federal Government introduced new regulations that forbade the use of treated wood in floating docks, and this caused the cost of the planned replacement docks to more than double, and caused a significant delay while alternatives were explored. A further 40 foot of temporary dock was installed to take advantage of the new pilings, and it looks like a set of concrete docks will shortly be installed as long term replacements for the wooden docks. ODFW have agreed that the floating docks can be replaced without waiting for the November 1 in water work window.*

*However, work on the new viewing platform cannot start until that next window because it involves pile driving. Meanwhile, the cost of the platform has increased by \$25,000 from the initial estimate on which the City contribution of \$50,000 was based. Although the Foundation's fund-raising has been reasonably successful, funds are proving hard to come by and this*

current request for an additional \$10,000 is being made in order to ensure that this final phase of the work can be completed in this next in-water work window, which ends February 15, 2014

The project has widespread support in the community, and thanks to the continued efforts of the Foundation, there has been virtually no interruption of the availability of the sea lion docks as a tourist attraction. A 24 x 7 web cam has been installed by OSU's Marine Mammal Institute, and can be accessed from the Foundation's web site, and a program of volunteer docents, operated in cooperation with the Oregon Sea Grant program is in place for the second year. More details of the project, the Foundation and several letters of support can be viewed at [www.newportsealiondocks.com](http://www.newportsealiondocks.com), which also promotes Newport as a tourist destination.



October 2011



March 2012



October 2012

Going

Going

Gone!



Injured sea lion and isolation cage



Temporary Dock Nov. 2012



Almost there, May 2014

Incidentally, the docks facilitate the treatment of injured sea lions by accommodating a cage which enables the animal to be isolated and treated by the Marine Mammal Institute. Jim Rice, marine biologist for the Institute is the fifth member of the Foundation's Board of Directors. The cage, which is used to isolate and treat injured sea lions, has been stored elsewhere while the docks were damaged, but will be put back once the replacement floating docks are in place.

Business Plan and Budget: (25 points)

What is the total cost of the project? \$ 25,000 for this final phase

What is the amount requested from the city? \$ 10,000

What is the ratio of the request to the total cost? 40%

What funds have already been raised for the project? (Include the source of funds, i.e. cash on hand, grants awarded, grants committed.)  
 \$ 21,500 cash from public donations  
 \$ 15,000 from Lincoln County  
 \$ 20,000 from Oregon Community Fdn.

What funds remain to be raised for the project? \$19,000 (incl. this \$10,000 request)

How are the remaining funds to be raised? (Other grants, pledges, etc.)  
\$3,000 from Georgia Pacific Foundation, \$6,000 from further public donations

Does the project provide a service that the city currently funds? Yes  No

Does the project require continued support from the city? If yes, explain.

Yes  No

When do you anticipate completion of the project?

End of February, 2015

What is the plan for operations over a 3 - 5 year period?

*After initially providing replacement sea lion docks and public observation platforms, the Foundation will provide funds for ongoing maintenance and for future damage replacement by collecting public donations via web-site and collection boxes. (Estimated income \$3,000 p.a.) The Foundation would also be able to apply to funding foundations in the future if, for example, a major storm destroyed the docks before the Foundation had built up sufficient funds to replace them from its own reserves.*

*The Foundation is also going to promote the sea lion docks (and thus Newport) in the media and through signage on Highways 101 and 20: "This way to Sea Lion Docks" and "Newport, Home of the Sea Lion Docks!", etc., and through increased use of social media such as Facebook. None of the Room Tax funds will be used for such ongoing operating costs. In recent years, Newport has reduced its share of visitors to the central Oregon coast, and perhaps this will help redress that.*

*The Foundation has no staff and all Board members are unpaid volunteers, so there are no operating costs, other than very minor costs like that of providing collection boxes, paying for the web site, printing and annual reporting costs.*

How does the project demonstrate financial stability?

*The Foundation Board includes four experienced business people with successful track records, and the project has wide public appeal. The Foundation has achieved 501.c.3 status and collected over \$100,000 in donations since its inception. There are virtually no operating expenses, and lots of potential funding sources if additional costs are incurred in the future (e.g. if the new docks were destroyed prematurely by future storms or tsunamis), or if any of the current applications are rejected. This combination of factors suggests that the Foundation will be prudently managed so that its finances remain stable in the future.*

*Access to the sea lion docks is free (one of its attractions) and they have been attracting and entertaining members of the public for almost twenty years in their current location. The beneficiaries of the Foundation's investment are: (a) members of the public who get a rare close-up view of these interesting and entertaining wild animals, and (b) Newport businesses who will benefit from the tourists that the sea lions help to attract/retain.*

How does the project demonstrate a viable business plan?

*The replacement docks and the new observation decks are being funded out of public donations and a series of grants from funding sources that are mainly available because the Foundation is 501.c.3 approved. There are 1,449 funding foundation recognized by the IRS in Oregon, and listed in the 2012 Oregon Foundation DataBook. Of these detailed profiles are provided for the largest 298 grant-making foundations, and the Sea Lion Docks Foundation is eligible to apply to most of them.*

*The Success of the sea lion docks does not depend on attracting paying customers, and there is about 18 years of history showing that the docks are a proven tourist attraction, so there is not really a risk associated with the replacement of the docks, nor a question mark over the viability of the project.*

Economic Impact: (20 points)

Are project funds to be spent locally on:

Planning	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
Design	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
Construction	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/> (some will not be local)
Post-Completion	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>

*It was hoped that all aspects of the project would be sourced locally, but it has not been possible, so far, to find suitable local suppliers for the docks and their installation. A local company capable of doing the piling and installing the docks was identified and was selected to undertake the work, but this company eventually decided recently to withdraw from the project because of other commitments, to the regret of the Foundation.*

*The planning and design of the project has all been undertaken on a voluntary basis to date, with some benefit to local businesses via printing, signage etc.*

*A section of interim temporary docks was purchased from the Port of Newport for \$2,800 and another borrowed from Captain's Reel charter service.*

*Efforts will continue to find means of involving local companies in the construction of the docks and viewing platforms, and the company doing the construction work, if not local, will be encouraged to use local labor, sub-contractors and material suppliers.*

*On-going maintenance of the docks, as has been the case for many years, will be undertaken using local labor and materials.*

*Of course, the major benefit to the local economy comes not from the spending of funds on the capital construction of the docks and viewing platforms, but from the spending of tourists who will have come to visit the sea lion docks during the various phases of the capital construction, and who will continue to do so for many years post-construction, as addressed in the next two sections.*

How does the project create local jobs in all phases?

*The replacement of the docks has, and will, generate income for local businesses by attracting and re-attracting tourists to Newport at each phase of the project and for many years after it has been completed. Even before the decision was made to replace the docks, there was considerable publicity generated in the local and State-wide media about the damage to the docks and about the question of whether they were going to be replaced. This was followed by publicity about the plans to replace the docks and there has a constant stream of visitors, who have then also spent money in the local businesses, as well as donating to the cost of replacing the docks.*

*From June through to the end of September, a team of volunteer docents attend Pier Dock One each day, providing information to visitors about the sea lions and about the Newport working waterfront. This was organized by the Oregon Sea Grant Program, in conjunction with the Port of Newport and the Sea Lion Docks Foundation, and arose out of the initial stakeholder meetings. The docents report that they had received nothing but positive feedback about the plans to replace the sea lion docks, and about the enjoyment that the sea lions provide for visitors. Docent organizer Chris Burns summarizes the feedback as follows:*

*"In the course of our interaction with people at Port Dock 1, our customary starting point is to ask visitors where they are from. With only rare exceptions, we discovered that visitors had come to Newport from all regions of Oregon (a sizeable number from the Portland metro area), the Pacific Northwest (many from Idaho and Washington), other US states, and a surprising percentage from overseas (Germany, Japan, South Korea, The Netherlands, Britain, Australia, even Russia). It should be noted that even local visitors from the Newport area usually had in-town friends or relatives from out of town who were brought to Port Dock 1 to look at the sea lions.*

*When asked why they traveled to Newport, the common response from all visitors could easily be paraphrased as: "We came to see the sea lions. This is such a unique opportunity to view these wild animals up close."*

*Our goal, after discussing the natural history of the sea lions, was to broaden visitors' understanding of Newport's working waterfront, and then point them to our other local attractions, from the Bayfront to Nye Beach and Agate Beach, to the marine-oriented facilities in South Beach, to Yaquina Bay State Park, and Yaquina Head Outstanding Natural Area. A common comment was, "Newport has so much more going on than other Oregon coast communities." Often this was followed by a pledge to stay for 'a couple more days' or that they'd return to Newport again soon to take it all in."*

*Collection boxes have been set up in more than twenty businesses on the Bay Front and these businesses also reported very positive feedback from customers, who also donated money for replacement of the docks. Many of the businesses report that they have repeat customers, year after year, who mention the importance of the sea lions. Indeed some businesses report that they now have visitors who originally came with their parents to see the sea lions, and are coming back with their own children.*

*Although this evidence is anecdotal rather than scientific, it is a fact that people have been visiting the sea lion docks in their present location for almost twenty years, and that those same people then go and spend money in the local shops and some in the local hotels. There is, therefore, every reason to assume that people will continue to visit the sea lion docks for many years in the future after the docks have been replaced, and will continue to spend money in local businesses for many years to come.*

What is the projected economic impact?

*According to the June 2012 "Travel Impacts" report prepared for the Newport Chamber of Commerce by Dean Runyon Associates, Newport's tourist industry has been stable over the past six years, from 2006 to 2011. Spending by visitors in 2011 is estimated at \$123.4 million, with two thirds coming from people who stay overnight and one third by day visitors. The average overnight visitor is part of a party of three and stays for an average of just over two nights.*

*The sea lion docks average, conservatively, 1,000 visitors per day in the tourist season, and 150 per day in the off-season. This is an annual volume of over 250,000 people, making it one of the City's most popular attractions. Runyon estimates 427,000 overnight visitors in 2011, but does not estimate day visitors. Longwoods International "Oregon Visitor's Report 2009" reported that about 58% of visitors are day-trippers and the remaining 42% overnights. These two combined would suggest that Newport has just over a million visitors per year (1,017,000), and therefore about one quarter of them visit the sea lion docks during their stay.*

*Runyon reported that visitors in total spent \$123.4 million in Newport in 2011, an average of \$121 per visitor. The City has other tourist attractions, including the Aquarium, HMSC and the working waterfront, but there is no doubt that the sea lion docks are another strong attraction. Even if we attributed only 1% of the tourist volume to the sea lion docks, then that would account for \$1 million of tourist spend in the City each year, or \$15 - \$20 million over the anticipated life of the replacement docks. Even at one tenth of that level, attributing only one tenth of one percent to the sea lion docks, that would still represent double the return (\$100,000 additional spend) each year for the total of \$60,000 that the Foundation will have requested from the City's Room Tax Fund. The actual impact is probably much higher, to judge from the feedback we received from the docents and local shopkeepers, and this could be improved in the future by better publicity and marketing of the docks as an attraction.*

Will the project create spin-off businesses?

*The project will not create spin-off businesses per se, but will help existing and future local businesses to survive and be profitable in the future. Located in the heart of the Bay Front makes it likely that visitors to the dock will then customize the local shops and attractions, and may well be tempted to increase their observation of sea lions and other wildlife by taking marine tours or visiting the Oregon Coast Aquarium. The docents volunteering at the docks each day also encourage the public to explore more of the many other interesting aspects of a visit to Newport, and it is clear from their feedback, as reported earlier, that visitors go on to do so.*

*In the last ten years, Newport has lost tourist market share of visitors to the Central Oregon Coast. According to Runyon, the Central Oregon Coast as a whole now has 70% more lodging sales than it had in 2000, but Newport has only 20% more. In 2000, Newport had a 25% share of the lodging income, but in 2011 had less than 20%. The gap developed in the years 2006 and 2007 and has been maintained since. Perhaps better management/exploitation of the sea lion docks as a tourist attraction in future can help redress the balance.*

Tourism Spending: (15 points)

How does the project encourage overnight stays?

*Replacement of the sea lion docks will enable them to continue to attract visitors, who might be less inclined to visit the City if the opportunity to view these animals in the wild but close up was allowed to just disappear. For many people, the sea lion docks represent the quintessential Newport experience, and are a key element in the decision to visit Newport in the first place. This will increase as the Foundation plays a more proactive role in promoting the sea lion docks, and Newport as a whole. The Foundation's web-site already does this, but at this stage is just the tip of a potentially large iceberg. The volunteer docents, who are present at the docks each day during the*

*tourist season, encourage visitors to explore other attractions in Newport, as explained earlier, and the feedback from the docents is that some visitors tell them that they are extending their stay.*

How does the project encourage increased spending at local businesses?

*The experience of seeing these interesting wild animals close up can itself spark an interest in exploring other similar experiences. For example, people might want to take marine tours, or visit the Aquarium, or HMSC, the Under Sea Gardens or other areas of interest. Some businesses actually overlook the docks and attract customers who want to refresh themselves while continuing to watch the sea lions. Other local businesses sell sea-lion related products, such as soft toys or T shirts. The longer a visitor spends in Newport, the more they are likely to spend in local businesses, whether it be retail, food or lodging.*

How does the project increase the capacity for tourism?

*The project is initially about replacing tourist capacity that would otherwise be lost. In addition, the forming of the non-profit Foundation provides a vehicle for interested parties such as the Board of Directors to extend their reach into promoting the sea lion docks as a Community Asset, to the benefit of both the local economy and local residents. The project is also building bridges between parts of the communities that have not always seen themselves as interwoven. For example, this is providing the opportunity for the Port of Newport and the Commercial Fishing Community to recognize their responsibility to the larger community, and to develop the benefits that will come from working cooperatively with the tourist economy.*

Facility Usage: (Check all that apply) (10 points)

Is the project open year round:      Yes       No   
 If yes:  
 Daily       (24 x 7 x 365)  
 Weekdays \_\_\_\_\_  
 Weekends \_\_\_\_\_  
 Once a week \_\_\_\_\_

Is the project seasonal:      Yes       No   
 Daily \_\_\_\_\_  
 Weekdays \_\_\_\_\_  
 Weekends \_\_\_\_\_  
 Once a week \_\_\_\_\_

Is the project off-season:      Yes       No   
 Daily \_\_\_\_\_  
 Weekdays \_\_\_\_\_  
 Weekends \_\_\_\_\_  
 Once a week \_\_\_\_\_

Is the project monthly:      Yes       No   
 Daily \_\_\_\_\_  
 Weekdays \_\_\_\_\_

Weekends \_\_\_\_\_  
Once a week \_\_\_\_\_

Is the project open on holidays: Yes  No  Only

Other: \_\_\_\_\_

Who is the targeted tourist? (Check all that apply)

Children	<input checked="" type="checkbox"/>
Families	<input checked="" type="checkbox"/>
Adults 21+	<input checked="" type="checkbox"/>
Seniors	<input checked="" type="checkbox"/>
Groups	<input checked="" type="checkbox"/>
Business	<input type="checkbox"/>
Pleasure	<input checked="" type="checkbox"/>
Arts	<input type="checkbox"/>
Heritage	<input type="checkbox"/>
Cultural	<input type="checkbox"/>
Sports	<input type="checkbox"/>
Other	<input checked="" type="checkbox"/> (Nature, recreation and education)

Will the project attract repeat visits:

during a single stay?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
during a single season?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
over a single year?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
over multiple years?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>

What is the potential for repeat business?

*Anecdotal evidence in the form of feedback to docents and local businesses suggest that visitors visit and re-visit the sea lion docks while they are in Newport.*

What is the regularity of usage?

*There is no hard evidence to support this, but again feedback to the docents at Pier Dock One and to local businesses is that people visit the sea lion docks every time they visit Newport, and this is for some several times per year.*

Does the project allow for multiple activities or uses? State size and types of events.

*We think not, at this stage, though somebody has suggested a "Sea Lion Fair".*

Is there a particular new demographic that the project is intended to reach?

*No. The sea lion docks appeal to visitors of all demographic groups and is fully wheelchair accessible.*

Who does the project attract?

*Visitors of all ages and from all demographic groups*

Other: (5 points)

How does the location relate to the current tourism hubs?

*The sea lion docks are at the heart of the Bay Front tourist community, adjacent to the commercial fishing docks, and with buses offering complementary transportation to other tourist areas such as Nye Beach.*

How is the project energy efficient or environmentally friendly?

*The project consumes no energy whatsoever, and requires minimal maintenance, and is effectively a part of the surrounding natural environment, so is totally sustainable.*

What is the effect of the project on local livability components?

*The sea lion docks offer a unique opportunity to observe close up wild animals that are an integral element of the waterfront environment in which Newport is located. The experience is constantly varied and totally free, and epitomizes life in our Community.*

Is there any additional information that you would like the committee to consider?

*The local Tourist Industry will be much the worse off without the sea lion docks. Also, the same group of people who are replacing the sea lion docks have also installed the Misawa Dock Tsunami Information Center almost adjacent to Port Dock 1, and the docents this year will be directing people towards it, in order to raise tsunami awareness and preparedness among visitors to the City.*

(Overall project 25 points)

*Please refer also to the Project Summary on Pages 2 and 3 of the application. The sea lion docks have been an integral part of Newport's Bay Front and local tourist economy for almost twenty years. For many they represent the quintessential Newport experience. In many ways, they have been taken for granted, but when the docks were all but destroyed by winter storms, their likely demise galvanized many people into realizing their importance, and out of a series of stakeholder meetings came a solution where an effective partnership was formed between the Port of Newport, local businesses, the Marine Mammal Institute, HMSC and the local community. The non-profit Newport Sea Lion Docks Foundation was formed to raise the funding for, and organize the replacement of, the docks, thus enabling them to continue to draw tourists.*

*At the request of the Port of Newport, the Foundation will also install an observation platform inboard of Port Dock One, so that the public cannot be endangered by trucks driving onto the Pier to service ships moored there.*

*Layout of the new dock arrangement, fund raising details, and further information about the project are included in the required attachments that follow.*

*End of ten page Grant Application*

## Required Attachments

1. IRS determination letter for 501(c)
2. Financial history of the project, if available: three years of year-end revenue/expense summaries, and current balance sheet; or feasibility study
3. Executive Summary of the business plan for the project, including a budget
4. Timeframe for fundraising
5. Timeframe for project construction/completion

## Optional Attachments

1. Up to 5 pages of 8 ½ x 11 drawings of any facility and floor plan to be constructed or renovated with the requested funds

ATTACHMENT 1: IRS DETERMINATION LETTER FOR 501(c)3

INTERNAL REVENUE SERVICE  
P. O. BOX 2508  
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: **AUG 30 2012**

NEWPORT SEA LION DOCKS FOUNDATION  
C/O ROBERT WARD  
525 NW 57 ST  
NEWPORT, OR 97365

Employer Identification Number:  
45-5170075  
EIN:  
17053200308022  
Contact Person:  
GLENN W COLLINS ID# 31392  
Contact Telephone Number:  
(877) 829-5500  
Accounting Period Ending:  
December 31  
Public Charity Status:  
170(b)(1)(A)(vi)  
Form 990 Required:  
Yes  
Effective Date of Exemption:  
April 23, 2012  
Contribution Deductibility:  
Yes  
Addendum Applies:  
No

Dear Applicant:

We are pleased to inform you that upon review of your application for tax exempt status we have determined that you are exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code. Contributions to you are deductible under section 170 of the Code. You are also qualified to receive tax deductible bequests, devises, transfers or gifts under section 2055, 2106 or 2522 of the Code. Because this letter could help resolve any questions regarding your exempt status, you should keep it in your permanent records.

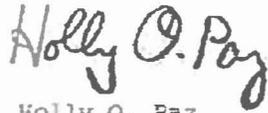
Organizations exempt under section 501(c)(3) of the Code are further classified as either public charities or private foundations. We determined that you are a public charity under the Code section(s) listed in the heading of this letter.

Please see enclosed Publication 4221-PC, Compliance Guide for 501(c)(3) Public Charities, for some helpful information about your responsibilities as an exempt organization.

Letter 947 (DO/CG)

NEWPORT SEA LION DOCKS FOUNDATION

Sincerely,

A handwritten signature in black ink that reads "Holly O. Paz". The signature is written in a cursive style with a large, looped "H" and "P".

Holly O. Paz  
Director, Exempt Organizations  
Rulings and Agreements

Enclosure: Publication 4221-PC

Letter 947 (DO/CG)

### 3. EXECUTIVE SUMMARY OF BUSINESS PLAN and BUDGET

*The Mission of the Newport Sea Lion Docks Foundation is to fund, and to organize, the replacement of the Sea Lion Docks adjacent to Pier Dock One on the Newport Bay Front, which were severely damaged over recent winters by stormy weather, and to improve the safety of the public looking at the sea lions by providing a viewing platform to separate them from trucks servicing boats moored at Port Dock 1.*

*The objective in replacing the docks is to provide an ongoing attraction for tourists, who have demonstrated over the past twenty years or so a liking for viewing these wild sea lions from close up.*

*The winter storms had caused extensive damage to the 100 foot of floating docks, and had damaged pilings securing the docks. Replacement of pilings requires Government permits and can only take place between November 1<sup>st</sup> and February 15<sup>th</sup> each year. When the last section of the original docks finally disintegrated in October 2012, a temporary replacement 60 foot long was bought from the Port of Newport for \$2,800 and put in place until the long-term replacement docks are available.*

*New pilings for the floating docks were installed in February 2014, but replacement docks were not available because a change in environmental regulations banning the use of treated wood meant that the design of the proposed docks had to be reassessed. A set of concrete docks are now being examined, and are likely to be installed by the end of August, at a cost of \$35,000.*

*Pilings and supports for the viewing platform will be installed in November at a cost of about \$25,000. That will leave only the actual platform to be manufactured and installed, at a cost of about \$35,000, for a total project cost of \$125,000. Some \$106,000 has either been spent already or is available towards that total, leaving \$19,000, of which \$10,000 is being requested from the City Tourist Facilities Fund.*

*When the project is completed, the City will have made available \$60,000 out of a total of \$125,000, with \$65,000 secured by the Foundation in matching funds.*

*Work on the platform cannot start until November 1<sup>st</sup>, 2014 and should be finished by the end of February 2015.*

*The budget for the remaining work is:*

<i>Purchase 90 foot of floating docks</i>	<i>\$ 35,000</i>	
<i>Install new pilings for viewing platform</i>	<i>\$ 25,000</i>	
<i>Construct and install observation platform</i>	<i>\$ 35,000</i>	<i>Total \$ 95,000</i>
<i>Available as of June 6, 2019:</i>		<i>\$ 76,000</i>
<i>Balance required</i>		<i>\$ 19,000</i>

#### 4. TIMEFRAME FOR FUNDRAISING

*Funding for everything except the manufacture and installation of the viewing platform is already in hand, so the floating docks can be installed as soon as they are available, and the piling work for the public viewing platform can commence as soon as the in water work window commences on November 1, 2014.*

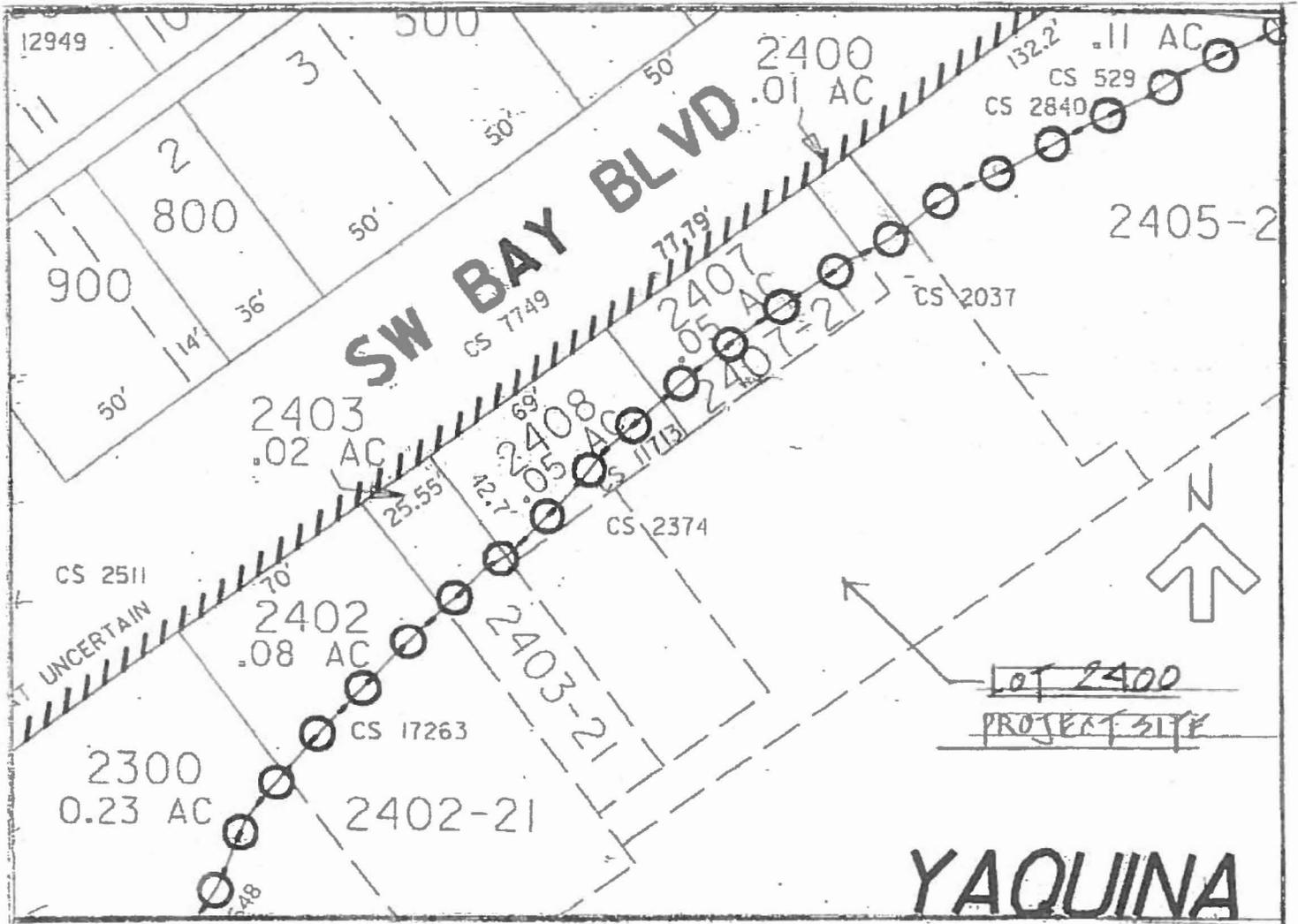
*The manufacture of the platform itself can commence as soon as the funds are available, and though the installation does not have to take place during the in water work window, it is hoped that the platform is installed, and the project completed, by the end of February 2015.*

*The anticipated timeframes for fundraising of the final phase of the project is:*

<i>Public donations already secured</i>	<i>\$ 6,000</i>
<i>Grant from Pacific Georgia Foundation by September 1, 2014</i>	<i>\$ 3,000</i>
<i>Public donations, to be secured by November 1, 2014</i>	<i>\$ 6,000</i>
<i>Second Grant from Tourist Facilities Fund by January 1, 2015</i>	<i>\$10,000</i>
<i>Total</i>	<i>\$ 25,000</i>

*Note: if the second City grant is delayed for any reason, the final completion will be delayed to match. The lowering of the viewing platform onto its supports and subsequent attachment does not have to be done during the in-water work window, as the platform is located above the high water mark.*

OPTIONAL ATTACHMENT 1: DRAWINGS OF FLOATING DOCK ARRANGEMENT



**YAQUINA**

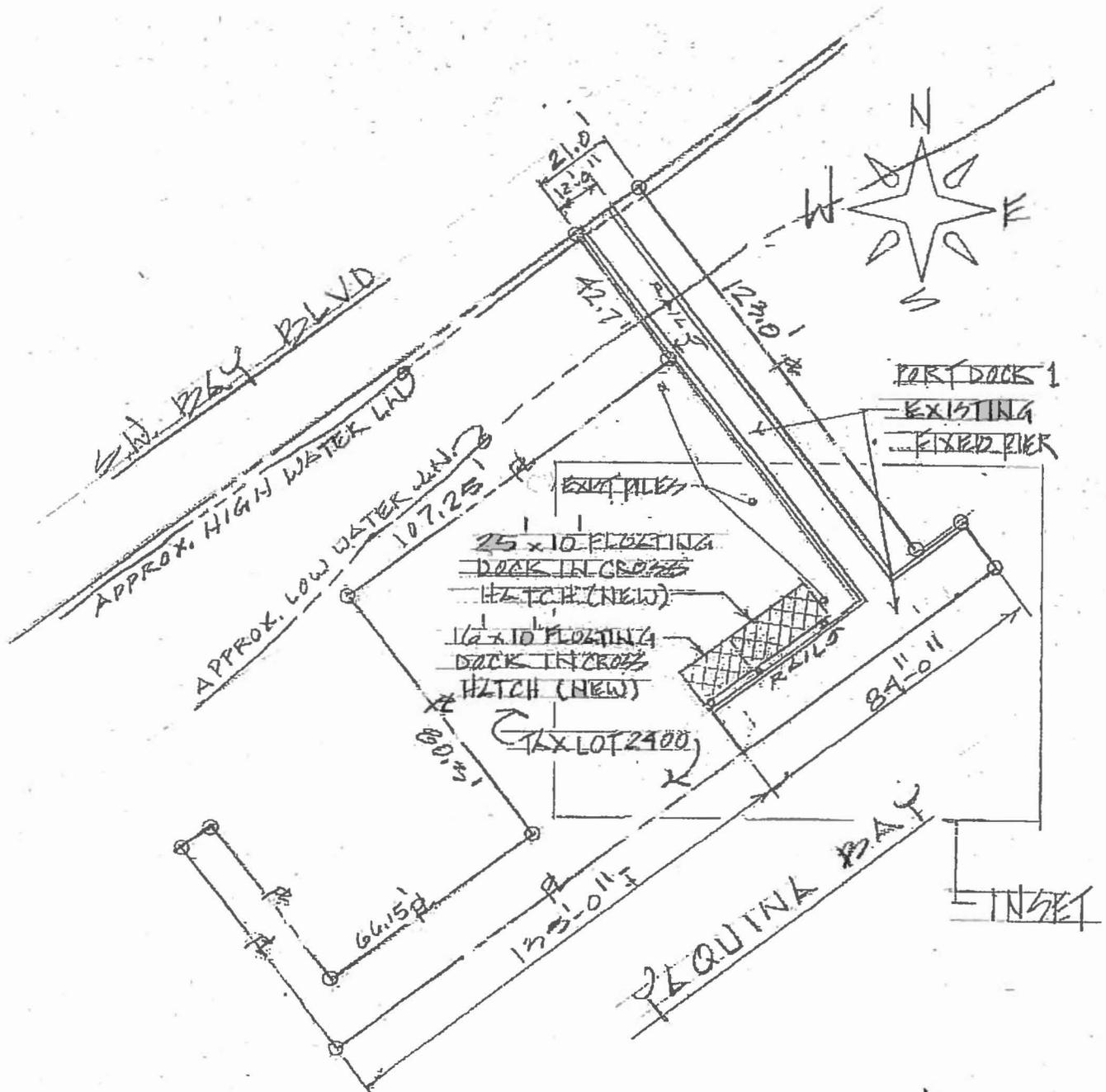
TAX MAP 11-11-08-DB



SITE LOCATION

SEA LION FOUNDATION FLOATING DOCKS FOR SEA LION HAUL OUT AT PORT OF NEWPORT PORT DOCK 1

TAX MAP NO. 11-11-08-DB  
LOT 2400

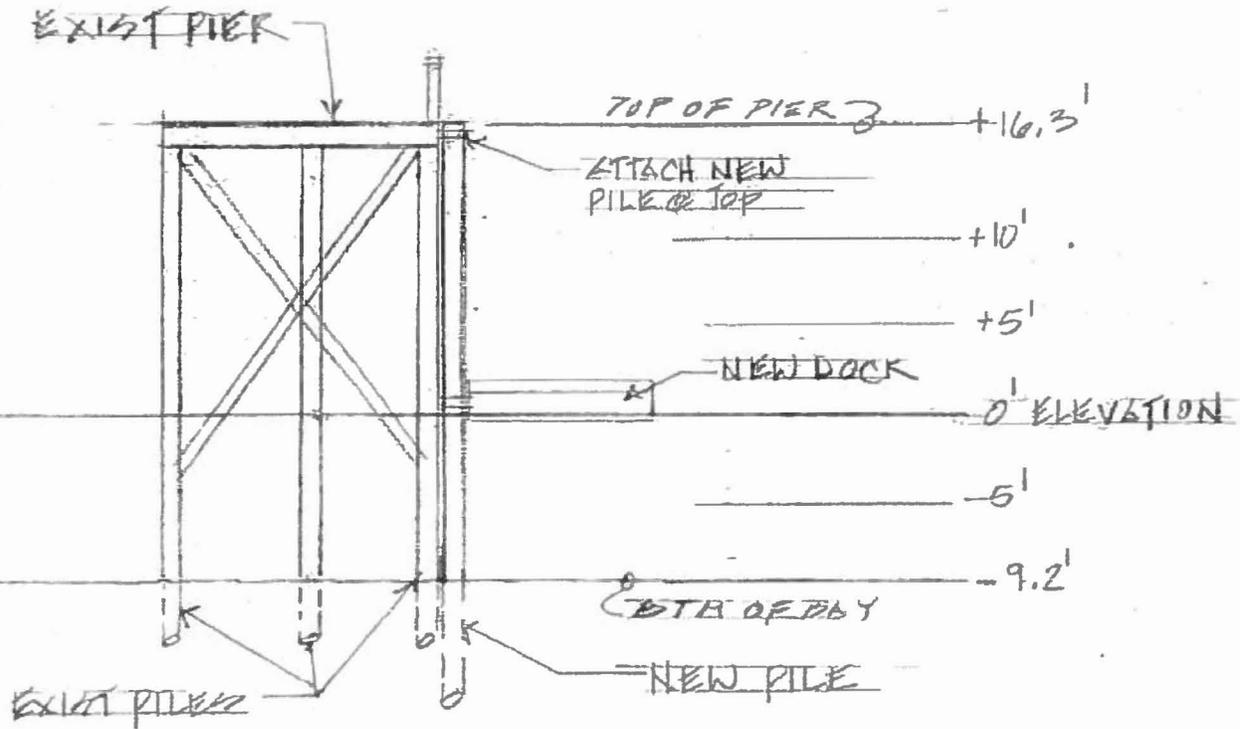


SITE PLAN  
SCALE 1"=40.0'

SKELION FOUNDATION FLOATING DOCK AT  
PORT OF NEWPORT PORT DOCK 1  
TAX MAP NO. 11-11-03-DB LOT 2400

PG. 2 OF 4



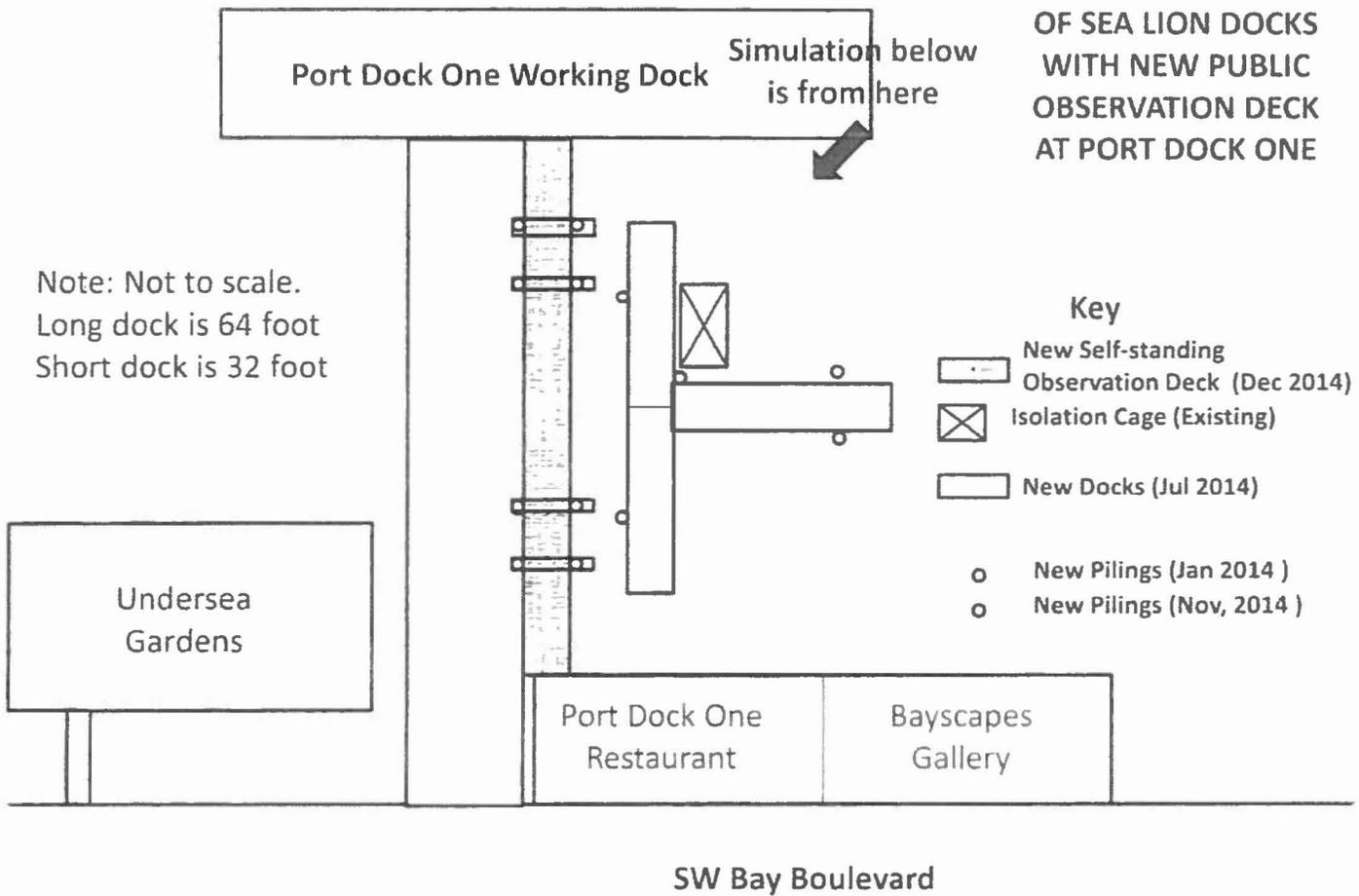


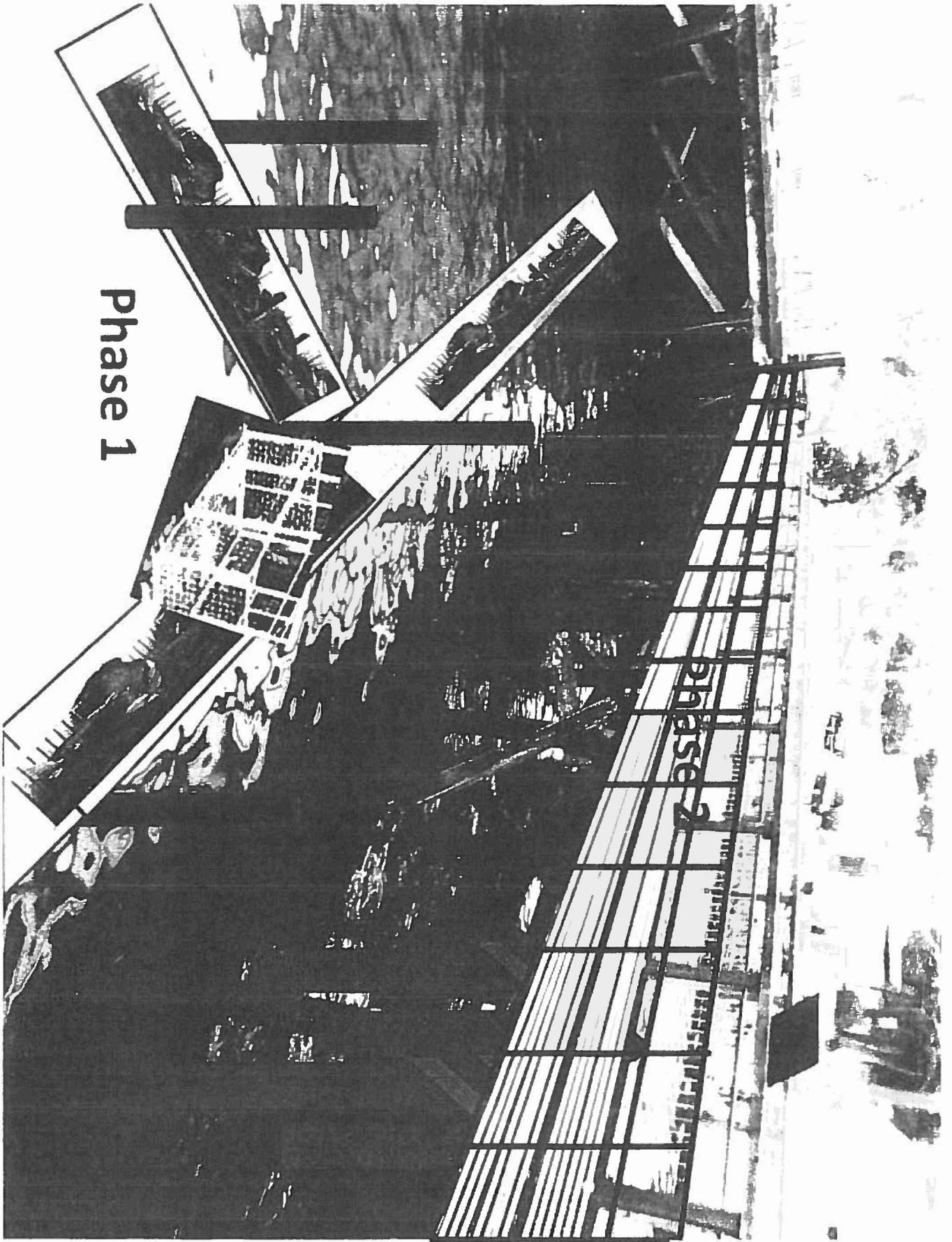
$\frac{A}{4}$ 
SECTION  
SCALE 1" = 10.0'

SECTION FOUNDATION FLOATING DOCK AT  
PORT OF NEWPORT PORT DOCK 1  
TEL. MAP NO. 11-11-08 DB LOT 2400

Yaquina Bay

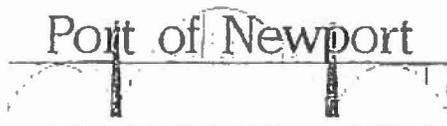
**PHASED REPLACEMENT  
OF SEA LION DOCKS  
WITH NEW PUBLIC  
OBSERVATION DECK  
AT PORT DOCK ONE**





Phase 1

Phase 2



100 S.E. BAY BOULEVARD NEWPORT, OREGON 97365 (541) 265-7758 FAX (541) 265-4235

March 12, 2013

The Honorable Sandra Roumagoux, Mayor of Newport  
City of Newport Council Members  
169 SW Coast Highway  
Newport, OR 97365

Subject: Replacement of Sea Lion Docks at Port Dock One

Dear Mayor Roumagoux and City Council Members:

As you are aware, the Port of Newport has been working with the Newport Sea Lion Dock Foundation to achieve improvements to the Port Dock One sea lion viewing area and the floating sea lion docks. Many hours have been spent in meetings with Foundation members and surrounding bayfront businesses discussing a long-term solution and viable plan for this project.

Sea lions have been using a set of floating docks adjacent to Port Dock One on the Newport bayfront for almost twenty years. The docks were originally built for use by small boats visiting Newport, but were almost immediately commandeered by sea lions. Port Dock One allows members of the public a rare opportunity to view these interesting and amusing animals up close, and they soon became a key attraction for both tourists and Newport residents alike, and an integral feature of the Newport tourist industry.

Over the past few winters, storms have damaged the docks, and by spring of 2012, only a 40-foot section of the original 120-foot of dock remained, and this in very poor condition. At a meeting of stakeholders, including the Port of Newport, local business owners, Hatfield Marine Science Center, and Oregon Sea Grant, it was agreed that the docks should be replaced, but the Port explained that it had no resources to apply to the project. A non-profit corporation, the Newport Sea Lion Docks Foundation, was formed in order to fund the replacement of the docks. IRS 501.c.3 status was achieved and the Foundation started collecting public donations and applying to funding sources for the money. In October 2012, the final section of the dock disintegrated. The Foundation has bought an 80-foot length of used dock from the Port but this is unlikely to last much more than a year, and a long-term replacement is needed if this tourist attraction is to continue. The project has widespread support in the community. More details of the project, the Foundation, and several letters of support can be viewed at [www.newportsealionsdocks.com](http://www.newportsealionsdocks.com), which also promotes Newport as a tourist destination.

Serving the Maritime & The Recreational Communities  
Newport International Terminal (541) 265-9651 Newport Marina at South Beach (541) 867-3321  
311

The Port of Newport supports the Newport Sea Lion Dock Foundation's application to the City of Newport Tourism Facilities Grant Program for funding. The Port will continue to work with the Foundation towards the mutual goal of maintaining a working dock for our fishing industry at Port Dock One and providing a safe platform for visitors and local residents to view the sea lions and our working waterfront.

It will be incumbent on the Sea Lion Dock Foundation to provide the Port of Newport with a complete package of design and engineering plans prior to proceeding with their project. We look forward to a positive project conclusion.

Thank you for your consideration of this request.

Sincerely,

A handwritten signature in black ink, appearing to read "Don Mann". The signature is written in a cursive style with a large initial "D" and "M".

Don Mann  
General Manager

C: Port of Newport Board of Commissioners  
Newport Sea Lion Docks Foundation



November 1, 2012

*Stimulating economic growth  
in the greater  
Yaquina Bay region*

To Whom It May Concern:

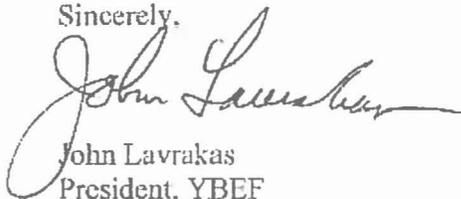
The Yaquina Bay Economic Foundation (YBEF) is an all-volunteer 501(c)(6) corporation formed in 1981 to encourage and promote growth and economic development in the greater Yaquina Bay region. Its members represent a dynamic cross-section of public and private sector business and community leaders from throughout the Newport and Toledo area, including cities, ports, schools, marine science, health care, the arts, and the business sector.

The Newport Sea Lion Docks Foundation, whose directors comprise local merchants, a business consultant, and a marine mammal biologist, is advocating for restoration of a dock on the Newport Bayfront used as a haul out by local sea lions. The dock area is part of the working waterfront used by local fishermen, and has been a major tourist draw for nearly twenty years. Signage on the dock informs visitors about the fishing activities taking place there as well as about the sea lions.

The Newport Sea Lion Dock Foundation has been active in working collaboratively with dockside fishermen, the Port of Newport, and Oregon Sea Grant to establish a docent program, both to provide local interpretation and to help control the crowds for fishermen when visitors crowd onto the docks in the summer time to see the sea lions. Now they are raising funds to restore the docks so this important tourist site can continue to entertain and inform tourists for years to come.

We wholeheartedly endorse the collaborative efforts of the Newport Sea Lion Dock Foundation to restore the sea lion docks.

Sincerely,



John Lavrakas  
President, YBEF



**Central Oregon Coast Association**

P.O. Box 2094  
Newport, OR 97365  
(541) 265-2064 (800) 767-2064  
[www.coastvisitor.com](http://www.coastvisitor.com)

October 17, 2012

Bob Ward  
Newport Sea Lion Docks Foundation  
525 NW 57th Street  
Newport, Oregon 97365

To whom it may concern:

The purpose of this letter is to provide support for the fund raising efforts and good works that the Newport Sea Lion Docks Foundation is providing on behalf of the sea lion population that resides on the docks on the Newport Bay Front. The sea lions on the Newport Bay Front are a tremendous asset to tourism on the Central Oregon Coast. Tourists who visit the Newport Bay Front thoroughly enjoy the sights and sounds of the sea lions, and they enhance and enrich the visitor experience. Sea Lions are very gregarious, social animals and the Newport Bay Front would not be the same without the resident sea lion population that currently resides on the docks. Tourists of all ages delight in watching the sea lions on the Bay Front. Many times I have seen big smiles and excited conversations among tourists while they watch the sea lions from Pier Dock One. They snap photos and share their visitor experience with the sea lions on social media. All of this helps to grow and sustain tourism in Lincoln County.

The Central Oregon Coast Association fully supports the fundraising efforts of the Newport Sea Lion Docks Foundation as a sustainable tourist attraction. Please lend your support to this worthy cause. It's good for tourism and good for local business

Thank you for your support.

Gale Hart  
Director  
Central Oregon Coast Association  
Office: 541-265-2064  
Direct: 541-921-3120  
[director@coastvisitor.com](mailto:director@coastvisitor.com)



11/27/12

Newport Sea Lion Docks  
525 NW 57 Street  
Newport, Oregon 97365

Tel: (541) 574 4475  
admin@newportsealiondocks.com

To Whom It May Concern,

The Oregon Coast Visitors Association is a regional tourism agency that supports developing and investing in our tourism economy along all 363 miles of the Oregon Coast. We believe the more opportunities and attractions we have to offer visitors, the longer visitors will stay and the greater the long-term economic benefits will be for our coastal communities.

We know that people from all over the county and the world visit the Oregon Coast to experience its raw natural beauty and for the chance to get close to the wildlife which inhabits it. The Newport Sea Lion Docks are one of those rare "free things" that visitors can take advantage of which offers a wonderful wildlife viewing opportunity for all ages and is ADA accessible! Therefore, we are in favor of community projects such as the Newport Sea Lion Docks, which aims to replace/refurbish an iconic, Oregon Coast attraction.

The Oregon Coast Visitors Association encourages community members, potential government and non-profit partners and potential funders to support this grass roots community effort. It is the vision of the people on the People's Coast which keeps our natural beauty protected and accessible for all generations to come and for all the world to enjoy.

Sincerely,

Marcus Hinz  
director@ThePeoplesCoast.com

*OREGON COAST VISITORS ASSOCIATION*  
*po box 940 - 2200 1st St #490 tilamook, oregon 97141 p 541 574 2679 - 888 628 2101 - c 541 261 0511*

## TOURISM FACILITIES GRANT PROGRAM

### Purpose

This policy is intended to guide the City of Newport in accepting applications and considering grant proposals for funding under the Tourism Facilities Grant Program established by the Newport City Council. The Tourism Facilities Grant Program is funded by local transient room tax revenues, so state law controls the types of projects to which grants may be provided. If a project cannot meet legal requirements, it will not be awarded a grant.

### Title

The provisions adopted by this Resolution shall be known as the "Tourism Facilities Grant Program Rules."

### Policy

It is the policy of the city to make grant funds available to qualified applicants without regard to race, color, religion, sex, sexual orientation, national origin, marital status, age, disability, or familial status.

### Definitions

1. "Applicant" means any 501(c) organization or government entity may apply for a grant from the Tourism Grant Program.
2. "City" means the City of Newport.
3. "City Manager" means the City Manager of the City of Newport or the City Manager's designee.
4. "Council" means the City Council of the City of Newport.
5. "Grant Agreement" is the legally binding contract between the city and the grant recipient. The grant agreement consists of the conditions specified in these rules, special conditions enumerated in the agreement, if applicable, and the grant application approved by the City Council.
6. "Grant Funds" means the funds requested by an applicant and/or the funds delivered to a grantee through the Tourism Facilities Grant Program.
7. "Match" is any contribution to a project made up of funds other than grant funds. Match may include:

- a. Cash on hand or cash that is pledged to be on hand prior to commencement of the project;
  - b. Secured funding commitments from other sources; or
  - c. Pending or potential commitments of funding from other sources. In such instances, Tourism Grant Program funding will not be released prior to secured commitment of the other funds. Pending commitments of the funding must be secured within the time provided in the grant agreement.
8. "Tourism Facilities Grant Review Task Force" is a task force, consisting of seven members, appointed by the City Council in accordance with Resolution No. 3553.

#### Definitions for "Tourism-Related Facilities"

1. "Conference center" means a facility that:
  - a. Is owned or partially owned by a unit of local government, a governmental agency, or a nonprofit organization; and
  - b. Meets the current membership criteria of the International Association of Conference Centers.
2. "Convention center" means a new or improved facility that:
  - a. Is capable of attracting and accommodating conventions and trade shows from international, national and regional markets requiring exhibition space, ballroom space, meeting rooms and any other associated space, including but not limited to banquet facilities, loading areas, and lobby and registration areas;
  - b. Has a total meeting room and ballroom space between one-third and one-half of the total size of the center's exhibition space;
  - c. Generates a majority of its business income from tourists;
  - d. Has a room-block relationship with the local lodging industry; and
  - e. Is owned by a unit of local government, a governmental agency or a nonprofit organization.
3. "Tourism" means economic activity resulting from tourists.
4. "Tourism-related facility":
  - a. Means a conference center, convention center or visitor information center;

- b. Means other improved real property that has a useful life of ten or more years and has a substantial purpose of supporting tourism or accommodating tourist activities.
5. "Tourist" means a person who, for business, pleasure, recreation or participation in events related to the arts, heritage or culture, travels from the community in which that person is a resident to a different community that is separate, distinct from and unrelated to the person's community of residence, and that trip:
- a. Requires the person to travel more than 50 miles from the community of residence; or
  - b. Includes an overnight stay.
6. "Visitor information center" means a building, or a portion of a building, the main purpose of which is to distribute or disseminate information to tourists.

#### Application Requirements

1. Applications that do not comply with the requirements in this section will not be considered.
2. Applications must be submitted on a form provided by the city.
3. Applications for the 2014 grant cycle are due in the City Manager's office by 5:00 P.M. on Friday, May 30, 2014. Applicants must submit ten hard copies of the application and one electronic copy on a flash drive or memory stick. Applications submitted by e-mail or fax will not be considered.
4. All applicants shall supply the following information:
  - a. Name of applicant;
  - b. Name, physical and e-mail address, and fax and telephone numbers of the applicant's contact person(s) and, if applicable, the applicant's fiscal officer(s);
  - c. The name and a description of the proposed project;
  - d. Estimated line item budget for the project;
  - e. Identification of specific project elements for which grant funds will be used;
  - f. A list of any non-grant funds, services or materials available or secured for the project and any conditions which may affect the completion of the project;



3. All applicants who submit qualifying applications will be invited to make an oral presentation to the Tourism Facilities Task Force.
4. Based on the application materials submitted and the applicant's oral presentation, the Tourism Facilities Task Force will forward a recommendation to the City Council as to which applicants should be awarded grant funds, as well as the recommended amount of grant funds to be awarded to each applicant.
5. Applicants recommended to the City Council by the Tourism Facilities Task Force will be expected to make an oral presentation before the City Council.
6. The City Council is not bound by the Tourism Facilities Task Force recommendations.
7. The City Council will make its decision as to which applicants should be awarded grant funds, as well as the amount of grant funds to be awarded to each applicant based on the criteria and rating schedule attached as Exhibit A.
8. The city may require additional information from the applicant to aid in evaluating and considering a proposed project.
9. Applicants will be notified in writing of award of a grant or denial of an application. Written notifications will be sent by first class mail to the address provided in the application. Notifications will be deemed received by the applicant three calendar days after deposit by the city in the United States Mail.

#### Grant Agreement Conditions

1. If a grant application is approved, the City Manager, on behalf of the city, will enter into a grant agreement with the grantee.
2. If the grant agreement has not been fully executed by all the parties within one month of City Council approval, funding shall be terminated. The money allocated to the grant shall be available for reallocation by the city.
3. The terms of the grant agreement may be tailored to fit the project for which the grant funds are awarded. Grantees shall comply with all grant agreement conditions.
4. Obligations of the city under the grant agreement are contingent upon the availability of monies for use in the Tourism Facilities Grant Program.
5. The grantee shall comply with all federal, state, and local laws and ordinances applicable to the work to be done under the agreement.
6. Grant funds may not be used to refinance existing debt.

7. The grantee is responsible for all the expenses of the operation and maintenance of the project, including but not limited to adequate insurance, and any taxes or special assessments applicable to the project.
8. The grantee shall comply with all prevailing wage laws if they are applicable to the project.
9. The applicant's total financial resources must be adequate to ensure completion of the project.
10. Upon notice to the grantee in writing, the City Manager may terminate funding for projects not in compliance with the terms of the grant agreement. The money allocated to the project but not used will be available for reallocation by the City Council.
11. The grantee will obtain all required permits and licenses from local, state, or federal government entities.
12. The city may place additional conditions in the grant agreement as necessary to carry out the purpose of the Tourism Facilities Grant Program, including any provisions that the City Manager considers necessary to ensure the expenditure of funds for the purposes set forth in the application.

#### Distribution of Funds

1. The city will not reimburse the grantee for any expenditures incurred prior to the signing of the grant agreement by all parties.
2. Prior to disbursement of grant funds, the grantee must provide proof that the dollar for dollar required match, based on the total grant funds awarded, has been secured.
3. Funds shall not be disbursed until the City Manager receives satisfactory evidence that necessary permits and licenses have been granted and documents required by the city have been submitted.
4. The city shall retain ten percent of the grant funds until the final project report, as required by the grant agreement, has been approved by the city. Final reports are due within 60 days of project completion. Any unexpended grant funds must be returned to the city with the final report. Upon receipt of the final report, the city shall have 90 days to approve the completed report or notify the grantee of any concerns that must be addressed or missing information that must be submitted before the report is considered complete and reviewed for approval. Once the final report has been approved the final payment shall be promptly provided to the grantee.

## Appeals

1. If the Tourism Facilities Task Force or the City Council denies a grant application, the applicant may appeal the denial to the City Council by submitting a written notice of appeal to the City Manager's office within five business days of the receipt of the denial.
2. Within 20 calendar days of the city's receipt of the written appeal, the City Council will review the denial on the record of the application. No new information will be accepted for review.
3. The applicant is not entitled to an appeal hearing.
4. The City Council's decision on the appeal is final.
5. The City Council's decision regarding the appeal will be transmitted to the applicant at the address provided in the application, by first class mail.



## CITY MANAGER'S REPORT AND RECOMMENDATIONS

Agenda #: V.A.  
Meeting Date: March 2, 2015

### Agenda Item:

### From Robertson Sherwood Association - Update on Municipal Swimming Pool Project by Carl Sherwood & Scott Stolarcsyk.

#### Background:

As you are aware the design process has been ongoing for the development of a new municipal Aquatic Center, which will be located adjacent to the City's Recreation Center. The architects have been working with a local stakeholders group on various aspects of this project. They are very close to developing the final plans and specifications to allow this project to go to bid, with anticipated construction beginning in early summer.

Another component of this project will be addressing the parking needs for the City Hall campus. City Engineer, Tim Gross, has been working with Civil West to address a parking plan to accommodate the additional spaces necessary for this project. This will include the construction of surface parking on the south end of City Hall, reorienting the Police Department so access will be directly out to Highway 101, instead of driving between the Senior Center and the Recreational Facility, which can be problematic at times for the department. We are working through issues to address Senior Center parking as well. We are currently exploring ways in which to accelerate the parking improvements to reduce the crunch that will occur once construction is initiated on the pool project.

#### Recommended Action:

Other than any final comments, no formal action is required of the City Council.

#### Fiscal Effects:

None.

#### Alternatives:

None recommended.

Respectfully Submitted,

Spencer R. Nebel  
City Manager





## CITY MANAGER'S REPORT AND RECOMMENDATIONS

Agenda #: V.B.  
Meeting Date: March 2, 2015

### Agenda Item:

### Communication from the Lincoln Community Land Trust requesting an Amendment to the Memorandum of Understanding with the City of Newport, City of Lincoln City and Lincoln County

#### Background:

At the July 21, 2014, City Council meeting, the Council approved an agreement to jointly fund the Lincoln Community Land Trust to hire a full-time staff person with Associated Administrative Support Services with each entity contributing \$30,000 a year beginning July 1, 2014 and continuing through June 30, 2017. Enclosed is a copy of the minutes from the July 21<sup>st</sup> meeting along with the departmental recommendation at that time.

At the joint City Council/County Commission meeting held on January 21<sup>st</sup>, County Commissioner, Bill Hall, informed the Council efforts to retain a qualified employee for the Trust has not been successful and that the Trust is looking at providing that staffing on a contractual basis through an established community land trust organization. The Trust has entered into negotiations with Proud Ground that serves low and moderate income first time home buyers through education and counseling, post purchase support, affordable home buying opportunities, and asset management. In Oregon, Proud Ground facilitates the sale of homes to individuals meeting the income thresholds, which allows the homes to be purchased \$60,000-\$100,000 below market value. At the time the home owners sell their homes, this same savings gets passed onto the prospective buyer, who must meet the eligibility requirements at that time.

I believe contracting for services with an already established organization makes a great deal of sense for the Lincoln Community Land Trust. This will allow the Trust to hit the road running with an established organization that has a successful program in Portland. It will also provide a greater depth of services for qualified families in Lincoln County.

The Lincoln Community Land Trust is one of several tools that can be used to provide affordable/work force housing within the City of Newport and Lincoln County. The City Council has also discussed ways to partner with organizations such as Habitat for Humanity to provide affordable housing within the City. We are exploring ways to partner specifically with this organization as well.

Since the Memorandum of Understanding specifically addressed the hiring of "a full time staff person for the LCLT and Associated Administrative Support Services", the Lincoln Community Land Trust has drafted an amendment to that agreement allowing for an alternate way to meet the staffing needs for the Trust. A Memorandum of Understanding will be considered also by Lincoln City and Lincoln County in order to proceed forward.

Based on my own observations during the course of this year and with a number of development trends occurring within Newport and Lincoln County, addressing the affordable housing issue is going to be a critical concern for the region to address if we are going to be attractive to expanding the workforce on the Coast. The Lincoln Community Trust is one of several tools that can be used to meet these needs.

**Recommended Action:**

**I recommend that the City Council consider the following motion:**

**I move the adoption of the amended Memorandum of Understanding (MOU) with the Lincoln Community Land Trust, the City of Newport, the City of Lincoln City and Lincoln County for a commitment to provide to \$30,000 a year for a three year period beginning July 1, 2014, to provide financial support to contract for services for the development of workforce housing on a regional basis.**

**Fiscal Effects:**

None by this change

**Alternatives:**

Do not accept the change in the Memorandum of Understanding or as suggested by the City Council.

Respectfully Submitted,

A handwritten signature in blue ink, appearing to read "S. R. Nebel", is written over a light blue circular stamp.

Spencer R. Nebel  
City Manager

Amendment February 18, 2015  
Memorandum of Understanding  
By and Between  
Lincoln Community Land Trust, a 501(c)(3) nonprofit  
and  
the City of Newport, the City of Lincoln City and  
Lincoln County

Note this Amendment to the Original MOU between the parties provides that funding will be used for professional staffing and deletes references to a full time staff person. Amended MOU reads as follows:

This Memorandum of Understanding (MOU) is entered into by **The Lincoln Community Land Trust (LCLT)**, a 501(c)(3) nonprofit organization and the **City of Newport, the City of Lincoln City and Lincoln County (together the Public Partners)** pursuant to ORS Chapter 190. It is intended to establish base funding by the **Public Partners** for administrative services to be provided by **LCLT** in supporting **LCLT's** mission to provide permanently affordable homeownership for working individuals and families within Lincoln County .

The **Public Partners**, subject to annual appropriations through their individual local budget processes, will each annually on July 1 provide **\$30,000** to **LCLT** beginning July 1, 2014 and continuing through June 30, 2017 (total of **\$90,000** per public partner and **\$270,000** by all the **Public Partners** for the three fiscal years). The funding will support professional staffing for the **LCLT** and associated administrative support services. It is intended that the funding will cover all costs associated with the position and services and **LCLT** will be responsible for covering any shortfalls between actual costs and the funding provided. If **LCLT** should for any reason not be able to fulfill its obligations, any remaining funds will be returned to the **Public Partners**.

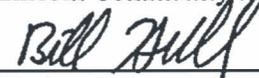
In addition to the funding support for **LCLT's** mission, the **Public Partners**, without a specific commitment of resources or properties, agree to give a high priority, within requirements under law, to providing surplus or foreclosed land held by them and/or revolving loan funds to the **LCLT** for housing development. Without committing to a specific number of homes in specific locations, **LCLT** commits to making a priority to distribute housing units throughout the county with as much equity as possible.

It is intended that the funding provided by this MOU is temporary in nature and that **LCLT** will work towards full budgetary self-sufficiency by the end of this funding allocation. Towards that end, **LCLT** shall provide annual reports by July 1 of each year and a final report to the **Public Partners**, no later than December 1, 2016, detailing its accomplishments to that date, funding for services after July 1, 2017 and how it intends to be fully funded for services thereafter.

The parties understand that the law reserves certain decisions to the governing bodies of the respective parties, and nothing in this agreement shall divest those governing bodies of their authority.

So Understood and Agreed this \_\_\_ day of \_\_\_\_\_, 2015:

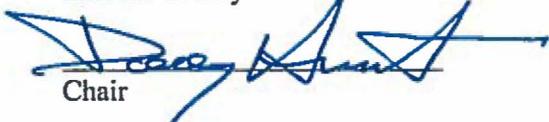
Lincoln Community Land Trust

  
\_\_\_\_\_  
Chair

City of Lincoln City

\_\_\_\_\_  
Mayor

Lincoln County

  
\_\_\_\_\_  
Chair

City of Newport

\_\_\_\_\_  
Mayor

that the location be rented for a 36-week period which would be a total cost of \$81,000, plus production/installation costs of \$6,000 for a total of \$87,000. He added that the advertising period will run from January 5, 2015 through September 13, 2015. He noted that the contract with OnDisplay Advertising, LLC will not be executed until legal review is completed.

Lorna Davis noted that this has been a very good location for the city.

MOTION was made by Sawyer, seconded by Allen, that the City Council concur with the Destination Newport Committee and authorize the City Manager to execute an advertising contract with OnDisplay Advertising, LLC. for 36 weeks of display time on a billboard located at SW 4<sup>th</sup> and Oak Streets in Portland for a total of \$81,000, plus production and installation costs of \$6,000 for a total cost of \$87,000 beginning January 5, 2015 and running through September 13, 2015. The motion carried unanimously in a voice vote.

## CITY MANAGER'S REPORT

**Consideration of Resolution No. 3688 Adopting Fees for Business License Endorsements for Medical Marijuana Dispensaries.** Hawker introduced the agenda item. Nebel reported that the City Council adopted Ordinance No. 2069 earlier this evening. He noted that the ordinance provides that fees be set by resolution. He stated that Resolution No. 3688 establishes two fees as part of the medical marijuana dispensaries business licenses ordinance. He added that one is an application fee for a medical marijuana facility endorsement, and the second is for background checks for employees of medical marijuana facilities. He noted that staff is proposing a fee of \$25 for the medical marijuana facility endorsement, and a fee of \$25 fee per employee background check to offset the city's expenses incurred in processing these endorsements. He added that a medical marijuana dispensary would be subject to regular business license fees as well.

Allen noted the change to the first line of the resolution, changing "special" legislative session to read "regular" legislative session. He also recommended a change to Section 2 which would read "The fee for background checks of employees of medical marijuana facilities is \$25.00 for each employee."

MOTION was made by Allen, seconded by Saelens, to adopt Resolution No. 3688, with the two minor changes, which establishes fees for medical marijuana facility endorsement applications in accordance with Ordinance No. 2069, in the amount of \$25 for a medical marijuana facility endorsement, and \$25 per employee for background check. The motion carried unanimously in a voice vote.

**Consideration and Possible Adoption of a Memorandum of Understanding Between the Lincoln Community Land Trust, City of Newport, City of Lincoln City, and Lincoln County Related to Workforce Housing.** Hawker introduced the agenda item. Nebel reported that in 2010 and 2011, in partnership with the state and local stakeholders, the city undertook a comprehensive update to the housing element of its Comprehensive Plan. He noted that this analysis demonstrated that the city lacks an adequate supply of affordable workforce housing units which makes it difficult for workers to find housing within the city limits. He stated that in 2013, the City Council deferred action on an agreement with the Lincoln Community Land Trust since it was determined that a

broader coalition should be brought together to address the workforce housing on a regional basis. He noted that since that time, discussions have ensued with Lincoln County and Lincoln City to provide base funding for administrative services that would be provided to the trust to support its mission to provide permanently affordable homeownership for working individuals and families in Lincoln County.

Nebel reported that this agreement was reviewed by the Planning Commission which indicated that they have invested considerable time and energy in updating the city's housing inventories. He stated that it was determined that in order for the city to realize an adequate supply of workforce housing, a proactive and creative strategy must be pursued. He added that with the recent announcement of Oregon State University's initiative to expand student enrollment by 500 students at the Hatfield Marine Science Center campus, the community will see an expansion of the current workforce to facilitate this activity. He added that the Planning Commission unanimously supported the investment of \$30,000 a year over a three-year period on a collaborative basis with Lincoln City and Lincoln County to support the hiring of a full-time staff person for the Lincoln Community Land Trust with the goal of the Land Trust becoming financially self-sufficient at the end of the three-year financial commitment.

Nebel stated that there is little doubt of the need for affordable workforce housing in the city. He added that the processes and methods for accomplishing that require a focused attention to meaningfully address the issue. He noted that he believes that the regional approach of the Lincoln Community Land Trust is an appropriate collaboration in which resources can be brought together to address this problem.

Nebel reported that Tokos serves on the Lincoln Community Land Trust Board of Directors, representing the interests of Newport, as disclosed in his report.

Rod Croteau, speaking on behalf of the Planning Commission, stated that the Planning Commission spent significant time on this issue, and urged positive consideration of the memorandum of understanding.

Bill Hall, Lincoln County Commissioner, recommended positive consideration of the memorandum of understanding. He recognized Allison Robertson, Land Trust board member from Lincoln City.

Allen noted that this memorandum of understanding indicates a sharing of costs, equal to \$30,000 from three entities, for a period of three years, for administrative costs. He added that the former agreement related to possibly utilizing city properties. He asked what other things, than the \$30,000 annual financial commitment, would be necessary to make this happen, and whether the donation of city properties will be necessary. It was noted that the Trust would look at a full range of options to prime the pump and facilitate the creation of workforce housing, and that the equitable nature will depend on whether the participants are willing to make land available. Tokos noted that the agreement was intentionally drafted without specifics. He added that revolving loan funds could be used; that all entities have properties in their inventory; and that the use of tax foreclosed properties may be an attractive option. He noted that because the agreement is open ended, discussions about making property available will occur on a case-by-case basis. Allen asked about the plan for budgetary self-sufficiency at the end of three years. Hall explained that the Trust is currently recruiting for a full-time director, and that the director will be charged with the creation of a permanent revenue stream through various methods. A discussion ensued regarding participation and contributions from other Lincoln County cities. Hall noted that the Cities of Toledo, Waldport, and

Yachats are paying a membership fee that is based on population. Tokos noted that there would be ongoing engagement with other entities. It was noted that annual reporting will be expected including information on how the program is being broadened.

Sawyer stated that if this is approved this evening, the city needs to make a commitment to provide properties.

Busby noted that the agenda item is not the entire package, and the goal is to obtain properties from the city over the next few years. He added that this project commits this money to very few people and equates to giving five or six people a check for \$50,000. He stated that he does not think the city should be in the housing business, but that there are other ways to do it, including incentivizing private businesses. He stated that this is a \$500,000 venture, not just \$30,000, and that he does not think this is a good priority in light of not adding an emergency planning position.

Beemer reported that he tries to spend the city's money in the same way he spends his own. He added that if this passes, he would be astonished if six houses are built in Newport at the end of three years. He asked Hall what he would consider to be a total success at the end of three years. Hall stated that he would consider success to be ten houses county-wide, and hopefully more depending on the willingness of jurisdictions to commit resources.

Sawyer stated that if this passes, properties should be transferred to the Trust immediately so that could begin building right away. He added that there is a housing problem in the county.

Tokos reported that this would not be all new construction; some would be rehabilitation of existing properties; and that with tax foreclosed properties, the housing could be in Newport or elsewhere. He added that a lot of people work in Newport but do not live here. He stated that this is a county-wide challenge.

Allen addressed the issue of potential housing needs with the expansion of the HMSC. He noted that it was expressed at the Town Hall meeting that Wilder might be interested, and that this might be a driving force in the private sector to meet some of those needs.

Nebel shared a few observations: the city has lost employees due to inability to find permanent affordable housing in the community; there is not one fixed method in addressing this issue; the group has tried to put together a plan to address this issue, and has gone as far as possible; this does not exclude private solutions; this does not specifically include city land which would need Council authorization to sell; and if the area is to grow economically, there needs to be adequate housing for workers in the community. Beemer noted that this is a problem that affects apartments as well as single-family dwellings. Other employees facing same issue. There is a problem having affordable housing.

Allen asked where the money will come from in the budget. Nebel reported that \$13,000 will come from the General Fund, and the balance from the revolving loan fund.

Hall stated that it is too narrow to believe that the program will help five or six people. He suggested considering the ripple effect and the fact that some current renters may move into the workforce housing units which could open up opportunities in the rental pool.

MOTION was made by Sawyer, seconded by Saelens, to enter into a Memorandum of Understanding with the Lincoln Community Land Trust, City of Newport, City of Lincoln City, and Lincoln County for a commitment to provide \$30,000 per year for a

three-year period in conjunction with the City of Lincoln City and Lincoln County to fund a staff person who will focus on the development of workforce housing on a regional basis. The motion carried in a voice vote with Busby voting no, and Allen, Beemer, Roumagoux, Saelens, and Sawyer voting yes.

**Report and Consideration of Resolution No. 3689 Regarding the Establishment of a Task Force to Discuss the Regional Role of the Newport Municipal Airport.** Hawker introduced the agenda item. Nebel reported that at the July 7, 2014 Council meeting, Busby requested that Council consider establishing a task force to look at the regional role the Newport Municipal Airport can play in the central coast. He stated that as a result, Council requested a report and recommendation from staff in order to develop the guidelines for such a task force. He added that he and Hawker have developed a resolution that outlines the possible structure of a task force including its responsibilities and deadline for completing the task. He encouraged Council to make modifications to the resolution to reflect the collective desires of Council.

Nebel reported that Allen suggested adding a member of the Airport Advisory Committee to the task force. Busby suggested two or three Airport Committee members. Roumagoux asked Busby to help identify potential Task Force members before she leaves on August 1. Roumagoux and Busby agreed to serve on the task force as Council Members. Allen suggested that the first line of the task force composition read "Council Members" rather than "City Councilors." It was the consensus of Council to add two Airport Committee members to the composition of the task force. Staff was asked to prepare individual letters to potential task force members.

MOTION was made by Sawyer, seconded by Beemer, to adopt Resolution No. 3689 which would establish a task force to discuss the regional impact of the Newport Municipal Airport with the addition of two Airport Committee members, and the change from "City Councilors" to "Council Members" in the first line of the task force composition. The motion carried unanimously in a voice vote.

**Adoption of Legislative Priorities for the League of Oregon Cities.** Hawker introduced the agenda item. Nebel reported that the City Council met in a work session and identified legislative priorities as requested by the League of Oregon Cities. He recommended that Council formally authorize the submission of its legislative priorities: as determined in the work session held earlier this evening.

MOTION was made by Sawyer, seconded by Beemer, to direct the City Manager to submit the following as the Council's top four legislative priorities: Pass a comprehensive transportation funding and policy package; Natural disaster planning; ConnectOregon funding; and Enhance mental health services. The motion carried unanimously in a voice vote.

## LOCAL CONTRACT REVIEW BOARD MEETING

Roumagoux called the July 21, 2014 meeting of the Local Contract Review Board to order.

**Approval of Addendum No. 1 to Task Order No. 8 for Bay-Moore Drainage Improvements - Environmental Issues with Civil West Engineering Services, Inc.**



Agenda Item # VIII.B  
Meeting Date July 21, 2014

**CITY COUNCIL AGENDA ITEM SUMMARY**  
City of Newport, Oregon

Issue/Agenda Title Consideration and possible adoption of a Memorandum of Understanding between the Lincoln Community Land Trust, City of Newport, City of Lincoln City, and Lincoln County relating to workforce housing

Prepared By: Derrick Tokos Dept Head Approval: DT City Mgr Approval:

**ISSUE BEFORE THE COUNCIL:** Consideration of whether or not entering into a Memorandum of Understanding (MOU) with the Lincoln Community Land Trust, Lincoln City and Lincoln County to facilitate construction of work force housing furthers the City's adopted housing goals and is consistent with the public interest.

The Lincoln Community Land Trust, City Council for Lincoln City and the Lincoln County Board of Commissioners have signed on to the MOU. The Newport Planning Commission has reviewed the MOU and unanimously approved a letter recommending the City follow suit.

**STAFF RECOMMENDATION:** Staff recommends you accept the Planning Commission recommendation and proceed in partnership with Lincoln City and Lincoln County in entering into this Memorandum of Understanding.

*(DISCLOSURE: As I have publicly disclosed to the Planning Commission and City Council on several occasions, I serve as the City of Newport's Community Development Director but also as a member of the Board of Directors of the Lincoln Community Land Trust. The Trust is a non-profit entity and none of the Board members are compensated. A copy of the Trust's Board of Directors roster is enclosed. Toledo's representative, Michelle Amberg, resigned and was recently replaced with former Toledo Mayor Rod Cross.)*

**PROPOSED MOTION:** I move that the City Council enter into a Memorandum of Understanding with the Lincoln Community Land Trust, Lincoln City and Lincoln County, as presented.

**KEY FACTS AND INFORMATION SUMMARY:** In 2010 and 2011, in partnership with the State of Oregon and local stakeholders, the City of Newport undertook a comprehensive update to the Housing element of its Comprehensive Plan. That analysis demonstrated that the City lacks an adequate supply of affordable workforce housing units, making it difficult for workers to find housing within the city limits, which negatively influences long term growth of the economy; the ability of area business's to attract and retain employees; emergency response times by emergency personnel living outside the city; and reinvestment in the economy by community members who spend more money on housing.

The City adopted recommendations in the study for how it could help facilitate the creation of workforce housing. In 2012 it established a revolving loan fund for construction of affordable housing units using one-time funds from the sale of City owned property. It is also amended its zoning ordinance to make available additional housing options (i.e. Accessory Dwelling Units, Park Model RVs, etc.). Another recommendation of the study calls for the City to establish a "land bank," offering property out of its inventory for the construction of workforce housing. A narrowly tailored agreement between the Lincoln Community Land Trust and Newport to put a land bank program in place was considered in 2013, with action being deferred in the hope that a broader coalition could be brought together.

The proposed MOU establishes a broader coalition of public partners (i.e. Newport, Lincoln City and Lincoln County) to provide base funding for administrative services that are to be provided by the Trust in supporting its mission to provide permanently affordable homeownership for working individuals and families within Lincoln County. Specifically, each partner will provide \$30,000 a year beginning July 1, 2014 and continuing through June 30, 2017. The funding will support a full time staff person for the Trust and associated support services. In addition, the public

partners, without a specific commitment of resources or properties, agree to give a high priority to providing surplus or foreclosed land held by them and/or revolving loan funds to the Trust for housing development. While there is no commitment to a specific number of homes in specific locations, the Trust agrees in the MOU to make the equitable distribution of units throughout the County a high priority. Funding provided pursuant to the MOU is intended to be temporary in nature, with the expectation that the Trust will work towards full budgetary self-sufficiency. The MOU also provides that the Trust will provide annual reports to the funding partners.

**OTHER ALTERNATIVES CONSIDERED:** A more narrowly tailored agreement between the City of Newport and Trust. This has been tabled in favor of the multi-jurisdictional partnership outlined in the MOU.

**CITY COUNCIL GOALS:** Facilitating the creation of workforce housing and implementing the land bank program is a Council goal.

**ATTACHMENT LIST:**

- Letter from the Newport Planning Commission, dated July 14, 2014
- Draft Memorandum of Understanding
- Newport Comprehensive Plan Housing Goals, Policies, and Implementing Measures
- Lincoln Community Land Trust 2013 Board of Directors

**FISCAL NOTES:** Funds are budgeted for FY 14/15 to cover the City of Newport's contribution under this MOU.

CITY OF NEWPORT  
169 SW COAST HWY  
NEWPORT, OREGON 97365



phone: 541.574.0629

fax: 541.574.0644

thecityofnewport.net

COAST GUARD CITY, USA

mombetsu, japan, sister city

To: Newport City Council

From: Newport Planning Commission

Date: July 14, 2014

**RE: Support for Development of Workforce Housing**

Dear Council Members,

It is our understanding that on July 21<sup>st</sup> you will be considering a Memorandum of Understanding (MOU) between the Lincoln Community Land Trust, City of Newport, Lincoln City and Lincoln County that outlines a three year partnership to provide the Trust with funding to facilitate construction of workforce housing. This effort to address a critical need within our community has our full support and we strongly recommend that you move forward with the agreement.

As a Commission we have invested considerable time and energy in updating the City's housing inventories. We have worked collaboratively with area employers, residents, and other stakeholders to better understand housing needs within our community and with your help and support the City has taken meaningful steps to fulfill its obligation to ensure adequate housing is available and affordable to Newport workers at all wage levels. Much of what we have accomplished to date has been through changes to City zoning regulations to make available additional housing options (i.e. Accessory Dwelling Units, Park Model RVs, etc.). However, in order for the City to realize an adequate supply of workforce housing, it must pursue more proactive and creative strategies.

That is how we view this agreement. The more narrowly focused agreement between the City and Trust that we recommended you support in 2013 would have resulted in at least six (6) owner occupied workforce housing units being constructed over a five (5) year period utilizing land from the City's real property inventory and revolving loan funds that it has put in place to finance the construction. This approach expands the partnership and potential for additional land and financial resources that over the long term could result in a more meaningful impact on what is truly a county-wide challenge.

Oregon State University's initiative to expand its student enrollment by 500 at the Hatfield Marine Science Center campus is an example of the exciting growth opportunities our community may experience in the coming years. It also places additional demands on our limited supply of affordable workforce housing. We want our community to achieve its full economic potential and see the partnership established with this MOU as playing an important support role, establishing a framework that can be built upon to expand the supply of workforce housing that will be needed to support economic growth such as the OSU initiative.



March 2, 2015

142

The \$30,000 per year over a three-year period is a modest investment of City resources. The Trust has a bit of experience, and there is room for the partners to experiment and see what works. There is also ample oversight, with each of the partner jurisdictions being represented on the Trust's Board of Director's. Also, requests for additional resources such as land or revolving loan funds will be subject to approval by the affected jurisdiction on a case-by-case basis.

The Commission recognizes that it will take time for the Trust to develop its inventory of workforce housing. Near-term expectations should be measured and commensurate to the level of investment that is being made. The real benefit here is the development of an organizational structure and mutli-jurisdictional partnership that will begin to chip away at this challenging issue over time.

We are excited about this opportunity for our City to begin to take modest steps toward addressing this critical need within our community and are encouraged that Newport, Lincoln City, and Lincoln County are pooling their respective resources to expand the availability of affordable workforce housing.

Sincerely,



Jim Patrick, Chairman  
On behalf of the Planning Commission

Attachments:

Draft Memorandum of Understanding  
News-Times article titled "Marine Science Center Exploring Expansion," dated June 20, 2014

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So Understood and Agreed this \_\_\_\_ day of \_\_\_\_\_, 2014:

Lincoln Community Land Trust

Lincoln County

\_\_\_\_\_  
Chair

\_\_\_\_\_  
Chair

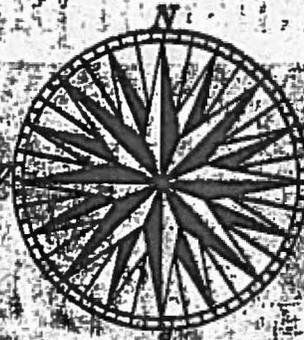
City of Lincoln City

City of Newport

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Mayor

# NEWS



# TI

Lincoln County's Leading Newspaper

Newport

Newport, Oregon

Friday, June 20, 2014

## GROWING

### Marine science center exploring expansion

BY DANI PALMER  
Of the News-Times

NEWPORT — With students from nearly every Oregon State University college involved in some type of marine work, and enrollment expected to increase, Hatfield Marine Science Center is looking to expand.

Director Robert Cowen said the campus is considering the addition of a 100,000-square-foot build-

ing for new classrooms and labs that would host additional programs.

He added that officials are "being optimistic" about getting the approval and funding needed to break ground in 2016.

"Several different things came together to create the opportunity," he said.

Nearly each of OSU's 12 colleges have some individual

SCIENCE CENTER on Page A7

## ACCESS DENIED

### Lincoln City withholds

BY RICK BEASLEY  
Of the News-Times

LINCOLN CITY — A voluminous list of public barriers to disabled people has been withheld from a citizen committee charged with recommending improvements.

The decision to hold back the findings of a report on widespread municipal deficiencies under the Americans with Disabilities Act (ADA) perplexes and bothers one member of the citizen group, known as the ADA Public Advisory Team.

Without knowing what the problems are, we can't tell the city what we think their priorities should be," said Jim Hoyer, a general contractor and self-described "small government guy" who has emerged as an unlikely champion of ADA rules.

"There are only two reasons I can see for not making the data available. One, there are so many things listed they don't want people to know how big a problem it is, and two, they don't want people

WITHHOLDING on Page A5

Self-eme abill

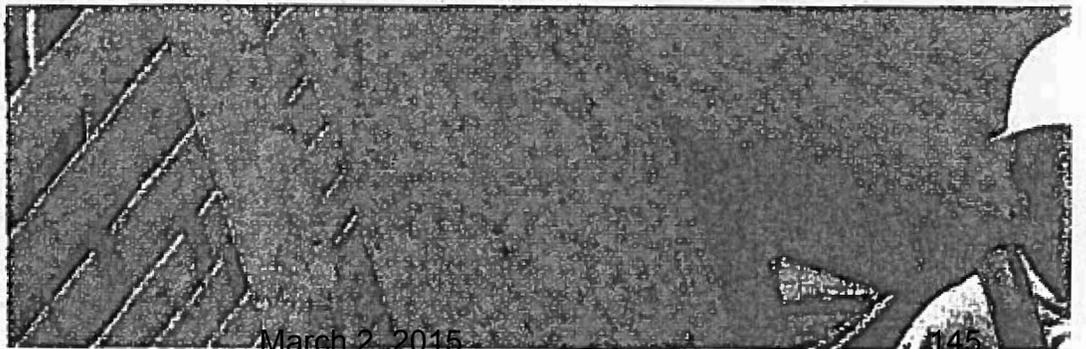
## YACHTS

### Covered bridge costs escalate

County to pay additional funds

## SCHOOL DISTRICT

### LCS D keeps pi



**SCIENCE CENTER**  
Continued from page 1

involved in the marine field in some way, whether it be through economics in regard to fisheries or marine focused art and music.

Officials want to "bridge together" those multiple disciplines at Hatfield, and with Gov. John Kitzhaber's 40-40-20 goal - to have 40 percent of adult Oregonians with a bachelor's degree or higher, 40 percent with an associate's degree or other certificate and the other 20 percent with at least a high school diploma - they expect enrollment to increase in the years to come.

The estimated \$60 million building would accommodate up to 500 additional students over a 10-year period, Hatfield currently has about 50 in residence so that's significant growth, Cowen said.

More students also means more faculty - about 25 over a period of time added to the 12 Hatfield has now.

Officials are seeking funding for the building and additional staffing now in the form of grants, state money and philanthropy.

To accommodate the increased student load, they're also looking to add about 75 new courses at Hatfield in new majors and minors. Cowen said they would be a mix of highly specialized interdisciplinary courses that are both new to OSU and already in existence at the Corvallis campus; courses that would relate to areas such as

shipping, port business, fishing and energy, and be built around need.

The goal is to "engage as many interests as possible," he said.

"It's a huge opportunity for OSU and for the coast in terms of developing programs that would be pretty much unique in the world," Cowen added.

He said students already have access to resources on and off campus. With entities like the National Oceanic and Atmospheric Administration (NOAA) in Newport, the fishing fleet and access to coastal habitats for experiential learning, there's much to take advantage of.

There's "no doubt issues" to still deal with, he added. Officials are determining needed partners and building housing for all those new students will be a big task.

It won't be happening on campus, Cowen said they will be looking to the community for help in developing affordable rental housing, acknowledging that there's already a shortage.

But he added, Hatfield officials expect the expansion to become an economic development opportunity that will bring more revenue into the local economy.

Those entities officials have talked to about the project have been supportive.

Lincoln County commissioners have sent a letter of support to OSU Foundation President and CEO Mike Goodwin.

"These efforts are about education and better un-

derstanding the Pacific, the world's largest ocean, and how it relates to all our futures. Acidification, global warming and increased competition between new and traditional ocean users present great challenges for policy makers at every level," Commissioner Terry Thompson said in a press release. "Strong science can guide rational solutions that produce the best outcomes for all of us."

In late April, the county commissioners committed \$15,000 to an economic study of the historical and projected future impacts of marine research and education on coastal communities to help determine the viability of an expansion at Hatfield.

"This is an important first step in establishing the economic case for adding a branch to the OSU campus," Thompson added. "We would expect to see many benefits to coastal economies and labor forces as OSU continues to grow and expand."

If expansion becomes reality, Cowen said the addition of students, faculty and programs will be gradual.

"It's exciting," he added, but officials want to make sure anything done maintains Hatfield's mission to serve the entire Oregon coast through academics and research.

Contact reporter Dani Palmer at 541-265-8571, ext. 217, or [danielle@newport-newstimes.com](mailto:danielle@newport-newstimes.com). Follow her on Twitter @thedanipalmer.

**COVERED BRIDGES**  
Continued from page 1

cause ODOT can come back to haunt you, and we don't want the bridge to fall into disrepair."

The project will begin soon and will be completed by the

flationary measure, but it was partnering with the state on the project and had no input on the ODOT estimate.

The "detour" bridge, which is one of four covered spans in the county, was last overhauled in 1989 at the cost of \$135,000. During that proj-

In order to receive the federal funding, earlier this year the county "legalized" about 175 feet of the county road as it extends north of the bridge.

An adjacent property owner had challenged the county's claim that the small por-

**Now  
best  
a new  
gas**

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Lincoln County

This Memorandum of Understanding (MOU) is entered into by **The Lincoln Community Land Trust (LCLT)**, a 501(c)(3) nonprofit organization and **the City of Newport, the City of Lincoln City and Lincoln County (together the Public Partners)** pursuant to ORS Chapter 190. It is intended to establish base funding by the **Public Partners** for administrative services to be provided by **LCLT** in supporting **LCLT's** mission to provide permanently affordable homeownership for working individuals and families within Lincoln County .

The **Public Partners**, subject to annual appropriations through their individual local budget processes, will each annually on July 1 provide \$30,000 to **LCLT** beginning July 1, 2014 and continuing through June 30, 2017 (total of \$90,000 per public partner and \$270,000 by all the Public Partners for the three fiscal years). The funding will support a full time staff person for the **LCLT** and associated administrative support services. It is intended that the funding will cover all costs associated with the position and services and **LCLT** will be responsible for covering any shortfalls between actual costs and the funding provided. If **LCLT** should for any reason not be able to fulfill its obligations, any remaining funds will be returned to the **Public Partners**.

In addition to the funding support for **LCLT's** mission, the **Public Partners**, without a specific commitment of resources or properties, agree to give a high priority, within requirements under law, to providing surplus or foreclosed land held by them and/or revolving loan funds to the **LCLT** for housing development. Without committing to a specific number of homes in specific locations, **LCLT** commits to making a priority to distribute housing units throughout the county with as much equity as possible.

It is intended that the funding provided by this MOU is temporary in nature and that **LCLT** will work towards full budgetary self-sufficiency by the end of this funding allocation. Towards that end, **LCLT** shall provide annual reports by July 1 of each year and a final report to the **Public Partners**, no later than December 1, 2016, detailing its accomplishments to that date, funding for services after July 1, 2017 and how it intends to be fully funded for services thereafter.

The parties understand that the law reserves certain decisions to the governing bodies of the respective parties, and nothing in this agreement shall divest those governing bodies of their authority.

So Understood and Agreed this \_\_\_ day of \_\_\_\_\_, 2014:

Lincoln Community Land Trust

Lincoln County

\_\_\_\_\_  
Chair

\_\_\_\_\_  
Chair

City of Lincoln City

City of Newport

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Mayor

## **HOUSING GOALS, POLICIES, AND IMPLEMENTATION MEASURES**

### **Goals:**

**Goal 1: To provide for the housing needs of the citizens of Newport in adequate numbers, price ranges, and rent levels which are commensurate with the financial capabilities of Newport households.**

**Goal 2: To provide adequate housing that is affordable to Newport workers at all wage levels.**

**Policy 1:** The City of Newport shall assess the housing needs and desires of Newport residents to formulate or refine specific action programs to meet those needs.

**Implementation Measure 1.1:** The City of Newport shall establish a set of verifiable and empirically measurable metrics to track trends in housing development and affordability. The metrics should be based on readily available data sets that are available on an annual basis and should include income and housing cost trends, housing sales, building permits by type and value, as well as others.

**Implementation Measure 1.2:** The Community Development Department shall prepare annual housing activity reports that include data on residential building permits issued, residential land consumption, and other indicators relevant to housing activity.

**Implementation Measure 1.3:** The Community Development Department shall conduct an assessment of the housing needs of Newport residents and workforce every five years. This assessment shall focus on the implementation measures and related housing programs as described in the Housing section of the Newport Comprehensive Plan.

**Implementation Measure 1.4:** The City of Newport shall assess the use of creative funding and land use tools to facilitate the development of government-assisted housing and workforce housing. Tools to be evaluated include urban renewal, lodging tax revenues, system development charge structures, in lieu fees, and others.

**Policy 2:** The city shall cooperate with private developers, nonprofits, and federal, state, and local government agencies in the provision and improvement of government assisted and workforce housing.

**Implementation Measure 2.1:** The City shall establish a residential land bank program with the intent of facilitating the development of government-assisted and workforce housing.

**Policy 3:** The city shall encourage diversity and innovation in residential design, development and redevelopment that is consistent with community goals.

**Implementation Measure 3.1:** The City shall review the potential for establishing policies and locations for transitional housing in ORS 446.265.

**Implementation Measure 3.2:** The City shall review options for allowing innovative housing design including pre-approved housing plans. The review shall consider impacts on government assisted or workforce housing on innovative design and should include consideration of innovative options that would result in an increase of workforce or government-assisted housing.

**Implementation Measure 3.3:** The City shall evaluate how the zoning code can be modified to create more flexibility for innovative housing design, such as form-based code options, or modifications to the conditional use process.

**Policy 4:** The City of Newport shall designate and zone land for different housing types in appropriate locations. Higher density housing types shall be located in areas that are close to major transportation corridors and services.

**Implementation Measure 4.1:** The City of Newport shall review the comprehensive plan and zoning maps to ensure that low- and high-density residential lands are located in areas that are appropriate to associated housing types.

**Implementation Measure 4.2:** The City of Newport shall review the Newport Zoning Code to identify potential amendments related to facilitating the development of needed housing types. The review shall, at a minimum, include the following elements: (1) reduced minimum lot size in the R-1 and R-2 zones; (2) allowing small homes under certain circumstances; (3) adoption of an accessory dwelling unit ordinance; and (4) street width standards. Any proposals to reduce minimum lot sizes shall consider building mass and the potential need to reduce lot coverage allowances.

**Policy 5:** The City of Newport shall coordinate planning for housing with provision of infrastructure. The Community Development Department shall coordinate with other city departments and state agencies to ensure the provision of adequate and cost-effective infrastructure to support housing development.

**Implementation Measure 5.1:** The Community Development Department shall review functional plans (e.g., water, wastewater, transportation, etc.) to identify areas that have service constraints or will be more expensive to service. This review shall occur in conjunction with the five-year housing needs evaluation described in Implementation Measure 1.3.

**Policy 6:** The City of Newport shall discourage, and in some cases, prohibit the development of residences in known environmentally hazardous or sensitive areas where legal and appropriately engineered modifications cannot be successfully made. In support of this policy, the city shall inventory, and to the greatest extent possible, specifically designate areas that are not buildable or require special building techniques.

**Policy 7:** As much as possible, the City of Newport shall protect residential development from impacts that arise from incompatible commercial and industrial uses; however, the city also recognizes that some land use conflicts are inevitable and cannot be eliminated. Where such conflicts occur, the uses shall be buffered, where possible, to eliminate or reduce adverse affects. Residences that develop next to objectionable uses are assumed to be cognizant of their actions, so no special effort by the adjacent use is required. The residential development will, therefore, be responsible for the amelioration of harmful affects.

**Implementation Measure 7.1:** The City of Newport shall investigate and evaluate housing programs that may reduce the costs on renters and home buyers.

**Implementation Measure 7.2:** The City of Newport shall eliminate any unnecessary review processes.

**Policy 8:** The City of Newport recognizes that mobile homes and manufactured dwellings provide an affordable alternative to the housing needs of the citizens of Newport. The city shall provide for those types of housing units through appropriate zoning provisions.

**Implementation Measure 8.1:** The City of Newport shall review the mobile home park inventory maintained by the Oregon Department of Housing and Community Services to identify parks that may be at risk of transition to commercial uses. Mobile home parks represent a low-cost housing alternative for lower income households. The City should consider strategies to mitigate the conversion of mobile home parks into other uses including working with park owners or managers.

**Implementation Measure 8.2:** The City of Newport shall review the zoning code to allow and encourage "park model" RVs as a viable housing type. This review should include establishing appropriate definitions for Park Model RVs, establishing appropriate development standards, reviewing minimum lot sizes, and establishing a set of pre-approved Park Model plans.



## CITY MANAGER'S REPORT AND RECOMMENDATIONS

Agenda #: VI.A.  
Meeting Date: March 2, 2015

### Agenda Item:

### Report on the City of Newport Local Improvement District Implementation Plan.

#### Background:

As you are aware, Community Development Director, Derrick Tokos, was successful in getting funding to identify policy issues utilizing Local Improvement Districts (LID). These issues include the development of strategies for implementing LID's, plus the creation of a model code continuing LID implementation strategies that the City of Newport can incorporate into its transportation and land use plans. We will also work to educate the public of the overall mechanics and benefits of using this financial tool to improve infrastructure within the City of Newport. LID's are a method by which property owners can facilitate transportation or other infrastructure improvements benefitting their properties, which can be financed through an LID over a period of years, with the property owners being billed on a fixed scheduled basis through the term of the LID. Use of LID's could be a significant tool in the City of Newport's efforts to upgrade and replace infrastructure in the coming years.

As part of this effort, the City will be asked to form an advisory committee with representatives from the City, local developers, elected and appointed government officials, citizen or neighborhood association members, business owners, Chamber of Commerce leaders, County staff and others to work with the consultants to guide the policy development. Providing opportunities to utilize Local Improvement Districts was identified by the City Council as a goal for this current year.

#### Recommended Action:

**No formal action is required of the City Council at this time.**

#### Fiscal Effects:

This project is approach \$100,000, with the local share being 11% at the total cost. The city has budget funds to cover local cost.

#### Alternatives:

None recommended.

Respectfully Submitted,

Spencer R. Nebel, City Manager



Agenda Item # VI.A  
Meeting Date March 2, 2015

**CITY COUNCIL AGENDA ITEM SUMMARY**  
City of Newport, Oregon

Issue/Agenda Title Scope of Work for City of Newport Local Improvement District Implementation Plan

Prepared By: Derrick Tokos Dept Head Approval: DT City Mgr Approval:

**ISSUE BEFORE THE COUNCIL:** Statement of work, schedule and budget for the City’s planning effort to develop effective policies and an implementation program for using Local Improvement District’s (LIDs) as a financing tool for funding capital infrastructure needs. The project is funded, in large part, by the State of Oregon’s Transportation Growth Management (TGM) Program. Consultant selection and administrative oversight is provided by the State, with input from city staff.

**STAFF RECOMMENDATION:** This is an opportunity for Council members to provide feedback on the statement of work and input on the make-up of the technical advisory committee that will assist the consultants and staff in this planning effort.

**PROPOSED MOTION:** None. This is a discussion item.

**KEY FACTS AND INFORMATION SUMMARY:** On June 14, 2014, the Newport City Council adopted Resolution No. 3678, seeking assistance from the TGM program to help the City take a fresh look at using LIDs as a tool for financing some of its infrastructure needs. The City was successful in getting the project funded, a consultant has been selected and a statement of work has been prepared. The project will focus on (a) developing effective policy language for how the City can best utilize LIDs as a financing tool for funding planned transportation improvements; (b) preparing “model code” language to ensure the City’s LID financing strategies are properly integrated with the land use and transportation standards it uses to evaluate new development; (c) developing a framework for cost effective administration of an LID program; (d) conducting financial analysis of two “case study” candidate areas to position needed transportation improvements in those areas for future LID financing; and (e) developing informational materials that can be used for public education and outreach regarding the benefits, costs, and mechanics of forming a local improvement district.

A technical advisory committee will be formed to assist the consultants. The committee will include representation from the City’s Finance and Public Works Departments, the Lincoln County Assessor’s Office, a developer/realtor, a Planning Commission member, and a citizen representative.

An intergovernmental agreement between the City of Newport and TGM Program covering this statement of work will be presented for adoption at the Council’s April 6<sup>th</sup> meeting. It will be formatted differently, but will cover the essential items. The schedule included with the statement of work assumed the project would kick-off in March. It now looks like it is more likely to start in May, and will extend through February of 2016. The TGM Program requires that the project be completed no later than June 30, 2016.

**OTHER ALTERNATIVES CONSIDERED:** None.

**CITY COUNCIL GOALS:** Exploring opportunities to utilize Local Improvement Districts as a tool for financing the construction of critical infrastructure is a FY 14/15 Council goal.

**ATTACHMENT LIST:**

Proposed Statement of Work  
Resolution No. 3678

**FISCAL NOTES:** The estimated budget for the project is just under \$100,000 with the City's share being 11% of the total cost. The City budgeted match funds for FY 14/15.

February 10, 2015

David Helton, Agency Project Manager  
ODOT Region 2, Area 5  
622 A Street  
Springfield, OR 97477

**Subject: City of Newport LID Implementation Plan**

Dear Mr. Helton:

Attached please find our proposed work scope, schedule and budget for the Newport LID Implementation Plan. We have attempted to incorporate the input received from both you and Mr. Tokos into the work plan and schedule.

For contracting purposes, Carl Springer, DKS Associates principal shall serve as the client billing manager, and I shall direct daily project management functions and the assurance of all project deliverables.

Please call with any questions or suggested refinements to this work plan. We look forward to working with ODOT and the City of Newport on this important project!

Sincerely,  
FCS GROUP



Todd Chase, AICP, LEED  
Principal/Sr. Project Manager  
(503) 841-6543 (w)  
(503) 313-6360 (c)

cc.: Derrick Tokos, City of Newport; Carl Springer, DKS Associates

## ATTACHMENT A: STATEMENT OF WORK

Our work scope includes close coordination with the City of Newport (City) and other stakeholders over the study process, and the completion of inter-related work tasks and **deliverables (D)**, which are detailed below.

### **Task 1 Project Kickoff and Data Review**

Objective: Meet with City staff and Advisory Committee to confirm project work scope, participate in tour of Newport's transportation system, and to discuss relevant background materials, base maps, and LID policy issues.

Work Activities and deliverables include:

- ◆ Prepare data request list as a means to facilitate required client input **(D1)**.
- ◆ Consultant will review plans, existing City code/ordinances, pre-existing non-remonstrance agreement information and other data provided by the City to prepare for the kickoff meeting and Advisory Committee meeting #1.
- ◆ City will form Advisory Committee with representatives, such as City Finance Director, City Public Works Director, local developers, elected and appointed government officials, citizen or neighborhood association members, business owners, chamber of commerce leaders, County government staff and others. City will arrange meeting logistics, tour logistics, and provide meeting notes and relevant background materials in electronic format.
- ◆ Consultant will participate in on-site kickoff meeting with city staff and project Advisory Committee. Consultant will assist by preparing draft meeting agenda and in making presentation **(D2)**.

Schedule: months 1 and 2

### **Task 2 LID Policy Development**

Objective: The consultant shall utilize the Advisory Committee input to identify LID policy issues and options available as well as best practices for implementing LIDs.

Work Activities and deliverables include:

- ◆ Consultant will list all LID policy issues by functional classification (e.g., administrative cost/staffing, transportation facility type, capital cost, potential local or non-local funding sources to be used to match LID funds, LID financing, consideration of pre-existing non-remonstrance agreements, geographic benefit area determination, measures of determining benefit to properties, properties affected, property owners affected, etc.). Consultant will prepare LID Policy Development Issues Paper that summarizes key LID policy issues, and identifies options local governments have in addressing each issue **(D3)**.
- ◆ Consultant will research statutory authority for guiding and implementing LIDs in Oregon, and conduct interviews with selected local governmental staff and Oregon League of Cities staff to identify innovative and proven practices and lessons learned regarding LID implementation, outreach techniques, and transportation project prioritization evaluation methods. Consultant will prepare a Best Practices Issue Paper that presents proven and effective ways to gain support for LID implementation with focus on similar cities with limited staffing **(D4)**.
- ◆ City will circulate the LID Issue Papers to the Advisory Committee for review and feedback.

Schedule: months 3 and 4

### **Task 3 Develop “Cookbook” of LID Implementation Strategies**

Objective: The consultant will identify LID implementation strategies that are intended to determine when LIDs should be used to establish transportation capital improvement priorities.

Work Activities and deliverables include:

- ◆ Round 1 Stakeholder Meetings: Purpose of these small group stakeholder meetings is to gather additional input regarding the LID policy issues, strategies and best practices and how they relate to Newport’s transportation system improvement needs. City will identify stakeholder meeting participants and arrange meeting logistics. Consultant will prepare meeting agenda and meeting materials and facilitate meetings over the course of one day, and summarize meeting input **(D5)**.
- ◆ Advisory Committee Meeting #2: Purpose of this meeting is to gather input and direction regarding the LID policy issues, strategies and best practices and how they relate to Newport’s transportation system improvement needs. City will arrange meeting logistics. Consultant will prepare meeting agenda and meeting materials and summarize meeting input **(D6)**.
- ◆ Develop “Cookbook” of LID Implementation Strategies: Based on the feedback received from the stakeholder and Advisory Committee meetings, the consultant shall prepare a white paper that describes the techniques and strategies necessary to implement LIDs. This paper will focus LID implementation strategies on the policy issues identified previously (Task 2) and shall address items including:
  1. Methods to be used to evaluate the benefit and cost of LIDs.
  2. Items to be included with the Engineer’s Report on LID formation.
  3. Criteria the City should use to determine what the eligibility of other types of funding sources (e.g., street funds, local gas tax, utility fees, franchise fees, system development charge revenues, etc.)
  4. Transportation project evaluation and selection criteria to be used when considering new LIDs.
  5. Strategies to leverage existing non-remonstrance agreements.
  6. Guidance on the use of future non-remonstrance agreements in lieu of requiring transportation improvements at the time of construction. Inclusion of a draft prototypical non-remonstrance agreement.
  7. Guidance on how to effectively administer LIDs given modest City staffing and resources.
  8. Guidance on how to mitigate risk to local jurisdictions when financing LIDs.
  9. Effective property owner and stakeholder outreach techniques.
- ◆ City shall circulate the “Cookbook” of Implementation Strategies to the Advisory Committee for review and feedback.

Schedule: months 5 and 6

### **Task 4 Model Code**

Objective: Provide model code language designed to assist Newport with codifying LID implementation strategies into Transportation and Land Use plans.

Work Activities include:

- ◆ Consultant will coordinate with city attorney and city staff to obtain legal review regarding potential amendments to LID ordinance (Chapter 12.15). City to provide consultant with electronic version (MS Word) of existing LID ordinance with legal input in track changes format.
- ◆ Consultant will prepare draft Comprehensive Plan and Municipal code amendments that comport with the existing Land Use and Transportation policies and plans and the recommended LID implementation strategies (D8).
- ◆ City shall circulate the draft plan and code amendments to the Advisory Committee for review and feedback.
- ◆ Advisory Committee Meeting #3: Purpose of this meeting is to gather input and direction regarding the “Cookbook” of LID implementation strategies and the draft plan and code amendments. City will arrange meeting logistics. Consultant will prepare meeting agenda and meeting materials and summarize meeting input (D9).
- ◆ Based on the input received at the Advisory Committee Meeting, the Consultant will prepare a revised version of Comprehensive Plan and Municipal code amendments that comport with the existing Land Use and Transportation policies and plans and the recommended LID implementation strategies (D10).

### **Task 5 Case Study Analysis**

Objective: Prepare preliminary LID analysis for two (2) pilot case study assessments.

Work Activities include:

- ◆ Round 2 Stakeholder Meetings: Purpose of these small group stakeholder meetings is to gather input regarding the LID pilot case study areas and how the proposed improvements translate into measurable benefits to properties and how they relate to Newport’s transportation system improvement needs. City will identify stakeholder meeting participants and arrange meeting logistics. Consultant will prepare meeting agenda and meeting materials and facilitate meetings over the course of one day, and summarize meeting input (D11).
- ◆ For each pilot area, consultant will identify existing tax lots within and summarize existing and planned development levels. The consultant team will identify transportation facility improvement costs, LID assessments, and existing and future changes in vehicle and person trip generation by tax lot. Consultant will provide an Excel-based model to be used when analyzing LID assessment benefits, costs and individual allocations among properties. The LID model will be utilized to conduct a preliminary assessment of the LID costs and benefits for the two (2) pilot case study assessments, with results summarized in a technical memorandum (D12).
- ◆ Advisory Committee Meeting #4: Purpose of this meeting is to gather input and direction regarding the preliminary LID assessments for the two (2) pilot areas. City will arrange meeting logistics. Consultant will prepare meeting agenda and meeting materials and summarize meeting input (D13).

### **Task 6 Information Materials and Summary**

Objective: Provide summary materials and a report that incorporates the results of this study, and can be used for public education and outreach.

Work Activities include:

- ◆ Consultant will provide an *MSPowerpoint* presentation that takes into account the findings and recommendations. Note, the intent is to provide the City with slides that can be used to provide “layers” of details regarding LID implementation; and therefore in a format that may be customized by city staff for future presentations (D14).

- ◆ Prepare draft report that summarizes study goals and objectives, findings and recommendations. Provide *MSWord* electronic version to the City for internal review **(D15)**.
- ◆ Public Meeting #1: Purpose of the public meeting is to present and discuss LID Implementation Strategy findings and recommendations. City will arrange meeting logistics, arrange meeting logistics and summarize meeting input. Consultant will prepare meeting agenda and meeting materials and facilitate the meeting over the course of one evening **(D16)**.
- ◆ Based on feedback from the public meeting, city staff will compile one set of red line edits and comments on the draft report and provide this electronically to the consultant. The Consultant will prepare a final report based on mutually agreed upon edits to the draft report and provide a final electronic version to the City and ODOT in *MSWord* **(D17)**.

## PROPOSED BUDGET AND SCHEDULE

The fee for completing Tasks 1-6 of this assignment is provided in **Exhibit 1**, which reflects current negotiated ODOT labor rates and reflect all direct labor and expenses for providing the deliverables documented in our proposed work scope.

This fee and schedule assumes the City will provide assistance in the work scope with respect to:

- ◆ Providing meeting space and arranging meeting logistics, and summarizing meeting results (unless otherwise specified)
- ◆ Providing background data within 2 weeks of notice to proceed
- ◆ Providing feedback on all draft materials prepared by the consultant within one week of receipt of interim work products

We intend to complete all work tasks within a 12-month time frame (or sooner). A draft project timeline is provided in **Exhibit 2**.

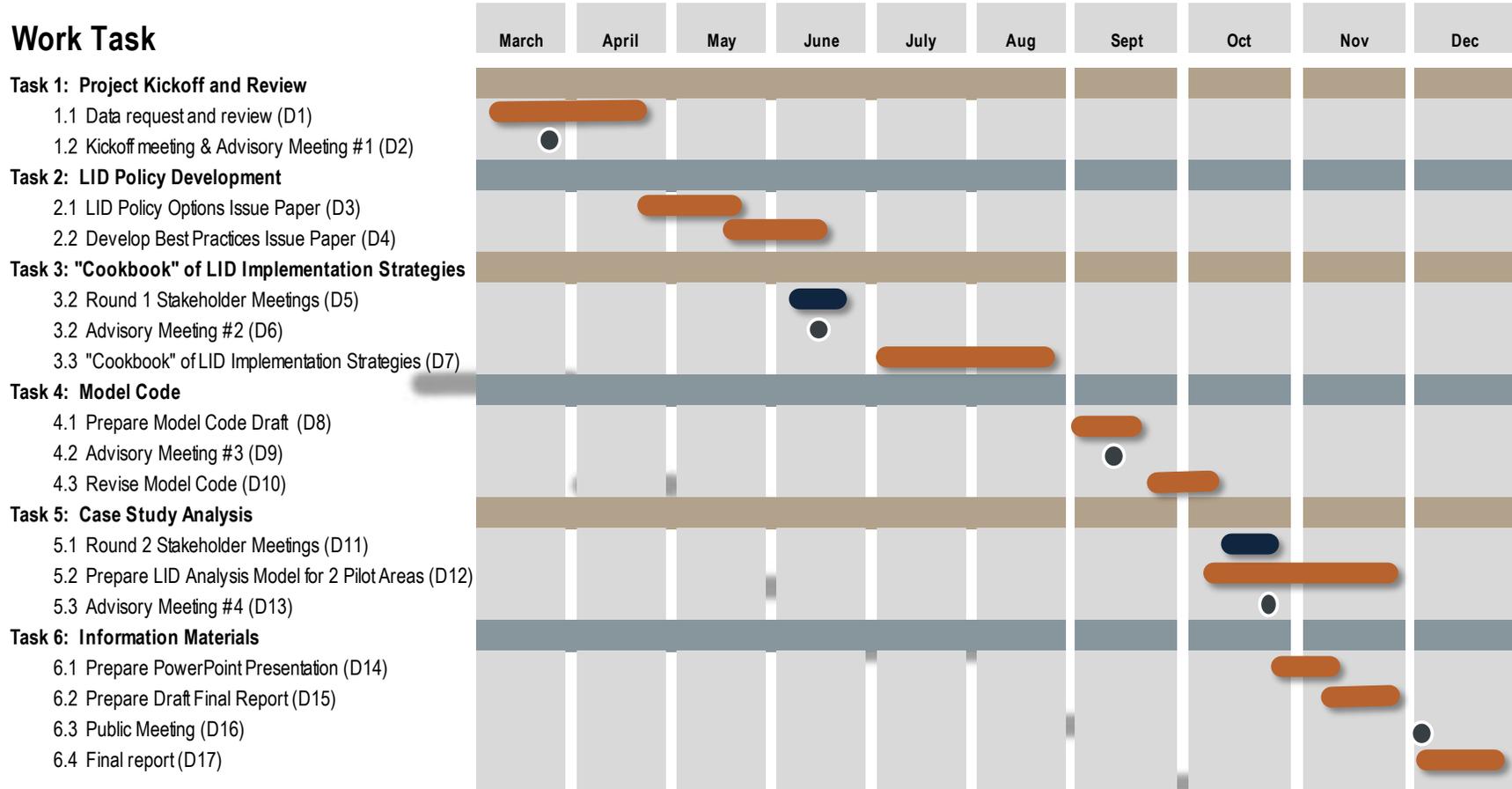
**Exhibit 1**  
**Newport LID Implementation Strategy Budget**

Description of Deliverables and Meetings	FCS GROUP				DKS Associates			Total Hours	Labor Budget Estimate	Expense Estimate*	Total Budget Estimate
	Principal Manager Chase	Sr. Financial Analyst	Financial Analyst	Admin. Tech. Support	Principal (G-19) Springer	Tech. Analyst (Grade 8)	Tech Support (Tech G)				
<b>Task 1: Project Kickoff and Review</b>											
1.1 Data request and review (D1)	4	4	12	4	-	2	-	26	\$3,204	\$120	\$3,324
1.2 Kickoff meeting & Advisory Meeting #1 (D2)	8	0	8	4	2	2	2	26	\$3,684	\$630	\$4,314
<i>Task Subtotal</i>	12	4	20	8	2	4	2	44	\$6,888	\$750	\$7,638
<b>Task 2: LID Policy Development</b>											
2.1 LID Policy Options Issue Paper (D3)	10	12	24	4	2	-	2	54	\$7,250	\$250	\$7,500
2.2 Develop Best Practices Issue Paper (D4)	14	16	40	4	2	2	2	78	\$10,330	\$370	\$10,700
<i>Task Subtotal</i>	24	28	64	8	4	0	4	132	\$17,579	\$620	\$18,199
<b>Task 3: "Cookbook" of LID Implementation Strategies</b>											
3.1 Round 1 Stakeholder Meetings (D5)	14	0	14	2	-	-	-	30	\$4,700	\$680	\$5,380
3.2 Advisory Meeting #2 (D6)	8	0	8	2	-	-	-	18	\$2,750	\$90	\$2,840
3.3 Cookbook of LID Implementation Strategies (D7)	4	2	8	2	0	0	0	16	\$2,140	\$80	\$2,220
<i>Task Subtotal</i>	26	2	30	6	0	0	0	64	\$9,590	\$850	\$10,440
<b>Task 4: Model Code</b>											
4.1 Prepare Model Code Draft (D8)	8	12	32	8	2	-	2	64	\$7,900	\$300	\$8,200
4.2 Advisory Meeting #3 (D9)	8	0	8	2	-	-	-	18	\$2,750	\$620	\$3,370
4.3 Revise Model Code (D10)	6	2	8	6	-	-	-	22	\$2,890	\$110	\$3,000
<i>Task Subtotal</i>	22	14	48	16	2	0	2	100	\$13,540	\$1,030	\$14,570
<b>Task 5: Case Study Analysis</b>											
5.1 Round 2 Stakeholder Meetings (D11)	14	0	14	2	-	-	-	30	\$4,700	\$415	\$5,115
5.2 Prepare LID Analysis Model for 2 Pilot Areas (D12)	24	32	40	4	8	44	12	164	\$21,848	\$500	\$22,348
5.3 Advisory Meeting #4 (D13)	8	0	8	2	-	8	-	26	\$3,646	\$90	\$3,736
<i>Task Subtotal</i>	46	32	62	8	8	52	12	220	\$30,194	\$1,005	\$31,199
<b>Task 6: Information Materials</b>											
6.1 Prepare PowerPoint Presentation (D14)	4	2	4	8	2	4	-	24	\$3,029	\$90	\$3,119
6.2 Prepare Draft Final Report (D15)	8	6	24	16	2	2	-	58	\$6,884	\$270	\$7,154
6.3 Public Meeting (D16)	8	0	8	4	2	8	6	36	\$4,695	\$630	\$5,325
6.4 Final report (D17)	4	2	6	6	-	-	-	18	\$2,240	\$90	\$2,330
<i>Task Subtotal</i>	24	10	42	34	6	14	6	136	\$16,848	\$1,080	\$17,928
<b>Total Hours</b>	154	90	266	80	22	70	26	696			
<b>Billing Rate</b>	\$225	\$145	\$100	\$75	\$195.18	\$112.06	\$84.66				
<b>Labor Cost</b>	\$34,650	\$13,050	\$26,600	\$6,000	\$4,294	\$7,844	\$2,201				
<b>Total Cost</b>	<b>\$34,650</b>	<b>\$13,050</b>	<b>\$26,600</b>	<b>\$6,000</b>	<b>\$4,294</b>	<b>\$7,844</b>	<b>\$2,201</b>		\$94,639	\$5,335	\$99,974

NOTE:  
Assumes \$5 technology charge  
Assumes \$265/trip per 2-day trip per person for travel and food/lodging.

## Exhibit 2

### Newport LID Implementation Strategy Work Schedule



RESOLUTION NO. 3678

A RESOLUTION REQUESTING A TRANSPORTATION  
AND GROWTH MANAGEMENT GRANT FOR INTEGRATING  
LOCAL IMPROVEMENT DISTRICT FINANCING STRATEGIES  
WITH CITY LAND USE AND TRANSPORTATION STANDARDS

FINDINGS:

1. The Oregon Department of Transportation and the Department of Land Conservation and Development, which jointly administer a Transportation and Growth Management Program, are accepting applications for the 2014 grant funding cycle; and
2. City of Newport desires to participate in this grant program to the greatest extent possible to develop effective policy language for how the City can best utilize Local Improvement Districts (LIDs) as a financing tool for funding planned transportation improvements; preparing recommended code changes to ensure the City's LID financing strategies are properly integrated with the land use and transportation standards it uses to evaluate new development; develop a framework for cost effective administration of an LID program; and for conducting financial analysis of not more than four "case study" candidate areas to position them for future LID financing; and
3. Further, City of Newport seeks to leverage these grant funds to effectively engage local stakeholders and focus groups on the proper use of LIDs and to create informational materials to educate the public on the benefits, costs, and mechanics of forming an LID; and
4. Newport City Council has identified developing an effective LID ordinance, and integrating that ordinance with its land use and transportation planning standards, as a high priority need in the City of Newport; and
5. The City of Newport possesses sufficient funds to fulfill its share of obligation related to this grant request should the Transportation and Growth Management Program award the grant.

THE CITY OF NEWPORT RESOLVES AS FOLLOWS:

Section 1. The Community Development Director of the City of Newport is authorized to apply for a grant from the Transportation and Growth Management Program for code assistance in integrating its LID, land use, and transportation planning standards as specified above; and

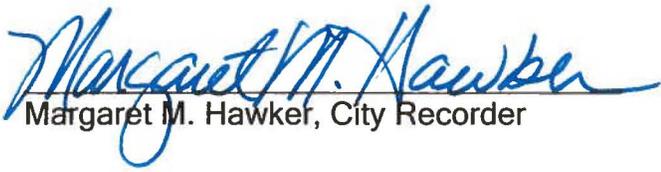
Section 2. The effective date of this resolution is June 16, 2014.

Adopted by a 7-0 vote of the Newport City Council on June 16, 2014.

Signed on June 17, 2014.

  
Sandra N. Roumagoux, Mayor

ATTEST:

  
Margaret M. Hawker, City Recorder





## CITY MANAGER'S REPORT AND RECOMMENDATIONS

Agenda #: VI.B.  
Meeting Date: March 2, 2015

### Agenda Item: Request for Funding from the Seal Rock Water District

#### Background:

As you are aware, the Seal Rock Water District is constructing an intertie with the City of Newport's Water System. The Seal Rock Water District normally receives its water from the City of Toledo. This intertie will allow the City of Newport to provide drinking water to Seal Rock Water District in the event that the transmission line between Toledo and Seal Rock is disrupted. In addition, this connection allows Seal Rock to provide water to South Beach in the event that the City experiences a failure in the transmission main that runs under Yaquina Bay. The Seal Rock Water District has had several discussions with Public Works Director, Tim Gross, regarding possible City participation in a portion of this project. It is Tim's recommendation that the City consider participating in the costs up to \$74,588, contingent upon approval by City Council as part of the fiscal year 2015-2016 budget, for the installation of laterals off of the main transmission line that will provide water to existing customers within the City's water service district, and for a new 12" water main stub into the airport property.

The Seal Rock Water District is requesting consideration for additional financial participation by the City for constructing the 12-inch main through the City's water service area. We will be meeting later in March to discuss this request in more detail. In order to properly advise Seal Rock Water District, I want to have the City Council review the City's participation in the cost for the water main laterals and 12" water main stub into the airport, and provide guidance regarding any future financial participation.

#### Recommended Action:

**No formal action is necessary. Rather, staff is looking for Council guidance about the City's willingness to participate financially in the project.**

#### Fiscal Effects:

Funding for participation in this project would be through the water revenue bond and would be requested as part of the Fiscal Year 2015-16 budgeting process.

#### Alternatives:

Do not participate in this project or as considered by the City Council

Respectfully Submitted,

Spencer R. Nebel, City Manager





**Agenda Item:  
Scheduling a Public Hearing on City Council Goals for the 2015-16 Fiscal Year**

**Background:**

The Newport City Council met in an annual goal setting session on Monday, February 23, 2015, beginning at 9 A.M. and concluding at 4 P.M. to hear reports from departments, advisory committees, and the public on possible goals for the 2015-16 fiscal year. Throughout the course of the day, members of the City Council identified various projects for potential Council goals for this next fiscal year. Fourteen goals were prioritized by the City Council for inclusion in the 2015-16 goals. In addition, Council discussed the possibility of proceeding with some sort of community visioning process during this next fiscal year. The Council requested a report on this matter from the City Manager at the April 6 City Council meeting.

**Recommended Action:**

**I recommend the City Council consider the follow motion:**

**I move that the City Council accept the annual goal setting report for the 2015-16 fiscal year and schedule a public hearing for the March 16, 2015 City Council meeting prior to considering formal adoption of the goals.**

**Fiscal Effects:**

None by this action.

**Alternatives:**

None recommended.

Respectfully Submitted,

A handwritten signature in blue ink, appearing to read "Spencer R. Nebel".

Spencer R. Nebel  
City Manager



## CITY COUNCIL GOALS FOR THE 2015-2016 FISCAL YEAR

### Annual Goal Setting Session – February 23, 2015

### Proposed Goals – March 2, 2015

### Public Hearing and Adoption of Goals – March 16, 2015

#### **Introduction**

The Newport City Council met in an annual goal setting session on Monday, February 23, 2015, beginning at 9:00 a.m. and concluding at 4:00 p.m. The meeting was held in the City Council Chambers located in City Hall at 169 SW Coast Highway. The Council reviewed the Mission Statement, heard presentations on departmental goals, advisory committee goals, citizen goals, plus reviewed the Infrastructure Task Force recommendations, and reviewed various plans and documents in order to identify potential future goals for the City to pursue in the next fiscal year and beyond.

Furthermore, the City Council discussed the visioning effort that was completed in February 2005 that involved major institutional players within the City of Newport. The Council requested a report from the City Manager at the April 6, 2015, City Council meeting. This report will discuss possible approaches and will likely recommend that a working committee be established to evaluate various options on proceeding with this effort.

Throughout the course of the Goal Setting Session, Councilors identified various projects or goals that the City Council would like considered in the upcoming budget for this next fiscal year. These issues were noted on 5 x 8 index cards by individual Councilors. Once the cards were collected they were organized into various groupings for the Council's review. Councilors were provided with 14 stickers, which could be placed on 14 items that were identified through the course of the work session to determine overall Council priorities. Those items that were identified by 3 or more Councilors as a priority have been included as Council Goals for the 2015-2016 fiscal year. Other ideas mentioned during the Goal Setting Session are also listed for informational purposes. Please note that the specific goals by the City Council may include some goals that were identified as priorities by the departments.

At the March 2, 2015, City Council meeting, the Council formally proposed goals for the 2015-16 Fiscal Year, and requested public comments on the proposed goals. On March 16, 2015, following a public hearing, the City Council will adopt the Departmental Goals and the City Council proposed goals.

As part of the upcoming budget process, the budget message from the City Manager will detail how these goals have been addressed, or not addressed in the proposed budget for the fiscal year beginning July 1, 2015 and ending June 30, 2016. The Budget Committee can evaluate the City Manager's proposed budget and make any modifications to reflect the wishes of that body.

## **2015-2016 City Council Goals**

The Goals prioritized by the City Council are identified by the numbered items (i.e. 1.1, 1.2). The number within parentheses indicates the number of Councilors who identified this item as a priority in the Goal Setting process.

### **1.0 City Operations**

- 1.1 Create an online dashboard that would include the financial reporting on project costs and schedules for Public Works projects (3).
- 1.2 Proceed with the discussion of regionalization of the Newport Municipal Airport with various stakeholders (3)

#### **Other items identified by the Council during the goal setting session:**

- Pursue better use of the City's Advisory Committees.
- Work towards the accreditation of the 60+ Center.
- Extend Wi-Fi to serve the hangars at the Newport Municipal Airport.
- Proceed with efforts to identify the needs for managing the Airport with a Fixed Base Operator.
- Create a fee schedule for the City of Newport including the Airport operations.
- Extend sewer to the Airport.
- Reserve funds for long term needs for the City owned facilities.
- Review and revise the City's purchasing and contracting procedures.
- Strengthen the City's shut-off water policy.
- Notify landlords of late water payments.
- Eliminate sending out bills to those who have paid for services in advance.
- Explore a fair reduction in residential water rates through a water rate study.
- Shift more of the use of the room tax to offset City expenses caused by visitors, rather than use for Destination Newport.
- Implement a purchase order system for the City Of Newport.
- Review policies for the collection of utility bills.
- Collaborate with the County on sharing of services.
- Create a rainy-day fund for the City Of Newport.
- Create reserve funds in various City departments.
- Conduct a City-wide salary survey (1).
- Purchase and install permanent video cameras in the Council Chambers for televising meetings.
- Develop requirements that conduits are laid for fiber optic service lines anytime streets are opened up for reconstruction.
- Purchase and implement a web-based scheduling program.
- Consider the provision of a community fiber option for Newport citizens.
- Continue with efforts to develop public on-line services for the City Of Newport.

- Create a long-term IT Master Plan and strategic plan.
- Increase citizen input through social media.
- Install security cameras for all City facilities, both inside and outside.
- Create a centralized calendar in IT for all City meetings (1).
- Proceed with a paperless Council meeting documents (2).

## **2.0 Facilities & Infrastructure**

**2.1** Install Street lights for the Newport Library (5).

**2.2** Proceed with the replacement of an HVAC system at City Hall (3).

**2.3** Move forward with Stage 2 of the Library Strategic Plan (3).

**2.4** Develop a long-term financing plan for City facilities and begin funding that plan (3).

### **Other Items Identified by the Council during the Goal Setting Session:**

- Hire a conductor to do an evaluation of all City facilities (2).
- Renovate the elevator at the Library.
- Provide funding for the development of a teen area at the Newport Library.
- Extend public infrastructure around the Airport to facilitate future private development (2).
- Establish a ground communications outlet for Newport Municipal Airport (1).
- Redevelop the entryways and vestibules at the 60+ Center, the Recreation Center and the Aquatic Center.
- Create dedicated parking for the Senior Center.
- Renovate the Visual Arts Center doors.
- Pursue a strategy for capturing rain water and storing the rain water for drinking water purposes.
- Proceed with efforts to take over the Seal Rock Water services within the City.
- Retrofit existing water storage tank for seismic activities.
- Repair the dams once the evaluation project is completed (1).
- Reinstate fluoride in the City's water system (1).
- Increase funding for wastewater services to address elements such as the 9<sup>th</sup> Street grinder.
- Replacement of sewer lines, updates on 28 pump stations.
- Improve staffing levels and equipment for the Wastewater Department.
- Consider moving forward with a bond measure that would offer relief to water and sewer customers in rates.
- Continue to work on storm sewer, water and sanitary sewer master plans.
- Conduct a water and sewer infrastructure rate study.
- Request that the County jail install a sewage grinder to reduce failures at City pump stations (1).

- Use tourist tax dollars to help with the increase demand that tourists place on wastewater treatment facility (1).
- Review the sustainable funding for wastewater services (2).
- Utilize small irregular pieces of City owned land for small landscaping areas.
- Identify park maintenance requirements and any evaluation of our existing park infrastructure as part of a master planning process.
- Utilize more room tax dollars to fund park maintenance and City beautification efforts.
- Work with the State Urban Forester, Tree City USA and others to write a Newport tree ordinance that further ours designation as a tree city.
- Investigate endowment funding for park maintenance.
- Establish a capital reserve fund for parks.
- Create a park assessment to adequately fund repairs and preventative measures within the City use park systems.
- Create financial efficiencies through integrating the Recreation Center with the new Aquatic Center.
- Improve the emphasis on park maintenance (1).
- Find a solution for parking a City Hall campus.
- Place lighted pedestrian crossing signs on Highway 101 at designated crosswalks.
- Finish a sidewalk plan for NW 6<sup>th</sup> Street, since this street is used heavily by mounds of strollers and skateboarders.
- Construct a sidewalk from the Bay Front to the Hospital.
- Extend pedestrian improvements including crossing lights on US Highway 101 in South Beach.
- Dedicate sufficient funding for storm water improvements throughout Newport.
- Establish reserve funds for City owned buildings.
- Use assessments for funding facilities.
- Demolish the former wastewater building.
- Proceed with the use of City staff for maintenance of exterior restrooms throughout the City.

### **3.0 Community Development**

**3.1** Pursue City beautification with flower plantings, stronger code enforcement, annexation of certain South Beach properties, and billboard ordinance modifications (6).

**3.2** Proceed with an update of the City of Newport's Parks Master Plan (5).

**3.3** Make a concerted local effort, involving the building owners and lot owners in the City Center to repair their buildings (3).

**3.4** Encourage economic development by being friendly to small businesses and finding ways to make Newport a better place for small business success (3).

**3.5** Create a larger more prominent display for Coast Guard memorabilia within the City of Newport (3).

**Other items identified by the Council during the goal setting session:**

- Use low maintenance plants that do well on the coast for neighborhood beautification projects.
- Work with the Chamber, businesses and property owners to promote a City-side beautification effort.
- Rejuvenate the City Center through public and private partnerships to create housing, Farmer's Market, Kids Programs, small businesses and a hotel.
- Pursue beautification for City Center.
- Beautify the City Park System.
- Rewrite ordinances to improve the enforcement of blight and unsafe structures, making enforcement more efficient and faster.
- Attract people in businesses to our community by being attractive, with high quality of life.
- Consider shifting advertisement dollars to make Newport a more desirable place to be (1).
- Work with the County Economic Development Agency to recruit businesses to move to Newport (1).
- Partner with the Chamber of Commerce and add a full-time Economic Development Director (2).
- Move the National Guard to the Airport (2).
- Find a long-term home for the Farmer's Market in the City Center (1).
- Recruit businesses to locate at and around the Airport.
- Continue to support growth and maintenance of public art.
- Utilize Yaquina Bay State Park, similar to Shore Acres State Park in Coos Bay with a major seasonal display to attract tourists to Newport.
- Develop more half marathons though out the course of the year.
- Create a plan for a potential mountain bike trail near the City Reservoir.
- Develop a reserve fund to help pay for a new Parks Master Plan.
- Conduct more mountain bike events.
- Create a comprehensive marketing plan for the Newport Municipal Airport.
- Include a member of the Newport Chamber of Commerce on the City's Wayfinding Committee.
- Implement a water taxi system on Yaquina Bay.
- Restores the City's historic documents.
- Work to create harmony among Newport's various, diverse commercial and institutional employers.
- Provide more bus runs through the City's commercial area during the high volume tourist months.
- Celebrate the 50<sup>th</sup> year of our Sister City relationship with Mombetsu by installing a permanent monument on the City Hall lawn.

- Pursue the purchase of land south of City Hall for future parking and for public spaces for events such as the Farmer's Market.
- Provide tourism funding for smaller projects
- Conduct a vision and strategic plan for the OCCA, Performing Arts Center and the Visual Arts Center, similar to the efforts conducted by the Library last year.
- Pursue childcare options at OSU student housing.
- Develop a festival around the Coast Guard.
- Install a permanent marker honoring the City's relationship with the Coast Guard on the City Hall property.
- Further develop the City's relationship with the Coast Guard with recognitions, scholarships and discounts from businesses.
- Prepare for the regulation of recreational marijuana within the City of Newport.
- Adopt a "dark sky" ordinance (1).
- Review the municipal code regarding to maintenance of rental properties.
- Develop an ordinance requiring pedestrians to wear reflective clothing when walking after dark.
- Update the City's landscape ordinance provisions, including a list of hardy, low maintenance plants for coastal conditions.
- Develop a jay-walking ordinance.
- Evaluation the feasibility of a panhandling ordinance (2).
- Require a small irregular pieces of land for open spaces.
- Promote multi-family dwellings in the City, either through property tax incentives, SDC reductions, or other incentives.
- Provide the plan for the bike route with an ocean view.
- Update the Pedestrian-Bike Plan to support long-term transportation, making Newport a pedestrian-bike friendly City.
- Update and create neighborhood plans through visioning and strategic planning.
- Develop strategies for strategic property acquisition and sale of unneeded assets.
- Evaluate the impact of the current vacation rental ordinance, relating to the availability of long-term rentals within Newport.
- Make necessary changes to the zoning to facilitate workforce housing, and access all properties surrounded by the City.
- Work to make Newport affordable for families and working class people.
- Expand public transportation to student housing, OMSI, HMSC, the Aquarium, and others.
- Implement a credit or debit/payment plan for land use and building fees in the Community Development office.
- Maintain canyon green spaces and soil stability, placing concentration easements and steep canyons where development is unlikely (1).
- Consider putting parking meters in Nye Beach, the Bay Front and the Deco District.

- Create a unified theme for buildings in the Art Deco District, which runs from the bridge to Highway 20 (2).
- Consider acquisition and development of the Ark as a downtown theater, which would serve as an anchor for the City Center.
- Encourage adjacent properties to annex into the City (1).
- Work with the Housing Authority to create twenty new working class homes in Newport (1).

#### **4.0 Public Safety**

**4.1 Pursue the hiring of a Fire Prevention Officer/Emergency Manager (6).**

**4.2 Assign to the LINT Team (4).**

**4.3 Jointly fund a School Resource Officer with Lincoln County Schools (4).**

#### **Other Items Identified by the Council during the Goal Setting Session:**

- Create a Disaster Plan for the City's IT services.
- Create an Emergency Management Cost Center in the City budget.
- Integrate new technology into Fire apparatus, including computers.
- Establish a reserve fund for future purchases of apparatus in the Fire Department.
- Consider the purchase and installation of tsunami sirens.
- Reduce resources used for non-emergency/non-life threatening medical calls received by the Fire Department.
- Pursue accreditation for the City's Fire Department.
- Hire an outside consultant to develop current standards and operating guidelines for the Fire Department (1).
- Develop fees for false alarm responses (1).
- Limit the number of repeat calls for lift-assists by the Newport Fire Department (1).
- Update e-ticketing within the City Police Department.
- Develop strategies for attacking the homeless problem in Newport.
- Consider adding two or three additional officers to the Newport Police Department.
- Hire an ordinance officer for the Police Department.
- Relocate the entrance to the Police parking lot to the west, accessing US Highway 101 directly.
- Establish a reserve fund for future rolling stock (1).

#### **Explore the Development of a Community Vision for the City of Newport**

The City Council discussed the possibility of initiating a comprehensive community vision for the City of Newport. A successful community visioning process brings people together from various parts of the community to brainstorm and collect ideas as to what elements people would like in the City of Newport 15 or 20 years into the future. With this type of vision it would be important to review the City's Comprehensive Plan to make sure that the elements of the plan correspond with this overall vision and then adapt specific goals (both annually and multi-yearly) that will lead the community towards accomplishing elements included in this community vision. Utilizing a sports analogy, developing goals without a long-term vision is like trying to score a touchdown without knowing where the goal line is. Through a consensus of the City Council it was determined that a report should be provided by the City Manager at the April 6 City Council meeting to have a general discussion as to the various alternatives that could be utilized to develop a community vision for Newport. Furthermore, it was suggested that a work group be established to identify which options may best

suit the city for proceeding. In addition, it would be important for the work group to have discussions with various key stakeholders in the community to assess their interest in possible involvement in a community visioning process. After this work group completes its analysis of the probability of conducting a successful visioning session, a report will be provided back to the City Council for the Council's concurrence and final direction on how to proceed with this matter.

**Attachments**

Attached to this report are the departmental goals as well as the goals submitted to the City Council by committees, commissions, and boards for the 2015-16 fiscal year.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "S. R. Nebel", is written over a light blue circular watermark or seal.

Spencer R Nebel, City Manager

**Attached are the Departmental Goals for the 2015-16 Fiscal Year from the  
City's Various Operating Departments:**

- Airport
- City Recorder/Special Projects
- Community Development
- Human Resources
- Finance
- Fire
- Information Technology
- Library
- Parks and Recreation
- Police
- Public Works
  - Facilities and Park Maintenance
  - Stormwater
  - Streets and Transportation
  - Wastewater
  - Water
- Safety





## **2015-16 Department Goal Setting Information Form**

**Submitted By:** Lance Vanderbeck

**Department:** Airport

**Date:** 2/11/2015

### **A. Service Priorities Narrative:**

**Comply with all Grant Assurances as laid out in the 5190.6b. Continued outstanding customer service for all airport patrons.**

### **B. Ongoing Goals:**

1. Maintain Airport to current Level of safety for all airport patrons.
2. Continual positive promotion of airport.
3. Continual development of employee's with annual recurrent training. All FBO employees' are NATA Safety first trained. Operations employee are to attend ASOS school, wild life training, and AEP training.

### **C. Goals for FY 2015-16:**

1. Find a private FBO operator
2. Finalize Minimum Standards
3. Draft airport rules and regulations
4. Set up fee structure with annual fee schedule
5. Update leases
6. Find regular scheduled air service
7. Examine whether the 139 Airport Operating Certificate is needed
8. Look at and develop a marketing plan.

### **D. 2-5 Year Goals:**

1. Finish Master plan
2. Fully develop annual fly in/air show
3. Develop ways to attract aviation business to ONP for development of business on/around airport.
4. Develop a plan to assist business or slowly adding needed infrastructure.
5. Lower ILS minimum landing visibility form 3/4 mile to 1/2 mile
6. Talk with State of Oregon about forming an airport district or region.
7. Replacing aging operations and FBO equipment
8. Refurbishing and/or moving the Fuel Farm
9. Apron refurbishing
10. Finish Runway protection zone land acquisition for runway 34 and 20.

### **E. Goals Beyond 5 Years:**

1. Continued needed building maintenance and refurbishing.
2. Start second 5 year phase of master plan and CIP projects.
3. Possible through the fence areas with airpark housing development
4. Possible airport terminal or expanding current FBO to handle increased capacity.
5. Add more Hangars of different size, from T-hangar to Executive hangar.
6. Over all airfield lay out reevaluation and assessment of needed expansion.

**F. Attachments:**

 File Attachment

# City of Newport



## **2015-16 Department Goal Setting Information Form**

Submitted By: **Peggy Hawker**

Department: **City Recorder/Special Projects Director**

Date: **2/19/2015**

### **A. Service Priorities Narrative:**

**The City Recorder's Office has multiple priorities and on-going goals, including:**

**Providing legislative and administrative services and support to the City Council, advisory committees, staff, and the public.**

**Ensuring that public records and information are distributed and available to the City Council, advisory committees, staff, media, and the public accurately and on a timely basis.**

**Responding to public records request in a professional and timely manner.**

**Fostering transparency and access to public meetings and records.**

**Assisting departments, through on-going training, in records management to ensure compliance with adopted records retention laws.**

**Assisting departments, through on-going training, in meeting management to ensure a consistent look of meeting agendas and minutes.**

**Continuing to draft and update policies, proclamations, agreements, resolutions, ordinances, and other documents.**

**Continuing to maintain the municipal code.**

**Efficiently and neutrally coordinating municipal elections.**

**Assisting the Bicycle and Pedestrian Advisory Committee and the Public Arts Committee in achieving their goals.**

**Working with other department heads and departmental staff to provide appropriate information and training for committee meetings, where applicable.**

**Completing other tasks as assigned.**

### **B. Ongoing Goals:**

1. Provide legislative and administrative services and support to the City Council, advisory committees, staff, and the public.
2. Ensure that public records and information are distributed and available to the City Council, advisory committees, staff, media, and the public accurately and on a timely basis.
3. Respond to public records request in a professional and timely manner.
4. Foster transparency and access to public meetings and records.
5. Assist departments, through on-going training, in records management to ensure compliance with adopted records retention laws.
6. Assist departments, through on-going training, in meeting management to ensure a consistent look of meeting agendas and minutes.
7. Continue to draft and update policies, proclamations, agreements, resolutions, ordinances, and other documents.
8. Continue to maintain the municipal code.
9. Efficiently and neutrally coordinate municipal elections.
10. Assist the Bicycle and Pedestrian Advisory Committee and the Public Arts Committee in achieving their goals.

**C. Goals for FY 2015-16:**

1. Work with administrative staff on the selection and implementation of agenda management software for use with City Council and advisory committee meetings.
2. Draft a revision to the public records policy and public records request policy.
3. Develop and implement training relative to preparing agendas, minutes, and meeting management for consistency throughout the city.
4. Develop and implement training relative to records management to ensure compliance with the Oregon Public Records Law.
5. Plan for the preservation of the city's historic records.
6. Continue the scanning of ordinances, resolutions, and agreements for inclusion on the city website.

**D. 2-5 Year Goals:**

1. Contract with a document restoration company to restore the city's historic documents (many from the late 1800's) that are handwritten and required to be permanently retained, based on available funding.
2. Succession planning for the City Recorder's position.

**E. Goals Beyond 5 Years:**

- 1.

**F. Attachments:**

 File Attachment



## **2015-16 Department Goal Setting Information Form**

Submitted By: **Derrick Tokos**

Department: **Community Development Department**

Date: **2/13/2015**

### **A. Service Priorities Narrative:**

**The Community Development Department (CDD) is responsible for administering the city's land use planning, building services and urban renewal programs, with an emphasis on providing clear, courteous, and consistent service to the Council, Planning Commission, and public. Service priorities for each of these programs are as follows: Land Use Planning – Assist the citizenry in planning for, and facilitating future growth of the community; evaluate development projects to ensure that they meet city and state land use requirements; respond to customers with planning and zoning questions; and work with constituents to resolve code enforcement issues. Building Services – Review and approve building plans; update building codes and system development charges to comply with state law and local policy; issue electrical and plumbing permits; respond to customers with building questions; and conduct building inspections. Urban Renewal – In consultation with the Urban Renewal Agency, implement and refine, as needed, projects identified in the South Beach Urban Renewal Plan. Project implementation is scheduled to run through 2020, at which point the primary focus will turn to debt retirement. The District is anticipated to close on 12/31/27.**

### **B. Ongoing Goals:**

- 1. Maintain and implement economic development strategies.**
- 2. Involve citizens in every aspect of planning.**

### **C. Goals for FY 2015-16:**

1. Incorporate storm drainage and sewer master plans into the Public Facilities Element of the Newport Comprehensive Plan.
2. Assist the Public Works Department and its consultant in identifying Comprehensive Plan and Zoning Ordinance amendments needed in conjunction with an updated Airport Master Plan.
3. Initiate substantial amendment to System Development Charge methodology to reflect projects from the storm drainage, sewer, and airport master plan updates and ensure that the fee methodology is equitable.
4. Complete annexation of the reservoir properties and jurisdictional transfer of Big Creek Road.
5. Initiate parking study to evaluate utilization and financing strategies for public parking assets in Nye Beach, City Center, and the Bay Front business districts with an eye toward using these assets as a rationale for eliminating off-street parking requirements for new development in these areas.
6. Engage Lincoln County and other taxing entities on the viability of establishing a multiple unit tax exemption program to incentivize construction of multi-family housing and provide recommendations on an appropriate course of action.
7. Coordinate with the Seal Rock Water District to complete the withdrawal of annexed properties within the IGA service area in South Beach and assist owners of unincorporated parcels that are within the service area in filing withdrawal petitions with the County.
8. Update City of Newport building codes, processes, and agreements to streamline and enhance building services now that the City has hired a full time building official.
9. Secure an intergovernmental agreement with Lincoln County to allow the City to administer its mechanical permitting program within the Newport city limits.
10. Assess opportunities to implement e-permitting to streamline building services.
11. Institute credit/debit card payment option for land use and building fees.
12. Coordinate with ODOT on a joint project to secure funding as part of the 2018-2021 STIP cycle to improve signal timing and intersection functionality along US 101.
13. Implement multi-jurisdictional partnership to facilitate development of workforce housing.
14. Implement the TGM LID Grant funded project to develop model policy, code, and informational materials to assist the City of Newport in making local improvement districts an effective and publicly acceptable financing tool for needed transportation system improvements.
15. Administer implementation of Phase II Urban Renewal projects in South Beach.
16. Complete process of forming a new north side Urban Renewal District (if determined to be feasible).
17. Oversee short-term management of leased properties and setup account for future demolition of the structures on the Urban Renewal Agency owned parcel at the intersection of US 101 and SE 35th Street.

**D. 2-5 Year Goals:**

1. Develop annexation strategy for South Beach industrial areas.
2. Implement strategies for strategic property acquisitions and sale of city assets.
3. Coordinate with the state and FEMA on floodplain and wetland regulatory mandates.
4. Begin implementation of Phase I of a new north side Urban Renewal District (assuming a district is created).
5. Apply to the Oregon Building Codes Division to have the mechanical permitting program transferred from Lincoln County to the City of Newport (as it pertains to permitting within the city limits) and expand staff's plan review and inspection capabilities.
6. Secure grant funding to improve signal timing and intersection functionality along US 101.
7. Adopt storm drainage and erosion control standards for new development.
8. Initiate community engagement on forming an LID to supplement URA funding for street improvements in the Coho/Brant neighborhood.
9. Coordinate with ODOT on the design and construction of the SW 35th Street Intersection project.
10. Work with the Urban Renewal Agency and community on a redevelopment concept for the 2.3 acre, agency owned, parcel at the northeast corner of SE 35th and US 101.
11. Seek state matching funds for Phase III South Beach Urban Renewal Plan projects.
12. Complete improvements to Safe Haven Hill tsunami assembly area.
13. Coordinate with ODOT on alternatives analysis for replacement of the Yaquina Bay Bridge.
14. Leverage the analysis from a parking study to assist the Bayfront, Nye Beach, and City Center businesses in putting in place a funding strategy that will parking districts and assist in updating the district ordinances, as needed.
15. Implement e-permitting system to streamline building services.
16. Work with the Parks and Recreation Department to update the City's 1993 Park System Master Plan.
17. If viable, coordinate with affected taxing entities to establish a multiple unit tax exemption program to incentivize construction of multi-family housing.

**E. Goals Beyond 5 Years:**

1. Secure match funding and implement future phases of new north side Urban Renewal District.
2. Facilitate closure of the South Beach Urban Renewal District.
3. Initiate periodic review and updates to natural features, housing, economic development, and capital facilities elements of the City of Newport Comprehensive Plan.
4. Revise Newport System Development Charge methodology as major capital facilities plans are completed.
5. Adopt a plan that provides a framework for future replacement of the Yaquina Bay Bridge.

**F. Attachments:**

 File Attachment





## **2015-16 Department Goal Setting Information Form**

Submitted By: **b.james**

Department: **Human Resources**

Date: **2/16/2015**

### **A. Service Priorities Narrative:**

**Recruitment: Compete for top talent with effective recruitment strategies, efficient recruitment processes, and an attractive total rewards package. Inclusive Excellence: Commit to the principle of inclusive excellence to help create an environment where employees of all backgrounds can thrive and everyone is treated with respect and professionalism. Retention: Improve employee retention by leading efforts for adoption of strategies which create a great work climate. Talent Development: Support the talent development of our employees through professional and career development. Work-Life Balance and Wellness: Promote the achievement of work-life balance and wellness in our employee community. Deliver HR services, programs, and communications that add value for our prospective employees, current employees, and retirees.**

### **B. Ongoing Goals:**

- 1. Provide consistent and timely service to all employees related to human resources.**
- 2. Continue to access current polices and practices for compliance and best practices.**
- 3. Take the necessary steps to align the human resource function with all state, federal and local laws and best practices.**
- 4. Develop HR plans and policies that help the city meet its goals and objectives.**
- 5. Attend regular trainings, conferences, etc. to stay current with HR knowledge and case law.**
- 6. Continue to identify opportunities to gain knowledge related to public sector employment, organization internal structure and external influences.**

### **C. Goals for FY 2015-16:**

1. Update all policies within the Employee Handbook. Reorganize the policies so they are more appropriately organized within the document. Communicate changes to all employees.
2. Recordkeeping for all employee files to be implemented in conjunction with state and federal law. Employee files are to be maintained with all legally required documentation, removing what should be maintained in separate files. Benefit and medical files have been set up for all employees. The process of separating documents out of the employee files and into the appropriate benefit/medical/I-9 files needs to be completed.
3. Revise the City Employment Application to be compliant with state and federal law. Remove all illegal questions. Add a EEO/OFCCP Voluntary Self-Identification forms to the application to comply with Section 503 of the Rehabilitation Act and VEVRAA. Expand EEO language to include all protected classes. Add I-9 language to the application to comply with federal law. Add language to comply with disability and veteran status laws.
4. Implement the Caselle HR Module. Begin tracking EEO and disability information on all applicants and all hires. This is required to be in compliance with AA, Section 504 of the Rehabilitation Act and federal grant assurances. To be in full compliance we will need to; 1)Invite all current employees to self-identify if they have a disability and every 5 years thereafter, 2)Implement an annual reminder procedure, 3)Input into the HR Module so reporting can be developed to track effective outreach and recruitment efforts.
5. Revise the Background Check policy. Develop comprehensive procedures for Background Checks. Develop defined criteria for eligibility for hire/ineligibility for hire. Establish internal controls/centralize all background checking through HR. Review application release to see if any changes are needed. Train all management staff on the policy and procedures.
6. Participate in the launch of the SafePersonnel Training System.
7. Management Training - Continue to identify and organize appropriate management trainings throughout the year. Investing in the employees will help the city to gain an advantage with retention and risk management objectives.
8. Recruitment policy and procedures. Develop a structured, comprehensive and legally compliant recruitment process. Centralize all recruitments through HR. Develop an internal and external recruitment policy. Document recruitment procedures for internal, external and volunteer hires. Update and/or develop recruitment and staffing forms. Implement standard offer letters.
9. Develop a comprehensive Drug and Alcohol policy that takes into account the legalization of marijuana. In addition, the city has to comply with the Drug-Free Workplace Act because the city is a federal contractor. As part of the requirements of the Act, the city will need to develop a written statement (the revised policy), establish a drug-free awareness program (as part of the policy), notify employees in a written statement that as a condition of employment they must abide by the policy.
10. Third Party Staffing (Temporary) - Meet with the staffing agencies to get new contracts in place. Review screening requirements to ensure all placements have met city requirements. Develop a temporary staffing policy and comprehensive procedures. Train management staff on how temporary staff are to be supervised and the liability that can be created by treating them like city employees.
11. Independent Contractors - Develop and implement a formal policy, process and procedure for IC's. Centralize all IC's through HR. Checklists developed and used to determine if individuals actually meet the IRS definition of IC. Implement and consistently use the new Personal Services Agreement. Eliminate all other versions city-wide. Communicate new policy, process and procedures to all management staff. Develop an IC Staffing Requisition to be used as the trigger for IC staffing.
12. Continue work to develop and/or refine HR forms. Standard HR forms are to be implemented and used for all HR related functions (i.e. recruitment, staffing, performance management, change of address, employee changes, etc.)
13. Revise Personnel Action Form (PAF) to include all necessary and pertinent information for HR and Payroll.

**D. 2-5 Year Goals:**

1. Performance Management - Develop a strong and meaningful performance management system. Not just what is easy and quick. I don't feel that the current system had a lot of thought behind it. There is not consistency with the forms that are used, they are limiting, no space for supporting comments. The current system does not allow for or support a meaningful review process to be conducted with employees. Strong focus should be put on our leaders and how they are leading, managing and directing staff. I would like to build in a Leadership Competency Model for evaluation of leaders against defined competencies. This would be a very involved and time consuming process, however, I think it would lay a solid foundation to building strong leaders.
2. Develop a Leadership Competency Model - Developing strong leaders is critical to the success of the city. Define what makes a good leader and establish core, position and functional competencies. Develop and/or identify training that would support leaders in meeting the competencies. (i.e. Fostering a Team Environment: Consists of four competencies - Communication, Interpersonal Skills, Team Leadership, and Conflict Management. Creating Organizational Transformation: Consists of five competencies - Change Leadership, Vision & Strategic Thinking, Flexibility, Global Perspective, and Organizational Awareness. Maximizing Performance Results: Consists of seven competencies - Analytical Thinking, Decision Making, Customer Focus, Planning & Organizing, Thoroughness, Forward Thinking, and Results Orientation Building Trust & Accountability: Consists of two competencies - Ethics and Integrity; and Personal Credibility. Promoting a High-Performance Culture: Consists of three competencies - Fostering Diversity, Workforce Management, and Developing Others. Building Coalitions: Consists of two competencies - Influencing Others and Relationship Building
3. Conduct a current Salary Survey. Implement a plan to conduct them annually to ensure that salaries are in line with market.
4. Review and/or implement Longevity Increases for long-term staff.
5. Job Descriptions. Review and revise as part of the salary survey.
6. Evaluate and determine appropriate classification of jobs (exempt vs. non-exempt). I feel that some of the jobs may not appropriately classified. For example: some supervisors are classified as non-exempt and are paid for overtime. Although this is not a FLSA violation it can be costly to the city.
7. Time Reporting - Revise time cards for exempt and non-exempt staff. Work with Payroll to develop clear and compliant time reporting procedures. Work with Payroll to train employees and management staff on appropriate time reporting completion and overall procedures. Help management to understand their responsibility with accurate time reporting.
8. Job Family Progressions - Review current job family jobs to determine appropriateness. Identify other areas of the organization that could benefit from having a job family. (i.e. Recreation Center and the Pool are two that I feel may benefit. This could help with recruitment and retention).
9. Succession Planning -Work with management to develop succession plans for all departments. Identify needed trainings to help meet the succession plans. We have long-term employees/aging workforce that will require us to establish succession plans for a number of key areas in the city.
10. Work with the Director of Public Works on a department re-organization to gain efficiencies and improve service standards.
11. Develop a formal Employee Recognition Program.
12. Implement a Tuition Reimbursement Program.

**E. Goals Beyond 5 Years:**

1. Continue to evaluate recruitment and outreach efforts to ensure we are meeting diversity requirements (EEO, Disability, Veteran).
2. Continue to align HR goals and objectives to the city's goals and objectives.
3. Develop wellness programs that help to promote employee health and reduce benefit costs.

**F. Attachments:**

 File Attachment

# City of Newport



## **2015-16 Department Goal Setting Information Form**

Submitted By: m.murzynsky

Department: Finance

Date: 2/18/2015

### **A. Service Priorities Narrative:**

The Finance Department has one main service priorities with at least nine subsets:

**1. Provide support to the City Manager and City departments to provide:**

- a) Support to prepare budgets;
- b) Financial advice and assistance to City staff and customers;
- c) Collect and record all City of Newport revenues (i.e. room taxes, licenses, fees, etc.);
- d) Utility billing for Water and Wastewater users;
- e) Accounts Payable for City Vendors;
- f) Payroll services for City Employees;
- g) Management of City debt requirements;
- h) Investment of idle cash;
- i) Oversight of budgetary restrictions;
- j) Maintenance of accurate financial records;
- k) Safeguards for City assets.

In early 2015-16 Fiscal Year (FY) we reorganized the Finance department to meet these City needs and I believe we are positioned to complete the service priorities as outlined above. However, there are training issues for Finance staff, staff accountability for monthly processes, and with every reorganization, salary adjustments may be needed for some staff.

### **B. Ongoing Goals:**

1. Utility billing: a. Find consistent method to deal with late payers; b. Strengthen the lien process. (I need to spend a little more time working with staff to explore these areas.)
2. Implement a Purchase Order system: A goal that will be implemented by year-end June 30, 2015 if at all possible.
3. Complete the Auditor RFP process: This goal will be completed by year-end June 30, 2015.
4. Complete a Banking RFP before June 30, 2015: Will fit this into the Finance Departments processes for the current fiscal year.
5. Implement Project Accounting system.
6. General Ledger Account numbering consolidation.

### **C. Goals for FY 2015-16:**

1. Continue to work on tasks listed in Ongoing Goals sections;
2. Continue to provide an accurate budget document;
3. Continue newly created monthly financial reporting process;
4. Work with auditors to ensure that the City's and Newport Urban Renewal Agency financials are completed by December 31, 2015;
5. Issue an Actuary RFP (if possible);
6. Implement Human Resources and Project Accounting module;
7. Setup new review processes for Account Receivables;
8. Create an Investment policy;
9. Create Internal Control documentation by Finance function;
10. Review Cash Procedures city wide;

**D. 2-5 Year Goals:**

1. Continue to work on goals not met in FY 2015-16;
2. Develop a Comprehensive Annual Financial Report for submission to GFOA for the 2016-17 FY;

**E. Goals Beyond 5 Years:**

- 1.

**F. Attachments:**

 File Attachment



## 2015-16 Department Goal Setting Information Form

Submitted By: Rob Murphy

Department: Fire

Date: 2/12/2015

### A. Service Priorities Narrative:

The Fire Department has four main priorities: 1) provide enough well trained staff and well maintained apparatus and equipment for effective emergency readiness and response 2) provide administrative capabilities to plan for emergency needs and to optimize the efficiency and effectiveness of emergency resources in order to meet the "standard of cover" goals 3) educate and prepare the public to better deal with emergencies in the community 4) provide a safe and positive work environment for fire department personnel in the stations and during emergency incidents.

### B. Ongoing Goals:

1. Continue to strengthen volunteer and paid staff relationships.
2. Improve volunteer recruitment and retention.
3. Improve training programs, officer development and succession planning.
4. Collaborate with other departments and agencies for improvements to service .

### C. Goals for FY 2015-16:

1. Acquire a new front line fire engine, move one existing engine to reserve status, and continue to build the Capital Reserve Fund for future apparatus replacement.
2. Integrate the new Assistant Chief/Fire Marshal and create a new Fire Prevention Officer/Emergency Manager position.
3. Develop and Implement a current set of Standard Operating Guidelines.
4. Continue to recruit and build a strong complement of high quality volunteer firefighters.
5. Develop a plan to successfully continue operations during the planned seismic retrofit of the main fire station.
6. Repave the training facility drill ground after the wastewater building is demolished. Pursue adding a classroom to the training facility.
7. Continue to integrate new technology into the apparatus to improve emergency response communications and capabilities.
8. Continue to foster strong relationships with our community partners. Increase public outreach and seek new ways to engage our community in public safety and fire prevention programs.

### D. 2-5 Year Goals:

1. Create a full time 40-hour Training Officer position.
2. Replace the breathing air compressor and cascade storage system at the main fire station.
3. Install a back-up generator at Station 3400 (Agate Beach)
4. Remodel station 3400 (Agate Beach) to add a shower, kitchen facilities and sleeping quarters for future staffing needs.
5. Conduct bi-annual reviews of the Fire Department Strategic Plan and Standard of Cover.
6. Continue to build the Fire Department Capital Reserve Fund for future apparatus replacement.

**E. Goals Beyond 5 Years:**

1. Evaluate options and plan for site acquisition of a new main fire station/public safety building.
2. Remodel and expand Station 3300 (South Beach) to provide at least one additional apparatus bay.
3. Pursue Department accreditation.
4. Fully fund the Fire Department Capital Reserve Fund for ongoing apparatus replacement.
5. Re-examine opportunities for Fire Department-based EMS transport and beneficial collaborative efforts.

**F. Attachments:**

 File Attachment



## **2015-16 Department Goal Setting Information Form**

Submitted By: Richard Dutton

Department: Information Technology

Date: 2/12/2015

### **A. Service Priorities Narrative:**

The Information Technology department develops, supports and encourages the use of IT throughout the City by providing service infrastructure for all voice and data applications.

### **B. Ongoing Goals:**

1. Keep IT hardware & software up to date
2. Support Departments in specific IT application needs
3. Maintain systems security
4. Expand facility security systems

### **C. Goals for FY 2015-16:**

1. Establish a working, cross-department IT Advisory & Planning Group
2. Develop a long-term IT Strategic Plan
3. Improve DR/BC recovery planning and documentation
4. Provide user training in LYNC, Word & Excel
5. Increase public online services
6. Make GIS tools available in more vehicles
7. Improve EOC IT preparedness

### **D. 2-5 Year Goals:**

1. Extend Fiber Optics throughout all facilities

### **E. Goals Beyond 5 Years:**

- 1.

### **F. Attachments:**



Report on Goals for 2014-15.docx  
Microsoft Word Document  
13.2 KB



INSTITUTIONAL INVESTORS

INSTITUTIONAL INVESTORS

INSTITUTIONAL INVESTORS



## **2015-16 Department Goal Setting Information Form**

Submitted By: Ted Smith

Department: Library

Date: 2/5/2015

### **A. Service Priorities Narrative:**

**The library's mission is to be the community center that stimulates the imagination, invites and enables lifelong learning for all ages and creates young readers.**

### **B. Ongoing Goals:**

1. Ensure the safety of library users and staff and minimize risk
2. Pursue improvements to keep the library current
3. Continue to purchase materials in multiple formats that meet the educational and recreational needs of patrons.
4. Continue educational activities including: book discussion groups, computer classes, guest speakers, author presentations and writing classes
5. Continue programs and outreach to adults, young adults, and children in schools, preschools, juvenile detention, rehabilitation centers, at the Library and Literacy Park

### **C. Goals for FY 2015-16:**

1. Install decorative street lights around front of library -- safety and security
2. Renovate 29 year-old elevator -- pursue improvements to keep library current
3. Complete Library renovation including installing Radio Frequency Identification for collection circulation and security
4. Construct a new teen area
5. Update all library job descriptions. Many position responsibilities have evolved over the past six years. Grade and step levels need to be adjusted to reflect these changes in job duties and responsibilities.
6. Participate with all departments in a Job Classification Survey.
7. Increase one 20 hr/wk staff member to full-time.

### **D. 2-5 Year Goals:**

- 1.

### **E. Goals Beyond 5 Years:**

1. Engage the community and City Council in Library Building or Expansion

### **F. Attachments:**

PDF

Ted's Attachments.pdf  
Adobe Acrobat Document  
7.68 MB



## **2015-16 Department Goal Setting Information Form**

Submitted By: Jim Protiva

Department: Parks and Recreation

Date: 2/17/2015

### **A. Service Priorities Narrative:**

The Newport Parks and Recreation Department exists to help meet the recreation needs of residents and guests by providing quality facilities, trails, fields and open space. We strive to offer a variety of activities and environments that allow for personal, social, and economic, benefits with open to all people. Our goal is to provide leadership and coordination on projects and programs that enhance the livability and quality of life in Newport.

### **B. Ongoing Goals:**

1.

### **C. Goals for FY 2015-16:**

1. Complete an integration plan for merging the operations of the Recreation Center and Aquatic Center. Bringing all fees into alignment and working harmoniously with new and existing facilities.
2. Establish guidelines for sponsorships and parameters for naming rights and advertising.
3. Identify funding for and establish a timeline for completing a Parks Master Plan.
4. Redevelopment of entryways and vestibules at both the 60+ Center and the Recreation Center/Aquatic Center.
5. Establish a Master Plan for potential mountain bike trails around the City's reservoir and watershed property.

### **D. 2-5 Year Goals:**

1. Complete and open the new aquatic center
2. Participate in the solution for Parking at the City Hall Campus
3. Construct a mountain bike trail system that will garner regional attention

### **E. Goals Beyond 5 Years:**

1. Creation of a National attention garnering event (ex. Marathon, Big Wave Surfing)
2. Acquire strategic property for the purpose of advancing the Park Master Plan
- 3.

### **F. Attachments:**





## **2015-16 Department Goal Setting Information Form**

**Submitted By:** Chief Mark J. Miranda

**Department:** Newport Police Department

**Date:** 2/13/2015

### **A. Service Priorities Narrative:**

To provide emergency first responder service 24/7 to the Citizens of Newport. To maintain a training level to achieve this service priority along with maintaining up-to-date policies and accreditation standards.

### **B. Ongoing Goals:**

1. Keep up with and current with 102 accreditation standards.
2. Continue with community policing concepts and ideas currently established.
3. Maintain positive relationship with community and community partners.
4. Maintain equipment replacement schedule as outlined by public safety committee (including vehicle and equipment replacement).
5. Maintain full staffing for allocated FTE positions.

### **C. Goals for FY 2015-16:**

1. Secure storage at NPD impound yard.
2. Replace 30+ year old lockers
3. Purchase and implement e-ticketing.
4. Purchase and implement web-based scheduling program.
5. Establish two neighborhood watch groups within the City.
6. Conduct a Citizen Academy Class in spring 2016.
7. Replace 2 - 2008 police vehicles and one 2007 detective unit.
8. Assign member to LINT as budget and staffing allow.
9. Implement RMS, which is currently being designed.
10. Conduct community survey regarding how the Police department is doing. 2-5 year goals

### **D. 2-5 Year Goals:**

1. Secure Police Parking
2. Replace worn carpet throughout PD
3. Select K9 handler and purchase K9
4. Replace K9 vehicle
5. Conduct a study to determine how many more FTE officers are needed to meet the needs of the City.
6. Purchasing department issued firearms

### **E. Goals Beyond 5 Years:**

1. Replace Incident Response Vehicle
2. Develop a new, updated Police Department facility
3. Develop a regional public safety training facility
4. Develop a take home car program

**F. Attachments:**

 File Attachment

## **2015-16 Department Goal Setting Information Form**

**Submitted By:** Timothy Gross

**Department:** Facilities and park maintenance

**Date:** 2/18/2015

### **A. Service Priorities Narrative:**

**Facilities and Park Maintenance is in charge of maintaining the 11 major commercial buildings, multiple small buildings and facilities, and the dozen or so parks within the City. Park Maintenance also maintains the grounds around the major commercial facilities and the City owned bathroom facilities. In addition to self-performing maintenance, this division also manages contracts to conduct work that is too large or requiring specialized skills that are too complicated for City Staff.**

### **B. Ongoing Goals:**

1. Develop and implement a comprehensive facility maintenance and staffing plan.
2. Develop and implement a comprehensive parks maintenance and staffing strategy.
3. Develop in-house custodial services.

### **C. Goals for FY 2015-16:**

1. Add an additional Park Maintenance staff member.

### **D. 2-5 Year Goals:**

1. Continue to develop in-house Custodial Services
2. Conduct a Facilities assessment and maintenance plan to assist in adequately funding Facilities and to be able to conduct preventive maintenance in a timely fashion.
3. Conduct a Park assessment and maintenance plan to assist in adequately funding Park repairs and to be able to conduct preventive maintenance in a timely fashion.

### **E. Goals Beyond 5 Years:**

1. Build a Park Maintenance building

### **F. Attachments:**

 File Attachment





## **2015-16 Department Goal Setting Information Form**

Submitted By: Timothy Gross

Department: Stormwater

Date: 2/18/2015

### **A. Service Priorities Narrative:**

Stormwater is a division of the Streets Department. The primary service priorities for the Stormwater Division are to provide adequate drainage of City streets and drainage ways to prevent local flooding thereby protecting life, promoting safety, and protecting residents and businesses from property damage. Furthermore the Stormwater Division protects the receiving waters of the storm sewer system by adequately maintaining and cleaning stormwater infrastructure.

### **B. Ongoing Goals:**

1. Participate in emergency response committee planning process.
2. Consider funding sources for stormwater improvement projects.
3. Continue to identify cross-connections and pollution sources.
4. Plan for NPDES requirement (illicit discharges) legislative control of stormwater system.
5. Develop Stormwater Master Plan.

### **C. Goals for FY 2015-16:**

1. Participate in emergency response committee planning process.
2. Consider funding sources for stormwater improvement projects.
3. Implement design standards and City ordinances controlling discharge rates, water quality improvements, and erosion and sediment control for development.

### **D. 2-5 Year Goals:**

1. Strategic replacement program for storm sewer infrastructure
2. Implement regional water quality improvement projects to address water quality issues at major City stormwater outfalls.

### **E. Goals Beyond 5 Years:**

- 1.

### **F. Attachments:**

File Attachment





## **2015-16 Department Goal Setting Information Form**

**Submitted By:** Timothy Gross

**Department:** streets and transportation

**Date:** 2/18/2015

**A. Service Priorities Narrative:**

The Streets Department service priority is to provide a safe, efficient, and economical transportation system for all forms of transportation including vehicles, bicycles, and pedestrians. Service priorities are established first on safety, then on volumes, of the respective transportation mode.

**B. Ongoing Goals:**

1. Provide consistent funding for street improvement projects
2. Continue to support multi-modal forms of transportation in the City of Newport
3. Designate and develop pedestrian and bicycle routes in association with streets, and work with the school district to create safe routes to schools.
4. Designate and develop gravel streets for paving, and develop a paving inventory and replacement program.

**C. Goals for FY 2015-16:**

1. Develop a pavement maintenance program.

**D. 2-5 Year Goals:**

1. Provide consistent funding for street improvement projects, particularly large regional capacity improvements as identified in the TIP.

**E. Goals Beyond 5 Years:**

- 1.

**F. Attachments:**

 File Attachment





## **2015-16 Department Goal Setting Information Form**

Submitted By: Timothy Gross

Department: Wastewater

Date: 2/18/2015

### **A. Service Priorities Narrative:**

The Wastewater Department is comprised of two divisions, Wastewater Treatment and Wastewater Collections. The Collections division primarily ensure the safe collection of wastewater through maintenance, construction and repair of wastewater collection pipes, cleanouts, lift stations, sewer services, and other infrastructure within the public right-of-way and on public owned facilities and easements. The Treatment division primarily ensures that wastewater effluent standards are met through the operation and maintenance of the wastewater treatment plant and pump stations.

### **B. Ongoing Goals:**

1. Identify and reduce inflow, infiltration, and pollution
2. Plan for funding for wastewater system projects.
3. Develop a Wastewater Master Plan.

### **C. Goals for FY 2015-16:**

1. Continue improvements to Agate Beach wastewater program
2. Plan and implement systematic replacement of the wastewater collection system
3. Increase wastewater revenues to adequately fund operations, capital improvements and debt service

### **D. 2-5 Year Goals:**

1. Continue improvements to Agate Beach wastewater program
2. Plan and implement systematic replacement of the wastewater collection system
3. Acquire additional property to ensure continued land application of wastewater sludge

### **E. Goals Beyond 5 Years:**

1. Plan for improvements at the Wastewater Treatment Facility
2. Replace the Nye Beach Pump Station

### **F. Attachments:**

File Attachment

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## **2015-16 Department Goal Setting Information Form**

**Submitted By:** Timothy Gross

**Department:** Water

**Date:** 2/18/2015

### **A. Service Priorities Narrative:**

The Water Department is comprised of two divisions, Water Treatment and Water Distribution. The priorities of the department are to produce an uninterrupted supply of safe and high quality drinking water, free from disease causing organisms and toxic substances. Secondary priorities are to provide good tasting and clear water. The City provides water for domestic and commercial use, but also for fire protection. Domestic and commercial users are concerned primarily with uninterrupted supplies and high quality water. Some of the users include dialysis clinics, breweries, and laundries, requiring very high quality and clear water. Fire protection requires large volumes of water very quickly, resulting in large diameter distribution pipes and high capacity pump stations.

### **B. Ongoing Goals:**

1. Plan for remediation or replacement of upper and lower Big Creek dams
2. Update the Water Supply System Master Plan and Comprehensive Plan (condition analysis).

### **C. Goals for FY 2015-16:**

1. Implement automatic meter reading system.
2. Plan for remediation or replacement of upper and lower Big Creek dams.
3. Begin the systematic replacement of water supply lines and develop plans for future replacement.

### **D. 2-5 Year Goals:**

1. Implement automatic meter reading system.
2. Plan for remediation or replacement of upper and lower Big Creek dams.
3. Develop and implement a flushing program.
4. Seismic retrofit for water tanks
5. Integrate all water pump stations and tanks into the SCADA system.

### **E. Goals Beyond 5 Years:**

1. Systematic replacement of water mains
2. Redundant bay crossing waterline

### **F. Attachments:**

File Attachment



# City of Newport



## **2015-16 Department Goal Setting Information Form**

**Submitted By:** Jim Salisbury

**Department:** City Manager Department/Safety

**Date:** 2/18/2015

### **A. Service Priorities Narrative:**

**Promote, develop, and maintain a safe and healthy work environment.**

### **B. Ongoing Goals:**

1. Supply all City employees with Personal Protective Equipment, as needed, and safety training. Coordinate the annual maintenance of fire alarms systems and fire extinguisher maintenance in all Departments. Train qualified employees as instructors, and expand in-house instructor-lead courses.

### **C. Goals for FY 2015-16:**

1. Continue to provide more and more safety and health training for all Departments.
2. The purchase of AED's throughout our work sites has created the need to identify CPR/AED /First Aid instructors.
3. Obtain more instructor training for the Safety Officer to be the primary trainer in multiple disciplines in order to accommodate some of the City's mandatory training program needs.
4. Complete the Employee Emergency Action Plans for employees in their work sites.
5. Update the City Safety Manual.
6. Recreate the partnership (with possible contracts) with the three companies that maintain either our fire department automatic fire sprinkler systems, FM200 systems, and Type K hood systems. The goal is to minimize disruption of employees and customers when service is needed by scheduling all three on-site simultaneously.
7. Establish a set time and date for new or current City employees regarding training in Fire Extinguisher, CPR, AED, First Aid, forklift, flaggers, etc. .
8. Invite OR-OSHA's consultation division to review the City's Safety Manual and Safety Procedures.
9. Firmly establish the SafePersonnel web site and education that goes along with that.
10. Continue noise testing of work sites. in case there are any need recommendations or changes.
11. Create a larger Personal Protective Equipment (PPE) display for all City employees, OR establish stores of PPE at such specific sites as City Shops, Fire Department, Police Department, Airport, etc. (Some of the Police and Fire PPE is unique, and will be provided by those two Departments.)
12. Continue with the Adventist Health Noise Conservation program.
13. Maintain the Safety Officer's eight certifications and licenses.
14. Attend regular training through outside courses or conferences.
15. Establish an annual Safety and Health Fair in partnership with local government partners.
16. Review the 3M RESPEXAM web partner for our Respiratory Protection Program for Public Works. Explore Fire Department and/or Police Department involvement.
17. Partner with HR to hire an administrative assistant dedicated to the Safety Officer, HR Coordinator, and Safety Committee.

**D. 2-5 Year Goals:**

1. Maintain communication and guidance with Human Resources regarding the CIS Return to Work program for those on modified duty. Evaluate all Safety Data Sheet books in all City Departments. Continue looking at other instructor disciplines, i.e., in-house instructors.

**E. Goals Beyond 5 Years:**

1. Continue to collaborate with OR-OSHA to meet the challenging changes and needs of a safe work environment.

**F. Attachments:**



safety-poster.jpg  
JPEG image  
66.8 KB

**Goal Setting Forms Submitted by the Committees, Commissions and Boards for 2015-16**

- Airport Committee
- Bicycle/Pedestrian Advisory Committee
- City Employee Committee
- Destination Newport Committee
- Library Advisory Board
- Planning Commission
- Public Arts Committee
- Safety Committee
- 60+ Senior Center Advisory Committee
- Wayfinding Committee



**Newport City Council Goal Setting Form for Committees, Commissions,  
and Boards for 2015-16**

Committee, Commission, or Board: Airport Committee

Submitted By: S. Nebel

Date Submitted: 2-20-15

- (1) Explore the expansion of water and sewer services to the Airport and surrounding properties. (5)
- (2) Pursue commercial and/or private-for-hire airline service to facilitate regional travel to the Central Coast utilizing the Newport Municipal Airport for such organizations as NOAA, the expanded Marine Science Initiative, OMSI, and the general community. (5)
- (3) Review opportunities to increase revenue to lessen the financial burden for operating the Airport on the City, including reviewing the various fees and lease rates charged by the Airport and increasing utilization of the Airport to assure an appropriate return to the Airport. (4)
- (4) Complete the review of the overall organization and management of the Airport operations to implement a permanent, sustainable management system to meet the overall goals of the City of Newport, and to include the regionalization of the Airport operations. (4)
- (5) Explore the possibility of constructing additional T-Hangars at the Municipal Airport.



**Newport City Council Goal Setting Form for Committees, Commissions,  
and Boards for 2015-16**

Committee, Commission, or Board: **Bicycle/Pedestrian Advisory Committee**

Submitted By: Peggy Hawker

Date Submitted: February 5, 2015

1. Fund the three priority projects from last year:
  - A. Trail - N Nye Street to Oceanview Drive
  - B. Trail connecting the Agate Beach Wayside Trail to the sidewalk on Highway 101 on the west side
  - C. Sidewalks from the Bayfront to the hospital.
2. Continue to fund the annual installation of sharrows.
3. Update the Pedestrian and Bicycle Plan to support the long-term transportation master plan with the goal of making Newport a bike/pedestrian-friendly city.
4. Work with the city's grant consultant to obtain grants through Oregon Connect, Oregon Bicycle/Pedestrian Advisory Committee, and other sources.
5. Procedural review to allow the city's Bicycle/Pedestrian Advisory Committee to participate in 30% review of projects.



**Newport City Council Goal Setting Form for Committees, Commissions,  
and Boards for 2015-16**

Committee, Commission, or Board: City Employee Committee

Submitted By: John Dubois

Date Submitted: February 12, 2015

1. Purchase land adjacent to the south of City Hall for future parking or a park for the farmer's market and other civic events and gatherings
2. Conduct a salary survey since it has been several years since the last step calibration
3. Increase staffing resources for understaffed departments
4. Invest in training for city employees
5. Improve building maintenance:
  - o Repair wall at Airport
  - o Address HVAC issues at City Hall
  - o Lack of hot water in Library bathrooms
  - o Install gate at Public Works shop
  - o Invest in key card system of entry to department areas
6. Sponsor more events for the city, such as sports tournaments, craft shows, etc. that bring people to town and show off the City Of Newport



**Newport City Council Goal Setting Form for Committees, Commissions,  
and Boards for 2015-16**

Committee, Commission, or Board: Destination Newport Committee

Submitted By: Cindy Breves

Date Submitted: February 5, 2015

1. The committee would like to see a proportionate increase to the Destination Newport Committee budget for the promotion of Newport as a destination that matches the increase in Room Tax collections.
2. The committee would like increase the use of the Tourism Marketing Grant by the City Council adjusting the parameters of the grant based on the committee recommendations.

Faint header text, possibly containing a page number or title.

**Newport City Council Goal Setting Form for Committees, Commissions,  
and Boards for 2015-16**

Committee, Commission, or Board: Library Advisory Board

Submitted By: Ted Smith, for the Library Advisory Board

Date Submitted:

1. Move to Stage II of the Library Strategic Plan, completed in 2013 and construct a new teen area in the office spaces now being used by the Library Director and Circulation Supervisor.

If necessary, attach additional pages.

This project will entail building a new office in the staff work area for the Director and moving two staff located in the Circulation Supervisor's office into that same staff work area. The Newport Library Foundation has committed to spending \$100,000 for this project and would expect to see the City Pay the balance. Cost for this project are currently estimated at \$150,000.



**Newport City Council Goal Setting Form for Committees, Commissions,  
and Boards for 2015-16**

Committee, Commission, or Board: Planning Commission

Submitted By: Derrick Tokos

Date Submitted: February 17, 2015

1. Engage the Oregon Military Department in a discussion about moving the National Guard from its downtown location to the airport.
2. Move forward with forming a new north side Urban Renewal District and dedicate the resources needed to ensure that it happens in a timely manner.
3. Pursue normalizing the city limits in South Beach by engaging property owners and initiating the required annexations and withdrawals.
4. Keep moving through updates to facility master plans (airport, wastewater, storm drainage, and parks) and get them adopted. This includes adjusting the City's System Development Charge methodology and rates considering the recommendations contained in these plans.



**Newport City Council Goal Setting Form for Committees, Commissions,  
and Boards for 2015-16**

Committee, Commission, or Board: **Public Arts Committee**

Submitted By: Peggy Hawker

Date Submitted: February 19, 2015

1. Implement the Percent for the Arts program for the new Newport swimming pool by May 1, 2016.
2. Support the development of a public art, walking/biking, map/flyer/brochure for visitors and residents.
3. Support the renovation of the Visual Arts Center doors in partnership with the VAC Steering Committee.
4. Support the completion of the inventory of public art.
5. Continue to support the growth and maintenance of public art in the community, and continue to explore further possibilities and locations.
6. Support the development of appropriate signage directing visitors and residents to public arts facilities and events.



**Newport City Council Goal Setting Form for Committees, Commissions,  
and Boards for 2015-16**

Committee, Commission, or Board: Safety Committee

Submitted By: k.Palmer

Date Submitted: February 19, 2015

1. Schedule regular training for Safety Committee members in the operation and function of safety committees, continued education of safety issues and observation, and accident/incident investigation; learn updates to the law; be exposed to fresh ideas about engaging City staff in creating a culture of safety.
2. Attendance of Safety Committee Chair to the annual Governor's OR-OSHA Conference.
3. On a quarterly basis, and to coincide with the annual workplace inspection by the Committee's inspection team, rotate the meeting site among the facilities being inspected in order to increase the recognition of Committee members, and the visibility of the Committee's purpose and function.
4. Obtain administrative assistance to function as the keeper of records, take meeting notes, update workplace inspections logs, send quarterly inspection reminders, distribute meeting packets, track types of employee injuries in a graph format, etc.



**Newport City Council Goal Setting Form for Committees, Commissions,  
and Boards for 2015-16**

Committee, Commission, or Board:

Newport 60+ Senior Center Advisory Committee

Submitted By: Peggy O'Callaghan

Date Submitted: 1/27/2015

1. Increase usage of the 60+ Center.
  
2. Re-Design upstairs entrance ways to protect patrons from inclement weather and upgrade existing exterior doors.
  
3. Ensure and Increase parking for seniors at the center.
  
4. Increase trained volunteers and paid staff.
  
5. Work towards Accreditation.

If necessary, attach additional pages.



**Newport City Council Goal Setting Form for Committees, Commissions,  
and Boards for 2015-16**

Committee, Commission, or Board: Wayfinding Committee

Submitted By: Committee

Date Submitted: February 6, 2015

1. Establish a general protocol to track committee motions (feedback loop)
2. Advisory committee resolution descriptions should include a reference to the role and duties of council liaison relative to tracking of ongoing projects. Example C3 on resolution 2.05.020 (motions go to City Manager and City Council Liaison and they are not coordinated- as far as we can see)
3. Maintain funding for Wayfinding signage as a line item in the budget
4. The Wayfinding maps will be refreshed (with a decal overlay) by the end of March each year, replacing maps as necessary.
5. Continue to look for consistency in Wayfinding solutions between different jurisdictions (i.e.: city, port, ODOT, chamber)



# CITY MANAGER'S REPORT AND RECOMMENDATIONS



Agenda #:VI.D  
Meeting Date: March 2, 2015

## Agenda Item: Discussion on an Agenda for the March 30, 2015, Town Hall Meeting

### Background:

The month of March will contain a fifth Monday in which the city has traditionally held a town hall meeting. The last two town hall meeting were held in South Beach and North end fire station. Both of those meeting were well attended. At this time, I have not had an opportunity to talk with staff about potential venues or content of the March 30 town hall meeting. With the first half of March being consumed with vacation and the rest of the month being consumed by budget I will not have a significant amount of time to devote towards the content of this meeting. The Council can discuss possible locations at the March 2<sup>nd</sup> meeting and we can confirm at the March 16<sup>th</sup> meeting. As an alternative the Council could consider not holding a town hall meeting on March 30, 2015 given the substantial numbers of meeting we will be having through the budget process. Please share your thoughts and ideas of whether we want to conduct a town hall meeting on the 30<sup>th</sup> and, if so, what potential subjects and locations would be appropriate for this meeting.

### Recommended Action:

None.

### Fiscal Effects:

None.

### Alternatives:

None recommended.

Respectfully Submitted,

Spencer R. Nebel  
City Manager





## CITY MANAGER'S REPORT AND RECOMMENDATIONS

Agenda #: VII.B.  
Meeting Date: March 2, 2015

### Agenda Item:

### Authorization of a Notice of Intent to Award the Construction for the NE 71<sup>st</sup> Street Pump Station and 1.0 mg Water Storage Tank

#### Background:

On Thursday, February 19<sup>th</sup> at 2:00 P.M., bids were opened for the construction of a NE 71<sup>st</sup> Street pump station and a 1 million gallon water storage tank. Seven bids were received with the apparent low responsive bidder being Pacific Excavation Inc., with a base bid amount of \$1,320,815. The new pump station will replace the aging Salmon Run pump station, which experienced issues in 2012 after high rainfall caused the station to slide downhill. The new station will be in a more stable area, and has better fire flow capacity and redundancy. The construction of the 1 million gallon storage tank will significantly increase drinking water, and fire flow volumes in the Agate Beach area. Currently adequate fire flow does not exist for many of the properties located off of Agate Beach.

#### Recommended Action:

I recommend that the City Council acting as the Local Contract Review Board consider the following motion:

I move that the City of Newport Public Works Department be authorized to issue a Notice of Intent to Award the NE 71<sup>st</sup> Street pump station and 1.0 mg water storage tank project to Pacific Excavation, Inc. in the amount of \$1,320,815, and contingent upon no protest, authorize award and direct the City Manager to execute the contract after seven days on behalf of the City of Newport.

#### Fiscal Effects:

\$1,747,586 has been appropriated in the current year budget through Water Revenue Bonds to pay for this project. There is sufficient funding to pay for all incurring costs for construction to proceed for this project.

#### Alternatives:

None recommended.

Respectfully Submitted,

A handwritten signature in blue ink, appearing to read "S. Nebel".

Spencer R. Nebel  
City Manager





Agenda Item # VII.B  
Meeting Date March 2, 2015

**CITY COUNCIL AGENDA ITEM SUMMARY**  
City Of Newport, Oregon

Issue/Agenda Title: Notice of Intent to Award - NE 71<sup>st</sup> Street Pump Station and 1.0 MG Water Storage Tank

Prepared By: TEG                      Dept Head Approval: TEG                      City Manager Approval:

**Issue Before the Council:**

Notice of Intent to Award - NE 71<sup>st</sup> Street Pump Station and 1.0 MG Water Storage Tank

**Staff Recommendation:**

Staff recommends awarding Project No. 2011- 018 (Phase 2) NE 71<sup>st</sup> Street Pump Station and 1.0 MG Water Storage Tank to Pacific Excavation, Inc. in the amount of \$1,320,815.00

**Proposed Motion:**

I move that the City of Newport Public Works Department issue a Notice of Intent to Award the NE 71<sup>st</sup> Street Pump Station and 1.0 MG Water Storage Tank Project to Pacific Excavation, Inc. in the amount of \$1,320,815.00 and contingent upon no protest, authorize award and direct the City Manager to execute the contract after 7 days on behalf of the City of Newport.

**Key Facts and Information Summary:**

The 1.0 MG storage tank, referred to in the City's Water System Master Plan as the Lower Agate Beach Storage Tank, will provide treated water volume for the Agate Beach area. With the addition of this tank, adequate fire flow volumes will be available in areas where this previously did not exist. It also provides water capacity redundancy for the north end of Newport that is currently fed from a single 10' line.

The NE 71<sup>st</sup> Street pump station replaces the aging Salmon Run pump station located further down the hill. The Salmon Run Pump Station was put out of service for several days in 2012 after severe storms with high rainfall caused the station to slide downhill. The new station is located in a more stable area, and has better fire flow capability and redundancy.

Bids were opened Thursday, February 19 at 2:00 p.m.

Engineers Estimate (base bid) \$1,747,586

	<b>Contractor</b>	<b>Base Bid</b>
1	Pacific Excavation, Inc.	\$1,320,815.00
2	Clackamas Construction, Inc.	\$1,331,850.00
3	R&G Excavating	\$1,340,895.00
4	Emery & Sons	\$1,389,995.00
5	J.W. Fowler Co.	\$1,469,000.00
6	P.C.R. Inc.	\$1,549,275.00
7	Wildish Building Co.	\$1,635,791.78

The apparent low responsive bidder is Pacific Excavation, Inc. with a base bid amount of \$1,320,815.00.

**Other Alternatives Considered:**

None

**City Council Goals:**

None

**Attachment List:**

None

**Fiscal Notes:**

\$1,747,586 was appropriated in the FY14-15 budget funded through the Water Revenue Bond for this project. This is sufficient funding to pay for all engineering costs and construction.



## CITY MANAGER'S REPORT AND RECOMMENDATIONS

Agenda #: VII.C.  
Meeting Date: March 2, 2015

### Agenda Item:

### Authorization of an Agreement for Engineer of Record for the Municipal Airport

#### Background:

The city has completed a qualification-based request for proposals for Engineer of Record for the Newport Municipal Airport. The review scorers for this plan included Melissa Román, Lance Vanderbeck, and myself. The city receive proposals from three firms for engineer of record. In the scoring process our incumbent firm, Precision Approach Engineering, was deemed to be the strongest proposal for serving as engineer of record for Municipal Airport. Precision Approach Engineering has done an excellent job in the major projects that have been accomplished at the airport over the past few years. They have provided excellent details in their plans and specifications and have guided the projects very smoothly and professionally from conception to completion.

#### Recommended Action:

I recommend that the City Council acting as the Local Contract Review Board consider the following motion:

**I move acceptance of the contract with Precision Approach Engineering as the Municipal Airport engineer of record and authorize the City Manager to execute this agreement.**

#### Fiscal Effects:

None directly by entering into this agreement, projects completed by the engineer of record will be negotiated within the framework of this agreement which will run for five years from the execution of the agreement by both parties.

#### Alternatives:

None recommended.

Respectfully Submitted,

A handwritten signature in blue ink, appearing to read "S. Nebel".

Spencer R. Nebel  
City Manager





Agenda Item #  
Meeting Date Feb 23, 2015

**CITY OF NEWPORT**  
**AGENDA ITEM SUMMARY**  
City of Newport, Oregon

Issue/Agenda Title: Approval of Airport Engineer of Record.

Prepared By: Melissa Román Dept Head Approval:

City Mgr Approval:

**Issue Before the Council:**

Approval of Airport Engineer of Record

**Staff Recommendation:**

Staff recommends accepting Precision Approach Engineering as the Airport Engineer of Record.

**Proposed Motions:**

I move to approve the acceptance of Precision Approach Engineering as the Airport Engineer of Record.

**Key Facts and Information Summary:**

Precision Approach Engineering (PAE) will be on hand to support Council goals to develop and/or improve airport infrastructure in accordance with FAA requirements. PAE will help prepare grant applications and budget requirements for capital improvement projects. PAE will support the City in its communication with State and Federal Aviation Departments.

**Other Alternatives Considered:**

No other alternatives have been considered.

**City Council Goals:**

- Airport, Fiscal Year 13/14, 1-5 year Goals:
  - A. Develop wastewater plans for service to airport.
  - C. Improve water system to the airport.
- Fiscal Year 14/15:
  - Coordinate with the Public Works Department on initiating amendments to the Airport Master Plan.
  - Explore the extension of the water distribution system to serve properties in and around the airport to allow for the expansion of commercial activities.
  - 2-5 year Goals: E. Serve the airport with City water

**Attachment List:**

Copy of contract draft.

**Fiscal Notes:**

Money for individual task orders will be determined as projects are developed.

**ENGINEER OF RECORD AGREEMENT  
NEWPORT MUNICIPAL AIRPORT**

**THIS AGREEMENT** is between the City of Newport, an Oregon municipal corporation (City), and Precision Approach Engineering, Inc., an Oregon corporation, which has a principal who is a registered engineer of the State of Oregon (Engineer).

**RECITALS**

- A.** City issued an RFP for a wide range of engineering services, seeking one or more qualified consulting engineering firms to assist the City on projects that the City does not have the resources to complete in-house. Among other areas, the RFP sought engineers to assist on Airport projects. The RFP anticipated that the City could select specific proposers for specific areas of expertise.
- B.** City needs engineering assistance for various projects related to the Newport Municipal Airport.
- C.** City has selected Engineer as the best qualified proposer with the expertise to provide engineering services for various Airport projects and desires to engage the Engineer to render professional engineering services for Airport projects. Engineer is willing and qualified to perform such services.

**TERMS OF AGREEMENT**

**1. Engineer's Scope of Services**

Engineer shall perform professional engineering services related to specific Airport projects pursuant to Task Orders executed by both parties and attached to this Agreement by reference. This Agreement does not require the City to utilize Engineer for any or all projects related to the Newport Municipal Airport. The City is free to utilize other engineers or consultants for Airport projects as it deems appropriate.

**2. Effective Date and Duration**

This agreement is effective on execution by both parties and shall expire, unless otherwise terminated or extended, after five years. The parties may extend the term by mutual agreement.

**3. Engineer's Fee and Schedules**

**A. Fee**

Fees for services under this Agreement shall be based on time and materials and pursuant to the rates shown in Exhibit A. Engineer may increase the rates shown in Exhibit A on an annual basis, subject to the written approval of the City. Engineer will alert the City that Engineer when Engineer is increasing its fees. Engineer will bill for progress payments on a monthly basis. In order to determine the maximum monetary limit for each Task Order, Engineer will submit a schedule and a labor hour estimate based on the rates shown in Exhibit A. Once a maximum monetary limit (not to exceed amount) is determined, and accepted by the City, Engineer will invoice monthly progress payments based on actual time worked on the project. The maximum monetary limit will not be exceeded without prior written approval by the City. Projects partially completed may

be paid for in proportion to the degree of completion.

Engineer may from time to time be asked to perform consultation services not related to a specific project. In such instances, if services are less than \$5,000, a written Task Order will not be required, and Engineer will be reimbursed at the rates shown in Exhibit A,

Engineer will be reimbursed for direct charges such as the cost of printing, postage, delivery services, and subconsultant fees. Unless specifically noted in the Task Order, direct charges will be billed at cost without any markup. Office expenses such as computer cost, telephone calls, and overhead expenses are incidental and are included in the hourly rates shown in Exhibit A.

**B. Payment Schedule for Basic Fee**

Payments shall be made within 30 days of receipt of monthly billings based on the work completed. Payment by the City shall release the City from any further obligation for payment to the engineer for service or services performed or expenses incurred as of the date of the statement of services. Payment shall be made only for work actually completed as of the date of invoice. Payment shall not be considered acceptance or approval of any work or waiver of any defects therein.

**C. Payment for Contingency Tasks**

When agreed to in writing by the City, the Engineer shall provide services described as Contingency Tasks in a Task Order.

**D. Certified Cost Records**

Engineer shall furnish certified cost records for all billings to substantiate all charges. Engineer's accounts shall be subject to audit by the City. Engineer shall submit billings in a form satisfactory to the City. At a minimum, each billing shall identify the Task Order under such work is performed, work completed during the billing period, percentage of work completed to date, and percentage of budget used to date for each task.

**E. Identification**

Engineer shall furnish to the City its employer identification number.

**F. Engineer Payments – General**

Engineer shall make all payments as required by this Agreement and the attached Exhibit A.

**G. Schedule**

Engineer shall provide services under this Agreement in accordance with the Project Schedule of each Task Order.

**4. Ownership of Plans and Documents: Records; Confidentiality**

**A.** Definitions. As used in this Agreement, the following terms have the meanings set forth below:

- 1) Engineer Intellectual Property means any intellectual property owned by Engineer and developed independently from this Agreement that is applicable to the Services or included in the Work Product.
- 2) Third Party Intellectual Property means any intellectual property owned by parties other than City or Engineer that is applicable to the Services or included in the Work Product.
- 3) Work Product means the Services Engineer delivers or is required to deliver to City under this Agreement. Work Product includes every invention, discovery, work of authorship, trade secret or other tangible or intangible item and all intellectual property rights therein, and all copies of plans, specifications, reports and other materials, whether completed, partially completed or in draft form.

**B. Work Product**

- 1) Except as provided elsewhere in this Agreement, all Work Product created by Engineer pursuant to this Agreement, including derivative works and compilations, and whether or not such Work Product is considered a “work made for hire” or an employment to invent, shall be the exclusive property of City. City and Engineer agree that such original works of authorship are “work made for hire” of which City is the author within the meaning of the United States Copyright Act. To the extent that City is not the owner of the intellectual property rights in such Work Product, Engineer hereby irrevocably assigns to City any and all of its rights, title, and interest in all original Work Product created pursuant to this Agreement, whether arising from copyright, patent, trademark, trade secret, or any other state or federal intellectual property law or doctrine. Upon City’s reasonable request, Engineer shall execute such further documents and instruments necessary to fully vest such rights in City. Engineer forever waives any and all rights relating to original Work Product created pursuant to this Agreement, including without limitation, any and all rights arising under 17 USC §106A or any other rights of identification of authorship or rights of approval, restriction or limitation on use or subsequent modifications.
- 2) In the event Engineer Intellectual Property is necessary for the use of any Work Product, Engineer hereby grants to City an irrevocable, non-exclusive, non-transferable, perpetual, royalty-free license to use Engineer Intellectual Property, including the right of City to authorize contractors, Engineers and others to use Engineer Intellectual Property, for the purposes described in this Agreement.
- 3) In the event Third Party Intellectual Property is necessary for the use of any Work Product, Engineer shall secure on City’s behalf and in the name of City, an irrevocable, non-exclusive, non-transferable, perpetual, royalty-free license to use the Third Party Intellectual Property, including the right of City to authorize contractors, Engineers and others to use the Third Party Intellectual Property, for

he purposes described in this Contract.

- 4) In the event Work Product created by Engineer under this Agreement is a derivative work based on Engineer Intellectual Property or is a compilation that includes Engineer Intellectual Property, Engineer hereby grants to City an irrevocable, non-exclusive, non-transferable, perpetual, royalty-free license to use the pre-existing elements of Engineer Intellectual Property employed in the Work Product, including the right of City to authorize contractors, Engineers and others to use the pre-existing elements of Engineer Intellectual Property employed in a Work Product, for the purposes described in this Agreement.
- 5) In the event Work Product created by Engineer under this Agreement is a derivative work based on Third Party Intellectual Property, or a compilation that includes Third Party Intellectual Property, Engineer shall secure on City's behalf and in the name of City an irrevocable, non-exclusive, non-transferable, perpetual, royalty-free license to use the pre-existing elements of the Third Party Intellectual Property, including the right to authorize contractors, Engineers and others to use the pre-existing elements of the Third Party Intellectual Property, for the purposes described in this Agreement.
- 6) To the extent permitted by the Oregon Constitution and by the Oregon Tort Claims Act, Engineer shall be indemnified and held harmless by City from liability arising out of re-use or alteration of the Work Product by City which was not specifically contemplated and agreed to by the Parties in this Agreement.
- 7) Engineer may refer to the Work Product in its brochures or other literature that Engineer utilizes for advertising purposes and, unless otherwise specified, Engineer may use standard line drawings, specifications and calculations on other, unrelated projects.

**C. Confidential Information**

- 1) Engineer acknowledges that it or its employees, Sub-Engineers, subcontractors or agents may, in the course of performing their responsibilities under this Agreement, be exposed to or acquire information that is the confidential information of City or City's residents. Any and all information provided by City and marked confidential, or identified as confidential in a separate writing, that becomes available to Engineer or its employees, Sub-Engineers, subcontractors or agents in the performance of this Agreement shall be deemed to be confidential information of City ("Confidential Information"). Any reports or other documents or items, including software, that result from Engineer's use of the Confidential Information and any Work Product that City designates as confidential are deemed Confidential Information. Confidential Information shall be deemed not to include information that: (a) is or becomes (other than by disclosure by Engineer) publicly known; (b) is furnished by City to others without restrictions similar to those imposed by this Agreement; (c) is rightfully in Engineer's possession without the obligation of nondisclosure prior to the time of its disclosure under this Agreement; (d) is obtained from a source other than

City without the obligation of confidentiality; (e) is disclosed with the written consent of City; or (f) is independently developed by employees or agents of Engineer who can be shown to have had no access to the Confidential Information.

- 2) Engineer agrees to hold Confidential Information in strict confidence, using at least the same degree of care that Engineer uses in maintaining the confidentiality of its own confidential information, and not to copy, reproduce, sell, assign, license, market, transfer or otherwise dispose of, give, or disclose Confidential Information to third parties or use Confidential Information for any purposes whatsoever other than the provision of Services to City under this Agreement, and to advise each of its employees, Sub-Engineers, subcontractors and agents of their obligations to keep Confidential Information confidential. Engineer shall use its best efforts to assist City in identifying and preventing any unauthorized use or disclosure of any Confidential Information. Without limiting the generality of the foregoing, Engineer shall advise City immediately in the event Engineer learns or has reason to believe that any person who has had access to Confidential Information has violated or intends to violate the terms of this Agreement and Engineer will at its expense cooperate with City in seeking injunctive or other equitable relief in the name of City or Engineer against any such person. Engineer agrees that, except as directed by City, Engineer will not at any time during or after the term of this Agreement disclose, directly or indirectly, any Confidential Information to any person, except in accordance with this Agreement, and that upon termination of this Agreement or at City's request, Engineer will turn over to City all documents, papers, and other matter in Engineer's possession that embody Confidential Information.
- 3) Engineer acknowledges that breach of this Section 4, including disclosure of any Confidential Information, will give rise to irreparable injury to City that is inadequately compensable in damages. Accordingly, City may seek and obtain injunctive relief against the breach or threatened breach of this Section 4, in addition to any other legal remedies that may be available. Engineer acknowledges and agrees that the covenants contained herein are necessary for the protection of the legitimate business interests of City and are reasonable in scope and content.

## **5. Assignment/Delegation**

Neither party shall assign or transfer any interest in or duty under this Agreement without the written consent of the other. If City agrees to assignment of tasks to a subcontractor, Engineer shall be fully responsible for the acts or omissions of any subcontractors. Any approval of a subcontractor does not create a contractual relationship between the subcontractor and City.

## **6. Engineer is Independent Contractor**

- A. The City's project director, or designee, shall be responsible for determining whether Engineer's work product is satisfactory and consistent with this Agreement, but Engineer is not subject to the direction and control of the City. Engineer shall be an independent

contractor for all purposes and shall not be entitled to compensation other than the compensation provided for under Section 3 of this Agreement. The City's acceptance of the work product as satisfactory does not relieve the Engineer from responsibility for any errors in the work product.

- B.** Engineer is an independent contractor and not an employee of City. Engineer acknowledges Engineer's status as an independent contractor and acknowledges that Engineer is not an employee of the City for purposes of workers compensation law, public employee benefits law, or any other law. All persons retained by Engineer to provide services under this Agreement are employees of Engineer and not of City. Engineer acknowledges that it is not entitled to benefits of any kind to which a City employee is entitled and that it shall be solely responsible for workers compensation coverage for its employees and all other payments and taxes required by law. Furthermore, in the event that Engineer is found by a court of law or an administrative agency to be an employee of the City for any purpose, City shall be entitled to offset compensation due, or to demand repayment of any amounts paid to Engineer under the terms of the Agreement, to the full extent of any benefits or other remuneration Engineer receives (from City or third party) as a result of the finding and to the full extent of any payments that City is required to make as a result of the finding.
- C.** The Engineer represents that no employee of the City or any partnership or corporation in which a City employee has an interest, has or will receive any remuneration of any description from the Engineer, either directly or indirectly, in connection with the letting or performance of this Agreement, except as specifically declared in writing.
- D.** Engineer and its employees, if any, are not active members of the Oregon Public Employees Retirement System.
- E.** Engineer certifies that it currently has a City business license or will obtain one prior to delivering services under this Agreement.
- F.** Engineer is not an officer, employee, or agent of the City as those terms are used in ORS 30.265.

## **7. Indemnity**

- A.** The City has relied upon the professional ability and training of the Engineer as a material inducement to enter into this Agreement. Engineer represents to the City that the work under this Agreement will be performed in accordance with the professional standards of skill and care ordinarily exercised by members of the engineering profession under similar conditions and circumstances as well as the requirements of applicable federal, state and local laws, it being understood that acceptance of an Engineer's work by the City shall not operate as a waiver or release. Acceptance of documents by City does not relieve Engineer of any responsibility for design deficiencies, errors or omissions.
- B.** Engineer shall defend, hold harmless and indemnify the City, its officers, agents, and employees from all claims, suits, or actions relating to alleged negligent or otherwise wrongful acts or omissions of Engineer or its subcontractors, sub-Engineers, agents or

employees under this Agreement. This indemnification does not extend to indemnification for negligent or otherwise wrongful acts or omissions of the City. If any aspect of this indemnity shall be found to be illegal or invalid for any reason whatsoever, the illegality or invalidity shall not affect the validity of the remainder of this indemnification.

- C.** Engineer shall save and hold harmless the City, its officers, agents, and employees from all claims, suits, or actions and all expenses incidental to the investigation and defense thereof, arising out of the professional negligent acts, errors or omissions of Engineer or its subcontractors, sub-Engineers, agents or employees in performance of professional services under this Agreement. Any design work by Engineer that results in a design of a facility that does not comply with applicable laws including but not limited to relating to current requirements of the Federal Aviation Administration (FAA) and accessibility for persons with disabilities shall be considered a professionally negligent act, error or omission.
- D.** As used in subsections B and C of this section, a claim for professional responsibility is a claim made against the City in which the City's alleged liability results directly or indirectly, in whole or in part, from the quality of the professional services provided by Engineer, regardless of the type of claim made against the City. A claim for other than professional responsibility is a claim made against the City in which the City's alleged liability results from an act or omission by Engineer unrelated to the quality of professional services provided by Engineer.

## **8. Insurance**

Engineer and its subcontractors shall maintain insurance acceptable to City in full force and effect throughout the term of this Agreement as detailed in this section. The insurance shall cover all risks arising directly or indirectly out of Engineer's activities or work hereunder, including the operations of its subcontractors of any tier.

The policy or policies of insurance maintained by the Engineer and its subcontractors shall provide at least the following limits and coverages:

### **A. Commercial General Liability Insurance**

Comprehensive General Liability Insurance covering Bodily Injury and Property Damage on an "occurrence" form with policy limits of at least per occurrence. This coverage shall include Contractual Liability insurance for the indemnity provided under this Agreement.

### **B. Professional Liability**

Professional Liability Insurance covering any damages caused by an error, omission or any negligent acts. Combined single limit per occurrence shall not be less than \$1,300,000, or the equivalent. Annual aggregate limit shall not be less than \$2,000,000 and filed on a "claims-made" form.

### **C. Commercial Automobile Insurance**

Commercial Automobile Liability coverage on an “occurrence” form including coverage for all owned, hired, and non-owned vehicles. The Combined Single Limit per occurrence shall not be less than \$1,000,000.

**D. Workers’ Compensation Insurance**

The Engineer, its subcontractors, if any, and all employers providing work, labor or materials under this Agreement are subject employers under the Oregon Workers’ Compensation Law and shall comply with ORS 656.017, which requires them to provide workers’ compensation coverage that satisfies Oregon law for all their subject workers. Out-of-state employers must provide Oregon workers’ compensation coverage for their workers who work at a single location within Oregon for more than 30 days in a calendar year. Engineers who perform work without the assistance or labor of any employee need not obtain such coverage. This shall include Employer’s Liability Insurance with coverage limits of not less than \$100,000 each accident.

**E. Additional Insured Provision**

The Commercial General Liability Insurance Policy shall include the City its officers, directors, and employees as additional insureds with respect to this Agreement. Coverage will be endorsed to provide a per project aggregate.

**F. Extended Reporting Coverage**

If any of the liability insurance is arranged on a “claims made” basis, Extended Reporting coverage will be required at the completion of this Agreement to a duration of 24 months or the maximum time period the Engineer’s insurer will provide if less than 24 months. Engineer will be responsible for furnishing certification of Extended Reporting coverage as described or continuous “claims made” liability coverage for 24 months following Agreement completion. Continuous “claims made” coverage will be acceptable in lieu of Extended Reporting coverage, provided its retroactive date is on or before the effective date of this Agreement. Coverage will be endorsed to provide a per project aggregate.

**G. Notice of Cancellation**

There shall be no cancellation, material change, exhaustion of aggregate limits or intent not to renew insurance coverage without 30 days written notice to the City. Any failure to comply with this provision will not affect the insurance coverage provided to the City. The 30 days’ notice of cancellation provision shall be physically endorsed on to the policy.

**H. Insurance Carrier Rating**

Coverage provided by the Engineer must be underwritten by an insurance company deemed acceptable by the City. The City reserves the right to reject all or any insurance carrier(s) with an unacceptable financial rating.

**I. Certificates of Insurance**

As evidence of the insurance coverage required by the Agreement, the Engineer shall furnish a Certificate of Insurance to the City. No Agreement shall be effected until the required certificates have been received and approved by the City. The certificate will specify and document all provisions within this Agreement. A renewal certificate will be sent to the address below ten days prior to coverage expiration.

**J. Primary Coverage Clarification**

The parties agree that Engineer's coverage shall be primary to the extent permitted by law. The parties further agree that other insurance maintained by the City is excess and not contributory insurance with the insurance required in this section.

**K. Copy of Policy or Certificate of Insurance**

A cross-liability clause or separation of insureds clause will be included in the general liability policy required by this Agreement. Engineer's insurance policy shall contain provisions that such policies shall not be canceled or their limits of liability reduced without 30 days prior notice to City. A copy of each insurance policy, certified as a true copy by an authorized representative of the issuing insurance company, or at the discretion of City, in lieu thereof, a certificate in form satisfactory to City certifying to the issuance of such insurance shall be forwarded to:

Melissa Román  
City of Newport  
169 SW Coast Highway  
Newport, Oregon 97365

Thirty days cancellation notice shall be provided City by certified mail to the name at the address listed above in event of cancellation or non-renewal of the insurance. The procuring of the required insurance shall not be construed to limit Engineer's liability under this agreement. The insurance does not relieve Engineer's obligation for the total amount of any damage, injury, or loss caused by negligence or neglect connected with this Agreement.

**9. Termination Without Cause**

At any time and without cause, City shall have the right in its sole discretion, to terminate this Agreement by giving notice to Engineer. If City terminates the Agreement pursuant to this section, it shall pay Engineer for all undisputed invoices rendered to the date of termination.

**10. Termination With Cause**

- A.** City may terminate this Agreement effective upon delivery of written notice to Engineer, or at such later date as may be established by City, under any of the following conditions:
  - 1)** If City funding from federal, state, local, or other sources is not obtained and continued at levels sufficient to allow for the purchase of the indicated quantity of services. This Agreement may be modified to accommodate a reduction in funds.

- 2) If Federal or State regulations or guidelines are modified, changed, or interpreted in such a way that the services are no longer allowable or appropriate for purchase under this Agreement.
- 3) If any license or certificate required by law or regulation to be held by Engineer, its subcontractors, agents, and employees to provide the services required by this Agreement is for any reason denied, revoked, or not renewed.

Any termination of this agreement under paragraph (A) shall be without prejudice to any obligations or liabilities of either party already accrued prior to such termination.

- B.** City, by written notice of default (including breach of Agreement) to Engineer, may terminate this Agreement:
- 1) If Engineer fails to provide services called for by this Agreement within the time specified, or
  - 2) If Engineer fails to perform any of the other provisions of this Agreement, or fails to pursue the work as to endanger performance of this Agreement in accordance with its terms, and after receipt of written notice from City, fails to correct such failures within ten days or such other period as City may authorize.
- C.** If City terminates this Agreement, Engineer shall be entitled to payment for services provided prior to the termination date.
- D.** Damages for breach of Agreement shall be those allowed by Oregon law, reasonable and necessary attorney fees, and other costs of litigation at trial and upon appeal.

## **11. Non-Waiver**

The failure of City to insist upon or enforce strict performance by Engineer of any of the terms of this Agreement or to exercise any rights hereunder, should not be construed as a waiver or relinquishment to any extent of its rights to assert or rely upon such terms or rights on any future occasion.

## **12. Notice**

All notices, bills and payments shall be made in writing and may be given by personal delivery, mail, or by fax. Payments may be made by personal delivery, mail, or electronic transfer. The following addresses shall be used to transmit notices, bills, payments, and other information:

IF TO CITY OF NEWPORT

Melissa Román  
City of Newport  
169 SW Coast Highway  
Newport, OR 97365  
m.roman@newportoregon.gov  
541-574-3377

IF TO ENGINEER:

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The date of deposit in the mail shall be the notice date for first class mail.

All other notices, bills and payments shall be effective at the time of actual delivery. Changes may be made in the names and addresses of the person to whom notices, bills and payments are to be given by giving written notice pursuant to this paragraph.

**13. Merger**

This writing is intended both as a final expression of the Agreement between the parties with respect to the included terms and as a complete and exclusive statement of the terms of the Agreement. No modification of this Agreement shall be effective unless and until it is made in writing and signed by both parties.

**14. Force Majeure**

Neither City nor Engineer shall be considered in default because of any delays in completion and responsibilities hereunder due to causes beyond the control and without fault or negligence on the part of the parties so disabled, including but not restricted to, an act of God or of a public enemy, civil unrest, volcano, earthquake, fire, flood, epidemic, quarantine restriction, area-wide strike, freight embargo, unusually severe weather or delay of subcontractors or supplies due to such cause; provided that the parties so disabled shall within ten days from the beginning of such delay, notify the other party in writing of the cause of delay and its probable extent. Such notification shall not be the basis for a claim for additional compensation. Each party shall, however, make all reasonable efforts to remove or eliminate such a cause of delay or default and shall, upon cessation of the cause, diligently pursue performance of its obligation under the Agreement.

**15. Non-Discrimination**

Engineer agrees to comply with all applicable requirements of federal and state statutes, rules, and regulations. By way of example only, Engineer also shall comply with the Americans with Disabilities Act of 1990, ORS 659.425, and all regulations and administrative rules established pursuant to those laws.

**16. Errors**

Engineer shall perform such additional work as may be necessary to correct errors in the work required under this Agreement without undue delays and without additional cost.

**17. Extra Work**

Extra work or work on Contingency Tasks is not authorized unless the City authorizes the additional or contingency work in writing. Failure of Engineer to secure written authorization for extra work shall constitute a waiver of all right to adjustment in the Agreement price or Agreement time due to unauthorized extra work and Engineer shall be entitled to no compensation for the performance of any extra work not authorized in writing.

**18. Governing Law**

The Agreement is subject to Oregon law. Any action or suits involving any question arising under this Agreement must be brought in the appropriate court in Newport, Oregon.

**19. Compliance With Applicable Law**

Engineer shall comply with all federal, state, and local laws and ordinances applicable to the work under this Agreement, including but not limited to those set forth in ORS 279A, B & C. Those provisions required to be within the contract are set forth in Exhibit B.

**20. Reserved**

**21. Access to Records**

City shall have access to the books, documents, papers and records of Engineer that are directly pertinent to this Agreement for the purpose of making audit, examination, excerpts and transcripts.

**22. Audit**

Engineer shall maintain records to assure conformance with the terms and conditions of this Agreement, and to assure adequate performance and accurate expenditures within the Agreement period. Engineer agrees to permit City or its duly authorized representatives to audit all records pertaining to this Agreement to assure the accurate expenditure of funds.

**23. Severability**

In the event any provision or portion of this Agreement is held to be unenforceable or invalid by any court of competent jurisdiction, the validity of the remaining terms and provisions shall not be affected to the extent that it did not materially affect the intent of the parties when they entered into the Agreement.

**24. Industrial Accident Fund Payment**

Engineer shall pay all contributions or amount due the Industrial Accident Fund that Engineer or subcontractors incur during the performance of this Agreement.

**25. Complete Agreement**

This Agreement and any exhibit(s) hereto and any and all Task Orders executed by the parties and the RFP and Engineer's Proposal dated 9 JANUARY 2015 constitute the entire agreement between the parties. No waiver, consent, modification, or change of terms of this Agreement shall bind either party unless in

writing and signed by both parties. Any waiver, consent, modification, or change if made, shall be effective only in specific instances and for the specific purpose given. There are no understandings, agreements, or representations, oral or written, not specified herein regarding this Agreement. In the event of a conflict between the documents comprising this Agreement, interpretation shall occur in the following manner: 1) each individual Task Order; 2) this Agreement and any exhibits hereto; and 3) the RFP and Response. The following exhibits are attached to this Agreement:

- A. Exhibit A – Fees;
- B. Exhibit B – Oregon Public Contracting Requirements for Personal Service Contracts
- C. Exhibit C – Federal Contract Provisions for Professional Services (A/E) Contracts Under the Airport Improvement Program (AIP)
- D. RFP and Engineer’s Proposal

**26. Miscellaneous**

- A. Engineer agrees that news releases and other publicity relating to the subject of this Agreement will be made only with the prior written consent of City.
- B. Engineer shall comply with all virus-protection, access control, back-up, password, and other security and other information technology policies of City when using, having access to, or creating systems for any of City’s computers, data, systems, personnel, or other information resources.

**By their signatures hereunder, the parties acknowledge they have read and understand this Agreement and agree to be bound by its terms. This Agreement is effective on the date last signed below by a party below:**

CITY OF NEWPORT:

\_\_\_\_\_  
Spencer Nebel, City Manager

Date: \_\_\_\_\_

ENGINEERING CONSULTANT:

\_\_\_\_\_

By: \_\_\_\_\_

Its: \_\_\_\_\_

Date: \_\_\_\_\_

EXHIBIT A  
FEES

**EXHIBIT B**  
**ORS CHAPTER 279B PUBLIC CONTRACTING REQUIREMENTS**  
**FOR PERSONAL SERVICE CONTRACTS**

- (1) Contractor shall pay promptly, as due, all persons supplying labor or materials for the prosecution of the work provided for in the contract, and shall be responsible for such payment of all persons supplying such labor or material to any Subcontractor. ORS 279B.220(1).
- (2) Contractor shall promptly pay all contributions or amounts due the Industrial Accident Fund from such Contractor or Subcontractor incurred in the performance of the contract. ORS 279B.220(2).
- (3) Contractor shall not permit any lien or claim to be filed or prosecuted against the Contracting Agency on account of any labor or material furnished and agrees to assume responsibility for satisfaction of any such lien so filed or prosecuted. ORS 279B.220(3).
- (4) Contractor and any Subcontractor shall pay to the Department of Revenue all sums withheld from employees pursuant to ORS 316.617. ORS 279B.220(4).
- (5) Contractor shall promptly, as due, make payment to any person, copartnership, association, or corporation, furnishing medical, surgical and hospital care or other needed care and attention, incident to sickness or injury, to employees of such Contractor, of all sums which the Contractor agrees to pay for such services and all monies and sums which the Contractor collected or deducted from the wages of employees pursuant to any law, contract or agreement for the purpose of providing or paying for such service. ORS 279B.230(1).
- (6) All subject employers working under the contractor are either employers that will comply with ORS 656.017, or employers that are exempt under ORS 656.126. ORS 279B.230(2).
- (7) Contractor shall pay employees at least time and a half for all overtime worked in excess of 40 hours in any one week, except for individuals who are excluded under ORS 653.010 to 653.261 or the Fair Labor Standards Act of 1938 (29 USC 201, *et seq.*) from receiving overtime. ORS 279B.235(3).
- (8) The Contractor must give notice to employees who work on this contract in writing, either at the time of hire or before commencement of work on the contract, or by posting a notice in a location frequented by employees, of the number of hours per day and the days per week that the employees may be required to work. ORS 279B.235(2).
- (9) All sums due the State Unemployment Compensation Fund from the Contractor or any Subcontractor in connection with the performance of the contract shall be promptly so paid. ORS 701.430.
- (10) Contractor certifies compliance with all applicable Oregon tax laws, in accordance with ORS 305.385.
- (11) Contractor certifies that it has not discriminated against minorities, women or emerging small business enterprises or a business enterprise that is owned or controlled by or that employs a disabled veteran as defined in ORS 408.225 in obtaining any required subcontractors. ORS

279A.110.

- (12) As used in this section, “nonresident contractor” means a contractor that has not paid unemployment taxes or income taxes in the state of Oregon during the 12 calendar months immediately preceding submission of the bid for the contract, does not have a business address in this state, and stated in the bid for the contract that it was not a “resident bidder” under ORS 279A.120. When a public contract is awarded to a nonresident contractor and the contract price exceeds \$10,000, the contractor shall promptly report to the Department of Revenue on forms to be provided by the department the total contract price, terms of payment, length of contract and such other information as the department may require before the bidder may receive final payment on the public contract. ORS 279A.120.

**EXHIBIT C**  
**FEDERAL CONTRACT PROVISIONS FOR PROFESSIONAL SERVICES (A/E)**  
**CONTRACTS UNDER THE AIRPORT IMPROVEMENT PROGRAM (AIP)**

**CIVIL RIGHTS ACT OF 1964, TITLE VI - CONTRACTOR CONTRACTUAL REQUIREMENTS**

During the performance of this contract, the contractor, for itself, its assignees and successors in interest (hereinafter referred to as the "contractor") agrees as follows:

**1.1 Compliance with Regulations.** The contractor shall comply with the Regulations relative to nondiscrimination in federally assisted programs of the Department of Transportation (hereinafter, "DOT") Title 49, Code of Federal Regulations, Part 21, as they may be amended from time to time (hereinafter referred to as the Regulations), which are herein incorporated by reference and made a part of this contract.

**1.2 Nondiscrimination.** The contractor, with regard to the work performed by it during the contract, shall not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The contractor shall not participate either directly or indirectly in the discrimination prohibited by section 21.5 of the Regulations, including employment practices when the contract covers a program set forth in Appendix B of the Regulations.

**1.3 Solicitations for Subcontracts, Including Procurements of Materials and Equipment.** In all solicitations either by competitive bidding or negotiation made by the contractor for work to be performed under a subcontract, including procurements of materials or leases of equipment, each potential subcontractor or supplier shall be notified by the contractor of the contractor's obligations under this contract and the Regulations relative to nondiscrimination on the grounds of race, color, or national origin.

**1.4 Information and Reports.** The contractor shall provide all information and reports required by the Regulations or directives issued pursuant thereto and shall permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the Sponsor or the Federal Aviation Administration (FAA) to be pertinent to ascertain compliance with such Regulations, orders, and instructions. Where any information required of a contractor is in the exclusive possession of another who fails or refuses to furnish this information, the contractor shall so certify to the sponsor or the FAA, as appropriate, and shall set forth what efforts-it has made to obtain the information.

**1.5 Sanctions for Noncompliance.** In the event of the contractor's noncompliance with the nondiscrimination provisions of this contract, the sponsor shall impose such contract sanctions as it or the FAA may determine to be appropriate, including, but not limited to:

- a. Withholding of payments to the contractor under the contract until the contractor complies, and/or
- b. Cancellation, termination, or suspension of the contract, in whole or in part.

**1.6 Incorporation of Provisions.** The contractor shall include the provisions of paragraphs 1 through 5 in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Regulations or directives issued pursuant thereto. The contractor shall take such action with respect to any subcontract or procurement as the sponsor or the FAA may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, however, that in the event a contractor becomes involved in, or is threatened with, litigation with a subcontractor or supplier as a result of such direction, the contractor may request the Sponsor to enter into such litigation to protect the interests of the sponsor and, in addition, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

#### **AIRPORT AND AIRWAY IMPROVEMENT ACT OF 1982, SECTION 520 GENERAL CIVIL RIGHTS PROVISIONS**

The contractor assures that it will comply with pertinent statutes, Executive orders and such rules as are promulgated to assure that no person shall, on the grounds of race, creed, color, national origin, sex, age, or handicap be excluded from participating in any activity conducted with or benefiting from Federal assistance. This provision obligates the tenant/concessionaire/lessee or its transferee for the period during which Federal assistance is extended to the airport a program, except where Federal assistance is to provide, or is in the form of personal property or real property or interest therein or structures or improvements thereon. In these cases the provision obligates the party or any transferee for the longer of the following periods: (a) the period during which the property is used by the airport sponsor or any transferee for a purpose for which Federal assistance is extended, or for another purpose involving the provision of similar services or benefits or (b) the period during which the airport sponsor or any transferee retains ownership or possession of the property. In the case of contractors, this provision binds the contractors from the bid solicitation period through the completion of the contract. This provision is in addition to that required of Title VI of the Civil Rights Act of 1964.

#### **DISADVANTAGED BUSINESS ENTERPRISES**

**Contract Assurance (§26.13)** - The contractor or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The contractor shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of DOT assisted contracts. Failure by the contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy, as the recipient deems appropriate.

**Prompt Payment (§26.29)** - The prime contractor agrees to pay each subcontractor under this prime contract for satisfactory performance of its contract no later than 30 days from the receipt of each payment the prime contractor receives from the City of Newport. The prime contractor agrees further to return retainage payments to each subcontractor within 30 days after the subcontractor's work is satisfactorily completed. Any delay or postponement of payment from the above referenced time frame may occur only for good cause following written approval of the City of Newport. This clause applies to both DBE and non-DBE subcontractors.

#### **LOBBYING AND INFLUENCING FEDERAL EMPLOYEES**

(I) No Federal appropriated funds shall be paid, by or on behalf of the contractor, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the making of any Federal grant and the amendment or modification of any Federal grant.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any Federal grant, the contractor shall complete and submit Standard Form-LLL, "Disclosure of Lobby Activities," in accordance with its instructions.

#### **ACCESS TO RECORDS AND REPORTS**

The Contractor shall maintain an acceptable cost accounting system. The Contractor agrees to provide the Sponsor, the Federal Aviation Administration and the Comptroller General of the United States or any of their duly authorized representatives access to any books, documents, papers, and records of the contractor which are directly pertinent to the specific contract for the purpose of making audit, examination, excerpts and transcriptions. The Contractor agrees to maintain all books, records and reports required under this contract for a period of not less than three years after final payment is made and all pending matters are closed.

#### **BREACH OF CONTRACT TERMS**

Any violation or breach of terms of this contract on the part of the contractor or their subcontractors may result in the suspension or termination of this contract or such other action that may be necessary to enforce the rights of the parties of this agreement. The duties and obligations imposed by the Contract Documents and the rights and remedies available thereunder shall be in addition to and not a limitation of any duties, obligations, rights and remedies otherwise imposed or available by law.

#### **RIGHTS TO INVENTIONS**

All rights to inventions and materials generated under this contract are subject to regulations issued by the FAA and the Sponsor of the Federal grant under which this contract is executed.

#### **TRADE RESTRICTION CLAUSE**

The contractor or subcontractor, by submission of an offer and/or execution of a contract, certifies that it:

- a. is not owned or controlled by one or more citizens of a foreign country included in the list of countries that discriminate against U.S. firms published by the Office of the United States Trade Representative (USTR);
- b. has not knowingly entered into any contract or subcontract for this project with a person that is a citizen or national of a foreign country on said list, or is owned or controlled directly or indirectly by one or more citizens or nationals of a foreign country on said list;
- c. has not procured any product nor subcontracted for the supply of any product for use on the project that is produced in a foreign country on said list.

Unless the restrictions of this clause are waived by the Secretary of Transportation in accordance with 49 CFR 30.17, no contract shall be awarded to a contractor or subcontractor who is unable to certify to the

above. If the contractor knowingly procures or subcontracts for the supply of any product or service of a foreign country on said list for use on the project, the Federal Aviation Administration may direct through the Sponsor cancellation of the contract at no cost to the Government.

Further, the contractor agrees that, if awarded a contract resulting from this solicitation, it will incorporate this provision for certification without modification in each contract and in all lower tier subcontracts. The contractor may rely on the certification of a prospective subcontractor unless it has knowledge that the certification is erroneous.

The contractor shall provide immediate written notice to the sponsor if the contractor learns that its certification or that of a subcontractor was erroneous when submitted or has become erroneous by reason of changed circumstances. The subcontractor agrees to provide written notice to the contractor if at any time it learns that its certification was erroneous by reason of changed circumstances.

This certification is a material representation of fact upon which reliance was placed when making the award. If it is later determined that the contractor or subcontractor knowingly rendered an erroneous certification, the Federal Aviation Administration may direct through the Sponsor cancellation of the contract or subcontract for default at no cost to the Government.

Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render, in good faith, the certification required by this provision. The knowledge and information of a contractor is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

This certification concerns a matter within the jurisdiction of an agency of the United States of America and the making of a false, fictitious, or fraudulent certification may render the maker subject to prosecution under Title 18, United States Code, Section 1001.

#### **TERMINATION OF CONTRACT**

- a. The Sponsor may, by written notice, terminate this contract in whole or in part at any time, either for the Sponsor's convenience or because of failure to fulfill the contract obligations. Upon receipt of such notice services shall be immediately discontinued (unless the notice directs otherwise) and all materials as may have been accumulated in performing this contract, whether completed or in progress, delivered to the Sponsor.
- b. If the termination is for the convenience of the Sponsor, an equitable adjustment in the contract price shall be made, but no amount shall be allowed for anticipated profit on unperformed services.
- c. If the termination is due to failure to fulfill the contractor's obligations, the Sponsor may take over the work and prosecute the same to completion by contract or otherwise. In such case, the contractor shall be liable to the Sponsor for any additional cost occasioned to the Sponsor thereby.
- d. If, after notice of termination for failure to fulfill contract obligations, it is determined that the contractor had not so failed, the termination shall be deemed to have been effected for the convenience of the Sponsor. In such event, adjustment in the contract price shall be made as provided in paragraph 2 of this clause.

- e. The rights and remedies of the sponsor provided in this clause are in addition to any other rights and remedies provided by law or under this contract.

**CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY AND VOLUNTARY EXCLUSION**

The bidder/offeror certifies, by submission of this proposal or acceptance of this contract, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency. It further agrees by submitting this proposal that it will include this clause without modification in all lower tier transactions, solicitations, Proposals, contracts, and subcontracts. Where the bidder/offeror/contractor or any lower tier participant is unable to certify to this statement, it shall attach an explanation to this solicitation/proposal.

**EXHIBIT D**  
**RFP and Consultant's Proposal**