



AGENDA & Notice of City Council Work Session, Executive Session, Urban Renewal Agency & Regular City Council Meeting

The City Council of the City of Newport will hold a work session and executive session on Tuesday, September 3, 2013, at 12:00 P.M., followed by an Urban Renewal Agency meeting and regular City Council meeting at 6:00 P.M. The work session and executive session will be held in Conference Room A at City Hall, and the Urban Renewal Agency and City Council meeting will be held in the Council Chambers, City Hall, located at 169 S.W. Coast Highway, Newport, Oregon 97365. A copy of the agenda follows.

The meeting locations are 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 541.574.0613.

CITY COUNCIL WORK SESSION AND EXECUTIVE SESSION Tuesday, September 3, 2013 - 12:00 P.M. Conference Room A

- I. Lincoln Community Trust Agreement
 - II. Additional Work Session Items Not Listed on the Agenda (for this and future work sessions)
 - III. Executive Session Pursuant to ORS 192.660 (2)(a) Regarding City Manager Recruitment
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URBAN RENEWAL AGENCY MEETING AGENDA Tuesday, September 3, 2013 - 6:00 P.M. Council Chamber

Anyone wishing to speak 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 Chamber. 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. Call to Order and Roll Call
- II. 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.

III. 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 minutes from the Urban Renewal Agency Meeting of July 15, 2013 (Hawker)

IV. Discussion Items and Presentations

Items that do not require immediate Council action, such as presentations, discussion of potential future action items.

- A. Consideration of Resolution No. 3646 - South Beach Urban Renewal District Minor Amendment No. Ten

V. Adjournment.

COUNCIL MEETING AGENDA
Tuesday, September 3, 2013

Anyone wishing to speak 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 Chamber. 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. Additions/Deletions and Approval of Agenda

IV. 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 other.

V. 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 the Work Session and Regular Meeting of August 19, 2013 (Hawker)
B. OLCC Application - Agate Beach Market (Miranda)

- VI. Officer's Reports**
 - A. Mayor's Report
 - B. City Manager's Report
 - 1. Project Management Report

- VII. Discussion Items and Presentations**

Items that do not require immediate Council action, such as presentations, discussion of potential future action items.

 - A. Hatfield Marine Science Center Update with New Director

- VIII. Public Hearings - 7:00 P.M.**
 - A. Public Hearing and Consideration of Ordinance No. 2059-Amending the Newport Zoning Code Relating to Manufactured Dwelling Parks and Recreational Vehicles (Tokos)

- IX. Action Items**

Citizens will be provided an opportunity to offer comments on action items after staff has given their report and if there is an applicant, after they have had the opportunity to speak. (Action items are expected to result in motions, resolutions, orders, or ordinances.)

 - A. Consideration of FAA Grant Offer AIP Project Number 3-41-0040-022-2013 (Roman)
 - B. Recommendation from Destination Newport Committee for Potential Approval of Award for CBS Outdoor Billboard (Smith)
 - C. Recommendation from Destination Newport Committee for Potential Approval of Award for KEZI Television Commercial Campaign (Smith)
 - D. Consideration and Potential Approval of CoastCom Dark Fiber and Conduit Lease Agreement (Gross)
 - E. Consideration and Potential Approval of HDR Agreement for Engineer of Record Dam Consultant (Gross)
 - F. Consideration and Potential Approval of Lincoln Community Trust Agreement (Tokos)
 - G. Consideration and Potential Approval of Extension of Charter Franchise Agreement (Hawker)

- X. Council Reports and Comments**

- XI. Public Comment (Additional time for public comment - 5 minutes per speaker)**

- XII. Adjournment**

July 15, 2013
6:00 P.M.
Newport, Oregon

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

Staff present was Interim City Manager Smith, City Recorder Hawker, Community Development Director Tokos, Assistant Fire Chief Murphy, Police Chief Miranda, Parks and Recreation Director Protiva, and Assistant Finance Director Brown.

CONSENT CALENDAR

The consent calendar consisted of the following item:

- A. Approval of minutes from the meeting of June 17, 2013.

MOTION was made by Saelens, seconded by Allen, to approve the consent calendar with the change to the minutes as noted by Allen.

DISCUSSION ITEMS AND PRESENTATIONS

South Beach Urban Renewal District - Minor Amendment No. Ten. Tokos made a PowerPoint presentation noting that the issue before the Agency is a review and discussion of draft changes to the South Beach Urban Renewal Plan that incorporate decisions made during the fiscal year 2013/2014 budgeting process, and an update to the revenue and debt service tables since the Agency is entering its second project borrowing phase. Tokos reported that the South Beach Urban Renewal Plan was adopted in 1983 and there have been nine amendments. He stated that there are two capital projects budgeted for FY2013/2014, both of which contribute to providing access to property purchased by OMSI. The first project relates to the construction of SW 30th Street between SW Brant and SW Abalone in the amount of \$150,000. The second project is an extension of SW Abalone to SW 35th Street/Anchor Way, in the amount of \$272,894. Tokos noted that this is a portion of the \$850,000 that the Plan identifies for this project, and that approximately half the project funds are URA funds. The other half will come from Investors Twelve at OMSI and other adjoining property owners.

Tokos noted that the extension of SW Abalone to SW 35th Street/Anchor Way is currently listed as a Phase 3 project, and must be moved to Phase 2 in order for the URA to be able to expend the funds this year. He added that the URA has a grant proposal before ODOT for the construction of a new intersection at SE 35th Street and Highway 101, relocation of the signal from SE 32nd Street to SE 35th Street, widening of Ferry Slip Road from Ash Street to SE 32nd Street, and the closure of the Highway 101/Ferry Slip approach. He stated that bicycle and pedestrian improvements are also included as part of this project, and that the total cost is slightly more than \$2.6 million, with \$1.534 million coming from URA funds.

Tokos stated that a project extending sewer south to the airport can be shifted to Phase 3. He added that funding for the construction of a multi-use path along W Abalone from Marine Science Drive to the Abalone extension can be reduced from \$325,000 to \$125,000, since it will likely be constructed as part of the FEMA-funded Safe Haven Hill enhancements. He noted that these changes offset the projects added to Phase 2, so that the total project cost for this phase is in line with estimated revenues.

Tokos stated that for Phase 3, funding for sidewalk work along SW Abalone Street between the Abalone Street extension and Highway 101 can be deleted, as a sidewalk along the north side of the street will be constructed as part of the Safe Haven Hill project. He added that sidewalk on the south side of the road can be deferred until the commercial property develops.

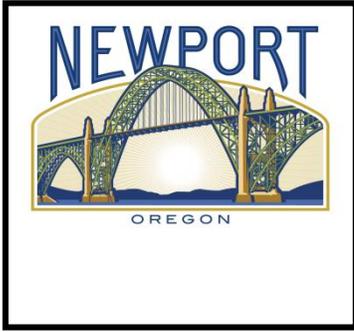
Tokos explained the difference between minor and major amendments, noting that a minor amendment can be accomplished by resolution. Allen suggested that an interim Finance Director might have experience in urban renewal issues. Tokos noted that he would consult with bond counsel to ensure that the tables are correct.

ADJOURNMENT

Having no further business, the meeting adjourned at 6:17 P.M.

Margaret M. Hawker, City Recorder

Richard Beemer, Chair



Agenda Item # IV.A.
Meeting Date September 3, 2013

CITY COUNCIL/URBAN RENEWAL
AGENDA ITEM SUMMARY
City of Newport, Oregon

Issue/Agenda Title Consideration of Minor Amendment Ten to the South Beach Urban Renewal Plan and Report

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

ISSUE BEFORE THE COUNCIL AND URBAN RENEWAL AGENCY: Consideration of a resolution amending the South Beach Urban Renewal Plan to adjust the timing for contributions toward the improvement of SW Abalone Street, US 101 and 35th Street, and SE Ferry Slip Road to align with private/public funding partnerships. The financial element of the Plan is also being updated to include actual tax increment collections for the 4-years since Substantial Amendment 5 extended the life of the district, and to revise the estimated annual tax increment growth rate from 7.1% to a more conservative 3.0%.

STAFF RECOMMENDATION: Staff recommends that the Council and Agency adopt the amendments.

PROPOSED MOTION: I move that the City Council and Urban Renewal Agency adopt Resolution 3646, a resolution adopting Minor Amendment Ten to the South Beach Urban Renewal Plan.

KEY FACTS AND INFORMATION SUMMARY: The City of Newport adopted a South Beach Urban Renewal Plan and Report (“Plan”), dated September 12, 1983, by Ordinance No. 1341, and Lincoln County did subsequently approve the Plan by Resolution 83-26-9. Nine amendments to the Plan have been previously adopted with the most recent being completed in September of 2012.

In March of 2013 the Newport Urban Renewal Agency, City of Newport and Oregon Museum of Science and Industry (OMSI) entered into a nonbinding Memorandum of Understanding that outlines how the parties will work together to fund and construct road infrastructure needed to support the development of OMSI’s new Outdoor Science Camp in South Beach. SW Abalone Street will serve as the primary access to the OMSI facility until such time as a new signalized intersection at SW 35th Street and US 101 is constructed. This will require that the street be extended from its present location opposite SW 29th Street, south to SW Anchor Way. The project is currently programmed for Phase 3 of the Plan and it is necessary that it be moved to Phase 2 so that construction can be funded in 2014/2015. The Plan calls for the Agency to contribute roughly 50% of the project costs (\$850,000). OMSI will also contribute funds as specified in the MOU.

The City of Newport and Newport Urban Renewal Agency have put together a funding package to construct a new signalized intersection at US 101 and 35th Street. This work will tie together with the extension of SW Abalone Street. A portion of the funding will come from the State of Oregon, and the project is being evaluated for inclusion on the 2015-2018 State Transportation Improvement Plan (STIP). Should the project be approved for the STIP, then the Agency will be responsible for providing \$1.54 million in matching funds. This requires that \$390,000 be shifted from Phase 1 to Phase 2 so that funding is available should the State schedule the project for construction in 2016. The project scope includes removal of the signal at SW 32nd Street, widening of Ferry Slip Road, closure of the Ferry Slip and US 101 intersection, and sidewalk/path construction. An additional \$125,000 has been added to the right-of-way acquisition budget to ensure sufficient funds are available to purchase land needed for these improvements.

Shifting additional projects to Phase 2, requires that corresponding adjustments be made to ensure that the total contribution of urban renewal funds to Phase 2 and Phase 3 projects is consistent with anticipated borrowing limits. To

that end, a project calling for the construction of a gravity sewer line along US 101 to the airport has been moved from Phase 2 to Phase 3. This \$1,000,000 project is unlikely to be needed within the Phase 2 construction window. Phase 2 funding has been eliminated for the construction of a multi-use path along the west side of SW Abalone Street, between Marine Science Drive and where SW Abalone is to be extended. This is because the project has been funded through a FEMA grant to improve access to the Safe Haven Hill tsunami evacuation assembly area. Funding for sidewalk improvements along the south side of SW Abalone, between the extension and US 101, has been eliminated as a Phase 3 project because the improvements will not be needed until the adjoining commercial site develops. At that time the city can reasonably require the developer to construct the sidewalk as part of their frontage improvements.

Considering that Phase 1 is now complete, it is appropriate that the financial component of the Plan, Part V, be updated. This Amendment updates tax increment revenue estimates to reflect actual collections for the 4 years since Major Amendment Five extended the life of the district to 2027. It further revises the annual revenue growth rate from 7.1% to 3.0% and incorporates borrowing for Phase 1 projects and refunding of pre-existing and Phase 1 debt into the debt service schedule. The changes establish that the Agency can achieve its Phase 2 and Phase 3 project objectives under a more conservative revenue forecast.

Consistent with ORS 457.085, the Plan and Report must specifically identify projects and provide a financial analysis with sufficient information to determine the Plan's feasibility before urban renewal funds can be expended. The proposed amendments address these requirements, but do not alter the major assumptions, purposes and objectives underlying the Plan. They, therefore, are properly characterized and adopted as minor plan amendments under Agency Resolution No. 91-4, the 3rd amendment to the Plan, Plan Section VIII.

OTHER ALTERNATIVES CONSIDERED: None. The changes are consistent with direction provided during the budgeting process, a Memorandum of Understanding between the City, Agency, and the Oregon Museum of Science and Industry, and a grant proposal that the City has submitted to Oregon Department of Transportation.

CITY COUNCIL GOALS: This amendment is consistent with the Council goal to maintain and implement economic development strategies.

ATTACHMENT LIST:

- Proposed Resolution
- Minor Amendment Ten to the South Beach Urban Renewal Plan and Report
- MOU between the City of Newport, Newport Urban Renewal Agency, and OMSI, dated March of 2013
- Summary of City proposal for state funding to construct the 35th Street and US 101 intersection and related improvements

FISCAL NOTES: Funding adjustments to projects are allocated such that the totals by phase do not exceed revenue projections.

RESOLUTION NO. 3646

A RESOLUTION APPROVING A TENTH AMENDMENT TO THE SOUTH BEACH URBAN RENEWAL PLAN AND REPORT

FINDINGS:

1. City of Newport adopted a South Beach Urban Renewal Plan and Report (“Plan”), dated September 12, 1983, by Ordinance No. 1341, and Lincoln County did subsequently approve the Plan by Resolution 83-26-9. Nine amendments to the Plan have been previously adopted with the most recent being dated September 2012.
2. In March of 2013 the Newport Urban Renewal Agency, City of Newport and Oregon Museum of Science and Industry (OMSI) entered into a nonbinding Memorandum of Understanding that outlines how the parties will work together to fund and construct road infrastructure needed to support the development of OMSI’s new Outdoor Science Camp in South Beach.
3. SW Abalone Street will serve as the primary access to the OMSI facility until such time as a new signalized intersection at SW 35th Street and US 101 is constructed. This will require that the street be extended from its present location opposite SW 29th Street, south to SW Anchor Way. The project is currently programmed for Phase 3 of the Plan and it is necessary that it be moved to Phase 2 so that construction can be funded in 2014/2015. The Plan calls for the Agency to contribute roughly 50% of the project costs (\$850,000). OMSI will also contribute funds as specified in the MOU.
4. The City of Newport and Newport Urban Renewal Agency have put together a funding package to construct a new signalized intersection at US 101 and SW 35th Street. This work will tie together with the extension of SW Abalone Street. A portion of the funding will come from the State of Oregon, and the project is being evaluated for inclusion on the 2015-2018 State Transportation Improvement Plan (STIP). Should the project be approved for the STIP, then the Agency will be responsible for providing \$1.54 million in matching funds. This requires that \$390,000 be shifted from Phase 1 to Phase 2 so that funding is available should the State schedule the project for construction in 2016. The project scope includes removal of the signal at SW 32nd Street, widening of Ferry Slip Road, closure of the Ferry Slip and US 101 intersection, and sidewalk/path construction. An additional \$125,000 has been added to the right-of-way acquisition budget to ensure sufficient funds are available to purchase land needed for these improvements.
5. Shifting additional projects to Phase 2, requires that corresponding adjustments be made to ensure that the total contribution of urban renewal funds to Phase 2 and Phase 3 projects is consistent with anticipated borrowing limits. To that end, a project calling for the construction of a gravity sewer line along US 101 to the airport has been moved from Phase 2 to Phase 3. This \$1,000,000 project is unlikely to be needed within the Phase 2 construction window. Phase 2 funding has been eliminated for the construction of a multi-use path along the west side of SW Abalone Street, between Marine Science Drive and where SW Abalone is to be extended. This is because the project has been funded through a FEMA grant to improve access to the Safe Haven Hill tsunami evacuation assembly area. Funding for sidewalk

improvements along the south side of SW Abalone, between the extension and US 101, has been eliminated as a Phase 3 project because the improvements will not be needed until the adjoining commercial site develops. At that time the city can reasonably require the developer to construct the sidewalk as part of their frontage improvements.

6. This minor amendment adjusts the timing for when urban renewal funds will be available for the SW Abalone Street and STIP projects. It does not change the scope or nature of the projects from what was vetted with the public and adopted in the Coho/Brant Infrastructure Refinement Plan, completed August of 2012, and Newport Transportation System Plan update, completed November 2012.
7. Considering that Phase 1 is now complete, it is appropriate that the financial component of the Plan, Part V, be updated. This Amendment updates tax increment revenue estimates to reflect actual collections for the 4 years since Major Amendment Five extended the life of the district to 2027. It further revises the annual revenue growth rate from 7.1% to 3.0% and incorporates borrowing for Phase 1 projects and refunding of pre-existing and Phase 1 debt into the debt service schedule. The changes establish that the Agency can achieve its Phase 2 and Phase 3 project objectives under a more conservative revenue forecast.
8. Consistent with ORS 457.085, the Plan and Report must specifically identify projects and provide a financial analysis with sufficient information to determine the Plan's feasibility before urban renewal funds can be expended. The proposed amendments address these requirements, but do not alter the major assumptions, purposes and objectives underlying the Plan. They, therefore, are properly characterized and adopted as minor plan amendments under Agency Resolution No. 91-4, the 3rd amendment to the Plan, Plan Section VIII.
9. Changes to the Plan are outlined in detail in this Minor Amendment Ten to the South Beach Urban Renewal Plan and Report, and are consistent with the requirements for minor amendments set forth in Chapter 457 of the Oregon Revised Statutes and the third amendment to the South Beach Urban Renewal Plan and Report, dated September 11, 1991, by Ordinance 91-4, which contains the provisions for amending the Plan. While minor amendments, as opposed to Substantial Amendments, are not required to be recorded, a copy of this Minor Amendment should nonetheless be filed with the Lincoln County Clerk to maintain a clear record of the amendments to the Plan. Copies of this Minor Amendment should also be provided to taxing entities within the district.
10. The Newport City Council and Urban Renewal Agency considered Minor Amendment Ten to the South Beach Urban Renewal Plan and Report at a public meeting on September 3, 2013 and voted to approve the Tenth Amendment.

THE CITY OF NEWPORT RESOLVES AS FOLLOWS:

Section 1. Minor Amendment Ten to the South Beach Urban Renewal Plan and Report is hereby adopted as attached in Exhibit A.

Section 2. The Executive Director of the Newport Urban Renewal Agency is hereby directed to record Minor Amendment Ten to the South Beach Urban Renewal Plan and Report with the

Lincoln County Clerk and shall distribute a copy of the adopted document to the governing bodies of the taxing entities within the district.

Section 3. This resolution shall be effective immediately upon passage.

Adopted by the Newport City Council and the Newport City Council acting as the Newport Urban Renewal Agency on _____, 2013.

Signed on _____, 2013.

Sandra Roumagoux
Mayor

Richard Beemer
Chair, Newport Urban Renewal Agency

ATTEST:

City Recorder

CITY OF NEWPORT
MINOR AMENDMENT TEN TO THE SOUTH BEACH URBAN
RENEWAL PLAN AND REPORT

Exhibit A, City of Newport Resolution No. 3646

August, 2013

An Update of the Sixth Amendment
Prepared by Consultants:

The Benkendorf Associates Corp.
909 SW St. Clair, Suite 9
Portland, Oregon 97205

Johnson Reid, LLC
319 SW Washington, Suite 1020
Portland, Oregon 97204

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I. URBAN RENEWAL PLAN AMENDMENTS

The South Beach Urban Renewal Plan was adopted in 1983. Since its adoption, the Urban Renewal Agency has executed five minor (Amendments 3, 6, 7, 8, and 9) and four substantial amendments (1, 2, 4 and 5). The purpose and date of adoption for each amendment is noted below.

Amendment I Newport Urban Renewal Agency April 8, 1987
Lincoln County Commission Feb 25, 1987

Provides a project outline for:

- Site acquisition of the public viewing aquarium,
- Land acquisition for Highway 101 access roads.
- Site acquisition and construction of the Wastewater Treatment Plant
- Airport frontage road improvements, and
- Site acquisition and construction of an Exhibition Building.

Amendment II Newport Urban Renewal Agency October 14, 1987
Lincoln County Commission September 16, 1987

Deletes two land areas from the District:

- South Beach State Park/South Jetty area (411.16 acres)
- Newport Airport and a portion of forested land north of the airport. (565.14 acres)
- Total area removed from the Urban Renewal District: 976.30 acres

Amendment III (Minor) Newport Urban Renewal Agency
September 11, 1991

Proposes to finance the Plan through tax increment financing and that no bonded indebtedness shall be issued after December 31 2010. Defines Substantial Amendment as equivalent to a Major Amendment and defines Minor Amendments.

Amendment IV Newport Urban Renewal Agency May 13, 1998
Lincoln County Commission April 29, 1998

Established a maximum level of indebtedness in the amount of \$38,750,000 and selected Option "One" for the method to collect ad valorem property taxes

Amendment V Newport Urban Renewal Agency February 2, 2009
Lincoln County Commission January 14, 2009

The purpose of Substantial Amendment V was to reduce or eliminate the blighted conditions in the district and extend the effective period of the plan from 2010 to 2020. The blighted conditions in the district include:

- Sub-Standard street improvements, rights of way and traffic signalization and management.
- Incomplete pedestrian/bicycle circulation systems and Tsunami evacuation routes.
- Inadequate water storage capacity and distribution lines.
- Under sized or absent sanitary sewer collection service lines.
- Incomplete winter storm water management systems
- Inadequate neighborhood recreation facilities and open space.

New projects were identified based on more recent planning and engineering plans. A new revenue forecast, revenue bond strategy and phased implementation program was prepared.

Amendment VI (Minor) Newport Urban Renewal Agency May 3, 2010

Revised the phasing and financing of the projects in Substantial Amendment 5 to improve ingress and egress to the new NOAA Pacific Marine Operations Center and adjacent existing attractions. The amendment also included revisions to the tax increment revenue forecast, as well as a new schedule of existing debt service obligation resulting from refinancing said debt.

Amendment VII (Minor) Newport Urban Renewal Agency Nov. 1, 2010

Amendment VII identified the acquisition of a natural coastal gully and foredune area adjacent to South Beach State Park as a specific Neighborhood Park/Open Space Site acquisition project. The property is roughly 2.5 acre in size and includes portions of Blocks 7, 8, 10, 11 and 15 of the Waggoner's Addition to South Beach subdivision.

Amendment VIII (Minor) Newport Urban Renewal Agency Oct. 17, 2011

Shifted \$200,000 in funding for tsunami evacuation route improvements from Phase 2 to Phase 1 and identifies Safe Haven Hill as a specific project. To avoid impacting revenue estimates for each Phase, \$200,000 of funds programmed for right-of-way acquisition was shifted from Phase 1 to Phase 2.

Amendment IX (Minor) Newport Urban Renewal Agency Sept. 17, 2012

Incorporated Coho/Brant Infrastructure Refinement Plan Tier 1 and Tier 2 priority projects into Phases 2 and 3. Updated descriptions and cost estimates for intersection improvements at US 101 and 32nd Street, US 101 and 35th Street, US 101 and 40th Street, and US 101 and 50th Street, along with shared use path/sidewalk improvements to Ferry Slip Road to align with adopted amendments to the Newport Transportation System Plan. Shifted a portion of planned sidewalk work for SW Abalone from Phase 3 to Phase 2.

II. URBAN RENEWAL REPORT MINOR AMENDMENT X

In March of 2013 the Newport Urban Renewal Agency, City of Newport and Oregon Museum of Science and Industry (OMSI) entered into a nonbinding Memorandum of Understanding that outlines how the parties will work together to fund and construct road infrastructure needed to support the development of a new Outdoor Science Camp in South Beach. One of the roads, SW Abalone Street, will serve as the primary access to the facility until such time as a new signalized intersection at SW 35th and US 101 is constructed. Construction of SW Abalone from SW 29th to SW Anchor Way, the segment needed to access the OMSI property, is programmed for Phase 3 of the South Beach Urban Renewal Plan. This amendment moves the project to Phase 2 so that construction can be funded in 2014/2015. The Plan calls for the Agency to contribute roughly 50% of the project costs (\$850,000). OMSI will also contribute funds as specified in the MOU.

The City of Newport and Newport Urban Renewal Agency have put together a funding package to construct a new signalized intersection at US 101 and SW 35th Street. This work will tie together with the extension of SW Abalone Street. A portion of the funding will come from the State of Oregon, and the project is currently being evaluated for inclusion on the 2015-2018 State Transportation Improvement Plan (STIP). Should the project be approved for the STIP, then the Agency will be responsible for providing \$1.54 million in matching funds. This requires that \$390,000 be shifted from Phase 1 to Phase 2 so that funding is available should the State schedule the project for construction in 2016. The project scope includes removal of the signal at SW 32ND Street, widening of Ferry Slip Road, closure of the Ferry Slip and US 101 intersection, and sidewalk/path construction. An additional \$125,000 has been added to the right-of-way acquisition budget to ensure sufficient funds are available to purchase land needed for these improvements.

A project to construct a gravity sewer line along US 101 to the airport has been moved from Phase 2 to Phase 3. It is unlikely that the project will be needed within the Phase 2 construction window. Phase 2 funding has been eliminated for the construction of a multi-use path along the west side of SW Abalone Street, between Marine Science Drive and where SW Abalone is to be extended. This is because the project has been funded through a FEMA grant to improve access to the Safe Haven Hill tsunami evacuation assembly area. Funding for sidewalk improvements along the south side of SW Abalone, between the extension and US 101, has been eliminated as a Phase 3 project because the improvements will not be needed until the adjoining commercial site develops. At that time the city can reasonably require the developer to construct the sidewalk as part of their frontage improvements. In sum, these changes balance the Phase 2 and Phase 3 project lists so that they are consistent with anticipated borrowing limits.

Details of the above described projects are contained in the Coho/Brant Infrastructure Refinement Plan completed August of 2012. That plan was funded by the Agency and included substantial public engagement to identify the nature and scope of the needed improvements.

Minor Amendment X revises the financial component of the Plan (Part V) to reflect actual collections for the first 4 years and to depict a more conservative 3.0% tax increment growth rate. Final figures for Phase 1 borrowing and refunding are included in Table V-2 and the debt service schedule has been updated.

III. RELATIONSHIP BETWEEN THE PROJECTS TO BE UNDERTAKEN WITH THE AMENDMENT AND THE EXISTING CONDITIONS IN THE AREA

The physical and economic conditions described in the original Environmental Assessment and the Supplemental Report have improved within the past twenty-five (25) years. However, many areas remain deficient relative to vehicular and pedestrian circulation, utility services, storm water management, and public recreation and open space.

The amendments address these deficiencies by aligning Phase 2 funding with road infrastructure projects where the Agency has willing financial partners thus leveraging limited resources. In extending SW Abalone Street, the Agency, in partnership with OMSI, is facilitating the construction of an Outdoor Science Camp that will revitalize an underdeveloped area and add to the growing marine research and education/industrial presence in the community. Construction of the SW 35th Street and US 101 intersection and the relocation of the signal from SW 32nd Street and US 101 to SW 35th Street will improve traffic flow on US 101 enhancing access to area businesses. This partnership with the State will also complete the street and bike/pedestrian network in this portion of South Beach creating opportunities for privately owned parcels to develop or redevelop in a manner that enhances the overall tax base.

Updates to Part V of the Plan provide policymakers more accurate information with which to gauge the financial health of the urban renewal district. Also, taking a more conservative approach to estimating anticipated tax increment revenues makes it more likely that the Agency will be able to adhere to the project borrowing schedule outlined in the Plan.

A. PROJECT PHASES

The projects proposed to implement the South Beach Urban Renewal Plan are organized into three phases consistent with Substantial Amendment 5. Minor Amendments 6, 7, 8, and 9 refined the listed projects and made adjustments to the timing of the work. Minor Amendment X makes further refinements and adjustments, as follows:

1. Phase 1 – 2009/12

Funding for street improvements along SE 35th Street and Ferry Slip Road, in the amount of \$390,000, was shifted from Phase 1 to Phase 2 where the larger portion of the funding for that project is located. Costs for the Highway 101, 40th to 50th Street sewer line project were reduced by \$123,000 to reflect actual expenditures.

2. Phase 2 – 2013/16

Funding for construction of 35th Street and US 101 intersection improvements, relocation of the 32nd Street signal to 35th Street, and the widening of Ferry Slip Road is increased from \$1,000,000 to \$1,390,000 to reflect a consolidation of the Phase 1 and Phase 2 projects. Funding for the extension of a shared use path along the west side of SW Abalone, between Marine Science Drive and the Abalone extension is eliminated because that project is being funded through a FEMA grant. Funds for Phase 2 right-of-way acquisition have been increased from \$250,000 to \$375,000. Construction of SW Abalone Street from SW 29th Street to Anchor Way is a project that has been shifted from Phase 3 to Phase 2, with the Urban Renewal contribution remaining unchanged at \$850,000. Planned extension of a gravity sewer line south to the airport, at \$1,000,000 has been moved to Phase 3.

3. Phase 3 – 2017/20

Funding for the extension of a shared use path on the south side of SW Abalone Street from the Abalone extension east to US 101 has been eliminated as that is an improvement that would be developer funded when the adjoining commercial site is improved. Construction of SW Abalone Street from SW 29th Street to Anchor Way is moved to Phase 2 and the US 101 gravity sewer line extension to the airport has been moved into this phase, from Phase 2.

B. PROJECTS AND COST ESTIMATES

1. Phase 1 – 2009/12

PUBLIC RIGHTS OF WAY	Cost Estimate	URA Portion
Streets		
Ash St. Design & Construct	425,000*	425,000*
Coho/Brant Area – Plan and Design	70,000*	70,000*
Coho/Brant Area – Construct	850,000	550,000
SE 35th & Ferry Slip Road (Shifted to Phase 2)	464,000	0
Marine Science Drive	2,304,000	1,138,000
Realign Rogue and 25th	448,000	448,000
Pacific Way Improvements	251,000	251,000
Sidewalks		
OSU Dr. to Marine Sc. Dr.	70,000	0
OSU Dr. (Abalone to Ferry Slip)	67,500	67,500
Acquisition		
<i>TSP Projects - right of way</i>	300,000	150,000
UTILITIES		
Water		
Hwy 101 – 40th to 50th	320,000*	320,000*
Sanitary Sewer line same ROW	600,000	477,000
PUBLIC AMENITIES		
Neighborhood Park/Open Space Site Acquisition (OPRD Grant \$150,000)	275,000	125,000
Purchase of 2.5 acre coastal gully & foredune site adjacent to South Beach State Park	225,000	225,000
ACQUISITION/DEVELOPMENT	0	0
COMMUNITY IMPROVEMENT PROGRAMS	0	0
SPECIAL PROJECT IDEAS		
Wetland Planning/Mitigation Bank	200,000	200,000
Trails – easement acquisitions	100,000	100,000
South Jetty Trail	317,000	317,000
<i>Tsunami Evacuation Route Improvements for Safe Haven Hill</i>	557,000	200,000
Total:	\$7,028,500	\$4,248,500
Revenue Estimate (7.1% growth)		\$4,774,000

* These projects were budgeted at the time of Substantial Amendment No. 5 and have never been included in the revenue estimates.

Note: Figures in **bold** are revisions proposed with this amendment. Projects shown in ~~strikeout~~ have been completed. Urban renewal funds for projects depicted in *italics* have been budgeted for expenditure. It is unlikely that any other listed Phase 1 projects will be funded.

2. Phase 2 – 2013/16

PUBLIC RIGHTS OF WAY	Cost Estimate	UR Portion
Streets		
35 th St. – 101 to Ferry Slip Road Commercial Street Prototype, relocate 32 nd Street Signal, widen Ferry Slip (Coho/Brant Projects #10 and #11) (Includes Phase 1 and Phase 2 funds)	2,167,000	1,390,000
Anchor Way 35 th to 40 th	0	0
Sidewalks		
Ferry Slip Rd - 29 th to Marine Science Dr. (Shared use path and Sidewalk, SB Peninsula Refinement Plan)	104,000	104,000
SW Abalone – Marine Science Dr. to Abalone extension (Coho/Brant Project #13A)	325,000	0
Acquisition/Development		
TSP Projects - right of way	450,000	375,000
Existing Street/ROW improvements including: paving, storm water, pedestrian/bicycle paths and landscaping:		
SW Abalone St – SW 29th to Anchor Way (Coho/Brant Project #8 (Moved from Phase 3))	1,773,000	850,000
SW 27 th – SW Brant to SW Abalone (Coho/Brant Project #2A)	145,000	145,000
SW 30 th – SW Brant to SW Abalone (Coho/Brant Project #5)	311,000	150,000
SW Brant – SW 27 th to SW 30 th (Coho Brant Project #7)	707,000	707,000
SE Ferry Slip Rd – 32 nd to Ash	144,000	144,000
Match for LIDs formed to implement Tier 2 and Tier 3 Coho/Brant improvements	150,000	150,000
SW Abalone & SW 35 th St. Stormwater Improvements (Coho/Brant Project #18)	84,000	42,000
SW 26 th St. and SW Brant St. Stormwater Improvements (Coho/Brant Project #17)	84,000	84,000
UTILITIES		
Sewer		
SW 26 th Street Sanitary Lift Station Upgrade (Coho/Brant Project #16)	110,000	110,000
Utility Lines		
Bury existing/new lines underground	300,000	300,000
PUBLIC AMENITIES		
Neighborhood Park Development	350,000	0
Neighborhood Park/Open Space/Trail Acquisition or Development	200,000	200,000
ACQUISITION/DEVELOPMENT		
Strategic Site Acquisition for Re-Use	250,000	100,000
Site Prep for Re-Use	100,000	100,000
Strategic Site Acquisition for Economic Development, Community Facilities and Affordable Housing	500,000	300,000
SPECIAL PROJECT IDEAS		
Wetland Mitigation Bank	100,000	100,000
Total:	\$8,354,000	\$5,351,000
Revenue Estimate (3.0% growth)		\$5,370,000

3. Phase 3 – 2017/20

PUBLIC RIGHTS OF WAY	Cost Estimate	UR Portion
Streets		
40 th and 101 Signal and Intersection Improvements (Moved from Phase II)	\$2,624,000	\$1,000,000
50 th and 101 Intersection Improvements	1,970,000	400,000
Sidewalks		
Abalone St. – Abalone extension to US 101 (Coho/Brant Project #13B)	165,000	0
35 th St. – Ferry Slip to estuary turn)	400,000	400,000
Acquisition/Development	250,000	0
Existing Street/ROW improvements including: paving, storm water, pedestrian/bicycle paths and landscaping		
Match for LIDs formed to implement Tier 2 and Tier 3 Coho/Brant improvements	200,000	200,000
UTILITIES		
Water		
12" Bay Under-crossing Pipeline	995,000	795,000
King Ridge Reservoir (15% of Cost)	196,200	0
Sewer		
101 Gravity line south to Airport (Moved from Phase 2)	1,000,000	1,000,000
Henderson Creek Piping	280,000	280,000
Henderson Creek Lift Station	323,000	323,200
Storm		
Project 5a – Redirect Drainage	1,480,000	1,480,000
Utility Lines		
Bury existing/new lines underground	200,000	200,000
PUBLIC AMENITIES		
Street Tree and Open Space Planting	100,000	100,000
Street Furniture	50,000	50,000
Gateway to South Beach	700,000	100,000
Neighborhood Park/Open Space Acquisition	200,000	200,000
COMMUNITY IMPROVEMENT PROGRAMS		
Fund Storefront Facade Loan/Grant Program	100,000	100,000
SPECIAL PROJECT IDEAS		
Trails – Acquire and Develop	100,000	100,000
Coastal Gully Open Space Improvements (Coho/Brant Project #19)	200,000	200,000
SW Coho St, SW 29 th St to Jetty Way (Coho/Brant Project #12)	100,000	100,000
Tsunami Evacuation Route Improvements	200,000	200,000
Wetland Mitigation Bank	100,000	100,000
Total:	\$12,706,200	\$7,328,200
Revenue Estimate (3.0% growth)		\$7,360,000
Grand Total for Phases 1 through 3 Projects		\$16,927,700

C. ESTIMATED COMPLETION DATE

The projects planned to be accomplished within the next ten years are expected to be awarded no later than December 31, 2020 and completed in a timely manner. The projects are divided in to three phases. The agency may adjust the design and construction of specific projects depending on the needs of the community and the urban renewal district as a whole.

- Phase 1 2009-2012
- Phase 2 2013-2016
- Phase 3 2017-2020

The three phases will enable the agency to plan and implement the financial plan in Section V.

V. FINANCIAL ANALYSIS OF THE AMENDMENT

A. ANTICIPATED TAX INCREMENT FUNDS

As stated in Oregon Revised Statutes Chapter 457 (ORS 457), tax increment funds are anticipated from growth in assessed value within the Area over the course of the Plan. Growth in assessed value is projected to occur through appreciation in property values (“appreciation percentage”), limited to no more than three percent annually, and through changes in property that add value that are “excepted” from the three percent limit. Such “exception value” results from factors such as subdivision or rezoning of land and from construction of improvements.

Table V-1 shows projections of growth in tax increment funds (i.e. expected tax increment revenue). The projections are based on reasonable expectations of near-term future development and utilize conservative assumptions about residential and commercial development that is likely to occur in the South Beach Urban Renewal District. Projections in Substantial Amendment 5 assumed average annual growth of 7.1%, with a temporary 75% reduction due to the slowdown in residential development. With the 10th Minor Amendment, a 3.0% average growth rate is assumed through 2027 with actual figures being used through fiscal year 2012-2013. The projections also assume a tax collection rate of 94.2%.

**Table V-1:
Urban Renewal Area Tax Increment Revenue Estimates**

Year	SB-URD Annual Revenue	SB-URD Cumulative Revenue
2009-10	\$1,782,653	\$1,782,653
2010-11	\$1,848,185	\$3,630,838
2011-12	\$1,808,906	\$5,439,744
2012-13	\$1,891,500	\$7,331,244
2013-14	\$1,948,245	\$9,279,489
2014-15	\$2,006,692	\$11,286,181
2015-16	\$2,066,893	\$13,353,074
2016-17	\$2,128,900	\$15,481,974
2017-18	\$2,192,767	\$17,674,741
2018-19	\$2,258,550	\$19,933,291
2019-20	\$2,326,307	\$22,259,598
2020-21	\$2,396,096	\$24,655,694
2021-22	\$2,467,979	\$27,123,673
2022-23	\$2,542,018	\$29,665,691
2023-24	\$2,618,279	\$32,283,970
2024-25	\$2,696,827	\$34,980,797
2025-26	\$2,777,732	\$37,758,529
2026-27	\$2,861,064	\$40,619,593

SOURCE: Lincoln County Assessor's Office and City of Newport

Unlike many urban renewal districts in Oregon, the SB-URD geographically spans six distinct property tax codes rather than one. For instance, the vast majority of assessed value in the District is within City of Newport jurisdiction (85%), but that portion only represents two of the six tax codes and combinations of local public service providers. Therefore, there are six different Measure 50 SB-URD tax code rates and six different projected assessed values. The tax increment projections are based on the combined value of the property tax codes and applicable tax rates for each affected taxing jurisdiction.

B. ESTIMATED AMOUNT OF MONEY REQUIRED UNDER ORS 457

The total expected tax increment revenue that is not committed to previous incurred debt, through 2027, is \$26,721,011. This revenue will be used to repay indebtedness incurred to finance Phase 2 and Phase 3 projects in this Plan Amendment. Table V-2 below shows the expected increment revenue and debt service schedule. Since Phase 1 is complete its debt service has been added to the existing debt service column. That is, columns “B” and “D” from the prior version of this table have been merged. Fiscal years 2014-15 and 2019-20, when the District is scheduled to incur debt for Phase 2 and Phase 3 projects, are highlighted.

**Table V-2:
Projected Revenues, Debt Service and Other Expenditures**

	(A) URA Incremental Revenue 3%	(B & D) Total Existing Debt Service	(E) Remaining Uncommitted Revenue	(F) Phase II Debt Service	(G) Remaining Uncommitted Revenue	(H) Phase III Debt Service	(I) Remaining Uncommitted Revenue
2010-11	\$1,848,185	\$1,314,972	(\$480,394)		(\$480,394)		(\$480,394)
2011-12	\$1,808,906	\$1,339,603	(\$108,106)		(\$108,106)		(\$108,106)
2012-13	\$1,891,500	\$1,332,148	\$296,039		\$296,039		\$296,039
2013-14	\$1,948,245	\$1,376,405	\$921,331		\$921,331		\$921,331
2014-15	\$2,006,692	\$1,215,078	\$1,588,657	\$729,700	\$321,892		\$321,892
2015-16	\$2,066,893	\$1,221,148	\$2,262,910	\$729,700	\$1,049,851		\$1,049,851
2016-17	\$2,128,900	\$1,270,243	\$2,909,491	\$729,700	\$1,750,139		\$1,750,139
2017-18	\$2,192,767	\$1,243,638	\$3,559,315	\$729,700	\$2,453,669		\$2,453,669
2018-19	\$2,258,550	\$1,097,800	\$4,923,319	\$729,700	\$3,871,380		\$3,871,380
2019-20	\$2,326,307	\$763,550	\$6,569,626	\$729,700	\$5,571,393	\$1,249,993	\$3,585,391
2020-21	\$2,396,096	\$545,075	\$8,217,073	\$729,700	\$7,272,547	\$1,249,993	\$5,360,146
2021-22	\$2,467,979	\$609,675	\$9,972,659	\$729,700	\$9,081,839	\$1,249,993	\$7,243,039
2022-23	\$2,542,018	\$569,250	\$12,367,240	\$729,700	\$11,530,127	\$1,249,993	\$9,764,928
2023-24	\$2,618,279		\$14,833,659	\$729,700	\$14,103,959	\$1,249,993	\$12,412,361
2024-25	\$2,696,827		\$17,374,070		\$17,374,070	\$1,249,993	\$15,756,073
2025-26	\$2,777,732		\$19,990,694		\$19,990,694	\$1,249,993	\$18,446,297
2026-27	\$2,861,064		\$22,685,816		\$22,685,816	\$1,249,993	\$21,215,021
Term of Loan (Years)				10			
Total Amount Borrowed				\$5,370,656		\$7,360,087	

Individual columns of financial projections in Table V-2 are labeled and described as follows:

- (A) Annual Tax increment estimated to be collected by South Beach URA. Years 2010-11 and 2011-12 are actual tax increment received; Year 2012-13 is budgeted tax increment; Balance of years are increased at the conservative rate of 3% per year.
 - (B & D) Current Existing Debt Service, including Phase I Debt Service *
 - (E) Revenue remaining after existing debt service obligation and reserve is met. **
 - (F) New annual debt service to adequately fund projects identified in Phase II of South Beach URA Plan document, schedule to begin in FY 2014-15
 - (G) Revenue remaining after existing debt service obligation and reserve is met, Phase II debt service obligation and reserve requirements are met
 - (H) New annual debt service to adequately fund projects identified in Phase III of South Beach URA Plan document, schedule to begin in FY 2019-20
 - (I) Revenue remaining after existing debt service obligation and reserve is met, Phase II and Phase III debt service obligation and reserve requirements are met
- * Phase I borrowing original plan to borrow \$4,773,611, the SB URA actually only borrowed \$2.1 Million and refunded existing debt to a lower rate a savings of \$558,561 over the life of the debt. Also the SB Construction Fund had a beginning Fund balance FY 2010-11 of \$2,177,128, this is prior to the \$2.1 Mil borrowing
- ** SB URA Debt Fund beginning Fund Balance for FY 2010-11 was \$743,331, as well as the loan reserves amount, there was never a negative fund balance.

Based on projections in Table V-2, revenues are expected to be sufficient to enable retirement of planned debt as early as FY 2023-24. To the extent that additional debt is taken on by the District in later years for circumstances currently unseen, substantial unobligated revenues expressed in Column (I) of Table V-2 would be reduced accordingly and retirement of all debt would be delayed to no later than FY 2026-27.

C. ANTICIPATED YEAR IN WHICH INDEBTEDNESS WILL BE RETIRED

Table V-2 shows the anticipated schedule debt payment for existing debt and the Plan Amendment. All debts are scheduled to be retired by year 2027, though anticipated incremental revenues would be sufficient to retire all planned debt as early as fiscal year 2023-2024.

D. PROJECTED REVENUES AND EXPENDITURES

Table V-2 shows the annual anticipated revenues and expenditures for the Plan Amendment. The revenues result from tax increment revenue that is not already committed to financing existing debt. The total debt service for existing debt is \$13,898,582. Expenditures are based on potential debt schedules to finance the projects described in Phases 2 and 3 of Section IV of this Plan Amendment. The total project costs and the Plan's share of those costs are also shown in Section V. For conservative revenue estimates, in addition to incremental tax revenues the District is assumed to realize 3% annual return on uncommitted revenues carried forward to the subsequent fiscal year.

E. STATEMENT OF FISCAL IMPACT ON OTHER JURISDICTIONS UNDER ORS 457.420-457.440

The use of tax increment financing creates a fiscal impact on the taxing districts (e.g. the City, the County, the Community College) that levy taxes within the Area. This impact consists of those districts foregoing the taxes that would have been levied on the increase in assessed value within the Area while tax increment financing is in effect.

In order to project these impacts, it is necessary to estimate the growth in assessed value that would have occurred without the Plan. The Plan's projects are anticipated to create assessed value growth that would not occur but for the Plan. Therefore the taxes that are foregone are those resulting from projected development without the public improvements developed under the Plan. It should be noted that revenue estimates in Tables V-1 and V-2 are lower than projections in Table V-3 due to realized property tax collection loss at approximately 6%.

Table V-3 shows the revenues foregone by the affected taxing districts, through 2027. The revenues foregone by the taxing districts equal their permanent tax rates times the projected incremental assessed value, plus the tax rates associated with general obligation bonds approved by voters before October 2001 times the bonding district's incremental assessed value. Note that the property tax revenues foregone by the Lincoln County School District do not result in revenue

losses to the School District because of the system of state funding of K-12 education. The impacts are shown to illustrate what they would be if the school funding system is materially changed and property tax revenues become directly relevant. With Minor Amendment X, Table V-3 was amended to reflect a more conservative 3.0% annual increase in increment revenue.

The tax increment revenues terminate after 2027, and the additional revenues that are available to these taxing districts are projected to repay the districts for revenues foregone during the Plan.

**Table V-3:
Projected Property Tax Revenues Foregone**

Fiscal Year	Taxing Districts																Total Tax Revenue
	City of Newport			Lincoln County School		Lincoln County		Newport RFPD	Pacific Community Hospital	Lincoln Cnty Library	Oregon Coast Community College	Lincoln Cnty Transportation	Lincoln Cnty Extension	Linn-Benton-Lincoln ESD	Port of Newport	Water - Seal Rock	
	Permanent Rate	GO Bond	GO Bond	Permanent Rate	GO Bond	Permanent Rate	GO Bond	Permanent Rate	Permanent Rate	Permanent Rate	Permanent Rate	Permanent Rate	Permanent Rate	Permanent Rate	Permanent Rate	Permanent Rate	
	5.5938	0.4348	0.9240	4.9092	0.7894	2.8202	0.0377	0.9108	0.3625	0.2465	0.1757	0.0974	0.0451	0.3049	0.0609	0.0126	
2009-10	\$557,970	\$43,318	\$92,163	\$548,701	\$88,241	\$315,173	\$4,278	\$10,874	\$40,466	\$3,031	\$19,609	\$10,874	\$4,991	\$34,049	\$6,774	\$2,139	\$1,782,653
2010-11	\$579,776	\$45,096	\$95,736	\$570,165	\$91,670	\$327,498	\$0	\$11,459	\$42,139	\$3,142	\$20,330	\$11,274	\$5,175	\$35,485	\$7,023	\$2,218	\$1,848,185
2011-12	\$567,454	\$44,137	\$93,701	\$558,048	\$89,722	\$320,538	\$0	\$11,215	\$41,243	\$3,075	\$19,898	\$11,034	\$5,065	\$34,731	\$6,874	\$2,171	\$1,808,906
2012-13	\$640,651	\$0	\$105,735	\$629,491	\$0	\$361,655	\$0	\$13,619	\$46,531	\$3,594	\$22,509	\$12,484	\$5,864	\$39,154	\$7,755	\$2,459	\$1,891,500
2013-14	\$659,871	\$0	\$108,907	\$648,376	\$0	\$372,504	\$0	\$14,027	\$47,927	\$3,702	\$23,184	\$12,858	\$6,040	\$40,329	\$7,988	\$2,533	\$1,948,245
2014-15	\$679,667	\$0	\$112,174	\$667,827	\$0	\$383,680	\$0	\$14,448	\$49,365	\$3,813	\$23,880	\$13,244	\$6,221	\$41,539	\$8,227	\$2,609	\$2,006,692
2015-16	\$700,057	\$0	\$115,539	\$687,862	\$0	\$395,190	\$0	\$14,882	\$50,846	\$3,927	\$24,596	\$13,641	\$6,407	\$42,785	\$8,474	\$2,687	\$2,066,893
2016-17	\$721,058	\$0	\$119,006	\$708,498	\$0	\$407,046	\$0	\$15,328	\$52,371	\$4,045	\$25,334	\$14,051	\$6,600	\$44,068	\$8,728	\$2,768	\$2,128,900
2017-18	\$742,690	\$0	\$122,576	\$729,753	\$0	\$419,257	\$0	\$15,788	\$53,942	\$4,166	\$26,094	\$14,472	\$6,798	\$45,390	\$8,990	\$2,851	\$2,192,767
2018-19	\$764,971	\$0	\$126,253	\$751,645	\$0	\$431,835	\$0	\$16,262	\$55,560	\$4,291	\$26,877	\$14,906	\$7,002	\$46,752	\$9,260	\$2,936	\$2,258,550
2019-20	\$834,446	\$0	\$0	\$819,093	\$0	\$470,612	\$0	\$18,843	\$60,484	\$5,118	\$29,311	\$16,284	\$7,444	\$50,946	\$10,236	\$3,489	\$2,326,307
2020-21	\$859,480	\$0	\$0	\$843,665	\$0	\$484,730	\$0	\$19,408	\$62,298	\$5,271	\$30,191	\$16,773	\$7,668	\$52,475	\$10,543	\$3,594	\$2,396,096
2021-22	\$885,264	\$0	\$0	\$868,975	\$0	\$499,272	\$0	\$19,991	\$64,167	\$5,430	\$31,097	\$17,276	\$7,898	\$54,049	\$10,859	\$3,702	\$2,467,979
2022-23	\$911,822	\$0	\$0	\$895,045	\$0	\$514,250	\$0	\$20,590	\$66,092	\$5,592	\$32,029	\$17,794	\$8,134	\$55,670	\$11,185	\$3,813	\$2,542,018
2023-24	\$939,177	\$0	\$0	\$921,896	\$0	\$529,678	\$0	\$21,208	\$68,075	\$5,760	\$32,990	\$18,328	\$8,378	\$57,340	\$11,520	\$3,927	\$2,618,279
2024-25	\$967,352	\$0	\$0	\$949,553	\$0	\$545,568	\$0	\$21,844	\$70,118	\$5,933	\$33,980	\$18,878	\$8,630	\$59,061	\$11,866	\$4,045	\$2,696,827
2025-26	\$996,372	\$0	\$0	\$978,039	\$0	\$561,935	\$0	\$22,500	\$72,221	\$6,111	\$34,999	\$19,444	\$8,889	\$60,832	\$12,222	\$4,167	\$2,777,732
2026-27	\$1,026,264	\$0	\$0	\$1,007,381	\$0	\$578,793	\$0	\$23,175	\$74,388	\$6,294	\$36,049	\$20,027	\$9,155	\$62,657	\$12,589	\$4,292	\$2,861,064

F. IMPACTS ON TAXPAYERS

This amendment to the phasing and financing of projects in Substantial Amendment 5, and subsequent amendments will not change the SB-URD's impact on taxpayers. General obligation bonds approved by voters before October 2001 are subject to the division of tax. There are five such general obligation bonds in the SB-URD. They are all scheduled to retire by 2019, prior to the previously scheduled sunset of the SB-URD. These bonds will continue to be subject to the division of tax, regardless of any extension to the SB-URD plan.

Any general obligation bonds approved after October 2001 are not subject to the division of tax.

NOAA MARINE OPERATIONS CENTER TAX REVENUE IMPACTS

NOAA MARINE OPERATIONS CENTER TAX REVENUE IMPACTS

The National Oceanic and Atmospheric Administration (NOAA) recently reconfirmed its decision to award the Port of Newport, Oregon its long-term lease decision for its Pacific Marine Operations Center (MOC). In response to this decision, the potential property tax revenue implications of this decision to Newport's South Beach Urban Renewal Area were evaluated.

METHODOLOGY & LIMITATIONS

This analysis quantifies the tax revenue impacts for specific jurisdictions resulting from economic activity generated by NOAA's decision to relocate its Pacific MOC to Newport. At this time, little information is available regarding anticipated spending by the facility for on-going operations, repairs, etc. As such, we relied on secondary sources where possible, using our best estimate of historical operations activity in the Seattle area, the former home of the Pacific MOC.

Finally, in light of present uncertainty, where specific measures were not available, we established defensibly conservative estimates designed to err on a lower level estimate.

FINDINGS

ESTIMATING PRIVATE MOC SPENDING LOCALLY

It was assumed that NOAA's Pacific MOC will spend roughly \$80 million annually on various operations, repair/maintenance activity, and various federal contracts related to these activities annually. This assumption was based on a July 2009 editorial in the Seattle Times co-authored by representatives from the Port of Seattle, Seattle City Council, the University of Washington, and a major NOAA MOC contractor in Seattle.¹ The editorial declared annual direct and indirect economic activity related to NOAA's MOC at roughly \$180 million annually. This figure was evaluated in light of other available information about other NOAA investments in the Seattle area to arrive at a more conservative estimate of \$80 million in direct activity, specifically in Newport.

TABLE 1: BASELINE CONTRACT SPENDING

BASELINE MOC SPENDING ASSUMPTIONS	
Total Estimated Direct Spending 1/:	\$80,000,000
Private Share 2/:	33%
Spending to Private Firms:	\$26,400,000
Newport's Capture of Private Spending 2/:	50%
Spending to Private Firms in Newport:	\$13,200,000

1/ Based on editorial in the Seattle Times, July 2009. Contributors included Jean Godden, Seattle City Council; Bill Bryant, Port of Seattle Commissioner, Steve Welch, CEO of Pacific Shipyards; and Mark Emmert, President of the University of Washington.

2/ Conservative assumptions made by Johnson Reid, LLC

¹ "NOAA Should Keep its Marine Operations on Lake Union." *The Seattle Times* July 30, 2009. Editorial Contributors included Jean Godden, Seattle City Council; Bill Bryant, Port of Seattle Commissioner, Steve Welch, CEO of Pacific Shipyards; and Mark Emmert, President of the University of Washington.

To estimate the *private development* impacts of this spending, we assumed that one-third of spending activity took the form of private contracts. This assumption is considered conservative based on our professional opinion.

Finally, we assumed that the Newport economy could capture half of the private contract spending of the Pacific MOC. This assumes that the remaining half of the activity would leak to other communities such as Portland, Astoria, or remain in Seattle. This process results in an approximation of \$13.2 million in annual contract spending estimated to be captured in the Newport economy.

TRANSLATING CONTRACT SPENDING INTO JOBS

Estimates of direct and secondary (indirect/induced) job impacts were developed by utilizing impact multipliers from IMPLAN² (IMpacts for PLANing) economic impact analysis model. Developed by the Forest Service to assist in land and resource management planning, IMPLAN is an economic impact model designed for analyzing the effects of industry activity upon all other industries in an economic area.

Utilizing this methodology, we estimate a total of 100 private, permanent jobs resulting from NOAA spending in Newport, at least 63 of which would be direct employment due to federal contract awards for the local private sector.

² Minnesota IMPLAN Group (MIG), Inc., Stillwater, Minnesota

TABLE 2: JOB IMPACTS OF CONTRACT SPENDING

Contract Spending, Jobs, and Multipliers		
Direct Private Contract Spending 1/:	\$13,200,000	Multiplier
Direct Jobs 2/:	63.4	4.8 jobs/\$1 million
Indirect & Induced 2/:	37.0	2.8 jobs/\$1 million
Contract. Jobs:	100.3	
Jobs By Industry Type		
<u>Direct:</u>		Jobs
NOAA Contractors (Ship repair, research, etc.)		63.4
<u>Indirect/Induced 2/:</u>		
Food services and drinking places:		4.0
Real estate establishments:		2.6
Wholesale trade businesses:		2.6
Employment services:		1.3
Accounting, tax preparation, bookkeeping, and payroll services		1.3
Offices of physicians, dentists, and other health practitioners:		1.3
Private hospitals:		1.3
Civic, social, professional, and similar organizations:		1.3
Retail Stores - Food and beverage:		1.3
Other Retail/Commercial Services:		19.8

1/ From Table 1

2/ Jobs Multipliers generated by IMPLAN.

CALCULATING THE SHARE OF JOBS CAPTURED BY SOUTH BEACH

The industries identified in Table 2 into general land use types are based on the typical space utilization of each industry. This translates into roughly 66 industrial jobs, 25 commercial jobs, and 9 office jobs. Secondly, we apply a 20% capture factor for the South Beach district which translates into an estimate of approximately 20 jobs supported in the district.

TABLE 3: SOUTH BEACH CAPTURE OF JOB IMPACTS BY LAND USE TYPE

Space Type	Total Newport Jobs Impacts 1/	South Beach Jobs Impacts 2/
Industrial	66.0	13.2
Commercial	25.1	5.0
<u>Office</u>	<u>9.2</u>	<u>1.8</u>
TOTAL:	100.3	20.1

1/ From Table 2

2/ Assumes a conservative 20% capture rate for South Beach, Johnson Reid, LLC

CONVERSION OF JOBS TO DEVELOPED SPACE

We then multiplied the number of estimated jobs captured in the South Beach District by a typical square footage per job by land use type. These assumptions are based on the U.S. Department of Energy's Commercial Building Energy Consumption Survey. This process yields an estimate of roughly 25,200 private, developed square feet supported by NOAA contract spending in South Beach.

TABLE 4: PRIVATE EMPLOYMENT IMPACT DEVELOPMENT IN THE SOUTH BEACH

Space Type	South Beach Jobs Impacts 1/	Est. Sq. Ft. per Job 2/	Est. Development Impacts (Sq. Ft.)
Industrial	13.2	1,510	19,932
Commercial	5.0	883	4,429
Office	1.8	468	865
TOTAL:	20.1	N/A	25,226

1/ From Table 3

2/ Calculated as a weighted average across industries based on Newport's existing distribution. Derived from The U.S. Department of Energy's Commercial Building Energy Consumption Survey. (2003)

CONVERSION OF NEW DEVELOPMENT TO MARKET VALUE & TAXABLE ASSESSED VALUE

In Table 5, the supportable space was translated into land by standard Floor Area Ratios (FAR) by land use type, yielding an estimate of 2.0 improved acres. Secondly, we apply per acre development costs by land use type to each land/space estimate to calculate replacement cost of improvements. This analysis conservatively assumes market value is equal to replacement cost.

TABLE 5: ESTIMATED MARKET VALUE GENERATED BY NOAA'S CONTRACT SPENDING LOCALLY

Space Type	NOAA Impact	Assumed F.A.R 2/	Improved Acres	Per Acre Improvement Cost 3/	Est. Market Replacement Value	2009-10 CPR 4/	Taxable Assessed
Industrial	19,932	0.30	1.53	\$1,511,500	\$2,305,419	1	\$2,305,419
Commercial	4,429	0.25	0.41	\$1,971,000	\$801,636	0.58	\$464,949
Office	865	0.35	0.06	\$2,361,500	\$133,961	0.58	\$77,698
TOTAL:	25,226	N/A	2.0	N/A	\$3,241,016	N/A	2,848,065

1/ From Table 4

2/ Assumes a typical, low-rise development profile with 4 parking spaces per 1,000 square feet of space.

3/ RS Means Construction Cost Estimator

4/ Changed Property Ratio: The adjustment made from new improvement market value to taxable assessed value under Measure 50.

SOURCE: Lincoln County Assessor's Office and Johnson Reid, LLC

We then applied the Lincoln County 2009-10 Changed Property Ratio (CPR) by land use type, which revealed an estimated increase in taxable assessed value of \$2.85 million. Therefore, \$13.2 million in locally captured economic activity resulting from NOAA Pacific MOC decision is expected to translate into an increase of \$2.85 million in new, taxable assessed value in the South Beach Urban Renewal District.

CONTRIBUTION TO SOUTH BEACH URBAN RENEWAL DISTRICT GROWTH

The estimated \$2.85 million in new, taxable assessed value as a result of NOAA facility-induced economic growth will directly contribute to the South Beach Urban Renewal District total, taxable assessed value and by extension, annual incremental tax revenue. The increase in assessed property value is equivalent to 2.9% of existing District value in 2009.

For purposes of conservative District revenue forecasting, we assumed the new, taxable assessed value would be constructed and enter the tax rolls in equal increments over a four year period. Therefore, in fiscal years 2011-12 through 2014-15, the District is assumed to grow by \$712,000 annually due solely to NOAA facility impact growth. Detailed projections of District property tax revenue growth are found in Table V-1 of the plan amendment report.

March 4, 2013

Memorandum of Understanding
among
City of Newport, Oregon ("City"),
Newport Urban Renewal Agency ("Agency")
and
Oregon Museum of Science and Industry ("OMSI")

Recitals

- A. The City and Agency have established an overall infrastructure plan for the South Beach area, as depicted in the Coho/Brant Infrastructure Refinement Plan, dated August 2012 (the "Plan"). All Parties desire to work collaboratively to implement the Plan in a coordinated and equitable fashion in order to further neighborhood improvement goals. Except where the context otherwise indicates, when used herein the term "Parties" means City, Agency, and OMSI.
- B. As OMSI contemplates development of its South Beach property as a world-class educational center and begins the fundraising process, OMSI requires a degree of certainty as to the cost and timing of infrastructure improvements in the area.
- C. In order to implement the Plan, the City and Agency require certain right-of-way and easement dedications from OMSI for SW 30th Street and SW Abalone Street.
- D. Internal to the OMSI property, there are currently unutilized rights-of-way that may interfere with the logical and/or efficient use of the property. City, Agency, and OMSI desire that these rights-of-way be vacated in order to allow OMSI development to proceed.
- E. Agency has identified funding for certain projects in the South Beach area, including for SW Abalone, SW 30th, a multi-use pathway along SW Abalone, and improvement of the Coastal Gully area on the northern portion of the OMSI property.
- F. The Funding Plan for SW Abalone and SW 30th relies on a combination of Agency (urban renewal) funding and private property owner funding. Cost sharing between private property owners should be equitable, based on the proportionate share of street frontage for each project, which may involve creation of an LID, as addressed within this MOU.
- G. The Coastal Gully areas on and adjacent to the OMSI property represent sensitive and treasured resources. The Parties intend to see these areas enjoy permanent protection with limited public access.
- H. Similar to SW Abalone and SW 30th, fully implementing the projects identified in the Plan will require the financial participation of property owners in the area, including OMSI. The parties

share the goal of determining the appropriate timing for these improvements and an equitable distribution of those costs among benefitted owners.

- I. Project costs referenced herein are derived from conservative estimates included in the Plan and represent OMSI's proportional share of the planned improvements to SW Abalone and SW 30th. The figures assume roughly \$1,000 per lineal foot to construct a half-street improvement, as opposed to the \$1,400 per lineal foot assumed in the Plan for full build-out of these streets.

Agreement

1. Property Dedications – Abalone Extension and SW 30th

- a. Agency shall pursue the subdivision or partitioning of property owned by OMSI and the City, as depicted in Exhibit A, for the purpose of establishing a final alignment for the extension of SW Abalone Street and SW 30th Street. Such application may include adjoining property owned by Investors XII, LLC and Richard Murry (dba Toby Murry Motors) provided they are willing to participate in the platting effort.
- b. OMSI and the City will collaborate to determine the best design approach for incorporating a shared-use pathway on the west side of SW Abalone and south side of SW 30th Street. OMSI will provide easements, as needed, to accommodate the pathway(s).
- c. Agency will incorporate into the subdivision or partition plat easements for the pathway(s), or any other services needed to facilitate development of the OMSI property, provided such information is available at the time the plat is prepared.
- d. City will initiate vacation proceedings as part of the platting process for the existing platted rights-of-way within the boundary of the OMSI property, including portions of SW Coho Street, SW Brant Street, SW 31st Street, SW 32nd Street, SW 33rd Street and 18-foot of residual road right-of-way that may exist along the south line of the OMSI property as shown on the plat of Waggoner's Addition to South Beach, as shown on the attached Exhibits A and B. Where needed, as determined by the City in its sole discretion, easements will be retained to accommodate existing and future utilities.
- e. OMSI agrees to dedicate a right-of-way for SW 30th Street and the extension of SW Abalone Street. The right-of-way width for the extension of SW Abalone Street and SW 30th Street shall be in substantial conformity with the recommended width depicted in the Plan, as illustrated on Exhibit D.
- f. In keeping with the timeline in 4.a., OMSI and Agency shall work together in good faith to determine the contribution value of the rights-of-way and easements to be dedicated by OMSI for the purposes of accommodating parks and transportation improvements in the area. In determining what credit, if any, OMSI should receive for these dedications, the parties will consider such elements as previous right-of-way dedications, rights-of-way to be vacated, Agency costs to subdivide or plat the property, and the December 2011 purchase price of the OMSI property. The parties may utilize an independent appraiser, paid for by the Agency, to assist in the determination of value.

- g. Based on the outcome of the valuation described in 1.f above, Agency shall, at its sole discretion, either compensate OMSI for the value, if any, of the right-of-way and easement dedications, or accept the value of the dedications as offsetting OMSI's required financial contributions to the SW Abalone and SW 30th projects as a benefitted property owner, per 3.c., below.
- h. Agency shall incur all costs attributed to the subdivision or partition process, including surveying, plat preparation, appraisal fees and permit and recording fees.

2. Coastal Gully Preservation

- a. OMSI and the City will collaborate on a program to preserve, in perpetuity, environmentally sensitive Coastal Gully areas on their respective properties, as generally depicted on Exhibit C, through the use of Lincoln County's Conservation Easement program or similar mechanism. The precise area to be included in the conservation easement will be mutually agreed by OMSI and the City. The goal of both Parties is for these areas to be managed in a manner that allows them to be used as part of OMSI's environmental education curriculum while providing for low impact public access to the areas as envisioned in the Plan.
- b. OMSI and the City recognize that this collaboration may result in their respective land ownership and rights-of-way within the Coastal Gully area being consolidated into a single lot or parcel through the platting process and that it may be necessary to put in place conservation easements over the affected areas.
- c. To the extent that OMSI has any Parks System Development Charge liabilities stemming from any permanent residential uses that may be developed on the site, it is anticipated by the parties that these charges may be offset by the value of the Coastal Gully areas that are permanently preserved by Conservation Easements or other similar means. Such offset is permissible because the City's Parks Capital Improvement Plan (CIP) calls for the acquisition and development of trails in South Beach, the Coho/Brant Infrastructure Refinement Plan envisions such trails at this location, and the System Development Charge methodology allows credits for qualifying public improvements or dedications for projects listed in the CIP. The value of these Coastal Gully areas will be established as part of the Conservation Easement process through the Lincoln Land Legacy Program. OMSI and the City will collaborate to define the conditions of public access to the Coastal Gully area taking into consideration the intended use of the OMSI property.

3. Cost Responsibilities - SW 30th Street and SW Abalone Extension Projects

- a. SW 30th Street, SW Brant to SW Abalone - OMSI's financial contribution shall be limited to 52.4% of the total project costs or \$165,000, whichever is less.
- b. SW Abalone Street Extension, SW 29th to SW 35th - OMSI's financial contribution shall be limited to 18.8% of the total project costs or \$335,000, whichever is less.
- c. To the extent that OMSI is due any payment or financial consideration for the value of the rights-of-way and/or easements to be dedicated for the SW 30th and SW Abalone projects as

described in 1.f above, such payment or consideration may, at Agency's discretion, be applied as a credit against OMSI's financial contributions as defined in 3.a and 3.b above.

- d. At OMSI's request, City will initiate a Local Improvement District ("LID") formation process for the SW 30th Street and/or the SW Abalone Extension project. The LID may be a single owner (e.g., OMSI only) LID or, at City's discretion, may include abutting owners who receive benefit from the projects. Should an LID be formed, City may require that SW Abalone Street be constructed to its full planned dimensions as described in the Plan. The City shall allow OMSI, at its request, to finance its LID assessment for a period of up to 30 years through an installment payment agreement per ORS 223.210 and 223.215, and NMC 12.05.055.

4. Project Timing – SW 30th Street and SW Abalone Extension Projects

- a. The Parties agree to work collaboratively to develop a Project Schedule for the phased development of the OMSI property and related infrastructure improvements in the area. The schedule will define the specific dates for infrastructure project delivery such that OMSI site preparation and construction activities may proceed by July 1, 2014 in order to achieve a camp opening by April 1, 2016.
- b. Consistent with the Project Schedule developed under 4.a above, the City and/or Agency will either:
 - i. Provide the necessary funding, in combination with OMSI's financial contributions, such that OMSI's Phase I development may proceed and open; or
 - ii. Revise the scope of required infrastructure such that OMSI's Phase I development may proceed and OMSI does not exceed the total amount of financial participation as described in 3.a and 3.b above.

5. Safe Haven Hill Tsunami Evacuation Route Enhancements

- a. City has constructed interim improvements that enhance access to the designated tsunami evacuation area immediately northeast of the OMSI property, known as Safe Haven Hill. City is committed to maintaining those improvements, which consist of a gravel access path and cleared assembly area at the top of the hill.
- b. City has further applied for and received preliminary approval from the Federal Emergency Management Agency (FEMA) to further enhance the assembly area with a paved shared-use path, sidewalks, trails, stairs and a disaster supply shed. City will construct the enhancements once FEMA obligates matching funds for the work.
- c. OMSI acknowledges that these enhancements are important to the success of its educational center, will continue to support implementation of the improvements, and will install wayfinding signage and provide informational materials to its guests so that they understand the purpose for, and route to, the evacuation assembly area.

6. Delivery Schedule

- a. The Parties will work in good faith to complete their respective responsibilities under this MOA in time to allow OMSI site preparation and construction activities to proceed on OMSI's property by July 1, 2014.

7. Non-Binding MOU

- a. It is the intent of the Parties to work together in good faith to implement the terms of this MOU such that development on the OMSI property may proceed and the infrastructure projects in the area are delivered in an efficient and equitable manner. However, this agreement is non-binding on the Parties and represents only the intent of the Parties with respect to the subjects herein.

IN WITNESS WHEREOF, the Parties hereto have executed this Memorandum on the dates show hereunder,

City of Newport by

Newport Urban Renewal Agency by

Signature: Sandra N. Roumagoux

Signature: Richard M. Beemer

Printed Name/Title:
Sandra Roumagoux, Mayor
169 SW Coast Hwy
Newport, Oregon 97365

Printed Name/Title:
Richard Beemer, Chair
169 SW Coast Hwy
Newport, Oregon 97365

Date: 3/8/13

Date: 3/8/13

Oregon Museum of Science and Industry by

pell

Signature: Nancy Stueber

Printed Name/Title:
Nancy Stueber, President and CEO
1945 SE Water Ave
Portland Oregon 97214

Date: 3/13/13

Exhibit A

Memorandum of Understanding
Between the City of Newport,
Newport Urban Renewal Agency,
and Oregon Museum of Science
and Industry

OR
Y



NE 1/4 SW 1/4 SECTION 17 T11S R11W WM
LINCOLN COUNTY

1" = 100'

II II 17 CA
NEWPORT

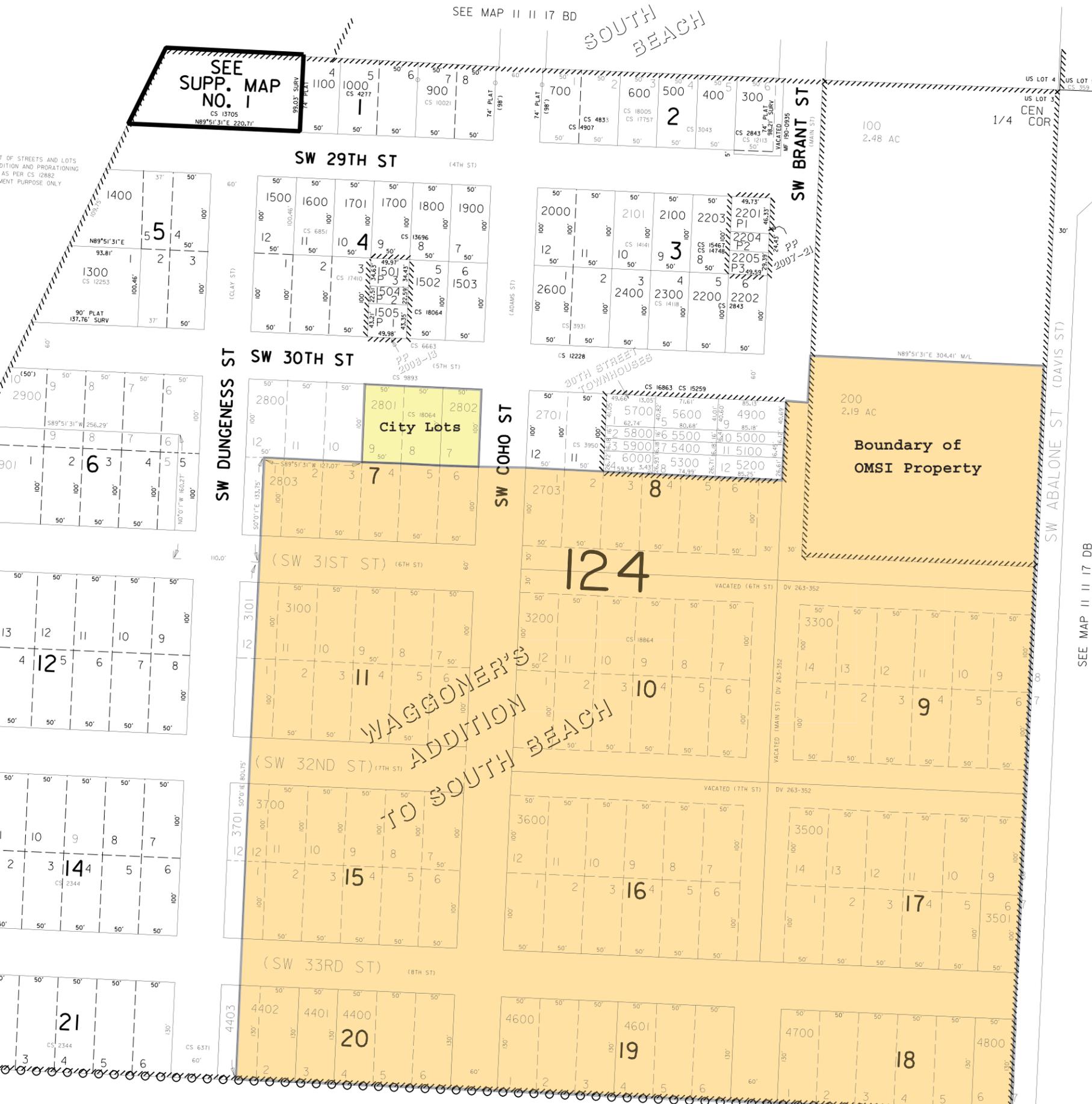
SEE MAP II II 17 BD

SOUTH
BEACH

SEE
SUPP. MAP
NO. I
CS 13705
N89°51'31"E 220.71'

- CANCELLED NO.
- 800
 - 1200
 - 2500
 - 2700
 - 2702
 - 3400
 - 3800
 - 4000
 - 4500
 - 90005

OF STREETS AND LOTS
ITION AND PROPORTIONING
AS PER CS 12882
MENT PURPOSE ONLY



SEE MAP II II 17 DB

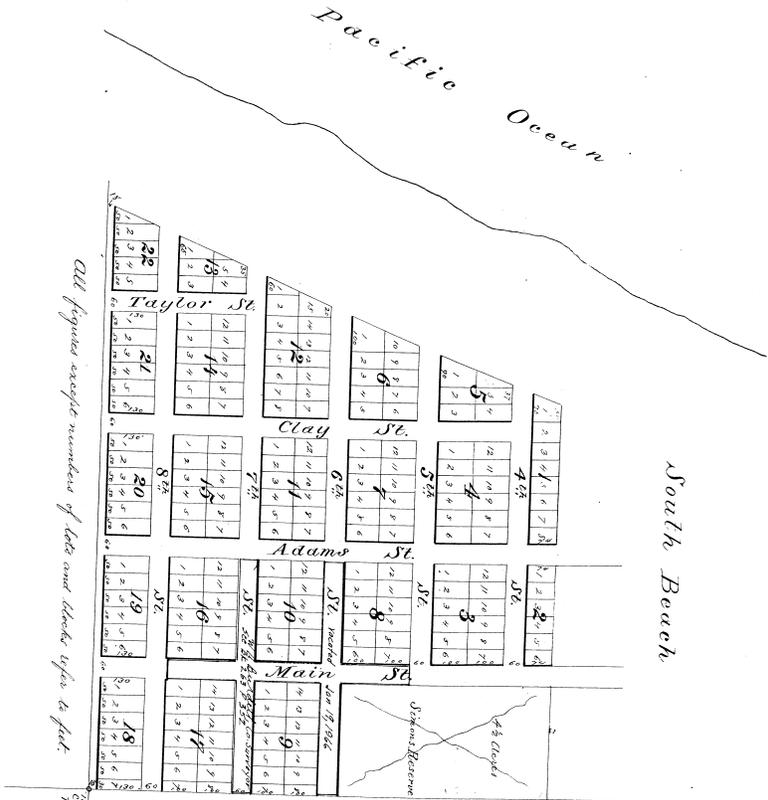
II II 17 CA
NEWPORT

Exhibit B

Memorandum of Understanding
Between the City of Newport,
Newport Urban Renewal Agency,
and Oregon Museum of Science
and Industry

Haggen's Addition is the Town of South Beach, Benton County, Oregon. This document represents that J. O. Lee, W. J. Wells, and George F. Haggen, Thomas Graham, and G. R. Davis, hereby certify that they are the owners in fee simple of the tract of land designated in the accompanying plat that said tract has been surveyed and plotted by us for the purpose of having the same recorded in the public office of the County of Benton and State of Oregon, as an addition to the town of South Beach, to be known as Haggen's Addition to South Beach, and we hereby declare to the use of the public the above as they are marked and designated in said plat. Dated Jan. 30th 1990
In presence of G. H. Gage
M. L. Deane

J. O. Lee
W. J. Wells
G. F. Haggen
Thomas Graham
G. R. Davis



Plan of
Haggen's Addition
to
South Beach
Benton County
Oregon.

State of Oregon } ss. On this 30th day of January, 1990
County of Benton } personally came before me the County Judge of said County
to within named J. O. Lee, W. J. Wells, George F. Haggen and
G. R. Davis and George Haggen to me personally known to
be the identical persons identified in and who executed the
foregoing instrument and acknowledged to me that they
executed the same freely and for the uses and purposes
therein set forth.
Witness my hand this 30th day of January, 1990
G. H. Gage, County Judge
Benton County, Oregon.

Received for Record Jan. 30, 1990 and Recorded
G. W. Wilson, Co. Clerk

124
G. W. Wilson, Co. Clerk
B. A. Jones

I certify that I have examined the foregoing plat and
find it to conform with the plat record of the
county, and I hereby certify that the same is
correctly and truly shown and recorded in
the public office of the County of Benton and
State of Oregon, and that the same is a true
and correct copy of the original as the same
was filed in my office on January 30, 1990.
G. W. Wilson, Co. Clerk

Exhibit C

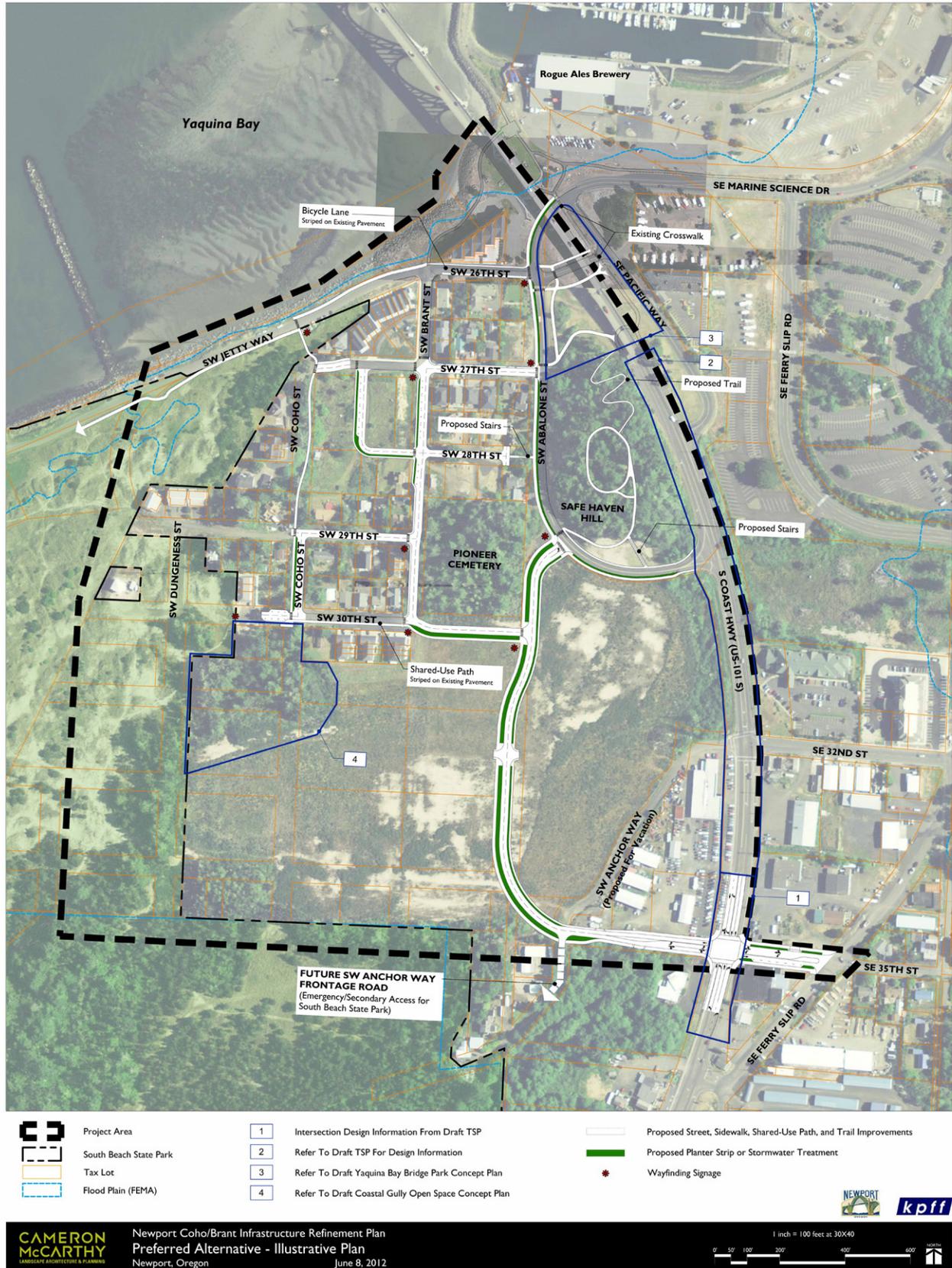
Memorandum of Understanding
Between the City of Newport,
Newport Urban Renewal Agency,
and Oregon Museum of Science
and Industry

PREFERRED ALTERNATIVE

Map 3-2. Coastal Gully Open Space Concept Plan



Map 3-8. Illustrative Plan



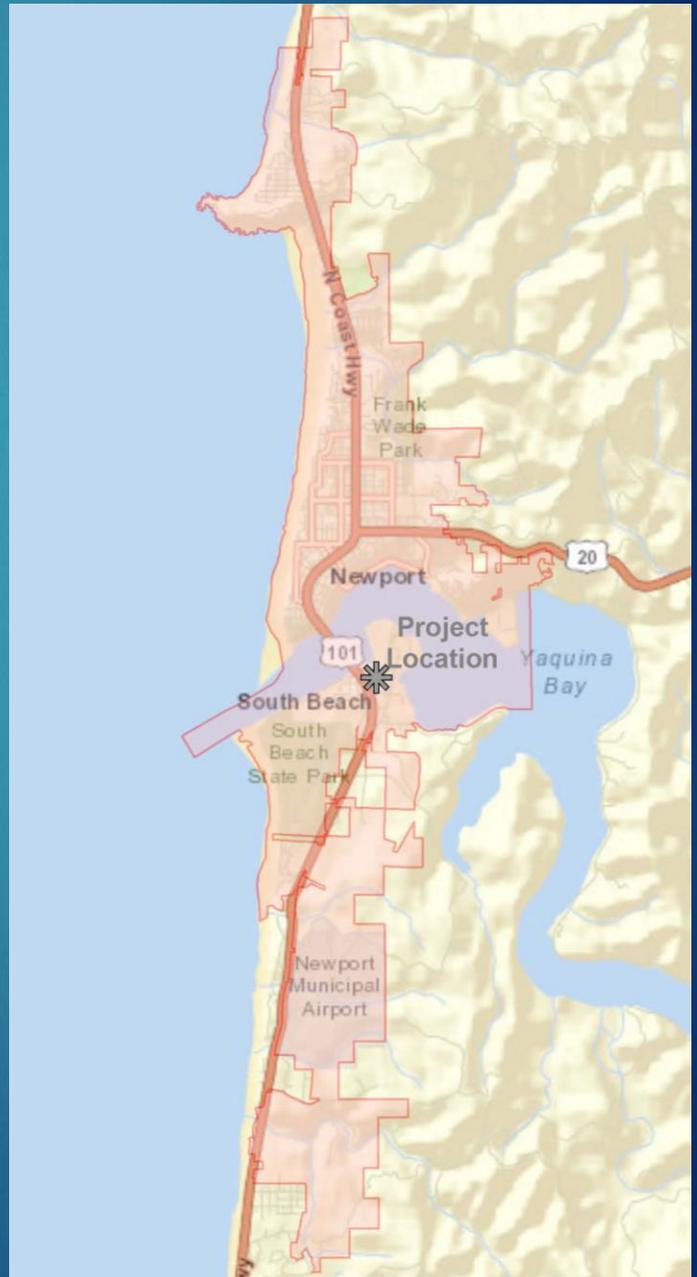
City of Newport

US 101

SE 32ND/SE 35TH ST
IMPROVEMENTS

2015-2018 STIP

ENHANCE PROJECT

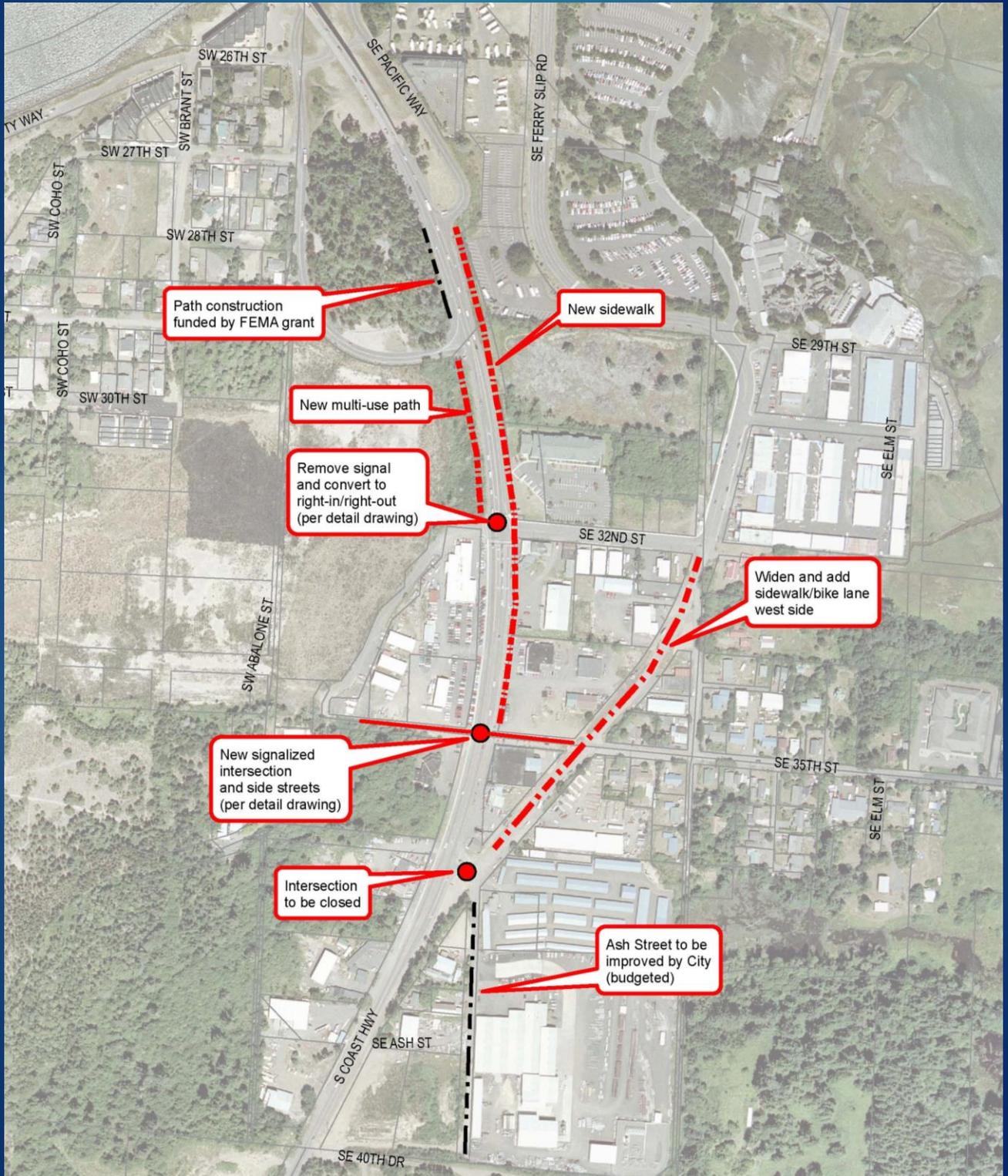


Project Components



- ▶ Construct signalized intersection at US 101 and SE 35th Street
- ▶ Eliminate signal and channelize US 101 and SE 32nd St intersection
- ▶ Close SE Ferry Slip Road and US 101 Intersection
- ▶ Install bike and pedestrian facilities along US 101 between Yaquina Bay Bridge and SE 35th Street
- ▶ Widen SE Ferry Slip Road from SE Ash St north to SE 32nd St to provide north/south alternative to US 101 for vehicles, bicyclists and pedestrians

Project Overview Map

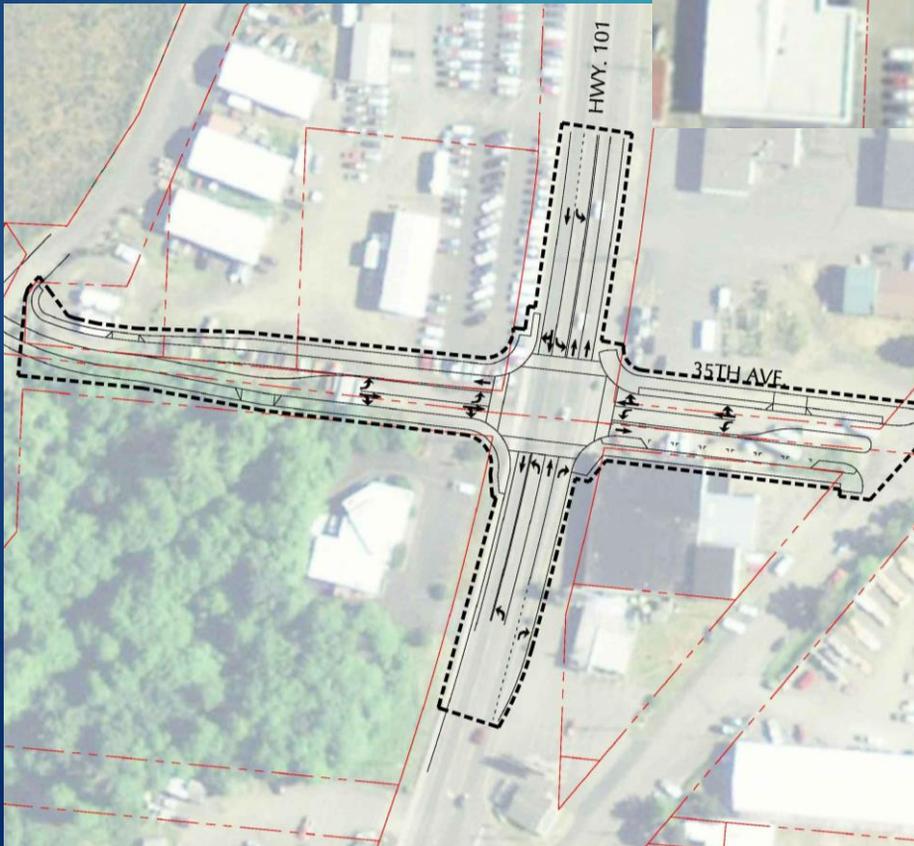


Intersection Details and Budget

Total Cost:
\$2,609,500

Requested Funds:
\$1,075,500 (41%)

Local Match:
\$1,534,000 (59%)



Key Project Strengths

- ▶ Enhances US 101 mobility/traffic flow
 - Improves signal distance from incline onto the Yaquina Bay Bridge
 - Adds acceleration/deceleration lanes at intersections
 - Removes a severely angled, confusing approach onto US 101 at Ferry Slip Rd
 - Provides bike/ped. mobility options along US 101 where none now exist
 - Creates viable alternative to US 101 for local traffic via upgrades to Ferry Slip Rd
- ▶ Timely
 - Responds to rapid growth in the South Beach area (e.g. NOAA, OMSI)
 - Implements recent TSP Amendments to justify a new alternate mobility standard
 - Leverages strong local urban renewal match that will sunset if not acted upon
- ▶ Facilitates economic development
- ▶ Is a complete solution for South Beach

Local Contacts

Derrick I. Tokos, AICP

Community Development Director

City of Newport

541.574.0626

d.tokos@newportoregon.gov

Timothy Gross, P.E.

Public Works Director

City Engineer

City of Newport

541.574.3369

t.gross@newportoregon.gov

August 19, 2013
Noon
Newport, Oregon

CITY COUNCIL WORK SESSION

Councilors present: Beemer, Busby, Saelens, Roumagoux, Swanson, Allen, and Sawyer (Sawyer participated by telephone.)

Staff present: Smith, Hawker, Gazewood, and Protiva. Gross and Tokos also participated during the legal assessment discussion.

Media present: Dave Morgan from News Lincoln County and Larry Coonrod from the Newport News-Times.

Roumagoux called the meeting to order and roll was taken.

1. Roumagoux asked that membership in OCZMA be added to the agenda.
2. Roumagoux complimented Smith on his work as Interim City Manager.
3. Gazewood distributed and reviewed a report on the budget and financial status. The review included:
 - A. Interest earnings on investments, as of July 23, 2013, had not been credited to the respective funds for the entire fiscal year.
 - B. The auditor will begin field work for the FY2012/2013 on September 23.
 - C. The goal is to have completed monthly records within approximately ten days following the close of each month.
 - D. Although this review pertains to specific budget and financial related documents, Gazewood plans to review the entire budget.
 - E. The budget resolution and adopted budget are not in balance with each other.
 - F. Gazewood will check with the Department of Revenue regarding several issues discovered during this limited review, including reserves for future capital.
 - G. Gazewood noted that the adopting resolution shows an appropriated transfer from the General Fund to the Airport Fund of \$774,279, while the budget document shows only \$736,092 as budgeted revenue.
 - H. The General Fund is three dollars off the unappropriated fund balance.
 - I. Contingency accounts are authorized by fund rather than by department within a fund.
 - J. Debt service funds cannot contain a general operating contingency because a debt service fund is a non-operating fund. The resolution and adopted budget both contain contingencies that are not allowed by Oregon Budget Law.
 - K. The Airport Fund contains another discrepancy as the appropriation resolution shows \$29,000 appropriated from the Transient Room Tax Fund for transfer to the Airport Fund, and the budget document shows a \$29,000 transfer amount from the Transient Room Tax Fund, but only \$25,000 is reflected as a transfer revenue source in the Airport Fund within the operations unit.

- L. The appropriation resolution appropriates \$206,071, in the Water Fund, for transfer to the debt service fund, but the budget document shows only \$64,484 allocated for transfer to two debt service funds. The remaining \$141,587 is allocated to the Street Fund.
- M. The Public Works Fund appropriation resolution appropriates by categories of expense while the budget document details the budgeted funds by departmental activity.
- N. The auditors noted that on page 57 of the June 30, 2012 Financial Report, the adopted budget appropriations in the resolution did not match the adopted numbers in the city's budget.

Gazewood noted that based on these issues, he does not feel comfortable with the remainder of the budget document not being reviewed, and added that he plans to review the entire budget for potential problem areas.

Gazewood reviewed some of his activities over the past few weeks.

- 4. A discussion ensued regarding Coast Guard passes to the Recreation Center. Swanson reported that she had interviewed many individuals regarding the passes for the Coast Guard use of the Recreation Center, and she reviewed the findings and recommendations. It was noted that there is a breakdown in communication between the city and the Coast Guard. Smith noted that he had coffee with the commanding officer earlier this morning, and that the commanding officer thought that was a good start to improving communications. Previous arrangements for the Coast Guard's use of the Recreation Center were discussed. Beemer asked for a figure on the cost for Coast Guard and families to use the swimming pool and Recreation Center by Friday. Protiva noted that this is difficult, but that he would develop something. A discussion ensued regarding inconsistent direction to the Recreation Department staff. Smith noted that the National Guard does have a gym, and this is one military group that is not communicating with another military group. It was agreed to discuss this issue at a later date.
- 5. A discussion ensued regarding the vacant Airport Director position. Smith reported that as a stop gap measure, he is considering placing Melissa Roman in that position on an interim basis. Smith noted that Roman has managed major projects and will be managing the airport projects into the next year. He added that the city needs a point person that the Airport Committee can interact with, and who can interface with other airport directors and governmental and professional organizations. Smith noted that relationships are raw, and it would be good to get someone into the position who does not have a history. Smith added that this would be the second interim director position that he is asking Council to appoint. Beemer noted that there are no airport projects this year. Busby asked about the impact to Public Works with Roman at the airport. Smith reported that Gross believes that Roman can manage other projects and the airport. Smith noted that Roman has goals to draft minimum standards and update the airport business plan. Smith reported that the airport is under the jurisdiction of the City Manager at present, but that Roman would work on administrative issues and establishing a relationship with the Airport Committee. Smith noted that the major question is whether Council thinks a permanent Airport Director needs to be hired, and if so, where the funding would come from.

It was noted that the previous City Manager had given Durham and Vanderbeck salary adjustments to manage parts of the airport operations, and that no downward adjustments would be made at this time. Busby noted that he could not support the salaries remaining the same if there was an interim Airport Director. Smith added that it would look like retribution, and that it was recommended by CIS and LGPI that the salary not be adjusted. Busby suggested that there needs to be an independent look at airport staffing before placing Roman in the position. Allen asked Smith whether he has heard that the ability to move forward with airport projects depends on the city having an Airport Director. Smith noted that an Airport Director is a recommendation from the FAA, but it is not a requirement. Smith added that the airport needs to have adopted minimum standards. Allen asked why, with two airport managers in place, there is a need for another layer of bureaucracy to adopt minimum standards. Allen noted that Roman is currently not in a management position, and asked whether associated issues had been resolved. Allen asked whether the Airport Director position is necessary to develop grant assurances and minimum standards. Allen asked why Roman needs to be in a supervisory position, and whether she can still engage without being placed in a supervisory role. Smith noted that airport relationships have been scarred. Saelens suggested hiring a mediator to work with the Airport Committee and staff. Dave Morgan stated that there is a lack of a chain of command. Smith stated that the Airport Committee wants to move forward, and that he is comfortable attending Airport Committee meetings. Swanson suggested retaining a mediator. Smith will continue attending Airport Committee meetings for the next few months, and Allen suggested reexamining the issue at that time. Smith noted that minimum standards will be drafted before the next Airport Committee meeting, and that business plan accomplishments will be reviewed.

6. A discussion ensued regarding the Visual Arts Center elevator. Smith reported that the elevator is not functional and that money was not budgeted to repair it. He added that he has found money in the contingency fund of the Transient Room Tax Fund to perform the work which will cost approximately \$45,000. Smith noted that there may be ADA issues if the elevator is not repaired. He added that \$45,000 would cover the cost of the elevator repair and replacement of the windows. It was noted that if Council is in agreement, a resolution will be presented at this evening's meeting. Council concurred.
7. Hawker updated Council regarding the bioaccumulation survey, noting that OSU and the city will be requesting an extension to complete the survey. She added that while the extension will be for a period of six months, it is anticipated that the work will be completed prior to that.
8. Council discussed the membership dues for OCZMA and agreed to participate.
9. A discussion ensued regarding legal services. It was noted that Miranda and Gross had written memos supporting the current legal services. The memos were distributed. Allen stated that Hawker will be distributing two e-mails regarding legal services, and that he is declaring a conflict of interest and recusing himself from this discussion item. Allen reviewed the history of the discussion noting that the Mayor had asked him whether he was interested in the legal services position, and that, at the time, he had said that he was not interested. He added that he has put some thought into it and is now interested, but wanted to make sure that he is in compliance with ethical rules. Allen reviewed the e-mails noting that he had contacted the OGEC staff, who indicated

that there might be a potential conflict of interest, but that he is declaring an actual conflict of interest. Allen recused himself and left the room. Sawyer suggested trying to find a local attorney or firm that could, on a regular basis, attend City Council meetings, and use LGLG as a back-up for specialized legal issues. He suggested issuing an RFP. Beemer spoke about the letters from Miranda and Gross. Tokos stated that he shares the opinions of Gross and Miranda that support LGLG, and noted that on balance, LGLG has been responsive and provides technical legal expertise. Beemer noted that he was ready to support finding legal services other than LGLG, as he was displeased with the handling of the complaint from the airport employees and the advice that the Mayor was given. He added that had he read about this complaint in the newspaper, and found that the Mayor had withheld this information from the rest of Council, he would have been very upset. Saelens noted that it would be nice to have someone on the ground. Busby stated that he respects staff input, but from the Council side, he is concerned with the lack of local knowledge by LGLG. He noted that he liked Sawyer's suggestion, but does not know whether it is possible. Saelens stated that he supports Sawyer's idea for a local attorney to attend Council meetings, and added that on bigger issues, he is not surprised to hear staff support a larger firm. He suggested using LGLG for more specialized areas and a local attorney for day-to-day business. Beemer noted that David Gordon, a local attorney, has experience being a city attorney, and that he would support Allen as well. It was suggested utilizing a half-time local attorney, and half-time use of LGLG, with a review at a later date. Busby asked whether the use of LGLG would be run through a local attorney, or whether staff could go directly to LGLG. Saelens noted that LGLG would handle bigger and more complicated issues. Beemer noted that Allen is used to working with LGLG, and it might work out if Allen was selected. MOTION was made by Beemer, seconded by Swanson, to direct staff to prepare an RFP for generalist legal services to the City Council and others, and to direct the City Manager to negotiate with Speer Hoyt for specialized legal services until the end of the fiscal year. The motion carried unanimously in a voice vote. Beemer noted that staff could continue to utilize the services of LGLG without going through the local City Attorney. Smith noted that if Allen is selected, he will need to resign from Council.

10. Busby asked whether a date could be scheduled to review businesses licenses. It was agreed to place this matter on the September 16 work session.

Having no further business, the meeting adjourned at 3:10 P.M.

August 19, 2013
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, Beemer, Allen, Roumagoux, Saelens, Busby, and Swanson were present. Sawyer was excused.

Staff present was Interim City Manager Smith, City Recorder Hawker, Community Development Director Tokos, Public Works Director Gross, and Police Lieutenant Malloy.

PLEDGE OF ALLEGIANCE

Council and the audience participated in the Pledge of Allegiance.

PUBLIC COMMENT

Marletta Noe addressed Council regarding a recent newspaper article indicating that Thompson's Sanitary Service was proposing to add compost buckets and add an additional \$6.95 to all trash service bills. She expressed opposition to this program. It was noted that Thompson's Sanitary would be making a presentation to Council regarding this proposal.

CONSENT CALENDAR

The consent calendar consisted of the following items:

- A. Approval of City Council minutes from the meeting of August 5, 2013;
- B. Acknowledgment of accounts paid for July 2013.

MOTION was made by Allen, seconded by Saelens, to approve the consent calendar with the changes to the minutes as noted by Allen. Staff responded to several questions regarding the accounts paid. The motion carried unanimously in a voice vote.

OFFICER'S REPORTS

Mayor's Report. Roumagoux appointed Robin Dennis to the Wayfinding Committee. MOTION was made by Beemer, seconded by Allen, to ratify the Mayor's appointment. The motion carried unanimously in a voice vote.

Roumagoux reported that she had toured the recycling center with Rob Thompson and Ken Riley. She noted that there will be an informational presentation in September. Saelens suggested this be a joint meeting with Lincoln County.

Roumagoux reported that she had attended a recent meeting of the Public Arts Committee. She noted that Stacey Johns, from the Library, had created a database for a public art inventory, and that several items had been inventoried.

Roumagoux reported that she had met with Senator Merkley's staff and had been asked for ways that Merkley's office could help the city. She noted that she introduced Merkley's staff to Smith.

Roumagoux reported that she attended the ribbon cutting at the Port's International Terminal.

Roumagoux reported that due to a conflict tomorrow, she will be unable to attend the economic summit at Chinook Winds. Allen stated that he will attend from late morning until the end of the day tomorrow.

Roumagoux reported that Swanson will cover the Mayor's office hours tomorrow.

City Manager's Report. Smith reported that monthly departmental reports are included in packet. He stated that he has attended many meetings and is available to answer questions. He added that he has met with the City Center merchants, Jamie Rand of the Newport News-Times, and the Lincoln County city managers.

Allen noted that the business license ordinance was brought up at the work session earlier today. He asked Smith whether he has been in communication with Dennis Bartoldus regarding administrative rules, or whether Bartoldus would attend the upcoming work session to provide information. Smith noted that Bartoldus had asked that all other establishments, similar to the Embarcadero, be placed under the same set of rules. Allen asked that information from Bartoldus be shared with the City Council.

ACTION ITEMS

Consideration of Recommendation from the Destination Newport Committee for the Potential Approval of a Personal Services Agreement with the Newport News-Times for the Production of Marketing Materials. Smith reported that the issue before Council is the consideration of a personal services agreement with the Newport News-Times for \$17,000 for marketing production services for the year. Smith reported that the reason that the News-Times bills annually for these services is that there is one price for everything, and they do not keep track of the hours. He added that if the work was tracked individually, the publisher has indicated that the cost is \$85 per hour, and that the city will spend two or three times this amount if the service is handled in that manner. Lorna Davis, Executive Director of the Greater Newport Chamber of Commerce, reported that if the services were billed hourly, the total would far exceed what the city is now paying. It was noted that the Destination Newport Committee had reviewed and recommended this agreement. MOTION was made by Swanson, seconded by Saelens, to approve the personal services agreement with the Newport News-Times, in the amount of \$17,000, for marketing production services. The motion carried in a voice vote with Busby voting no.

Consideration of Recommendation from the Destination Newport Committee for the Potential Approval of a Personal Services Agreement with the Newport News-Times for the Printing of Brochures for FY 2013/2014. Smith reported that the issue before Council is the consideration of a personal services agreement with the Newport News-Times for the printing of brochures for the 2013/2014 Fiscal Year, in the amount of \$22,000, for 140,000 brochures if needed. It was noted that the Destination Newport Committee had reviewed and recommended this agreement. Allen noted that the brochures were paid

out of last year's budget, and if this expenditure becomes necessary, it will probably be toward the end of the fiscal year. Allen added that traditionally, the brochures are printed once annually, and that the next printing will likely be next spring. Allen noted that he is glad that the two payments have been separated, and that there are good vendor agreements. MOTION was made by Allen, seconded by Beemer, to approve the personal services agreement with the Newport News-Times, for the production of brochures in FY2013/2014, when needed. The motion carried unanimously in a voice vote.

Consideration of Recommendation from the Destination Newport Committee to Approve and Agreement with Certified Folder Display Service, Inc. for the Distribution of Brochures. Davis reported that Certified Folder Display Service, Inc., is the company that distributes the brochures. It was noted that the Destination Newport Committee had reviewed and recommended this agreement. MOTION was made by Beemer, seconded by Allen, to approve the service agreement with Certified Folder Display Service, Inc., for the distribution of brochures in the amount of \$10,343.60. The motion carried unanimously in a voice vote.

Consideration of a Notice of Intent to Award the NE 71st Street Waterline Project. Gross reported that the issue before Council is consideration of issuance of a Notice of Intent to Award the Water System Improvements - NE 71st Street Waterline Project to W W Construction, in the amount of \$397,883.80. He added that there were ten bidders, and research indicates that this bid is whole. He noted that W W Construction has assured him that they can do the project. MOTION was made by Beemer, seconded by Saelens, that the City of Newport Public Works Department issue a Notice of Intent to Award the Water System Improvements - NE 71st Street Waterline Project to W W Construction, in the amount of \$397,883.30, 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. The motion carried unanimously in a voice vote.

Consideration of a Notice of Intent to Award the Water System Improvements - Lakewood Hills Pump Station Project. Gross reported that the issue before Council is consideration of issuance of a Notice of Intent to Award the Water System Improvements - Lakewood Hills Pump Station Project to Clackamas Construction, in the amount of \$545,722. He noted that there were five bidders. MOTION was made by Saelens, seconded by Busby, that the City of Newport Public Works Department issue a Notice of Intent to Award the Water System Improvements - Lakewood Hills Pump Station Project to Clackamas Construction, in the amount of \$545,722.00, 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. The motion carried unanimously in a voice vote.

Consideration of Resolution No. 3648 Accepting the Annual DLCD Coastal Management Grant. Tokos reported that the issue before Council is the consideration of acceptance of the annual DLCD Coastal Management Grant in the amount of \$9,000. MOTION was made by Beemer, seconded by Allen, to adopt Resolution No. 3648,

accepting a \$9,000 annual DLCLD coastal planning grant. The motion carried unanimously in a voice vote.

Consideration of Resolution No. 3647 Providing for Budget Transfers and Making Appropriations Changes for the 2013/2014 Fiscal Year. Smith reported that the issue before Council is consideration of Resolution No. 3647 amending the city's Fiscal Year 2013/2014 annual budget to address appropriation changes to the Public Works Fund due to an inadvertent deletion of a budgeted projects expense. He added that the appropriation funding in the Room Tax Fund is requested to repair the elevator at the Visual Arts Center. Smith noted that the budget changes are transfers of respective contingency appropriations to specific categories of expense within the stated funds. MOTION was made by Beemer, seconded by Allen, to adopt Resolution No. 3647, a resolution providing for budget transfers and making appropriation changes for Fiscal Year 2013/2014. The motion carried unanimously in a voice vote.

COUNCIL REPORTS AND COMMENTS

Saelens reported that the Bicycle/Pedestrian Advisory Committee was unable to meet due to lack of a quorum. He recommended that Committee members respond to agenda notices.

Swanson reported that she attended a recent meeting of the City Employee Committee. She noted that she learned a lot, and that the Committee was appreciative of Council attending those meetings. She noted that the CEC had a list of traits that they would like to see in a new City Manager. She asked whether the list could be forwarded to Bob Gibson.

Swanson reported that she attended a recent meeting of the Senior Advisory Committee. She reviewed upcoming events to be held at the 60+ Center.

Busby stated that he was looking forward to seeing Swanson participate in the upcoming Buccaneer Rampage at the Airport.

Busby reported that he recently attended the Tuna Cook-Off, and that it was an excellent event.

Busby reported that he had attended a recent meeting of the Infrastructure Task Force at which Tokos and Gross provided good information. He noted that the next meeting will be held on September 5.

Busby reported that he had attended a recent meeting of the Airport Committee. He added that the Committee will work with staff on updating the business plan and developing minimum standards.

Beemer reported that he attended the grand reopening of the International Terminal at which the Mayor spoke. He noted that he had not attended the Tuna Cook-Off due to an emergency gall bladder removal.

Allen reported that he had attended the Chamber of Commerce Business after Hours and had toured the NOAA facility again. He noted that this was a good event.

Allen reported that he had attended a recent meeting of the Retirement Trustees Board. He noted that this Board meets quarterly, and that West Coast Trust, which handles the investments, provides good information on the markets.

Allen reported that he had attended the recent Infrastructure Task Force meeting. He noted that Tokos and Gross had made a PowerPoint presentation which is on the

website. He added that the next agenda will include projected infrastructure needs, and will occur on September 5.

Allen reported that he had attended the grand reopening of the International Terminal, and thanked the Mayor for a concise speech during that event.

Allen reported that the Coastal Economic Summit will begin tomorrow at Chinook Winds. He noted that the coastal caucus and state agencies will be present, and that this is a good networking opportunity.

Roumagoux reported that Gross had made an excellent presentation at the Chamber luncheon. She suggested that it might be advantageous for Gross to make the same presentation to the water billing staff.

PUBLIC HEARINGS

Public Hearing and Consideration of Ordinance No. 2057 for Withdrawal of a 71.39 Acre Portion of Wolf Tree Destination Resort Site from the Corporate Limits of the City of Newport - Tax Lot 801, Section 5, T12S, R11W, W.M. Roumagoux opened the public hearing at 7:02 P.M., and asked Tokos for the staff report. Tokos reported that this is the second of two public hearings required pursuant to ORS 222.460 at which the public is invited to testify on whether it is in the public interest for the city to withdraw a 71.39 acre property from its corporate limits. He noted that the property is a part of the larger 668 acre Wolf Tree Destination Resort site, and is specifically identified as Tax Lot 801, Section 5, T12S, R11W, W.M. He added that the City Council initiated the withdrawal process on June 3, 2013, with the adoption of Resolution No. 3632, at the request of Terry Lettenmaier, the property owner. Tokos added that Steel String and Lettenmaier have agreed to appropriate easements. He noted that Lettenmaier will need to annex back into the Newport Rural Fire Protection District. Tokos reported that the City Attorney has not reviewed the ordinance for technical issues at this point. Swanson noted that her copy has blank pages, and Tokos stated that those are for the legal descriptions. Tokos added that the ordinance has also been reviewed by the County Assessor's Office.

Roumagoux asked for public comment. There was none.

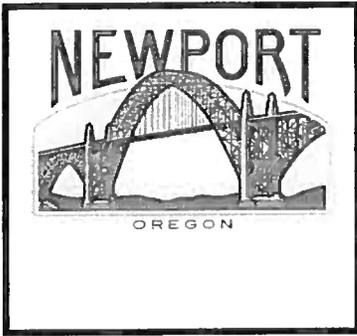
Roumagoux closed the public hearing at 7:05 P.M. for Council deliberation. MOTION was made by Beemer, seconded by Allen, to read Ordinance No. 2057, an ordinance withdrawing property identified as Tax Lot 801, Section 5, T12S, R11W, W.M., from the corporate limits of the City of Newport and authorize the Mayor to sign the ordinance following review by the City Attorney, by title only and place for final passage. The motion carried unanimously in a voice vote. Hawker read the title of Ordinance No. 2057. Voting aye on the adoption of Ordinance No. 2057 were Beemer, Allen, Roumagoux, Saelens, Busby, and Swanson.

ADJOURNMENT

Having no further business, the meeting adjourned at 7:06 P.M.

Margaret M. Hawker, City Recorder

Sandra N. Roumagoux, Mayor



Agenda Item #

Meeting Date

Sept. 3, 2013

CITY COUNCIL AGENDA ITEM SUMMARY

City Of Newport, Oregon

Issue/Agenda Title OLCC Liquor License

Prepared By: Lt. Malloy ^{4M} Dept Head Approval: Chief Mark J. Miranda City Mgr Approval: _____

Issue Before the Council:

Shall the City Council recommend approval of the liquor license application for the Agate Beach Market?

Staff Recommendation:

The Police Department recommends favorable action by the City Council.

Proposed Motion:

Consent Calendar item.

Key Facts and Information Summary:

The Agate Beach Market, 4852 N. Coast Hwy, has made application to the Oregon Liquor Control Commission for an "Off Premises Sales" license as a new outlet. Such a license allows for the applicant to sell factory sealed containers of wine, malt beverages and cider. Containers of malt beverages sold under the license may not hold more than two and one-quarter gallons.

A background check of the applicant revealed no disqualifying information. The Agate Beach Grocery is located on the east side of N. Coast Hwy just south of NE 50th St. The location was previously occupied by Newport Bay Coffee Co. During the last year there was one police call for service for fraud associated with the previous business.

ORS 471.166 requires an applicant to obtain a recommendation from the local governing body in the city where the business is located. The City Council may make a "Favorable Recommendation" or an "Unfavorable Recommendation" to OLCC. The Commission will then decide if granting a license is appropriate.

Other Alternatives Considered:

None applicable

City Council Goals:

Public Safety

Attachment List:
OLCC Application

Fiscal Notes:
The City's license application fee covers the investigation and processing time expended by Staff.





OREGON LIQUOR CONTROL COMMISSION LIQUOR LICENSE APPLICATION

Application is being made for:

LICENSE TYPES

- Full On-Premises Sales (\$402.60/yr)
- Commercial Establishment
- Caterer
- Passenger Carrier
- Other Public Location
- Private Club
- Limited On-Premises Sales (\$202.60/yr)
- Off-Premises Sales (\$100/yr)
 - with Fuel Pumps
- Brewery Public House (\$262.60)
- Winery (\$250/yr)
- Other: _____

ACTIONS

- Change Ownership
- New Outlet
- Greater Privilege
- Additional Privilege
- Other _____

RECEIVED

AUG - 3 2013

NEWPORT POLICE

CITY AND COUNTY USE ONLY

Date application received: 8/2/13

The City Council or County Commission:

City of Newport
(name of city or county)

recommends that this license be:

- Granted
- Denied

By: _____
(signature) (date)

Name: _____

Title: _____

OLCC USE ONLY

Application Rec'd by: Jah

Date: 8-2-13

90-day authority: Yes No

90-DAY AUTHORITY

Check here if you are applying for a change of ownership at a business that has a current liquor license, or if you are applying for an Off-Premises Sales license and are requesting a 90-Day Temporary Authority

APPLYING AS:

- Limited Partnership
- Corporation
- Limited Liability Company
- Individuals

1. Entity or Individuals applying for the license: [See SECTION 1 of the Guide]

① Shannon McRae

② _____ ④ _____

2. Trade Name (dba): Agate Beach Market

3. Business Location: 4852 N COAST HWY NEWPORT, Lincoln County
(number, street, rural route) (city) (county) (state) (ZIP code) OR 97365

4. Business Mailing Address: 4852 N. COAST HWY NEWPORT, OR 97365
(PO box, number, street, rural route) (city) (state) (ZIP code)

5. Business Numbers: 424-228-0914
(phone) (fax)

6. Is the business at this location currently licensed by OLCC? Yes No

7. If yes to whom: _____ Type of License: _____

8. Former Business Name: Newport Coffee Company

9. Will you have a manager? Yes No Name: _____
(manager must fill out an Individual History form)

10. What is the local governing body where your business is located? Lincoln County
(name of city or county)

11. Contact person for this application: SHANNON McRAE 424-228-0914
(name) (phone number(s))
4852 N. Coast Hwy Newport, OR 97365
(address) (fax number) (e-mail address) agatebeachmarket@ymhoo.cc

I understand that if my answers are not true and complete, the OLCC may deny my license application.

Applicant(s) Signature(s) and Date:

① Shannon McRae Date 2 Aug 13 ③ _____ Date _____
② _____ Date _____ ④ _____ Date _____



Ted Smith
Interim City Manager
CITY OF NEWPORT
169 S.W. Coast Hwy.
Newport, OR 97365
t.smith@newportoregon.gov

Interim Manager's Report Through August 30, 2013

Following is the Interim City Manager's report for the period ending August 30:

Interim City Manager/Staff Interactions

The Interim City Manager met with the following individuals (some on multiple occasions) during this reporting period:

Richard Dutton, Linda Brown, Jason Malloy, Melissa Roman, Lance Vanderbeck, Terry Durham, Chuck Norman, Bob Gazewood, Jim Protiva, Kay Eldon, Lynn Dennis, Tim Gross, Derrick Tokos, Christy Monson

In addition, the Interim City Manager met with the following employee groups:

Airport staff, Finance staff, Library staff, Library Supervisors, Parks & Rec Supervisors, Department Heads

Committee Attendance

The Interim City Manager met with the following committees, task forces or sub groups:
Destination Newport, Infrastructure Task Force, Library Advisory Board

Citizens, Clubs and Other Organizations

The Interim City Manager met with the following people, groups of people or organizations:

Rotary Club of Newport, John Baker, Don Davis, Bill Barton, Sharon Beardsley, Chamber of Commerce

The Interim City Manager received a letter from Steve Wyatt, Executive Director of the Lincoln County Historical Society thanking the City for its Tourism Facilities Development Grant.

On August 15, the Interim City Manager spoke with Jeff Sweet of CIS about a tort claim that is working its way through the system.

On August 16, the Interim City Manager met with Mark McConnell, Catherine Rickbone and Melissa Roman to discuss an RFP that will be released for the upgrade and rehabilitation of the Performing Arts Center. Melissa Roman will be the City's Project Manager for this endeavor.

On August 19, the Interim City Manager met with Frank Geltner, Zack Poole, Derrick Tokos and Tim Gross to discuss plans the City Center Merchants have for the corner of Hwy 101 and Hubert Street.

On August 22, the Interim City Manager attended a meeting of the LinCom Board to finalize the distribution of LinCom's assets. The Fire Department and the Information Technology Department from Newport took a large number of physical assets, including tables, chairs, TVs, a refrigerator, computers, computer switches, etc. The LinCom Board will be making a final distribution of cash within the next month.

On August 24, the Interim City Manager attended the Park and Recreation Departments' first Buccaneer Rampage. Over 150 participants took part in this race through mud, over walls, through tires and tunnels. There were a good number of out of state cars in the parking area as well as a number of racers from out of town.

On August 28, the Interim City Manager attended a meeting of library directors for the Oceanbooks Library Network. Items up for discussion involved the migration to a new library automation system during FY 14-15 and aspects of funding this migration. The Interim City Manager also attended the Port of Newport's monthly board meeting on the evening of August 28.

Respectfully Submitted

Ted Smith



Memo

To: Ted Smith, Interim City Manager and City Council
From: Ted Jones, PE, Senior Project Manager
Date: September 3rd, 2013
Re: Capital Projects Status Update

Project: **Ash Street Design and Construction**
Project Number: 2010-003
Status: Complete final grading.
Next Task: Pave roadway and multi-use path 06 September 2013.
Budget: \$557,000
Description: Design and construct Ash Street between SE 40th St. and SE Ferry Slip Road.

Project: **Hwy 101 Crosswalk Improvements**
Project Number: 2012-001
Status: Design being finalized.
Next Task: Secure construction easements and final ODOT approval.
Budget: \$502,000
Description: This project will improve the visibility and safety of multiple crosswalks on Highway 101 between 15th Street and the bridge. Proposed improvements include curb extensions and/or pedestrian safety islands, improved signage and pavement markings, and in one location pedestrian activated warning lights.

Project: **Big Creek Road Landslide Repairs**
Project Number: 2011-003
Status: Precast retaining wall panels in production.
Next Task: Mobilizing equipment to site and starting work mid-September 2013.
Budget: \$750,000
Description: This project will restore Big Creek Road. A January of 2011 storm caused portions of the road to slide away, making the road unsafe for vehicles and jeopardizing a buried water main and electrical and telecommunications overhead transmission lines. This project is 75% funded through FEMA and 25% through IFA (Oregon).

Project: Lower Big Creek Reservoir Drawdown Pipe Repair
Project Number: 2012-012
Status: Headwall completed, outfall cleaned and televised.
Next Task: Install liner pipe the week of 02 September 2013.
Budget: \$160,000
Description: Repair a structurally deficient and functionally obsolete 30-inch corrugated metal outfall pipe with a 24-inch HDPE Liner and structural grout.

Project: Agate Beach/NE 71st Waterlines and Lakewood Hills Pump Station
Project Number: 2011-018 and 2012-013
Status: Projects awarded to W W Construction and Clackamas Construction.
Next Task: Complete contracts and schedule pre-construction meeting.
Budget: \$1.3 MM
Description: Installing a new water distribution pipeline along US-101 in the Agate Beach area and along NE 71st St for Phase 1 of the NE 71st St. Water System Improvements Project. The Lakewood Hills Pump Station which will improve performance and reliability for pressure and fire flow.

OSU@HMSC

HMSC@NEWPORT

FY12 numbers

\$46 million invested
\$18 OSU grants
\$4 OSU budget
\$24 agencies' budgets

6 Agencies

ODFW USGS
NOAA EPA
USFW USDA

\$23,242 Water bill

\$82,000+ in scholarships from donors for FY13

120 OSU people employed.
180 agencies people employed.
150,000 visitors entertained.
88 volunteers assisted.
40,100 school kids taught
37 interns mentored.

5 Science on Taps

46 Weekly seminars

48 Public Programs

180 publications

26 Quests

5 blogs

1 Marine Science Day

Infrastructure investment = \$1.2 billion

1965: Main building

1970: ODFW building

1972: First housing

1976: Education building

1979: NOAA Newport Aquaculture Lab

1981: NOAA Research Support Facility

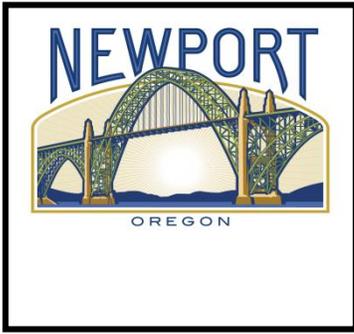
1990: EPA Lab & Guin Library

1995: USFW building

2002: NOAA Fisher building

Hatfield
MARINE SCIENCE CENTER

OSU
Oregon State
UNIVERSITY



Agenda Item # VIII. A.
Meeting Date September 3, 2013

CITY COUNCIL AGENDA ITEM SUMMARY
City of Newport, Oregon

Issue/Agenda Title Public Hearing and Possible Adoption of an Ordinance 2059, Amending the Newport Zoning Code Relating to Manufactured Dwelling Parks and Recreational Vehicles

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

ISSUE BEFORE THE COUNCIL: Consideration of whether or not it is in the public interest to make it easier for park models and other types of recreational vehicles to be used as a place of habitation within manufactured dwelling parks. The revisions also clarify that, within the city limits, recreational vehicles may be used as a place of habitation within manufactured dwelling and recreational vehicle parks. The Planning Commission considered the amendments at a 8/12/13 meeting and recommends they be adopted.

STAFF RECOMMENDATION: Staff recommends that the Council accept the Planning Commission’s recommendation and adopt the ordinance.

MOTIONS FOR ADOPTION: I move for reading by title only of Ordinance 2059, an ordinance amending Chapter 14.16 of the Newport Zoning Code relating to manufactured dwelling parks and recreational vehicles.

KEY FACTS AND INFORMATION SUMMARY: With Policy 8, Goal 2 of the Housing Element of the Newport Comprehensive Plan, adopted July of 2011 (Ordinance No. 2015), the City of Newport committed to undertake a review of its Zoning Ordinance to allow and encourage “park model” recreational vehicles as a viable housing type. The Newport Planning Commission conducted such review at work sessions on May 28, 2013 and June 24, 2013 and determined that the minimum lot size standards, maximum density limitations, and minimum acreage requirements currently in place for manufactured dwelling parks prevent park models from being a viable housing option. The Commission further determined that language in the ordinance dealing with the storage and use of recreational vehicles could be read to prevent them from being used as a place of habitation within manufactured dwelling and recreational vehicle parks, which would be inconsistent with the requirements of ORS 197.493.

The Planning Commission considered whether or not the Newport Zoning Ordinance should be amended to allow park models outside of manufactured dwelling parks and recreational vehicle parks and determined that it would be inappropriate to do so at this time. At 400 square feet in size, a park model unit is relatively small, and the Commission was concerned about compatibility of the units in established residential neighborhoods. Further the Commission felt that more time is needed to see how the units hold up given that they are constructed to recreational vehicle codes as opposed to the Oregon Residential Specialty Code or Federal Manufactured Home Construction Safety Standards. On August 12, 2013 the Planning Commission held a public hearing and voted to recommend adoption of amendments to address the shortcomings of the Newport Zoning Ordinance noted above.

The Department of Land Conservation and Development was provided required notice on 7/1/13. Notice of the Planning Commission and City Council hearings was published in the Newport News-Times on 8/2/13 and 8/28/13.

OTHER ALTERNATIVES CONSIDERED: None.

CITY COUNCIL GOALS: Initiating amendments of this nature is a stated Council goal.

ATTACHMENT LIST:

- Proposed Ordinance
- Implementation Measure 8.2 of the Newport Comprehensive Plan
- Copy of ORS 197.493
- Minutes from the 8/12/13 Planning Commission Hearing
- Notice of the 9/3/13 Council Hearing

FISCAL NOTES: No fiscal impacts have been identified in association with these amendments.

CITY OF NEWPORT

ORDINANCE NO. 2059

**AN ORDINANCE AMENDING CHAPTER 14.6 OF THE NEWPORT ZONING CODE,
RELATING TO MANUFACTURED DWELLING PARKS AND RECREATIONAL
VEHICLES, ORIGINALLY ADOPTED BY ORDINANCE NO. 1308.**

Findings:

1. On June 24, 2013 the Newport Planning Commission initiated amendments to the Newport Zoning Ordinance to make it easier for park models and other types of recreational vehicles to be used as a place of habitation within manufactured dwelling parks. The revisions also clarify that, within the city limits, recreational vehicles may be used as a place of habitation within manufactured dwelling and recreational vehicle parks.
2. With Policy 8, Goal 2 of the Housing Element of the Newport Comprehensive Plan, adopted July of 2011 (Ordinance No. 2015), the City of Newport committed to undertaking a review of its Zoning Ordinance to allow and encourage “park model” recreational vehicles as a viable housing type. The proposed amendments implement this Comprehensive Plan Policy direction. No other Newport Comprehensive Plan Policies apply to these amendments.
3. The Newport Planning Commission conducted such review at work sessions on May 28, 2013 and June 24, 2013 and determined that the minimum lot size standards, maximum density limitations, and minimum acreage requirements currently in place for manufactured dwelling parks prevent park models from being a viable housing option. The Commission further determined that language in the ordinance dealing with the storage and use of recreational vehicles could be read to prevent them from being used as a place of habitation within manufactured dwelling and recreational vehicle parks, which would be inconsistent with the requirements of ORS 197.493.
4. The Planning Commission considered whether or not the Newport Zoning Ordinance should be amended to allow park models outside of manufactured dwelling parks and recreational vehicle parks and determined that it would be inappropriate to do so at this time. At 400 square feet in size, a park model unit is relatively small, and the Commission was concerned about compatibility of the units in established residential neighborhoods. Further the Commission felt that more time is needed to see how the units hold up given that they are constructed to recreational vehicle codes as opposed to the Oregon Residential Specialty Code or Federal Manufactured Home Construction Safety Standards.
5. The Newport Planning Commission held a public hearing on August 12, 2013 and voted to recommend adoption of amendments to address the shortcomings of the Newport Zoning Ordinance noted above.
6. The City Council held a public hearing on September 3, 2013 regarding the question of the proposed revisions and voted in favor of their adoption after considering the recommendation of the Planning Commission and evidence and argument in the record.
7. Information in the record, including affidavits of mailing and publication, demonstrate that appropriate public notification was provided for both the Planning Commission and City Council public hearings.

THE CITY OF NEWPORT ORDAINS AS FOLLOWS:

Section 1. The above findings are hereby adopted as support for the Newport Zoning Ordinance amendments, below.

Section 2. Newport Municipal Code 14.06.040, Manufactured Dwelling Parks, is repealed and replaced in its entirety with the following language:

14.06.040 Manufactured Dwelling Parks. Manufactured dwelling parks are permitted subject to the following:

- A. Construction of the manufactured dwelling park and placement of manufactured dwellings shall comply with the Oregon Manufactured Dwelling and Park Specialty Code, 2002 Edition, as amended.
- B. Streets within the manufactured dwelling park shall adhere to the standards outlined in Newport Municipal Code Chapter 13.05.040 where the construction or extension of such street is identified in the City of Newport Transportation System Plan.
- C. The maximum density allowed in a manufactured dwelling park is one unit for every 2,500 sq. ft. of lot area in the R-2 zoning district and one unit for every 1,250 sq. ft. of lot area in R-3 and R-4 zoning districts.
- D. Recreational vehicles may be occupied as a residential unit provided they are connected to the manufactured dwelling parks water, sewage, and electrical supply systems. In such cases, the recreational vehicles shall be counted against the density limitations of the zoning district.
- E. Any manufactured dwelling park authorized under this section shall have a common outdoor area of at least 2,500 sq. ft. or 100 sq. ft. per unit, whichever is greater. Common outdoor areas shall be landscaped and available for the use of all park residents.
- F. If the park provides spaces for 50 or more manufactured dwelling units, each vehicular way in the park shall be named and marked with signs that are similar in appearance to those used to identify public streets. A map of the vehicular ways shall be provided to the fire department for appropriate naming.
- G. Public fire hydrants shall be provided within 250 feet of manufactured dwelling spaces or permanent structures within the park. If a manufactured dwelling space or permanent structure in the park is more than 250 feet from a public fire hydrant, the park shall have water supply mains designed to serve fire hydrants. Each hydrant within the park shall be located on a vehicular way and shall conform in design and capacity to the public hydrants in the city.
- H. The manufactured dwelling park may have a community or recreation building and other similar amenities.
- I. All dead end streets shall provide an adequate turn around for emergency vehicles.

Section 3. Municipal Code 14.06.050, Recreational Vehicles: General Provisions, is repealed and replaced in its entirety with the following language:

14.06.050 Recreational Vehicles: General Provisions.

- A. Recreational vehicles may be stored on property within the City of Newport provided they are not used as a place of habitation while so stored unless the recreational vehicle is located within a manufactured dwelling park or recreational vehicle park, or is authorized as a temporary living quarters pursuant to NMC Chapter 14.9.
- B. Removal of the wheels or placement of a recreational vehicle on a permanent or temporary foundation shall not change the essential character of any recreational vehicle or change the requirements of this section.
- C. It shall be unlawful for any person occupying or using any recreational vehicle within the City of Newport to discharge wastewater unless connected to a public sewer or an approved septic tank in accordance with the ordinances of the City of Newport relating thereof. All recreational vehicle parks within the City of Newport shall comply with the sanitary requirements of the City of Newport and the State of Oregon.

Section 4. This ordinance shall take effect 30 days after passage.

Date adopted and read by title only: _____

Signed by the Mayor on _____, 2013.

Sandra Roumagoux, Mayor

ATTEST:

Margaret M. Hawker, City Recorder

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.

197.493 Placement and occupancy of recreational vehicle. (1) A state agency or local government may not prohibit the placement or occupancy of a recreational vehicle, or impose any limit on the length of occupancy of a recreational vehicle, solely on the grounds that the occupancy is in a recreational vehicle, if the recreational vehicle is:

- (a) Located in a manufactured dwelling park, mobile home park or recreational vehicle park;
- (b) Occupied as a residential dwelling; and
- (c) Lawfully connected to water and electrical supply systems and a sewage disposal system.

(2) Subsection (1) of this section does not limit the authority of a state agency or local government to impose other special conditions on the placement or occupancy of a recreational vehicle. [2005 c.619 §12]

Draft Minutes
City of Newport Planning Commission
Regular Session
Newport City Hall Council Chambers
Monday, August 12, 2013

Commissioners Present: Jim Patrick, Glen Small, Rod Croteau, Mark Fisher, Gary East, and Bill Branigan.

Commissioners Absent: Jim McIntyre (*excused*).

City Staff Present: Community Development Director Derrick Tokos and Executive Assistant Wanda Haney.

A. Roll Call. Chair Patrick called the meeting to order in the Council Chambers of Newport City Hall at 7:00 p.m. On roll call, Small, Croteau, Patrick, Fisher, East, and Branigan were present; with McIntyre absent but excused.

B. Approval of Minutes.

1. Approval of the Planning Commission regular session meeting minutes of July 8, 2013.

MOTION was made by Commissioner Fisher, seconded by Commissioner East, to approve the Planning Commission minutes as presented. The motion carried unanimously in a voice vote.

C. Citizen/Public Comment. No comments on non-agenda items.

D. Consent Calendar. Nothing on the consent calendar.

E. Public Hearings.

Legislative Actions:

1. **File No. 2-Z-13:** Consideration of proposed legislative text amendments to Chapter 14.6 of the Newport Municipal Code to replace fixed minimum lot size and minimum acreage requirements for manufactured dwelling parks with maximum density and minimum common open space benchmarks. The changes should make it easier for manufactured dwelling parks to provide space for smaller units such as park models or recreational vehicles. The revisions also clarify that recreational vehicles may be used as a place of habitation within manufactured dwelling or RV parks. The Planning Commission will make a recommendation on this matter to the City Council.

Patrick opened the public hearing for File No. 2-Z-13 at 7:01 p.m. by reading the summary of the file from the agenda; and he called for the staff report. Tokos noted that the Planning Commission had met in work session on May 28th and June 24th to discuss these proposed changes. The reason to initiate the changes flows from the update to the Housing element of the Comprehensive Plan drafted in 2011, which committed the City to see if park model RVs could be allowed as a viable housing type. He said that, following discussion that ensued about allowing park models outside of manufactured dwelling and recreational vehicle parks, it was determined to limit them to the Manufactured Dwellings and Recreational Vehicles section of the code. Tokos noted that the provision that the number of spaces for manufactured dwellings shall not exceed 6 per acre has been deleted. The requirement that each space shall contain at least 5,000 square feet has been deleted and changed to language that the maximum density is one unit for every 2,500 square feet of lot area in R-2 and one for every 1,250 square feet in R-3 and R-4. A provision was added that RVs may be used for habitation provided they are connected to the park's water, sewage, and electrical supply systems. In these cases, the RVs count against the density limitations of the zoning district. The language that manufactured dwelling parks have to be at least an acre was deleted and was replaced with language that there shall be common area of at least 2,500 square feet or 100 square feet per unit, whichever is greater. Tokos said that on the balance, these changes go away from setting such vast standards that were barriers for park models being feasible and should make it easier for park owners to place park model units in their parks. Tokos said the other change to Section 14.06.050 (Recreational Vehicles) adds language under item "A" to make it clear that the provision that prohibits RVs being used for habitation applies only to those outside manufactured dwelling parks; RVs within a park or those authorized for temporary living quarters can be used for habitation. Tokos noted that state law requires that cities allow RVs to be used for habitation within RV parks.

Small noted that in the findings park models are referenced, but in the ordinance it simply says recreational vehicles. He wondered if it is the understanding that park models are RVs, or if that should be described in the ordinance. Tokos said it is understood. He noted that nowhere in the ordinance is reference made to park models because it is structured to avoid the thought that park models are different than RVs, because a park model is an RV. Small wondered if this gives a manufactured dwelling park owner leeway to exclude fifth-wheel and Class C RVs and go to park models. Tokos said if they want to. He said that it is the owner's choice as

a private developer to not allow more-conventional motor homes or RVs and only allow park model RVs in their own parks. A manufactured dwelling park can make the distinction of what they allow; state statute only prohibits jurisdictions from doing that.

Proponents, Opponents, or Interested Parties: No one was present wishing to provide testimony.

Patrick closed the hearing at 7:10 p.m. for Commission deliberation. Branigan noted that the Commission has gone through this a couple of times. He thought that changing this will help achieve our goal for more affordable housing by encouraging RV parks to open up. He is in support of the changes. East and Fisher agreed. Croteau agreed and said that hopefully it will encourage affordable housing. Small said that was his take on it also. He said it gets us another step toward the affordable housing piece that is important to us. He felt it was a reasonable change. Patrick said this also allows for redevelopment of those mobile homes, which are well past their expiration date. These parks only have a certain amount of space for those homes and can't get double-wide or single-wide homes in there. Park models will allow them to develop with something that is useful and affordable.

With everyone in agreement, a vote was taken to recommend that the City Council consider adopting the proposed text amendments to Chapter 14.6 of the Newport Municipal Code as presented in File No. 2-Z-13. The decision carried unanimously in a voice vote.

F. New Business.

1. Upcoming Planning Commissioner Training in Portland on 9/16/13, sponsored by the Oregon City Planning Directors Assn. Tokos noted that included in the packet was an announcement of an upcoming Planning Commissioner training that he wanted to provide to the Commissioners. He said that he knows a number of those speakers. He noted that we do have budget to send one or two individuals if anyone is interested. Branigan and Fisher expressed a desire to attend, and the Commissioners felt that would be good representation. CDD staff will make the arrangements.

G. Unfinished Business.

1. Update on status of City's applications for the Urban Growth Boundary amendment and the Transportation System Plan amendment considered at public hearings before the Lincoln County Planning Commission. Tokos said that the reason the Planning Commission did not hold a meeting on July 22nd was because the Lincoln County Planning Commission held a meeting, and Tokos had to attend because both City issues were on their agenda. Tokos noted that both actions were recommended favorably to the County Board of Commissioners for adoption. He said that the County didn't make changes to the UGB expansion. They did tweak the language on the TSP, but specific to the County and how they implement. It had to do with the role of their conditional use permit that applies to land within the UGB. He said it was pretty minor. He has inquired, but has not received word of when the Board of Commissioners will be considering action. He assumes there will be approval there as well. For the UGB expansion, following Board of Commissioner approval, it will go to DLCD for acknowledgement, which he assumes there will be. At the County Planning Commission level, the 1000 Friends of Oregon weighed in with support. ORCA, which was one of the appellants to the Teevin Bros. log yard, weighed in with support also. DLCD changed from a neutral stance to support. Tokos said it is just a matter of time to get this acknowledged. As soon as the County adopts the TSP, it will go to the Oregon Transportation System; and he said that he knows that ODOT is anxious to get there

H. Director's Comments.

1. Update on Teevin Bros. appeal. Tokos said that we are still waiting for word from LUBA that the record has been finally settled and what the briefing schedule is for the appellant and the respondent. Fisher asked if LUBA will be actually looking at the documents and rule on the record or if they could actually have hearings. Tokos said that LUBA is limited to the record. The nature of their hearings is that is where the attorneys get to argue what is in the record and why it should be compelling one way or the other. He said that once we get the brief from the appellant, we will know what they are arguing. But, until we get the briefing schedule from LUBA, we don't know what the schedule will be. Notice will be given that everybody accepts what is in the record, and after that nobody can say there are other documents that should be in there. The appellant provides their documents, and we will have an opportunity to respond. That is where the City Council will have to decide how active it wants to be in this. Does it want Teevin's attorneys to handle the substantive stuff and the City will deal with the procedural stuff; that conversation still has to be had. Tokos said that this appeal is not the only thing Teevin is working on. He hasn't heard anything new in terms of the lease agreement.

2. Infrastructure Task Force. Tokos noted that an Infrastructure Task Force has been formed largely with City Council and Budget Committee members and representatives of Finance, Tokos, and Tim Gross. The task force will be meeting half a dozen times between now and November to come up with a recommendation on how the City might adjust how it does business to come up with better funding for infrastructure. Tokos said this came about following discussion regarding rate increases. The idea of this committee was to expand this to a broader conversation to infrastructure generally to include not only water, sewer, and storm water, but also parks, and buildings; the full scope of things that the City has an obligation to maintain and what funding sources it is using. Tokos said the group has put together a good schedule for working through those issues and having a recommendation coming out at the end of the year. He noted that some actions may come down to the Planning Commission to work through.

Croteau noted that last week there was an article about the dams in the newspaper that he thought made it sound like it was based on new information. Tokos thought this was old news being rehashed somewhat. The state engineer responsible for dam inspections shared with the City Council what he had shared with Tim Gross that we have to take a harder look at this. Tokos said that he believes this was information already shared with the Public Works Director and that he tried to share with the Planning Commission on why this project is important. He doesn't know that it was presented directly to the Council by Gross as it was by the state engineer. That is why the article ran. Tokos noted that the City just accepted the proposal from HDR to do the more-detailed analysis that will get at further design problems and potentially solutions.

I. Adjournment. Having no further business to discuss, the meeting adjourned at 7:22 p.m.

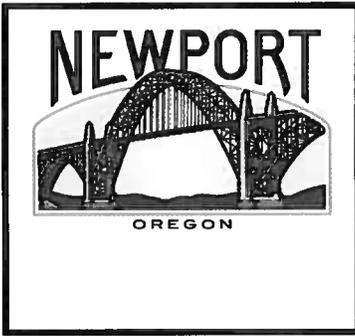
Respectfully submitted,

Wanda Haney
Executive Assistant

**CITY OF NEWPORT
NOTICE OF A PUBLIC HEARING**

The Newport City Council will hold a public hearing on Tuesday (*because of the Monday holiday*), September 3, 2013, at 7:00 p.m. in the City Hall Council Chambers to consider File No. 2-Z-13. The request is for legislative text amendments to Chapter 14. 6 (Manufactured Dwellings and Recreational Vehicles) of the Newport Municipal Code to replace fixed minimum lot size and minimum acreage requirements for manufactured dwelling parks with maximum density and minimum common open space benchmarks. The changes should make it easier for manufactured dwelling parks to provide space for smaller units such as park models or recreational vehicles. The amendments also clarify that recreational vehicles may be used as a place of habitation within manufactured dwelling or RV parks. Pursuant to Newport Municipal Code (NMC) Section 14.36.010, the Commission must find that the change is required by public necessity and the general welfare of the community. Testimony and evidence must be directed toward the request above or other criteria, including criteria within the Comprehensive Plan and its implementing ordinances, which the person believes to apply to the decision. Failure to raise an issue with sufficient specificity to afford the city and the parties an opportunity to respond to that issue precludes an appeal, including to the Land Use Board of Appeals, based on that issue. Testimony may be submitted in written or oral form. Oral testimony and written testimony will be taken during the course of the public hearing. The hearing may include a report by staff, testimony from the applicant and proponents, testimony from opponents, rebuttal by the applicant, and questions and deliberation by the City Council. Written testimony sent to the Community Development (Planning) Department, City Hall, 169 SW Coast Hwy, Newport, OR 97365, must be received by 5:00 p.m. the day of the hearing to be included as part of the hearing or must be personally presented during testimony at the public hearing. The proposed code amendments, additional material for the amendments, and any other material in the file may be reviewed or a copy purchased at the Newport Community Development Department (address above). Contact Derrick Tokos, Community Development Director (541) 574-0626 (address above).

(FOR PUBLICATION ONCE ON FRIDAY, AUGUST 23, 2013)



Agenda Item # IX.A.
Meeting Date Sept 6, 2013

CITY OF NEWPORT
AGENDA ITEM SUMMARY
City of Newport, Oregon

Issue/Agenda Title: Approval of FAA Grant Offer AIP Project Number 3-41-0040-022-2013.

Prepared By: Melissa Román Dept Head Approval: _____ City Mgr Approval: _____

Issue Before the Council:

Approval of FAA Grant for AIP Project Number 3-41-0040-022-2013

Staff Recommendation:

Staff recommends accepting Approval of FAA Grant for AIP Project Number 3-41-0040-022-2013 for \$1,860,854.00

Proposed Motions:

I move to approve acceptance of the FAA Grant for AIP Project Number 3-41-0040-022-2013 for \$1,860,854.00, and authorize the City of Newport to supply matching funds of \$186,086.00.

Key Facts and Information Summary:

With approval of FAA Grants for AIP projects 20 and 21, the predesign and design of the Runway 16-34 Rehabilitation Project have been completed. In anticipation of this grant, the design and search for a new ARFF Truck is also complete. The City has issued a Notice of Intent to Award to the apparent low bidders in both the RW 16-34 Rehabilitation Project solicitation and the ARFF Truck/Equipment Solicitations. The Grant for AIP Project Number 3-41-0040-022-2013 completes the financing requirements for all projects within this scope, including the unexpected Wildlife Hazard Study recently required by the FAA.

Other Alternatives Considered:

No other alternatives have been considered. Without this grant there isn't funding to complete the RW 16-34 Rehabilitation Project, purchase a new ARFF Truck, purchase equipment for the ARFF Truck or replace the existing generator.

City Council Goals:

Airport, Fiscal Year 13/14, (A) Replace AARF truck; (B) Complete Runway 16-34 Rehabilitation Project

Attachment List:

N/A

Fiscal Notes:

Money for the City's 10% Match (\$186,086.00) has already been calculated in the airport budget.



Agenda Item #: IX.B.
Meeting Date: 9/3/13

CITY COUNCIL AGENDA ITEM SUMMARY
City Of Newport, Oregon

Issue/Agenda Title: Consideration of Award for CBS Outdoor Billboards

Prepared By: Breves Dept Head Approval: _____ City Mgr Approval: TS

Issue Before the Council: The issue before Council is the consideration of three billboards located in Woodburn, Grande Ronde and Newberg. A proposal was submitted by CBS Outdoor, and reviewed and recommended by the Destination Newport Committee.

Staff Recommendation: The current procedure requires a recommendation from the Destination Newport Committee to the City Council. The DNC is forwarding a positive recommendation to enter into agreement with CBS Outdoor for three billboards located in Woodburn, Grande Ronde and Newberg for a total cost of \$56,600 including production cost.

Proposed Motion: I move to approve the billboards in Woodburn, Grande Ronde and Newberg with CBS Outdoor Advertising in the amount of \$56,600.

Key Facts and Information Summary: CBS Outdoor proposed three billboards the first located in Woodburn on the I-5 .32 miles south of exit 278 for 12/16/13 through 6/29/14 at a cost of \$24,500. The second billboard is located in Grande Ronde on Highway 18 310 feet west of Ford Road for 11/18/13 through 11/16/14 at a cost of \$14,300. The third billboard is located in Newberg on Highway 99 45 feet south of 2nd Way for 3/3/14 through 3/1/15 at a cost of \$14,300. The production cost for all three billboards is \$3,500. Therefore the total for all three billboards and production costs is \$56,600. The DNC is limiting the outdoor media focus to a few well-placed billboards this year. The DNC believes that these billboards offer the best location to reach the clientele that will visit Newport.

Other Alternatives Considered: The DNC considered all outdoor billboards available from OnDisplay, Meadow and CBS before deciding on these three billboards offered by CBS Outdoor.

City Council Goals: The request does not address a specific City Council goal.

Attachment List: Attached is the order and agreements for the billboards costs.

Fiscal Notes: If approved, this funding would come from budgeted marketing and advertising monies in the Room Tax Fund from 2013-2014 FY.

ADVERTISER AGREEMENT



CBS Outdoor
135 Silver Lane, Suite 230
Eugene, OR 97404
(541) 607-9355
(541) 607-9384

CONTRACT NO.: 1496782

DATE: 08/26/13

ADVERTISER: Visit Newport/Visit Newport

SALESPERSON: Leigh Delmont (169)

Client Supplies Production: No

Copy must meet Production specifications and be received 10 working days prior to each advertising period.
THIS AGREEMENT AND THE COPY TO BE DISPLAYED HEREUNDER IS SUBJECT TO THE APPROVAL OF CBS OUTDOOR'S
MARKET GENERAL MANAGER AND THE OWNER OF THE LOCATION AS APPLICABLE

ADVERTISER
City of Newport
169 Coast Hwy
Newport, OR 97365
541-574-0603
Attn: Ted Smith

Subject to the terms of the Production Information Addendum Page and the CBS Outdoor Terms and Conditions of Advertising Service each attached hereto and made a part hereof, "ADVERTISER/AGENCY" hereby contracts with CBS Outdoor ("Company") for the display of advertising Copy ("Copy") on the outdoor advertising display(s) described below, commencing approximately on the commencement date of the Advertising Period listed below. Advertiser/Agency shall provide the Copy in the form and type specified by Company.
See Production Information Addendum page for shipping quantities and addresses.

Market	Media/Location(s)	Size	GRP/IMP 18+	Units	Advertising Period	No. of Periods	*	Period Cost
Oregon	Bulletins/Woodburn/Unit# 6305A-O W/L 1-5 .32 MI S/O EXIT 278 EHLEN RD NE N FN	12"x44"	281,138	1	12/16/13-06/29/14	7.00	OT	\$24,500.00

Special Instructions:

Net Agreement Total: \$24,500.00

THIS AGREEMENT IS NON-CANCELABLE BY ADVERTISER/AGENCY EXCEPT AS SET FORTH IN THE TERMS AND CONDITIONS ATTACHED HERETO WITH RESPECT TO TRANSIT DISPLAYS ONLY. THIS AGREEMENT CONSISTS OF THIS PAGE, THE PRODUCTION INFORMATION ADDENDUM PAGE, AND THE CBS OUTDOOR TERMS AND CONDITIONS OF ADVERTISING SERVICE INCORPORATED HEREIN, ALL OF WHICH ADVERTISER/AGENCY HEREBY ACKNOWLEDGES RECEIVING AND APPROVING. ANY MISSING PAGES OF THIS AGREEMENT MAY BE OBTAINED OR REQUESTED THROUGH ANY CBS OUTDOOR OFFICE OR REPRESENTATIVE IF LOST OR NOT RECEIVED BY ADVERTISER/AGENCY. FACSIMILE SIGNATURES SHALL HAVE THE SAME FORCE AND EFFECT AS ORIGINAL SIGNATURES. THIS AGREEMENT MAY BE EXECUTED IN SEVERAL COUNTERTYPES, EACH OF WHICH SHALL CONSTITUTE ONE AND THE SAME COPY. AGENCY AND/OR THE SIGNATORY HERETO REPRESENTS AND WARRANTS THAT THEY ARE AUTHORIZED TO EXECUTE THE SAME ON BEHALF OF AND BIND THE ADVERTISER AND THAT THE ADVERTISER APPROVES SAME.

ACCEPTED AND AGREED TO BY - CBS OUTDOOR

ADVERTISER/AGENCY

AUTHORIZED SIGNATURE - TITLE

BY _____ DATE _____

PLEASE PRINT

NAME - TITLE

DATE

* Period Codes: M=Monthly; W=Weekly; 4W=4 Weeks; D=Daily; OT=One Time TF=Till Forbid

ADVERTISER AGREEMENT - PRODUCTION INFORMATION ADDENDUM



ADVERTISER
 City of Newport
 169 Coast Hwy
 Newport, OR 97365
 541-574-0603
 Attn: Ted Smith

CONTRACT NO.: 1496782

DATE: 08/26/13

ADVERTISER: Visit Newport/Visit Newport

SALESPERSON: Leigh Deinet (169)

Copy must meet Production specifications and be received 10 working days prior to each advertising period.
 THIS AGREEMENT AND THE COPY TO BE DISPLAYED HEREUNDER IS SUBJECT TO THE APPROVAL OF CBS OUTDOORS
 MARKET GENERAL MANAGER AND THE OWNER OF THE LOCATION AS APPLICABLE

Market	Media/Location(s)	Size	Copy Due Date	Shipping Quantity	Shipping Address	Service AE	Ext. Fab Per Sq Ft
Oregon	Bulletins/Woodburn/Unit# 6305A-O W/L 1-5 .32 MI S/O EXIT 278 EHLEN RD NE N F/N	12'x44'	12/02/13	1	Webfoot Enterprises, LLC 83815 S. Morningstar Creswell, OR 97426 541-895-4275 Attn: Sam Schartz		

CBS OUTDOOR TERMS AND CONDITIONS OF ADVERTISING SERVICE

1. As used in this herein, Company shall mean CBS Outdoor and Advertiser shall mean and be deemed to include, in addition to Advertiser, any advertising agency or any other agent or licensee of Advertiser (collectively "Advertiser").
2. At least ten (10) working days before the estimated start date, Advertiser, at its sole expense, shall furnish and deliver to Company or to service points designated by Company, sufficient supply of advertising copy, in form and type specified by Company along with written notice to Company setting forth required posting instructions. If copy is not so received, a loss of service may occur or additional costs may be charged by Company although commercially reasonable efforts will be used to post copy as promptly as practicable after receipt from Advertiser. If Advertiser requests expedited installation within five working days of receipt of late received copy, a fee of not less than \$650 per location will be payable. In any event, if copy is not received in a timely manner, Company may use subject locations in any manner, without limiting Advertiser's liability to pay for such space prior to posting the late received copy. If Copy is furnished and delivered as required above and such Copy is not rejected by Company pursuant to the terms hereof (i) the Copy shall be posted, and (ii) in the case of showing based programs the Copy shall be Significantly Posted (as hereinafter defined) by Company within five (5) working days of the date for the commencement of the Advertising Period set forth on the first page of this Agreement. For the purposes hereof, a program shall be deemed to be Significantly Posted if at least 85% of the program has been posted. Nudity, pornographic, profane or obscene copy shall not be permitted. The character, design, text and illustrations on advertising copy and the material used shall be subject to approval by Company and by location owner, transit company/authority or third party controlling location ("Owner"). If copy is rejected, Advertiser shall continue to be liable for the full term of this Contract and Advertiser shall be responsible for providing an acceptable replacement copy within ten days of notification that a previous copy was rejected. If production is received after the date specified by Company, Company shall be entitled to full payment for the contract period even if partial or no display results. Advertiser shall indemnify, defend and save harmless Company and Owner against all claims and liabilities arising out of the advertising material displayed under this Contract, including but not limited to any claim for defamation, or infringement of any copyright, trademark, or other intellectual property or privacy right and reasonable attorneys' fees and expenses incurred in defending any such claims.
3. Should Advertiser's copy be damaged, defaced, or deteriorated for any reason whatsoever, including ordinary wear and tear, or if lost or stolen, Advertiser shall furnish a replacement copy, upon Company's request, without liability or expense to Company. If Advertiser fails to provide such replacement copy, Company may use the location involved in any manner, without releasing Advertiser from obligation to pay for such location. Unless otherwise specified on the face hereof, there will be a service charge for all installations on walls and for any changes in any display material after initial placement. All designs for displays produced by Company will be faithfully reproduced. Company will maintain displays in good condition to the extent of matters reasonably within Company's control or assumed responsibilities. Any repainting or reposting requested by Advertiser in addition to that specified herein, if any, shall be paid by Advertiser in advance per Company's current quoted prices.
4. If for any reason whatsoever during the term hereof (i) Company is unable to secure any specified location or loses the right to use any location, or (ii) any location becomes obstructed, destroyed or defaced, or (iii) Company fails to timely meet its posting requirements hereunder, any resulting loss of advertising shall not be deemed a breach or termination of this Contract. Company shall have the option to replace lost locations with locations of equal value per Company's prices and/or classifications, or to issue a pro-rated credit. Any delay in commencing of service and/or posting of fewer locations than specified and/or resulting loss of advertising service caused by any reason whatsoever, shall not render Company liable for any damages or offsets of any kind and shall be remedied solely by extending the Advertising Period of this Contract to provide an equivalent amount of advertising service at the contracted location or a replacement location of equal value, or at Company's option, result in a pro-rated credit, with all other remedies at law or equity being expressly waived by Advertiser. Notwithstanding anything contained herein to the contrary, if any location is lost for any reason whatsoever, Company shall also have the option to terminate this Contract and receive payment in full for services through the termination date.
5. Where illuminated displays are provided, illumination will be from dusk to midnight. If illumination is halted or reduced for any reason, including but not limited to operation of law or malfunction of equipment, Advertiser shall receive a credit for the period of reduced or non-illumination at the rate of fifteen percent (15%) of the contract price for the impacted period, provided Advertiser shall have first given written notice to Company of the illumination problem and same continues for more than five (5) days after Company's receipt of such notice.
6. Advertiser shall inspect the display within three (3) days after installation. Unless within such period Advertiser gives written notice to Company specifying any defect, the display shall be conclusively presumed to have been inspected and approved by Advertiser for all purposes whatsoever, including content and location of displays. If after installation of display Owner disapproves any advertisement, or if adverse publicity results from any display, Company shall have the right to remove advertisement and, at its option, either terminate this Contract or request a new acceptable advertisement copy pursuant to paragraph 2 above. Company and Advertiser accept this Contract subject to all federal, state and municipal laws and regulations. In the event any advertisement becomes illegal, Company reserves the right to terminate same upon notice to Advertiser. Acceptance of this Contract is subject to credit check and approval by Company. Company, in its sole discretion, may extend or reject credit, or at any time during the term, withdraw credit and Company may thereupon require partial or full payment of the remaining contract amount in advance. In the event of any termination under this paragraph, Advertiser's obligation shall cease as of the effective termination date.
7. Agency and Advertiser shall be jointly and severally liable for payment of the amounts owed under this Contract. In the event of default or material breach by Advertiser/Agency, in addition to other remedies available at law, Company may: (a) cancel this Contract without prior notice and demand payments of all amounts remaining due and owing; (b) without terminating this Contract, declare the entire balance of payments to be made hereunder immediately due and payable; (c) remove all of Advertiser's displays without limiting Advertiser's liability hereunder; and/or (d) declare Advertiser in default under any other agreement with Company. Waiver by Company of any breach by Advertiser/Agency hereunder shall not prejudice the rights of Company with respect to any breach not specifically waived by Company. In the event of legal action arising out of this Contract, Company shall be entitled to recover its reasonable attorneys' fees and out of pocket expenses. This Contract and all related claims shall be construed according to the laws of the State of Arizona and Maricopa County, Arizona shall be the proper and exclusive legal jurisdiction and venue for any resulting legal action.
8. Invoicing will be rendered monthly in advance dating from the commencement date. Invoices rendered to Advertiser shall be conclusive as to the correctness of the items stated unless Company receives written objection within fifteen (15) days thereof. Non-receipt of invoices or lack of invoicing, shall not impact Advertiser's liability hereunder. Any discounts given shall be forfeited/reversed for invoices not paid within sixty (60) days from the date thereof. All rates and adjustments are computed on the basis of thirty (30) days to the month, unless a different period is specified on the face hereof. Invoices shall be due thirty (30) days after the date of invoice and failure to pay within such timeframe shall result in a default hereunder and shall further be deemed a default under any other agreements with Company. Invoices not paid when due shall accrue interest at the rate of one and one-half percent (1.5%) per month (18% annual), or such lesser rate permitted by law.
9. Company shall not be held responsible for unused posters, displays or other copy provided by Advertiser and Company may dispose of any such materials. Company may promote Company's own business through the use of Advertiser's posters or displays in any manner whatsoever. Company is an Equal Opportunity Employer.
10. This Contract contains the full agreement of the parties, and no prior representation or assurance, verbal or written not contained herein, shall affect or alter the obligation of either party hereto. This Contract is not cancelable or assignable by Advertiser, nor may the subject of the advertising be changed without the consent of Company. Notwithstanding the foregoing, agreements for transit displays may be cancelled by Advertiser upon providing at least 90-days written notice prior to affected posting date, with Advertiser paying, upon invoicing, short rate for actual length of term.
11. The following provisions shall be applicable in the event that this Contract shall be for the display of advertising copy on a LED, LCD or other digital display sign ("Digital Sign"): Notwithstanding anything herein to the contrary, the Company shall be not obligated to display the copy for more than 91% of the display time provided hereunder (the "Guaranteed Display Time"). If the Company displays the copy for at least the Guaranteed Display time, there shall be no reduction in the fee paid hereunder or extension of the term hereof. If the Company displays the copy for less than the Guaranteed Display Time, the Company shall, in its sole discretion, either (i) terminate this Contract and reimburse the Advertiser for fees paid relating to the period for which the copy was not displayed for at least the Guaranteed Display Time, (ii) equitably extend the Advertising Period of this Contract at the contracted location or a replacement location of equal value, or (iii) issue to Advertiser a pro-rated credit for advertising services equivalent to the period for which copy was not displayed for the Guaranteed Display Time. The Advertiser hereby expressly waives all other remedies at law or equity, and the Company shall have no other liability to the Advertiser as a result of any failure to display the copy for at least the Guaranteed Display Time. In addition to the foregoing, the Company shall have the right at any time to preempt the display of copy in order to utilize the Digital Sign(s) for public service messages in connection with (i) an Amber Alert, or (ii) at the request of any Federal, State or local authority, any public emergency (including but not limited to emergencies related to homeland security) (an "Emergency Interruption"). In such event, the Company shall not be in breach of this Contract and the Company shall have no liability to the Advertiser pursuant to the preceding paragraph or otherwise as a result of any such Emergency Interruption. The Advertiser hereby expressly waives any remedies at law or equity to which the Advertiser might otherwise be entitled as a result of such Emergency Interruption. For the purposes of the provisions hereof pertaining to the display of advertising on a Digital Sign, "copy" shall be deemed to mean any advertisement displayed on such sign whether the same is animated, static or otherwise, specifically including, but not limited to, streaming content or digital images, as applicable.
12. Agency/Advertiser hereby represents, warrants and confirms that it is aware of the requirements of 18 U.S.C. §§ 2257-2257A and that it fully complies with them either by certifying to the U.S. Attorney General, in the form required by 28 C.F.R. § 75.9, that Agency/Advertiser collects and maintains individually identifiable information relating to models used in the advertisement to be displayed pursuant to the terms hereof (including but not limited to their names, addresses, and dates of birth) in accordance with applicable Federal and/or State tax and labor or other law, or that Agency/Advertiser creates, maintains, cross-indexes and makes available for inspection records as required by 28 C.F.R. §§ 75.2-75.5. Upon request, Agency/Advertiser will provide Company with proof of its compliance.

ADVERTISER AGREEMENT



CBS Outdoor
135 Silver Lane, Suite 230
Eugene, OR 97404
(541) 607-9355
(541) 607-9384

CONTRACT NO.: 1496755

DATE: 08/26/13

ADVERTISER: City of Newport/City of Newport

SALESPERSON: Leigh Deinet (169)

Client Supplies Production: No

Copy must meet Production specifications and be received 10 working days prior to each advertising period.
THIS AGREEMENT AND THE COPY TO BE DISPLAYED HEREUNDER IS SUBJECT TO THE APPROVAL OF CBS OUTDOORS
MARKET GENERAL MANAGER AND THE OWNER OF THE LOCATION AS APPLICABLE

ADVERTISER
City of Newport
169 Coast Hwy
Newport, OR 97365
541-574-0603
Attn: Ted Smith

Subject to the terms of the Production Information Addendum Page and the CBS Outdoor Terms and Conditions of Advertising Service each attached hereto and made a part hereof, "ADVERTISER/AGENCY" hereby contracts with CBS Outdoor ("Company") for the display of advertising Copy ("Copy") on the outdoor advertising display(s) described below, commencing approximately on the commencement date of the Advertising Period listed below. Advertiser/Agency shall provide the Copy in the form and type specified by Company.
See Production Information Addendum page for shipping quantities and addresses.

Market	Media/Location(s)	Size	GRP/IMP 18+	Units	Advertising Period	No. of Periods	*	Period Cost
Oregon	Bulletins/Grand Ronde/Unit# 17613B-O N/L HWY 18 310 FT W/O FORD RD E F/E	12"x48"	33,184	1	11/18/13-11/16/14	13.00	OT	\$14,300.00

Special Instructions:

Net Agreement Total: \$14,300.00

THIS AGREEMENT IS NON-CANCELABLE BY ADVERTISER/AGENCY EXCEPT AS SET FORTH IN THE TERMS AND CONDITIONS ATTACHED HERETO WITH RESPECT TO TRANSIT DISPLAYS ONLY. THIS AGREEMENT CONSISTS OF THIS PAGE, THE PRODUCTION INFORMATION ADDENDUM PAGE, AND THE CBS OUTDOOR TERMS AND CONDITIONS OF ADVERTISING SERVICE INCORPORATED HEREIN, ALL OF WHICH ADVERTISER/AGENCY HEREBY ACKNOWLEDGES RECEIVING AND APPROVING. ANY MISSING PAGES OF THIS AGREEMENT MAY BE OBTAINED OR REQUESTED THROUGH ANY CBS OUTDOOR OFFICE OR REPRESENTATIVE IF LOST OR NOT RECEIVED BY ADVERTISER/AGENCY. FACSIMILE SIGNATURES SHALL HAVE THE SAME FORCE AND EFFECT AS ORIGINAL SIGNATURES. THIS AGREEMENT MAY BE EXECUTED IN SEVERAL COUNTYPARTS, EACH OF WHICH SHALL CONSTITUTE ONE AND THE SAME COPY. AGENCY AND/OR THE SIGNATORY HERETO REPRESENTS AND WARRANTS THAT THEY ARE AUTHORIZED TO EXECUTE THE SAME ON BEHALF OF AND BIND THE ADVERTISER AND THAT THE ADVERTISER APPROVES SAME.

ACCEPTED AND AGREED TO BY - CBS OUTDOOR

ADVERTISER/AGENCY

AUTHORIZED SIGNATURE - TITLE

BY _____ DATE _____

PLEASE PRINT

NAME - TITLE

DATE _____

* Period Codes: M=Monthly; W=Weekly; 4W=4 Weeks; D=Daily; OT=One Time TF=Till Forbid

ADVERTISER AGREEMENT - PRODUCTION INFORMATION ADDENDUM



ADVERTISER
 City of Newport
 169 Coast Hwy
 Newport, OR 97365
 541-574-0603
 Attn: Ted Smith

CONTRACT NO.: 1496755

DATE: 08/26/13

ADVERTISER: City of Newport/City of Newport

SALESPERSON: Leigh Deibert (169)

Copy must meet Production specifications and be received 10 working days prior to each advertising period.
 THIS AGREEMENT AND THE COPY TO BE DISPLAYED HEREUNDER IS SUBJECT TO THE APPROVAL OF CBS OUTDOOR'S
 MARKET GENERAL MANAGER AND THE OWNER OF THE LOCATION AS APPLICABLE

Market	Media/Location(s)	Size	Copy Due Date	Shipping Quantity	Shipping Address	Service AE	Ext. Fab Per Sq Ft
Oregon	Bulletins/Grand Ronde/Unit# 17613B-O N/L HWY 18 310 FT W/O FORD RD E F/E	12"x48"	11/04/13	1	Webfoot Enterprises, LLC 83815 S. Morningstar Creswell, OR 97426 541-895-4275 Attn: Sam Schauz		

CBS OUTDOOR TERMS AND CONDITIONS OF ADVERTISING SERVICE

1. As used in this herein, Company shall mean CBS Outdoor and Advertiser shall mean and be deemed to include, in addition to Advertiser, any advertising agency or any other agent or licensee of Advertiser (collectively "Advertiser").
2. At least ten (10) working days before the estimated start date, Advertiser, at its sole expense, shall furnish and deliver to Company or to service points designated by Company, sufficient supply of advertising copy, in form and type specified by Company along with written notice to Company setting forth required posting instructions. If copy is not so received, a loss of service may occur or additional costs may be charged by Company although commercially reasonable efforts will be used to post copy as promptly as practicable after receipt from Advertiser. If Advertiser requests expedited installation within five working days of receipt of late received copy, a fee of not less than \$650 per location will be payable. In any event, if copy is not received in a timely manner, Company may use subject locations in any manner, without limiting Advertiser's liability to pay for such space prior to posting the late received copy. If Copy is furnished and delivered as required above and such Copy is not rejected by Company pursuant to the terms hereof (i) the Copy shall be posted, and (ii) in the case of showing based programs the Copy shall be Significantly Posted (as hereinafter defined) by Company within five (5) working days of the date for the commencement of the Advertising Period set forth on the first page of this Agreement. For the purposes hereof, a program shall be deemed to be Significantly Posted if at least 85% of the program has been posted. Nudity, pornographic, profane or obscene copy shall not be permitted. The character, design, text and illustrations on advertising copy and the material used shall be subject to approval by Company and by location owner, transit company/authority or third party controlling location ("Owner"). If copy is rejected, Advertiser shall continue to be liable for the full term of this Contract and Advertiser shall be responsible for providing an acceptable replacement copy within ten days of notification that a previous copy was rejected. If production is received after the date specified by Company, Company shall be entitled to full payment for the contract period even if partial or no display results. Advertiser shall indemnify, defend and save harmless Company and Owner against all claims and liabilities arising out of the advertising material displayed under this Contract, including but not limited to any claim for defamation, or infringement of any copyright, trademark, or other intellectual property or privacy right and reasonable attorneys' fees and expenses incurred in defending any such claims.
3. Should Advertiser's copy be damaged, defaced, or deteriorated for any reason whatsoever, including ordinary wear and tear, or if lost or stolen, Advertiser shall furnish a replacement copy, upon Company's request, without liability or expense to Company. If Advertiser fails to provide such replacement copy, Company may use the location involved in any manner, without releasing Advertiser from obligation to pay for such location. Unless otherwise specified on the face hereof, there will be a service charge for all installations on walls and for any changes in any display material after initial placement. All designs for displays produced by Company will be faithfully reproduced. Company will maintain displays in good condition to the extent of matters reasonably within Company's control or assumed responsibilities. Any repainting or reposting requested by Advertiser in addition to that specified herein, if any, shall be paid by Advertiser in advance per Company's current quoted prices.
4. If for any reason whatsoever during the term hereof (i) Company is unable to secure any specified location or loses the right to use any location, or (ii) any location becomes obstructed, destroyed or defaced, or (iii) Company fails to timely meet its posting requirements hereunder, any resulting loss of advertising shall not be deemed a breach or termination of this Contract. Company shall have the option to replace lost locations with locations of equal value per Company's prices and/or classifications, or to issue a pro-rated credit. Any delay in commencing of service and/or posting of fewer locations than specified and/or resulting loss of advertising service caused by any reason whatsoever, shall not render Company liable for any damages or offsets of any kind and shall be remedied solely by extending the Advertising Period of this Contract to provide an equivalent amount of advertising service at the contracted location or a replacement location of equal value, or at Company's option, result in a pro-rated credit, with all other remedies at law or equity being expressly waived by Advertiser. Notwithstanding anything contained herein to the contrary, if any location is lost for any reason whatsoever, Company shall also have the option to terminate this Contract and receive payment in full for services through the termination date.
5. Where illuminated displays are provided, illumination will be from dusk to midnight. If illumination is halted or reduced for any reason, including but not limited to operation of law or malfunction of equipment, Advertiser shall receive a credit for the period of reduced or non-illumination at the rate of fifteen percent (15%) of the contract price for the impacted period, provided Advertiser shall have first given written notice to Company of the illumination problem and same continues for more than five (5) days after Company's receipt of such notice.
6. Advertiser shall inspect the display within three (3) days after installation. Unless within such period Advertiser gives written notice to Company specifying any defect, the display shall be conclusively presumed to have been inspected and approved by Advertiser for all purposes whatsoever, including content and location of displays. If after installation of display Owner disapproves any advertisement, or if adverse publicity results from any display, Company shall have the right to remove advertisement and, at its option, either terminate this Contract or request a new acceptable advertisement copy pursuant to paragraph 2 above. Company and Advertiser accept this Contract subject to all federal, state and municipal laws and regulations. In the event any advertisement becomes illegal, Company reserves the right to terminate same upon notice to Advertiser. Acceptance of this Contract is subject to credit check and approval by Company. Company, in its sole discretion, may extend or reject credit, or at any time during the term, withdraw credit and Company may thereupon require partial or full payment of the remaining contract amount in advance. In the event of any termination under this paragraph, Advertiser's obligation shall cease as of the effective termination date.
7. Agency and Advertiser shall be jointly and severally liable for payment of the amounts owed under this Contract. In the event of default or material breach by Advertiser/Agency, in addition to other remedies available at law, Company may: (a) cancel this Contract without prior notice and demand payments of all amounts remaining due and owing; (b) without terminating this Contract, declare the entire balance of payments to be made hereunder immediately due and payable; (c) remove all of Advertiser's displays without limiting Advertiser's liability hereunder; and/or (d) declare Advertiser in default under any other agreement with Company. Waiver by Company of any breach by Advertiser/Agency hereunder shall not prejudice the rights of Company with respect to any breach not specifically waived by Company. In the event of legal action arising out of this Contract, Company shall be entitled to recover its reasonable attorneys' fees and out of pocket expenses. This Contract and all related claims shall be construed according to the laws of the State of Arizona and Maricopa County, Arizona shall be the proper and exclusive legal jurisdiction and venue for any resulting legal action.
8. Invoicing will be rendered monthly in advance dating from the commencement date. Invoices rendered to Advertiser shall be conclusive as to the correctness of the items stated unless Company receives written objection within fifteen (15) days thereof. Non-receipt of invoices or lack of invoicing, shall not impact Advertiser's liability hereunder. Any discounts given shall be forfeited/reversed for invoices not paid within sixty (60) days from the date thereof. All rates and adjustments are computed on the basis of thirty (30) days to the month, unless a different period is specified on the face hereof. Invoices shall be due thirty (30) days after the date of invoice and failure to pay within such timeframe shall result in a default hereunder and shall further be deemed a default under any other agreements with Company. Invoices not paid when due shall accrue interest at the rate of one and one-half percent (1.5%) per month (18% annual), or such lesser rate permitted by law.
9. Company shall not be held responsible for unused posters, displays or other copy provided by Advertiser and Company may dispose of any such materials. Company may promote Company's own business through the use of Advertiser's posters or displays in any manner whatsoever. Company is an Equal Opportunity Employer.
10. This Contract contains the full agreement of the parties, and no prior representation or assurance, verbal or written not contained herein, shall affect or alter the obligation of either party hereto. This Contract is not cancelable or assignable by Advertiser, nor may the subject of the advertising be changed without the consent of Company. Notwithstanding the foregoing, agreements for transit displays may be cancelled by Advertiser upon providing at least 90-days written notice prior to affected posting date, with Advertiser paying, upon invoicing, short rate for actual length of term.
11. The following provisions shall be applicable in the event that this Contract shall be for the display of advertising copy on a LED, LCD or other digital display sign ("Digital Sign"): Notwithstanding anything herein to the contrary, the Company shall be not obligated to display the copy for more than 91% of the display time provided hereunder (the "Guaranteed Display Time"). If the Company displays the copy for at least the Guaranteed Display time, there shall be no reduction in the fee paid hereunder or extension of the term hereof. If the Company displays the copy for less than the Guaranteed Display Time, the Company shall, in its sole discretion, either (i) terminate this Contract and reimburse the Advertiser for fees paid relating to the period for which the copy was not displayed for at least the Guaranteed Display Time, (ii) equitably extend the Advertising Period of this Contract at the contracted location or a replacement location of equal value, or (iii) issue to Advertiser a pro-rated credit for advertising services equivalent to the period for which copy was not displayed for the Guaranteed Display Time. The Advertiser hereby expressly waives all other remedies at law or equity, and the Company shall have no other liability to the Advertiser as a result of any failure to display the copy for at least the Guaranteed Display Time. In addition to the foregoing, the Company shall have the right at any time to preempt the display of copy in order to utilize the Digital Sign(s) for public service messages in connection with (i) an Amber Alert, or (ii) at the request of any Federal, State or local authority, any public emergency (including but not limited to emergencies related to homeland security) (an "Emergency Interruption"). In such event, the Company shall not be in breach of this Contract and the Company shall have no liability to the Advertiser pursuant to the preceding paragraph or otherwise as a result of any such Emergency Interruption. The Advertiser hereby expressly waives any remedies at law or equity to which the Advertiser might otherwise be entitled as a result of such Emergency Interruption. For the purposes of the provisions hereof pertaining to the display of advertising on a Digital Sign, "copy" shall be deemed to mean any advertisement displayed on such sign whether the same is animated, static or otherwise, specifically including, but not limited to, streaming content or digital images, as applicable.
12. Agency/Advertiser hereby represents, warrants and confirms that it is aware of the requirements of 18 U.S.C. §§ 2257-2257A and that it fully complies with them either by certifying to the U.S. Attorney General, in the form required by 28 C.F.R. § 75.9, that Agency/Advertiser collects and maintains individually identifiable information relating to models used in the advertisement to be displayed pursuant to the terms hereof (including but not limited to their names, addresses, and dates of birth) in accordance with applicable Federal and/or State tax and labor or other law, or that Agency/Advertiser creates, maintains, cross-indexes and makes available for inspection records as required by 28 C.F.R. §§ 75.2-75.5. Upon request, Agency/Advertiser will provide Company with proof of its compliance.

ADVERTISER AGREEMENT



CBS Outdoor
135 Silver Lane, Suite 230
Eugene, OR 97404
(541) 607-9355
(541) 607-9384

CONTRACT NO.: 1496764

DATE: 08/26/13

ADVERTISER: Visit Newport/Visit Newport

SALESPERSON: Leigh Deinet (169)

Client Supplies Production: No

Copy must meet Production specifications and be received 10 working days prior to each advertising period.
THIS AGREEMENT AND THE COPY TO BE DISPLAYED HEREUNDER IS SUBJECT TO THE APPROVAL OF CBS OUTDOORS
MARKET GENERAL MANAGER AND THE OWNER OF THE LOCATION AS APPLICABLE

ADVERTISER
City of Newport
169 Coast Hwy
Newport, OR 97365
541-574-0603
Attn: Ted Smith

Subject to the terms of the Production Information Addendum Page and the CBS Outdoor Terms and Conditions of Advertising Service each attached hereto and made a part hereof, "ADVERTISER/AGENCY" hereby contracts with CBS Outdoor ("Company") for the display of advertising Copy ("Copy") on the outdoor advertising display(s) described below, commencing approximately on the commencement date of the Advertising Period listed below. Advertiser/Agency shall provide the Copy in the form and type specified by Company.
See Production Information Addendum page for shipping quantities and addresses.

Market	Media/Location(s)	Size	GRP/IMP 18+	Units	Advertising Period	No. of Periods	* OT	Period Cost
Oregon	Bulletins/Newberg/Uni# 17505A-O W/L HWY 99 45 FT S/O 2ND WAY N FN	12x24'	86,279	1	03/03/14-03/01/15	13.00	OT	\$14,300.00

Special Instructions:

Net Agreement Total: \$14,300.00

THIS AGREEMENT IS NON-CANCELABLE BY ADVERTISER/AGENCY EXCEPT AS SET FORTH IN THE TERMS AND CONDITIONS ATTACHED HERETO WITH RESPECT TO TRANSIT DISPLAYS ONLY. THIS AGREEMENT CONSISTS OF THIS PAGE, THE PRODUCTION INFORMATION ADDENDUM PAGE, AND THE CBS OUTDOOR TERMS AND CONDITIONS OF ADVERTISING SERVICE INCORPORATED HEREIN, ALL OF WHICH ADVERTISER/AGENCY HEREBY ACKNOWLEDGES RECEIVING AND APPROVING. ANY MISSING PAGES OF THIS AGREEMENT MAY BE OBTAINED OR REQUESTED THROUGH ANY CBS OUTDOOR OFFICE OR REPRESENTATIVE IF LOST OR NOT RECEIVED BY ADVERTISER/AGENCY. FACSIMILE SIGNATURES SHALL HAVE THE SAME FORCE AND EFFECT AS ORIGINAL SIGNATURES. THIS AGREEMENT MAY BE EXECUTED IN SEVERAL COUNTYPARTS, EACH OF WHICH SHALL CONSTITUTE ONE AND THE SAME COPY. AGENCY AND/OR THE SIGNATORY HERETO REPRESENTS AND WARRANTS THAT THEY ARE AUTHORIZED TO EXECUTE THE SAME ON BEHALF OF AND BIND THE ADVERTISER AND THAT THE ADVERTISER APPROVES SAME.

ACCEPTED AND AGREED TO BY - CBS OUTDOOR

ADVERTISER/AGENCY

AUTHORIZED SIGNATURE - TITLE

BY _____ DATE _____

PLEASE PRINT

NAME - TITLE

DATE _____

* Period Codes: M=Monthly; W=Weekly; 4W=4 Weeks; D=Daily; OT=One Time TF=Till Forbid

ADVERTISER AGREEMENT - PRODUCTION INFORMATION ADDENDUM



ADVERTISER
 City of Newport
 169 Coast Hwy
 Newport, OR 97365
 541-574-0603
 Attn: Ted Smith

CONTRACT NO.: 1496764

DATE: 08/26/13

ADVERTISER: Visit Newport/Visit Newport

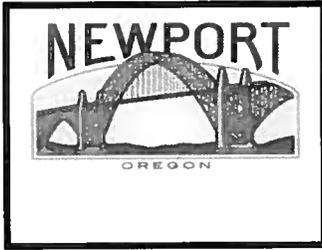
SALESPERSON: Leigh Deinet (169)

Copy must meet Production specifications and be received 10 working days prior to each advertising period.
 THIS AGREEMENT AND THE COPY TO BE DISPLAYED HEREUNDER IS SUBJECT TO THE APPROVAL OF CBS OUTDOORS
 MARKET GENERAL MANAGER AND THE OWNER OF THE LOCATION AS APPLICABLE

Market	Media/Location(s)	Size	Copy Due Date	Shipping Quantity	Shipping Address	Service AE	Est. Fab Per Sq Ft
Oregon	Bulletins/Newberg/Unit# 17505A-O W/L HWY 99 45 FT S/O 2ND WAY N/F/N	12"x24"	02/17/14	1	Webfoot Enterprises, LLC 83815 S. Morningstar Creswell, OR 97426 541-895-4275 Attn: Sam Schartz		

CBS OUTDOOR TERMS AND CONDITIONS OF ADVERTISING SERVICE

1. As used in this herein, Company shall mean CBS Outdoor and Advertiser shall mean and be deemed to include, in addition to Advertiser, any advertising agency or any other agent or licensee of Advertiser (collectively "Advertiser").
2. At least ten (10) working days before the estimated start date, Advertiser, at its sole expense, shall furnish and deliver to Company or to service points designated by Company, sufficient supply of advertising copy, in form and type specified by Company along with written notice to Company setting forth required posting instructions. If copy is not so received, a loss of service may occur or additional costs may be charged by Company although commercially reasonable efforts will be used to post copy as promptly as practicable after receipt from Advertiser. If Advertiser requests expedited installation within five working days of receipt of late received copy, a fee of not less than \$650 per location will be payable. In any event, if copy is not received in a timely manner, Company may use subject locations in any manner, without limiting Advertiser's liability to pay for such space prior to posting the late received copy. If Copy is furnished and delivered as required above and such Copy is not rejected by Company pursuant to the terms hereof (i) the Copy shall be posted, and (ii) in the case of showing based programs the Copy shall be Significantly Posted (as hereinafter defined) by Company within five (5) working days of the date for the commencement of the Advertising Period set forth on the first page of this Agreement. For the purposes hereof, a program shall be deemed to be Significantly Posted if at least 85% of the program has been posted. Nudity, pornographic, profane or obscene copy shall not be permitted. The character, design, text and illustrations on advertising copy and the material used shall be subject to approval by Company and by location owner, transit company/authority or third party controlling location ("Owner"). If copy is rejected, Advertiser shall continue to be liable for the full term of this Contract and Advertiser shall be responsible for providing an acceptable replacement copy within ten days of notification that a previous copy was rejected. If production is received after the date specified by Company, Company shall be entitled to full payment for the contract period even if partial or no display results. Advertiser shall indemnify, defend and save harmless Company and Owner against all claims and liabilities arising out of the advertising material displayed under this Contract, including but not limited to any claim for defamation, or infringement of any copyright, trademark, or other intellectual property or privacy right and reasonable attorneys' fees and expenses incurred in defending any such claims.
3. Should Advertiser's copy be damaged, defaced, or deteriorated for any reason whatsoever, including ordinary wear and tear, or if lost or stolen, Advertiser shall furnish a replacement copy, upon Company's request, without liability or expense to Company. If Advertiser fails to provide such replacement copy, Company may use the location involved in any manner, without releasing Advertiser from obligation to pay for such location. Unless otherwise specified on the face hereof, there will be a service charge for all installations on walls and for any changes in any display material after initial placement. All designs for displays produced by Company will be faithfully reproduced. Company will maintain displays in good condition to the extent of matters reasonably within Company's control or assumed responsibilities. Any repainting or reposting requested by Advertiser in addition to that specified herein, if any, shall be paid by Advertiser in advance per Company's current quoted prices.
4. If for any reason whatsoever during the term hereof (i) Company is unable to secure any specified location or loses the right to use any location, or (ii) any location becomes obstructed, destroyed or defaced, or (iii) Company fails to timely meet its posting requirements hereunder, any resulting loss of advertising shall not be deemed a breach or termination of this Contract. Company shall have the option to replace lost locations with locations of equal value per Company's prices and/or classifications, or to issue a pro-rated credit. Any delay in commencing of service and/or posting of fewer locations than specified and/or resulting loss of advertising service caused by any reason whatsoever, shall not render Company liable for any damages or offsets of any kind and shall be remedied solely by extending the Advertising Period of this Contract to provide an equivalent amount of advertising service at the contracted location or a replacement location of equal value, or at Company's option, result in a pro-rated credit, with all other remedies at law or equity being expressly waived by Advertiser. Notwithstanding anything contained herein to the contrary, if any location is lost for any reason whatsoever, Company shall also have the option to terminate this Contract and receive payment in full for services through the termination date.
5. Where illuminated displays are provided, illumination will be from dusk to midnight. If illumination is halted or reduced for any reason, including but not limited to operation of law or malfunction of equipment, Advertiser shall receive a credit for the period of reduced or non-illumination at the rate of fifteen percent (15%) of the contract price for the impacted period, provided Advertiser shall have first given written notice to Company of the illumination problem and same continues for more than five (5) days after Company's receipt of such notice.
6. Advertiser shall inspect the display within three (3) days after installation. Unless within such period Advertiser gives written notice to Company specifying any defect, the display shall be conclusively presumed to have been inspected and approved by Advertiser for all purposes whatsoever, including content and location of displays. If after installation of display Owner disapproves any advertisement, or if adverse publicity results from any display, Company shall have the right to remove advertisement and, at its option, either terminate this Contract or request a new acceptable advertisement copy pursuant to paragraph 2 above. Company and Advertiser accept this Contract subject to all federal, state and municipal laws and regulations. In the event any advertisement becomes illegal, Company reserves the right to terminate same upon notice to Advertiser. Acceptance of this Contract is subject to credit check and approval by Company. Company, in its sole discretion, may extend or reject credit, or at any time during the term, withdraw credit and Company may thereupon require partial or full payment of the remaining contract amount in advance. In the event of any termination under this paragraph, Advertiser's obligation shall cease as of the effective termination date.
7. Agency and Advertiser shall be jointly and severally liable for payment of the amounts owed under this Contract. In the event of default or material breach by Advertiser/Agency, in addition to other remedies available at law, Company may: (a) cancel this Contract without prior notice and demand payments of all amounts remaining due and owing; (b) without terminating this Contract, declare the entire balance of payments to be made hereunder immediately due and payable; (c) remove all of Advertiser's displays without limiting Advertiser's liability hereunder; and/or (d) declare Advertiser in default under any other agreement with Company. Waiver by Company of any breach by Advertiser/Agency hereunder shall not prejudice the rights of Company with respect to any breach not specifically waived by Company. In the event of legal action arising out of this Contract, Company shall be entitled to recover its reasonable attorneys' fees and out of pocket expenses. This Contract and all related claims shall be construed according to the laws of the State of Arizona and Maricopa County, Arizona shall be the proper and exclusive legal jurisdiction and venue for any resulting legal action.
8. Invoicing will be rendered monthly in advance dating from the commencement date. Invoices rendered to Advertiser shall be conclusive as to the correctness of the items stated unless Company receives written objection within fifteen (15) days thereof. Non-receipt of invoices or lack of invoicing, shall not impact Advertiser's liability hereunder. Any discounts given shall be forfeited/reversed for invoices not paid within sixty (60) days from the date thereof. All rates and adjustments are computed on the basis of thirty (30) days to the month, unless a different period is specified on the face hereof. Invoices shall be due thirty (30) days after the date of invoice and failure to pay within such timeframe shall result in a default hereunder and shall further be deemed a default under any other agreements with Company. Invoices not paid when due shall accrue interest at the rate of one and one-half percent (1.5%) per month (18% annual), or such lesser rate permitted by law.
9. Company shall not be held responsible for unused posters, displays or other copy provided by Advertiser and Company may dispose of any such materials. Company may promote Company's own business through the use of Advertiser's posters or displays in any manner whatsoever. Company is an Equal Opportunity Employer.
10. This Contract contains the full agreement of the parties, and no prior representation or assurance, verbal or written not contained herein, shall affect or alter the obligation of either party hereto. This Contract is not cancelable or assignable by Advertiser, nor may the subject of the advertising be changed without the consent of Company. Notwithstanding the foregoing, agreements for transit displays may be cancelled by Advertiser upon providing at least 90-days written notice prior to affected posting date, with Advertiser paying, upon invoicing, short rate for actual length of term.
11. The following provisions shall be applicable in the event that this Contract shall be for the display of advertising copy on a LED, LCD or other digital display sign ("Digital Sign"): Notwithstanding anything herein to the contrary, the Company shall be not obligated to display the copy for more than 91% of the display time provided hereunder (the "Guaranteed Display Time"). If the Company displays the copy for at least the Guaranteed Display time, there shall be no reduction in the fee paid hereunder or extension of the term hereof. If the Company displays the copy for less than the Guaranteed Display Time, the Company shall, in its sole discretion, either (i) terminate this Contract and reimburse the Advertiser for fees paid relating to the period for which the copy was not displayed for at least the Guaranteed Display Time, (ii) equitably extend the Advertising Period of this Contract at the contracted location or a replacement location of equal value, or (iii) issue to Advertiser a pro-rated credit for advertising services equivalent to the period for which copy was not displayed for the Guaranteed Display Time. The Advertiser hereby expressly waives all other remedies at law or equity, and the Company shall have no other liability to the Advertiser as a result of any failure to display the copy for at least the Guaranteed Display Time. In addition to the foregoing, the Company shall have the right at any time to preempt the display of copy in order to utilize the Digital Sign(s) for public service messages in connection with (i) an Amber Alert, or (ii) at the request of any Federal, State or local authority, any public emergency (including but not limited to emergencies related to homeland security) (an "Emergency Interruption"). In such event, the Company shall not be in breach of this Contract and the Company shall have no liability to the Advertiser pursuant to the preceding paragraph or otherwise as a result of any such Emergency Interruption. The Advertiser hereby expressly waives any remedies at law or equity to which the Advertiser might otherwise be entitled as a result of such Emergency Interruption. For the purposes of the provisions hereof pertaining to the display of advertising on a Digital Sign, "copy" shall be deemed to mean any advertisement displayed on such sign whether the same is animated, static or otherwise, specifically including, but not limited to, streaming content or digital images, as applicable.
12. Agency/Advertiser hereby represents, warrants and confirms that it is aware of the requirements of 18 U.S.C. §§ 2257-2257A and that it fully complies with them either by certifying to the U.S. Attorney General, in the form required by 28 C.F.R. § 75.9, that Agency/Advertiser collects and maintains individually identifiable information relating to models used in the advertisement to the terms hereof (including but not limited to their names, addresses, and dates of birth) in accordance with applicable Federal and/or State tax and labor or other law, or that Agency/Advertiser creates, maintains, cross-indexes and makes available for inspection records as required by 28 C.F.R. §§ 75.2-75.5. Upon request, Agency/Advertiser will provide Company with proof of its compliance.



Agenda Item #: IX.C.
Meeting Date: 9-3-13

CITY COUNCIL AGENDA ITEM SUMMARY
City Of Newport, Oregon

Issue/Agenda Title: Consideration of Award for KEZI Television Campaign

Prepared By: Breves **Dept Head Approval:** _____ **City Mgr Approval:** TS

Issue Before the Council: The issue before Council is the consideration of television commercial campaign. A proposal was submitted by KEZI, and reviewed and recommended by the Destination Newport Committee.

Staff Recommendation: The current procedure requires a recommendation from the Destination Newport Committee (DNC) to the City Council. The DNC is forwarding a positive recommendation to enter into agreement with KEZI for a television commercial campaign for the months of September, October and November at a total cost of \$15,000.

Proposed Motion: I move to approve the Television Commercial Campaign with KEZI Advertising in the amount of \$15,000.

Key Facts and Information Summary: KEZI proposed a television commercial campaign for the months of September, October and November 2013. The campaign will consist of 240 monthly commercials minimum a month for 3 months, for a total of 720 commercials minimum. These commercials will reach 950,000 households across the state of Oregon monthly.

Other Alternatives Considered: None

City Council Goals: The request does not address a specific City Council goal.

Attachment List: Attached is the proposal, air time plans and Spring Campaign Summary.

Fiscal Notes: If approved, this funding would come from budgeted marketing and advertising monies in the Room Tax Fund for the 2013 -2014 FY.



THE COAST YOU REMEMBER.

KEZI 9 News, the ABC Television Affiliate of Western Oregon, agrees to run a minimum of 240 commercials per month, September, October and November for the City of Newport, (Discover Newport) campaign. The monthly investment is \$5000. The air time plans are as follows:

Randy Joss
Station Account Executive

8-28-13
Date





Discover Newport

Monthly Plan September, October and November 2013



Suggested Monthly Programming :

KEZI 9 Morning News 5-7am M-F	6X
5a-9am Rotation M-F Includes: KEZI 9 Morning News & Good Morning America	6X
Live With Kelly 9-10am M-F	6X
KEZI 9 Midday News 11am-1130am M-F	4X
Rachael Ray 2-3pm M-F	4X
5pm-11pm Rotation M-F	4X
ABC Prime Rotation M-Sun.	4X
Dancing w/ the Stars 8-10pm Monday	2X
College Football Game Day 4-5pm Sat.	2X
College Football Game Night 830-9pm Sat.	2X
KEZI 9 Evening News 5-7pm Sunday	4X
5a-12am Rotation M-Sun.	20X
5a-12am Rotation M-Sun. Matching	40X
<u>Live Well Western Oregon 9.2</u>	
Sweet Retreats 830-9pm Thu. And Sun.	8X
Sweet Retreats 5p-530pm Sat.	4X
Sweet Retreats 3pm and 730pm Sun.	8X
Motion 8-830pm Thu.	5X
Motion 5p-6pm Sun.	6X
Laura McKenzie's Traveler 5a-6am M-F	20X
Aqua Kids Adventures 930a-10am Sun.	4X
Live Well Western Oregon 5a-12am M-Sun.	21X
Live Well Western Oregon 5a-12am M-Sun. Matching	60X
TOTAL MONTHLY COMMERCIALS:	240
TOTAL MONTHLY INVESTMENT:	\$5000

Monthly Reach
950,000 Adults 25-



THE COAST OF REMEMBER





Discover Newport



September 2013

Monday Tuesday Wednesday Thursday Friday Saturday Sunday

Sept. 2	3	4	5	6	7	8
LABOR DAY! 1X ABC Prime Rotation-> 10X 5a-12am Rotation-> 15X 5a-12am Live Well->	1X The Traveler 5-6am 1X 5a-9am Rotation 1X 5a-12am Rotation 1X 5a-12am Live Well	1X The Traveler 5-6am 1X 5-7am News 1X 5a-12am Rotation 1X 5a-12am Live Well	1X The Traveler 5-6am 1X 5a-12am Rotation 1X Live w/Kelly 9-10a 2X Motion 8-830pm 1X Sweet Retreats 830-9 1X 5a-12am Live Well	2X The Traveler 5-6am 1X 5a-9am Rotation 1X 5a-12am Rotation 1X 5pm-11pm Rotation 1X 5a-12am Live Well	1X 5a-12am Rotation 1X Sweet Retreats 5-530p 1X Game Night 830-9p 1X 5a-12am Live Well	1X Aqua Kids Adv. 830-10a 1X 5-7pm News 1X Sweet Retreats 3-330p 1X Motion 5-6pm 1X Sweet Retreats 730-8p 1X Sweet Retreats 830-9
1X The Traveler 5-6am 1X 5a-12am Rotation 1X 11am-1130am News 1X ABC Prime Rotation-> 10X 5a-12am Rotation-> 1X 5a-12am Live Well 15X 5a-12am Live Well->	1X The Traveler 5-6am 1X 5-7am News 1X 5a-12am Rotation 1X Rachael Ray 2-3pm 2X 5a-12am Live Well	1X The Traveler 5-6am 1X 5a-9am Rotation 1X 5a-12am Rotation 1X Live w/Kelly 9-10a 1X 5a-12am Live Well	1X The Traveler 5-6am 1X 5-7am News 1X 5a-12am Rotation 1X 5pm-11pm Rotation 1X Motion 8-830pm 1X Sweet Retreats 830-9 1X 5a-12am Live Well	1X The Traveler 5-6am 1X 5a-12am Rotation 1X Live w/Kelly 9-10a 1X 11am-1130am News 1X 5a-12am Live Well	1X Game Day 4-5pm 1X Sweet Retreats 5-530p	1X Aqua Kids Adv. 930-10a 1X 5-7pm News 1X Sweet Retreats 3-330p 2X Motion 5-6pm 1X Sweet Retreats 730-8p 1X Sweet Retreats 830-9
1X The Traveler 5-6am 1X 5-7am News 1X 5a-12am Rotation 1X ABC Prime Rotation-> 1X DANCING STARS 8-10p 10X 5a-12am Rotation-> 1X 5a-12am Live Well 15X 5a-12am Live Well->	1X The Traveler 5-6am 1X 5a-12am Rotation 1X Live w/Kelly 9-10a 1X 5pm-11pm Rotation 1X 5a-12am Live Well	1X The Traveler 5-6am 1X 5a-12am Rotation 1X 11am-1130am News 1X Rachael Ray 2-3pm 1X 5a-12am Live Well	1X The Traveler 5-6am 1X 5a-9am Rotation 1X 5a-12am Rotation 1X Motion 8-830pm 1X Sweet Retreats 830-9 1X 5a-12am Live Well	1X The Traveler 5-6am 1X 5a-12am Rotation 1X Rachael Ray 2-3pm 1X 5a-12am Live Well	1X Sweet Retreats 5-530p 1X Game Night 830-9p	1X Aqua Kids Adv. 930-10a 1X 5-7pm News 1X Sweet Retreats 3-330p 2X Motion 5-6pm 1X Sweet Retreats 730-8p 1X Sweet Retreats 830-9
1X The Traveler 5-6am 1X 5a-9am Rotation 1X 5a-12am Rotation 1X ABC Prime Rotation-> 1X DANCING STARS 8-10p 10X 5a-12am Rotation-> 1X 5a-12am Live Well 15X 5a-12am Live Well->	1X The Traveler 5-6am 1X 5a-9am Rotation 1X 5a-12am Rotation 1X Live w/Kelly 9-10a 1X 5a-12am Live Well	1X The Traveler 5-6am 1X 5-7am News 1X 5a-12am Rotation 1X Rachael Ray 2-3pm 1X 5pm-11pm Rotation 1X 5a-12am Live Well	1X The Traveler 5-6am 1X 5a-12am Rotation 1X Live w/Kelly 9-10a 1X Motion 8-830pm 1X Sweet Retreats 830-9 1X 5a-12am Live Well	1X The Traveler 5-6am 1X 5-7am News 1X 5a-12am Rotation 1X 11am-1130am News 1X 5a-12am Live Well	1X Game Day 4-5pm 1X Sweet Retreats 5-530p	1X Aqua Kids Adv. 930-10a 1X 5-7pm News 1X Sweet Retreats 3-330p 1X Motion 5-6pm 1X Sweet Retreats 730-8p 1X Sweet Retreats 830-9



Discover Newport



October 2013

Monday Tuesday Wednesday Thursday Friday Saturday Sunday

Sept. 30	Oct. 1	2	3	4	5	6
1X The Traveler 5-6am 1X 5a-9am Rotation 1X 5a-12am Rotation 1X ABC Prime Rotation-> 10X 5a-12am Rotation-> <i>1X 5a-12am Live Well</i> <i>15X 5a-12am Live Well-></i>	1X The Traveler 5-6am 1X 5a-12am Rotation 1X Live w/Kelly 9-10a 1X 5pm-11pm Rotation <i>1X 5a-12am Live Well</i>	1X The Traveler 5-6am 1X 5a-12am Rotation 1X Rachael Ray 2-3pm <i>1X 5a-12am Live Well</i>	1X The Traveler 5-6am 1X 5-7am News 1X 5a-12am Rotation 2X Motion 8-830pm 1X Sweet Retreats 830-9 <i>1X 5a-12am Live Well</i>	1X The Traveler 5-6am 1X 5a-12am Rotation 1X 11am-1130am News <i>1X 5a-12am Live Well</i>	1X Game Day 4-5pm 1X Sweet Retreats 5-530p	1X Aqua Kids Adv. 930-10a 1X 5-7pm News 1X Sweet Retreats 3-330p 1X Motion 5-6pm 1X Sweet Retreats 730-8p 1X Sweet Retreats 830-9
7 1X The Traveler 5-6am 1X 5-7am News 1X 5a-12am Rotation 1X ABC Prime Rotation-> 1X DANCING STARS 8-10p 10X 5a-12am Rotation-> <i>1X 5a-12am Live Well</i> <i>15X 5a-12am Live Well-></i>	8 1X The Traveler 5-6am 1X 5a-9am Rotation 1X 5a-12am Rotation 1X 11am-1130am News <i>1X 5a-12am Live Well</i>	9 1X The Traveler 5-6am 1X 5-7am News 1X 5a-12am Rotation 1X Rachael Ray 2-3pm <i>1X 5a-12am Live Well</i>	10 1X The Traveler 5-6am 1X 5a-12am Rotation 1X Live w/Kelly 9-10a 1X 5pm-11pm Rotation 1X Motion 8-830pm 1X Sweet Retreats 830-9 <i>1X 5a-12am Live Well</i>	11 1X The Traveler 5-6am 1X 5a-9am Rotation 1X 5a-12am Rotation 1X Live w/Kelly 9-10a <i>2X 5a-12am Live Well</i>	12 1X Sweet Retreats 5-530p 1X Game Night 830-9p	13 1X Aqua Kids Adv. 930-10a 1X 5-7pm News 1X Sweet Retreats 3-330p 2X Motion 5-6pm 1X Sweet Retreats 730-8p 1X Sweet Retreats 830-9
14 1X The Traveler 5-6am 1X 5a-12am Rotation 1X ABC Prime Rotation-> 1X DANCING STARS 8-10p 10X 5a-12am Rotation-> <i>1X 5a-12am Live Well</i> <i>15X 5a-12am Live Well-></i>	15 1X The Traveler 5-6am 1X 5-7am News 1X 5a-12am Rotation 1X Rachael Ray 2-3pm <i>1X 5a-12am Live Well</i>	16 1X The Traveler 5-6am 1X 5a-12am Rotation 1X Live w/Kelly 9-10a 1X 5pm-11pm Rotation <i>1X 5a-12am Live Well</i>	17 1X The Traveler 5-6am 1X 5a-9am Rotation 1X 5a-12am Rotation 1X Motion 8-830pm 1X Sweet Retreats 830-9 <i>1X 5a-12am Live Well</i>	18 1X The Traveler 5-6am 1X 5a-12am Rotation 1X 11am-1130am News <i>1X 5a-12am Live Well</i>	19 1X Game Day 4-5pm 1X Sweet Retreats 5-530p	20 1X Aqua Kids Adv. 930-10a 1X 5-7pm News 1X Sweet Retreats 3-330p 1X Motion 5-6pm 1X Sweet Retreats 730-8p 1X Sweet Retreats 830-9
21 1X The Traveler 5-6am 1X 5a-9am Rotation 1X 5a-12am Rotation 1X 5pm-11pm Rotation 1X ABC Prime Rotation-> 10X 5a-12am Rotation-> <i>1X 5a-12am Live Well</i> <i>15X 5a-12am Live Well-></i>	22 1X The Traveler 5-6am 1X 5a-9am Rotation 1X 5a-12am Rotation 1X Live w/Kelly 9-10a <i>1X 5a-12am Live Well</i>	23 1X The Traveler 5-6am 1X 5a-12am Rotation 1X Live w/Kelly 9-10a 1X 11am-1130am News <i>1X 5a-12am Live Well</i>	24 1X The Traveler 5-6am 1X 5-7am News 1X 5a-12am Rotation 1X Motion 8-830pm 1X Sweet Retreats 830-9 <i>1X 5a-12am Live Well</i>	25 1X The Traveler 5-6am 1X 5-7am News 1X 5a-12am Rotation 1X Rachael Ray 2-3pm <i>1X 5a-12am Live Well</i>	26 1X Sweet Retreats 5-530p 1X Game Night 830-9p	27 1X Aqua Kids Adv. 930-10a 1X 5-7pm News 1X Sweet Retreats 3-330p 2X Motion 5-6pm 1X Sweet Retreats 730-8p 1X Sweet Retreats 830-9



Discover Newport



November 2013

Monday Tuesday Wednesday Thursday Friday Saturday Sunday

Oct. 28	29	30	31	Nov. 1	2	3
1X The Traveler 5-6am 1X 5a-12am Rotation 1X Rachael Ray 2-3pm 1X ABC Prime Rotation-> 10X 5a-12am Rotation-> 1X 5a-12am Live Well 15X 5a-12am Live Well->	1X The Traveler 5-6am 1X 5-7am News 1X 5a-12am Rotation 1X 5pm-11pm Rotation 1X 5a-12am Live Well	1X The Traveler 5-6am 1X 5a-9am Rotation 1X 5a-12am Rotation 1X 5a-12am Live Well	1X The Traveler 5-6am 1X 5a-12am Rotation 1X 11am-1130am News 1X Motion 8-830pm 1X Sweet Retreats 830-9 1X 5a-12am Live Well	1X The Traveler 5-6am 1X 5a-12am Rotation 1X Live w/Kelly 9-10a 1X 5a-12am Live Well	1X Sweet Retreats 5-530p 1X Game Night 830-9p	1X Aqua Kids Adv. 930-10a 1X 5-7pm News 1X Sweet Retreats 3-330p 2X Motion 5-6pm 1X Sweet Retreats 730-8p 1X Sweet Retreats 830-9
1X The Traveler 5-6am 1X 5a-9am Rotation 1X 5a-12am Rotation 1X ABC Prime Rotation-> 1X DANCING STARS 8-10p 10X 5a-12am Rotation-> 1X 5a-12am Live Well 15X 5a-12am Live Well->	1X The Traveler 5-6am 1X 5a-9am Rotation 1X 5a-12am Rotation 1X Live w/Kelly 9-10a 1X 5a-12am Live Well	1X The Traveler 5-6am 1X 5-7am News 1X 5a-12am Rotation 1X 11am-1130am News 2X 5a-12am Live Well	1X The Traveler 5-6am 1X 5a-12am Rotation 1X Live w/Kelly 9-10a 1X 5pm-11pm Rotation 1X Motion 8-830pm 1X Sweet Retreats 830-9 1X 5a-12am Live Well	1X The Traveler 5-6am 1X 5-7am News 1X 5a-12am Rotation 1X Rachael Ray 2-3pm 1X 5a-12am Live Well	1X Game Day 4-5pm 1X Sweet Retreats 5-530p	1X Aqua Kids Adv. 930-10a 1X 5-7pm News 1X Sweet Retreats 3-330p 2X Motion 5-6pm 1X Sweet Retreats 730-8p 1X Sweet Retreats 830-9
1X The Traveler 5-6am 1X 5-7am News 1X 5a-12am Rotation 1X ABC Prime Rotation-> 1X DANCING STARS 8-10p 10X 5a-12am Rotation-> 1X 5a-12am Live Well 15X 5a-12am Live Well->	1X The Traveler 5-6am 1X 5a-12am Rotation 1X Live w/Kelly 9-10a 1X 5a-12am Live Well	1X The Traveler 5-6am 1X 5a-9am Rotation 1X 5a-12am Rotation 1X 5a-12am Live Well	1X The Traveler 5-6am 1X 5a-12am Rotation 1X Rachael Ray 2-3pm 2X Motion 8-830pm 1X Sweet Retreats 830-9 1X 5a-12am Live Well	1X The Traveler 5-6am 1X 5a-12am Rotation 1X 11am-1130am News 1X 5pm-11pm Rotation 1X 5a-12am Live Well	1X Sweet Retreats 5-530p 1X Game Night 830-9p	1X Aqua Kids Adv. 930-10a 1X 5-7pm News 1X Sweet Retreats 3-330p 1X Motion 5-6pm 1X Sweet Retreats 730-8p 1X Sweet Retreats 830-9
1X The Traveler 5-6am 1X 5a-12am Rotation 1X 11am-1130am News 1X ABC Prime Rotation-> 10X 5a-12am Rotation-> 1X 5a-12am Live Well 15X 5a-12am Live Well->	1X The Traveler 5-6am 1X 5-7am News 1X 5a-12am Rotation 1X Rachael Ray 2-3pm 1X 5a-12am Live Well	1X The Traveler 5-6am 1X 5a-9am Rotation 1X 5a-12am Rotation 1X Live w/Kelly 9-10a 1X 5a-12am Live Well	1X The Traveler 5-6am 1X 5-7am News 1X 5a-12am Rotation 1X 5pm-11pm Rotation 1X Motion 8-830pm 1X Sweet Retreats 830-9 1X 5a-12am Live Well	1X The Traveler 5-6am 1X 5a-9am Rotation 1X 5a-12am Rotation 1X Live w/Kelly 9-10a 1X 5a-12am Live Well	1X Game Day 4-5pm 1X Sweet Retreats 5-530p	1X Aqua Kids Adv. 930-10a 1X 5-7pm News 1X Sweet Retreats 3-330p 1X Motion 5-6pm 1X Sweet Retreats 730-8p 1X Sweet Retreats 830-9



Discover Newport



Summary of 2013

Spring Campaign

Summary

April: \$5000 Investment

May: \$5000 Investment

June: \$5000 Investment

SPRING AIRTIME: \$15,000

TOTAL VALUE: \$53,000





Agenda Item # IX.D.
Meeting Date 9-3-2013

CITY COUNCIL AGENDA ITEM SUMMARY
City Of Newport, Oregon

Issue/Agenda Title: Consideration and Potential Approval of CoastCom Dark Fiber and Conduit Lease Agreement

Prepared By: TEG Dept Head Approval: TEG City Manager Approval: _____

Issue Before the Council:

Consideration and potential approval of Master Indefeasible Right of Use Agreement between the City of Newport and CoastCom, Inc., to allow to allow each Party access to, and use of, the other Parties fiber optic and conduit facilities under the specific terms and conditions as detailed and described in the Agreement.

Staff Recommendation:

Approve and authorize the City Manager to execute agreement

Proposed Motion:

I move to approve the Master Indefeasible Right of Use Agreement between the City of Newport and CoastCom, Inc. and authorize the City Manager to execute said agreement.

Key Facts and Information Summary:

City staff including Director of Public Works, Tim Gross; IT Manager, Richard Dutton; and City Recorder, Peggy Hawker; have been working with Local Government Law Group, and CoastCom Inc. President Greg Palser over the past 18 months to develop an agreement formalizing the terms, conditions, and compensation for shared fiber optic and conduit infrastructure.

CoastCom is permitted under a franchise agreement to provide fiber optic telecommunications in the City of Newport. In most cases, their network parallels the fiber routes that the City needs to link critical facilities and infrastructure. Furthermore, the City does not have the technical expertise nor staffing to actively maintain, locate, and repair fiber optic infrastructure. In some instances, the City owns conduit that CoastCom is able to use to the mutual benefit of both Parties. This agreement defines lease terms, conditions, and compensation in the form of IRU's (Irrevocable Right of Use) for different leases of fiber or conduit from one Party to the other.

IRU's 1 through 2.2 define past agreements between the Parties for shared infrastructure. IRU's 3, 4 and 5 define current joint venture projects between the City and CoastCom.

Other Alternatives Considered:

The City considered constructing and maintaining its own fiber network independent of other Parties. Because the City's fiber needs are small and the City does not have the technical expertise nor staffing to maintain, locate, and repair such a system, it didn't make sense to operate an independent fiber network. As a franchised telecommunications company, CoastCom currently is the only firm within this region that has the capabilities of partnering with the City to provide the services the City needs.

City Council Goals:

Information Technology Division - 1 - 5 Year Goals

B. Extend fiber throughout all facilities.

Attachment List:

- Master Indefeasible Right of Use Agreement between the City of Newport and CoastCom, Inc. with attachments

Fiscal Notes:

IRU's 1 through 2.2 define past agreements between the Parties for shared infrastructure and have no current fiscal impact. IRU's 3, 4 and 5 define current joint venture projects between the City and CoastCom. IRU's 3 and 4 are for lease of fiber for 25 years from CoastCom to the City in the amount of \$95,000 and \$111,611 respectively, for a total of \$206,611. IRU 5 is a lease of vacant conduit for 22 years from the City to CoastCom in the amount of \$192,196. The City has funds budgeted in the 2014 Capital Improvement Plan to account for the \$14,415 difference.

MASTER INDEFEASIBLE RIGHT OF USE AGREEMENT

This Master Indefeasible Right of Use Agreement (“Agreement”), dated _____, 2013, is entered into between City of Newport, a political subdivision of the State of Oregon, hereafter “City”, and CoastCom, Inc., an Oregon corporation, hereinafter called “CoastCom.” CoastCom and City may be referred to herein individually as a “Party” or collectively as the “Parties” to this Agreement.

Recitals:

Whereas, City and CoastCom (“the Parties”) each own certain fiber optic cables and conduit systems in and around Newport, Oregon, and,

Whereas, both Parties desire to enter into long term Indefeasible Right of Use’s (IRU) to allow each Party access to and use of the other Parties Facilities under the specific terms and conditions as detailed and described in this Agreement.

Now therefore, it is agreed:

1. DEFINITIONS; PURPOSE AND EFFECT, CONFLICT

1.1 Definitions

1.1.1 Facilities means any and all equipment, equipment housing or locations, vaults, conduit, fiber, cables, wire, fixtures, connections, attachments, appurtenances, and accessories which are necessary or incidental to the use of the Parties’ fiber system, whether located above or below ground. Facilities do not include any optical or electronic equipment either Party may use in the provisioning of service over any of the above listed Facilities.

1.1.2 Maintenance and Operations includes but is not limited to: the operating, monitoring, repairing, responding to locate requests, restoring, removing, relocating, maintaining, marking, mapping, or locating of Facilities. However, it does not include any electronics or optronics attached to the Facilities.

1.2 Purpose and Effect. The purpose of this Agreement is to provide each Party access to and use of specific “dark” fiber optic strands in existing fiber optic cable routes, as more specifically described in the attached exhibits which by this reference are incorporated into this Agreement, and access to and use of specific conduits and vaults, as more specifically described in the attached exhibits, in underground routes owned by the other Party. This Agreement supersedes all previous oral or written agreements and shall serve as the sole Master Agreement for the Parties. Either Party may submit for approval by the other Party, an addendum to this Agreement that details the specific type of Facilities requested and the term and consideration of an IRU for each of those Facilities. These

addenda shall be known as IRU Order Forms (which are attached hereto and by this reference incorporated herein). The exclusive, indefeasible right of use in and access to the Facilities listed on the IRU Order Form shall be considered part of this Agreement effective on the date each such IRU Order Form is signed by both Parties.

- 1.3 Conflict. In the event of a conflict between this Agreement and the Franchise Agreement signed on July 17, 2013 by the Parties, the Franchise Agreement terms shall prevail unless this Agreement expressly provides that a specific provision shall supersede and take precedence over a specific provision within the Franchise Agreement.

2. TERM AND RENEWAL TERM

- 2.1 The term of this Agreement shall be provided in each individual IRU Order Form attached. Upon expiration of an original term, as listed on the IRU Order Form, each term shall be subject to automatic one year renewals. Automatic renewal terms shall be for consecutive one year periods unless either Party provides notice of its intent not to renew at least 30 days prior to the then current original or renewal term.

3. FACILITIES

- 3.1 There are multiple types of Facilities covered in this Agreement, the most common being dark fiber and conduit systems. These Facilities have different physical characteristics and will be addressed and fully described in the IRU addendums to this Agreement to govern the responsibilities of both the receiving and providing Party.

4. CONSIDERATION

- 4.1 The consideration for the IRU's covered under this Agreement is listed on each individual IRU Order Form. It is the intent of the Parties that an IRU Order Form will be executed for each existing IRU.

5. MANAGEMENT, OPERATION AND MAINTENANCE OF FACILITIES

- 5.1 Each Party will appoint a Facilities Manager to manage designated areas within the fiber system. The initial Facilities Manager for City shall be Richard Dutton, the City's IT Manager, 541-574-0620, or his or her designee. The initial Facilities Manager for CoastCom shall be the President of CoastCom, Greg Palser, 541-574-9999, or his or her designee.
- 5.2 City Operation and Maintenance Duties: City's Facilities Manager shall provide CoastCom with information about and access to City Facilities upon CoastCom's request. City is not otherwise responsible for the Operation and Maintenance of either City or CoastCom Facilities.

- 5.3 CoastCom Operation and Maintenance Duties: CoastCom is responsible for all Operation and Maintenance of City and Coastcom Facilities. CoastCom will also provide City with information and access to the CoastCom Facilities upon request. CoastCom will maintain the physical integrity and operability of both CoastCom and City Facilities during the term of this Agreement.
- 5.4 If either Party changes Facilities Management responsibility, that Party shall provide the other with prior written notification of such changes. Such prior notification should occur at least thirty (30) days in advance of the change, if possible. If 30 days advance notice is not possible or practical, then prior notice must occur no later than one (1) week before the change is to take place.
- 5.5 City agrees to reimburse CoastCom for the actual and documented Operation and Maintenance costs expended by CoastCom on City Facilities, subject to the following:
- 5.5.1 Such costs shall be based on actual time spent and materials used; and
- 5.5.2 For fiber or conduit repairs, City shall reimburse CoastCom on a pro-rata basis, which shall be calculated by determining the number of City fibers in the repaired fiber bundle or conduit compared to the number of fibers owned by CoastCom and/or other non-City entities in the fiber bundle or conduit;
- 5.5.3 For locating underground Facilities, CoastCom will locate all Facilities and will register those Facilities with the Oregon Utility Notification Center within two weeks from the signing of this Agreement. City shall reimburse CoastCom for such locates only if the locate was made to benefit solely City-owned or occupied Facilities and does not benefit any CoastCom or third party Facilities.
- 5.6 Restoration and Relocation Process. City shall be kept fully informed of all determinations made by CoastCom in connection with relocation and restoration. Any such restoration or relocation shall be constructed substantially in accordance with the original construction and subject to Section 5.5 to determine the allocation of costs.

6. INTEGRITY OF THE FACILITIES

- 6.1 CoastCom is responsible for maintaining the physical integrity of the both City and CoastCom Facilities and shall make every commercially reasonable effort to ensure the integrity of the Facilities during the term of this Agreement.
- 6.2 Should any Facilities be damaged or made unusable in any way during the term of this Agreement, CoastCom agrees to make all necessary repairs. If

CoastCom cannot make the necessary repairs within a time period acceptable to both Parties, CoastCom and City agree to work together to provide replacement Facilities necessary to reestablish the integrity of the damaged Facilities, provided that additional replacement Facilities are available. If replacement Facilities are not available or other substitutes cannot be provided as reasonably determined by both Parties, either Party may terminate the addendum to this Agreement that governs the damaged Facilities without further liability, upon notice to the other Party.

7. REQUIRED RIGHTS

- 7.1 Each Party agrees to obtain and maintain the Required Rights in full force and effect for and during the Term of this Agreement (and any addendum made part of this Agreement). "Required Rights" mean those rights, licenses, permits, authorizations, rights-of-way, easements or other approvals from a third party to place a portion of the Facilities in or on the third party's property.
- 7.2 In the event either Party shall receive notice from any entity or provider of a Required Right that either Party has failed to observe or perform its obligations under such Required Right, and neither Party is contesting in good faith the validity of such claimed or alleged failure, the Party that received the notice shall give written notice to the other Party and that Party may, at its option, cure or correct such failure and the first Party shall reimburse the other Party for the pro rata costs and expenses incurred by the other Party in connection therewith.

8. FEES, LICENSES AND TAXES

Each Party shall be responsible for any applicable personal property taxes on property it owns or leases from the other Party or from a third party, franchise and privilege taxes on its business, income taxes based on its net income and sales, use, excise, value added, services, duty, consumption or other taxes assessed on the sale, installation, use or provision of its services. The Parties agree to reasonably cooperate with each other to enable each to more accurately determine its own tax liability and to minimize such liability to the extent legally permissible.

9. DEFAULT/CURE

- 9.1 Events of Default. If any Party is in breach or default (Defaulting Party), under this Agreement, the other Party or Parties (Nondefaulting Party) may notify in writing the Defaulting Party that it is in breach or default, such notice to be effective upon its receipt by the Defaulting Party. The following events shall constitute breach or default under this Agreement:
- 9.1.1 Failure to perform in any material respect any obligations required to be observed or performed hereunder; or

- 9.1.2 Any representation or warranty made by one Party to another herein proving incorrect in any material respect as of the date of the making thereof; or
- 9.1.3 CoastCom files a voluntary petition in bankruptcy, or a petition in bankruptcy is filed against CoastCom and not dismissed within sixty (60) days, or CoastCom is adjudicated as bankrupt or insolvent, or files any petition or answer seeking or acquiescing in any reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief under any Federal, State, or other statute, law, or regulation relating to bankruptcy, insolvency, or other relief for debtors, or seeks or consents to or acquiesces in the appointment of any trustee, receiver, custodian, liquidator, or similar official of CoastCom, or makes any general assignment for the benefit of creditors; or
- 9.1.4 Willful and material interference by one Party with another Party's operations; or
- 9.1.5 Failure to make full restitution for any damage to one Party's real property or equipment caused as a result of the sole negligent or willful actions by the other Party within a reasonable period of a demand for such restitution.

9.2 Remedies

- 9.2.1 Defaulting Party's Right to Cure. The Defaulting Party shall have the right to cure any breach or default under this Agreement within thirty (30) calendar days after the receipt by the Defaulting Party of notification of such breach or default. In the event that any breach or default is of a nature such that it may not reasonably be cured within thirty (30) calendar days, the Defaulting Party shall have the right to provide the Non-defaulting Party with a plan for the appropriate actions to cure such breach or default. Within the thirty (30) calendar day period, the Defaulting Party must commence diligently pursuing appropriate action under the plan to cure the breach or default, in which event the Defaulting Party shall have a longer period of time to cure the breach or default, except where circumstances or other obligations will not allow the Non-defaulting Party such an opportunity, so long as the Defaulting Party shall continue to be diligently pursuing appropriate action during such period; provided, however, that in no event shall such time period exceed 120 days from the date of receipt of notification of the breach or default.
- 9.2.2 Non-defaulting Party's Remedies. After the time allowed the Defaulting Party to cure any breach or default has expired, then the Non-defaulting Party shall have the right to: (A) terminate this Agreement with respect to the Defaulting Party; (B) cure any breach or default of

the Defaulting Party to preserve the Non-defaulting Party's rights that may be prejudiced as a result of such breach or default; and (C) exercise and pursue all other rights and remedies available to it under applicable law. The right of Termination set forth in this subsection shall include the right of partial termination, such that, in the event that the default can be cured or removed or otherwise reduced in effect by an action of the Non-defaulting Party to end or remove a portion of this Agreement, and such an action will not necessarily cause the complete termination of this Agreement, the Non-defaulting Party shall have the right to make a unilateral modification of this Agreement, such action becoming effective upon notice to the Defaulting Party. Such modification shall NOT be grounds for the Defaulting Party to declare a Default as might otherwise be permitted under this Article.

- 9.2.3 Rights and Remedies Cumulative. Except as otherwise provided in this Agreement, any right or remedy afforded to and party under any provision of this Agreement on account of breach or default by the other is in addition to, and not in lieu of, all rights or remedies afforded the Parties under any other provision of this Agreement, by law or otherwise on account of the breach or default.

10. TERMINATION

- 10.1 This Agreement may be terminated by mutual consent of both Parties. Such termination by mutual consent shall be in written form stating the effective date of termination and shall not result in any penalty to either Party.
- 10.2 This Agreement may be terminated by either Party in the event that the other Party fails to comply in a material way with all applicable federal, state and local regulations. In the event that either Party wishes to terminate this Agreement under this provision, written notice to cure must be given to the other Party allowing ninety (90) days to comply with the applicable regulation, statute or law. In the event that notified Party has failed to comply with the applicable regulation, statute or law by the end of the ninety (90) day notification period, the Agreement shall be immediately terminated.

11. INDEMNIFICATION

Subject to the Oregon Constitution and the Oregon Tort Claims Act, both Parties agree to indemnify, defend, and hold harmless the other Party and its officials, officers, employees, agents, invitees, and representatives, from and against any and all claims, costs, losses, expenses, demands, actions, or causes of action, including reasonable attorney's fees and other costs and expenses of litigation and appeal or review, arising out of or related to any action, or failure to act, by that Party or its employees, agents, invitees or subcontractors in the performance of this Agreement or from the installation, operation, use, maintenance, repair, removal, or presence of the Facilities. If the responsible Party fails or neglects to defend such actions the other Party may

defend the same and any expenses (including reasonable attorney's fees) which it may pay or incur in defending said actions, as well as the amount of any judgment or settlement which it may be required to pay, shall promptly be reimbursed by the responsible Party. This provision shall survive the termination of this Agreement.

12. INSURANCE

CoastCom and City shall each be responsible for providing workers compensation insurance as required by law. Each Party shall, at its own expense, obtain and keep in full force and effect at all times for the duration of this Agreement, with a carrier or carriers having a Best's financial strength rating of A- or better, insurance policies for Comprehensive Bodily Injury and Property Damage Liability Insurance, or equivalent self-insurance program, including automobile insurance, in at least the following amounts: Bodily Injury to any one person - \$2,000,000.00; Bodily Injury Aggregate - \$2,000,000.00; Property Damage in any one accident - \$2,000,000.00; and Property Damage Aggregate - \$2,000,000.00. Such insurance shall cover fire and all other perils. Each Party shall furnish the other Party a certificate of such insurance, and such insurance shall name that Party, its officers, directors, employees and agents as additional insureds and shall contain a provision that no change or cancellation shall become effective except upon thirty (30) days prior notice to the covered Party.

13. WARRANTIES

EXCEPT AS OTHERWISE PROVIDED IN THIS AGREEMENT, TO THE EXTENT PERMITTED BY APPLICABLE LAW, EACH PARTY IS PROVIDING ITS OWN FACILITIES AS IS AND WITH ALL FAULTS, AND HEREBY DISCLAIMS ALL IMPLIED WARRANTIES, WITH RESPECT TO ANY OF THE FACILITIES PROVIDED OR TO BE PROVIDED UNDER THIS AGREEMENT, INCLUDING BUT NOT LIMITED TO ALL IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR LACK OF NEGLIGENCE OR LACK OF WORKMANLIKE EFFORT.

Each Party warrants they have rights to the Facilities they own, and the other Party will have quiet enjoyment or lack of infringement with respect to the Facilities they receive through an IRU.

14. LIMITATION(S) OF LIABILITY

To the maximum extent permitted by applicable law, in no event will either Party be liable under any contract, negligence, strict liability or other theory for any special, indirect, incidental, or consequential damages (including but not limited to damages for loss of profits or confidential or other information, for business interruption, for personal injury, for loss of privacy, for failure to meet any duty including of good faith or of reasonable care, for negligence and for any other pecuniary or other loss whatsoever) arising out of or in any way related to any breach by either Party of this Agreement, to the provision or use of or inability to use the Facilities or otherwise with respect to any subject matter of this Agreement, even if that Party has been advised of the possibility

other Party, which shall not be unreasonably withheld or delayed; however, either Party shall have the right, without the consent of the other Party, to assign or otherwise transfer the Agreement to any person or entity that controls, is under the control of, or is under common control with the assigning Party, or any corporation into which such Party may be merged or consolidated or that purchases all or substantially all of the assets of such Party used by such Party in connection with its business; provided, further, that any such assignment or transfer shall be subject to the other Party's rights under this Agreement and any assignee or transferee shall continue to perform the assigning or transferring Party's obligations under this Agreement. This Agreement shall benefit and bind City and CoastCom and their respective permitted successors and assigns.

20. FORCE MAJEURE

Neither Party of this Agreement shall be held responsible for delay or defaults caused by fire, riot, or acts of God, sovereign, public enemy or war, cable cuts or acts of third parties which is or are beyond that Party's reasonable control. The Parties may terminate, without penalty, this Agreement upon written notice after determining such delay or default shall reasonably prevent successful performance of the Agreement.

21. ENTIRE AGREEMENT

This Agreement and all attachments 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 duly authorized representatives of both Parties. Such waiver, consent, modification or change, if made, shall be effective only in the specific instance and for the specific purpose given. There are no other understandings, agreements, or representations, oral or written, not specified herein regarding this Agreement. Each Party, by the signature of its authorized representative, hereby acknowledges that he/she has read this Agreement, understands it, and agrees to be bound by its terms and conditions.

22. PARTIAL INVALIDITY

If any provision of this Agreement is determined by a proper court to be invalid, illegal or unenforceable, such invalidity, illegality or unenforceability shall not affect the performance of other provisions of this Agreement and this Agreement shall remain in full force and effect without such invalid, illegal or unenforceable provision.

23. WAIVERS

No waiver of any provision or breach of this Agreement shall be effective unless such waiver is in writing and signed by the waiving Party and any such waiver shall not be deemed a waiver of any other provision of this Agreement or any other breach of this Agreement.

24. NO THIRD-PARTY BENEFICIARIES

This Agreement creates rights and obligations only between the Parties hereto. There are no third party beneficiaries.

25. NO PARTNERSHIP CREATED

The relationship between City and CoastCom shall not be that of partners, agents, or joint venturers for one another, and nothing contained in this Agreement shall be deemed to constitute a partnership or agency agreement between them for any purposes, including federal income tax purposes. City and CoastCom, in performing any of their obligations hereunder, independent Parties and shall discharge their contractual obligations at their own risk.

26. PRIOR APPROPRIATION

All debts and obligations of City are subject to prior appropriation of funds pursuant to the applicable Oregon Budget laws.

27. REPRESENTATIONS AND WARRANTIES

Each Party represents and warrants that: (i) it has the full right and authority to enter into, execute, deliver, and perform its obligations under this Agreement; (ii) it has taken all requisite corporate and governmental action to approve the execution, delivery and performance of this Agreement; (iii) this Agreement constitutes a legal, valid and binding obligation enforceable against such Party in accordance with its terms, subject to bankruptcy, insolvency, creditors' rights and general equitable principles; (iv) its execution of and performance under this Agreement does not violate any applicable existing regulations, rules, statutes or court orders of any local, state or federal government agency, court or body, and (v) the execution and delivery of this Agreement and the performance of the terms, covenants, and conditions contained herein will not violate the charter, articles of incorporation, or bylaws of the Party and will not conflict with and will not constitute a material breach of, or default under, the provisions of any contract by which any Party is bound. Except as otherwise stated herein, no approval, authorization, or other action by any governmental authority or filing with any such authority which has not been obtained or accomplished is required in connection with the execution, delivery, and performance of this Agreement.

28. SIGNATURES

City of Newport

By _____

Name:

Title:

Date _____

CoastCom, Inc.

By _____

Name: Greg Palser

Title: President

Date _____

IRU ORDER FORM

IRU No.: 1

This IRU Order Form is to Add or Remove Facilities based on the table below to the Master Indefeasible Right of Use (IRU) Agreement between the City of Newport and CoastCom, Inc., dated September 3, 2013.

Facilities Owner / IRU Grantor
CoastCom, Inc.

IRU Grantee
City of Newport

Effective Date: 2/11/2008
Term : 25 Years

Consideration:

The Consideration for this IRU is \$29,260.00. The Non Recurring Charges listed in the table below have already been paid to CoastCom by the City.

A map of the fiber or conduit routes and related access points are attached as Exhibit A and by this reference made part of this Addendum.

Use this table for Fiber IRU's

Add (A) or Remove (R) Facilities	Fiber Route	Number of IRU Fibers	Total Fibers	Operations & Maintenance Percentage	Annual Recurring Charge	Non Recurring Charge
A	911 Center to Library then on to Courthouse	12	48	25%	-	\$29,260.00
A	Courthouse to Fire Station	12	96	13%	-	
A	6th and Nye St Vault to Nye Beach Vault	12	48	25%	-	
	Totals					\$29,260.00

Use this table for Conduit IRU's

Add (A) or Remove (R) Facilities	Conduit Route	Conduit Footage	Cost Per Foot	Operations & Maintenance Percentage	Annual Recurring Charge	Non Recurring Charge
	Totals					\$0.00

BY SIGNING BELOW, EACH PARTY ACKNOWLEDGES THAT THEY HAVE READ, UNDERSTAND, AND AGREE TO EACH OF THE TERMS AND CONDITIONS OF THIS ATTACHEMENT WHICH IS MADE PART OF THE MASTER IRU AGREEMENT BETWEEN CITY OF NEWPORT AND COASTCOM. THE PERSONS SIGNING BELOW WARRANT THAT THEY ARE DULY AUTHORIZED TO SIGN FOR AND ON BEHALF OF THE RESPECTIVE PARTIES.

City of Newport

CoastCom, Inc.

By: _____

By: _____

Name: _____

Name: _____

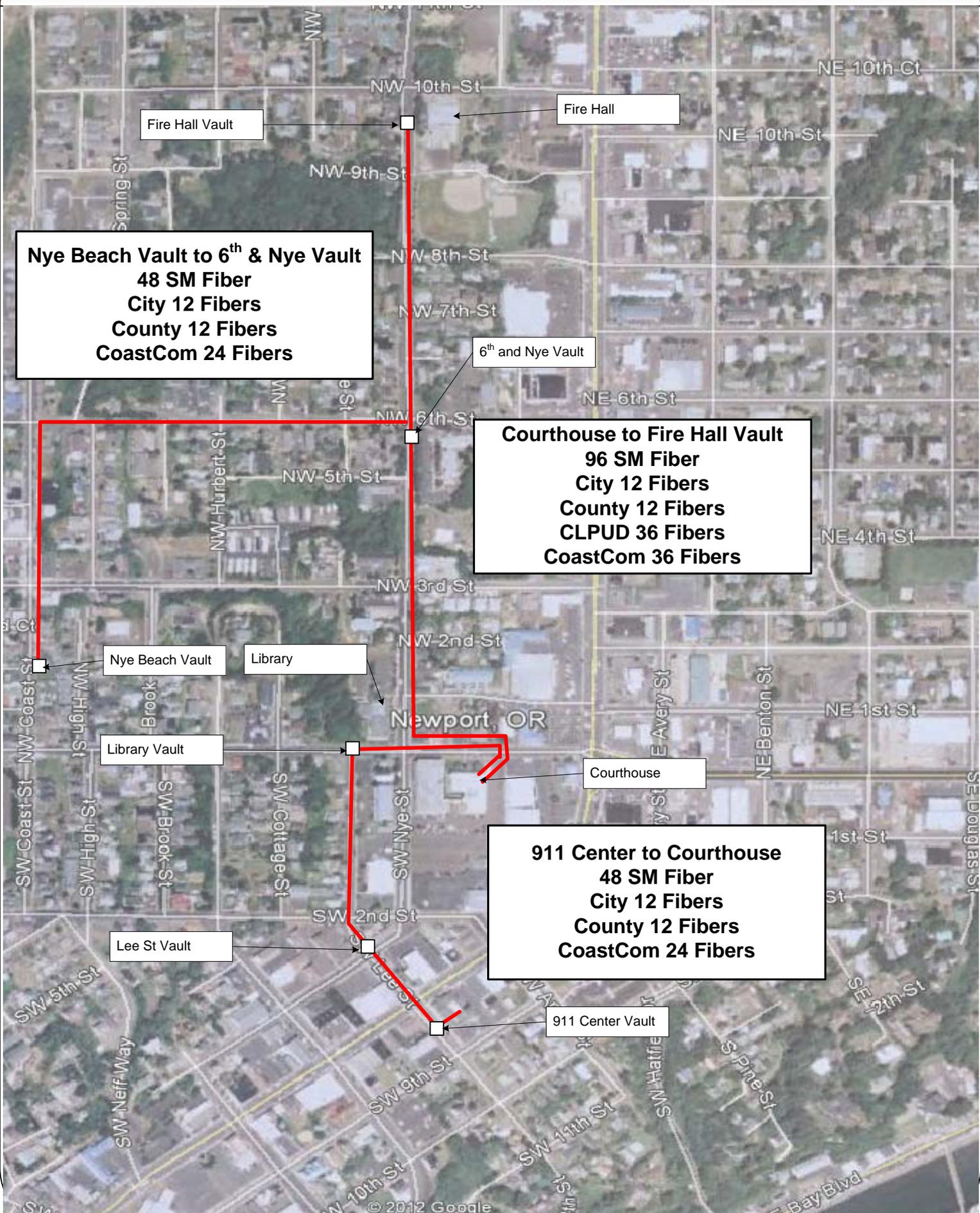
Title: _____

Title: _____

Date: _____

Date: _____

IRU Number 1
Exhibit A



Fire Hall Vault

Fire Hall

Nye Beach Vault to 6th & Nye Vault
48 SM Fiber
City 12 Fibers
County 12 Fibers
CoastCom 24 Fibers

6th and Nye Vault

Courthouse to Fire Hall Vault
96 SM Fiber
City 12 Fibers
County 12 Fibers
CLPUD 36 Fibers
CoastCom 36 Fibers

Nye Beach Vault

Library

Library Vault

Courthouse

911 Center to Courthouse
48 SM Fiber
City 12 Fibers
County 12 Fibers
CoastCom 24 Fibers

Lee St Vault

911 Center Vault

IRU ORDER FORM

IRU No.: 2

This IRU Order Form is to Add or Remove Facilities based on the table below to the Master Indefeasible Right of Use (IRU) Agreement between the City of Newport and CoastCom, Inc., dated September 3, 2013.

Facilities Owner / IRU Grantor
CoastCom, Inc.

IRU Grantee
City of Newport

Effective Date: 12/10/2009
Term : 25 Years

Consideration:

The Consideration for this IRU is \$4,122.00. The Non Recurring Charges listed in the table below have already been paid to CoastCom by the City.

A map of the fiber or conduit routes and related access points are attached as Exhibit A and by this reference made part of this Addendum.

Use this table for Fiber IRU's

Add (A) or Remove (R) Facilities	Fiber Route	Number of IRU Fibers	Total Fibers	Operations & Maintenance Percentage	Annual Recurring Charge	Non Recurring Charge
A	Courthouse to SS101 Vault	24	96	25%	-	\$4,122.00
	Totals					\$4,122.00

Use this table for Conduit IRU's

Add (A) or Remove (R) Facilities	Conduit Route	Conduit Footage	Cost Per Foot	Operations & Maintenance Percentage	Annual Recurring Charge	Non Recurring Charge
	Totals					\$0.00

BY SIGNING BELOW, EACH PARTY ACKNOWLEDGES THAT THEY HAVE READ, UNDERSTAND, AND AGREE TO EACH OF THE TERMS AND CONDITIONS OF THIS ATTACHEMENT WHICH IS MADE PART OF THE MASTER IRU AGREEMENT BETWEEN CITY OF NEWPORT AND COASTCOM. THE PERSONS SIGNING BELOW WARRANT THAT THEY ARE DULY AUTHORIZED TO SIGN FOR AND ON BEHALF OF THE RESPECTIVE PARTIES.

City of Newport

CoastCom, Inc.

By: _____

By: _____

Name: _____

Name: _____

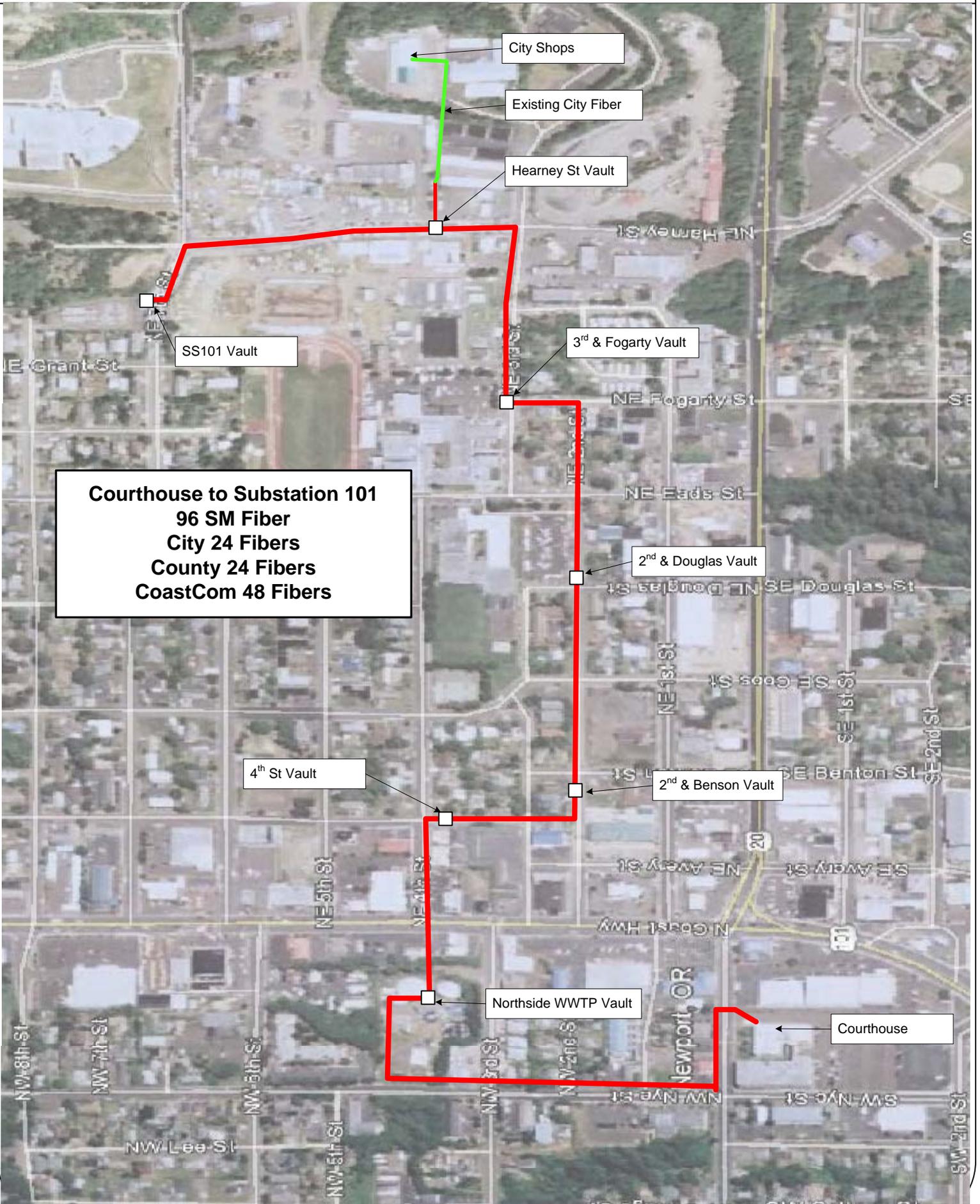
Title: _____

Title: _____

Date: _____

Date: _____

IRU Number 2
Exhibit A



IRU ORDER FORM

IRU No.: 2.1

This IRU Order Form is to Add or Remove Facilities based on the table below to the Master Indefeasible Right of Use (IRU) Agreement between the City of Newport and CoastCom, Inc., dated September 3, 2013.

Facilities Owner / IRU Grantor
CoastCom, Inc.

IRU Grantee
City of Newport

Effective Date: 8/21/2010
Term : 25 Years

Consideration:

The Consideration for this IRU is \$9,618.26. The Non Recurring Charges listed in the table below have already been paid to CoastCom by the City.

A map of the fiber or conduit routes and related access points are attached as Exhibit A and by this reference made part of this Addendum.

Use this table for Fiber IRU's

Add (A) or Remove (R) Facilities	Fiber Route	Number of IRU Fibers	Total Fibers	Operations & Maintenance Percentage	Annual Recurring Charge	Non Recurring Charge
A	SS101 Vault to City Pool	24	48	50%	-	\$9,618.26
	Totals					\$9,618.26

Use this table for Conduit IRU's

Add (A) or Remove (R) Facilities	Conduit Route	Conduit Footage	Cost Per Foot	Operations & Maintenance Percentage	Annual Recurring Charge	Non Recurring Charge
	Totals					\$0.00

BY SIGNING BELOW, EACH PARTY ACKNOWLEDGES THAT THEY HAVE READ, UNDERSTAND, AND AGREE TO EACH OF THE TERMS AND CONDITIONS OF THIS ATTACHEMENT WHICH IS MADE PART OF THE MASTER IRU AGREEMENT BETWEEN CITY OF NEWPORT AND COASTCOM. THE PERSONS SIGNING BELOW WARRANT THAT THEY ARE DULY AUTHORIZED TO SIGN FOR AND ON BEHALF OF THE RESPECTIVE PARTIES.

City of Newport

CoastCom, Inc.

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

IRU Number 2.1
Exhibit A



IRU ORDER FORM

IRU No.: 2.2

This IRU Order Form is to Add or Remove Facilities based on the table below to the Master Indefeasible Right of Use (IRU) Agreement between the City of Newport and CoastCom, Inc., dated September 3, 2013.

Facilities Owner / IRU Grantor
CoastCom, Inc.

IRU Grantee
City of Newport

Effective Date: 10/27/2011
Term : 25 Years

Consideration:

The Consideration for this IRU is \$21,815.19. The Non Recurring Charges listed in the table below have already been paid to CoastCom by the City.

A map of the fiber or conduit routes and related access points are attached as Exhibit A and by this reference made part of this Addendum.

Use this table for Fiber IRU's

Add (A) or Remove (R) Facilities	Fiber Route	Number of IRU Fibers	Total Fibers	Operations & Maintenance Percentage	Annual Recurring Charge	Non Recurring Charge
A	City Pool to Water Treatment Plant	24	48	50%	-	\$21,815.19
	Totals					\$21,815.19

Use this table for Conduit IRU's

Add (A) or Remove (R) Facilities	Conduit Route	Conduit Footage	Cost Per Foot	Operations & Maintenance Percentage	Annual Recurring Charge	Non Recurring Charge
	Totals					\$0.00

BY SIGNING BELOW, EACH PARTY ACKNOWLEDGES THAT THEY HAVE READ, UNDERSTAND, AND AGREE TO EACH OF THE TERMS AND CONDITIONS OF THIS ATTACHEMENT WHICH IS MADE PART OF THE MASTER IRU AGREEMENT BETWEEN CITY OF NEWPORT AND COASTCOM. THE PERSONS SIGNING BELOW WARRANT THAT THEY ARE DULY AUTHORIZED TO SIGN FOR AND ON BEHALF OF THE RESPECTIVE PARTIES.

City of Newport

CoastCom, Inc.

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

IRU ORDER FORM

IRU No: 3

This IRU Order Form is to Add or Remove Facilities based on the table below to the Master Indefeasible Right of Use (IRU) Agreement between the City of Newport and CoastCom, Inc., dated September 3, 2013.

Facilities Owner / IRU Grantor
CoastCom, Inc.

IRU Grantee
City of Newport

Effective Date: 9/3/2013
Term : 25 Years

Consideration:

The Consideration for this IRU is \$95,000.00. The Non Recurring Charges are due and payable within 30 days after City receives notice that construction is complete.

A map of the fiber or conduit routes and related access points are attached as Exhibits A & B and by this reference made part of this Addendum.

Use this table for Fiber IRU's

Add (A) or Remove (R) Facilities	Fiber Route	Number of IRU Fibers	Total Fibers	Operations & Maintenance Percentage	Annual Recurring Charge	Non Recurring Charge
A	Fire Hall to Oceanview & Hwy 101 Vault	36	144	25%	-	\$92,000.00
A	Oceanview & Hwy 101 Vault to CLPUD Big Creek Substation	36	96	38%	-	
A	CLPUD Substation to Water Treatment Plant	36	72	50%	-	
A	Northside Waste Water Treatment Plant to Fire Hall Vault	36	144	25%	-	\$3,000.00
	Totals					\$95,000.00

Use this table for Conduit IRU's

Add (A) or Remove (R) Facilities	Conduit Route	Conduit Footage	Cost Per Foot	Operations & Maintenance Percentage	Annual Recurring Charge	Non Recurring Charge
	Totals					\$0.00

BY SIGNING BELOW, EACH PARTY ACKNOWLEDGES THAT THEY HAVE READ, UNDERSTAND, AND AGREE TO EACH OF THE TERMS AND CONDITIONS OF THIS ATTACHEMENT WHICH IS MADE PART OF THE MASTER IRU AGREEMENT BETWEEN CITY OF NEWPORT AND COASTCOM. THE PERSONS SIGNING BELOW WARRANT THAT THEY ARE DULY AUTHORIZED TO SIGN FOR AND ON BEHALF OF THE RESPECTIVE PARTIES.

City of Newport

CoastCom, Inc.

By: _____

By: _____

Name: _____

Name: _____

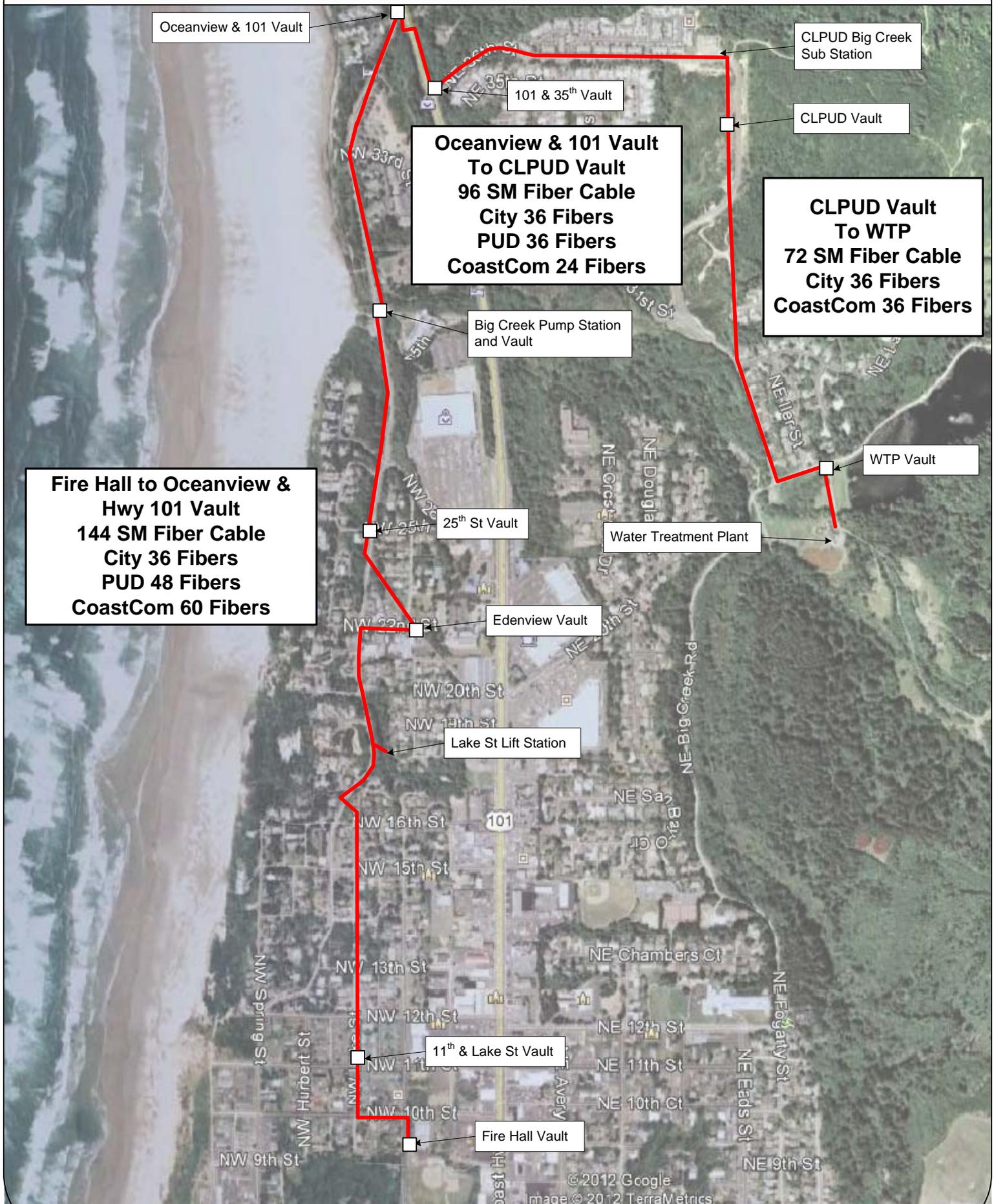
Title: _____

Title: _____

Date: _____

Date: _____

IRU Number 3
Exhibit A



Oceanview & 101 Vault

101 & 35th Vault

CLPUD Big Creek Sub Station

CLPUD Vault

Oceanview & 101 Vault To CLPUD Vault
96 SM Fiber Cable
City 36 Fibers
PUD 36 Fibers
CoastCom 24 Fibers

CLPUD Vault To WTP
72 SM Fiber Cable
City 36 Fibers
CoastCom 36 Fibers

Big Creek Pump Station and Vault

WTP Vault

Fire Hall to Oceanview & Hwy 101 Vault
144 SM Fiber Cable
City 36 Fibers
PUD 48 Fibers
CoastCom 60 Fibers

Water Treatment Plant

25th St Vault

Edenview Vault

Lake St Lift Station

11th & Lake St Vault

Fire Hall Vault

IRU Number 3
Exhibit B



Fire Hall Vault to WWTP
144 SM Cable
36 City
108 CoastCom

Fire Hall Vault

Northside Waste
Water Treatment Plant

IRU ORDER FORM

IRU No.: 4

This IRU Order Form is to Add or Remove Facilities based on the table below to the Master Indefeasible Right of Use (IRU) Agreement between the City of Newport and CoastCom, Inc., dated September 3, 2013.

Facilities Owner / IRU Grantor
CoastCom, Inc.

IRU Grantee
City of Newport

Effective Date: 9/3/2013
Term : 25 Years

Consideration:

The Consideration for this IRU is \$111,611.00. The Non Recurring Charges are due and payable within 30 days after City receives notice that construction is complete.

A map of the fiber or conduit routes and related access points are attached as Exhibit A and by this reference made part of this Addendum.

Use this table for Fiber IRU's

Add (A) or Remove (R) Facilities	Fiber Route	Number of IRU Fibers	Total Fibers	Operations & Maintenance Percentage	Annual Recurring Charge	Non Recurring Charge
A	City Vault FHH15 to South Beach Fire Station and Airport Terminal	36	72	50%	-	\$111,611.00
					-	
					-	
	Totals					\$111,611.00

Use this table for Conduit IRU's

Add (A) or Remove (R) Facilities	Conduit Route	Conduit Footage	Cost Per Foot	Operations & Maintenance Percentage	Annual Recurring Charge	Non Recurring Charge
	Totals					\$0.00

BY SIGNING BELOW, EACH PARTY ACKNOWLEDGES THAT THEY HAVE READ, UNDERSTAND, AND AGREE TO EACH OF THE TERMS AND CONDITIONS OF THIS ATTACHEMENT WHICH IS MADE PART OF THE MASTER IRU AGREEMENT BETWEEN CITY OF NEWPORT AND COASTCOM. THE PERSONS SIGNING BELOW WARRANT THAT THEY ARE DULY AUTHORIZED TO SIGN FOR AND ON BEHALF OF THE RESPECTIVE PARTIES.

City of Newport

CoastCom, Inc.

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

IRU Number 4
Exhibit A



City Vault FHH 15

South Beach
Fire Station

Airport Terminal

**City Vault FHH15 to SB
Fire Station and Airport
72 SM Fiber Cable
City 36 Fibers
CoastCom 36 Fibers**

101

IRU ORDER FORM

IRU No.: 5

This IRU Order Form is to Add or Remove Facilities based on the table below to the Master Indefeasible Right of Use (IRU) Agreement between the City of Newport and CoastCom, Inc., dated September 3, 2013.

Facilities Owner / IRU Grantor
City of Newport

IRU Grantee
CoastCom, Inc.

Effective Date: 9/3/2013
Term : 22 Years

Consideration:

The Annual Consideration for this IRU is \$8,733.00.00. CoastCom shall prepay this IRU for the entire Term of 22 years for a total of \$192,126.00 upon signing of this Addendum by both Parties.

A map of the fiber or conduit routes and related access points are attached as Exhibit A and by this reference made part of this Addendum.

Use this table for Fiber IRU's

Add (A) or Remove (R) Facilities	Fiber Route	Number of IRU Fibers	Total Fibers	Operations & Maintenance Percentage	Annual Recurring Charge	Non Recurring Charge
	Totals					\$0.00

Use this table for Conduit IRU's

Add (A) or Remove (R) Facilities	Conduit Route	Conduit Footage	Cost Per Foot	Operations & Maintenance Percentage	Annual Recurring Charge	Non Recurring Charge
A	North side Pump Station to Effluent Pump Station	4,479	0.50	100%	\$2,239.50	-
A	Effluent Pump Station to City Vault 15 in South Beach	12,308	0.50	100%	\$6,154.00	-
A	City Vault 9 SB Marine Drive to Telco Vault	679	0.50	100%	\$339.50	-
	Totals				\$8,733.00	\$0.00

BY SIGNING BELOW, EACH PARTY ACKNOWLEDGES THAT THEY HAVE READ, UNDERSTAND, AND AGREE TO EACH OF THE TERMS AND CONDITIONS OF THIS ATTACHEMENT WHICH IS MADE PART OF THE MASTER IRU AGREEMENT BETWEEN CITY OF NEWPORT AND COASTCOM. THE PERSONS SIGNING BELOW WARRANT THAT THEY ARE DULY AUTHORIZED TO SIGN FOR AND ON BEHALF OF THE RESPECTIVE PARTIES.

City of Newport

CoastCom, Inc.

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____



Agenda Item #
Meeting Date

IX.E.
September 3, 2013

CITY COUNCIL AGENDA ITEM SUMMARY
City Of Newport, Oregon

Issue/Agenda Title: Consideration and Potential Approval of HDR Agreement for Engineer of Record Dam Consultant

Prepared By: TEG Dept Head Approval: TEG City Manager Approval: _____

Issue Before the Council:

Consideration and potential approval of agreement with HDR Engineering, Inc. for Engineer of Record Dam Consulting Services

Staff Recommendation:

Approve and direct the City Manager to execute the contract

Proposed Motion:

I move to approve the contract with HDR Engineering, Inc. to provide Engineer of Record Services for dam evaluation and design and direct the City Manager to execute said contract.

Key Facts and Information Summary:

In late May, 2013, the City solicited engineering consulting firms for the purpose of providing on-going professional services for the analysis and design of dam structures. Two consultant teams submitted proposals for this solicitation led by CH2M Hill and HDR Engineering, Inc.

A review team comprised of the Director of Public Works, Senior Project Manager, City Manager, Water Treatment Plant Supervisor, and one member of City Council rated the two firms and unanimously selected HDR Engineering, Inc. as the most qualified consultant team.

This agreement defines the terms and conditions for providing services to the City including a general rate schedule of personnel classifications that may be working on City projects. Projects under this master agreement will be further defined for scope and cost through task orders, which are reviewed by engineering staff and approved by the City Manager.

Other Alternatives Considered:

None.

City Council Goals:

Water Division - Ongoing Goals

A. Plan for remediation or replacement of upper and lower Big Creek dams.

Attachment List:

- Engineering Services Agreement - Dam Consultant of Record (HDR Engineering, Inc.)

Fiscal Notes:

There is no financial impact to execute the Master Agreement. The City has budgeted \$350,000 in FY14 for Task Order 1 under this agreement to continue with the seismic analysis on both dam structures and provide remediation recommendations.

**ENGINEERING SERVICES AGREEMENT
DAM CONSULTANT OF RECORD**

THIS AGREEMENT is between the City of Newport, an Oregon municipal corporation (City), and **HDR ENGINEERING INC.**, a Nebraska corporation, which is registered to practice engineering in the State of Oregon (Engineer).

RECITALS

- A. Pursuant to District Rule 137-048-0220, the City of Newport (City) solicited proposals for professional engineering services to assist the City in identifying and correcting deficiencies associated with the Upper and Lower Big Creek Dams which impound water for the City's municipal drinking water system.
- B. After reviewing all proposals, the City has selected HDR Engineering, Inc. (Engineer) as the most qualified engineer to provide the proposed services.
- C. 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 dam analysis and remediation 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 dam analysis and remediation. The City is free to utilize other engineers or consultants 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 three 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. Payment – General

- 1)** Engineer shall pay to the Department of Revenue all sums withheld from employees pursuant to ORS 316.167.
- 2)** Engineer shall pay employees at least time and a half pay for all overtime worked in excess of 40 hours in any one week except for individuals under the contract who are excluded under ORS 653.010 to 653.261 or under 29 USC sections 201 to 209 from receiving overtime. Any subcontractors utilized by Engineer under this Agreement will be paid according to the then prevailing wage.
- 3)** Engineer shall promptly, as due, make payment to any person, co-partnership,

association or corporation, furnishing medical, surgical and hospital care or other needed care and attention incident to sickness or injury to the employees of Engineer or all sums which Engineer agrees to pay for such services and all moneys and sums which Engineer 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.

- 4) Engineer shall make payments promptly, as due, to all persons supplying services or materials for work covered under this contract. Engineer shall not permit any lien or claim to be filed or prosecuted against the City on any account of any service or materials furnished.
- 5) If Engineer fails, neglects or refuses to make prompt payment of any claim for labor, materials, or services furnished to Engineer, sub-consultant or subcontractor by any person as such claim becomes due, City may pay such claim and charge the amount of the payment against funds due or to become due to the Engineer. The payment of the claim in this manner shall not relieve Engineer or its surety from obligation with respect to any unpaid claims.

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 the 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; or (g) is required to be disclosed by law, subpoena, or other court order.
- 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 to the extent caused by the 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, to the extent caused by 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 claim 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 \$1,300,000.

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 shall furnish City with at least 30-days written notice of cancellation of, or any modification to, the required insurance coverages. 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:

Timothy Gross, PE
Director of Public Works/City Engineer
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

Timothy Gross
 Director of Public Works/City Engineer
 City of Newport
 169 SW Coast Highway
 Newport, OR 97365
 541-574-3366

IF TO ENGINEER:

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 disenabled, 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 disenabled 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. While all required contractual provisions are included in Exhibit B, Engineer shall be familiar with and responsible for compliance with all other applicable provisions of the Oregon Public Contracting Code.

20. Conflict Between Terms

This instrument shall control in the event of any conflict between terms between this document and the RFQ and/or proposal.

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 form that Engineer or subcontractors incur during the performance of this Agreement.

25. Arbitration

All claims, disputes, and other matters in question between the City and Engineer arising out of, or relating to this Contract, including rescission, reformation, enforcement, or the breach thereof except for claims which may have been waived by the making or acceptance of final payment, may be decided by binding arbitration in City's sole discretion, in accordance with the Oregon Uniform Arbitration Act, ORS 36.600, et seq. and any additional rules mutually agreed to by both parties. If the parties cannot agree on rules within ten (10) days after the notice of demand, the presiding judge of the Lane County Circuit Court will establish rules to govern the arbitration.

A claim by Engineer arising out of, or relating to this Contract must be made in writing and delivered to the City Administrator not less than 30 days after the date of the occurrence giving rise to the claim. Failure to file a claim with the City Administrator within 30 days of the date of the occurrence that gave rise to the claim shall constitute a waiver of the claim. A claim filed with the City Administrator will be considered by the City Board at the Board's next regularly scheduled meeting. At that meeting the Board will render a written decision approving or denying the claim. If the claim is denied by the Board, the Engineer may file a written request for arbitration with the City Administrator. No demand for arbitration shall be effective until the City Board has rendered a written decision denying the underlying

claim. No demand for arbitration shall be made later than thirty (30) days after the date on which the City has rendered a written decision on the underlying claim. The failure to demand arbitration within said 30 days shall result in the City Board's decision being binding upon the City and Engineer.

Notice of demand for arbitration shall be filed in writing with the other party to the agreement, subject to applicable statutes of limitation, except as set forth above. The City, if not the party demanding arbitration, has the option of allowing the matter to proceed with binding arbitration or by written notice within five (5) days after receipt of a demand for arbitration, to reject arbitration and require the Engineer to proceed through the courts for relief. If arbitration is followed, the parties agree that the award rendered by the arbitrators will be final, judgment may be entered upon it in any court having jurisdiction thereof, and will not be subject to modifications or appeal except to the extent permitted by Oregon law.

26. Attorney Fees

If suit, action or arbitration is brought either directly or indirectly to rescind, reform, interpret or enforce the terms of this contract, the prevailing party shall recover and the losing party hereby agrees to pay reasonable attorney's fees incurred in such proceeding, in both the trial and appellate courts, as well as the costs and disbursements. Further, if it becomes necessary for City to incur the services of an attorney to enforce any provision of this contract without initiating litigation, Engineer agrees to pay City's attorney's fees so incurred. Such costs and fees shall bear interest at the maximum legal rate from the date incurred until the date paid by losing party

27. Complete Agreement

This Agreement and any exhibit(s) hereto and any and all Task Orders executed by the parties 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 RFQ and Response. The following exhibits are attached to and incorporated into this Agreement:

- A. Exhibit A – Fees;
- B. Exhibit B – Oregon Public Contracting Code/required contractual provisions
- C. Exhibit C – Engineer of Record RFQ and Engineer's Proposal.

28. 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.

- C. Engineer certifies that Engineer is in compliance with Oregon tax laws pursuant to ORS 305.385
- D. Engineer certifies that Engineer does not discriminate in regard to subcontractors as set forth in ORS 279A.110.
- E. Engineer will include in all contracts with subcontractors appropriate provisions as required by ORS 279C.580.
- F. Engineer will comply with environmental and natural resources regulations as set forth in ORS 279B.525 and regulations relating to the salvaging, recycling, composting or mulching yard waste material, and salvage and recycling of construction and demolition debris as set forth in ORS 279B.225 and 270C.510.

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:

Ted Smith, Interim City Manager

Date: _____

HDR Engineering, Inc.:

By: _____

Its: _____

Date: _____

EXHIBIT B
Oregon Public Contracting Requirements

ORS CHAPTER 279B PUBLIC CONTRACTING REQUIREMENTS
FOR THE PURCHASE OF GOODS AND SERVICES

- (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 agrees that if Contractor fails, neglects or refuses to make prompt payment of any claim for labor or materials furnished to the Contractor or a Subcontractor by any person in connection with the contract as such claim becomes due, the City may pay such claim to the persons furnishing the labor or material and charge the amount of payment against funds due or to become due Contractor by reason of the contract. The payment of a claim in the manner authorized hereby shall not relieve the Contractor or his surety from his or its obligation with respect to any unpaid claim. If the City is unable to determine the validity of any claim for labor or material furnished, the City may withhold from any current payment due Contractor an amount equal to said claim until its validity is determined and the claim, if valid, is paid.
- (6) 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).
- (7) 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).
- (8) Contractor shall pay employees for overtime work performed under the contract in accordance with ORS 653.010 to 653.261 and the Fair Labor Standards Act of 1938 (29 USC 201, et seq). ORS 279B.235(3).

- (9) 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).
- (10) 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.
- (11) The contract may be canceled at the election of City for any willful failure on the part of Contractor to faithfully perform the contract according to its terms.
- (12) Contractor certifies compliance with all applicable Oregon tax laws, in accordance with ORS 305.385.
- (13) Contractor certifies that it has not discriminated against minorities, women or emerging small business enterprises in obtaining any required subcontractors. ORS 279A.110.
- (14) 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.

June 28, 2013

Timothy Gross, PE, Director of Public Works/City Engineer
 Department of Public Works
 169 SW Coast Highway
 Newport OR 97365

HDR has a policy of nondiscrimination in employment because of race, age, color, sex, religion, national origin, mental or physical handicap, political affiliation, marital status or other protected class, and has a drug-free workplace policy.

Re: Proposal for Dam Consultant of Record

Dear Mr. Gross and Selection Committee Members:

Big Creek Reservoirs 1 and 2 are critical components of the Newport water system. Without these dams, the City has no potable water. HDR and Comforth (HDR|CCI) conducted the preliminary evaluation that identified the seismic vulnerabilities of the dams. We bring first-hand knowledge of the dams, the water system, and how to work with the City. **HDR|CCI will leverage our knowledge and expertise to identify the most affordable approach to securing the City's water supply system.** With the HDR|CCI Team, the City will receive:

- **State-of-the-art soil characterization that will avoid redesign of improvements.** A key finding of the preliminary evaluation was that the soils beneath the dams tested on the borderline between those that liquefy during a seismic event and those that may be subject to strength loss due to cyclic loading. Without more-refined testing, design teams would have to make conservative assumptions, increasing the extent and cost of required improvements.
- **A full understanding of the seismic hazard risks at the site including the Cascadia Subduction Zone earthquake.** The understanding of seismic hazards in the Northwest has changed dramatically in the last ten years. Principal Designer Keith Ferguson has worked on over 150 dams in his 35-year career and is the "go to" expert to address CSZ dam safety hazards for local agencies. His experience is supplemented by HDR|CCI's deep bench of technical experts and the latest CSZ research from the Pacific Earthquake Engineering Center.
- **A clear path to supporting the City in balancing risks and affordability.** HDR|CCI's proven approach will provide you with a clear understanding of the costs and risks associated with the available alternatives so that you can make the right decision for the City. Project Manager Verena Winter and Principal Designer Keith Ferguson are skilled at synthesizing and communicating information, as evidenced by their efforts during this first phase of dam efforts. With this team, the City will receive not only solid analyses, but information that is packaged in a way that facilitates informed decision-making.

We look forward to continuing our partnership on this effort.

Sincerely,
HDR Engineering, Inc.



David C. Moyano, P.E., S.E. (authorized representative)
 Vice President and Oregon Department Manager
 Tel. 503-423-3700, FAX 503-423-3737
dave.moyano@hdrinc.com



Verena Winter, P.E.
 Project Manager
 Tel. 503-423-3700, FAX 503-423-3737
verena.winter@hdrinc.com

2. Availability and Capability

With more than 60 licensed engineers in the State of Oregon, the HDR|CCI Team has the expertise and qualified personnel needed. Fifty percent of our proposed team members are located in Oregon. All of them will be available to assist with this project. They can respond to City inquiries or be on-site within a day's notice. The same level of service that the City received during your Water Treatment Plant design and construction will be available to you through this effort. We are dedicated to your success.

The HDR|CCI Team has the depth of staff, expertise, and availability to continue to assist the City of Newport through the various services that might be required of the dam consultant of record. These include updating the Emergency Action Plan, leading the seismic evaluation and analysis, obtaining the needed permits and environmental clearances, identifying and assessing possible remediation alternatives and associated construction costs, developing design documents, and assisting with construction-phase efforts.

Our team will be headed by Project Manager Verena Winter. In addition, our team includes key personnel who have previously been involved with site characterization and engineering evaluations of Upper and Lower Big Creek Dams, and our exclusive teaming partner Cornforth Consultants, Inc. We have supplemented our team with several seismic and constructability experts whose capabilities are described in Section 3, *The HDR|CCI Team*.

HDR Engineering, Inc. tasks: project management, risk analysis, design, construction-phase engineering

HDR brings the proven leadership, technical abilities, and whole-project focus needed to assist the City with identifying the approach for securing your water supply that best meets your goals. We propose Verena Winter, Keith Ferguson, and Elena Sossenkina as our key leadership for the project augmented by HDR's more than 8,000 employee-owners. For your Dam Consultant of Record, HDR's capabilities include specialty technical expertise in dam safety and condition assessment, Cascadia Subduction Zone (CSZ) and other seismic risk assessment, numerical modeling, design and construction of dam safety modifications for embankment dams, spillways, outlet works and any related structures for water conveyance and fish passage. With 240 staff in Oregon and 900 in the Pacific Northwest, supported by the national expertise that can only be provided by a billion dollar company ranked #11 in ENR's top 500 Design Firms, our team is ready to deliver.

Cornforth Consultants, Inc. (CCI) – tasks: engineering geology, construction-phase eng. and soils lab testing

A frequent teaming partner, CCI is a Portland-based geotechnical firm established in 1983. They specialize in complex geotechnical engineering and engineering geology assignments with particular interest in earth and rockfill dams, liquefaction and seismic studies, earthquake engineering, and landslides. The firm has 24 employees with 18 registered geotechnical engineers and engineering geologists, including ten professionals each having more than 20 years experience in the State of Oregon.

All technical staff members hold advanced degrees in their fields and are registered Professional Engineers or Licensed Engineering Geologists in Oregon. The soils laboratory has the capability to provide all types of geotechnical testing including triaxial, consolidation, direct shear, and ring-shear tests. A comprehensive overview of the firm's capabilities and projects is provided on their website at www.CornforthConsultants.com.

HDR's expert team will partner with City staff to determine the best approach for securing the City's water supply.

City Project Manager

Tim Gross, PE

Technical Advisors

Rich Hamman, PE
 Ross Boulanger, PhD, PE³
 Les Harder, PhD, PE - QA/QC
 Yousef Bozorgnia, PhD, PE² - seismic hazards

HDR Project Manager

Verena Winter, PE

Principal Designer

Keith Ferguson, PE

Geotechnical Eng. Lead

John Ballegeer, PE

Risk Assessment

Elena Sossenkina, PE*

Nick Clark, PE

Soils Characterization

John Charlton, PG

Charlie Hammond¹

Numerical Modeling

Scott Anderson, PE

Andy Vessely, PE¹

Seismic Hazard

Chris Carpenter, PE¹

Structural

Pete Gaby, PE, SE

Travis Ford, PE, SE

Soils Lab Testing

Cornforth

MEG Technical Services

Construction

Wade Osborne¹

Support

Carl Jonasson - cost estimating and constructability

Dan Hertel - cost estimating and constructability

Leandra Cleveland - environmental permitting

Nesh Mucibabic, PE - pump station

Brian Bartle, PE - pipeline

David Easley - civil design support

1 - Cornforth 2 - PEER at U.C. Berkeley 3 - U.C. Davis

* = licensed engineer in another state

MEG Technical Services (MTS) | tasks: specialty soils lab testing

MTS (Vancouver, BC) offers geotechnical laboratory services and high-quality data for engineering analyses, and is a part of the larger company MEG Consulting Services, which provides geotechnical expertise to onshore/offshore infrastructure and earthquake engineering projects around the world. A high-capacity cyclic direct simple-shear apparatus, two high-pressure resonant columns, and one high-pressure dynamic triaxial device allow them to provide dynamic testing services to clients requiring the dynamic characterization on samples recovered at depths of up to 500 feet. Because disturbing the soils samples during shipping can reduce the accuracy and reliability of test results, the lab's vicinity to the project site will make it possible to transport the samples undisturbed and get reliable findings on which solutions can be based.

3. The HDR|CCI Team

The proposed key staff bring experience with over 30 projects of similar size and complexity including several in Oregon: Fern Ridge Dam remediation, Scoggins Dam seismic evaluations, Creekside Dam 1 and Creekside Irrigation Water Reservoir design and construction, and John Day Dam seismic evaluation.

The proposed HDR|CCI Team has been partnering with the City of Newport for the past four years. Through our involvement with the new Water Treatment Facility and the dam seismic studies done to date, we bring unique knowledge of the project details and a strong dedication to the City's success.

With the HDR|CCI Team, Newport will receive:

- **Dedicated Project Manager with your best interest at heart.** Verena Winter will continue in the role that she's held for the past three years on this effort, coordinating a team of experts and being the City's primary point of contact. She will guide this project to deliver the best recommendations for an affordable solution that meets the City's risk-management goals.
- **A dam expert whose experience with the seismic hazards of the northwest as well as seismic assessments of low density volcanic soils similar to those found at the project site will result in practical and cost effective concepts and designs.** Through dam analyses and feasibility studies on similar projects like the Scoggins Dam, OR and Fern Ridge Dam, OR, Keith Ferguson has gained valuable insight into the factors affecting the stability of the City's dams, and how to most effectively assess their risk and design around them.
- **Cadre of experts to help with determination of the soil properties and seismic risk: the most influential determinations of the project.** They include U.C. Davis, PEER at U.C. Berkeley, CCI, and MTS.
- **Skilled permitting/planning, design, and construction-phase services team to deliver a solution with long-term value.** This team will deliver the environmental compliance documents and permits, and solid construction documents.

Verena Winter, PE | Project Manager

As Project Manager, Verena will orchestrate the engagement of her team of experts, bringing in the right people for the right task.

Verena is a skilled project manager, having led a variety of projects including the City of Newport's CM/GC water treatment facility, the initial Newport dam explorations project, and other projects in Oregon. **Her ability to focus a group of experts to gain quick results and her dedication to your success, which you saw on the Water Treatment Facility project and dam seismic projects, will be available to you on this Dam Consultant of Record contract.**

She understands the various considerations with the dams, having been working on the project since the issue was discovered. This insight will aid in keeping the team on-track to determine the design parameters and develop practical solutions.

- Scoggins Dam Corrective Action Study and Raise Appraisal Study, Clean Water Services, OR
- Newport Dam Seismic Analysis and Evaluation, Newport, OR
- Biosolids Upgrade to Wastewater Treatment Plant, City of Silverton, OR
- Wastewater Treatment Plant Repair, Restoration and Expansion, City of Newberg, OR

Keith Ferguson, PE | Principal Designer

Keith specializes in dam safety, dam engineering, soil and rock mechanics, foundation engineering, and design including specialized experience related to the CSZ. Since 1978, he has participated in more than 350 civil and mining engineering projects including evaluation; design and/or construction services for, more than 160 embankment, concrete-faced rockfill, concrete-gravity, roller-compacted concrete, and multiple-arch concrete and tailings dams and appurtenant structures (e.g., spillways, outlet works, diversion dams); pipelines, and tunnel designs.

Keith is a recognized expert in dam safety, seepage and stability analysis of dams, and with Roller Compact Concrete (RCC). He has supervised multi-disciplined projects, many of which have involved large-scale field exploration programs, site surveys, geotechnical and engineering geology analyses, hydrologic/hydraulic analyses, hydrogeologic analyses, structural analyses, preparation of conceptual designs, final designs and preparation of construction documents, construction observation and supervision, and construction management.

He applied this expertise locally on the Scoggins Dam, where he worked with Clean Water Services and the U.S. Bureau of Reclamation (Reclamation) to help identify cost-effective and practical approaches that will reduce the seismic risk while expanding future water supplies. He helped lead the development of dam enlargement concepts, participated in risk analyses of identified potential-earthquake failure modes under Reclamation's dam safety program and guidelines for dam safety decision making, and helped to develop a decision-making process to select the preferred alternatives for conceptual level designs. HDR, under Keith's leadership, is currently providing consulting services to help the project sponsors better understand the Reclamation dam safety process, risk estimation procedure, risk estimation outcome and the potential impact of the outcome on future reservoir operations.

- Newport Dam Seismic Analysis and Evaluation, Newport, OR
- Scoggins Dam Corrective Action Study and Raise Appraisal Study | CWS OR
- Fern Ridge Dam Remediation | Oregon

Rich Hannan | Technical Expert

With 40 years of geotechnical engineering experience in the Pacific Northwest including 34 years at the Portland District Corps of Engineers, **Rich knows the solutions that work best for Oregon's various geological conditions.** Skilled with the Corps dam safety program, Rich was the lead engineer for the Evaluation and Seepage Remediation of Fern Ridge Dam (OR), seismic assessment of John Day Dam (OR) as well as repairs to Cougar Dam (OR), which were similar in size and considerations to the Upper and Lower Big Creek Dams. Rich will provide continuity from the investments already made, and will aid in developing in a variety of practical options.

Ross Boulanger, PhD, PE* | Technical Advisor

Ross is a geotechnical earthquake engineering professor at U.C. Davis where he directs an internationally renowned center that houses the largest geotechnical centrifuge in the U.S., which is used for

- Lake Isabella Dam Potential Failure Modes Analysis | Central California
- Howard Hansen Dam Safety Evaluation, WA
- Creekside Irrigation Water Reservoir Design and Construction, OR

static and dynamic testing of soil and soil-structure models. His emphasis is on liquefaction and its remediation, seismic soil-pile-structure interaction, and seismic performance of earth dams and levees. **His lab will independently test the samples to confirm the lab findings.**

Yousef Bozorgnia, PhD, PE* | Technical Advisor, Seismic Hazards

Yousef is Executive Director of the Pacific Earthquake Engineering Research Center (PEER) at U.C. Berkeley. He is a recognized authority on earthquake hazards in the U.S. and internationally. **He brings research results from the most recent earthquakes in Japan and Chile, which will inform the evaluation of CSZ hazards, and thus the design solutions.**

John Ballegeer, PE | Geotechnical Lead

As the geotechnical lead on the Scoggins Dam Raise Appraisal Study, **John's recent experience with the Cascadia Seismic Zone will facilitate an accurate assessment of the potential risks in this region.** He has 32 years of experience leading geotechnical engineering projects for dams and has strong working relationships with the HDR|CCI Team members.

Elena Sossenkina, PE* | Risk Assessment

Elena has more than 14 years of experience with dams and levees. Her expertise includes risk assessment, geotechnical investigations, slope stability and seepage analyses, and geotechnical instrumentation. **Having worked on the first phase of this project, her familiarity with the site and stakeholders's priorities will assist with evaluating risks.**

John Charlton, PG | Soils Characterization.
Lead

Accurate soils characterization will be foundational to an effective solution. **John's 21 years with and skill for reviewing regional geologic data for site seismic hazard assessment will be key.** He is also skilled with inspecting dam construction of soil, rock fill, and RCC dam sections. He will provide a reliable soils characterization, a role he has held on more than 100 projects including the Rose Hill Dam Reconstruction (SD) and the Bear Creek Dam Rehabilitation (AL).

Pete Gaby, PE, SE | Structural

Pete has 22 years of providing finite element modeling and seismic/structural engineering services for dams including embankment dams. His projects include Willow Creek dam Gate Tower Structural Evaluation (CO) and the San Vicente Dam Raise (CA), which was the highest dam raise at that time in the U.S. **Pete's skill with dam structural analysis and design will facilitate development of practical designs and accurate cost estimates for the structural components of the project including spillways, outlet works and fish passage facilities.**

Scott Anderson | Numerical Modeling

Scott specializes in numerical modeling of earth structures: static and dynamic deformation, static and dynamic soil properties, slope stability, seepage, and advanced laboratory testing. **With his 22 years of experience, he will develop a reliable model that best reflects the project components; providing direction for future steps.** His similar projects include numerical modeling of seepage and seismic response of a number of Corps and Reclamation dams including Scoggins Dam, Isabella Dam and alternatives for the restoration of the Salton Sea in southern California.

Chris Carpenter, PE | Seismic Hazard

Chris' career has been focused on earthquake engineering in Oregon, and has worked on various dam seismic studies that utilized the Pacific Northwest's constantly evolving earthquake criteria. He participated in the first phase of this project, calculating peak bedrock accelerations for return periods of 1,000; 2,500; and 5,000 years. **This level of expertise will assist with the development of right-sized (and not over-designed) solutions.**

Les Harder, PhD, PE | QA/QC

Les's national-level expertise with earth dams and levees will provide guidance and review to ensure that practical solutions are delivered. During his 30-year tenure with California's Department of Water Resources, Les helped to develop the state's levee standards, supervised several seismic stability evaluations, and directed several emergency levee repairs. While working for the U.S. Army Corps of Engineers, Les led several post-earthquake reconnaissance studies of the performance of earth structures. He was part of the National Science Foundation team that studied the performance of levees in the New Orleans area following Hurricane Katrina. In 2008, he was appointed to a team to develop and recommend a new national levee safety program.

Wade Osborne | Construction Observation

The City will want an experienced eye performing construction observation when the Big Creek dam repairs are being constructed. **Wade's combination of construction observation and geotechnical training make him the ideal candidate.** His recent projects include the Soda Springs Dam Fish Passage at Tokete Falls (OR) and Willamette Falls Dam Flow Control Structure in West Linn (OR).

Carl Jonasson | Cost Estimating and Constructability

With decades as a contractor, including Civil Construction Manager with Wilder Construction Company and Kiewit, Carl brings a unique perspective and tricks-of-the-trade to constructability reviews and cost estimating. **This contractor's perspective will result in a practical design and tighter construction documents, both of which benefit keeping the project on budget and schedule.** He even brings local experience, having worked with the team to estimate costs on the Scoggins Dam alternatives.

4. Performance on Similar Projects

The HDR|CCI Team has a strong track record of effectively delivering technically challenging projects similar to the City's dams. Examples include such notable projects as Scoggins Dam, Isabella Dam, Barney Hill Dam, Fern Ridge Dam, and the National Park Service's Low Hazard Dam Safety Program. Please contact the project references to find out more about our team's performance including our high quality of service, and ability to deliver on-time and on-budget.

The next steps of your project require expertise and sound judgment to produce a practical, cost-effective solution. This team brings both, having refined them through several similar projects involving seismic hazards that include earthquakes associated with the CSZ as well as soft, high void ratio soils of volcanic origin similar to those found at both dam sites.

First-hand knowledge of the City's dams

Dam Seismic Analysis and Evaluation | Newport, OR

Reference: Tim Gross, City of Newport Director of Public Works 503.574.3366

In 2009 HDR designed a new drinking water treatment facility for the City. Originally, the design involved modifying the intake structure to accommodate larger pumps and equipment. When a later geotechnical investigation indicated that the soil stability underneath the existing intake structure was very soft, the seismic stability of the dam was identified as a significant concern.

HDR performed an initial seepage, static stability, and post-earthquake stability analysis of Upper and Lower Big Creek Dams to understand the potential for large deformations and/or failure in case of a range of seismic events. Based on the results of the initial site investigation and analysis program, it was determined that additional site characterizations and engineering evaluations were required to improve the understanding of the subsurface stratigraphy, develop a geologic model of the site, and to better estimate the corresponding engineering properties and behavior of the foundation and embankment soils. Our subsequent investigations indicated that both dams could be susceptible to severe damage in even a moderate seismic event, which would compromise the City's only drinking water source.

Completed: Feb. 2013

Project cost: \$340,000

Relevance: in-depth knowledge of findings, design considerations, and client's goals

Similar personnel: Keith Ferguson, Elena Sossenkina, Rich Hannan, Verena Winter, John Charlton, Andy Vessely, Chris Carpenter



Our established team will streamline the next steps in this important project.

Recent CSZ and Embankment Dam Experience

Scoggins Dam Corrective Action Study and Raise Appraisal Study | Washington County, OR

Reference: Tom VanderPlaats, Clean Water Services 503.681.5107

Clean Water Services is working with Reclamation to assess the seismic vulnerability of Scoggins Dam and evaluate additional water supplies for the future needs of the Tualatin Basin. Key members of the HDR|CCI Team have been working since 2010 to find cost-effective and practical approaches that will reduce the seismic risk while expanding the future water supply.

Partnering with our client and a panel of nationally recognized dam experts, HDR staff developed dam concepts and project configuration alternatives, and performed a decision analysis to help identify preferred alternatives for conceptual-level designs. HDR provided consulting services to help the project sponsors better understand the Reclamation dam safety process, risk-estimation procedure, risk-estimation outcome, and the potential impact of the outcome on future reservoir operations. Tasks included:

- Site Characterization investigations
- Risk Analysis
- Conceptual design of aits for the embankment dam, spillway and outlet works
- Cost Estimating

Completed: ongoing

Est. project cost: \$400M - \$500M entire project, HDR \$500,000; next phase \$100,000

Relevance: risk-analysis workshops and development of risk models; evaluation of risk-reduction benefits; effective communication of technical information with stakeholders

Similar personnel: Verena Winter, Keith Ferguson, Elena Sossenkina, John Ballegeer, Carl Jonasson



The CSZ played a large role in assessing seismic risk to this critical dam

State-of-the-art testing to provide reliable recommendations

Barney Reservoir Dam Raise, Seismic Hazard Evaluation | Yamhill, OR

Reference: Tom VanderPlaats, Clean Water Services 503.681.5107

CCI was retained by the Barney Joint Water Commission to evaluate the seismic stability of a 50-foot raise of the Trask River Dam (subsequently renamed Eldon Mills Dam). Potential seismic ground motions were evaluated for three seismic sources: an interface subduction earthquake; an intraplate subduction earthquake; and various crustal earthquakes. The ground motion parameters assigned to each source included the maximum credible earthquakes (MCE), peak bedrock accelerations (mean and 84th percentile values), and acceleration time histories. Probabilistic estimates of return periods were also developed for the peak motions.

The bedrock acceleration time histories were propagated through the soil in a site-specific ground response analysis. The seismic stability of the dam was assessed using finite element methodology. Initial static shear stresses within the embankment and foundation soils were calculated, and the free-field time histories were input into a 2-dimensional finite element program to calculate the resulting dynamic shear stresses and accelerations within the embankment.

The dynamic shear strength of the slightly clayey silt foundation soil was tested in the laboratory using a cyclic triaxial apparatus. The dynamic shear strength was compared with the calculated shear stresses to obtain an estimate of the increase in pore water pressures that would be induced by earthquake motions. The resulting increase in pore water pressure was modeled in limit-equilibrium stability analyses. Finally, an estimate of the crest deformation was determined using a Newmark-type analysis.

Project cost: \$16.6 M

Relevance: state-of-the-practice stability analysis evaluating the potential seismic sources; performed deterministic and probabilistic seismic hazard analysis techniques and provided recommended ground response criteria

Similar personnel: Andy Vessely, Charlie Hammond



Seismic repair of similarly sized earth dam

Fern Ridge Dam Dewatering and Laboratory Testing | Eugene, OR

Reference: David Scofield, Corps of Engineers Portland District 503.808.4867

Fern Ridge Dam (10 miles northwest of Eugene on the Long Tom River) is an earthfill structure with a gated concrete spillway. It is 1.2 miles long and 44 feet tall. In 2004 Fern Ridge Dam began showing signs that piping of embankment material was occurring. An evaluation team led by Rich Hannan (then with the USACE) developed an explorations and instrumentation plan to evaluate the cause with the assistance of CCI. Based on the information collected, an emergency response was prepared and a Board of Consultants chaired by Keith Ferguson was convened to evaluate the findings of the evaluation team and to review the proposed remediation plan. The Board agreed with the team's findings and added a sense of urgency to the proposed repairs. These required removal of the downstream half of the dam, replacing the drain, and rebuilding the downstream slope of the dam. **The proposed repair was tailored to the ability of local contractors and available equipment. This led to bids that were below the original contract estimate, and completion of the project during one construction season rather than two seasons.**

In addition to the drainage-system repair, a seismic evaluation was performed.

Project cost: \$16.5 M

Relevance: Analysis, design, and repair of similar embankment-style dam in Oregon

Similar personnel: Keith Ferguson, Rich Hannan, and CCI personnel (with other agencies)

Other references for the team including Keith Ferguson include the following:

Reclamation Ongoing ID/IQ Contract – Phoebe Percell, Technical Lead
303.445.3253 papercell@usbr.gov

Isabella Dam Safety Evaluations and Modification Studies | Bakersfield, CA – David Serafini, Geotechnical Engineer 916.557.7584

Risk Screening and Dam Safety Evaluations for National Park Services, multiple dams – Mark Baker, NPS Dam Safety Officer 303.969.2921 mark_e_baker@nps.gov

5. Project Understanding

The HDR|CCI Team has unmatched understanding of this project. We have been partnering with the City on the initial stages of the explorations, so know first-hand the technical considerations, the data findings, and the City's preferences. From our experience working on more than 30 similar dam and levee projects, we understand the state and federal requirements including the safety program and the permitting process. This understanding will result in a practicable and cost-effective solution to securing the City's water supply.

During the construction of the new water treatment facility in Newport, geotechnical investigations were necessary to finalize foundation modifications of the existing intake structure. Those geotechnical borings through the Lower Big Creek Dam revealed that the foundation soils beneath the dam were very soft, and may be subject to significant strength loss during an earthquake event that could lead to seismic instability. The City hired HDR|CCI to conduct preliminary geotechnical investigations on both dams to assess the extent of the soil condition and impacts on the safety of the structures. The outcome of this assessment confirmed the seismic vulnerability of both dams.

The dams are critical to the City's water supply; without the dams, the City has no water. Though funds are tight, the City has prioritized further assessment of the two dams to secure the City's water supply. **HDR|CCI brings an approach and expert team that will identify practicable and cost-effective solutions to securing the City's water supply.** Based on our understanding, our approach includes:

- **Specialized investigations and testing to define soil properties and avoid redesign of improvements.** The soils at the Big Creek dams are difficult to investigate and characterize. Some of the sandy and silty soils show the potential to liquefy where as others of a higher clay characteristic show a potential for some cyclic strength loss. The difference between these two types of soils will have a significant impact on the optimal remediation concepts and related cost of required improvements. The testing we are recommending will allow us to complete the geologic model of the site and select the appropriate engineering parameters and seismic response analyses leading to optimized remediation designs.
- **Selecting the appropriate seismic hazard design criteria.** The understanding of seismic hazards in the Northwest has changed dramatically in the last ten years with the identification of the unique characteristics associated with the CSZ ground motions. We are proposing to update our previous hazard characterization based on emerging information from the recent Fukushima Subduction Zone earthquake that occurred off the northwest coast of Japan in 2011. We will engage experts from the Pacific Earthquake Engineering Research (PEER) Center completing the evaluation of the Fukushima data, and the University of California at Davis to independently review our site characterization and hazard estimate to provide the most up-to-date evaluation currently possible.
- **A clear path to supporting the City in balancing affordability and risk.** HDR|CCI's proven approach to evaluation of alternatives including risk assessment will help you identify the right level of investment that balances affordability against the risk to the City's water supply. Our approach is based on Reclamation's methodology and supported by the State Engineer.
- **Leveraging our experienced team to decrease construction costs.** This team has worked on dozens of similar dam safety projects and understands the full range of improvement options. That experience has revealed the appropriate construction methods for the soil conditions at the site and some effective cost-saving measures. Design solutions that take advantage of the capabilities of local contractors will be thoroughly considered as part of our evaluations.

Most importantly, **Project Manager Verena Winter, Principal Designer Keith Ferguson, and their team are skilled with synthesizing and communicating information, as evidenced by their efforts during this first phase of dam efforts.** With this team, the City will receive not only solid analyses, but information that is packaged in a way that facilitates informed decision-making. Our understanding of key project elements is provided herein:

Emergency Plan Update

Every dam structure is required to have an Emergency Action Plan (EPA) according to state regulations. The last dam inspection report by the state in May 2013 indicated that the EPA for both Big Creek dams is 4 years old and needs to be updated. In addition to inundation areas in case of a breach of the dams, the plan needs to include the seismic response and inspection procedures, and residence communication plan after an earthquake. Our team has the capability to update the EPA accordingly.

1. Specialized Testing to Define Soil Properties and Avoid Overdesign of Improvements

A key finding of the preliminary evaluation was that the soils beneath the dams tested on the borderline between those that liquefy during a seismic event and those that may be subject to strength loss due to cyclic loading. The more sophisticated investigation methods, sampling, and laboratory testing our team offers are necessary to define the soil properties with a high degree of confidence. Without this clear definition, the team would have to make conservative assumptions which typically lead to more conservative (and costly) improvements. This additional testing does not replace the preliminary evaluation that the City has already invested in; instead it builds upon that initial work to provide more accurate information.

Sampling locations and testing methods will be selected and fine tuned to get the data needed for a better understanding and determination of the distribution of the soils at the site. Some of the samples will be going through the standard geotechnical testing such as gradation, plasticity, and water content. Other samples will be collected as undisturbed samples and driven to the special laboratory in Vancouver B.C. where state-of-the-art dynamic direct shear testing will be conducted. Carefully maintaining the samples in undisturbed condition by avoiding commercial shipping is critical as **disturbed samples can significantly under or over estimate the strength of the soils**. This can lead to designs that are either excessively conservative or in some cases, do not provide an adequate level of safety. Strength testing will be independently verified by similar sample handling and testing procedures at the University of California at Davis.

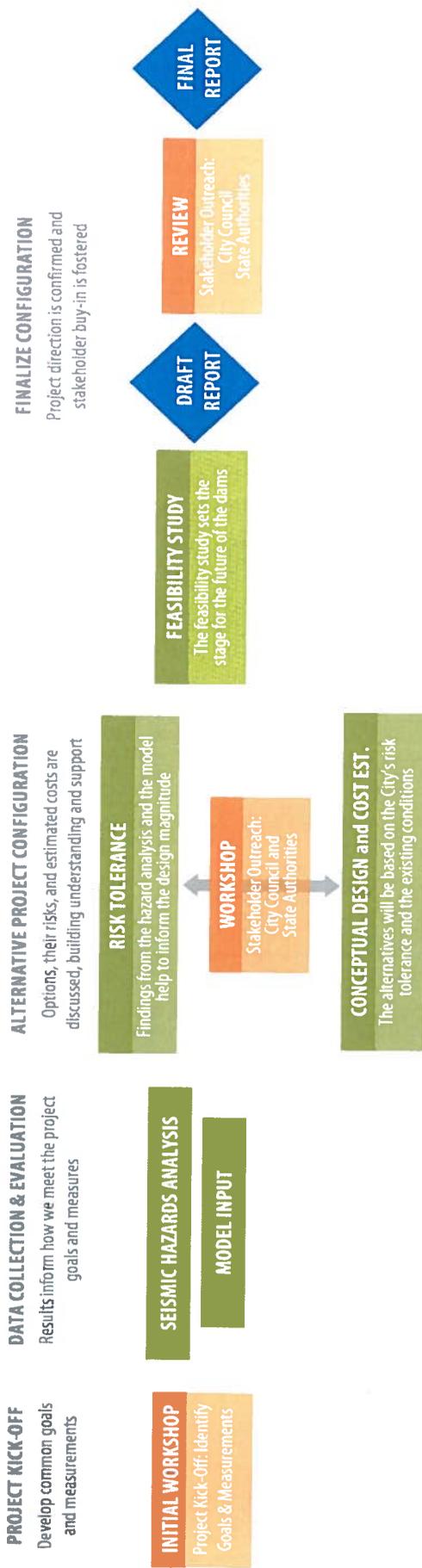
The data gained from the testing will be used to develop a seismic response numerical model using the computer program FLAC which will be run for different loading and dam modification scenarios. As noted above, our understanding of the seismic hazards along the coast of Oregon has been developing rapidly over the past 10 years. The recent subduction zone earthquake off the coast of Japan has introduced significant new data that should be considered for the Newport dams. To gain access to this information, we will use Dr. Yousef Bozorgnia at the Pacific Earthquake Engineering Research (PEER) Center to provide updated information on potential ground motions for the Newport site. Using this information, we will update the most recent seismic hazard report and ground motions for use in numerical modeling of the dams' response

2. A clear path to supporting the City in balancing affordability and risks

A key decision will be selecting an appropriate hazard level (design criteria that balances affordability and risk to the City's water supply). Selecting a hazard level that is too low could result in an under-designed dam repair that jeopardizes the City's water system and may require additional modifications in the future. Selecting a level of risk that is too high could result in an over-engineered solution that is unaffordable. The HDR/CCI Team will utilize the proven project risk assessment methodology shown on the next page. This approach is based on the best practices of Reclamation that will identify the appropriate hazard considering loading conditions, response of the dams to those loads, and estimated consequences associated with a dam failure. **The State Engineer has indicated that such an approach would be favorably considered in approval of modification designs.**

Accurate construction cost estimates will be foundational in the analysis of various potential solutions. HDR's experience designing and providing construction-phase engineering services for numerous similar projects will aid in developing reliable numbers on which to base decisions. We will engage Carl Jonasson to assist with developing cost estimates and performing constructability reviews based on preliminary design data. **Carl has extensive experience as a contractor in performing constructability review, and developing reliable cost estimates for dam related work.**

HDR's proven principles and procedures will help to **identify the City's desired balance of risk tolerance and water supply certainty, thus setting the design criteria that will provide a no-surprises basis for future decisions.** Foundational to this approach are the workshops that occur at key points during the project: project kick-off, one during design, and one at time of the draft report. Their value comes from open exploration of the topics with all stakeholders present to develop unified goals and project parameters, and to discuss options and their implications. Project Manager Verena Winter, Principal Designer Keith Ferguson, and their team are skilled with synthesizing and communicating information, as evidenced by their efforts during this first phase of dam efforts. With this team, the City will receive not only solid analyses, but information that is packaged in a way that facilitates informed decision-making.



HDR|CCI's proven risk assessment approach will support the City in making an informed decision on identifying the seismic hazard level that cuts the right balance between the risk to the City's water supply and the affordability of the required improvements.

3. Leveraging our experienced team to decrease construction costs

Our approach to designing improvements will be driven by the City's need for an affordable approach to secure your water supply. As discussed above, the main goal of the specialized testing we are recommending is to avoid either over- or under-design of improvements.

One example of our ability to improve affordability is our understanding of the capabilities of local contractors, based both on our team's work on numerous previous dam projects, as well as our work on within the local area. This becomes significant when considering improvement alternatives requiring more "exotic" improvements such as deep soil mixing as opposed to more conventional excavation and replacement of weak soils. In the case of the latter, soil excavation and replacement can be done with conventional earth moving equipment (bulldozers, excavators, compaction equipment). This conventional approach was used on the Fern Ridge Dam upgrades, which included excavation of downstream toe of the dam and replacement to replace a drain and develop a flatter, more stable slope and larger berms. This doesn't mean our team will not consider the latest approaches, but we have the experience to know that newer is not always better.

City Engagement

City Staff. Any proposed dam modifications will be based on a range of rehabilitation concepts and methods that the City helped to create. The additional site explorations will provide data to equip the City to determine the desired safety factor for the two Big Creek dams. The Oregon dam safety engineers will be help with this decision from a regulatory perspective.

Water Treatment. The HDR|CCI Team is well aware that these reservoirs are the only drinking water source for the City of Newport. Constructability of any modifications and the construction schedule will be discussed with the water treatment facility and public works personnel to minimize interruption of drinking water production.

City Council. It is also anticipated that City Council will be involved in the decision-making process especially regarding construction cost. This will be a transparent process for all stakeholders. The consultant team will hold several workshops and attend City Council meetings, which will foster a unified understanding of the project.

<p>The HDR CCI Team's understanding of the project is grounded in first-hand, on-site experience and informed by other, similar projects.</p>	
<p>Project consideration</p>	<p>Where we've solved it before</p>
<p>Site characterization including geology, engineering geology, and site explorations such as boring with undisturbed sampling, cone penetration testing, in situ geophysical testing, and specialized laboratory testing to estimate the shear strength and potential strength reduction that may occur to low density and high plasticity sandy silts and silty sand materials subjected to cyclic loading.</p>	<p>Soils with an unusually high-void ratio and low post-earthquake shear-strength properties (like the City's) require accurate test results in order to develop practical, long-term solutions that minimize total project costs.</p> <p>Both in situ testing and the testing of high-quality, undisturbed samples with appropriate laboratory procedures have been reliable methods.</p>
<p>Soils with an unusually high-void ratio and low post-earthquake shear-strength properties (like the City's) require accurate test results in order to develop practical, long-term solutions that minimize total project costs.</p> <p>Both in situ testing and the testing of high-quality, undisturbed samples with appropriate laboratory procedures have been reliable methods.</p>	<p>Upper and Lower Big Creek Dams - HDR CCI Team partnered in the site characterization of both dams. Our first-hand knowledge of the sites and the information gathered will result in an efficient start to the next phase of work, and will assist with integration of this information into the numerical models.</p> <p>Fern Ridge Dam - Keith Ferguson, Rich Hannan, and CCI were involved in the site characterization and subsequent repairs of this dam, which involved soils of volcanic origin with similar high void ratio (low density) characteristics.</p> <p>Waikaloa Reservoirs, Hawaii – Evaluated and designed remediation following a Magnitude 7 earthquake in 2007. High void ratio soils of volcanic origin (similar to the City's) were investigated, characterized, and incorporated into construction solutions.</p>
<p>Experience with dam safety requirements of the State of Oregon and federal agencies such as the U.S. Bureau of Reclamation, and an understanding of seismic hazards and hazard characterization for dam safety including experience related to the Cascadia Subduction Zone (CSZ)</p>	
<p>State and federal dam safety requirements must be met at all stages of the project. We have extensive experience with the regulatory framework for the City's project including the state dam safety regulations and guidelines, and the applicable federal dam safety guidelines that the State relies upon (incl. Reclamation, USACE, and the National Resource Conservation Service).</p>	<p>Rich Hannan was the senior geotechnical engineer responsible for the dam safety evaluations of the 14 USACE projects in Oregon between 1986 and 2006. He also performed dam safety inspections for the State of Oregon under the National Dam Safety Program including Upper and Lower Bull Run Dams, and Canyon Meadows Dam.</p> <p>Creekside Reservoir Projects – Design and construction support services for two composite embankment/rockfill dams up to 100 feet high in Douglas County, OR. Dam designs met Reclamation standards. Interfaced with OR dam safety officials.</p> <p>Coordination with Reclamation and the USACE on several major projects in the region including Scoggins Dam (OR), Fern Ridge Dam (OR), Howard Hansen Dam (WA), and Isabella Dam (CA), which all involved consideration of significant seismic hazards (such as the CSZ) and difficult foundation soil conditions.</p>
<p>Development and evaluation of alternatives including new, or rehabilitation of existing, embankment dams and associated civil infrastructure (outlet works, spill works)</p>	
<p>We will identify possible solutions to stabilize the dams. The option of keeping only one dam in operation may be evaluated based on the soil-characteristics findings.</p> <p>We refine alternatives enough to assess their implications, and stop design to conserve project funds. To develop evaluation criteria that best meet the client's goals and project parameters, a workshop can facilitate the process.</p>	<ul style="list-style-type: none"> ● Fern Ridge Dam - Rich Hannan was the lead engineer for the evaluation and rehabilitation of the dam's downstream foundation and toe drain system. Identified and assessed six possible solutions. One was selected and implemented. ● Scoggins Dam Enlargement Project – Messers, Ferguson, Ballegeer, Jonasson, and Sossenkina were involved in developing and evaluating a range of alternatives for completing remediation and enlargement. ● Upper Chehalis River Flood Control Project, WA – Evaluating alternative dam concepts on the main stem of the Chehalis River and is subject to severe flooding and related flood damages.
<p>Planning and permitting of dam rehabilitation projects under both state and federal jurisdictions including preparation of environmental compliance documents and permits.</p>	
<p>Planning and permitting for modifications to existing dams is unique and significantly different from environmental compliance and permitting for other types of features/structures. Our team brings the expertise to help the City avoid potential roadblocks through this process. This familiarity will assist with maintaining the project schedule and budget.</p>	<p>The HDR CCI Team brings established procedures for processing the required documentation, and first-hand knowledge of the regulatory staff and procedures. This familiarity will assist with maintaining the project schedule and budget.</p>

City of Newport – Dam Consultant of Record

experience includes preparing and submitting a Joint Permit Application (JPA) for a Federal and State of Oregon 404 permit. This JPA approval process (USACE and the Oregon Division of State Lands) includes consultation with the appropriate Federal and State agencies to satisfy compliance regulations such as the Endangered Species Act, Clean Water Certification issued by the EPA, Wetlands Delineation and Mitigation, and other NEPA requirements (e.g., Storm Runoff Plan, Turbidity Monitoring Plan, and Discharge Permit during rehabilitation construction).

- Frog Lake Dam Reconstruction for Portland General Electric
- St. John's Perimeter Levee Rehabilitation for Metro
- Carly Reservoir Hydrogeologic Review for Portland General Electric
- Bull Run Dam No. 2 spillway channel modifications for City of Portland
- Bull Run Hydropower Project Decommissioning for Portland General Electric

Planning and rehabilitation design of water supply infrastructure (pipelines and water distribution systems, pump stations, water treatment facilities, and fish passage structures) that may be impacted by the seismic response of dams along with the rehabilitation alternatives associated with dams and reservoirs

Developing project requirements to maintain continuous water supply during construction will be a key element of this step. The modifications identified during configuration will be designed based on the City's risk tolerance decision. This will include hydrology, hydraulics, geotechnical design, structural design, civil design, mechanical design, and electrical design for all components.

- Since 2003, HDR's Portland staff have designed and provided construction services for **400 miles of pipelines, pump stations**
- Water Treatment Facility, Intake and Pumping system, Design and Construction Services, City of Newport, OR
- Soda Springs Dam Fish Passage Improvements for PacifiCorp
- Source Water Improvements (Intake, pipeline, and WTP), Bend, OR
- Thompson Road Pump Station Suction Pipeline, TVWD, OR
- Water Intake and Pump Capacity Expansion Study, Design, JWC, OR

With 600 HDR staff in the NW, this team has the resources to connect the dam's infrastructure to the water treatment facility. Even if the upper reservoir becomes the main reservoir, and a new intake pump station and conveyance pipeline are needed to transport the water from the reservoir to the treatment plant, this team has the in-house capabilities. We can also quickly assist with updating the fish passage structure (pending ORFW regulations), and change or replace the spillway and outlet piping.

Cost estimating and constructability reviews for dam safety modifications and related civil infrastructure (outlet works, spillways, pipelines, pump stations, and fish passage structures)

Carl Jonasson, lead cost estimating and constructability reviewer, worked for 30 years as a contractor, providing construction services on earth structures including dams and levees. He knows first-hand how such projects are built, what to watch for in contract documents to ensure a tight bid package, and which construction methods are more cost effective in coastal Oregon. His experience is augmented by Keith Ferguson's, our principal designer, who has led **more than 30 dam safety rehabilitation or new dam projects**.

- **Scoggins Dam, OR** – Development of a range of alternatives for increasing the water supply and dam height including the development of detailed cost estimates and constructability reviews. Jonasson was a key member of this team working for Messers, Ferguson, and Ballegeer for dam concepts up to \$400M in total construction cost.
- **Salton Sea Restoration Project, Southern CA** –Messers, Ferguson, Ballegeer, Jonasson, and Sossenkina led a series of engineering evaluation and risk analysis of alternatives for constructing 30 miles of new embankment dams via overwater construction methods and composite earthfill and rockfill configurations. High seismic hazards were developed and presented in an engineering report that was submitted to the U.S. Congress for funding consideration.
- **Creekside Grey Water Reservoir Project, Douglas County, OR** –Messers, Ferguson, Ballegeer, and Sossenkina recently completed final design and construction services for two new composite embankment/rockfill dams. As part of this effort, the design team developed cost estimates and performed constructability reviews.

6. Resources

This team has the depth of staff and expertise to deliver any services needed through this on-call contract. HDR alone has 8,000 staff, as are our team members. Most importantly, we are dedicated to the City's success. This depth of resources and drive to serve were evidenced through the City's Water Treatment Facility project where new areas of expertise were needed, including seismic and geological expertise, and the HDR|CCI Team delivered in short order. We will be there for you.

Please see our firm descriptions on page 1 for more information about each one's capabilities.





Verena Winter, P.E.

Project Manager

Education

Master of Science, Environmental Engineering, Portland State University

Certificate, Hydrology, Portland State University

Bachelor of Science, Engineering Management, Bauhaus University Germany

Professional Registrations

Professional Engineer - Environmental, Oregon, No. 79262PE

Professional Affiliations

International Water Association, Member, 2009-Present

American Water Works Association, Member, 2010-Present

HDR Tenure

10 Years

Industry Tenure

11 Years

Professional Experience

Verena is a skilled project manager, having led the design team and construction team for the City of Newport's new water treatment facility and intake design. Other project management experiences include the Preliminary Geotechnical Investigation and Seismic Evaluation for Newport's Upper and Lower Big Creek Dams and the City of Silverton digester upgrade. She has also provided leadership as the deputy project manager for the City of Newberg wastewater treatment plant expansion. Verena's ability to focus a group of experts to gain quick results and her dedication to the City of Newport's success will be available to you on this Dam Consultant of Record contract.

She understands the various considerations with the dams, having been working on the project since the issue was discovered. Her projects have included pipelines, pump stations, and intakes; all possible components of design solutions. Verena's insight will aid in keeping the team on-track to determine the design parameters and develop practical solutions.

Select Project Experience

Upper and Lower Big Creek Dams Preliminary Geotechnical Investigation and Seismic Evaluation, City of Newport, OR. Project Manager. HDR provided evaluation, modeling, and geotechnical services for the Upper and Lower Big Creek Dams for the City of Newport. Verena was the project manager for the entire team of geotechnical engineers, dam and levee experts and several subconsultants. HDR provided an evaluation of both dams and their seismic stability in the event of an earthquake based on samples that were collected.

Newport Water Treatment Facility Improvements, City of Newport, OR. HDR provided predesign and final design, pilot study support, bid support, and construction engineering services for a new membrane filtration water treatment facility. The old four million gallons per day (MGD) potable water system was replaced with a new 10 MGD membrane filtration facility. The total project budget fell just under \$20 million. Verena was the project manager for the entire project, the main client contact, in charge of the budget and schedule, and in charge of construction engineering working closely with the contractor. Verena has worked on this project as the project manager since the beginning of 2009 until the new treatment plant went online in November of 2012. This project provided her with the experience to be in charge of a project from the beginning to the end.

Scoggins Dam Corrective Action Study, Clean Water Services, OR. Project Manager. This project sought to identify cost-effective and practical approaches that will reduce the seismic risk while expanding future water supplies. Alternatives to raise the existing 150-foot-high dam by 40 feet, or construct a new and larger embankment, composite earthfill/rockfill, or Roller Compacted Concrete (RCC) dam immediately downstream of the existing dam were evaluated. New spillways and outlet works were also part of the feasibility level designs. Verena oversaw the project efforts and brought together a team of experts and appropriate staff to efficiently produce results.

Biosolids Upgrade to Wastewater Treatment Plant, City of Silverton, OR. Project Manager during Construction. HDR provided design and construction engineering services for digester upgrades for the City of Silverton. The project included 2 new digesters, a new boiler building, a new biogas building, a flair structure, and a new effluent pump. Verena took on the project management role during construction to the finish of the project. She was

EXHIBIT C
in charge of all construction related engineering activities and associated project management.

Wastewater Treatment Plant Repair, Restoration and Expansion Project, City of Newberg, OR. Deputy Project Manager. HDR designed a new influent pump station , new headworks facility and modifications to the existing dewatering facility for the City of Newberg, OR. The project is an expansion to the existing wastewater treatment facility. In the future, the treatment plant will be able to treat a peak flow of 33MGD. Verena serves as the deputy project manager being in charge of schedule, budget, the design team, and subconsultants.

Grant Creek Environmental Restoration & Flood Control, Missoula County, MT. Project Engineer. The project involved collection of individual mitigation projects that would achieve the mutual objectives of environmental restoration and flood hazard reduction along the entire lower creek system. The project aimed to preserve renewable resources by restoring a degraded section of lower Grant Creek and conserving natural resources by improving fish passage and habitat. Verena was one of the engineers running the flood hazard models and analyzing the out-coming data to come up with recommendations for Missoula County.

Phase 3 - NPDES Permitting, Public Involvement and Feasibility Analysis, Spokane County, WA. Project Engineer. HDR conducted a facility plan for the City, recommending that a new treatment plant be constructed with a discharge to the Spokane River. Pre-design and siting for this facility is now underway, along with detailed evaluation of process options. The facility will have an initial capacity of 8 mgd, expanding in 2015 to 12 mgd. The county selected membrane bioreactors (MBRs) as the treatment concept, which will make the facility one of the largest MBR plants in the world. Verena assisted with data collection and analysis to assess environmental impact on the river.



Keith A. Ferguson, P.E.

Principal Designer

Education

Master of Science, Civil Engineering,
University of Colorado Boulder

Bachelor of Science, Civil Engineering,
University of Colorado Boulder

Professional Registrations

Professional Engineer - Civil, Oregon,
No. 16917PE

Professional Engineer - Civil, California,
No. C050851

Professional Affiliations

American Council of Engineering
Companies, Member

American Society of Civil Engineers
(ASCE), Member

Association of State Dam Safety Officials,
Chair/Editorial Committee

Colorado Consulting Engineers (CCEC),
Member

Colorado Water Congress, Member

National Water Resources Association,
Member

United States Society on Dams (USSD),
formerly USCOLD, Member

HDR Tenure

1 Year

Industry Tenure

32 Years

Professional Experience

Keith specializes in dam safety, dam engineering, soil and rock mechanics, foundation engineering, and design including specialized experience related to the CSZ. Since 1978, he has participated in more than 350 civil and mining engineering projects including evaluation; design and/or construction services for more than 160 embankment, concrete-faced rockfill, concrete-gravity, roller-compacted concrete, and multiple-arch concrete and tailings dams and appurtenant structures (e.g., spillways, outlet works, diversion dams); pipelines, and tunnel designs.

Keith is a recognized expert in dam safety, seepage and stability analysis of dams, and with Roller Compact Concrete (RCC). He has supervised multi-disciplined projects, many of which have involved large-scale field exploration programs, site surveys, geotechnical and engineering geology analyses, hydrologic/hydraulic analyses, hydrogeologic analyses, structural analyses, preparation of conceptual designs, final designs and preparation of construction documents, construction observation and supervision, and construction management.

Project Experience

Upper and Lower Big Creek Dams Preliminary Geotechnical Investigation and Seismic Evaluation, City of Newport, OR. Dam Expert. HDR provided evaluation, modeling, and geotechnical services for the Upper and Lower Big Creek Dams for the City of Newport. Keith was the dam expert, providing technical leadership and insight. HDR provided an evaluation of both dams and their seismic stability in the event of an earthquake based on samples that were collected.

Scoggins Dam Corrective Action Study, Clean Water Services, OR. Keith is served as a senior consultant to help identify cost-effective and practical approaches that will reduce the seismic risk while expanding future water supplies. He helped lead the development of dam enlargement concepts, participated in risk analyses of identified potential-earthquake failure modes under Reclamation's dam safety program and guidelines for dam safety decision making, and helped to develop a decision-making process to select the preferred alternatives for conceptual level designs. HDR, under Keith's leadership, is currently providing consulting services to help the project sponsors better understand the Reclamation dam safety process, risk estimation procedure, risk estimation outcome and the potential impact of the outcome on future reservoir operations.

Fern Ridge Dam U.S. Army Corps of Engineers, OR. Keith was retained as subject matter expert to serve on a senior review board. As part of this three-member board, Keith provided a comprehensive review of information and analyses that had been performed by Corps personnel with regard to a significant seepage and piping issue that had arisen. Based on the review, the Board determined that the dam was in an active state of failure and that immediate corrective actions were required. Subsequent to that determination, the Board provided the Corps with concepts for rehabilitation and provided Independent Technical Reviews (ITR) of the design analyses, construction rehabilitation and provided Independent Technical Reviews (ITR) of the design analyses, construction drawings and specifications for completion of the remediation work. With assistance from the Board, the Corps completed the review, designs, and construction of over \$17M in repairs to the dam in less

than 1 year.

US. Army Corps of Engineers, California, Lake Isabella Dam. Keith is serving as principal technical consultant and project manager assisting the Sacramento District with a comprehensive evaluation of Lake Isabella Dam on the Kern River above Bakersfield. Currently, the work includes coordination with a panel of independent experts, site investigations, instrumentation, structural condition assessment of the Borel Canal Conduit/Outlet, seepage evaluations, stability evaluations, and deformation analyses of the auxiliary dam. The potential deficiencies that have been identified with the auxiliary dam include foundation liquefaction, seepage and piping along the Borel Canal cast-in-place outlet conduit, and fault rupture and displacement of the Kern Canyon fault that underlies the dam's right abutment.

Howard Hansen Dam, USACE, WA. Keith was chosen to be on two separate panels of experts composed of multi-disciplinary engineers (geotechnical, geological, and hydraulic engineers) to evaluate a portion of the United States Army Corps of Engineer's portfolio of eight dams, including Howard Hansen Dam.

Creekside Irrigation Water Reservoir Design and Construction, Canyonville, OR. Keith is the Project Manager responsible for preparation of an Emergency Action Plan (EAP), Early Warning System and Standing Operating Procedures (SOP) for a new water supply dam and reservoir and the final design and construction of two embankment dam required to create a wastewater storage reservoir. Elements of work being performed for the EAP/SOP include development of dam breach simulation model, flood routings and preparation of inundation mapping for a distance of 18 miles downstream of the dam; development of a comprehensive dam instrumentation and monitoring program to be incorporated into the Early Warning System; and consultation on a landslide located in the reservoir rim area. The two new dams required for the wastewater storage reservoir range from 70 to over 90 feet high. Work included site investigations; preparation of final designs including plans and specifications; construction support services including onsite observation review and acceptance of work, submittal reviews, preparation of design modifications to match subsurface conditions; and post-construction activities including preparation of construction summary report, update of the project EAP/SOP, preparation of as-constructed drawings, and first fill monitoring.

O'Sullivan Dam, U.S. Bureau of Reclamation, Moses Lake, WA. Keith was the Project Engineer responsible for engineering evaluation of large quantities of seepage from an embankment dam and foundation for the U.S. Bureau of Reclamation. This earthfill dam was constructed in 1949, is 19,000 feet long, 225 feet high, and impounds 554,000 acre-feet of water.

Bradbury Dam, Cachuma Project Authority, CA. Keith was the Senior Geotechnical and Dam Safety Consultant during detailed seismic evaluation of a 265-foot-high embankment dam for the Cachuma Project Authority. Responsibilities included consultation to the U.S. Bureau of Reclamation and participant on their risk assessment and value engineering teams to determine corrective actions required to remediate liquefaction concerns and stability of spillway walls and large radial gates. The California DSOD reviewed work on this project. Keith's involvement on this project was critical to the removal of a severe reservoir storage restriction and substantial reduction in remediation costs.

Salton Sea Dam Restoration, U.S. Bureau of Reclamation, Riverside and Imperial Counties, CA. Planning level designs including extensive engineering evaluations and cost estimates were recently completed for the U.S. Bureau of Reclamation for the restoration of the Salton Sea in southern California. Keith was the project manager in the evaluation of alternative construction material sources for various embankment alternatives, seepage and stability analysis, deformation analyses, risk analysis, optimization of dam and levee embankment cross-section designs, and construction cost estimates for the embankment



Scott T. Anderson

Sr Numercl Modeling Geotch Eng

Education

Master of Engineering, Geotechnical Engineering, University of Missouri Rolla

Bachelor of Science, Civil Engineering, University of New Mexico

Professional Registrations

Professional Engineer - Civil, Arizona, No. 48813

Professional Engineer - Civil, Colorado, No. 42432

Professional Engineer - Civil, Kansas, No. 17201

Professional Engineer - Civil, New Mexico, No. 18334

Professional Affiliations

American Rock Mechanics Association

American Society of Civil Engineers (ASCE), Engineering Mechanics Institute

American Society of Civil Engineers (ASCE), Geo-Institute, Computational Geotechnics Committee

Canadian Geotechnical Society

Chi Epsilon, National Civil Engineering Honor Society

Deep Foundations Institute

International Society for Rock Mechanics

International Society for Soil Mechanics and Geotechnical Engineering

Tau Beta Pi Engineering Honor Society

United States Society on Dams

American Society of Civil Engineers (ASCE), 1989-Present

HDR Tenure

Less than a year

Industry Tenure

17 Years

Professional Experience

Scott specializes in numerical modeling of earth structures: static and dynamic deformation, static and dynamic soil properties, slope stability, seepage, and advanced laboratory testing. **With his 22 years of experience, he will develop a reliable model that best reflects the project components; providing direction for future steps.** His similar projects include numerical modeling of seepage and seismic response of a number of Corps and Reclamation dams including Scoggins Dam, Isabella Dam and alternatives for the restoration of the Salton Sea in southern California.

Select Project Experience

Evaluation of Tailings Dam Raise, United States Army Corps of Engineers – Sacramento District, – Salt Lake City, UT. Evaluation of data and analysis to support EIS application for a significant increase in area for a tailings facility. Performed finite element seepage analysis and limit equilibrium slope stability analysis to evaluate the planned alternative and several other alternatives to a proposed major increase in height and area of an existing tailings facility. Evaluation also included review of owners engineering analysis of the preferred alternative and study of existing engineering documentation of the analysis of the facility.

Scoggins Dam Raise Appraisal, USBR, Lake Gaston, Oregon. Principal Geotechnical Engineer. Performed numerical modeling and advanced laboratory testing. Performed review and assisted in direction of advanced laboratory testing of consolidated undrained and unconsolidated undrained triaxial tests and interpretation. Provided oversight and performed dynamic deformation analysis of embankment dam remediation alternatives. Size: 150-foot-high dam and associated structures.

USACE - Sacramento District, Lake Isabella Auxiliary Dam Seepage and Stability Evaluation, Kern County, California. Lead Engineer. Provided modeling services for the seismic deformation modeling of the auxiliary embankment dam. Main and auxiliary dams at Lake Isabella have the highest priority for the USACE due to safety concerns with seepage and seismic stability. Mr. Anderson also provided review of numerical modeling performed by USACE. Size: 185-foot-high main dam and 90-foot-high auxiliary dam.

Salton Sea Restoration, USBR, Riverside and Imperial Counties, CA. Lead Engineer. Provided numerical modeling services (FLAC) for seismic deformation modeling of several embankment dam alternatives for the restoration of the Salton Sea.

Urban and Non-Urban Levee Evaluation, Task Order 13, Geotechnical Fragility Curves, Sacramento California. Expert Panel Member. Served on the Expert Panel for both ULE and NULE Geotechnical Fragility Curves. Panel evaluated the methodology for the development of fragility curves for a total of 298 levee segments, which were based on both the levee assessment tool (LAT) for NULE and Phase 1 explorations for ULE. Fragility curves considered four failure modes: underseepage, stability, through seepage, and erosion. Fragility curves were used in HECRAS and HEC-FDA models for the Central Valley Flood Protection Plan.

West Sacramento Levees, City of West Sacramento, California. Principal Geotechnical Engineer. Developed fragility curves (USACE Methodology) for four index points along the

Sacramento River, Yolo Bypass, Deepwater Ship Channel, which surround the city of West Sacramento. Fragility curves were developed as a portion of the overall project that included the review of available subsurface information, geomorphic evaluation using historic topographic maps and geologic maps, exploration of the site subsurface conditions, laboratory testing of representative samples obtained during the field investigation, as well as engineering analyses on which to base the assessment of the levee stability and compliance of the levee with USACE and certain FEMA criteria.

County of Hawaii - Department of Water Supply, Waikoloa Reservoir Nos. 1 and 2, Waimea, Hawaii. Principal Engineer. Performed seismic deformation and soil-structure interaction analysis on a profile of an existing concrete-lined embankment reservoir that had experienced damage during the Kiholo Bay and Hilo earthquakes. Assisted in developing possible mitigation measures for the reservoir system. Size: Two 60- and 100-foot-high embankment dams.

Cross Creek Dam No. 33, Jackson County, Kansas. Principal Geotechnical Engineer. Responsible for subsurface exploration, laboratory testing, settlement, seepage and stability analysis, and design and construction recommendations for a new watershed dam.

Cross Creek Watershed Dam Site No. 131, Rossville, Kansas. Project Geotechnical Engineer. Responsible for design of earthen dam across Peanz Creek. Project involved subsurface exploration, slope stability and seepage analysis and geotechnical engineering recommendations for design, including consolidated undrained, flexible wall permeability, and consolidation testing. 145-foot-high, high hazard, zoned earthfill embankment dam.

Kiewit Engineering Company, Hood Canal Graving Dock Cofferdam, Port Angeles, Washington. Senior Geotechnical Engineer. Responsible for modeling seepage and slope stability for a temporary cofferdam for a 70-foot-high graving dock gate. Developed instrumentation program for monitoring cofferdam structure during rapid filling and dewatering.

Osage City Dam Phase I and II, Osage City, Kansas. Senior Geotechnical Engineer. Provided engineering evaluation of existing earthen embankment dam and concrete ogee weir. Performed triaxial compression and hydraulic conductivity testing, seepage and stability analysis of existing and proposed rehabilitated sections. Provided geotechnical design recommendations for rehabilitated earthen embankment sections, new floodwall design and new spillway design.

Sacramento Area Flood Control Agency (SAFCA), Natomas Levee Improvement Program (NLIP), Sacramento, California. Principal Geotechnical Engineer. Provided review of numerous seepage and slope stability analyses for 42 miles of levees, five pump stations, 10 miles of new and relocated canals, and evaluation of over four million cubic yards of borrow soils. Developed guidance documents to assist in the development of soil parameters and performance of analyses. Performed peer review of fragility analysis developed by USACE Sacramento District for Sacramento River index points.

St. Charles Mesa Dam Expansion, Pueblo, Colorado. Senior Geotechnical Engineer. Performed slope stability analysis and review of seepage analysis for a raw water storage dam extension. Consulted on the construction of the slurry cutoff wall for seepage reduction and filter criteria.

Tuttle Creek Seismic Rehabilitation Project, Manhattan, Kansas. Off-Site Laboratory Manager. Provided Quality Assurance testing for USACE - Kansas City District for seismic rehabilitation of the Tuttle Creek dam. Laboratory and field testing of deep soil mixing and jet grouting, including determination of cement content of hardened soil-cement. Handled rock and soil triaxial and direct shear testing.



John P. Ballegeer, P.E., P.G.

Geotechnical Engineering Lead

Education

MS, Civil (Geotechnical) Engineering,
University of Colorado Denver

BS, Geological Engineering, Colorado
School of Mines

Professional Registrations

Professional Engineer, OR No. 83301

Professional Engineer, CO No. 30656

Professional Engineer, KS No. 10294

Professional Engineer, NM No. 19792

Professional Engineer, OH No. 74736

Professional Engineer, HI No. 14376

Professional Engineer, AL No. 32944-E

Professional Affiliations

American Society of Civil Engineers (ASCE)

Association of Environmental and
Engineering Geologists (AEG)

Association of State Dam Safety Officials
(ASDSO)

United States Society on Dams (USSD)

HDR Tenure

1 year

Industry Tenure

32 years

Professional Experience

As the geotechnical lead on the Scoggins Dam Raise Appraisal Study, John's recent experience with the Cascadia Seismic Zone will facilitate an accurate assessment of the potential risks in this region. He has 32 years of experience leading geotechnical engineering projects for dams and has strong working relationships with the HDR | CCI Team members. He has provided geotechnical engineering, engineering geology and project management for dams, foundations, embankments, excavations, and other major civil works and mining projects. He has planned, directed and performed geotechnical field investigations, laboratory testing programs, instrument installations, geologic mapping, geologic hazards evaluation, construction inspection, and quality assurance testing. He has managed multi-disciplined teams performing engineering evaluations and designs, preparing design drawings and specifications, and providing engineering services during construction.

Select Project Experience

Scoggins Dam Raise Appraisal Study, Clean Water Services, Washington Co., OR. Geotechnical Engineering Lead managing field investigations, engineering evaluations, conceptual-level designs, cost estimates and construction schedules for dam raise alternatives to address dam safety concerns and secure additional water supplies for future needs within the Tualatin Basin. The existing Scoggins dam is a 151-foot-high, 2700-foot-long, zoned earthfill embankment. Alternatives address dam safety issues related to the soft foundation soils and earthquake loads associated with a magnitude 9 subduction zone earthquake, while raising the reservoir surface elevation 40 feet. Alternatives include zoned earthfill, earthfill/rockfill, and RCC dams.

Creekside Irrigation Water Reservoir; Cow Creek Band, Umpqua Indian, Tribe Canyonville, OR. Project Manager managing a multi-discipline team performing the geologic mapping, geotechnical field investigations, laboratory testing, engineering evaluation, and preparation of final design plans and construction specifications for two zoned earthfill/rockfill embankment dams reaching 100 feet high and 700-feet-long. Developed designs for embankments, emergency spillway, outlet works, and instrumentation. Provided engineering services during construction of the facility.

Hidden Dam Seepage Study;USACE, Sacramento District, Madera, CA. John led the characterization of foundation discontinuities to assess seepage concerns at the rolled, zoned earthfill embankment dam. Seepage was first documented shortly after first filling of the reservoir and instrumentation indicated foundation uplift pressures significantly higher than estimated during the design. Several predominant joint sets were identified that intersect the foundation at high angles and transverse to the dam axis. The results of a 3-D stereonet analyses indicated several intersections of joint sets, oriented transverse to the dam, that were likely the pervious pathways for the observed seepage and unusual uplift pressures in the foundation.

Santa Ana Detention Dam Modifications, US Bureau of Reclamation, Sandoval County, NM. Project Manager managing a multi-discipline team performing engineering evaluations and design and preparing final plans and construction

EXHIBIT C

specifications for modifications to the existing 20-foot-high, 6,235-foot-long, homogeneous main embankment dam that was breached following near failure (piping and internal erosion of the foundation) during a flood event in July 1990. In addition to embankment modifications, the design includes replacement of the principal outlet works, a new RCC emergency spillway, and a lowered embankment section to act as a fuseplug. Engineering evaluations included stability and seepage analysis of the embankment with an upstream cutoff to control exit gradients and piping potential.

Jerry Creek Reservoir No. 2 – Ute Water Conservancy District, Collbran, Colorado. Project Manager managing the geologic studies, geotechnical field investigations, laboratory testing, feasibility level geotechnical, hydrologic and hydraulic analyses, feasibility level design and construction cost estimates for the feasibility level design of spillway modifications for enlargement of the existing Jerry Creek Reservoir No. 2, a 135-foot-high, Class I, earth embankment dam.

Gurley Reservoir Dam – Farmers Water Development Company, San Miguel County, Colorado. Project Manager managing the field investigations, laboratory testing, feasibility level geotechnical, hydrologic and hydraulic analyses, feasibility level design and construction cost estimates for the proposed replacement of a portion of the existing embankment dam with a new RCC dam section that would include a new spillway and a new mid-level outlet works. Modifications would increase reservoir storage and outlet discharge capacity at the existing 87-foot-high embankment dam.

Kirkendall Dam and Hunter Reservoir – Ute Water Conservancy District, Mesa County, Colorado. Project Manager managing the geologic studies, geotechnical field investigations, laboratory testing, engineering evaluations, preliminary and final designs to add a new service spillway and raise the existing embankment to a maximum height of 39 feet. The proposed project is complicated by difficult access and a remote location above elevation 10,000 feet.

Rueter Hess Dam and Reservoir – Parker Water & Sanitation District, Douglas County, Colorado. Task Lead responsible for developing, coordinating, and performing geological mapping, geotechnical field investigations, laboratory testing, engineering evaluations and final designs for the 145-foot-high zoned earthfill dam. Design included foundation shear keys to address liquefaction in alluvial foundation soils and embankment buttresses to address residual shear strengths in the weak clay shale foundation.

Sulphur Gulch Dam Feasibility Study – Denver Water, Mesa County, Colorado. Geotechnical Engineer responsible for geologic studies, geotechnical field investigations, laboratory testing, feasibility level designs and cost estimates for the proposed 165-foot-high earth dam on Sulphur Gulch. Dam would impound approximately 16,000 acre-feet of water and is intended to provide additional stream flows in the Colorado River for endangered fish species. Four alternative dam types were evaluated including earthfill, earth/rockfill, concrete-faced rockfill and roller-compacted concrete (RCC). A zoned earthen embankment dam was the selected preferred dam type for feasibility design. However, comparative analyses suggest that either a RCC or combined RCC/earthfill dam may also be cost effective.



Brian Bartle, P.E.

Pipeline Design

Education

Bachelor of Arts, Civil Engineering, Carroll College, Helena MT

Professional Registrations

Professional Engineer – Civil, Oregon,
No. 86557PE

Professional Engineer, Washington,
No. 41776

Professional Affiliations

American Society of Civil Engineers
(ASCE), Associate Member, 2001-2002

American Water Works Association,
Member, 2001-Present

American Water Works Association, Pacific
Northwest Section, Young Professionals
Committee Vice Chair, 2004-2007

HDR Tenure

6 Years

Industry Tenure

13 Years

Professional Experience

Brian's engineering experience comprises a variety of water and wastewater infrastructure projects that include system modeling, and design of large-diameter water transmission lines, water and sewer piping networks in congested urban corridors, pumping stations, and civil site improvements. Brian has served both as a design engineer and project manager on numerous projects, including the design of 16,000LF of 36-inch-diameter steel waterline in Anacortes, Washington that included a horizontal-directional-drill crossing of the Skagit River. In addition to developing the design, Brian completed all the permit applications and easement packages as well. He has also served as a design engineer on the largest rural water distribution system in the U.S., the Oglala Sioux Rural Water System in South Dakota. Brian has completed nearly 800,000LF of water, sewer, and storm pipeline projects.

Select Project Experience

Replacement of Water Transmission Line 2, Phase 8B, City of Everett, WA. HDR provided engineering services for the replacement of Water Transmission Line No. 2, Phase 8B. This project was part of Everett's larger goal to have the entire transmission line replaced by 2024. Brian was the project engineer responsible for design documents for the approximately 5,300LF of 48-inch-diameter steel transmission line replacement along TL2s current alignment from South Lake Stevens Road to Williams Road in Everett.

Transmission Line No. 5 Pile Replacement, City of Everett, WA. Project Engineer. Based upon field reconnaissance by the City and the HDR team, there was evidence of significant slope instability under the exposed pipeline and of pile lateral movement and deformation affecting at least four of the pile bents at the eastern end of the 51-inch-diameter pipeline crossing. HDR investigated the pipeline crossing foundation conditions and pile supports and made a recommendation that rather than trying to repair the pile bents, the approximately 500LF pipeline segment be realigned so that the pipeline could be moved and securely buried in a trench in the adjacent roadway.

Waterline Replacement Project Segment 5 and 6, Anacortes, WA. Project Engineer. Brian assisted in the design, specifications, permitting, easement acquisition, client and sub-coordination, and project management. This project involved the design of 16,600LF of 36-inch welded steel pipe. From this 1,500LF was installed via HDD to cross the Skagit River.

Rural Water Supply System, Oglala Sioux Tribe, SD. Design Engineer for the largest rural water system in the US. Brian modeled more than 150 scenarios using WaterCAD and KY Surge for the design of 360,000LF of pipe. Modeling led to recommendations to improve core pipeline by reducing the number of pump stations and reservoirs. Brian assisted with preparation of bid documents and estimates on several phases of the project, including over 20 miles of 24-inch steel waterline, a 9.5MGD pump station, and both buried and elevated reservoirs. Brian created an O&M manual for the OSRWSS pipeline system. Operating a pipeline was new to the client. The O&M manual documented procedures for items such as valve exercise, appurtenance maintenance, drainage procedures, and interties to other systems.

Transmission Lines 2 and 3 Replacement, Phase 6, City of Everett, WA. Project Engineer. Brian developed the HDD design alternative for an existing elevated pipeline

design. This would have been a dual 48-inch pipeline system of 4,800LF each.

Elwha Fish Hatchery, Lower Elwha Tribe, Port Angeles, WA. Project Engineer. Brian was responsible for designing 6,500LF of a 36-inch raw water transmission pipeline (PVC, HDPE, Ductile Iron, and Steel options). Designed a temporary septic tank system for the hatchery, and assisted with hatchery hydraulic calculations.

Nevitt Road Waterline Extension, Skagit County, Burlington, WA. Project Engineer. This major mobility and safety improvement corridor project widens SR 20 with an additional two lanes and realigns other major arterial streets within the City of Burlington. HDR's work was completed ahead of schedule and under budget. Brian designed approximately 1,500LF of 12-inch watermain to coincide with the roadway revisions.

Nevitt Road Improvement Project, City of Burlington, WA. Project Engineer. This major mobility and safety improvement corridor project widens SR 20 with an additional two lanes and realigns other major arterial streets. HDR's work was completed ahead of schedule and under budget. Brian re-routed approximately 1,000LF of forcemain and added 250LF of gravity sewer main.

244th Watermain Extension, Main to NE 8th Street, Sammamish Plateau Water & Sewer District, WA. Project Engineer. Brian conducted the design for 1,800 LF of new ductile iron waterline and 4,500 LF of appurtenance relocation along an existing waterline. The new waterline included both a buried portion and an aerial crossing suspended beneath a bridge through wetlands. In addition to the waterline work, an existing sewer forcemain was rerouted onto the bridge.

Willamette Supply Routing Study, Tualatin Valley Water District and City of Hillsboro, OR. Project Engineer. Brian provided preliminary design, coordination, and cost estimating. HDR and Jacobs Associates worked closely with TVWD to evaluate the feasibility of collocating a 72-inch water supply pipeline in a proposed Washington County Road project that will extend SW 124th Avenue approximately 2 miles between Tualatin Sherwood road and Tonquin Road. The project identified and assessed the viability of potential pipeline routes between the Willamette River Water Treatment Plant in Wilsonville and Beef Bend Road near King City.

Aurora Corridor Improvements (North 165th Street to North 205th Street), City of Shoreline, WA. Project Engineer. HDR was selected for project management, preliminary and final design, and construction management to enhance and widen the remaining two miles of Aurora Avenue North from N 165th Street to N 205th Street which had yet to be updated in the City of Shoreline's strategic plan to upgrade this transportation corridor. This \$105 million project provides bus transit facilities, traffic congestion relief, increased safety for pedestrians and drivers, and enhanced economic development for the community. Brian served as the utility lead and coordinated the water and sewer utility work for the 165th to 185th portion of the project.

130th Avenue NE Asbestos Cement Water Main Replacement, Woodinville Water District, WA. Project Manager. This project provides a crucial upgrade to the District to increase fire flows to the nearby high school, and consists of replacing 2,800 linear feet of 6 and 8-inch asbestos-cement waterline with a new 8-inch ductile iron waterline. HDR provided services for surveying, mapping, engineering design, plan and specification preparation, permit acquisitions, bidding assistance, and construction administration.

Ross William Boulanger
Technical Advisor

Department of Civil & Environmental Engineering,
University of California, Davis

Ross is a geotechnical earthquake engineering professor at U.C. Davis where he directs an internationally renowned center that houses the largest geotechnical centrifuge in the U.S., which is used for static and dynamic testing of soil and soil-structure models. His emphasis is on liquefaction and its remediation, seismic soil-pile-structure interaction, and seismic performance of earth dams and levees. His lab will independently test the samples to confirm the lab findings.

Education

Ph.D. Geotechnical Engineering, University of California, Berkeley, CA

M.S. Geotechnical Engineering, University of California, Berkeley, CA

B.A.Sc. Civil Engineering, University of British Columbia, Vancouver, B. C., Canada

Recent Consulting Assignments

U.S. Department of the Interior, Bureau of Reclamation. Member, Consulting Review Board, **Scoggins Dam**, Tualatin Project, OR

Shimmick\FCC\Impregilo Joint Venture. Member, Technical Advisory Panel for review of design and construction of the main span bridge and approach bridges of the **Gerald Desmond Bridge Project**, Port of Long Beach, Los Angeles, CA

Los Angeles Department of Water and Power. Member, Technical Review and Advisory Panel, **Headworks Reservoir Project**, Los Angeles, CA

California Department of Water Resources, Division of Engineering. Technical support for **seismic evaluation of B. F. Sisk Dam**, CA

U.S. Army Corps of Engineers. Technical Specialist for review of **seismic evaluations for Success Dam**, CA

URS Corporation. Technical review of seismic evaluations for Gatun Dam, Panama

GEI Consultants, Inc. Member of Technical Expert Panel for review of **Delta Seismic Design studies for California Department of Water Resources**, CA

U.S. Army Corps of Engineers. Technical Panelist for review of **seismic evaluations for Isabella Dam**, CA

Awards

Fellow, American Society of Civil Engineers (2012)

Norman Medal, American Society of Civil Engineers (ASCE) (2006)

Outstanding Paper Award, United States Society on Dams (USSD), 25th Annual Conference (2005)

Walter L. Huber Civil Engineering Research Prize, ASCE (2002)
Shamsher Prakash Research Award, SP Foundation (2001)
Arthur Casagrande Professional Development Award, ASCE (1998)
Distinguished Alumni Award, University College of the Cariboo, BC, Canada (1998)
National Science Foundation CAREER Award (1995)

Professional History

Registered Professional Civil Engineer in the State of California (since June 1992)
Director, Center for Geotechnical Modeling, Department of Civil and Environmental Engineering,
University of California, Davis, CA (2009 - present)
Professor (2002 - present), Vice-Chair (1998 - 2001), Associate Professor (1998 - 2002) and Assistant
Professor (1992 - 1998), Department of Civil and Environmental Engineering, UC Davis, CA
Senior Staff Engineer, Woodward-Clyde Consultants, Oakland, CA (1990 - 1992)
Lecturer, University of California, Berkeley, CA (January 1992 - May 1992)
Lecturer, University of California, Davis, CA (September 1991 - December 1991)
Staff Engineer, Woodward-Clyde Consultants, Oakland, CA (May 1987 - August 1987)

Yousef Bozorgnia, Ph.D., P.E. *, F.ASCE
Technical Advisor

Department of Civil Engineering
University of California, Berkeley

Yousef is Executive Director of the Pacific Earthquake Engineering Research Center (PEER) at U.C. Berkeley. He is a recognized authority on earthquake hazards in the U.S. and internationally. He brings research results from the most recent earthquakes in Japan and Chile, which will inform the evaluation of CSZ hazards, and thus the design solutions.

PROFESSIONAL LICENSES AND REGISTRATION

- Registered Professional Civil Engineer (PE) in the State of California.

SELECTED MEMBERSHIP

- *Fellow*, American Society of Civil Engineers (ASCE), 1998-present.
- *National Executive Committee, ASCE Technical Council on Lifelines Earthquake Engineering (TCLEE): Member of Executive Committee 2008-2012; Chair of Executive Committee 2010-2011; Member of Awards Committee 2012-2013.*
- *Member, Commission on Earthquake Hazard, Risk and Strong Ground Motion, International Association of Seismology and Physics of the Earth's Interior (IASPEI), 2007-present.*
- *Member, Advisory Committee, California Integrated Seismic Network (CISN), 2007-present*
- *Member, State of California Strong-Motion Instrumentation Program, Earthquake Ground Response Sub-committee, 2004-2012.*
- *Associate Editor, Bulletin of Seismological Society of America (BSSA), 2007-2010*

SELECTED PUBLICATIONS (list of 100 other publications available upon request)

- **Book: "Earthquake Engineering: From Engineering Seismology to Performance- Based Engineering"**, Yousef Bozorgnia and Vitelmo V. Bertero (Coordinating Editors). CRC Press, June 2004, p.1150.
- **"Engineering characterization of ground motion"**, Y.Bozorgnia and K.W. Campbell, **Book Chapter 5, Earthquake Engineering: From Engineering Seismology to Performance-Based Engineering**, Bozorgnia and Bertero (Eds.), CRC Press, June 2004.
- **"Early years of earthquake engineering and its modern goal"**, by V.V.Bertero and Y.Bozorgnia, **Book Chapter 1, Earthquake Engineering: From Engineering Seismology to Performance-Based Engineering**, Bozorgnia and Bertero (Eds.), CRC Press, June 2004.

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- “*NGA-West2 Campbell-Bozorgnia ground motion model for the horizontal components of PGA, PGV, and 5%-damped elastic pseudo-acceleration response spectra for periods ranging from 0.01 to 10 sec,*” by Kenneth W. Campbell and Yousef Bozorgnia, *Report PEER 2013/06*, Pacific Earthquake Engineering Research Center (PEER), University of California, Berkeley, May 2013.
- “*Implications of the Mw9.0 Tohoku-Oki earthquake for ground motion scaling with source, path, and site parameters,*” by Jonathan Stewart, Saburoh Midorikawa, Robert Graves, Khatareh Khodaverdi, Tadahiro Kishida, Hiroyuki Miura, Yousef Bozorgnia and Kenneth Campbell, *Journal of Earthquake Spectra*, Vol. **29**(S1), 1-22, March 2013.
- “*Comparison of ground motion attributes from 2011 Tohoku-Oki mainshock and two subsequent events,*” by Tadahiro Kishida¹, Jonathan Stewart, Robert Graves, Saburoh Midorikawa, Hiroyuki Miura, Yousef Bozorgnia, and Kenneth Campbell, *Proceedings of the 10th International Conference on Urban Earthquake Engineering*, March 1-2, 2013, Tokyo Institute of Technology, Tokyo, Japan.
- “*Performance assessment of tall concrete core-wall building designed using two alternative approaches*”, by T.Y. Yang, J.P. Moehle, Y. Bozorgnia, F. Zareian, and J.W. Wallace, *Journal of Earthquake Engineering & Structural Dynamics*, Vol. **41**, 1515-1531, 2012.

CHRISTOPHER I. CARPENTER, P.E.

Seismic Hazards

Education

2001 B.S. in Civil Engineering, Oregon State University, Corvallis, Oregon

2002 M.S. in Geotechnical Engineering, University of California, Berkeley, California

Registration

Civil Engineer – Oregon, Washington, California

Societies

Member, American Society of Civil Engineers

Member, U.C. Berkeley GeoEngineering Society

Honors

2012 Vice Chair, Geotechnical Engineering Group, ASCE Oregon Section

Professional Career

2002-present Cornforth Consultants, Inc., Portland, Oregon; Associate Engineer

Relevant Experience

Chris' 11-year career has been focused on earthquake engineering in Oregon, and has worked on various dam seismic studies that utilized the Pacific Northwest's constantly evolving earthquake criteria. He participated in the first phase of this project, calculating peak bedrock accelerations for return periods of 1,000; 2,500; and 5,000 years. He has particular expertise in earthquake engineering and has worked on various dam seismic studies dealing with the constantly evolving earthquake criteria in the Pacific Northwest. This level of expertise will assist with the development of right-sized solutions.

Big Creek Dams 2012 Seismic Evaluation, Newport, Oregon. Project Earthquake Engineer for a seismic safety evaluation for Big Creek Dams located near Newport, Oregon. Work tasks included reviewing available information regarding the regional seismicity and potential ground motions at the dam sites. Based on the review of regional seismicity, principal sources were identified that contribute to the seismic hazard based on deterministic and probabilistic methods. Calculated peak bedrock accelerations for return periods of 1,000; 2,500; and 5,000 years. Developed target acceleration response spectra for the primary deterministic seismic sources that contribute to the hazard i.e. crustal and subduction interface and intraslab events. Acceleration time histories for bedrock were selected and scaled to match the target spectra for each deterministic source.

Mt. Tabor Dam No. 5 Seismic Analyses, Portland, Oregon. Seismic hazards were reviewed in 2006 as part of the FERC Part 12 Dam Safety Inspection. The study revealed the need to establish a current understanding of the seismic hazards applicable to the Mt. Tabor facilities. As Project Earthquake Engineer, Mr. Carpenter performed a site-specific seismic hazard evaluation for the project and developed recommendations for ground motions to be utilized for deformation analyses at Mt. Tabor Dam No. 5. He completed seismic crest deformation study for the embankment section at Mt. Tabor Dam No. 5. These

evaluations included performing deformation analyses using procedures developed by Makdisi and Seed in 1978 and a modified Newmark displacement analysis.

Fern Ridge Dam – Phase 2A Seismic Stability, Eugene, Oregon. Project Earthquake Engineer for the U.S. Army Corps of Engineers Phase 2A seismic stability evaluation of an approximately one-mile long embankment dam. Analyzed existing subsurface information and Standard Penetration Test and CPT data to evaluate the liquefaction susceptibility of the foundation soils. In order to support the liquefaction susceptibility evaluation, grain-size analyses were performed and a finite-element model was developed to evaluate the in-situ shear stress.

John Day Dam Seismic Safety Review and Phase I Seismic Stability Evaluation, Columbia River, Washington. Project Earthquake Engineer for a Seismic Safety Review (SSR) and subsequent Phase I seismic evaluation of the Corps of Engineers' John Day Dam. Mr. Carpenter developed site response spectra for simplified analysis of concrete gravity sections, and selected acceleration time histories for embankment deformation and structural analyses. Responsible for geotechnical explorations and instrumentation of embankment dam, completed liquefaction evaluation based on results of new borings, and performed static and seismic stability analyses. Seismic stability analyses were performed using post-liquefaction soil strengths.

Mt. Tabor Dam Potential Failure Mode Analysis, Portland, Oregon. As Project Earthquake Engineer, Mr. Carpenter participated in the Potential Failure Mode Analysis (PFMA) study as part of the FERC Part 12 dam safety review for three reservoir dam embankments located on Mt Tabor in Portland, Oregon. The evaluation consisted of looking at potential failure modes due to storm events and flooding, structural or mechanical failures, seismic events, and slope stability. Compiled all notes and comments and prepared summary report and key findings that resulted from the PFMA session.

Scappoose Reservoir Liquefaction Evaluation, Scappoose, Oregon. Project Engineer in charge of coordination and inspection of 275 vibro-compacted stone columns. Stone columns were constructed as part of ground improvement at the Scappoose Water Treatment Facility for a new 2 MG reservoir. Subsurface investigations revealed that in-place soils may liquefy under seismic ground motions, causing lateral spread and distress to any structures. Stone columns were installed to improve ground conditions and reduce liquefaction potential. The contractor used a dry bottom feed vibro-replacement techniques to construct 275 3-foot diameter stone columns on 8- and 9-foot spacing across the footprint of the tank.

Ashton Dam Seepage Evaluation, Ashton, Idaho. Ashton Dam is a 60-foot high earth and rockfill dam owned and operated by PacifiCorp. Mr. Carpenter was Project Earthquake Engineer responsible for subsurface exploration, insitu testing, and instrument installation and maintenance to assist with seepage and sinkhole evaluations. Installed instrumentation including piezometers and settlement plates to be monitored remotely with data acquisition system. Conducted extensive insitu permeability testing in embankment and foundation to provide data for seepage analyses and groundwater studies. Conducted laboratory testing to determine soil and rock material properties. Performed slope stability studies and embankment design for mitigation measures including stability berms and seepage blankets. Assisted with the preparation of the geotechnical analysis report.



John E. Charlton, P.G.*

Soils Characterization Lead

Education

Master of Science, Geological & Related Sciences, Mississippi State University

Master of Business Admin, Business Administration, Mississippi State University,

Bachelor of Arts, History, Florida State University

Professional Registrations

Registered Professional Geologist, South Carolina, United States, No. 2371

Registered Professional Geologist, Wyoming, United States, No. 3780

Professional Affiliations

Association of Environmental and Engineering Geologists (AEG), Member

Association of State Dam Safety Officials, Member

HDR Tenure

2 Years

Industry Tenure

21 Years

Professional Experience

Accurate soils characterization will be foundational to an effective solution. John's 21 years with and skill for reviewing regional geologic data for site seismic hazard assessment will be key. He is also skilled with inspecting dam construction of soil, rock fill, and RCC dam sections. He will provide a reliable soils characterization, a role he has held on more than 100 projects including the Rose Hill Dam Reconstruction (SD) and the Bear Creek Dam Rehabilitation (AL)

Select Project Experience

Bear Creek Dam Rehabilitation - Tennessee Valley Authority, Hodges, AL. Senior Geologist. Performed site investigations, foundation inspection, approval and geologic mapping, dewatering system design, and construction oversight for rehabilitation of a high hazard embankment built on karst foundation. Rehabilitation consisted of construction of a backup Roller Compacted Concrete (RCC) structure to prevent loss of the dam during PMF overtopping, and installation of a composite seepage barrier consisting of a two line grout curtain with cutoff wall panels at select locations. Construction cost \$31M. Exploration techniques included inclined rock coring, borehole and surface geophysical surveys, and packer testing. John developed a 3D geologic model of the foundation to estimate extent and locations of solution features. The model was used to design a composite grout curtain/cutoff wall seepage barrier for which John performed design and construction oversight. Treatment of the foundation under the varying and challenging conditions employed continuous, 'real time' evaluation of the geologic conditions encountered during each phase of the foundation treatment process to adjust the scope and design of the next step of the rehabilitation. In addition John performed RCC aggregate availability and suitability studies for the RCC mix design.

Rose Hill Dam Reconstruction, South Dakota Game, Fish & Parks. Engineering Geologist. John developed a site exploration program and performed field investigation oversight for an embankment dam that failed due to overtopping. John is developing the site geologic and geotechnical model for the design portion of the project.

Lewisburg Dam - Lewisburg Water and Sewer, Lewisburg, TN. Geologist. Performed site geologic mapping in the abutments of the concrete gravity run of the river dam founded on limestone that was experiencing seepage through one of the abutments. He identified the structural features within the limestone along which karst features existed and identified the seepage paths. The information was used to develop a preliminary dam stability assessment for the client.

Old Columbia Dam - Columbia Power and Water Service, Columbia, TN. Senior Geologist. Performed site geologic mapping and drilling oversight for the concrete gravity run of the river dam founded on limestone. The site investigation was used to identify the fracture sets and stratigraphic section along which karst develop is predominant, and was able to predict minimal need for foundation improvement prior to anchoring. The investigation was used to reduce contractor uncertainty during the bidding process, reducing bid amounts.

Saluda Dam Remediation - South Carolina Electric & Gas Company, Columbia, SC. Geologist. John served as geologist from initial to final construction activities at the Saluda

* = Professional Geologist in another state.

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Dam Remediation which consisted of construction of a 8,000 foot long 240 foot high remedial berm composed of 1.3 million cubic yards of RCC and 3.5 million cubic yards of rock fill section. Construction cost \$275M.

Responsible for preparation of geologic maps for regional geologic interpretation and foundation engineering purposes, geologic mapping of slopes and quarry walls, and analysis of geologic data for slope stability assessment. He presented results of the geologic studies to the Federal Energy Regulatory Commission (FERC) and the SCE&G Board of Consultants. John performed construction inspection for foundation approval and dental concrete placement for the 1.3 million cubic yard RCC section foundation, foundation inspection and approval for the rock fill sections, and performed construction oversight and inspection for placement of the RCC and rock fill sections. In addition, he provided design and installation oversight for a dewatering system consisting of over 1,000 soil and rock dewatering wells, and installed over 100 vibrating wire piezometers and inclinometers as part of the stability monitoring program for the existing 190 ft. high, 8,000 ft. long earthen embankment dam.

Conceptual Design of a Nuclear Power Plant Cooling Water Tunnel. Geologist. Researched existing literature and site investigation data to develop a preliminary report of geologic conditions and hazards for the conceptual design of a cooling water tunnel and offshore intake structure for a proposed nuclear power plant as part of the conceptual design team.

Lake Palo Pinto Storage Restoration Project-Turkey Peak Reservoir, TX. Geologist. John assisted in developing a site exploration program and performed field oversight for a proposed composite RCC and embankment dam site to address foundation stability and seepage potential.

Logan Northern Canal EIS, USDA Natural Resources Conservation Service. NRCS, through the Emergency Watershed Protection Program (EWPP), is providing technical and financial assistance to Cache County for the rehabilitation of the northern canal that was rendered inoperable by a slope collapse. The EIS study will include an evaluation of five build alternatives, as well as a no-build alternative. HDR's services also include preparing and implementing the Public Participation Plan.

WWDC Austin and Wall Canals and Wall Reservoir Rehabilitation Project Level II Study, No. 10-15 (Sunrise), Bridger, WY. Senior Geologist. Responsible for completing a geotechnical and hydrologic investigation of Wall Reservoir to identify the cause of the reservoir seepage and to review other areas of dam deficiency.

Bell Bend Nuclear Power Plant, Final Safety Analysis Report - PPL, Berwick, Pennsylvania. Geologist. Worked with the project team to address acceptance review comments from the NRC relating to the submittal of the FSAR. My responsibilities included researching regional geology and revising sections of Chapter 2.5 to comply with the NRC requirements.

Taum Sauk Plant Upper Reservoir Piezometer Installation- Ameren Union Electric Company, Reynolds County, MO. Geologist. Performed quality control for the installation of vibrating wire piezometers in the gallery and downstream of a newly constructed 2.8 million cubic yard RCC dam.

Callaway Nuclear Power Plant, Unit 2, Final Safety Analysis Report - AmerenUE, St Louis, MO. Geologist. Worked with the project team to address acceptance review comments from the NRC relating to submittal of the FSAR. My responsibilities included review and comment resolution for Section 2.5.

Leandra L. Cleveland

Environmental Permitting

Education

B.S., Environmental Sciences/Studies,
Washington State University at Pullman

Professional Registrations

Professional Wetland Scientist, No 1883

Professional Affiliations

National Association of Environmental
Professionals, Portland, Member, 2000-
Present

Society of Wetland Scientists, Pacific
Northwest, Member, 2000-Present

American Planning Association, SW
Washington, Member, 2006-Present

American Planning Association, SW
Washington, Communications Officer,
2006-2007

American Planning Association, SW
Washington, Secretary, 2007-2009

Society of Wetland Scientists, Pacific
Northwest, Conference Organizing
Committee, 2007-Present

Society of Wetland Scientists, Pacific
Northwest, Executive Vice President, 2007-
2009

HDR Tenure

8 Years

Industry Tenure

12 Years

Professional Experience

Leandra is a biologist/planner with experience in conducting wetland delineations and function assessments, planning wetland and habitat mitigation/enhancement plans, mitigation monitoring, environmental compliance permitting, and preparing NEPA/SEPA documents. She has assisted understands the complexities of aquatic and terrestrial ecosystems as well as state and federal permitting and regulatory requirements. Her expertise brings an effective framework to support the natural resource goals of the project design and effectively and effectively navigate the permitting process.

Select Project Experience

Gold Ray Dam Removal, Jackson County, OR. Permitting Task Lead. Jackson County, through a grant from NMFS, is proposing to remove the Gold Ray Dam for safety concerns and as part of ongoing restoration efforts to restore fish passage in the Rogue River Basin. HDR is preparing the EA, BA, wetland delineation, hydraulic and sediment modeling, and federal, state, and local permits for the project. Leandra is responsible for the wetland field investigations for the project and overseeing development of the BA. She is a primary author of the EA for NMFS and is developing and leading the permitting effort, including extensive agency coordination. Permits for the project include Clean Water Act Section 404/401 permit, Oregon Removal Fill Permit, In Water Work Variance, ESA Section 7 formal consultation, and Jackson County floodplain permit.

Beaverton Creek South Culvert Design and Permitting, Clean Water Services, Hillsboro, OR. Permitting Task Lead. Project consisted of design and construction to replace three box culverts to reduce localized flooding and to remove known fish barriers for passage to upstream habitat. Project required close coordination with nearby landowners, 3rd-party consultants, and utilities. Leandra coordinated with the project engineers to minimize stream impacts resulting from the replacement culverts. She also prepared the Clean Water Act, Removal/Fill, and Washington County Land Use permits for the project.

Bateman Creek Bridge Replacement & Fish Passage, Oregon Department of Transportation, Balm Grove, OR. Natural Resources Task Lead. As part of the Governor's initiative, ODOT proposed to replace the existing Bateman Creek Bridge to reestablish fish passage between Bateman and Gales Creeks. Leandra completed the permitting acquisition for this fish passage/creek restoration project. Necessary clearances include Section 404/Removal-Fill, local land use, Section 106, and Endangered Species Act Section 7 Consultation.

Clean Water Services, 87th Avenue/Canyon Road, OR. Permitting. Clean Water Services maintains a sewer line serving a small number of residences along SW 87th Avenue and SW Canyon Lane. Erosion of the streambank and channel has exposed the sewer line. HDR provided engineering services to repair the pipeline corridor in a manner that would prevent the stream from eroding the pipe trench in the future, as well as benefits the stream condition and surrounding vegetation.

Fanno Creek Reconstruction/Rehabilitation, Clean Water Services, OR. Permitting. The District hired HDR to provide hydraulic analysis and design services for the enhancement of Fanno Creek between Hwy 99 and Hall Blvd. The project re-meandered a previously straightened reach and stabilized several highly eroding banks to improve channel function,

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floodplain connectivity and aquatic habitat. The project also created new wetlands, integrated backwater and tributaries to Fanno Creek, and replaced invasive vegetation with native plant communities.

Rock Creek Fish Passage, City of Lincoln City, OR. HDR assisted the ODFW to improve access for Chinook salmon, steelhead, coho, cutthroat trout, and lamprey to 45 miles of habitat upstream of the hatchery's diversion dam. Project resulted in creating sorting facilities that segregate hatchery fish from the run of returning adult salmon, so hatchery fish are hauled downstream and recycled through the fishery. As a result, ODFW met current and future management goals related to the Native Fish Conservation Policy.

Tanasbrook Pond & Bronson Creek Enhancement, Clean Water Services, OR. Permitting. The goals of the project include improving the water quality of the existing ponds while at the same time, providing upstream fish passage and maintaining the historic recreation and aesthetic functions of the ponds. Project tasks include development of a dewatering plan, assessment of pond ecology, geotechnical investigation, hydrologic and hydraulic modeling, development of a water budget and development of final project documents, contract specifications, and engineer's cost estimate.

Titan Maritime, New Carissa Wreckage Removal, Coos Bay, OR. Project Manager. HDR prepared the environmental permits for the removal of the New Carissa shipwreck off the Oregon coast. The wreck removal involved both land and ocean operations near critical nesting habitat for snowy plovers and the Dunes National Recreation Area. Leandra was the project manager overseeing the preparation of the Clean Water Act, Oregon Removal/Fill, Endangered Species Act Section 7, Section 106 Concurrence, Department of State Lands Easement, and BLM Right of Way permits for the project.



Joseph P. Gaby, P.E., S.E.

Structural Engineer

Education

Master of Science, Mechanical Engineering (Solid Mechanics), University of Missouri Rolla

Certificate, Civil/Structural (Infrastructure Renewal), University of Missouri Rolla

Master of Science, Civil Engineering (Geotechnical), University of Colorado Denver

Master of Science, Civil Engineering (Structural), University of Colorado Denver

Bachelor of Science, Civil Engineering (Water Resources), University of Colorado Denver

Associate of Applied Science, Architectural Drafting (Architectural/Structural Drafting), Denver Institute of Technology

Bachelor of Arts, Psychology (Psychology/Business), Pace University

Professional Registrations

Professional Engineer, California, No. C-61529

Professional Engineer, Alaska, No. C-11738

Professional Engineer, British Columbia, Canada, No. 154456

Professional Engineer, Colorado, No. PE 32529

Structural Engineer, Idaho, No. 12089

Professional Engineer, Montana, No. 16617

Structural Engineer, Oregon, No. 75441PE

Structural Engineer, Utah, No. 4807295-2203

Professional Engineer, Washington, No. 41625

Structural Engineer, Wyoming, No. 11705

Structural Engineering Certification Board (SECB), US National Registration, No. 1549-0705

LEED Green Associate, US National Registration, No. 10215271

Professional Experience

Pete has 22 years of providing seismic/structural engineering services for dams and dam-related structures. He has also performed finite element modeling for the design of appurtenances for new construction, rehabilitation, upgrading, and strengthening of dams. His projects include Willow Creek dam Gate Tower Structural Evaluation in Colorado and the San Vicente Dam Raise in California, which involved RCC and was the highest dam raise at that time in the U.S. Pete's skill with dam structural analysis and design will facilitate development of practical designs and accurate cost estimates.

Select Project Experience

Newport Water Treatment Facility Improvements, City of Newport, OR. Structural Engineer. HDR provided predesign and final design, bid support, and inspection services for the expansion of its water treatment facility. The City currently owns and operates a 4 MGD potable water system that was being upgraded to a new membrane water treatment facility capable of treating 6 mgd (expandable to 10 mgd). The total project budget falls just under \$20 million.

North Lake Dam and Reservoir, Trinidad, CO. Structural engineer involved with dam safety modifications to improve seepage, embankment stability, and outlet surging problems.

Willow Creek Dam Gate Tower Investigation and Structural Evaluation, Steamboat Springs, CO. Lead structural engineer for an investigation to determine the structural and seismic integrity of the embankment supported gate tower and base structure with attached conduit. A probabilistic and deterministic site-specific seismic study was completed and used for preparing a 3-D finite element model. The scope included the preparation construction documents for structural strengthening.

Bart Lake Powerhouse and Lake Dorothy Tunnel Outlet Works, Alaska Electric Light & Power, Juneau, AK. Project structural engineer for a 14 MW small hydroelectric project located approximately 25 miles southeast of Juneau, Alaska. Design included thrustblocks and rock anchors, as well as the crotch plate of a 60-inch diameter penstock located in a pumphouse along with a 40-inch free-discharge plunger valve and 60-inch diameter metal-seated butterfly valve. QA/QC for the concrete intake structure and trashrack designs.

Gardena Farms Irrigation District, Gardena Farms Diversion Fish Passage, WA. Lead structural engineer for the design of modifications to an existing irrigation diversion facility. The final design incorporated a sediment wasteway at the entrance to the diversion, multiple sluice gates, a new sediment bypass conduit, and a primary sediment bypass gate incorporated into the existing diversion dam.

Barker Dam Outlet Works Modifications, Nederland, CO. Lead structural engineer for the final design of intake shaft, outlet works, penstock, thrust restraints, retaining walls, masonry pump house building, and a stainless steel fixed-cone dissipation hood. The outlet works was a 120-foot deep, 25-foot diameter vertical shaft constructed in the upper left hard rock abutment from which two 48-inch diameter lake taps using micro-tunneling methods will be installed. Preparation of construction documents.

Professional Affiliations

American Society of Civil Engineers (ASCE), Member, 1990-2013

American Concrete Institute, Member, 1994-2014

American Institute of Steel Construction, Member, 1994-2013

Earthquake Engineering and Research Institute, Member, 2001-2013

Chi Epsilon, National Civil Engineering Honor Society, Member, 2005-2018

Structural Engineers Association, Oregon, Member, 2006-2013

Structural Engineers Association, British Columbia, Member, 2008-2013

Association of State Dam Safety Officials, Member, 2010-2014

HDR Tenure

3 Years

Industry Tenure

22 Years

Korty Diversion Project Tainter Gate Ice Damage Assessment and Gate Structure Stability Analysis, Nebraska Public Power District, Lincoln County, NE. Lead structural engineer for the evaluation and design of repairs for three existing tainter gates damaged by ice pressures. Korty Diversion Dam is located on the South Platte River and has a structural height of about 13 feet and a length of 438 feet. The dam has twenty 20 ft by 6 ft tainter gates and three sluice gates. The repairs were designed for in-the-field procedures allowing the gate structures to remain on their supports. Also, a seismic/structural stability analysis was performed on the existing sluice gate structure for the inclusion of a new gate house and removal of an outdated concrete gate-lifting mechanism.

Los Padres Dam Floating Fish Collector, Carmel Valley, CA. Lead structural engineer for the design of a gravity flow based floating surface collector designed to allow safe passage for downstream migrating smolts and kelts past Los Padres Dam. The collector uses a combination of dewatering screens, a bypass conduit and behavioral guidance system to improve survivable passage over that provided by an existing spillway.

McKay Lake Dam, Westminster, CO. Structural engineer responsible for the design of the appurtenant structures.

Green Peter Dam Radial Gate Analysis, Middle Santiam River, USACE Portland District, OR. Structural engineer to perform quality control on the structural design and modifications for a 45-foot wide by 47-foot high radial gate and to ensure all of the existing gates meet current gate design criteria.

Los Padres Dam Fish Passage Assessment and Design, California American Water, Carmel Valley, CA. Lead structural engineer providing design services for an upstream floating surface collector maintained in place by driven steel pipe piles, an innovative physical guidance truss and pipe conveyance structure, concrete vaults, pipe supports and downstream fish bypass outfall structure. HDR prepared and evaluated alternatives associated with the passage of steelhead over Carmel River's Loss Dam.

Mt. Carmel Spillway Replacement, Cavalier County, ND. In-house consultant for the structural design review (drawings and calculations) for the principal spillway replacement.

New Big Cherry Dam, Big Stone Gap, VA. Structural engineer for the structural, seismic and stability design check for the outlet works tower, spillway, training walls, and discharge structure.

Rueter-Hess Reservoir, Parker, CO. Lead structural engineer on the design team for a \$35 million, 196-foot-tall earthen dam for a new water-storage reservoir. Overall responsibilities included the structural and seismic design of a 188-foot tall concrete intake tower (mass concrete structure), 2500-foot long double 80 inch steel pipe lined rigid concrete conduit, and a 3-span (80'-80'-80') access bridge including the substructure. A finite element non-linear analysis was completed using Plaxis to design the tower to conduit connection and to investigate the soil-structure interaction of the tower and dam during a seismic event.

San Vicente Dam Raise, San Diego, CA. Lead structural engineer responsible for the seismic and structural design of the 220-foot outlet works tower and associated crest control building attached upstream to an existing 219-foot high concrete gravity dam to be raised by 117 feet to 336-foot high using RCC. This is the highest dam raise to date in the United States. Additional responsibilities included preparation of structural design memoranda, cost estimating, and preparation of contract plans and specifications. Design also included a concrete gate housing and preliminary cofferdam for the low-level outlet works preceding the tower construction.

Standley Lake Dam Modifications, Westminster, CO. Structural engineer responsible for reviewing the seismic design of the retaining walls and labyrinth spillway base slab and piers. Shop drawing review of all structures.



Richard W. Hannan, P.E.

Technical Expert

Education

Bachelor of Science, Geology, Oregon State University

Bachelor of Science, Civil Engineering, Oregon State University

Professional Registrations

Professional Engineer - Civil, Oregon, No. 09317PE

HDR Tenure

4 Years

Industry Tenure

41 Years

Professional Experience

With 41 years of geotechnical engineering experience in the Pacific Northwest including 34 years at the Portland District Corps of Engineers, Rich knows the solutions that work best for Oregon's various geological conditions. Skilled with the Corps dam safety program, Rich was the lead engineer for the Evaluation and Seepage Remediation of Fern Ridge Dam (OR), seismic assessment of John Day Dam (OR) as well as repairs to Cougar Dam (OR), which were similar in size and considerations to the Upper and Lower Big Creek Dams. Rich will provide continuity from the investments already made, and will aid in developing in a variety of practical options.

Select Project Experience

Newport Water Treatment Facility Improvements, City of Newport, OR. HDR provided predesign and final design, bid support, and inspection services for the expansion of its water treatment facility. The City currently owns and operates a 4 MGD potable water system that was being upgraded to a new membrane water treatment facility capable of treating 6 mgd (expandable to 10 mgd). The total project budget falls just under \$20 million.

Columbia River Basin Levee Periodic Inspection Program, USACE Portland District, OR. Served as inspection Team Leader for 17 of the 28 Periodic Inspections of Levees performed for the Portland District Corps of Engineers including the inspection of The Sandy Drainage District, Peninsula Drainage District No. 2, Peninsula Drainage District No.2 and the Scappoose Drainage District. Rich's duties included preparation of Pre-Inspection and Final Inspection Reports, the geotechnical evaluation of the levees and overall team supervision and report preparation for assigned levees. Rich also developed the Levee Design Criteria Package for the Periodic Inspection Program document. The work required the efforts of highly experienced technical experts familiar with Corps of Engineers levee design, and maintenance policy.

Keizer Levee and River Wall, City of Keizer, OR. Geotechnical Engineer/Technical Lead: Rich developed conceptual design and final design, prepared plans and specifications, and provided technical assistance during construction. The design required the raising of the existing levee, construction of a seepage cutoff wall, and construction of a segment of new levee. This work was required in order for the levee to be FEMA certified for 100 year flood protection.

John Day Dam Seismic Safety Review, USACE Portland District, The Dalles, OR. This project involves the reevaluation of seismic criteria for the site and evaluation of the major structures including navigation lock, and lock gates, spillway and spillway gates, non overflow dam, embankment dams, and powerhouse, and recommendations for future analysis and an estimated cost of recommended studies. The work requires the efforts of highly experienced technical experts familiar with Corps seismic policy. As Project Manager, Rich was responsible for bringing the best possible team on board, establishing the ITR Team, producing the Quality Control Plan, and preparing draft and final report.

Loon Lake Storage, Stevens Public Utility District, WA. Senior Geotechnical Engineer. Rich prepared a geologic and seismic report, performed site investigations, surface mapping, performed subsurface explorations for the dam and borrow areas, coordinated sample testing, prepared alternative design and cost estimates. Performed preliminary embankment stability

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and seepage analysis, evaluated constructability, and provided preliminary construction specifications recommendations. Plans and Specifications will be provided if the project is approved.

John Day Dam Seismic Evaluation, USACE Portland District, OR. This project involves the re-evaluation of seismic criteria for the site and evaluation of the major structures including navigation lock, and lock gates, spillway and spillway gates, non overflow dam, embankment dams, and powerhouse. Recommendations for future analysis and an estimated cost of recommended studies will be provide to USACE. The work requires the efforts of highly experienced technical experts familiar with Corps seismic policy. As Project Manager, responsible to formulate the best possible team for the technical analysis, establishment the ITR Team, development of the Quality Control Plan and project guide for team members, and preparing draft and final report.

Mill Creek Water Storage Feasibility Study, Stevens Public Utility District. HDR will focus on the feasibility of a previously identified storage project in the Mill Creek drainage basin. HDR will conduct preliminary investigations that will include the following: development of baseline hydrology, site survey (local grid), surficial geotechnical investigations (test pits), soil gradations, initial sizing of spillway and regulating outlets, feasibility of fish passage, preliminary construction cost estimate and coordination with regulatory agencies.

Marysville Ring Levee, USACE, Sacramento, CA. Provided evaluation and design of levee improvements for the 10 sites along the American River. The work included seepage and slope stability analyses; establishing the need for levee remediation; determining the locations for remediation and develop alternative methods of remediation; construction plans and specifications; Design Documentation Report (DDR); identification of relocations including utility relocations; rights-of-way and temporary construction easement requirements; ECIFP report, and formulated an MCACES cost estimate. HDR prepared a Quality Control Plan (QCP) for this project.

Bonneville Dam Spillway and Stilling Basin, USACE Portland District, OR. HDR examined methods to reconfigure the Bonneville Dam stilling basin and spillway to better pass fish and meet project objectives. The spillway and stilling basin needed repairs due to damage caused by erosion. The services provided in this task order include structural, mechanical, electrical, hydraulic, geological, biological and cost engineering considerations.

Lookout Point Dam Preliminary Phase 1 Seismic Safety Evaluation, USACE Portland District, OR. This project involves a Phase I Seismic Evaluation of the concrete spillway monoliths. The work required the efforts of highly experienced technical experts familiar with Corps seismic policy. As Project Manager, responsible for formulation of the best possible team for the technical analysis, establishment the ITR Team, development of the Quality Control Plan and project guide for team members, and preparing draft and final report.



Leslie F. Harder Jr., P.E.*

Quality Assurance / Quality Control

Education

Doctor of Philosophy, Civil Engineering,
University of California at Berkeley

Master of Science, Civil Engineering,
University of California Davis

Bachelor of Science, Civil Engineering,
University of California Davis

Professional Registrations

Professional Engineer - Civil, California,
No. C 30472

Professional Engineer - Geo Technical,
California, No. GE 000378

Professional Affiliations

American Society of Civil Engineers
(ASCE), Member

Association of State Dam Safety Officials,
Member

ASTM International, Member

Earthquake Engineering and Research
Institute, Member

International Society for Soil Mechanics and
Geotechnical Engineering, Member

United States Society on Dams (USSD),
formerly USCOLD, Member

HDR Tenure

5 Years

Industry Tenure

38 Years

Professional Experience

Les's national-level expertise with earth dams and levees will provide guidance and review to ensure that practical solutions are delivered. During his 30-year tenure with California's Department of Water Resources, Les helped to develop the state's levee standards, supervised several seismic stability evaluations, and directed several emergency levee repairs. While working for the U.S. Army Corps of Engineers, Les led several post-earthquake reconnaissance studies of the performance of earth structures. He was part of the National Science Foundation team that studied the performance of levees in the New Orleans area following Hurricane Katrina. In 2008, he was appointed to a team to develop and recommend a new national levee safety program.

Select Project Experience

Anderson Dam Seismic Retrofit Planning and Environmental Consultant Services, Santa Clara Valley Water District, CA. Assisted in the development and preparation of planning study documents, including the Problem Definition Report, Planning Study Report, and CEQA/NEPA documents, as well as permitting. The ultimate outcome of the planning services will be to recommend a preferred alternative to: resolve the seismic deficiencies in the dam embankment from the maximum creditable earthquake; resolve and remediate, if necessary, the outlet works for the potential fault rupture risk from a maximum creditable earthquake; and review and revise, as needed, the Probable Maximum Flood (PMF) and routing study to address possible deficiencies with the spillway.

West Sacramento Flood Control Implementation Design. Providing engineering design services for the design, environmental review and permitting, and preparation of Plans, Specifications and Estimates for the Early Implementation Levee Repair Project for the West Sacramento Levee Improvement Program., which may encompass 13,500 feet of levee improvements, including the construction of seepage barriers and/or relief wells along four reaches of the West Sacramento levee system. This project is part of the West Sacramento Levee Improvement Program and has the objective to improve flood protection for residents and businesses in the community by completing levee repairs and providing a 200-year level of protection that meet federal and USACE requirements and receive accreditation from FEMA for a 100-year level of protection.

West Cathedral Canyon East Levee Certification, Riverside, CA. HDR worked with the Riverside County Flood Control & Water Conservation District to complete the evaluation and certification for the West Cathedral Canyon Channel East Levee (approximately 1.7 miles) to meet FEMA's regulatory requirements as identified in Title 44 of the CFR, Section 65.10 (44 CFR 65.10). The evaluation and certification of levees is based on design criteria (freeboard, closures, embankment protection, embankment and foundation stability, settlement and interior drainage), operation plans and criteria (for closures and interior drainage), maintenance plans and criteria and the actual certification requirements (i.e. as-builts, forms, documentation and data).

The HDR team completed the engineering and geotechnical analyses to address the design criteria as required by 44 CFR 65.10, as well as the O&M and as-built requirements. The certification package was completed and submitted to FEMA.

* Professional Engineer in another state

EXHIBIT C

Levee Certification Reviews, and El Dorado County Restudy, FEMA, NV. The purpose of this Task Order is to assist FEMA Region IX with scoping activities and the production of a Countywide Digital Flood Insurance Rate Map (DFIRM) and Flood Insurance Study (FIS) text for Elko County, Nevada. HDR will assist in coordinating and conducting a kickoff meeting with the community representatives to discuss the National Flood Insurance Program and Map Modernization Initiative. Once the Preliminary DFIRMs have been completed, the HDR shall mail copies of the preliminary map panels to affected community for a 30-day comment period. HDR will assist in coordinating and conducting a final meeting with community representatives to discuss the revised maps. HDR will then finalize all maps, incorporating recent Letters of Map Change (LOMCs) and minor refinements identified during the comment periods that were not previously incorporated. Once finalized, digital files in the format required by FEMA will be prepared and final deliverables will be submitted to the Map Service Center (MSC).

Levee Inspection TSO 001 JV, Seattle. As part of a joint venture team, HDR performed levee safety Periodic Inspection (PI). The purpose of PIs is to verify proper operation and maintenance, evaluate operational adequacy and structural stability, review design criteria to identify changes, identify features to monitor over time, and improve communication of the overall condition. Inspections included 22 Federal and 10 Non-Federal Levee Systems totaling approximately 55 miles of Washington, Montana and Idaho levees.

Natomas Levee Improvement Program (NLIP) Sacramento River Levee Reaches 1, 2, 4B, and 5A, Sacramento, CA. Provided a drainage study, pre-design, design, environmental documentation, permitting assistance, bid period, and construction support services for reaches 1, 2, 3, 4A and 4B of the Sacramento River levee (east bank) in the Natomas area, which protects a portion of Reclamation District No. 1000 (RD 1000). Levee repairs were needed to retain Federal Emergency Management Agency (FEMA) certification and achieve a 200-year level of flood protection, and included levee crown raising for all reaches, seepage berms (reaches 4A and 4B), and deep cutoff walls (reaches 2 and 3). Redesign of the Garden Highway was required along the project reaches, as well as relocation of utilities and other infrastructure.

American River Common Features - WRDA96 Remaining Sites, USACE – Sacramento, CA. Provided evaluation and design of levee improvements for the 10 sites along the American River. The work includes seepage and slope stability analyses; establishing the need for levee remediation; determining the locations for remediation and develop alternative methods of remediation; construction plans and specifications; Design Documentation Report (DDR); identification of relocations including utility relocations; rights-of-way and temporary construction easement requirements; ECIFP report, and formulate an MCACES cost estimate. HDR also prepared a Quality Control Plan (QCP) for this project.

Marysville Ring Levee, USACE - Sacramento. Geotechnical Engineer. Directing geotechnical tasks related to the design of levee improvements that meet Federal Emergency Management Agency (FEMA) requirements for levee accreditation under the National Flood Insurance Program.

Ventura County, Simi Arroyo Levee Improvements, Moorpark, CA. HDR prepared a retaining wall and flood wall designs for the County of Ventura. Scope of work included designing a three-foot high retaining wall that provides access to the existing sewer manholes at two locations along the stretch of Simi Arroyo that is adjacent to the Science Drive and north of Los Angeles Avenue in Moorpark, CA.



JONASSON CONSULTANTS LLC

COST ESTIMATING AND CONSTRUCTABILITY

From decades of working as a contractor, Carl brings a unique perspective and tricks-of-the trade to constructability reviews and cost estimating. This contractor's perspective will result in a practical design and together construction documents, both of which will benefit keeping the project on budget and schedule. He even brings local experience, having worked with the team to estimate costs on the Scoggins Dam alternatives.

When he was with Wilder Construction Company, Carl managed all civil and structural activities in the Northwest including sponsoring the \$20 million NE 40th project on SR520, the \$32 million Swamp Creek project on I-405, the \$8 million Stillaguamish River Bridge and the \$14 million Lakemont Boulevard project, and the \$8 million Novelty Bridge project. Carl bid, built and sponsored numerous projects that included most types and sizes of storm, sanitary, sewer, and potable and non-potable waterline piping.

Experience

40 years

Education

BS: Civil Engineering
Technology (Construction
Engineering
Management)

BS: Business

Administration

SELECTED PROJECT EXPERIENCE

Scoggins Dam, Oregon. 2007. Cost estimated and construction scheduled 4 alternatives for the raising of the existing dam or for the construction of a replacement dam. Alternates included earthfill dam variants and a roller-compacted concrete dam. Total alternate volume exceeded \$2,000,000,000.

Cedar Falls, Washington. 1987. Bid and sponsored the grading portion of this 100 foot + high concrete dam for Seattle City Light. The work involved building a shorter 32 foot high roller compacted dam, and rehabilitating the existing high dam with upstream facing and tainter gates.

Cold Springs Dam, Umatilla, Oregon. 1995. Estimated, bid and sponsored the rehabilitation of this 165-foot high earthen dam, owned by the Bureau of Reclamation.. Raised the earthen dam and added a roller compacted concrete spillway.

Spirit Lake Outlet Works, Washington. 1981. Worked with the Corps of Engineers to develop an estimate for a new outlet works, since the lake was plugged with debris from the eruption of Mt. St. Helens in 1980. Also inspected the sediment retention facility project on the Toutle River, constructed later by Granite Construction.

Long Hollow Dam, CO. 2010. Provided the engineer's estimate for a new earth fill dam located in southwestern Colorado for La Plata Water Conservancy District. The \$14M dam is located at the confluence of two small streams and will serve as irrigation water supply.

PGE Reservoir Concrete Spillway, PGE Coal-Fired Plant, Boardman, Oregon. 1979. Project Engineer responsible the construction of the railroad access to the site and observed the construction of the reservoir embankments and concrete spillway construction with dental excavation and cleaning. Ran time studies of the Holland Loader and Caterpillar 772's with double belly dumps loading and hauling "potato dirt" during the excavation and embankment phase of the reservoir work.

Lewiston Levees, Lewiston, Idaho. 1973. Quality Control Engineer, primarily testing materials for acceptance during slurry wall installation after the levees had been embanked.

Folsom Dam Embankment Modifications. 2008. Estimated a portion of the Bureau of Reclamation dam modifications as a consultant for the successful contractor.

Condit Dam Deconstruction, White Salmon, WA. 2009. Provided the engineer's estimate and advised on the deconstruction of an existing concrete gravity dam for PacifiCorps, and the removal of 2,000,000 cy of sediment that had accumulated behind the dam.

Green River Headworks. Estimated, bid and sponsored the City of Tacoma low dam improvements, including the concrete dam ogee raising, and the installation of a grout curtain, a new fish bypass facility, a section of the new Tacoma Second Supply waterline, and a pipe supporting structure over the Green River.

4346 SOUTHWEST 307TH STREET
FEDERAL WAY, WA 98023
TEL: (206) 963-1718 FAX: (253) 874-0202



Nesh Mucibabic, P.E.

Pump Station Design

Education

Pursuing M.B.A.

M.S., Civil Eng.

Postgraduate Courses Hydrotechnical Eng.

B.S., Civil Eng.

Professional Registrations

Professional Engineer - Civil, Oregon,
Washington

Professional Affiliations

North American Association of Trenchless
Technology

American Water Works Association

Water Environment Federation

American Society of Engineering
Managers

American Public Works Association

HDR Tenure

13 Years

Industry Tenure

33 Years

Professional Experience

Nesh is a senior design engineer with extensive experience in civil and hydraulic engineering. In three decades of civil engineering, he has provided designed the pump stations and provided hydraulic modeling, design and construction observation for more than 200 miles of small-, medium-, and large-diameter pipelines for sanitary, stormwater, water, irrigation systems and mining industry. He is well-known for his unique problem-solving skills and advanced experience with water hammer oscillation and protection, hydrology and hydraulics, system optimization, and operations.

Select Project Experience

Three Pump Stations including Wastewater Diversion Pump Station and Forcemain, City of Newport, OR. Nesh provided quality control for the design, construction, and commissioning of three pump stations for Newport, including a wastewater diversion pump station and forcemain tying in to the City's wastewater collection system. The scalable design provided an affordable initial installation planned for ease of future expansion with installation of additional pumps. The project included collection system capacity analysis, forcemain routing / construction methods analysis, hydraulic evaluation / design, and pump station site selection.

Wynooski Pump Station, City of Newberg, OR. Pump Station Hydraulics and Engineering. HDR completed preliminary design of a new off-site raw water pump station for the City of Newberg. The new facility is designed to relieve flows from the existing, overburdened influent pump station. The new facility diverts one of the main plant interceptors before it descends 40 feet to the existing influent pump stations. By taking this approach, the City will eliminate the 40 feet of static head and the station will be easier to maintain due to the fact it is not in a deep ravine that is difficult to access in wet weather. The new station will also be provided with high efficiency VFD driven pumps to best match flows that are seen in the interceptor and avoiding high electrical demand starts and stops seen in constant speed pumps. This project is part of a \$44 million upgrade to the City's facilities being managed by HDR.

Sanitary Sewer Intertie #2, Clackamas County WES, OR. HDR conducted a routing study and is currently designing a pump station and force main that will transfer sewage flows from CCSD #1 to new facilities currently under construction at the Tri-City Water Pollution Control Plant in Oregon City. Project activities include a routing study to select the force main alignment, pump station site evaluation, flow analysis of existing wastewater flows available for diversion, and final design of the pump station and pipeline.

Treatment and Conveyance Planning, Clackamas County WES, OR. HDR assisted WES in the preparation of predesign plans for the Kellogg WWTP and for the conveyance system components for several treatment plant options. HDR also provided oversight for solids handling plans.

Rock Creek Pump Station Upgrade, City of Independence, MO. Pump Station Design Engineer. The City was required to expand capacity to pump from its two main interceptors to its wastewater treatment plant to convey storm-influenced peak flows in order to reduce sanitary overflows. The Rock Creek pump station was expanded from 22 MGD to 32 MGD. The existing pump station has two separate wet wells: one with dry-pit, close coupled

centrifugal pumps and a second with mixed-flow propeller pumps. The dry-pit centrifugal pump conveys dry weather flows, while the mixed flow pumps are used to pump to local storage basins for peak flow events. The capacity of the basins is inadequate for the storm-induced flows. In order to expand capacity of the station, a new combination of dry-pit submersibles and higher head mixed-flow pumps was designed so that both wet wells can provide pumping capacity to the treatment plant. The discharge headers for the two systems were modified in order to combine pumps while leaving the capability for remaining mixed-flow pumps to use the existing storage basins in extreme flow conditions.

Sugar Creek Pump Station Upgrade, City of Independence, MO. Pump Station Design Engineer. Part of a program to reduce sanitary overflows, the Sugar Creek pump station was expanded from 9 MGD to 18 MGD. The increase in capacity required replacement of all pumps and addition of a second parallel forcemain. All pumps are equipped with VFDs for more efficient system operation and the parallel forcemains are provided with motorized flow control valves to allow for single- or dual-forcemain operation, depending on flow requirements.

Rock Creek Excess Flow Pump Station, City of Independence, MO. Pump Station Design Engineer. Gravity sewer flows to the City of Independence Rock Creek Pump Station can reach peaks of 68 MGD, while the expanded pump station is only capable of pumping a peak flow of 32 MGD. The excess flow pumping capacity was managed through the addition of a new excess flow pump station and two 10 MG storage tanks. The excess flow pump station has a peak capacity of 36 MGD in order to pump to the two storage tanks. A diversion structure was designed to allow up to 32 MGD flow to continue to the existing pump station while flows above 32 MGD would divert to the excess flow pump station. The self-cleaning style wet well and VFD-driven submersible pumps are all designed to facilitate start up and shut down operation and maintenance due to the infrequent operation expected of this pump station.

Sugar Creek Excess Flow Pump Station, City of Independence, MO. Pump Station Design Engineer. This excess flow pump station has a peak capacity of 25 MGD in order to pump to the two 10 MG storage tanks. A diversion structure (that can be remotely operated) was designed to allow up to 18 MGD flow to continue to the expanded existing pump station while flows above 18 MGD would divert to the excess flow pump station. The self-cleaning style wet well and VFD driven submersible pumps are all designed to facilitate start up and shut down operation and maintenance due to the infrequent operation expected of this pump station.

Wastewater Treatment Plant Repair, Restoration, and Expansion, City of Newberg, OR. Pump Station Design Engineer. HDR is assisting the City of Newberg with the multi-phased, CMGC expansion of their wastewater treatment plant. We reviewed and updated the facility plan to suggest project components and approach, and also developed a predesign report of all facility improvements planned. HDR's breadth of services has equipped us to assist with a variety of efforts including delivering predesign thru construction-phase services for the new secondary clarifier and analyzing flow through three wastewater interceptors that enter the treatment plant.

Tacoma-Cascade Pipeline, Bellevue, WA. Design Engineer. Nesh served as a design engineer for refinement of a pipeline alignment and preliminary design of the 10-mile, 42-inch transmission main between the cities of Kent and Renton. He was instrumental in laying the pipeline at optimal locations within the existing streets and highways, and even walked the entire alignment during the planning stage. He provided the final design of the three-mile-long pipeline section. The overall project involved the design of a buried water supply pipeline and ancillary features to connect the Tacoma Water Second Supply Pipeline to the Bellevue to Issaquah Pipeline.



WADE N. OSBORNE, P.E.

Construction

Education

- 2004 M.S. in Geotechnical Engineering, University of Texas at Austin, Austin, Texas
- 2002 B.S. in Civil Engineering, Oregon State University, Corvallis, Oregon

Registration

Civil Engineer – Oregon, California

Societies

- Member, American Society of Civil Engineers
- Member, ADSC: International Association of Foundation Drilling

Professional Career

- 2010-present Cornforth Consultants, Inc., Portland, Oregon; Project Engineer
- 2008-2010 Terrane Consultants Ltd., Tauranga, New Zealand; Staff Engineer
- 2004-2008 Cornforth Consultants, Inc., Portland, Oregon; Staff Engineer

Relevant Experience

The City will want an experienced eye performing construction observation when the Big Creek dam repairs are being constructed. Wade's combination of construction observation and geotechnical training make him the ideal candidate. His recent projects include the Soda Springs Dam Fish Passage at Toketee Falls (OR) and Willamette Falls Dam Flow Control Structure in West Linn (OR).

Construction Control, Port Westward Generating Plant, Clatskanie, Oregon. Portland General Electric built a 400 MW generating facility at a site on the banks of the Columbia River which contained liquefiable sandy soils. Mr. Osborne was Field Construction Engineer during the installation of 4,000 stone columns to mitigate the potential for liquefaction. He was responsible for maintaining detailed construction logs and daily field reports.

Willamette Falls Dam North Fish Bypass Construction Assistance, West Linn, Oregon. Mr. Osborne was Project Geotechnical Engineer assisting Portland General Electric during the construction of drilled piers for a juvenile fish bypass structure at the Sullivan Power Plant. Work tasks included providing construction observation during the drilling of piers from a floating barge with a 24-inch diameter, ODEX hammer into basalt bedrock. Observed the placement and grouting of 18-inch steel pipe piles used as piers for the bypass structure. Prepared daily field reports.

Rockfall Mitigation, J.C. Boyle Hydroelectric Project, Klamath Falls, Oregon. Project Engineer for the emergency mitigation of a major rockfall event that damaged a section of the concrete flume side wall at J.C. Boyle Dam. The resultant spillage from the rockfall caused considerable erosion to the slope below the flume and created a debris fan at the toe of the slope. Emergency reconstruction of the flume and the down slope embankment was completed immediately, but additional construction efforts were needed to mitigate for future rockfall events from above the flume. Mr. Osborne assisted with construction control services for the mitigation of potential rockfall from above the flume and final construction that covered

flume repairs and rockfall mitigation work completed since the initial rockfall event.

The Dalles Dam Fish Spillwall, The Dalles, Oregon. Project Geotechnical Engineer responsible for over-water investigation and insitu testing to characterize foundation conditions for a proposed spillwall rock foundation. Completed extensive drilling, sampling, and logging of rock core along the proposed spillwall alignment. Performed laboratory testing and insitu permeability tests to evaluate benefits and feasibility of foundation grouting. Analyzed bearing capacity and settlement of spillwall rock foundation. Analyzed local stability of rock tiedown anchors. Prepared geotechnical data report and assisted with preparation of plans and specifications for bid package. Assisted with engineering during construction by reviewing contractor submittals and providing comments.

Faraday Diversion Right Abutment Slide, Estacada, Oregon. Project Geotechnical Engineer responsible for coordinating the subsurface investigation and installation of ground water monitoring equipment for the design for a tied-back retaining wall for Portland General Electric. Mr. Osborne provided construction observation and on-site quality assurance for the drilled soldier pile and hollow-core anchor installation. Performed ground anchor proof and performance testing.

Soda Springs Dam Fish Passage, Toketee Falls, Oregon. Project Geotechnical Engineer for fish passage facilities at an existing hydroelectric dam owned by PacifiCorp. Performed laboratory testing to determine soil and rock properties necessary for foundation design. Completed slope stability studies to determine design loads for permanent soldier pile & tieback retaining walls. Assisted with design of rock foundations, spread footings, and deep foundations. Key design considerations included bearing capacity and settlement for different foundation types.

Willamette Falls Dam Flow Control Structure, West Linn, Oregon. Mr. Osborne was Project Engineer providing construction observation of drilled piers and rock anchors for a flow control structure on the Willamette River for Portland General Electric. Piers were drilled into basalt using a 16-inch diameter, down-hole hammer from a floating barge. Rock anchors were drilled using an air-track rig to secure a steel coffer dam structure for construction of a rubber inflatable dam. Other work tasks included providing assessments of bearing capacity and lateral load capacity for building foundations.

Lemolo Canal Flume 12 Erosion Failure, Toketee, Oregon. Mr. Osborne was Project Geotechnical Engineer on a project to develop mitigation concepts to repair the erosion damage and reestablish the access road that occurred after a flume failure at PacifiCorp's Lemolo Canal. PacifiCorp selected a mitigation option that involved backfilling the scour zone and reconstructing the access road with crushed rock and riprap using a concrete stemwall at the base of the scour zone. Mr. Osborne assisted with on-site construction observation services during the work.

Elena Sossenkina, P.E.*

Risk Assessment

Education

M.S., Mechanical Engineering and Applied Mathematics, Moscow State University, St. Petersburg, Russia

Professional Registrations

Professional Engineer, Colorado, No. PE-44417

Professional Affiliations

Association of State Dam Safety Officials, Member

United States Society on Dams, Member

HDR Tenure

2 Years

Industry Tenure

16 Years

Professional Experience

Elena has more than 14 years of experience with dam and levee projects. Her expertise includes geotechnical investigations of complex sites, risk assessment, slope stability and seepage analyses, geotechnical instrumentation, cost estimating and scheduling. Her strong math education in combination with geotechnical experience gives her the ability to apply state-of-the-art technologies to find an efficient solution. Elena is an active member of ASDSO and USSD and has participated in FERC workshops on dam surveillance and monitoring. Her strong math education combined with geotechnical experience gives her ability to apply risk analysis methods to a wide range of engineering problems.

Having worked on the first phase of this project, her familiarity with the site and stakeholders' priorities will assist with evaluating risks.

Select Project Experience

Upper and Lower Big Creek Dams Preliminary Geotechnical Investigation and Seismic Evaluation, City of Newport, OR. Risk Assessment. HDR provided evaluation, modeling, and geotechnical services for the Upper and Lower Big Creek Dams for the City of Newport. HDR provided an evaluation of both dams and their seismic stability in the event of an earthquake based on samples that were collected.

Copano Beds- Facility 204 Risk Assessment, Sherwin Alumina Company, TX. Lead risk analysis engineer. Copano Beds is a bauxite (red mud) disposal and storage facility owned and operated by Sherwin Alumina. The Beds consist of four impoundments contained by 15 to 25 foot-high earthen embankment perimeter levees and ranging in size from 700 to 1,200 acres in plan. In response to a failure of a bauxite impoundment at the Ajkai Timfldgyr alumina plant in western Hungary on October 4, 2010 Sherwin Alumina has initiated a baseline risk assessment of the facility. The purpose of this study is to evaluate the potential failure risks and associated economic, environmental, social, loss of life and regulatory consequences of a failure of the facility under normal operating conditions and under unusual/extreme loading such as a flood or a hurricane. Elena is a lead risk analysis engineer for the project.

FERC Part 12 Inspections, Xcel Energy, CO. Independent consultant for the Part 12 dam safety inspections for Tacoma, Ames, Lower and Upper Cabin Creek, and Georgetown hydropower projects. The inspected projects include zoned rockfill dams, homogeneous earth embankments, and earth and rockfill-filled timber structures ranging in age from 40 to 110-years and varying in height from 10 to 65 feet. Role as defined by the new FERC Part 12 process (Chapter 14 of Federal Engineering Guidelines), includes detailed visual inspection of project works, assessment of potential failure modes and dam safety review. In addition to dams, the inspection included diversion and conveyance structures, spillways, outlet works and powerhouses. Additional services included preparation of the Supporting Technical Information Document for the Lower Cabin Creek hydropower project.

Saluda Dam, Columbia, S.C. Saluda Dam is a 75-year-old, 200-foot-high semi-hydraulic fill embankment dam that was upgraded to comply with current FERC regulations. Elena prepared preliminary cost estimates and participated in technical evaluation of remedial alternatives, which included deep soil mixing, jet grouting, RCC dam, and a rockfill berm construction. She also developed an excavation stability monitoring plan and served as the

* Professional Engineer in another state

EXHIBIT C
monitoring coordinator, supervising this \$6 million instrumentation program. Supervising a team of 15 field engineers and technicians, Elena was responsible for real-time data acquisition, analysis and interpretation of measurements and visual observations to ensure safety of the dam during construction.

Copano Beds- Facility 204 Risk Assessment, Phase 1, Sherwin Alumina Company, Rockport, TX. Lead Risk Analysis Engineer. Copano Beds is a bauxite (red mud) disposal and storage facility owned and operated by Sherwin Alumina. The Beds consist of four impoundments contained by 15 to 25 foot-high earthen embankment perimeter levees and ranging in size from 700 to 200,000 acres in plan. In response to a failure of a bauxite impoundment at the Ajkai Timfoldgyar alumina plant in western Hungary on October 4, 2010 Sherwin Alumina has initiated a baseline risk assessment of their facility. The purpose of this study is to evaluate the potential failure risks and associated economic, environmental, social, loss of life and regulatory consequences of a failure of the facility under normal operating conditions and under unusual/extreme loading such as a flood or a hurricane. Elena is a lead risk analysis engineer for the project.

Hill Dam Reconstruction, South Dakota Game, Fish & Parks, Rose. Following a breach of the dam, provided engineering components including site investigation with survey and soil borings, hydraulic modeling with spillway capacity designs, and preliminary design of a new earthen dam and spillway based on NRCS methods.

WWDC Austin and Wall Canals and Wall Reservoir Rehabilitation Project Level II Study, No. 10-15 (Sunrise), Bridger, WY. Geotechnical. HDR is completing a geotechnical and hydrologic investigation of Wall Reservoir to identify the cause of the reservoir seepage and to review other areas of dam deficiency. HDR is also completing water rights services and assisting with the grant application to the salinity control program.

Logan Northern Canal EIS, USDA Natural Resources Conservation Service. NRCS, through the Emergency Watershed Protection Program (EWPP), is providing technical and financial assistance to Cache County for the rehabilitation of the northern canal that was rendered inoperable by a slope collapse. The EIS study will include an evaluation of five build alternatives, as well as a no-build alternative. HDR's services also include preparing and implementing the Public Participation Plan.

Wilber Watershed Dam Design, USDA Natural Resources Conservation Service. HDR is providing planning, design, and construction inspection services for a new floodwater retarding structure to be located outside the corporate limits of the City of Wilber, NE, to reduce flooding and flood related hazards and damages. The structure will meet NRCS High-Hazard dam criteria.

Requested Considerations

As requested in the RFQ, we have reviewed the draft engineering services agreement and respectfully request the opportunity to discuss some minor revisions. Requested changes include those noted below. They are similar to the modifications that were made for our current contract with the City. We look forward to continuing our partnership with you on this next phase of the dam efforts.

Page 13, Item C.1). Confidential Information

"... (f) is independently developed by employees or agents of Engineer who can be shown to have had no access to the Confidential Information; or (g) is required to be disclosed by law, subpoena or other court order."

Page 15, Item 7.B. Indemnity

"... hold harmless and indemnify the City, its officers, agents and employees from all claims, suits, or actions relating to the extent caused by the alleged negligent or otherwise wrongful acts or omissions of Engineer or its subcontractors,..."

Page 15, Item 7.C. Indemnity

"... expenses incidental to the investigation and defense thereof, arising out of the extent caused by the professional negligent acts, errors or omissions of Engineer or its subcontractors..."

Page 16, Item 7. Indemnity

E. Third Party Indemnification: To the full extent permitted by law, Owner hereby agrees to defend, hold harmless and indemnify Engineer, its officers, employees, agents and subcontractants from and against all third party claims, damages, losses, liabilities, expenses and costs, arising out of or resulting from the Engineer's performance of its services under this Agreement, not withstanding any other indemnifications granted by Engineer to Owner under this Agreement.

Page 16, Item 8.B. Professional Liability

"... omission or any negligent acts. Combined single limit per occurrence claim shall not be less than..."

Page 22, Item 27. Complete Agreement

"This Agreement and any exhibit(s) hereto and any and all Task Orders executed by the parties and the RFQ and Response dated _____ Scope of Services constitute the entire agreement between the parties..."

"Exhibit C – Engineer of Record RFQ and Engineer's Proposal Scope of Services"

<No additional support material has been provided.>



EXHIBIT C

CERTIFICATE OF LIABILITY INSURANCE

6/1/2014

DATE (MM/DD/YYYY)
6/18/2013

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Lockton Companies, LLC-1 Kansas City 444 W. 47th Street, Suite 900 Kansas City MO 64112-1906 (816) 960-9000	CONTACT NAME:	
	PHONE (A/C, No, Ext):	FAX (A/C, No):
	E-MAIL ADDRESS:	
INSURER(S) AFFORDING COVERAGE		NAIC #
INSURED 1014392 HDR ENGINEERING, INC. 8404 INDIAN HILLS DRIVE OMAHA, NE 68114-4049	INSURER A: Hartford Fire Insurance Company	19682
	INSURER B: St Paul Fire and Marine Insurance Company	24767
	INSURER C: Sentinel Insurance Company, Ltd.	11000
	INSURER D: Zurich American Insurance Company	16535
	INSURER E:	
	INSURER F:	

COVERAGES HDRIN01 CERTIFICATE NUMBER: 12403124 REVISION NUMBER: XXXXXXXX

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> CONTRACTUAL LIAB GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PRO-JECT <input checked="" type="checkbox"/> LOC	Y	Y	37CSEQU0950	6/1/2013	6/1/2014	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000
A A	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS	N	N	37CSEQU0951 (AOS) 37CSEQU0952 (HI) 37MCPQU1160 (MA)	6/1/2013 6/1/2013 6/1/2013	6/1/2014 6/1/2014 6/1/2014	COMBINED SINGLE LIMIT (Ea accident) \$ 2,000,000 BODILY INJURY (Per person) \$ XXXXXXXX BODILY INJURY (Per accident) \$ XXXXXXXX PROPERTY DAMAGE (Per accident) \$ XXXXXXXX
B	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED RETENTION \$	N	N	ZUP-10R64084-13-NF (EXCLUDES PROF. LIAB)	6/1/2013	6/1/2014	EACH OCCURRENCE \$ 1,000,000 AGGREGATE \$ 1,000,000 \$ XXXXXXXX
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N N	N/A	91WEOH1000 (AOS) 91WBOH1760 (HI)	7/1/2013 7/1/2013	7/1/2014 7/1/2014	<input checked="" type="checkbox"/> WC STATU-TORY LIMITS <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
D	ARCH & ENG PROFESSIONAL LIABILITY	N	N	EOC9260026-06	6/1/2013	6/1/2014	PER CLAIM: \$2,000,000 AGGREGATE: \$2,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)
RE: NEWPORT DAM CONSULTANT OF RECORD. THE CITY OF NEWPORT, ITS OFFICERS, DIRECTORS, AND EMPLOYEES ARE NAMED AS ADDITIONAL INSURED ON GENERAL LIABILITY AS PER WRITTEN CONTRACT, ON A PRIMARY, NON-CONTRIBUTORY BASIS. WAIVER OF SUBROGATION APPLIES WHERE ALLOWABLE BY LAW.

CERTIFICATE HOLDER**CANCELLATION**

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

12403124

CITY OF NEWPORT
169 SW COAST HWY
NEWPORT OR 97365

Client#: 320005

EXHIBIT C

CORNFCON

ACORD™

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

1/03/2013

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER: Kibble & Prentice, a USI Co PR
601 Union Street, Suite 1000
Seattle, WA 98101
CONTACT NAME:
PHONE (A/C, No, Ext): 206 441-6300
FAX (A/C, No): 610-362-8528
E-MAIL ADDRESS: pl.certrequest@kpcom.com
INSURER(S) AFFORDING COVERAGE
INSURER A: Hudson Insurance Company
INSURER B:
INSURER C:
INSURER D:
INSURER E:
INSURER F:
INSURED: Cornforth Consultants, Inc.
10250 SW Greensburg Rd Ste 111
Portland, OR 97223-5460

COVERAGES CERTIFICATE NUMBER: REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

Table with columns: INSR LTR, TYPE OF INSURANCE, ADDL SUBR INSR WVD, POLICY NUMBER, POLICY EFF (MM/DD/YYYY), POLICY EXP (MM/DD/YYYY), LIMITS. Includes sections for General Liability, Automobile Liability, Umbrella Liab, Excess Liab, and Workers Compensation.

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

RE: Project No. .

CERTIFICATE HOLDER CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE [Signature]

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EXHIBIT A



City of Newport Dam Consultant of Record Rate Schedule
Rates Effective July 1, 2013 - June 30, 2014

Category	Billing Rate
Sr. Project Manager	\$210.00
Project Manager	\$140.00
Principal Designer	\$320.00
Technical Advisor II	\$330.00
Technical Advisor I	\$250.00
Engineer V	\$210.00
Engineer IV	\$190.00
Engineer III	\$170.00
Engineer II	\$140.00
Engineer I	\$120.00
EIT	\$90.00
Planner/Scientist III	\$140.00
Planner/Scientist II	\$115.00
Planner/Scientist I	\$90.00
Engineering Geologist	\$175.00
Project Technician IV	\$145.00
Project Technician III	\$125.00
Project Technician II	\$105.00
Project Technician I	\$85.00
Project Controller	\$100.00
Project Assistant II	\$90.00
Project Assistant I	\$75.00

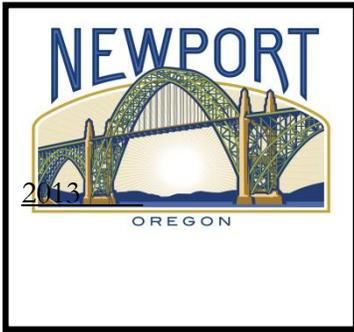
Notes: Rates valid through June 30, 2014, after which they will be adjusted for the CPI-W Portland Area

Expenses

Hourly Tech Charge	\$3.70
Mileage	At IRS Rate
Travel & Hotel	At Cost
Other Direct Cost	At Cost
Subconsultants	5% Markup

Subconsultants

Category	Billing Rate
*Technical Advisor - Geotechnical Modeling	\$250.00
Technical Advisor - Seismic Hazards	\$250.00
Sr Cost Estimator	\$205.00
Senior Associate Engineer/Geologist*	\$206.00
Associate Engineer/Geologist	\$176.00
Project Engineer/Geologist	\$147.00
Staff Engineer/Geologist	\$134.00
Engineer/Geologist	\$124.00
Senior Technician	\$105.00
CADD/Graphics	\$88.00
Secretary	\$73.00
*Includes Principal and Staff Consultant	



Agenda Item #
Meeting Date

IX.F.
September 3, 2013

**CITY COUNCIL/URBAN RENEWAL
AGENCY AGENDA ITEM SUMMARY**
City of Newport, Oregon

Issue/Agenda Title Consideration and Possible Adoption of a Workforce Housing Development Agreement Between the City of Newport, Lincoln Community Land Trust, and Community Services Consortium

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

ISSUE BEFORE THE COUNCIL: Consideration of whether or not it is in the public interest for the City of Newport to enter into an agreement with the Lincoln Community Land Trust (LCLT) and Community Services Consortium (CSC) that establishes a framework for the construction of permanently affordable workforce housing in Newport. The Newport Planning Commission considered the proposal at its 3/11/13 meeting and recommends that the Council move forward with the agreement.

STAFF RECOMMENDATION: Staff recommends the Council accept the Planning Commission's recommendation and adopt the agreement.

PROPOSED MOTION: I move that the City Council enter into a workforce housing development agreement with the Lincoln Community Land Trust and Community Services Consortium, and authorize the City Manager to sign the document as presented.

KEY FACTS AND INFORMATION SUMMARY: In 2011, the City completed a comprehensive Housing Needs Analysis which concluded that Newport lacks an adequate supply of affordable workforce housing. As a consequence it is difficult for workers to find housing within the city limits, which negatively influences long term growth of the economy; the City's ability to attract and retain employees and employers; emergency response times by emergency personnel living outside the city; and reinvestment in the economy by community members who spend more on housing.

In response to these findings, the City Council amended the Housing Element of its Comprehensive Plan to put in place specific policies and implementation measures to address this deficiency. One of the measures, Implementation Measure 2.1, calls for the City to establish a residential land bank program where it will donate City-owned property for construction of workforce housing in order to eliminate the cost of real property from the sales price of the units, thus making them more affordable. State law allows local governments to release property in this manner provided it is not needed for public purposes (ORS 271.330).

The proposed workforce housing agreement sets out a framework by which LCLT, with the support of CSC, will construct six owner occupied units over a five year period. Provisions in the agreement anticipate that individual projects (either a single family dwelling or duplex) will be constructed at a rate of about one structure per year. The LCLT, in consultation with the City, will identify suitable city-owned property. They are also responsible for preparing concept plans and preliminary cost estimates sufficient to demonstrate to City policy making bodies that the ultimate sales price of the unit will fall within a range of 60 to 120 percent of median family income. Such case-by-case proposals will be presented to the Planning Commission for a recommendation, followed by a hearing

before the Council for a determination as to whether or not it is in the public interest to release the property. Any property that the City releases for construction of workforce housing will include a deed restriction requiring that it be used expressly for workforce housing purposes for a period of at least 20-years from the date a certificate of occupancy is issued. At the time each unit is completed, and a certificate of occupancy issued, LCLT will place the property into a 99 year inheritable and renewable land lease, impose contractual limitations on the sale of the unit, and manage the lease and contract to ensure that the unit is used for workforce housing purposes.

The proposed agreement contains a detailed list of the administrative and real estate development services that LCLT and/or CSC are responsible for performing. The scope of services is intended to be “cradle-to-grave” including property selection; unit design, construction and sale; provision of Housing and Urban Development (HUD) approved homebuyer education; and ensuring ongoing affordability for future buyers through enforcement of land lease terms and associated restrictions. Private contractors will have the opportunity to construct workforce housing units according to a competitive bid process. City obligations include the donation of real property, payment of \$10,000 per project for construction management, and provision of at least \$150,000 of revolving loan funds to finance construction with the expectation that loans would be paid back and reissued for each successive project. The City is also responsible for maintaining a reserve fund of \$30,000 that can be used on an as-needed basis to improve transferred properties so that they are suitable for development.

Construction of workforce housing places otherwise vacant land on the property tax rolls, which allows the City to recover the value of the donated property through tax receipts over time. At its work sessions, Council members expressed concerns that inheritability language in the LCLT land lease may lead to circumstances where persons with incomes in excess 120% of median family income could acquire the properties. The LCLT has agreed to modify its standard land lease agreement to ensure that this does not happen and a draft of the lease agreement would be available with each project that is brought forward for Council review. Further, Sections 8 and 9 of this final draft of the framework agreement make it expressly clear that any land transferred for workforce housing purposes must be managed for that purpose for at least 20 years or the property and improvements revert back to the City.

This agreement is structured in a manner that allows the City to actively facilitate construction of workforce housing without having to hire staff to administrative and manage a housing program. To further ensure that this remains the case, the County has agreed to guarantee completion of an individual project should LCLT or CSC be unable to perform its responsibilities. This should prevent the City from being placed in a position where it must complete a project that has been initiated or is partially under construction. The LCLT and CSC are in the process of redefining the manner in which CSC provides staffing assistance to the Trust. This may lead to changes in terms of how the Trust carries out its responsibilities, but should not materially impact the conceptual framework for realizing new workforce housing units that is outlined in this agreement. Further, the agreement is subject to annual review by all parties and may be terminated by any party upon 30 days prior written notice if they are not satisfied with how the work is progressing.

Another issue brought up by Council members at the work sessions was a desire to see examples of other local jurisdictions that are making the type of commitment (land and funds) that the City of Newport is prepared to undertake as part of this agreement. Lincoln City is probably the best example. For several years now Lincoln City has managed a revolving loan program for construction of workforce housing that is comparable to what Newport recently established. That program has funded the construction of two Trust homes. They also have an affordable housing fund that they use for purchasing properties. The resources in that fund were fully utilized to the tune of about \$800,000 as part of the City’s recent \$2.5 million dollar purchase of the 363 acre Villages at Cascade Head property. It is anticipated that a significant portion of the property will be set aside for workforce and affordable housing needs.

The City Council held a work session on 4/15/13 to consider the agreement. At that time, staff presented a sample list of properties that the City owns that might be suitable for the construction of workforce housing to show that there is a sufficient number of sites should an agreement be adopted. On 5/20/13 Bill Hall, Chair of the Lincoln Community Land Trust, and Ben Baggett with the Community Services Consortium, made a presentation and answered questions from Council members regarding the Trust's activities and the potential benefits of this arrangement.

OTHER ALTERNATIVES CONSIDERED: Other partnerships were considered; however, the LCLT model of placing properties into a 99-year inheritable and renewable land lease to ensure affordability is particularly well suited for a "land bank" program.

CITY COUNCIL GOALS: Entering into an agreement of this nature that puts in place a land bank for the construction of workforce housing is a stated Council goal.

ATTACHMENT LIST:

- Workforce Housing Agreement
- Draft Lincoln County Project Assurance (approved by the Board on 8/28/13)
- Newport Comprehensive Plan Housing Policies
- ORS 271.330
- Relevant portion of the 5/20/13 Council meeting minutes
- Copy of the 4/15/13 Council work session minutes
- Copy of the 3/11/13 Planning Commission minutes
- Press release regarding the Lincoln City Village at Cascade Head land purchase, dated 5/31/13

FISCAL NOTES: The agreement envisions a \$10,000 annual commitment from the City to cover LCLT's construction management expenses, the first year of which is budgeted. The \$180,000 revolving loan fund, originally created from proceeds of the sale of City property, would be drawn down to \$150,000 with \$30,000 being committed to one-time site improvements. As noted, the \$150,000 would be offered as a loan, to be paid back once a project is completed and the unit is sold.

**WORKFORCE HOUSING DEVELOPMENT
AGREEMENT BETWEEN THE CITY OF NEWPORT,
LINCOLN COMMUNITY LAND TRUST AND
COMMUNITY SERVICES CONSORTIUM**

This Agreement between the City of Newport (City), the Lincoln Community Land Trust, a public benefit corporation under ORS 65.001(37) (LCLT), and the Community Services Consortium (CSC) defines the roles and responsibilities of each entity related to the development of permanently affordable workforce housing in Newport.

RECITALS:

WHEREAS, City lacks an adequate supply of affordable workforce housing, as documented in the 2011 Newport Housing Needs Analysis; and

WHEREAS, as a consequence, it is difficult for workers to find housing within the city limits, which negatively influences long term growth of the economy; the City's ability to attract and retain employees and employers; emergency response times by emergency personnel living outside the city; and reinvestment in the economy by community members who spend more on housing; and

WHEREAS, consistent with Goals 1 and 2 of the Housing Element of the Newport Comprehensive Plan, City is committed to actively participating in the development of workforce housing; and

WHEREAS, to this end, as authorized by ORS 271.330, City intends to relinquish title to City-owned real property at no cost to LCLT in order to eliminate the cost of real property from the sales price of affordable workforce housing units; and

WHEREAS, City wishes to also grant to LCLT City revolving loan funds for the purpose of constructing workforce housing units on said properties; and

WHEREAS, LCLT and CSC, as qualified non-profit organizations under ORS 271.330(2)(b)(A), are ideal partners for City in this endeavor as LCLT places properties upon which workforce housing units are constructed into 99-year inheritable and renewable land leases that LCLT or its successor, CSC, will manage to ensure long term affordability; and

WHEREAS, LCLT further possesses the organizational capacity to perform all necessary due diligence and project management services, including but not limited to property selection; unit design, construction and sale; provision of Housing and Urban Development (HUD) approved homebuyer education; and ensuring ongoing affordability for future buyers through enforcement of lease terms and associated restrictions; and

WHEREAS, LCLT will afford private contractors the opportunity to construct workforce housing units according to a competitive bid process, such process being independent of city or state public contracting procedures; and

WHEREAS, the construction of workforce housing places otherwise vacant land on the property tax rolls, which allows City to recover the value of the donated property through tax receipts over time; and

WHEREAS, LCLT would be subject to all standard terms of a City revolving loan fund, ensuring loaned funds are recouped by City with interest; and

WHEREAS, the parties' goal is to construct at least six (6) owner-occupied units over the five (5) year term of this contract; and

WHEREAS, CSC currently provides staff support to the LCLT so that it may carry out its organizational responsibilities and is similarly interested in promoting workforce housing in Newport; and

WHEREAS, the parties desire to establish the extent to which CSC will support LCLT in its effort to develop workforce housing in Newport and serve in LCLT's stead should LCLT no longer be able to uphold its obligations under this Agreement.

IT IS HEREBY AGREED BY AND BETWEEN THE PARTIES above mentioned, for and in consideration of the mutual promise hereafter stated, as follows:

1. RECITALS. The Recitals to this Agreement set forth above are hereby incorporated herein as if fully set out, shall constitute contractual provisions, and are not mere recitals.
2. PURPOSE: This Agreement describes the respective responsibilities of each party in providing for the development and management of permanently affordable workforce housing units within the City of Newport.
3. TERMS OF THIS AGREEMENT: This Agreement shall be effective on the date that it is signed by all parties. Unless extended as provided in this Section 3 or terminated earlier pursuant to Section 10, with the exception of LCLT's continuing obligations, the term of this Agreement shall be for a period of one year. This Agreement may be extended up to four (4) times, each for a period of up to one (1) year upon written mutual consent of all parties. Upon expiration or termination, this Agreement shall automatically be extended to govern LCLT's completion of any work previously initiated hereunder.
4. WORKFORCE HOUSING DEFINED: For the purpose of this Agreement, the term "workforce housing" means housing constructed by or for LCLT, which is marketed and sold to an individual or family making between 60 and 120 percent of median family income and employed, or, for families, with at least one household member employed, in Lincoln County.
5. LINCOLN COMMUNITY LAND TRUST RESPONSIBILITIES: LCLT will assign staff with knowledge and training in the community land trust model and the development of workforce housing units to perform the following general duties:

A. Administrative Services

- i. Coordinate projects;
- ii. Develop and manage project budgets;
- iii. Coordinate with other contracts (e.g. accounting, legal);
- iv. Coordinate with local banks for lending resources to potential homebuyers;
- v. Conduct marketing efforts for the sale of each unit;
- vi. Provide or coordinate homebuyer training courses and manage the application process for prospective buyers; and
- vii. Maintain ongoing affordability of the units by updating and/or enforcing the land leases for each unit and by ensuring the resale restriction formula is applied to each subsequent sale.

B. Real Estate Development Services

- i. Identify property suitable for construction of workforce housing units;
- ii. Prepare concept plans and preliminary cost estimates sufficient to demonstrate to City policy making bodies that the sales price achieves the affordability provisions;
- iii. Provide all necessary contracting documents (RFP, contract, notices, etc.);
- iv. Oversee the contractor selection and award process;
- v. Collect necessary documentation from selected contractor per contract terms;
- vi. Manage construction from design, site preparation to occupancy of the units;
- vii. Evaluate deliverables against project scope, cost, and schedule;
- viii. Perform routine progress meetings on site as required;
- ix. Track progress payments using percentage completion method;
- x. Maintain submittals and project documents;
- xi. Serve as single point of contact to the City, contractor, key stakeholders;
- xii. Ensure that contract terms with contractor and City are satisfied;
- xiii. Provide regular project updates to the City and general public; and
- xiv. Coordinate activities for sale of homes with a real estate agent.

C. Additional duties will be performed as mutually agreed upon by the LCLT Board of Directors and City to carry out the objectives of this Agreement.

6. CITY OF NEWPORT RESPONSIBILITIES: City agrees to provide the following resources to LCLT to facilitate construction of workforce housing on that parcel within City's corporate limits:

A. City shall identify City-owned real property appropriate for the location of workforce housing units. Upon a determination by the Newport City Council that such City-owned real property is not needed for public use and should be utilized for low income (workforce) housing for a period of at least 20 years, consistent with Oregon Revised Statute 271.330, City shall transfer such identified property for construction of workforce

housing units. Additional deed and sale terms beyond those required by this Agreement may be negotiated by the parties prior to transfer of an individual City parcel to LCLT.

- B. Upon transfer of a particular City parcel subject to the terms of this Agreement, City shall also pay LCLT \$10,000 for professional services associated with LCLT's performance of this Agreement's terms regarding the transferred parcel, which parties agree is sufficient to construct at least one single family dwelling or duplex each year.
 - C. Reserve up to \$30,000 to be applied in whole or in part on an as-needed basis towards site improvements on transferred parcels, upon City's receipt of LCLT's reasonable written request. Such requests shall be made by LCLT concurrent with presentation of development plans to the City Planning Commission and Council. Once depleted, this \$30,000 amount will not be replenished.
 - D. Make available a minimum of \$150,000 of City revolving loan funds for construction of units on the transferred parcel, subject to a separate loan agreement between the parties containing standard City loan terms.
 - E. Allocate staff time to assist LCLT in identifying suitable properties and bringing forward appropriate sites and plans to the City Planning Commission and Council.
7. TIMING OF DEVELOPMENT: LCLT shall obtain certificates of occupancy for each workforce housing unit constructed on transferred property within eighteen (18) months of the transfer date, unless an alternative timeline is authorized in writing by City.
 8. DISPOSITION OF TRANSFERRED PROPERTY: Each City parcel conveyed to LCLT shall be subject to a deed restriction requiring that such property be used expressly for workforce housing purposes for a period of at least 20 years from the date a certificate of occupancy is issued. The deed restriction shall further include a reversionary interest in City, ensuring that ownership of the transferred property will return to City in the event that the use limitation is violated.
 9. AFFORDABILITY ASSURANCE: Once a certificate of occupancy is obtained for a unit, LCLT agrees to place the property into a 99 year inheritable and renewable land lease, impose contractual limitations on the sale of the unit, and manage the lease and contract to ensure that the unit is used for workforce housing purposes.
 10. TERMINATION: The City and LCLT agree to review this agreement not less than every 12 months. This agreement may be terminated upon written mutual consent of all parties specifying the termination date, or by any party upon 30 days' prior written notice.
 11. DISPUTE RESOLUTION: If any disputes, disagreements, or controversies arise between the parties pertaining to the interpretation, validity, or enforcement of this Agreement, the parties shall, upon the request of City, submit such dispute to binding arbitration under the Oregon Uniform Arbitration Act, ORS 36.600 et seq. Arbitration shall be requested by delivering to the other party a written request for arbitration. Within five (5) days of receipt of such request, the parties shall select a mutually agreeable arbitrator and designate mutually

agreeable rules of arbitration. If the parties cannot agree upon an arbitrator within five (5) days, an arbitrator may be appointed by the presiding judge of the Lincoln County Circuit Court, upon the request of either party. If the parties have not designated mutually agreeable rules of arbitration at such time as the arbitrator is appointed, the arbitrator shall adopt rules for the arbitration. The arbitrator's decision shall be binding upon the parties.

12. WORKER'S COMPENSATION: The LCLT and its subcontractors, if any, are subject employers under the Oregon Workers' Compensation laws and shall comply with ORS 656.017, which requires them to provide Workers' Compensation coverage for all their subject workers.

13. INDEMNITY:

A. LCLT shall hold harmless, indemnify, and defend City from any and all liability, actions, claims, losses, damages, or other costs including attorney fees and witness costs (at both trial and appeal level, whether or not a trial or appeal ever takes place) that may be asserted by any person or entity arising from, during, or in connection with the performance of LCLT's duties described in this Agreement, except liability arising out of the sole negligence of the other. If any aspect of this indemnification shall be found to be illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the validity of the remainder of the indemnification provision.

B. City shall hold harmless, indemnify, and defend LCLT up to the limits of the Oregon Tort Claims Act, from any and all liability, actions, claims, losses, damages, or other costs including attorney fees and witness costs (at both trial and appeal level, whether or not a trial or appeal ever takes place) that may be asserted by any person or entity arising from, during, or in connection with the performance of City's duties described in this Agreement, except liability arising out of the sole negligence of the other. If any aspect of this indemnification shall be found to be illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the validity of the remainder of the indemnification provision.

14. COMPLIANCE WITH NON-DISCRIMINATION REQUIREMENTS: The LCLT will not unlawfully discriminate against any employee or person served on account of race, color, sex, sexual orientation, gender identity, religion, ancestry, sexual orientation or national origin in its performance of this agreement. Further, the LCLT agrees to:

A. Comply with Title VI of the Civil Rights Act of 1964 (42 USC 2000d) in regard to persons served; and

B. Adhere to Title VII of the Civil Rights Act of 1964 (42 USC 2000e) in regard to employees or applicants for employment; and

C. Conform to the requirements of the Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973; and

D. Satisfy the requirements of the Americans with Disabilities Act; and

- E. Prevent any funds from this agreement from being used to sponsor, promote, or otherwise to engage in political activities.
15. ASSIGNMENT: LCLT and/or CIS may assign any of their responsibilities under this Contract upon receipt of City's prior written consent, which consent shall not be unreasonably withheld.
16. GUARANTY: CSC or its assigns unconditionally and irrevocably guarantees the performance by LCLT or its assigns of each and every obligation of LCLT under this Agreement. This guaranty shall be continuing and shall terminate only upon the satisfaction by LCLT or its assigns of each and every one of LCLT's obligations under this Agreement.
17. GUARANTOR'S CONSENT: CSC consents that it will not be necessary for the City, in order to enforce this guaranty, to initiate an action or exhaust any remedies against LCLT. CSC consents that this guaranty may be immediately enforced upon LCLT's failure to perform any obligation under this Agreement. Guarantor consents that the parties may, from time-to-time modify, alter, or change this Agreement without in any way releasing or discharging CSC from its obligations under this Agreement. This guaranty shall not be released, extinguished, modified, or any way affected by failure on the part of City to enforce all the rights and remedies available to it under this Agreement.
18. AMENDMENTS: No amendments to this Agreement shall be effective unless made in writing and signed by all parties. There are no understandings, agreements or representations, oral or written regarding this Agreement except as specified or referenced herein.
19. SEVERABILITY: If any court of competent jurisdiction shall hold any provisions of this Agreement invalid or unenforceable, such holding shall not invalidate or render unenforceable any other provision hereof.
20. ENTIRE AGREEMENT: This Agreement constitutes the entire agreement between the parties. There are no understandings, agreements, or representations, oral or written, not specified herein regarding this Agreement.
21. EXECUTION: This Agreement may be executed in several counterparts, each of which shall be deemed to be an original, and all of which shall constitute but one and the same agreement. City shall provide each party with a set of all executed counterparts. By signature of their authorized representatives below, the parties to this agreement acknowledge that they have read this Agreement, understand it, and agree to be bound.
22. NOTICE: All notices required by this agreement must be in writing and delivered to the parties at the addresses set forth below.

Lincoln Community Land Trust
Benjamin Baggett, Executive Director
545 SW 2nd Street, Suite A
Corvallis, OR 97333

Community Services Consortium
Martha Lyon, Executive Director
545 SW 2nd Street, Suite A
Corvallis, OR 97333

City of Newport
Derrick Tokos, Community Development Director
169 SW Coast Highway
Newport, OR 97365

IN WITNESS WHEREOF, the parties hereto have executed this Memorandum on the dates show hereunder,

Dated at Newport, Oregon this _____ day of _____, 2013

CITY OF NEWPORT

LINCOLN COMMUNITY LAND TRUST

By: _____

By: _____

Printed Name: Ted Smith
Title: Interim City Manager
Address: 169 SW Coast Highway
Newport, OR 97365

Printed Name: Bill Hall
Title: Chair, Board of Directors
Address: 545 SW 2nd Street, Suite A
Corvallis, OR 97333

Date: _____

Date: _____

COMMUNITY SERVICES CONSORTIUM

By: _____

Printed Name: Martha Lyon
Title: Executive Director
Address: 545 SW 2nd Street, Suite A
Corvallis, OR 97333

Date: _____

Memorandum of Agreement
By and Between
Lincoln County and Community Services Consortium
Project Assurance

The Community Services Consortium (CSC), an ORS Chapter 190 interagency entity, provides administrative and operational services under contract for the Lincoln Community Land Trust (LCLT), a public benefit corporation established under ORS Chapter 65, furthering LCLT's mission to promote and provide affordable low and moderate income housing in Lincoln County through a variety of projects countywide. One such activity being undertaken is a Workforce Housing Development Agreement (Agreement) between CSC, LCLT and the City of Newport (City) to provide funding and transfer property to LCLT to develop affordable workforce housing on property currently owned by City. Under this Agreement, LCLT will provide project management services, including but not limited to selection of properties, unit design, unit construction and sale in accordance with terms of the land trust program. LCLT will also provide Housing and Urban Development approved homebuyer education and enforce lease terms and other restrictions designed to ensure ongoing affordability of the housing for future buyers of the property. In the event that LCLT is unable to provide these services, CSC will ensure performance up to the limits of the LCLT/CSC/City of Newport Agreement dated _____, 2013.

The Agreement between CSC, LCLT and the City contemplates at least six units being developed over the five year term of the Agreement. Provisions in the Agreement anticipate that the individual projects (either a single family dwelling or duplex) will be constructed at the rate of about one structure per year. The Agreement will be reviewed every year, and may be terminated by mutual consent or upon 30 days written notice to the other party. If a project is started, it is the expectation of the parties that the project will be completed even if the parties decide to terminate the Agreement for the remainder of the units.

CSC currently has staffing for LCLT to undertake this Agreement. In the event that this situation changes, however, and there has been the initiation of an individual project as outlined above and if replacement staffing is not available from CSC, Lincoln County (County) is willing to assure that the started project is completed. County agrees to fund up to \$20,000 for CSC to hire a contractor(s) to fulfill LCLT's obligations (except as noted hereafter) under paragraph 5 of the Agreement with the City for that started project. LCLT will still be required to fulfill the obligations under paragraph 5.A.vii of the Agreement to maintain ongoing affordability by managing leases and applying the resale restriction formula for subsequent sales for that developed property.

This funding assurance is intended only for completion of a project underway (meaning land has been transferred by the City to the LCLT, construction and contracting documents have been prepared, contractors have been hired and construction is underway or scheduled to be started) and only for the administrative and real estate development services outlined in the Agreement. County does not commit this or additional funding to complete the minimum six

units contemplated by the parties. It is intended to insure that once a project is underway it will be completed.

This Memorandum of Agreement is for the benefit of CSC, LCLT, and City and will continue until the Agreement between CSC, LCLT and City is terminated.

So Understood and Agreed this ___ day of August, 2013

Lincoln County

Community Services Consortium

Vice-Chair

Chair

DRAFT

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.



271.330 Relinquishing title of property not needed for public use. (1) Any political subdivision is granted express power to relinquish the title to any of its property not needed for public use to any governmental body, providing such property shall be used for not less than 20 years for a public purpose by the governmental body in the State of Oregon. These transfers for public purposes may include transfers without consideration of property held by counties as a result of tax foreclosures.

(2)(a) Any political subdivision is granted express power to relinquish the title to any of its property to a qualifying nonprofit corporation or a municipal corporation for the purpose of providing any of the following:

- (A) Low income housing;
- (B) Social services; or
- (C) Child care services.

(b) As used in this subsection:

(A) "Qualifying nonprofit corporation" means a corporation that is a public benefit corporation under ORS 65.001 (37) and that has obtained a ruling from the federal Internal Revenue Service providing that the corporation is exempt from federal income taxes under section 501(c)(3) of the Internal Revenue Code.

(B) "Social services" and "child care services" include but are not limited to education, training, counseling, health and mental health services and the provision of facilities and administrative services to support social services and child care services.

(3) Any political subdivision is granted express power to convey real property to a nonprofit or municipal corporation to be used by the nonprofit or municipal corporation for the creation of open space, parks or natural areas for perpetual public use. The instrument conveying the real property shall include a restriction on the use of the property that limits the uses of the property to those uses described in this subsection. The instrument conveying the property shall also contain a provision for the reversion of the property to the political subdivision if the property is not used in conformance with the restriction. Real property conveyed under this subsection may include real property held by a political subdivision as a result of tax foreclosures.

(4) Transfers under this section may include transfers without consideration of property held by counties as a result of tax foreclosures.

(5) Before any county court or board of county commissioners may transfer, under subsection (1) of this section, any tax foreclosed lands in which the state or a political subdivision has represented delinquent and uncollected taxes, liens or assessments, it shall advertise in a newspaper of general circulation in the county for two successive weeks its intention to so transfer the property. The notice shall state when the county court will hear objections to the transfer and must specifically describe the property intended to be transferred. After the hearing set in the notice is held and objections are heard, it may, in its sound discretion, proceed with the transfer. Except in the case of a transfer for low income housing, real property shall be conveyed by deed, subject to a reversionary interest retained by the granting political subdivision in the event that the property is used for a purpose that is inconsistent with the grant. The granting political subdivision may waive the subdivision's right to a reversionary interest at the time the property is conveyed. After the transfer the interests of the state or any political subdivision in the land on account of uncollected taxes, liens or assessments are extinguished, and the county is relieved of the necessity to account for uncollected taxes, liens or assessments. [Amended by 1981 c.787 §29; 1991 c.556 §1; 1997 c.248 §1; 1997 c.752 §2; 1999 c.366 §1; 2001 c.315 §54]

Work Force Housing Agreement with Community Services Consortium and Lincoln Community Trust.

Bill Hall, Lincoln County Commissioner, and Ben Baggett, representing the Lincoln Community Land Trust, presented an overview of the work that the Trust is doing to provide affordable housing in Lincoln County. The idea is to provide quality low income public housing for individuals that are eligible under the income qualifications. Hall addressed Council's concern regarding the 99 year lease. He explained that this provision is intended to assist with married couples where one spouse dies and the surviving spouse would not be forced to move out of the residence. Hall reviewed the benefits and need for Land Trust housing in Lincoln County. He noted that home prices have doubled over the past years; multiplying much faster than salaries. Hall stated that he believes that this meets the Council goal of providing affordable housing. Baggett spoke about the last construction successes, and the energy efficiency of the construction projects. Swanson asked for clarification of the amount of money that is being asked of the city, and it was noted that the amount is \$10,000 every year of the contract, and a \$30,000 one-time payment to jump start the project. Baggett stated that he would report back to the Council either project-by-project or whatever schedule the city would like. Busby clarified what he believed the city would be giving to the Trust and what this would cost the citizens of Newport. Busby noted that he has legal questions regarding Tokos being a member of the board of the Lincoln County Land Trust. Allen asked what would happen if someone passes away and the heir to the house is not a qualified buyer, and whether the heir would still own the house. It was noted that the simple answer is that it is possible. Allen asked whether the Land Trust has asked Lincoln City or other cities in Lincoln County for land or money. Hall reported that there have been discussions and presentations but no formal requests for land or money. Sawyer noted that getting people into houses that are currently vacant would add to the tax base immediately. Saelens stated that the income qualifications seem high for this area. Hall reviewed the reasons for the income qualifications and the data used to determine the qualifications.

April 15, 2013
Noon
Newport, Oregon

CITY COUNCIL WORK SESSION

Councilors present: Beemer, Sawyer, Busby, Saelens, Roumagoux, Allen, and Swanson.

Staff present: Voetberg, Hawker, Breves, Tokos, and City Attorney, Christy Monson.

Others present: Lincoln County Commissioner Bill Hall; and Larry Coonrod from the Newport News-Times.

Roumagoux called the meeting to order and the roll was taken.

1. Roumagoux asked for additional work session items that are not listed on the agenda, for this or future work sessions.

Allen suggested designating an alternate to the Audit Committee at this evening's meeting.

Allen reported that a Retirement Board of Trustees meeting is scheduled for May 9, at 9:00 A.M., and the alternate will need to attend in his stead.

Saelens noted that he would like to update Council on the Bicycle/Pedestrian Committee.

Roumagoux referenced an article in the Local Focus magazine regarding tribes and interest based assessment. It was suggested that Roumagoux contact the Lincoln City Mayor and ask whether there is anything that the City of Newport can do.

Roumagoux reported that, as a result of the recent municipal court ruling, she would like a timeline on the evolution of the Carpenter hedge complaint. She asked whether the city is liable for hedge height in the city right-of-way.

Busby stated that he would like to discuss the letter from the Bayfront Coffee House and the response from Tokos.

2. Roumagoux welcomed City Attorney Monson. Busby asked why Council would need to discuss the resolution regarding the City Manager's authority to settle lawsuits in executive session. Monson noted that when settlement limits become public, it can be detrimental to the city's position. She noted that Council needs to weigh the pros and cons regarding risks and benefits. Allen noted that even though the discussion

may occur in executive session, that the matter had been discussed in public until this time.

MOTION was made by Swanson, seconded by Saelens, to enter executive session pursuant to ORS 192.660(2)(f) to discuss attorney-client privileged documents. The motion carried unanimously in a voice vote, and Council entered executive session at 12:17 P.M.

At the conclusion of the executive session, MOTION was made by Saelens, seconded by Swanson, to return to the Council work session. The motion carried unanimously in a voice vote, and Council returned to its work session at 1:28 P.M.

Roumagoux noted that Monson had been given direction on the revision of the resolution regarding the City Manager's authority to settle lawsuits. Allen stated that Council had an executive discussion regarding two documents that had been provided by the City Attorney. He noted that the discussion centered around attorney-client privileged documents, and that some of the discussion could have been held in open session.

3. Monson reviewed a memo she had prepared regarding public meetings law and serial meetings. She reviewed the Lane County case, Dumdi v. Lane County. Monson reported that it is a violation when the City Council takes steps to deliberately keep their deliberations and decision making hidden from the public. Busby asked when an issue is officially on an agenda. Monson encouraged Council not to use the "reply all" feature when communicating with Councilors via e-mail. She urged Council to be careful in communicating, and not to be, or appear to be, orchestrating anything. Monson noted that if a quorum of Councilors are meeting with any organization, that meeting should be noticed as an official meeting of the City Council. A brief discussion ensued regarding the upcoming hospital luncheon, and it was concluded that no more than three Councilors would attend.
4. A discussion ensued regarding workforce housing. Tokos updated Council on activities associated with workforce housing. He noted that the Community Services Consortium has rethought its' role and has concerns with the guaranty language. Busby stated that he has problems with the concept and most importantly giving \$250,000 in land and paying parties to take the land after it is given to them. He expressed additional concern in that the proposal would only benefit six families. He asked whether Council is willing to tell the voters that it wants to give away property and raise water rates fifteen percent. He stated that the Lincoln County Land Trust is made up of officials, and that cities should not be paying them to manage this. He noted that he has questions regarding the CSC's ability to manage the program. Roumagoux asked whether this was a state or national model. Tokos noted that it is used nationally in many states. Tokos stated that he could bring information regarding the conveyances to an upcoming meeting. He noted that Lincoln City has made funds available for construction, but no land. Allen noted that he has policy questions that need to be answered before action is taken, and that he would like to have Bill Hall or other representatives to attend an evening meeting to respond to

Council concerns. Sawyer asked whether the city had ever put properties on the open market. Tokos reported that the properties that he has described are examples of the types of properties the city owns. A discussion ensued regarding potential future development of those properties. Further discussion ensued regarding the proposed 99-year inheritable lease, and what happens if the heirs don't need the property - would the property be available to others who would qualify for workforce housing. Sawyer asked how more families could be helped. Tokos noted that exploring potential CDBG funds with other small cities could provide an ongoing source of revenue.

5. Busby addressed the SDC issue relative to the recent request by the coffee shop on the Bayfront. It was asked whether the city has a process to address small projects. Busby recommended giving staff direction to remedy this issue. Allen noted that there are three issues: the building permit; the conditional use permit; and the SDC's. Allen asked whether there is a process for code interpretation. Tokos noted that staff is charged with implementing the ordinance. Allen asked whether there is the ability to clarify language in the code without changing the ordinance. Tokos noted that Council has some limitations regarding what it can do under state law. Allen noted that if an issue requires interpretation, the City Council or City Manager can make a determination as an administrative rule. A discussion ensued regarding methodology. Busby asked whether there is consensus to have staff look into and amend the ordinance if necessary. Tokos reported that SDC assessments can be appealed to the City Council. Allen suggested allowing the appeal to proceed and revisiting the methodology is necessary.
6. Saelens reported on a recent Bicycle/Pedestrian Committee meeting. He noted that, after research, it was determined that the committee had never been formalized. Saelens added that an ordinance, which would formalize the committee, was discussed at the last Committee meeting, and that everyone in attendance supported the document as revised at that meeting. Saelens noted that within 24 hours, the Committee received a broadcast e-mail, from the chair, suggesting that the ordinance not be used, but to put an ordinance number on the Committee by-laws and call it good. Saelens suggested moving forward with the ordinance, as amended by the Committee; and appointing the current members to the newly-formed Committee. He added that after the formal agenda was discussed, the chair spoke for an additional hour regarding items not on the agenda, and venting over communication with other city departments.
7. Roumagoux noted that she will follow-up on the issue of tribes and interest based assessments.
8. Roumagoux asked that the timeline on the Carpenter hedge issue be discussed at the next work session.

Having no further business, the meeting adjourned at 2:45 P.M.

Minutes
City of Newport Planning Commission
Regular Session
Newport City Hall Council Chambers
Monday, March 11, 2013

Commissioners Present: Jim Patrick, Jim McIntyre, Rod Croteau, Mark Fisher, Gary East, and Bill Branigan.

Commissioners Absent: Glen Small (*excused*).

City Staff Present: Community Development Director Derrick Tokos and Executive Assistant Wanda Haney.

A. **Roll Call.** Chair Patrick called the meeting to order in the Council Chambers of Newport City Hall at 7:03 p.m. On roll call, McIntyre, Croteau, Patrick, Fisher, East, and Branigan were present. Small was absent but excused.

B. **Approval of Minutes.**

1. Approval of the Planning Commission regular session meeting minutes of February 25, 2013.

MOTION was made by Commissioner Fisher, seconded by Commissioner McIntyre, to approve the Planning Commission minutes as presented. The motion carried unanimously in a voice vote.

C. **Citizen/Public Comment.** No comments on non-agenda items.

D. **Consent Calendar.** Nothing on the consent calendar.

E. **Public Hearings.**

Quasi-Judicial Actions:

Chair Patrick opened the public hearing portion of the meeting at 7:05 p.m. by reading the statement of rights and relevance. He asked the Commissioners for declaration of conflicts of interest, ex parte contact, or site visits. Fisher noted that he goes by the site once or twice a day, Croteau said that he has seen it, and Branigan said that he has driven by. Patrick asked for objections to any of the Commissioners or the Commission as a whole hearing this matter; and none were heard.

1. **File No. 2-CUP-13:** A request submitted by Abram Silvonen (William Zekan, authorized representative) per Chapter 14.25.020(E) "Bed and Breakfast and Vacation Rental Facilities – General Provisions" of the Newport Municipal Code (NMC), for a conditional use permit to operate a vacation rental in a residence where the requirements per NMC 14.25.050 for off-street parking spaces and landscaping cannot be met. The residence is located at 584 W Olive St. (Assessor's Map 11-11-08-BB; Tax Lot 3700) in an R-4 zoning district.

Patrick opened the public hearing for File No. 2-CUP-13 at 7:07 p.m. by reading the summary of the action from the agenda. He called for the staff report. Tokos noted that in the meeting packet was a staff report that outlines the nature of the application and includes approval criteria, findings, and a recommendation of approval. He noted that there is also a formal set of findings and a final order so that, should the Commissioners find this application warrants approval, they can move ahead on that as well. Tokos explained that the property is located in a high density residential zone. It is developed with a residence built in 1935, and there are photos of the residence with the packet material. He noted that the approval criteria are those of a conditional use. He explained that the reason a conditional use permit is needed is that the applicant can't meet two standards he would normally be required to meet for a vacation rental endorsement; off-street parking and landscaping. Tokos read the criteria, which are found in the NMC. He said that the staff analysis includes detailed discussion of each of those requirements and how this satisfies them. He said that the greatest one is that the use will not have adverse impact on nearby properties. In that finding, when looking at this complies with that criterion, he looks at what was the intention of the standard in the first place. The intention was that a vacation rental wasn't being rented with more people than it can handle, that it is not forcing parking to overflow, and not adversely affecting other properties by blocking driveways or using up all on-street parking. Tokos noted that this residence faces Olive Street where not a lot of houses do. There is a fair amount of parking on Olive Street with on-street parking on both sides of the street. He said there appears to be a sufficient amount. The Eager Beaver store is next door, but there is still a fair amount of parking. Olive Street is not being used by other residences because they front other streets. The other standard is landscaping, which was put in place to prevent lawns from being pulled out and being turned into what looks like a commercial use. Lawn being turned into parking doesn't apply here. This is a very small parcel and is not conducive to off-street parking. It is built close to the street as is. What was done by the current owner or the prior owner was to put in decks to maximize the useable space on the small lot. Tokos said that he believes the Commission can reasonably find that landscaping is not being subverted. He said

that, given the findings in the staff report, the recommendation would be to go ahead and approve the conditional use permit subject to receiving an endorsement for approval for all other endorsement standards. That is one condition staff recommends the Commission include.

Proponents: Bill Zekan, the agent representing Mr. Silvonen, came forward. He noted that he basically was asked to help prepare this application. He said that really there wasn't anything substantive that he could add to Tokos' comments. He said that Tokos was very thorough and covered everything. He said that this allows them a means to seek relief from these two requirements that can't be met. They are not asking for relief to anything else. Zekan noted that Silvonen is trying to improve the property. He said there is nothing much that they can do about the parking, but they believe that the impact will be less. The only other thing he had to add was that he appreciated the accessibility of the process. He said it was easy to come into the office and talk to the staff and get help, explanations, and the requirements. He said that the help from Staff was very good, thorough, and helpful.

Opponents: There were no opponents present wishing to testify, so rebuttal was waived.

Patrick closed the public hearing at 7:15 for Commission deliberation. Branigan said that he didn't see any reason why not to grant the proposal. In that location, the parking is not an issue and there is no ability to do landscaping or put in a garage. It will not impact the neighborhood. The house is only a 2-bedroom. Branigan would recommend that the Commission grant the request. East agreed. He said that it will meet all the other requirements, and he has no issue granting relief on parking and landscaping. Fisher had nothing to add. Croteau asked what the square footage of the residence was and was told 1100 give or take. Silvonen said that he owns the Eager Beaver store as well. He said that he has the whole corner there and the recycle and trash containers are for the business. McIntyre said he thought that in the code there was a clause that provided that trash containers should be concealed from street view. He said it looked like they had a garage and wondered if that had been turned into rental area or storage. Silvonen explained it was storage. The height wasn't conducive to fitting a modern vehicle; it was only 5' 6" or so. There was a vintage garage door that was removed. Tokos said that the endorsement standard for waste management that they would have to adhere to states that "weekly solid waste disposal service shall be provided while the dwelling is occupied; the owner shall provide for regular garbage removal; and trash receptacles shall be stored or screened out of plain view of the street." He said that is a requirement; not for Eager Beaver, but for the vacation rental unit. Silvonen said that the trash receptacles are all used by the business at this time. They currently are not using the residence. Once they market it, they will clean that up anyway for marketability. There is room between the buildings and there is a gate. They can tuck those receptacles away there. Patrick said that he thinks this meets the standards. Parking is no worse than for a permanent residence. He said, given that it is Nye Beach and the size of the lot, there is no landscaping to be had.

MOTION was made by Commissioner East, seconded by Commissioner Branigan, to approve the conditional use permit in File No. 2-CUP-13 as proposed in the final order. The motion carried unanimously in a voice vote.

MOTION was made by Commissioner Fisher, seconded by Commissioner McIntyre, to adopt the final order for File No. 2-CUP-13 as presented. The motion carried unanimously in a voice vote.

F. New Business.

Action Item:

1. Agreements with Community Services Consortium (CSC) and Lincoln Community Land Trust (LCLT) for workforce housing. The Planning Commission had reviewed and discussed these two agreements at the work session.

MOTION was made by Commissioner Croteau, seconded by Commissioner Fisher, to forward to the City Council the agreements with the modification noted this evening and legal adjustments that may be necessary between now and the City Council action. The motion carried unanimously in a voice vote.

G. Unfinished Business. No unfinished business.

H. Director's Comments.

1. Tokos noted that on Tuesday evening there will be a meeting of the Port of Newport and City of Newport joint task force on an alternative route to the Port Terminal (log yard). They are looking at the viability of it. Tokos provided a memo to the task force today along with ODOT comments trying to give the group a reality check. He said it is really not that viable to pursue an alternative to Moore Drive. First, Moore Drive and Bay Blvd. happen to be a viable truck route today to the Port facility; which disadvantages us for obtaining any grant funds. The other reason is that there is nothing in this whole discussion that benefits the highway. So there is no way we can get funding. In fact ODOT has commented that an alternative to the east would have more detrimental impact to the highway. Tokos said that doesn't diminish the concern about truck traffic that hasn't been there for years. But that is not the type of thing Federal and State governments look for when providing grant funding. If the task force wants to pursue analysis to look hard at another route, then private funding is going to have to come to the table. Also, there needs to be some thought whether funding is available in the next twenty years to construct it. If not, then you are just doing a plan for

the shelf. Another factor has to do with the fact that we are already engaged with ODOT for an eventual replacement of the bridge. This work will look at replacement of the bridge and alternative locations. The Port will be considered and will come out in alternative routes. So the question to this group is if they want to invest money now only to find out that in the bridge conversation that plan has to be adjusted because of what the State wants to do with the bridge. Lastly, looking at limits to the Transportation Plan and goal exceptions if outside the UGB, those can be challenged in court and likely would be. This isn't a simple thing. There is a viable route in place and he doesn't see any funding for planning an alternative. That is what is in his memo; and ODOT's goes into greater detail. He said that there will be some folks that like that and some that really don't like it; and it is better that the policy-makers have an idea of what they are facing.

2. Tokos noted that on March 19th at OCCC is an open forum session with the Port and the City Council for discussion about the Teevin Bros. project.

3. The following week, Tokos will be in Tacoma for a Working Waterfront Symposium along with Don Mann. He said that hopefully they will gain some ideas to make our working waterfront better.

I. **Adjournment.** Having no further business to discuss, the meeting adjourned at 7:30 p.m.

Respectfully submitted,



Wanda Haney
Executive Assistant



DATE: May 31, 2013
CONTACT: David A. Hawker, City Manager davidh@lincolncity.org

NEWS RELEASE- FOR IMMEDIATE RELEASE
City acquires Villages at Cascade Head property

On May 30th, the City of Lincoln City purchased 363 acres of property known as The Villages at Cascade Head. The \$2.5 million purchase was funded by the City's Open Space Fund, the Affordable Housing Fund, and the General Fund. This property was being sold to the highest bidder by ANB Venture, LLC under the direction of the Federal Deposit Insurance Corporation (FDIC).

The property contains the majority of the remaining buildable land within the City limits and this purchase will assure that private development on the property will be facilitated. It is anticipated that development will occur through a series of property sales over a prolonged period. The property contains 4,600 feet of nearly completed street, concrete trails and water and sewer mains. Prior to the City's acquisition it is estimated that the developer invested about \$5 million in infrastructure to serve the development.

The City anticipates an interim designation of the Villages as a park open to non-motorized public use. Going forward, the City plans to preserve a portion of the development for future workforce housing and will also designate the property known as "The Knoll" as open space. The Knoll is a well-known local landmark. It is a 570 ft high hill directly to the east of Roads End that offers panoramic views of Lincoln City and the Pacific Ocean. It has been the number one priority for open space acquisition since voters approved a \$3 million open space bond issue in 1998. Over the years, the City has made numerous attempts to purchase The Knoll, with the most recent offer being \$1.2 million (which included funds from a state grant) for 36 acres of land.

"This purchase accomplishes 3 major goals" said Dick Anderson, Mayor of the City of Lincoln City. "First, it puts The Knoll under public ownership for future generations to enjoy. Second, we have been able to acquire land at today's low price levels for future workforce and affordable housing needs. Finally, this purchase puts us in a position to facilitate economic development by having land at a very low cost so that housing and business will be allowed to develop at a speedier and affordable pace."

"This is a long term investment by the City that will guarantee that suitable land is available for future growth and economic opportunities" said David Hawker, City Manager. "The City was fortunate to have sufficient reserves to be able to bid on a project of this magnitude. Certainly some of the land will be in the city's inventory for an extended period- that will be a financial legacy for the future. The Knoll is the most outstanding undeveloped property on the Oregon Coast. Bringing it into the City's inventory of open space ensures it will now be permanently protected and enjoyed by all."

BACKGROUND

The Villages at Cascade Head is a master-planned residential development in the northern-most area of Lincoln City. The city's planning commission first approved the master plan for the Villages at Cascade Head in 1996 and later approved some modifications to the plan in 1998. The project site initially was over 500 acres. It is almost entirely wooded and is known to provide habitat for a number of protected species of animals and plants.

Construction is to be divided into three phases or "villages" with the first being "Rock Creek Village" in the southern part of the property. Each village is to be divided into individual "blocks" with Rock Creek Village consisting of nine blocks with a total of 863 dwelling units. Each block is to have its own master plan, subject to approval by the planning commission after a public hearing. The entire project is to include 1,829 dwelling units including 357 detached single-family units, 370 townhomes, 430 condominiums, 472 manufactured dwellings, and 200 townhome/multi-family units.

In accordance with the approved master plan, in 1998 the owners transferred the northernmost 60 acres of the project site to the city as a "nature park." Another 99 acres of the site are to be set aside in an inter-connected network of other nature parks and as wildlife and wetland corridors. These areas are to include a system of trails and passive recreation facilities. Additionally the project includes the northern end of the city's Head to Bay trail, intended to link the nature park at the northern part of the project with the city-owned park on Siletz Bay via a bicycle and pedestrian trail.

In 2005 the owners began construction of the project by extending Devils Lake Boulevard more than a mile into the site. This included grading the right-of-way, installing water, sewer, and stormwater utilities, installing conduits for electrical, telephone, and television cables, building curbs, gutters, and an extra-wide sidewalk to serve as a link in the Head to Bay trail, and putting down the first layer of asphalt (and the second layer at the entrance to the property). They followed this by beginning the development of "Maplewood," the first block to see actual construction. They subdivided the block into 18 lots for duplex townhomes, put in a road to serve them, including all utilities, and started work on the townhomes themselves. In 2006 they began work on a second block, "Fernwood." They subdivided the 13-acre site into townhome lots and graded for a road to serve them, installing water, sewer, and stormwater facilities.

The 2007 economic collapse brought all work on the project to a halt. At the time the city had been working with the property owners on ideas to modify the master plan in order to improve the viability of the project. These included changing the mix of residence types, allowing a commercial center with shops and lodging, and giving the knoll an open space designation. The city likely will consider these and other amendments to the master plan to bring the project more into line with the current real estate market and to better serve the needs of the community.

The property in this purchase amounts to about 363 acres and includes most of Rock Creek Village and all of the two later phases, to be called Logan Creek Village and Salmon Creek Village. In 2005 the project's owners transferred about 52 acres of the project to the Confederated Tribes of Siletz Indians for expansion of the Tribe's golf course. About 24 acres of the PUD, preliminarily approved for 184 condominium units, is owned by the Lincoln Highlands Limited Partnership and is not included in the transaction. The development of "Maplewood", which consists of the only block to have been developed to date, is owned by others and also is outside of this transaction.

* * *

"PRIDE IN SERVICE"

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Villages at Cascade Head

-  Subject Property
-  City Limits
-  Urban Growth Boundary



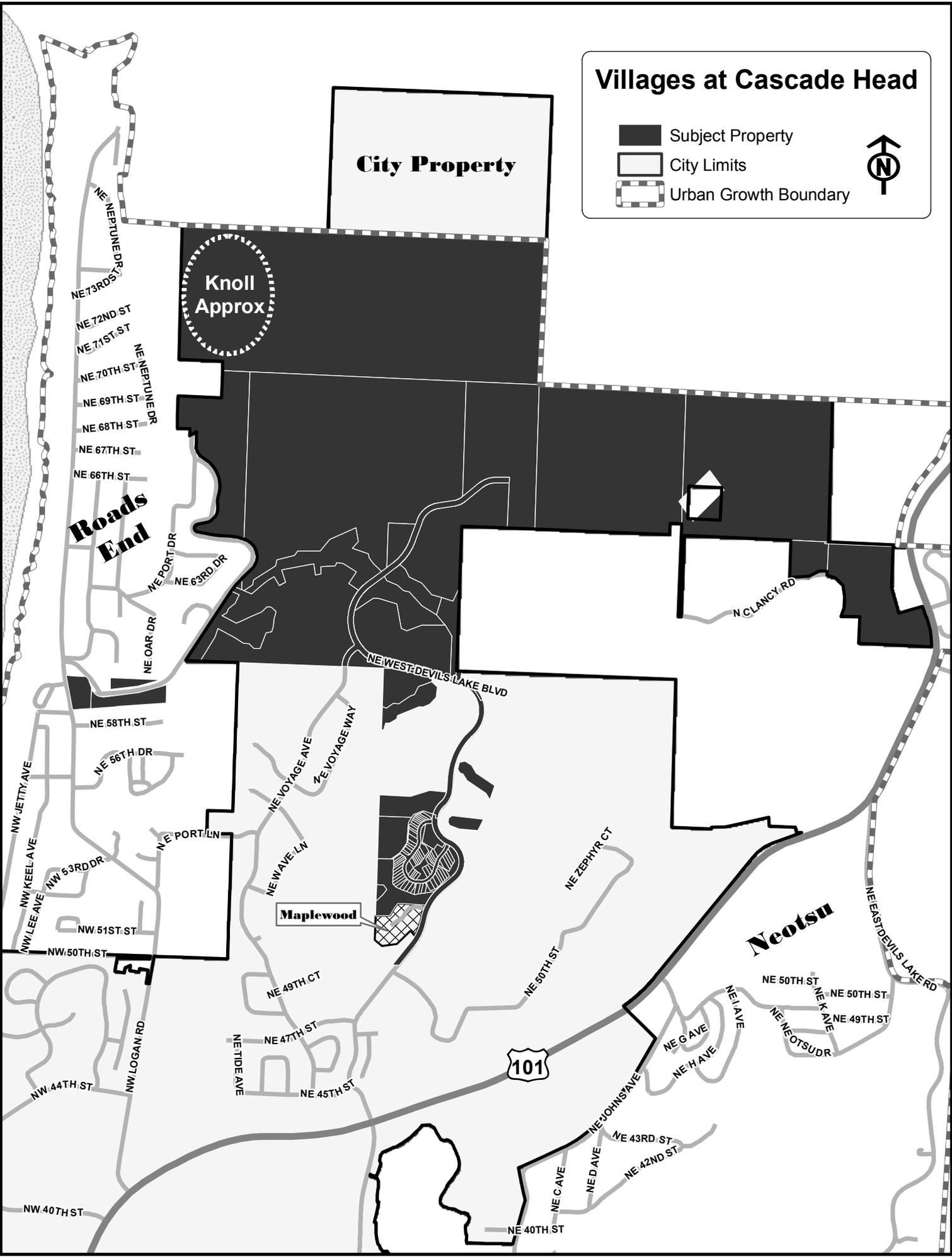
City Property

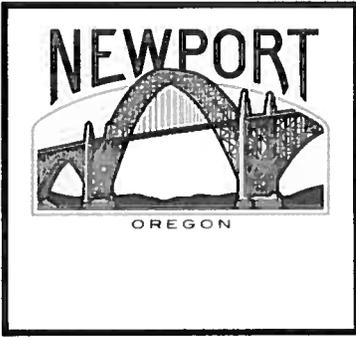
**Knoll
Approx**

**Roads
End**

Maplewood

Neotsu





Agenda Item # IX. G.
Meeting Date 9/3/13

CITY COUNCIL AGENDA ITEM SUMMARY
City Of Newport, Oregon

Issue/Agenda Title: Consideration of Franchise Extension Agreement between the City of Newport and Falcon Telecable I/k/a Charter Communications

Prepared By: Hawker Dept Head Approval: ph City Manager Approval: _____

Issue before the Council: The issue before Council is consideration of a franchise extension agreement between the city and Charter Communications.

Staff Recommendation: Staff recommends approval of the franchise extension agreement.

Proposed Motion: I move to approve the franchise extension agreement between the City of Newport and Falcon Telecable, locally known as Charter Communications, and direct staff to work with Speer Hoyt in negotiating a new franchise agreement with Falcon Telecable, I/k/a, Charter Communications. I further move that on conclusion of negotiations, the new franchise agreement be brought to City Council for consideration and approval.

Key Facts and Information Summary: The city entered into a franchise agreement with Falcon Telecable, locally known as Charter Communications, on April 22, 2008. Although this agreement expired on April 21, 2013, Charter has continued to abide by the terms contained in the agreement. However, it is in the public interest to enter into an extension of the agreement while a new agreement is being negotiated. Negotiating a cable television franchise is challenging, and typically conducted on behalf of cities by legal counsel. Speer Hoyt has agreed to negotiate with Falcon Telecable on behalf of the city. Counsel will be kept apprised of the status of negotiations.

Other Alternatives Considered: None.

City Council Goals: None.

Attachment List: Franchise Extension Agreement between the City and Falcon Telecable I/k/a Charter Communications

Fiscal Notes: None.

**FRANCHISE EXTENSION AGREEMENT
BETWEEN THE CITY OF NEWPORT AND
FALCON TELECABLE I/k/a CHARTER COMMUNICATIONS**

WHEREAS, Falcon Telecable, a California Limited Partnership, locally known as Charter Communications ("Charter") currently holds a cable franchise with the City of Newport Oregon ("City"), granted with an effective date of April 22, 2008 ("Franchise"); and

WHEREAS, Charter's Franchise with the City expires on April 21, 2013; and

WHEREAS, the City and Charter have begun informal renewal negotiations in accordance with Section 626(h) of Title VI of the Communications Act of 1934, as amended and the parties continue to reserve all rights under the formal procedures of Section 626 of Title VI of the Communications Act of 1934, as amended, and do not waive any rights related thereto; and

WHEREAS, Charter has requested that the City extend the existing franchise while a new franchise continues to be negotiated; and

WHEREAS, it is in the public interest to further extend the current Franchise for an additional period of time so that cable service to the public will not be interrupted.

NOW, THEREFORE, the Franchise of Charter shall be extended through April 21, 2014, or until a new Franchise Agreement is negotiated, whichever comes first. All other terms and conditions of the existing Franchise shall remain the same. The parties continue to reserve all rights under the formal procedures of Section 626 of Title VI of the Communications Act of 1934, as amended, and do not waive any rights related thereto.

Approved by the City Council of the City of Newport this _____ day of _____, 2013.

Sandra N. Roumagoux, Mayor

Accepted this _____ day of _____, 2013.

Falcon Telecable, a California Limited Partnership, I/k/a
Charter Communications

By: Charter Communications VII, LLC its General Manager

By: Charter Communications, Inc., its Manager

By: _____
Mark E. Brown
Vice President, Government Affairs
Charter Communications