

November 17, 2008
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, Bain, Obtshka, Henson, Patrick, and Kilbride were present. Bertuleit was excused.

Staff attending was as follows: City Manager O'Neal, City Recorder Hawker, City Attorney Firestone, Community Development Director Bassingthwaite, Public Works Director Ritzman, Finance Director Riessbeck, and Police Chief Miranda.

CONSENT CALENDAR

The consent calendar consisted of the following items:

- A. Approval of minutes from the joint work session of the City Council and Port of Astoria held October 28, 2008, and the work session, executive session and regular meeting minutes of November 3, 2008;
- B. Police and Fire Department monthly reports for October 2008;
- C. Report of accounts paid for October 2008.

MOTION was made by Sabanskas, seconded by Obtshka, to approve the consent calendar as presented. The motion carried in a voice vote with Patrick and Kilbride abstaining as they were not present during those meetings.

COUNCILOR'S REPORTS AND COMMENTS

Patrick reported that she had spoken with Don Davis, and he said to pass along how nice his park looks. Patrick complimented the work done at the Nye Beach turnaround.

Patrick asked that thank you letters be written to the members of the Water Task Force.

Kilbride reported that he is on the Library Foundation Board and that six applications had been received to fill two vacancies. He will report to Council after the appointments are made.

OFFICER'S REPORTS

Mayor's Report. Bain noted that he is not ready to consider committee appointments at this time.

City Manager's Report. O'Neal noted that a retirement system report has been received, and he asked the finance director to prepare a summary of the report for

Council review. He also asked that the report be shared with all employees in a letter from the trustees.

O'Neal reported that the city has received the first lease payment for office space subleased by the Pig 'n Pancake.

O'Neal reported that the city's drug dog, Eyan, had arrived, and was attending training with his handler. He noted that the dog responds to Czech.

O'Neal recommended that the letter to the Water Task Force come from the entire Council. He reported that Ritzman and other staff had met with the group last Thursday, and he recommended that they continue to meet quarterly to receive reports.

O'Neal reported that a draft of the water system master plan is on the website.

O'Neal reported that a presentation will occur at the first work session in December on the water treatment plant status. He noted that a critical decision is the way construction is approached. He discussed the construction manager/general contractor method, noting that it is a hybrid of three approaches.

O'Neal reported that the sidewalk at Don Davis Park had been rerouted and the additional space was used to make a large planter. Obteshka asked about the possibility of extending the walkway to the beach so that it would be accessible. O'Neal stated that he will look at that.

Report of the Mayor. Bain stated that he had been contacted by Mayor White of Depoe Bay regarding the Depoe Bay Near Shore Action Team. He noted that the idea is support for the proposed Otter Rock Marine Reserves. This information had been distributed at the noon work session, and contains a memorandum of understanding that was prepared by Wayne Belmont, County Counsel. He asked that this item be brought to the next Council meeting for discussion.

DISCUSSION ITEMS AND PRESENTATIONS

Presentation by Mark Saelens, Program Manager, for the Lincoln County Solid Waste District. Mark Saelens reviewed the activities of the solid waste district for the past year. He reported on: the coordination of recycling activities with county haulers; additional recycling services, including special events, training, and public recycling; the Free-For-All which is an event where people bring items to be given away rather than placing them in the waste stream; the Build Green with SAM program; computer reuse; backyard composting; paint mixing events and sales; hazardous materials collection events and longer-term solutions; wood and yard waste recycling; forest enforcement; education and promotion; and sustainability. Obteshka asked whether there is still a market for Freon. Saelens reported that there is, but it is mainly to keep it out of the environment. Obteshka volunteered to be a liaison to the Sustainable Lincoln County committee. Patrick asked whether the coordinated hauling with county haulers includes computer disposal. Saelens reported that DEQ will begin recycling computers in January. O'Neal reported that the city has a need for vegetative debris disposal. This item will be discussed at the joint meeting with the County Commissioners. The Drive Smarter and Energy Star programs were discussed. Saelens gave the city recorder a supply of the Energy Star brochures.

Port of Newport terminal project update. Don Mann, Port Director, and Ginny Goblirsch and Joanne Barton, Port Commissioners updated Council on the terminal project. Goblirsch reported that there are two concrete hulled cargo ships that were sunk into place 60 years ago to serve as the foundation of the cargo dock. The ships have shifted over time. An oil spill in 1996 resulted in a cleanup cost of approximately \$500,000. Due to the deteriorating condition of the Pasley (one of the ships), an emergency was declared and an oil boom deployed around the Pasley. Over the past year, environmental studies and remediation have occurred. The Port has been meeting with the ERT and federal agencies to discuss the permitting process. She discussed habitat mitigation noting that it might be different between the ships, as the Hennebique lies in more shallow water. A public meeting is planned on December 11, 2008, at 5:30 P.M., at city hall.

Carol Cole asked Don Mann some questions pertaining to availability of the Port's budget. She stated that the Port is trying to sell a solution that will not clean up the problem.

PUBLIC COMMENT

Don Huster addressed Council regarding the Nye Beach holiday plans. Nancy Mandish, representing the Dapper Frog, explained the plans. She requested transient room tax grant funding, in the amount of \$4,535, to pay for advertising and promotion of the holiday program. She noted that with the February 1 deadline for applications, there is too short a window of time to go through the process and benefit. She stated that she thought it was appropriate to come before Council and see if Council could help with the Nye Beach Christmas. Patrick suggested maximizing attendance to provide events when school closes for winter break. Obtshka stated that he is a former president of the Nye Beach Merchants Association, and a business owner in Nye Beach, and he inquired whether he should engage in this discussion. Firestone discussed conflicts of interest and potential conflicts of interest. Patrick noted that she has properties in Nye Beach, and, and that it was conceivable that some Nye Beach shoppers would visit Sabanskas' store. After discussion, it was concluded that Obtshka and Patrick have potential conflicts of interest; which they declared; and participated in the discussion. Obtshka stated that he had talked with the Destination Newport Committee, and there was an indication that the DNC would not be disappointed if Council took responsibility for the grant process. O'Neal reported that the next DNC meeting is December 11, 2008, and that would be after this event has begun. He noted that the grant money is from transient room taxes and it is to be used for events that would get people here. He added that if Council agrees to this, he will get information on the Discovernewport website. He reported that he has already had conversation with the advertising agency about the holiday decorations, and this is probably a complimentary activity. He stated that he does not want the DNC to think he is pre-empting their efforts. He stated that if Council chooses to fund this group, it will come from the \$75,000 allocated in the budget for grants. Henson stated that this is extremely irregular, and that he sees dangerous potentials. He noted that the Bayfront lighted boat parade could ask for funding. Obtshka noted that this is the purpose of that money. Henson stated that it would be outside the guidelines of the plan. MOTION was made by Patrick, seconded by Kilbride to grant \$4,295 to the Nye Beach Merchants

Association for advertising during the Nye Beach holiday event. The motion and second were amended to include an expenditure that will be necessary for updating the Discovernewport website. The following people spoke in support of the request: Linda Briggs, Deborah Trusty, Linda Neigebauer, and Kathy Cleary. The motion carried in a voice vote with Henson voting no.

Bain reported that further public comment would occur at the end of the meeting.

ACTION ITEMS

Public hearing on a proposed minor amendment to the Comprehensive Land Use Plan Map, File No. 4-CP-08; and proposed amendments to the Zoning Map, File No. 2-Z-08 – applicants, Landwaves, Inc. (Emery Investments, Inc., Oregon Coast Community College, and Landwaves, Inc., property owners). Bain opened the public hearing at 7:55 P.M. He called for abstentions, declarations of ex parte contact, bias, or objections to any Councilor hearing this matter. Patrick reported that she is chair of the Urban Renewal Authority and has spoken to OCCC and Landwaves in a formal setting. Bassingthwaite read criteria, and entered the file into the record. He reported that there were no written comments, other than a “no comment” comment from the Public Works Department. He reported that the Planning Commission had held a public hearing and unanimously recommended approval of the request. Obtshka asked whether there are any properties in the tsunami inundation zone. There are none. Bassingthwaite noted that R-2 zoning provides more flexibility in housing units. Frank Angelo, of the Angelo Planning Group appeared before Council. Angelo noted that this is the same amount of residential land, but it has been reconfigured. He noted that the request will require an amendment to the original master plan. He stated that he agreed with the staff report and the Planning Commission recommendation, and requested approval of the comprehensive plan and zone change. There were no questions for the applicant.

Bain called for proponents. Patrick O’Connor, president of the Oregon Coast Community College, spoke in support of the request.

Bain called for opponents. There were none.

There were no public agency comments.

Bain closed the public hearing at 8:06 P.M. and asked for Council deliberation.

MOTION was made by Sabanskas, seconded by Kilbride to approve the request. The motion carried unanimously in a voice vote. Staff will bring findings and an ordinance to next Council meeting.

Public hearing and consideration of Resolution No. 3453 regarding a supplemental budget for FY 2008-09. Bain opened the public hearing at 8:10 P.M. Riessbeck explained the supplemental budget request as a housekeeping procedure to appropriate unforeseen expenditures. She noted that it is a supplemental budget due to increase in the Fire Reserve Fund. She noted that she had placed the requested comparison on Council desks. She added that this matter requires a public hearing and consideration of Resolution No. 3453. Kilbride stated that he had a couple of proposed changes which he handed to Riessbeck. Bain closed the public hearing at 7:12 P.M.

MOTION was made by Patrick, seconded by Kilbride, to adopt Resolution No. 3453 as presented. The motion carried unanimously in a voice vote.

Ordinance No. 1967 amending the Newport Municipal Code, Section 5.10.16(E.) to amend procedures for water shutoff for nonpayment. O’Neal reported that this ordinance changes the water shutoff procedure from multiple notices to one notice, and relieves the burden on the crew. He noted that the tradeoff is that a customer can come in and work out a plan. He reported a discussion had occurred regarding whether to use “shall” or “may” in Section 1.(e).(2.) of ordinance. Firestone reported that “may” would be acceptable. A discussion ensued regarding logistics, and the time frame from when the water bill is issued until water is shut off. Water is shut off on approximately the 27th day after the bill goes out. Riessbeck reported that currently a notice is mailed and a customer is given a deadline to pay. If the customer does not pay, an additional notice is hand delivered as a door hanger. It states that if the bill is not paid in full by the close of the second business day after the date of the notice, the water is subject to shutoff. The new procedure would include only one mailed notice. Obteshka suggested a safeguard such as certified mail. Riessbeck noted that this would be very expensive. O’Neal noted that all municipalities deal with this, and that the Water Fund is an enterprise fund. Riessbeck noted that this ordinance contains the ability for customers to make arrangements to pay their bill. It was suggested that the word “may” be substituted in both places. Riessbeck reported that delinquent charges are added at the time a notice is sent. Kilbride stated that 15 days is too short a time period before adding delinquent fees. MOTION was made by Patrick, seconded by Sabanskas, to read Ordinance No. 1967 by title only, with the changes to the ordinance which include changing “shall” to “may” and “will” to “may,” and place for final passage. O’Neal read the title and changes of Ordinance No. 1967. Voting aye on the adoption of Ordinance No. 1967 were Patrick, Bain, Sabanskas, Obteshka, and Henson. Voting no was Kilbride.

Award of wayfinding contract. Hawker explained that the city had issued an RFP for wayfinding services that would include a wayfinding plan and signage during the first phase. Five proposals were received from throughout the U.S. A group of citizens, representing various neighborhoods, chamber of commerce, and city staff reviewed the proposals. Two firms were interviewed, and Mayer Reed, of Portland, emerged as the first choice. MOTION was made by Patrick, seconded by Sabanskas, to approve a contract, in an amount not to exceed \$100,000, with Mayer Reed to develop a wayfinding plan that includes signage in the ground in the first phase, and authorize the city manager to sign the contract. The motion carried unanimously in a voice vote. Linda Neigebauer stated that she had served on this committee, and the five proposals were very weighty, and while both firms could do the job, Mayer Reed seemed to see the big picture. The motion carried unanimously in a voice vote.

PUBLIC COMMENT

Norm Winningstad addressed Council regarding the work of Dennis Reno in his position as airport director. Winningstad stated that his background in aviation allows him to make a sound judgment regarding Reno’s capabilities. He stated that Reno saw an

opportunity to purchase the Newport FBO, and demonstrated acumen in the buy-out. He noted that Reno saw a problem with the airport's non-precision approach, and convinced the FAA to install a high precision landing system. He stated that Reno accumulated airlines to solicit business. He added that in all the time that he observed Reno in operation, he was never ethically or technically off base. He asked that whoever is in judgment of Reno to give him a papal pass, noting that he is a tremendous asset for the airport, and it would be difficult to find a replacement of his caliber.

O'Neal reminded Council that the community forum regarding the City Center would be held tomorrow with a reception at 5:45 P.M., and the forum to follow from 6:00 – 8:00 P.M.

ADJOURNMENT

Having no further business, the meeting adjourned at 8:46 P.M.

Margaret M. Hawker, City Recorder

William D. Bain, Mayor