

April 18, 2011
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, McConnell, Brusselback, Allen, Beemer, Roumagoux, Bertuleit, and Sawyer were present.

Staff present was City Manager Voetberg, City Recorder Hawker, Community Development Director Tokos, Public Works Director Ritzman, Senior Projects Manager Gross, Finance Director Marshall, Parks and Recreation Director Protiva, and Police Chief Miranda.

PLEDGE OF ALLEGIANCE

Council and audience participated in the Pledge of Allegiance.

PUBLIC COMMENT

Eileen Obteshka reported to Council that the sidewalk south of the gazebo has a deep hole, and that there is significant algae growing on the winding path to the ocean.

CONSENT CALENDAR

The consent calendar consisted of the following items:

- A. Approval of City Council minutes from the work session and regular meeting of April 4, 2011;
- B. Resolution No. 3537 adopting new Senior Center fees;
- C. Police and Fire Department monthly reports for March 2011;
- D. Report of accounts paid for March 2011.

Allen asked about the disbursement to Northwest Playground Equipment, for a pirate ship, in the amount of \$70,000. It was noted that this is a part of the overall Coast Park project. MOTION was made by Brusselback, seconded by Beemer, to approve the consent calendar as presented. The motion carried unanimously in a voice vote.

OFFICER'S REPORTS

Mayor's Report. McConnell commended staff for coordinating a great volunteer appreciation dinner at the Aquarium.

McConnell reported that he had attended the grand opening of the Senior Activity Center addition/renovation.

McConnell reported that he had attended a redistricting teleconference. He noted that there are currently nine legislators in the coastal caucus, and the goal is to find a way to keep approximately this number of legislators.

McConnell thanked Council for its time spent on establishing goals and finalizing a review of the City Council Rules. He asked that the goals be sent to the departments to determine whether departmental issues are being met. He added that the goals may be ready for final adoption at the next meeting.

McConnell noted that a memo from legal counsel regarding tonight's agenda was distributed to Council. He added that there were no particular comments about this agenda.

McConnell reported that he received the HMSC Newsletter and would leave it in the City Council reading box. He added that Council had received a flyer regarding a sustainability seminar at Newport High School. He noted that he received a letter from Pat Lindstromberg regarding tsunami preparedness and related issues. He also noted that he had received letters from Bob Ward, Delores Bennett, and Drew Johnson regarding the proposed geological hazards ordinance. He also received a letter from the Depoe Bay Near Shore Action Team, and a thank you letter from Rocky and Suzanne Cannon for help with shrubbery issues.

Allen asked that the city manager and project manager take legal counsel up on the offer to provide advice on projects before action is taken.

City Manager's Report. Voetberg reported that the timeline for developing an herbicide spray policy is included in the packet and that the matter should be back to Council in August.

Voetberg reported that the monthly suggestion/concern list is included in the packet.

Voetberg noted that an update on key public works projects is included in the packet.

Ritzman reported that he had received a letter regarding the crosswalk issue. He reported that ODOT has recommended this matter be sent to its traffic engineer, and if the traffic engineer signs off on it, the city will be authorized to proceed in upgrading certain crosswalks.

DISCUSSION ITEMS AND PRESENTATIONS

Presentation on Lincoln Community Land Trust. Lincoln County Commissioner Bill Hall, and Benjamin Baggett, executive director of the Lincoln Community Land Trust made a presentation on the Land Trust and asked for Council support of the program. Hall and Baggett responded to Council questions. Allen noted that he is not prepared to make a decision on this matter at this time, and preferred the discussion continue with the Budget Committee. Voetberg noted that he would try to include funding in the budget. Hall noted that he would make himself available to the Budget Committee.

Discussion of proclamation supporting the Lincoln County School District bond measure. Allen declared an actual conflict of interest and recused himself from this discussion because one of the attorneys in the firm he is associated with, of counsel, represents the school district. Sawyer reported that his wife works for the school district. McConnell read the proclamation supporting the bond measure, and noted that he would present it to the superintendent tomorrow.

Update by contractor on the water treatment plant. Eric Braymer, project engineer for Slayden Construction, presented a PowerPoint presentation on the status of

construction. Ritzman reported that the project is on track with the budget that was approved at the time the contract was awarded to Slayden.

Presentation on March 2011 financials by David Marshall. Marshall discussed the March 2011 financials that were included in the packet. He responded to Council questions.

PUBLIC HEARINGS

Continued public hearing regarding a proposed storm drainage utility fee. Gross stated that the first question Council needs to answer is whether the city needs a storm water utility fee at this time. The second question is how to develop and implement the fee. He stated that staff is looking for guidance on the type of fee if Council wants a fee at all. He discussed various methodologies for determining a fee. He responded to Council questions. McConnell asked about proposed water and sewer increases, and Voetberg reported that an increase of three percent in water is projected, and no increase in wastewater. Gross suggested starting with a simple methodology, and modifying it if necessary. McConnell asked if the city is close to getting the sandbags off the street, and Gross noted that the sandbags need to be kept close and accessible.

McConnell asked for public comment.

Terry Obteshka stated that Nye Beach cannot wait three or more years for a study. He noted that a solution needs to be found for the flooding in Nye Beach. He suggested the possibility of an engineering student working on this issue. He added that the flooding must be stopped before the next rainy season.

Richard Iverson stated that he does not support added fees. He noted that the flooding in Nye Beach never happened before the new construction.

Lou Limbrunner agreed with the previous speakers. He stated that Nye Beach has seven hills that go into a perfect catch basin. He expressed opposition to the proposed fee.

Dennis Bartoldus, representing the Embarcadero unit owners association, distributed a handout. He stated that his concern is that if the fee is adopted, it would amount to approximately an extra \$1,500 monthly for Embarcadero unit owners, in addition to the \$60,000 paid approximately every five years to remove silt from drainage through the Embarcadero property. He stated that if a fee is imposed, it needs to be well thought out and include a cap and exemptions.

Pat Cowan, an Embarcadero unit owner's board member, stated that he supports the idea of an exemption. He suggested having an engineer owner, or group of engineer owners, work on a solution.

Bartoldus noted that a lot more information and thought is needed before imposing a fee that is fair and equitable.

Tom Runions stated that he is not in favor of any new fees.

Allen stated that the methodology issues can be sorted out. He added that he is not in favor of the fee at this time. He noted that he is not disputing the need for the fee, but that he prefers to wait and see how projects currently underway play out over the next year or two.

McConnell asked how to alleviate spot issues. Allen noted that even if the fee was imposed, the monies would go toward a master plan rather the spot issues.

Brusselback stated that he does not think the city can afford to put this issue off indefinitely. He noted that Council has received a mixed message from the public. He recommended moving forward with the fee and utilizing a hybrid methodology.

Roumagoux noted that every dime the city spends is scrutinized.

Beemer suggested directing staff to produce a hybrid methodology with a cap.

Bertuleit noted that a hybrid methodology with a cap would be the appropriate method. He suggested using Georgia-Pacific money for the Nye Beach and Oceana repairs.

Sawyer stated that he has a problem with new fees. He added that the city needs to look at project overages and tighten its belt.

McConnell noted that if the city is willing to make a commitment to deal with short issues, he would be willing to delay the issue of the fee imposition. Voetberg noted that there is no stormwater fee in the budget, and therefore, no projects.

Allen suggested that the city not impose a stormwater fee, but look for funds in which to find money to fix the Nye Beach flooding problem.

Roumagoux asked whether canyons could be used as holding ponds. She asked whether the city has a watershed work.

Allen noted that the Surfrider Foundation staff indicated that they may be able to assist with some local projects.

Roumagoux suggested tabling the matter with direction to staff that they tackle holding ponds and prioritize projects. Ritzman noted that it would take a lot of time, and staff could not do this without dropping existing projects.

Brusselback agreed that the fee does not need to be imposed now, but that staff should be directed to develop a workable methodology. McConnell asked that this be added as a goal to the 2011/12 Council goals.

MOTION was made by Brusselback, seconded by Bertuleit, to direct staff to revise the existing storm water utility ordinance to reflect the changes in fee format and structure discussed during the public hearing, to be voted upon during a future City Council meeting. McConnell noted that there are very pressing and long standing needs in Agate Beach. The motion carried unanimously in a voice vote.

Continued deliberations on the proposed geologic hazards code. Tokos suggested setting a date for the receipt of written comments that is before the hearing date. He noted that another direct mail notice would be sent to property owners. Allen declared an actual conflict of interest because the firm that he is associated with, of counsel, represents some property owners with an interest on this issue, and recused himself. MOTION was made by Bertuleit, seconded by Beemer, to set a hearing date on the proposed geologic hazards code for June 14, 2011, at 7:00 P.M., and provide that written comments must be received by 5:00 P.M., on May 27, 2011. The motion carried in a voice vote with Allen recused and not voting.

ACTION ITEMS

Resolution No. 3539 transferring funds for two planning grants. Tokos explained that the issue before the Council is the transfer of \$50,000 in general fund revenue received from the DLCDD in the form of two land use planning grants to the Community Development Department so that those funds can be utilized to pay for consulting

services rendered in support of the grant projects. MOTION was made by Bertuleit, seconded by Beemer, to adopt Resolution No. 3539, transferring \$50,000 from cost center 1900 to cost center 1400 of the general fund to allow the Community Development Department to pay for consulting services rendered in support of the DLCD grants. The motion carried unanimously in a voice vote.

Resolution No. 3538 establishing an Audit Committee. McConnell noted that adoption of this resolution would establish an audit committee consisting of two Councilors and one member who is a registered voter or property owner in Newport. Staff was directed to notify the public and accept applications until May 13, 2011, with Council interviews at the work session of May 16, 2011. MOTION was made by Roumagoux, seconded by Sawyer, to adopt Resolution No. 3538 forming an Audit Committee. The motion carried unanimously in a voice vote. Marshall noted that a quorum of audit committee would need to meet next Thursday or Friday when the auditors are in city hall. MOTION was made by Bertuleit, seconded by Beemer that McConnell and Allen be appointed as Council representatives on the audit committee. The motion carried unanimously in a voice vote.

Participation in county-wide fire department cooperative services feasibility study. Voetberg reported that over the past year, he and the fire chief have participated in discussions with other Lincoln County fire departments regarding the sharing of resources for efficiencies. He noted that the issue before Council is whether to hire an independent company to conduct a feasibility study. He added that the scope of work would include an analysis of each department independently. The analyses would then be compared to other departments to determine where resource sharing would be more cost effective. He noted that the study is estimated to cost \$50,000 to \$60,000, and that Newport's share is estimated to be approximately 20% - \$12,000 - on the high end. He added that the fire chiefs are going to the departments to determine interest. To date, Depoe Bay, North Lincoln, Siletz, and Yachats are interested in participating. A discussion ensued regarding the fact that a mutual aid agreement is already in place and the need for involvement in this county-wide effort. It was noted that this study will not address issues at the Fire Department. McConnell noted that getting a new chief is critical, and the new chief will analyze the issues. Council concurred that it could not support this study at this time.

COUNCIL REPORTS AND COMMENTS

Sawyer reported on a recent meeting of the Destination Newport Committee. He displayed a sample of the new billboard copy that will be used in the Eugene, Salem, and Corvallis markets. He added that the copy will be changed periodically.

Roumagoux reported that applicants for the Public Arts Task Force will be interviewed next week.

Roumagoux reported that she attended a meeting of the Senior Advisory Committee. She displayed a copy of "Generations" in which many seniors contribute and are featured.

Brusselback reported that he attended the Technical Advisory Task Force meeting at which Georgia-Pacific and CH1MHill gave a presentation on the results of the ocean monitoring survey that was required by DEQ.

McConnell reported that the Business License/Room Tax Ordinances Task Force has completed its review of the business license ordinance and begun review of the room tax ordinance.

Bertuleit reported that the Airport Committee will meet tomorrow at noon.

Beemer reported that a tsunami preparedness advisory meeting would be held on Thursday, at 1:00 P.M., at the fire hall.

Allen reported that the opening of the renovated senior center was nice.

Allen thanked the city manager and project manager for meeting with him.

PUBLIC COMMENT

Lou Limbrunner suggested the city consider instituting a city payroll tax.

Ritzman reported that staff worked very hard keeping the storm drains clean this year, and that no single flooding incident was caused by not keeping drains clean. Bertuleit addressed the issue of using the street sweepers on trash day.

ADJOURNMENT

Having no further business, the meeting adjourned at 9:34 P.M.

Margaret M. Hawker, City Recorder

Mark McConnell, Mayor