

August 20, 2012
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, Bertuleit, Brusselback, McConnell, and Roumagoux were present. Sawyer was excused

Staff present was City Manager Voetberg, City Recorder Hawker, Community Development Director Tokos, Public Works Director Gross, Fire Chief Paige, Fire Marshal Murphy, Finance Director Marshall, and Police Chief Miranda.

PLEDGE OF ALLEGIANCE

The City Council and audience recited the Pledge of Allegiance.

ADDITIONS/DELETIONS AND APPROVAL OF THE AGENDA

Allen requested that an action item for an extension of time for the completion of tasks by the Plastic Bag Community Plan Task Force be added.

Voetberg asked that action item F., Consideration of Destination Newport Contract with Newport News-Times, be removed from the agenda.

PUBLIC COMMENT

Rennie Ferris reported that he has complained multiple times about the hedges at 58th and Rhododendron Streets, as the height is a code violation, and that the city has taken no enforcement action. Miranda stated that this has been an ongoing issue. He explained the process, and noted that this matter will be moved to the top of the enforcement queue. It was suggested that staff develop a proactive approach to dealing with these issues, including possibly sending letters to violators. Ferris stated that he will e-mail suggestions to Hawker for distribution to Council.

CONSENT CALENDAR

The consent calendar consisted of the following items:

- A. Approval of City Council minutes from the work session and regular meeting of August 6, 2012, the special meeting and executive session of August 10, 2012, and the town hall meeting of July 30, 2012
- B. Report of accounts paid for July 2012

Allen noted a change to the August 10, 2012 Special City Council minutes. MOTION was made by Roumagoux, seconded by Bertuleit, to approve the consent calendar with the change made to the minutes as noted by Allen. Staff responded to questions regarding the accounts paid list. The motion carried unanimously in a voice vote.

PROCLAMATIONS

Swearing In of Fire Department Officers. Paige commented on the swearing in of Fire Department officers in general. He thanked Denise Naegli for volunteering as administrative assistant at the Fire Department for the past eight months. Hawker administered the oath of office to Kevin Naegli, whose badge was pinned on by his wife.

Recognition of FBI Agent Michael Holeman on his Retirement. McConnell reported that he will sign a proclamation recognizing local FBI agent, Michael Holeman, on his retirement. He noted that Sawyer had sent an e-mail and asked that his thanks be extended for the work that Holeman did for the city and Lincoln County. Beemer reported that, as medical examiner, he had worked with Holeman, and agreed with Sawyer's comments. Miranda noted that he would deliver the proclamation to Holeman.

OFFICER'S REPORTS

Mayor's Report. McConnell reported that he was interviewed for a program entitled, "Today in America," during which he spoke of the fishing fleet, history of the city, and activities in Newport.

McConnell reported that he had met with HMSC regarding the piece of the tsunami dock and planning for its installation.

McConnell reported that he had attended a meeting of the Nye Beach Merchants Association at the PAC.

McConnell reported that he had met with a contingency from Bristol Bay, Alaska regarding fish meal plant issues.

McConnell reported that he had attended an open house at the Angell Job Corps, and noted that this program is training a lot of young people needing trades.

McConnell reported that the quarterly meeting with ODOT was held last week; and that Bertuleit also attended; and a lot of issues were discussed.

McConnell reported that he attended the anniversary barbecue for NOAA at Port Dock 7.

McConnell reported that he and his wife, Cindy, participated in the Amazing Race; completing it in 1 hour and 50 minutes.

McConnell reported that the testing of the large electrical wave generator has begun and will last for six weeks.

McConnell reported that he attended the meeting of the Non-Profit Review Task Force, and that the Task Force had made recommendations that will be considered this evening.

McConnell reported that he attended the city's employee health promotion event, with the bicycle blender and lawn games.

McConnell reported that OCCA recognized the city as a Principal Patron of the Arts at its annual meeting.

McConnell reported that the newest Juergen Eckstein sculpture was dedicated on VAC property, and that he, Bertuleit, and Brusselback attended the dedication. He added that Frank Geltner coordinated fundraising for the accompanying plaque.

McConnell reported that the Lighthouse Bike Ride was held on Saturday; that this was a great event; and that he and his wife had ridden 25 miles.

McConnell reported that Rick Bartow's sculpture will be on display at the National Museum of the American Indian, in Washington, D.C.

McConnell appointed William Branigan to the Planning Commission. MOTION was made by Allen, seconded by Beemer, to ratify the Mayor's appointment. The motion carried unanimously in a voice vote.

City Manager's Report. Voetberg reported that the updated suggestion/concern/complaint list and departmental monthly reports are included in the packet. McConnell asked that Rennie Ferris' complaint be added to this list. Voetberg noted that the Community Development monthly report had been distributed to Council prior to this meeting.

Voetberg reported that effective January 1, 2013, 911 tax receipts will be distributed directly to the dispatch center of choice, which will be Willamette Valley Communications.

Voetberg reported that the packet contains information about City Hall Week, and that he plans to attend. McConnell will also attend.

Voetberg reported that he will be attending the LGPI Conference tomorrow through Thursday.

Voetberg stated that Thursday afternoon, he plans to attend an economic development session, sponsored by Cascades West Council of Governments, in Albany. Roumagoux and McConnell will also attend.

Voetberg reported that several projects will occur at the recreation center over the next several weeks, including air duct cleaning, replacement of lights in the gym, and refinishing the gym and dance floors. He noted that the lights will be energy efficient lights ordered in conjunction with Central Lincoln PUD and funded through an energy efficient funding source.

Voetberg reported that water infiltration was discovered below a window on the south side of City Hall, and that staff was obtaining quotes to repair the damage.

Voetberg reported that a press release regarding utility rate increases had been distributed, and that a similar notice will be placed in the water bills. Allen asked whether something will be incorporated into the bill itself, and it was noted that the new utility billing format will come out later this fall. McConnell noted that the press release did not contain the actual percentage of increase, and asked that this be included in the information included with the water bills.

Voetberg reported that the appraisal for the potential Fire Department property was completed today, and that he would like to schedule an executive session on August 27, 2012, at 9:00 A.M., to consider the appraisal and possible purchase prices.

Voetberg reported that the city's ConnectOregonIV grant application is ranked 15 out of 38 that will be forwarded to the legislature, and it looks good for funding. He added that the Port's project is also included in the list to be forwarded to the legislature.

Allen noted that Sawyer had asked for a follow-up regarding what was happening in collecting receivables in areas other than court, and that Marshall had reported that he will incorporate this information into future Finance Department monthly reports. Allen added that if there is something that Council can do, under the code, to help put collections policies into practice, that Marshall should address this. Marshall noted that he will see something over the next three or four months and will elaborate on that.

McConnell noted major changes had been made to the business license and VRD ordinances, and asked that Marshall provide an update at the next meeting on how this is going. Marshall noted that the business licenses are still recorded into two systems. He added that business license revenue is slightly behind, but he is unsure whether all receivables have been booked. He stated that he expects to collect approximately what has been collected over the past few years. McConnell asked whether more businesses are expected to register, and what has been done to get the word to people who should get business and VRD licenses. Marshall noted that more information will be available in a month. Brusselback asked about TRT receipts for July, and Marshall noted that this information will not be available until the end of August.

DISCUSSION ITEMS AND PRESENTATIONS

Senior Center Activity Presentation by Elizabeth Madden. Peggy O'Callaghan introduced Elizabeth Madden who made a PowerPoint presentation regarding the activities and services at the Senior Center. She noted that almost all the activities and services are free. Madden reported that she will finish her internship at the Senior Center next week and graduate from OSU with a degree in health and human services. Voetberg recognized O'Callaghan for doing a great job.

PUBLIC HEARINGS

Legalization of a Portion of NE Big Creek Road. McConnell opened the public hearing at 7:27 P.M. Tokos reported that the issue before Council is consideration of whether it is in the public interest to legalize a portion of NE Big Creek Road within the city limits. He reviewed the key facts and information. He added that the street section is situated between NE 12th Street and a point approximately 330 feet east of the intersection with NE Iler Street, opposite the lower reservoir dam. He noted that once the legalization was initiated; another survey was done, and the engineer's report provided by staff explains that this is the appropriate alignment for this right-of-way. He added that it does not impact property taxes. He recommended Council take public testimony, and provided there is no contravening evidence, find that it is in the public interest to legalize this segment of NE Big Creek Road.

McConnell asked for public comment.

Norm Ferber asked several questions regarding the precision of the legal description, and the timeframe for repairing the road. It was explained that the legalization and repair of the road are unrelated, but that engineering/design of the road repair is underway; that revetment walls will likely be necessary; and the work is planned to be completed this fall.

John Ball reported that his property may potentially need to be cut in. Gross noted that there are no plans to impact any private property. Ball asked what would happen if the land shifts after the revetment walls are installed, and how high the walls will be. Gross stated that he does not know the wall height at this time. Ball asked whether he would be able to see the configuration of the wall in advance of installation, and Gross noted that a neighborhood meeting could be held when the design phase is 90% complete. Ball asked about the large rocks, and Gross noted that the boulders are remaining from the original road construction, and that to remove them from the wetland

might do more damage. He added that he believes the plan will be to clean up the slide area and seed it. Gross reported that part of the design will be an improvement to the ditch line.

McConnell closed the public hearing for Council deliberation at 7:48 P.M. Brusselback asked about the criteria for installing guardrails in this area, and Gross noted that guardrails are a good idea and could be budgeted in a future fiscal year. It was suggested that a pathway be established out of the way of cars. MOTION was made by Roumagoux, seconded by Beemer, that it is in the public interest to legalize the portion of NE Big Creek Road depicted on the preliminary survey prepared by Pariani Land Surveying, dated July 26, 2012, and direct staff to prepare a final order completing the legalization procedure for consideration at a future Council meeting. The motion carried unanimously in a voice vote.

Consideration and Possible Adoption of Resolution No. 3607 Regarding an Increase in the Solid Waste Franchise Fees. McConnell opened the public hearing at 7:51 P.M. Voetberg reported that the issue before Council is consideration of Resolution No. 3607 approving a revised solid waste rate structure that includes a two percent rate increase. Allen noted that Rob Thompson and Ken Riley had previously delivered the rate review report, and at that time, Council passed a motion approving the rate increase. He added that subsequent to that, it became clear that a resolution and public hearing was necessary, and that this is a housekeeping matter based on the discussion and review at the July 2 Council meeting.

McConnell asked for public comment. There was none.

McConnell closed the public hearing for Council deliberation at 7:53 P.M. MOTION was made by Brusselback, seconded by Bertuleit, to adopt Resolution No. 3607, a resolution approving a rate structure for Thompson's Sanitary Service, Inc, for solid waste disposal. The motion carried unanimously in a voice vote.

ACTION ITEMS

Notice of Intent to Purchase Fire Department Apparatus. Paige reported that the Fire Department fleet is aging, and the issue before Council is consideration of the purchase of apparatus to replace aging equipment. He added that Council budgeted \$100,000 for apparatus replacement this year, and, if approved, a bulk of the budgeted money would be spent. He noted that this equipment will ensure a reliable fleet while putting together a long-range plan. He reported that the apparatus would include two used fire engines and a rescue unit for a total negotiated price of \$80,000. MOTION was made by Bertuleit, seconded by Beemer, that staff be authorized to purchase two 1994 Spartan Gladiator H&W fire engines (apparatus numbers 9470 and 9471) for \$35,000 each; and a 2000 Wheeled Coach Ford E-450 rescue vehicle (apparatus number 3209) for \$10,000, from the City of Bellevue, Washington. The motion carried unanimously in a voice vote.

Response to Settlement Offer from the Port of Astoria and Dissolution of the Air Services Consortium. It was reported that there are two issues before Council: the approval of a response to the Port of Astoria letter regarding the city's offer of compromise and settlement; and the dissolution of the Air Services Consortium.

MOTION was made by Allen, seconded by Brusselback, to take no further action against the Port of Astoria regarding the city's offer of settlement and compromise in regard to monies owed the City of Newport by the Port of Astoria from the administration of grants for subsidized air service. The motion carried unanimously in a voice vote.

MOTION was made by Allen, seconded by Beemer, to give the Port of Astoria written notice that the Governance Agreement creating the Air Services Consortium is terminated. The motion carried unanimously in a voice vote.

Consideration of Resolution No. 3611 Transferring Monies from the Room Tax Contingency to Room Tax Other Grant Expenses. It was reported that the issue before Council is the consideration of Resolution No. 3611 transferring \$700,000 from the contingency account in the Room Tax Fund to the City Grants Expenses account in the same fund. It was noted that this money will cover the grants to the Oregon Coast Council of the Arts (\$250,000), Oregon Coast Aquarium \$250,000), and Lincoln County Historical Society (\$200,000). Allen questioned the language in the second "Whereas" in the resolution noted that this was not an unforeseen need during budget preparation. Marshall agreed to amend that portion of the resolution prior to signature. MOTION was made by Beemer, seconded by Roumagoux, to adopt Resolution No. 3611, transferring \$700,000 from the contingency account in the Room Tax Fund to the account, City Grant Expenses, in the Room Tax Fund. The motion carried unanimously in a voice vote.

Consideration of Greater Newport Chamber of Commerce Lease Extension. It was reported that the issue before Council is consideration of an amendment to the business lease with the Greater Newport Chamber of Commerce. Voetberg reported that the Chamber plans to spend approximately \$15,000 to reroof the building, plus additional repairs, and would like to amortize the costs over an additional ten years to June 1, 2028. MOTION was made by Beemer, seconded by Roumagoux, to approve an amendment to the lease of business premises between the City of Newport and the Greater Newport Chamber of Commerce, dated June 1, 1988, to extend the expiration date of the agreement, by ten years, to June 1, 2028. The motion carried unanimously in a voice vote.

Consideration of Non-Profit Funding Review Task Force Recommendations. It was reported that the issue before Council is the consideration of grant recommendations from the Non-Profit Funding Review Task Force. McConnell noted that the Task Force will be requesting a copy of the applicant's audit letter in the future. He added that the Task Force recommended doubling the amount of grant monies to \$20,000 for next year. MOTION was made by Roumagoux, seconded by Brusselback, to approve the non-profit funding recommendations as made by the Non-Profit Funding Review Task Force. The motion carried unanimously in a voice vote.

Consideration of an Award to KEZI Television for a Commercial Campaign. It was reported that the issue before Council is the consideration of a KEZI television commercial campaign, in the amount of \$15,000, as reviewed and recommended by the Destination Newport Committee. MOTION was made by Brusselback, seconded by

Beemer, to approve the television commercial campaign with KEZI Advertising in the amount of \$15,000. The motion carried unanimously in a voice vote.

Consideration of Contract with OregonLive.com Internet Marketing Campaign. It was reported that the issue before Council is the consideration of an internet marketing campaign with OregonLive.Com, in the amount of \$7,500, as reviewed and recommended by the Destination Newport Committee. MOTION was made by Roumagoux, seconded by Brusselback, to approve an internet marketing campaign with OregonLive.Com in the amount of \$7,500. The motion carried unanimously in a voice vote.

Consideration of Extension of Time for the Plastic Bag Community Plan Task Force to Complete Tasks. Allen reported that the Plastic Bag Community Plan Task Force has been meeting diligently, but may need additional time to complete its tasks. MOTION was made by Allen, seconded by Beemer, to extend the time in which the Plastic Bag Community Plan Task Force will be responsible for completing its task from September 4, 2012, to no later than November 5, 2012. The motion carried unanimously in a voice vote.

Intergovernmental Agreement for the Use of Room Tax Funds between the City of Newport, Lincoln County, and the State of Oregon. McConnell reported that in the past, a percentage of room tax revenues from the South Beach State Park recreational vehicle park went back to the park for improvements to recreational use. Voetberg reported that there was an agreement with Lincoln County and the city to provide this funding, but it had expired. He noted that he had met with representatives from the Oregon Parks and Recreation Department and Lincoln County about a new agreement for funding. Voetberg noted that if Council is interested in exploring this matter, the packet contains an IGA drafted by Wayne Belmont, County Counsel. He reported that the draft agreement contains a set amount to be contributed, rather than a percentage, and it also contains some identified projects. Tokos noted that it is not unreasonable to proceed with the IGA, but that he has a certain amount of discomfort, as it seems like a bad precedence to collect TRT and send it back to the state parks. Allen stated that Tokos is right in principle, but that this issue is not just giving back to state, but making sure that projects will be done that are connected to city-related tourism not just state parks. Voetberg reported that the funding would be from the marketing/promotion side of the TRT revenues. It was the consensus of Council to move forward. Allen asked Hawker to check the language of the agreement reached ten years ago along with appropriate City Council minutes.

PUBLIC COMMENT

Marletta Noe reported that she had red flags go up during Rennie Ferris' discussion regarding code enforcement.

COUNCIL REPORTS AND COMMENTS

Beemer reported that he attended the NOAA anniversary celebration.

Bertuleit reported that he attended the Airport Committee meeting, and that people are appreciative of the work being performed by Terry Durham and Lance Vanderbeck. He added that issues are being resolved, and he expects to see great improvements. He expressed concern regarding the availability of infrastructure, obtaining additional courtesy cars, and economic development.

ADJOURNMENT

Having no further business, the meeting adjourned at 8:33 P.M.

Margaret M. Hawker, City Recorder

Mark McConnell, Mayor