

August 5, 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, Sawyer, and Swanson were present.

Staff present was Interim City Manager Smith, City Recorder Hawker, Community Development Director Tokos, Interim Finance Director Gazewood, Fire Chief Paige, Police Chief Miranda, Assistant Finance Director Brown, and Engineering Technician Roman.

PLEDGE OF ALLEGIANCE

Council and the audience participated in the Pledge of Allegiance.

PUBLIC COMMENT

John Davies commended Council for developing standards for creating a safe and enjoyable experience for visitors to Newport. He reported that the Embarcadero has always been a hotel, but that the city is now requiring individual owners, who rent out their units, to obtain a business license, while the Landing, in a similar situation, is only required to obtain one business license. He asked Council to review the policy that specifically targets the Embarcadero.

Sunnetta Ransom, manager of the Embarcadero Unit Owners Association reported that it was concluded that the condominiums and marina would need one business license, and the hotel would need another business license. She noted that she had had several conversations with former Finance Director, David Marshall and former City Manager, Jim Voetberg, regarding the intent of the declarations. She stated that at a February meeting, there was a discussion regarding administrative rules, and Council made a decision based on erroneous information. She requested that the business license ordinance, as it applies to the Embarcadero, be reviewed again.

Dennis Bartoldus, representing the Embarcadero Unit Owners Association reported that the Unit Owners Association was given a letter regarding the need for one license; and told a week later that the city would treat each unit as a separate licensee if they are separately owned. He added that his concern is that the Landing has individually owned condominium units that are rented as a hotel with one license. He noted that there are others in Newport, and that he is not sure whether any of them have had to get individual business licenses for each unit. He asked how many other condominium hotels have applied for individual licenses for each unit owner. He stated that if this requirement is imposed this year; it is important that all others pay the same fees.

Bartoldus reported that the second part of the issue is the unintended consequences imposed on a small business. He added that if the Embarcadero units are treated as vacation rental units; basically the Embarcadero needs to be remodeled, and until that is accomplished, none of the owners can get a vacation rental permit. Bartoldus noted that

some unit owners have applied and all have been denied as there are required common area modifications. He stated that the facility has been a hotel for 35 - 40 years, and should be grandfathered in terms of structural requirements.

Bartoldus reported that he had spoken with Kay Keady, in the Finance Department, who stated that she was unaware of any administrative rules that apply to business licenses.

Bartoldus requested a City Council review of this issue to find a common sense solution that does not prohibit the Embarcadero units from being rented out. Allen noted that the City Council does not have the authority to adopt administrative rules and that it was his recollection that the City Manager adopts administrative rules at the staff level. It was reported that former City Manager Voetberg had sent a letter to Ransom on February 26, 2013 which contained a revised administrative rule. Allen reiterated that the City Manager adopts administrative rules, and in this situation, the City Council affirmed the City Manager's action. Allen noted that he would like to see the referenced letter, and suggested bringing it to Smith's attention who could then bring it to Council for review. Sawyer stated that Voetberg had not mentioned anything about required structural changes. Busby asked what differentiates the Embarcadero from other properties in the city. Tokos reported that this is a situation with individuals owning units. Busby noted that the Landing and others would be in the same situation. Bartoldus asked that the regulations apply equally, adding that it appears to be focused on one entity. Bartoldus reported that people have applied for licenses, but were denied due to required modifications. Allen reiterated that he has never seen a copy of the letter from the former City Manager. Bartoldus stated that he will put together a packet with several letters. Allen asked that Smith bring this information to the City Council. Allen asked whether Voetberg had ever consulted with legal counsel on this issue, and Smith noted that he would review his files to see whether LGLG weighed in on this issue.

Roumagoux introduced Bob Gazewood, the city's Interim Finance Director. Gazewood, who worked for the city as Interim Finance Director from May - October 2007, noted that it was good to be back, and that he was looking forward to working with everyone. He stated that he would like to meet with the full Budget Committee to determine concerns regarding the budget process and other matters.

CONSENT CALENDAR

The consent calendar consisted of the following items:

- A. Approval of City Council minutes from the executive session, work session and regular meeting of July 15, 2013, special meetings of July 18, 2013 and July 26, 2013, and town hall meeting of July 29, 2013;
- B. OLCC Application - Shunk's;
- C. OLCC Application - Panini;
- D. OLCC Application - Ocean Bleu/Gino's;
- E. OLCC Application - Bridges.

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

Roumagoux recognized the city's firefighters who assisted with the fires in southern Oregon. Beemer stated that they did themselves proud.

OFFICER'S REPORTS

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

Roumagoux reported that she received an e-mail from Paul Carlson, of OMSI, reporting that OMSI had issued an RFP for architectural services for the Coastal Discovery Center.

Roumagoux reported that she attended the Pacific Maritime and History Center artist reception.

Roumagoux reported that she joined three other judges for the Meals on Wheels chili cook-off.

Roumagoux reported that she had met with Deb Smith, the new director of the Central Lincoln PUD.

Roumagoux reported that she had been invited to meet the board of the Oregon Cultural Trust at a reception at the Pacific Maritime and History Center.

Roumagoux reported that she attended the Oregon Mayor's Association Conference in Corvallis, and had talked with several mayors; participated in two waterworks tours; and heard Dr. Chris Goldfinger who she would like to invite to an upcoming City Council meeting. Beemer agreed to communicate with Dr. Goldfinger. Roumagoux also visited the Talking Water Gardens, which is an engineered wetland, during the OMA Conference.

Roumagoux reported that she attended a potluck at HMSC to welcome the Sister City visitors.

Roumagoux reported that she had received a letter from Nieuwpoort, Flanders, Belgium inviting the city to participate in a "sistership" of communities named Newport in recognition of Nieuwpoort's 850th anniversary.

City Manager's Report. Smith stated that he would give a full report at the next meeting, but that he is continuing to meet with individuals within the city and community.

Smith reported that he attended Sister City events on Wednesday and Sunday.

DISCUSSION ITEMS AND PRESENTATIONS

Gross introduced Keith Mills, state dam safety engineer for the Oregon Water Resources Department. Mills reported that Big Creek Dams One and Two are high hazard dams which means if they failed, there would likely be fatalities. He stated that his role is to inspect, determine conditions, make recommendations, and work with dam owners in a cooperative way. Mills reported that there are weak soils under the lower dam, and to a smaller extent, under the upper dam. He stated that these dams are on

the highest priority list for learning more about them, and determining what can be done to provide safe dams in the city. Mills added that it is possible to build a safe dam in these locations. He stated that he is looking forward to working with staff and consultants to determine options for the dams. Beemer reported that he has a copy of Chris Goldfinger's latest paper, and that he recalls that the likelihood of a major Cascadia event was higher than 14%. Mills reported that Dr. Goldfinger split his report into two parts, and the southern part has earthquakes at twice the frequency as the northern part. Mills reported that he expects one or both dams to fail in a full Cascadia event, but that a properly designed dam, based in bedrock with no soft foundation under it, has essentially no chance of failure. He added that the upper dam may be retrofitted, but the lower dam will be difficult to retrofit, but both dams need to be evaluated. Mills stated that the lower dam, and a portion of the upper dam, has much softer soils and are weaker than almost every dam he has inspected. Mills stated that the upper dam has the highest risk of failure. Gross reported that the intake is at the lower dam. He also noted that there are a number of houses within the inundation zone of the lower dam. Gross added that if the upper dam failed, it would cause the lower dam to fail. Mills reported that the most likely failure would be a lowering of the crest and slumping of the upper dam causing an overtopping of the lower dam. He noted that HDR believes that the soils would soften, but would not liquefy. Gross reported that the city recently selected an engineer of record for a dam consultant. He added that the city is in contract negotiations with HDR, and that a further analysis of the dam structure will follow. Busby asked why the evaluation criteria in the RFP did not use cost, and Gross reported that it is not legal to use cost, but the cost will be determined in contract negotiations. Mills stated that he is pleased that the city is moving forward as these dams are a high priority for his department.

PUBLIC HEARINGS

Public Hearing and Consideration of Ordinance No. 2056 Amending the Port Facilities Section of the Newport Comprehensive Plan. Roumagoux opened the public hearing at 7:00 P.M. She asked Tokos for the staff report. Tokos reported that the issue before Council is consideration of whether it is in the public interest to rewrite the Port Facilities section of the Public Facilities element of the Newport Comprehensive Plan to align with the Port of Newport's Strategic Business and Capital Improvement Plans, and to establish that it is a city priority to collaborate with the Port in the implementation of this plan. He noted that the Planning Commission had voted unanimously to recommend adoption of the changes.

Roumagoux called for public comment. Don Mann, Port Director, Joann Barton and Oly Olson, Port Commissioners, appeared in support of Ordinance No. 2056. Mann distributed and reviewed a document entitled, Strategic Business and Capital Facilities Plan Process. Mann and Barton responded to Council questions and comments.

Roumagoux closed the public hearing at 7:13 P.M. for Council deliberation. MOTION was made by Allen, seconded by Beemer, to read Ordinance No. 2056, an ordinance that repeals and replaces the Port Facilities section and amends the Public Facilities Goals and Policies section of the Newport Comprehensive Plan, as amended at tonight's meeting with respect to Policy 2, by title only, and place for final adoption. The motion carried unanimously in a voice vote. Hawker read the title of Ordinance No.

2056. Voting aye on the adoption of Ordinance No. 2056 were Allen, Busby, Beemer, Sawyer, Roumagoux, Swanson, and Saelens.

ACTION ITEMS

Consideration and Potential Approval of Fire Implementation Plan. Paige gave a brief history of the process and noted that his recommendation is not the popular recommendation. He asked that after his presentation, the firefighters be allowed to express the reasons for their opposition, and then he will respond. Paige noted that in 2012, the city participated, along with several other Lincoln County Fire Departments in a feasibility study that looked at opportunities for collaborative efforts in providing fire and emergency services. He noted that recommendations included individual department improvements, general collaboration concepts, and considered several strategies for collaboration between fire departments. He reported that "Strategy F" was recommended which is a combination of the Newport Fire Department, Newport Rural Fire Protection District, Depoe Bay Fire District, and North Lincoln Fire and Rescue District. He stated that North Lincoln was not prepared to move forward at this time, but if Newport and Depoe Bay worked together, it might make it more feasible for North Lincoln at a later date. He noted that a Fire Services Collaboration committee was formed and discussed relative issues with stakeholders from the various agencies. Strategy G came out in 2012. He noted that the target date for implementation is January 1, 2014. He reported that a draft Central Coast Fire Authority Implementation Plan was developed, and the organizational chart and duties of the chief officers was further modified, and is now considered part of the Central Coast Fire Authority Implementation Plan.

Paige requested a decision on where the city goes from here. He added that there are a lot of unanswered questions that will not be answered if this plan is not tried. He noted that this is not a forever deal and there are exit strategies built into it. He explained that it is a joining of administrations of each of three departments; leaving responders as is; and working for a better response platform.

Paige invited the firefighters to speak. Allen asked how Paige looked at the role of supervision over the assistant chief in the proposed organization, and how Paige would interact in a personnel matter that got to the assistant chief. Paige noted that it would depend on the severity of discipline. Allen asked who has supervision over the assistant chief and what Paige's role would be, and Paige reported that his role would not change much. Roumagoux asked what capacity Rob Murphy would be in, and Paige reported that Murphy would be performing fire marshal duties and the day-to-day supervision of the captains in Newport. Sawyer noted that there would be two other fire chiefs under Paige, and asked whether that is a problem from Paige's perspective. Paige noted that the structure would be similar to that of Lincom with a board consisting of representatives from various entities, including two from the city, one from Central Coast Fire District, and one from the Depoe Bay Fire Department. Paige noted that his position would be most unclear as he would not only be responsible to the City Manager, but also to a board of directors. Paige added that each person would still be employed by their current employer. He noted that the chiefs have talked, and the proposed positions seem to fit best at this time. He noted that if someone left, the structure would be reevaluated. Sawyer noted that it looks like Murphy and Clawson would step down a

notch. Busby asked about the decision criteria that was used to determine who fit into what position. Paige reported that qualifications were reviewed, and it appeared that Murphy had the most fire prevention experience; Hank Walling had the most training experience; and Derek Clawson had the most EMS experience. He added that this left Josh Williams and Paige to decide who should be the chief.

Paige reported that it is a step down for Murphy, but that he will be in a larger organization. Allen asked whether some duties would continue to be accountable to Paige, and others would go through Williams and then up to Paige. Paige stated that he and the assistant chief would have to work closely together, but that Murphy would be directly accountable to the assistant chief.

Paige reiterated that the firefighters would still be employed by three different organizations. Allen noted that sometimes having a physical presence is important. He asked whether there would be an issue if the assistant fire chief is providing supervision over the captains while he is responsible to someone who is not physically located at the fire station. Allen noted that unintended consequences could be created if this was not handled appropriately. Paige reported that he would view this as one department with three divisions. Allen noted that it would still be three separate jurisdictions.

Sawyer asked Paige whether he had any concern about the span of control for Williams. Roumagoux asked whether the role of the assistant chief is that he would be responsible for all three jurisdictions. Paige reported that the emphasis of the assistant chief's job would be on standardizing SOP's, training programs, and bringing the divisions together, and long range planning involving everyone in the departments.

Beemer suggested hearing from firefighters and then again from Paige. Saelens asked what would happen if the new board was satisfied with the organization, but the City Council or City Manager was not satisfied. Paige noted that Council would select two representatives from its membership, and if they were unhappy with those representatives, Council could replace them. Paige reported that there are pros and cons, and one of the cons is the loss of local control or the loss of local identity.

Justin Wimpress, president of the Newport Volunteer Firefighters Association, and Chris Rampley, from the Newport Fire Department, appeared before Council and reported that the department is running smoothly. It was noted that the entire department respects Paige regardless of its opposition to the proposal. Rampley distributed and reviewed a letter. He noted that he does not see the benefit for the citizens of Newport.

Rampley reported that there are three major concerns: the diversion of resources away from Newport; a new and controversial administrator to run the department; and the impact on the recruitment and retention of volunteers. He added that he sees no benefit to the city, and believes that an independent department serves the city better.

A discussion ensued regarding the fact that there is a mutual aid agreement already in place. Wimpress noted that he is not sure that Newport would want to go the way that Depoe Bay has gone due to leadership. Wimpress noted that leadership is a big problem to the Association. He added that to lose manpower would be disastrous, and that Depoe Bay has to bring people from the valley just to cover shifts.

Rampley stated that Paige has made a lot of good changes; the volunteer corps has grown; and collaborations are good. He added that to combine administrations at this time does not seem to be the answer. He noted that every firefighter is unanimous in opposition to this proposed plan.

Wimpress reported that some purchases can be piggybacked on other contracts; the city already has training in place; and mutual aid agreements are in place. Allen noted that it seems like a lot of collaboration already going on, and the issue is changing the administrative structure which might be beneficial to other departments. Wimpress stated that the proposal is not beneficial for Newport citizens or the Fire Department. He added that other departments would benefit from the proposal, but Newport would not.

Swanson asked Wimpress and Rampley whether they would be more comfortable with the proposal if the other departments were fully staffed. Wimpress reported that Newport would lose a lot of volunteers which would diminish the manpower for the three departments. Rampley reported that this plan does not add any additional staff.

Busby stated that he has not seen savings or a reduction in response time. He added that the most important tool of the Fire Department is its people, and if there is a problem with staff, a second look should occur. He stated that this proposal is not ready.

Beemer stated that people have danced around the problem of leadership. He reported that he has talked with two people who worked previously as shift folks in Depoe Bay, and one said that the reason they left Depoe Bay is due to the way that Josh Williams treats people. He added that he does not see the city getting anything from this proposal. Beemer noted that there was a recent fatal accident in Lincoln City, and Lincoln City called Depoe Bay for mutual aid. He added that Depoe Bay went to Lincoln City to cover the Lincoln City station, and that Depoe Bay tapped out twice to find cover, and no one responded. He stated that Newport sent a truck with four people to Depoe Bay, and that there were still three qualified people at the fire station in Newport. He noted that the city's Fire Department was functioning well.

Allen stated that he highly respects Paige and commended him for what he has done. Allen added that what is important is that he has never seen a unanimous recommendation from both volunteers and paid firefighters, and that this sends a strong message.

Paige stated that it is important to listen to everybody. He added that there was another unanimous opinion between both of the chief officers in the department. Paige expressed respect of the firefighters for their opinions. Paige noted that some questions remain unanswered. He added that there are definite advantages to the city, but they are more futuristic and opportunistic, and could be achieved with a larger organization. Paige stated that the fear that the plan would replace community volunteers with stipend volunteers who commute from the valley is not true. He added that the city would not willingly reduce any staff. He noted that he is looking at the plan as a way to increase resources. Paige agreed that other jurisdictions have more to gain from the plan, but the city is not losing anything. He reported that his biggest fear is that people would be demoralized by a decision to move ahead with this plan. He noted that the most encouraging thing to him is that the firefighters say they are happy with the way things are going, but prefer to stay separate; however if a decision is to move ahead, they will make it work for the department.

Paige stated that he is not recommending the plan for personal reasons. He added that his job is to look down the road and see what will best position the city for the future.

Swanson asked who made the decisions regarding placement in the organizational chart. Paige reported that the chiefs and ESCI staff worked on this together. Swanson commended Paige for having the respect of a group that is united against this plan. She

added that when there is a person that not everyone sees in the best light; it can really pull down an organization.

Sawyer asked whether there had been discussion regarding whether the city would recognize financial savings. Paige reported that there had been some discussion at the outset of the process. He noted that the economic benefit is in cost containment and sharing increases.

Sawyer asked whether the fire rating, for insurance purposes, would change, and Paige responded that it would not change. Allen asked about funding for the volunteer coordinator, and Paige responded that the position was filled at the beginning of the year and is paid for by a SAFER grant.

MOTION was made by Beemer, seconded by Allen, that the formation of the Central Coast Fire Authority is not in the best interest of the City of Newport at this time, and that the Newport Fire Department staff continue to function with a “stand-alone” Fire Department administration and management structure. The motion carried unanimously in a voice vote.

Acceptance of the FEMA Assistance to Firefighters Grant (AFG). Paige reported that the issue before Council is whether to accept a FEMA Assistance to Firefighters Grant to help fund the replacement of obsolete self-contained breathing apparatus for the Fire Department. He noted that the replacement cost of the 28 SCBA air packs and 28 spare air bottles was estimated at \$199,500 at the time of application, and the grant will fund 95% of the cost, or \$189,525. He added that the five percent match, of \$9,975, will be borne by the city along with related costs such as additional face pieces, safety equipment, repair parts, technician training, and purchasing newer equipment to meet the 2013 NFPA standards. He stated that the total cost to the city will be approximately \$35,000 which includes the five percent match. MOTION was made by Swanson, seconded by Beemer, to accept the award to help fund the replacement of the obsolete self-contained breathing apparatus (SCBA) for the Fire Department. The motion carried unanimously in a voice vote.

Consideration of Resolution No. 3643 - Approval of ODOT Fund Exchange Agreement No. 29489. Gross reported that the issue before Council is consideration of Resolution No. 3643 approving the ODOT Fund Exchange Agreement No. 29489 and authorizing the Mayor to sign the agreement. He noted that this is federal monies that is given to state departments of transportation, and that ODOT sets aside a percent of the money and gives it to cities and counties throughout the state. He added that Newport’s share of the 2013 Fiscal Year dollars, through ODOT, is \$125,509, and at the current exchange rate, Newport would receive \$117,978.46 of the state dollars. MOTION was made by Sawyer, seconded by Saelens, to adopt Resolution No. 3643 approving the ODOT Fund Exchange Agreement No. 29489 and authorize the Mayor to sign the agreement. The motion carried unanimously in a voice vote.

Consideration and Potential Approval of a Special Public Works Fund Grant IFA. Gross reported that the issue before Council is the consideration of Resolution No. 3645, approving a Special Public Works Fund Emergency Project Financing Contract through the State of Oregon Infrastructure Financing Agency. He noted that this funding would cover the city’s 25% match for FEMA funding to repair damage caused to Big

Creek Road as a result of severe winter storms that occurred between January 13 - 21, 2011. He reported that the engineering estimate to repair this damage, as determined by FEMA, is \$866,808, and the city's match is \$216,702, which this grant will cover. Allen reported that the city became aware of this opportunity at a luncheon in June. Gross noted that the Iler Street repair may be eligible for a FEMA grant and a match through the Oregon Infrastructure Financing Agency. MOTION was made by Allen, seconded by Sawyer, to adopt Resolution No. 3645 a resolution to approve, and authorize the Mayor to execute, the Special Public Works Fund Emergency Project Financing contract in the amount of \$216,702, as issued by the State of Oregon Infrastructure Financing Authority. The motion carried unanimously in a voice vote.

Approval of Notice of Intent to Award the Roadway Reconstruction Project - NE Big Creek Road. Gross reported that the issue before Council is approval of a Notice of Intent to Award the Roadway Reconstruction Project - NE Big Creek Road to Wildish Standard Paving. It was noted that FEMA will fund 75% of this repair cost and the city is liable for 25%, and the city's match will be funded through a grant from the Oregon Infrastructure Financing Agency. MOTION was made by Beemer, seconded by Busby, that the City of Newport Public Works Department issue a Notice of Intent to Award the Roadway Reconstruction - NE Big Creek Road Project to Wildish Standard Paving in the amount of \$486,500.00, 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 and Potential Approval of Lease Agreement with California Shellfish. Tokos reported that the issue before Council is consideration of whether it is in the public interest for the city to execute a lease with California Shellfish Company, Inc., dba Hallmark Fisheries, over property adjacent to the Fall Street parking lot. He added that the property contains a paved loading area and dock. He noted that the site has been used for fish processing purposes since 1957 and contains a dock, loading area, and security fence. He added that the previous lease with California Shellfish expired in August of 2012, and the company has been operating under a month-to-month tenancy since that time. He stated that the monthly rental rate is \$2,436.10 which is an increase over the \$1,510.49 that is currently being paid. Allen asked whether the lease had undergone a legal review. He recommended a change to the lease agreement in Section 31, on which the first sentence should read: "This lease contains the entire contract between the parties on the subject matter hereof." MOTION was made by Beemer, seconded by Saelens, to authorize the City Manager to execute a lease, as amended, with California Shellfish Company, Inc., for use of the loading and dock space at 459 SW Bay Boulevard, including the sublease of the in-water area identified in Department of State Lands (DSL) lease #ML-10493, because doing so is in the public interest. Further, in leasing the property, the Council finds that it is not needed for public purposes. The motion carried unanimously in a voice vote.

Consideration of Resolution No. 3644 - Supplemental Budget for Fiscal Year 2013/2014. Brown reported that the issue before Council is consideration of Resolution No. 3644 amending the FY 2013/2014 budget to address increased revenue and appropriation changes in the General Fund due to the acceptance of the FEMA

Assistance to Firefighters Grant, and changes in the Capital Projects Fund due to acceptance of the IFA-Big Creed Road Landslide Repairs (FEMA Match) Grant, Project Number L14001. Allen asked what the money would be used for that was originally planned to be used for the roadway. Gross reported that he would like to reallocate those funds for the redesign of SE Bay Boulevard and Moore Drive. Gazewood noted that this money is actually part of the beginning fund balance from the prior year. MOTION was made by Saelens, seconded by Beemer, to adopt Resolution No. 3644, a resolution adopting a supplemental budget and make appropriations for Fiscal Year 2013/2014. The motion carried unanimously in a voice vote.

Consideration of a Recommendation from the Destination Newport Committee for Approval of a Vinyl Wallscape for Advertising Newport in Portland. Smith reported that the issue before Council is the consideration of a building wallscape located at SW 4th and Oak Streets in Portland for the months of February 2014 through June 2014. He added that a proposal was submitted by OnDisplay Advertising, and reviewed and recommended by the Destination Newport Committee. Lorna Davis, Executive Director of the Greater Newport Chamber of Commerce, responded to Council questions. Busby noted that a lot of money is spent on promoting the city to support the tourism industry. He added that fishing and marine research are industries that the city provides very little to. He suggested giving some thought to how money is distributed in the community. Sawyer noted that these monies have to be used for tourism, and that other industries benefit from tourism. Allen noted that transient room taxes are allocated at 54% to general government purposes and 46% to room tax. He suggested that the recreational fishing industry has a tourism component, and if a request was made, tournaments might be supported with these monies. Davis reported that the Chamber of Commerce participates by supporting recreational fishing within the tourism marketing arena. Saelens reported that there are east coast examples of commercial fishing components interacting with the public. MOTION was made by Sawyer, seconded by Beemer, to approve the promotion of Newport by advertising on a billboard (building wallscape) located at SW 4th and Oak Streets in Portland, through a contract with OnDisplay Advertising. The billboard advertising will cost \$9,000 for a four-week period with five four-week periods for a total of \$45,000, plus production/installation cost of \$3,595 for a total cost of \$48,595. The advertising period will begin February 3, 2014 and run through June 22, 2014, and will be charged against the FY2014 budget. The motion carried unanimously in a voice vote.

Consideration and Potential Approval of Intergovernmental Agreement between the City of Newport and the Oregon Department of Aviation. It was reported that the issue before Council is consideration of an intergovernmental agreement between the city and the Oregon Department of Aviation for pavement maintenance work at the Airport. MOTION was made by Allen, seconded by Swanson, to approve the intergovernmental agreement with the Oregon Department of Aviation, and to authorize the City Manager to sign the intergovernmental agreement #29445 Newport Municipal Airport 2013 Statewide Airport Pavement Maintenance Program using non-primary entitlement funds for the local match. The motion carried unanimously in a voice vote.

COUNCIL REPORTS AND COMMENTS

Saelens reported on a recent meeting of the Wayfinding Committee at which the tourism map revisions were discussed.

Saelens reported that he had attended several Mombetsu (Sister City) events last week. He noted that the city had received a Japanese badminton racket, and a shrine from the Girls Festival as gifts.

Busby reported that he had seen two different people taking photos of the "Welcome to Newport" sign.

Sawyer thanked the Confederated Tribes of the Siletz Indians for providing transportation for a Sister City event.

Sawyer stated that he is glad that Gross is back, and that his thoughts and prayers are with the Gross family.

Sawyer requested an excused absence from the August 19, 2013 City Council meetings. MOTION was made by Saelens, seconded by Beemer, to excuse Sawyer from the August 19, 2013 City Council meetings. The motion carried unanimously in a voice vote.

Busby reported that he had attended the welcome potluck for the Mombetsu delegation.

Busby reported that he had attended the special Airport Committee meeting, and there are a lot of issues yet to be resolved, and not everyone is happy. He added that he believes the underlying issues remain.

Busby reported that he will miss a September meeting.

Beemer reported that he attended a recent Port of Newport Commission meeting.

Allen reported that he attended a recent FINE meeting at which the typical issues were discussed, including NNMREC, PMEC, and the baseline work to be performed by the OSU Sentinel.

Allen reported on a recent meeting of the Sub-Group to Develop a City Manager Evaluation Process. He noted that John Baker had attended the last meeting and reviewed various evaluation scenarios and information. Another meeting will be held in August.

Allen reported on a recent meeting of the Audit Committee. He noted that another meeting will be scheduled in the later part of September to review the final field work with the auditors, benchmarks, and other issues, which will be followed by updates to the City Council. He added that the Audit Committee will be taking a proactive role in presentations to the full City Council.

Allen reported on a recent meeting of the Infrastructure Task Force. He listed the members and noted that he had sent the notes that had been transcribed for that meeting. He noted that the Task Force will meet on the first and third Thursdays of each month through December with the plan to have a recommendation to the City Council at the first meeting in January.

Saelens reported that the Senior Center will be hosting a "Take Care of Yourself/Take Care of Your World" event on September 21.

Busby reported that Protiva had a busy weekend with a swim meet and the quilt show.

Allen noted that based on the recent Town Hall meeting, a Port Pedestrian Safety Task Force meeting will be scheduled after Labor Day for an update on the criteria to be used for developing alternate routes.

ADJOURNMENT

Having no further business, the meeting adjourned at 9:15 P.M.

Margaret M. Hawker, City Recorder

Sandra N. Roumagoux, Mayor