

December 21, 2009
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, Brusselback, Kilbride, Obteshka, Patrick, McConnell, and Bertuleit were present.

Staff present was City Manager Voetberg, City Recorder Hawker, City Attorney McCarthy, Community Development Director Tokos, Public Works Director Ritzman, Interim Finance Director Schultz, Parks and Recreation Director Protiva, and Police Chief Miranda.

PROCLAMATIONS AND RECOGNITIONS

Bain read a proclamation of appreciation for Sergeant Ralph Turre who is retiring from the Lincoln County Sheriff's Department.

CONSENT CALENDAR

The consent calendar consisted of the following items:

- A. Approval of minutes from the City Council work session, executive session and regular meeting of December 7, 2009;
- B. Resolution No. 3488 adopting updated System Development Charges;
- C. Claims paid – November 2009;
- D. Fire and Police Department reports for November 2009.

It was noted that the Rotary expense was Ted Smith's dues that are paid pursuant to his employment contract. MOTION was made by Obteshka, seconded by McConnell, to adopt the consent calendar with the amendments to the minutes noted at the noon meeting. The motion carried unanimously in a voice vote.

COUNCILOR'S REPORTS AND COMMENTS

Kilbride reported on the Library Foundation finances. He noted that it is in pretty good financial condition with the bulk of the funds invested with the Oregon Community Foundation.

Bertuleit reported on a recent meeting of the Bicycle/Pedestrian Committee. Issues discussed included signs and maps for the bike trails. He noted that the maps could cost approximately \$1,500, and expressed hope that they could be printed soon.

Bertuleit reported that he attended the South Beach Peninsula transportation charrettes which were very informative and helpful.

Patrick reported that she and Bain had met with Admiral Kennel, and other staff, from NOAA. The group met with the Port and discussed logistics. The NOAA project is moving forward and construction should begin the first week of January.

Patrick reported that she had attended all three nights of the South Beach Peninsula transportation charrettes. She noted that the sessions were well attended, and complimented Tokos on a fantastic job of presentation and noticing. She requested that the final presentation be posted on the city's website. Brusselback asked when the work would occur. Tokos reported that the city is talking with the state and consultants, and refined cost estimates may be available as early as the second meeting in January. He noted that the Urban Renewal Agency can decide whether to shift unappropriated funds into any of these projects. Patrick thanked the Rogue Brewery for donating space and refreshments for the charrettes. McConnell asked to what extent SDC's would be applied to the transportation improvements. Tokos will look into this issue.

Obtshka reported on a recent meeting of the Library Foundation. He noted that there has been an increase in usage since the Driftwood Library has been closed for four months. He noted that the self serve checkout is well used; the painting has been completed, and the flooring should be installed in January; the 2010 Newport Reads program will be launched at the Aquarium; the Library has a new brochure on how to donate to the Foundation; and a recommendation will be forthcoming to fill a vacancy on the Library Board.

Brusselback reported that the Blue Ribbon Task Force met and discussed the charge given by the County Commissioners. The Task Force members will come to the next meeting with a list of potential uses for the property.

Brusselback reported on a recent meeting of the Parks and Recreation Committee. Items discussed included new rates, and the adoption of a spray policy.

Brusselback noted that Lori Hollingsworth will talk about sustainability in early January.

Brusselback reported that he had attended a recent public art committee meeting. He noted that the group is looking at acquisition policies and programs from different cities.

Brusselback spoke about water conservation and particularly savings gained from low flow plumbing fixtures. He asked that Council direct staff to conduct an inventory of all public plumbing facilities, including urinals, toilets, shower heads, etc. Obtshka noted that he would like to see before and after measured results.

McConnell noted that the city needs to fine tune the water conservation plan. Ritzman reported that a meeting on this matter is scheduled during January.

McConnell reported on the recent Air Consortium meeting. He noted that discussion included marketing, with an emphasis on continuing to do more local awareness and marketing in both cities; the survey card update, including the approval of a revised survey card. He reported that e-ticketing is scheduled to be on-line in February, and that SeaPort plans to have an interline ticketing agreement in place by March 15, 2010. SeaPort has hired a consultant to work on e-ticketing and the interline agreement. The annual meeting will be held in January.

OFFICER'S REPORTS

Report of the Mayor. Bain reported that there are vacancies on the Destination Newport Committee, the Bicycle/Pedestrian Committee, Budget Committee, and Library Board. Council requested that the vacancies be listed on the city website and advertised by press release.

Report of the City Manager. It was reported that staff is working through the legal process to obtain access to the property believed to be contributing to Nye Beach drainage problems. Bain noted the possibility of adding a provision to the municipal code to allow the city manager to declare an emergency and enter the property in similar situations. Patrick reported that there are lots of upset people in Nye Beach. Ritzman noted that he is working with a different property owner who may have affected the flooding in Nye Beach.

ACTION ITEMS

Adoption of Parks and Recreation Department business plan. Voetberg distributed a revised resolution, fee schedule, and cover memo. He noted that the fees were proposed by Kilbride and modified by Bertuleit. He reviewed the differences between the two suggestions, noting that the biggest difference between the two is in the cost of the annual pass, where Kilbride has proposed a 25% increase, and Bertuleit has proposed a three percent decrease. Patrick asked whether there would be an annual family pass, and Voetberg reviewed the process of family passes through discounts. Patrick asked whether the annual pass includes the pool, and it was noted that the pool is included, but an annual pool pass does not include the recreation center. It was noted that monthly payments are allowed to be made with annual passes. A discussion ensued regarding the methodology used in establishing fees. It was suggested that the 10-visit pass be valid for only six months. Patrick asked how many times the pool is shut down annually, and Protiva noted that it is approximately 20 – 25 days. McConnell asked how residency is determined, and Protiva reported that the staff asks and does its best to make an accurate determination. Patrick asked about the number of annual closures of the recreation center, and Protiva noted that it is closed approximately four days per year. Obtshka asked how the room rental rates fit with the senior center room rentals, and Protiva noted that he intends to bring the senior center rental rates to the next Council meeting. Bertuleit noted that he would not want to lose any significant recreation center users. Obtshka asked whether a corporate rate had been considered, and Protiva noted that a corporate rate could be a percentage discount approved by Council. Obtshka reported on rates at other facilities. Council took a break from this item for the public hearing scheduled for 7:00 P.M.

Public hearing on special event fee waiver requested by the Newport Chamber of Commerce for the 2010 Seafood and Wine Festival. Bain opened the public hearing at 7:00 P.M. Lorna Davis, executive director of the Greater Newport Chamber of Commerce, appeared on behalf of the fee waiver request. Voetberg suggested that fees waived from the general fund could be reimbursed from the transient room tax fund.

Obteshka disclosed that he is a co-owner of bed and breakfast and could indirectly benefit from the Seafood and Wine Festival. Davis reported that the request is for a reduction of total police service fees, rather than a waiver of the entire amount. Brusselback asked how much money the Chamber makes on this event, and Davis reported that the net is approximately \$115,000, which is approximately one-quarter of the Chamber's operating budget. Davis reported that the Chamber would be funding the extended free shuttle this year, and that Thompson's would be handling the recycling. Davis noted that in addition to the boost to the business economy, the Festival is an opportunity for 19 non-profit organizations to raise money. Obteshka suggested looking into using corn based plates and spoons, as this would reduce waste, and they could be composted offsite. Kilbride reported that the percentage of collection of transient room taxes for February is consistently higher than January, and the difference between the two months is the Seafood and Wine Festival, as most people stay in local lodging establishments. He added that it is reasonable to assume that a fair percentage of this increase is attributable to the Festival, so if it costs fee waivers to create that room tax, it seems worthwhile. There was no public comment. The public hearing was closed at 7:10 P.M.

MOTION was made by Kilbride, seconded by Patrick, to approve the special event permit request for the Greater Newport Chamber of Commerce for its 33rd annual Seafood and Wine Festival to occur on February 26, 27, 28, 2010, as the event complies with special event permit criteria and guidelines. A condition of approval is that the Community Development Department authorizes the temporary signage request, and that signs not be placed to create a hazard to pedestrian or vehicular traffic such as obstructing sight distance or other views. A further condition is that where public or emergency access could be blocked or impeded, event organizers are required to consult with the Fire and Police Departments prior to the event. Kilbride amended, and Patrick seconded that this approval is essentially similar to the request of the Chamber of Commerce for previous years' Seafood and Wine Festivals, and that \$3,654 will be transferred from the transient room tax fund to the general fund. The motion carried unanimously in a voice vote.

Adoption of Parks and Recreation Department business plan. The discussion on this matter continued. Patrick stated that she could support either of the proposed fee schedules. Kilbride noted that he looked at the Newport resident fees and compared them with the non-resident fees, and that the difference is around 25%. He added that Newport resident taxes to the general fund are approximately 24-25% of the total property tax statement, so it seems reasonable that non-residents would pay an additional 25%. Bertuleit noted that the biggest difference is the annual adult pass fees. Kilbride stated that Bertuleit's proposal reduces the 2010 adult annual pass from already low rates. McConnell stated that Council has not discussed whether to release an additional \$100,000 and the subsidy for the remainder of the year. It was suggested that the freeze on the sale of annual passes be released.

Voetberg stated that the key for the staff is the development of a business plan that includes hours of operation and staffing levels. Once Council decides how much subsidy to give to the Parks and Recreation Department, and the fees have been established, staff will know how much money is available to operate on an annual basis. Staff can then

review staffing and hours of operation to accommodate the available funding. He added that \$986,013 is budgeted, and \$100,000 extra was discussed. Schultz noted that there is approximately \$335,000 in the general contingency fund. Council asked how much more than the budget of \$986,013 has been spent. Voetberg reported that the department has overspent, and would be approximately \$225,000 over for the entire year, so adjustments would have to be made quickly. Kilbride stated that he would like to see a motion to hold at \$986,013 for tonight, and ask staff to determine how that level of funding will impact the service level. He added that if the department cannot live with that funding level; staff would need to determine where additional funds can be found in order to get the service level to where it should be. McConnell noted that staff could tell Council what would be done if the other \$100,000 was released. Bain noted that staff will come back with options that Council can select from. Bain noted that if the additional \$100,000 was released now, cuts would still have to be made because service levels cannot be sustained for the remainder of the year. McConnell stated that he would not be prepared to ask for a fee increase if we can not act fiscally responsible for what is already budgeted.

Bain suggested that staff be directed to report to Council on what it would mean in terms of reduced hours, staff, etc., if the budget was adhered to.

Brusselback noted that the resolution does not specifically address the business plan. He noted that the business plan is not a complete document, and should not be considered complete. He added that the plan needs to be refined, as it will not work unless there is an increase in the number of users, which can only be done with a solid marketing plan, and is not described in the business plan.

MOTION was made by McConnell, seconded by Brusselback, to direct staff to submit a business plan to the City Council at the January 19, 2010 meeting, which indicates staffing levels, hours of operation, and services provided that meet available funding from the revised fee schedule, and a subsidy in the amount of \$986,013. The motion carried unanimously in a voice vote.

MOTION was made by Bertuleit, seconded by McConnell, to adopt Resolution No. 3487, as identified in Attachments A., B., and C. non-italicized. The motion and second were amended to reflect that the multiple user discount does not apply to pool passes. The motion carried unanimously in a voice vote.

MOTION was made by Patrick, seconded by McConnell to repeal the freeze on annual pass sales immediately. The motion carried unanimously in a voice vote.

Resolution No. 3486 updating the city's land use permit fees. Tokos reviewed the resolution, noting that three changes have been made. The changes are in Section 2., and include: (Sentence 2 should read) Fee adjustments are to be calculated by multiplying the fee as of November 2013;" (last sentence should read) "The Base CPI Figure will be the index figure for the month of November 2013;" and Section 6. (last sentence should read) "For new fees, the Base CPI Figure will be the indexed figure for the month of November proceeding the date the fee was adopted." MOTION was made by Bertuleit, seconded by Obtshka, to adopt Resolution No. 3486 with amendments phasing in land use fee increases over a four-year period, with the objective being to recover 50% of the direct cost of reviewing and handling applications and to adjust the fees on an annual basis once the phase-in period is completed, to account for inflation. The motion carried unanimously in a voice vote.

PUBLIC COMMENT

Walter Sherman asked for copy of the appraisal form for the city attorney and city manager. Bain noted that the document is confidential as it is personnel matter.

ADJOURNMENT

Having no further business, the meeting adjourned at 7:50 P.M.

Margaret M. Hawker, City Recorder

William D. Bain, Mayor