

January 7, 2013
Noon
Newport, Oregon

MINUTES OF CITY COUNCIL WORK SESSION

Councilors present: Allen, Bertuleit, McConnell, Roumagoux, Sawyer, and Beemer. Brusselback was excused.

Councilors-elect present: Busby and Swanson.

Staff present: Voetberg, Haney, Tokos, Marshall, Jones, and Scofield.

Media present: Dave Morgan with News Lincoln County and Larry Coonrod with Newport News-Times.

Audience present: Mark Saelens.

McConnell called the meeting to order at noon, and roll was taken.

1. McConnell turned the meeting over to Tokos to discuss the procedure for handling the SDC appeal received from Teevin Brothers. Tokos explained that this was a chance to talk about the procedure for handling appeals of SDCs. He noted that this is an appeal filed by Teevin Brothers, the developers of the proposed logging operation. He said that this wasn't the time to delve into the substance of the appeal; that will be discussed on January 22. Tokos wanted to take a moment to talk about SDCs for those that weren't familiar with them. He explained that SDCs are a tool that governments have for generating revenue to capital projects; streets, storm water, water, sewer, and parks. These charges are authorized under state statute for capital projects for improvements to the systems that are beyond what an individual developer or group of homeowners or businesses would be able to tackle. The city has a capital improvement plan. SDCs help chip away at these for large property interests. Jurisdictions can do that if they have the methodology, which Newport does. The city has been collecting SDCs for a number of years; but went through a comprehensive update in 2007. The methodology provides that SDCs have to be applied uniformly.

Tokos said that in the context of the appeal, the Council will be looking to see if this SDC for storm water is at the rate set by resolution and is consistent with the ordinance and state law. He noted that the Council is not in a position of having a lot of discretion. This appeal will be one of the action items on January 22. At the public hearing, it is not required, but Teevin Brothers will be there to present their case. Tokos noted that there will be a memo from the City Attorney in advance of that meeting that sets out sidebars for the Council to follow, which will be under attorney/client privilege for the Council to review but not to share. Busby asked how our charges compared to other cities of this size. Tokos said that in 2007, they were

brought up to about middle of the pack. Beemer had a concern about how to use the privileged information from the attorney without guidance. Tokos said the Councilors will receive a staff memo as well, which is not privileged information. It will be clear what the Council can or can't do. McConnell asked if the appeal was from Teevin Brothers or the Port. Tokos said from Teevin Brothers. The Port has that property under lease, and it is Teevin Brothers who is responsible for paying the SDCs because they are doing the development.

Tokos noted that he didn't put much substance into the material, but there is a difference between small and large systems. We have a storm water system so we can drain the streets, and everybody drives those streets. The city is responsible whether it is a private system or not. He said that the city's methodology is pretty straight-forward for storm water with a fixed rate of \$0.30 per square foot of impervious surface. Charges to Teevin for transportation, water, and sewer have been zeroed out through credits in the ordinance. The credit they would like from the storm water charge was discussed in the methodology and was something that the city could put in place, but the city chose not to.

Allen asked if this was the first appeal under this new methodology. Tokos said it was as far as he knows, and that is why a letter from the City Attorney would be helpful. Allen said that there could be some information from the City Attorney that is confidential; but until he gets a sense of what the attorney is providing, he is having a tough time with information regarding public methodology being privileged. He wondered if the process comes to an end when the Council makes a determination; or if it will move outside the city. Tokos said it could potentially go beyond the City Council to the Port. Allen said that he would assume that if the City Attorney had confidential material, it might pertain to something for further resolution, in which case it would center on litigation. Allen added that he doesn't like keeping information from the public unless it is necessary, so he will be very cognizant of what the City Attorney's memo shows. If it looks like it should be public information, he will stress that. Tokos noted that the request came from the City Attorney. He said that in his memo he could be very clear about what the rationale is for that. Allen said that he would like that. He said that request is meaningless unless there is some substance behind it.

2. Voetberg handed out the City Charter and the Council Rules to the new members. He asked Marshall to introduce the newest City employee. Marshall introduced JJ Scofield, the new HR representative for the City. Marshall explained that JJ had not been chosen as one of the two finalists, but Marshall chose to bring him in as a third to interview, and he was the successful candidate. Everyone welcomed Scofield.

Having no further business, the meeting adjourned at 1:10 P.M.

Wanda Haney, Executive Assistant

Sandra Roumagoux, Mayor